



# ANNUAL REPORT

2019/2020

Senqu  
Municipality

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# CHAPTER 1

MAYOR'S  
FOREWORD &  
EXECUTIVE  
SUMMARY  
2019/2020

# CHAPTER 1

## MAYOR'S FOREWORD & EXECUTIVE SUMMARY

### COMPONENT A: MAYOR'S FOREWORD

It is fair to say that the 2019/2020 financial year has been the most challenging on a global scale. The economic and social impact of the COVID – 19 pandemic at the beginning of 2020 and the lockdown that was instituted 27 March 2020 in South Africa, has forever shaped the manner in which surviving organizations and municipalities within South Africa (and indeed the world), will continue to operate.

Despite occurring within our third financial quarter, the impact of COVID on service delivery has certainly been felt and our ability to effectively meet service delivery targets was dramatically and negatively affected. Notwithstanding the rather serious and huge challenges faced by this municipality, we moved past the initial shock of required change and recognized that the only manner in which to survive would be to engage in different ways in which to meet performance targets and goals.

In order to meet our objectives, alternative work platforms were investigated and successfully utilized. This Annual Report will reflect greatly on these efforts as this will carry us successfully into the future. Much of this involved the utilization of virtual electronic media platforms which included the use of virtual meetings (while making use of platforms such as: Microsoft Teams and / or Zoom applications; teleconference facilities; Office 365 and the like). Use of these platforms has enabled employees to communicate and hold meetings; access emails and access productivity tools remotely. Counsellors', management and staff even utilized these platforms to carry out virtual awareness campaigns that were live streamed on all digital platforms. In addition, the local Radio broadcaster in the area was used. Opinion pieces were placed on the website and adverts were aired through the local radio stations. Every effort was made to “think out the box” and to still engage with all relevant parties and deliver required services and meet political and administrative targets and responsibilities. As a positive spin-off from this, it is to be noted that Senqu Local Municipality did in fact save costs due to the lack of travel, roadshow expenses and the like, that would normally be incurred.

Despite the progress made and acknowledged under difficult circumstances, it must also be noted that many institutional targets were in progress at the time of the COVID - 19 lockdown and many targets could not be met as a direct result of this. The easing of lockdown restrictions in many instances came too late for recovery. That being said it must be noted that while COVID did and continues to present significant challenges, it cannot be used as a standard, ongoing and valid reason for not meeting all service delivery and other targets. It presented and continues to present challenges – but in many instances these could and can continue to be overcome by engaging in alternative



methods of operation and the year that follows will be focused on identifying and implementing appropriate alternatives.

Senqu Local Municipality continues to do us proud, and we are reminded that during the previous financial year Senqu Local Municipality was recognized as having been the only Municipality in the Eastern Cape that was in receipt of a clean audit opinion (receiving a “clean audit with other matters”), from the Auditor General, for the sixth consecutive year. Despite the challenges of the 2019/2020 financial year, Senqu Local Municipality continues to show its strength in financial management and proven financial sustainability. It has historically been ranked year upon year by Ratings Africa as the number one (1) financial performer of local authorities within the Eastern Cape. Despite the ongoing challenges of retaining these accolades and awards, Senqu Municipality has managed to continue to successfully perform and to continue to be recognized as a leading municipality nationally and within the Eastern Cape.

**Currently, Senqu Local Municipality is awaiting the final audit outcome from the Auditor General’s office. COVID – 19 has impacted on the timeframes for receipt of this and staff from the Auditor General’s office are currently working on conducting and finalizing this audit.**

## **1.1 VISION**

Senqu Municipality’s vision:

### **“A unified, people centered, developmental and vibrant Municipality”**

Senqu Municipalities objective continues to be the creation of and sustainability of a “people centred government and a sustainable municipality“. Our efforts and goals remain “community oriented” and ensuring that we improve the quality of life for all who reside within this municipal area.

We will continue to honor this mandate which we hold in the highest esteem. Considerable effort will be made to meet and sustain community needs at all identified levels – as dictated and defined by the constraints of available infrastructure and resources.

As taken from the 2019/2020 IDP, page 143, it is acknowledged that Senqu Municipalities Vision will be achieved by the following mission statements and related action:

- Promoting a culture of good governance,
- Promoting a culture of performance excellence,

- Developing and maintaining appropriate and economically run infrastructure,
- Developing and retaining human capital,
- Implementing a zero-tolerance campaign against corruption,
- Promoting a conducive environment to stimulate economic development,
- Implementing appropriate financial management systems to ensure the continued growth and viability of the Municipality,
- Ensuring regular and scheduled public interaction with communities to enhance accountability and people-centred planning,
- Providing basic service delivery needs to communities in an equitable manner, and
- Encouraging the maintenance of a safe and healthy environment,

Historically we have and continue to face many challenges and limitations in our efforts to meet the strategic objectives of Senqu Municipality. The COVID pandemic has merely added to the list. In dedicating our efforts to meeting these challenges, we are ever conscious of the socio-economic conditions facing our society and every effort continues to be made to ensure that local enterprises and community members are and remain empowered. In this manner the community becomes equipped to contribute towards the growth and sustainability of the community and the environment within which we live.

Aside from COVID, our challenges may be grouped as follows: old and ageing infrastructure, high rates of unemployment, a poor rates base (leading to financial resource challenges), challenges relating to other resources generally (human resources – scarce skills and the like) and extreme weather conditions.

At a strategic level it must be noted that we are directed and guided by the Integrated Development Plan (IDP) which is developed with community input while taking current resources and practical considerations into account. This is a five (5) year plan which guides our operational levels of functioning (aligned to the current term of office). This is revised and updated annually while taking current resources (detailing annual strategic objectives) into account. The strategic goals and priorities are cascaded into the strategic and operational plans of all directorates and related employee scorecards. By ensuring this “cascade approach”, all staff and directorates “feed into the overall objectives and goals of the organization” and in so doing, ensure that all parties remain focused on meeting required targets and objectives.

The Integrated Development Plan (IDP) Priorities for the IDP (2017 – 2022) are revised annually. As required and within this financial year the IDP was adopted 26 March 2020 and the Final IDP adopted by Council on 29 May 2020. The IDP Process Plan was developed and approved at the Council meeting that was held 29 July 2019. Under normal circumstances, the IDP priorities for each period are identified through inputs obtained from public participation initiatives and processes such as Mayoral Outreach initiatives, the Integrated Participatory Planning Forum and the IDP & Budget Steering Committee. This year, the COVID lockdown restrictions have impacted negatively on the

number of meetings held to ensure appropriate levels of participation. In an effort to remedy and rectify the inability to hold all required meetings and participatory events relating to these processes, virtual meetings did and will now replace face - to - face meetings where necessary and other media platforms will be utilized as required, so that required inputs are obtained. By way of example, the municipality could not obtain inputs into the draft IDP/Budget in the traditional manner. As a result, the inputs were obtained jointly via LA and EKHEPHINI FM on 18 May 2020.

The Integrated Development Plan (IDP) Priorities for the IDP (2017 – 2022) are revised annually. Priorities for the 2019/2020 period are reflected as follows:

- a. Service Delivery – solid waste management, electricity losses in Sterkspruit
- b. Access roads (villages)
- c. Access to land – shortage, bulk un-serviced sites, land tenure, invasions, surveying
- d. Local Economic Development
- e. Job Creation
- f. Youth Development and Employment; and
- g. Revenue Enhancement.

## **1.2 IDP PRIORITIES**

The priorities listed have been expanded somewhat and are detailed with inclusions:

### **a. Basic Service Delivery**

The targets for basic Service Delivery are aligned with the Strategic Objectives of the IDP. There is alignment between the IDP, the Service Delivery and Budget Implementation Plans and the Budget – thereby creating service delivery targets that have the potential to be achieved – taking restrictions, challenges and available resources into account. In order to ensure that all targets are addressed operationally throughout the organization, these aligned targets were incorporated within the SDBIP and reflect within individual and institutional scorecards. Targets are specific and also take into account the pre-determined targets. General constraints and general challenges relate to old and ageing infrastructure, lack of resources (especially financial) and geographical factors (leaning at times to the challenge of scarce skills). Despite challenges, planning is for the most part is realistic as it takes these factors into account. As already alluded to, COVID – 19 challenges had a great impact on the inability to meet numerous service delivery targets.

The negatively impacted 2019/2020 financial year shows the following results in terms of service delivery: 5 targets were exceeded; 22 targets were met, and 34

targets were not met or met with a variance. This shows considerable service delivery decline when compared with the preceding year.

Electricity losses during the 2019/2020 financial year are reflected at 16,57 %\* and remain an area of concern. These are issues that will be required to be taken into account moving forward.

Note: All figures are provided as unaudited statistics and require final auditing by the Auditor General's office.

#### **b. Access Roads**

As reflected within the IDP and aligned Budget and SDBIP, priority areas will include roads maintenance (as per the Roads Maintenance Plan). This incorporates planned maintenance, addressing potholes and the paving and construction of access roads – especially access roads to villages. Overall it is noted that roads are in a bad state due to rains and re-gravelling. Notwithstanding, critical areas were identified during the COVID lockdown periods and were added to the list of Wards accommodated within the plan and addressed. This resulted in an over-achievement of targets required to be met and also highlighted the need to increase investment in extending the Road Maintenance Plan that falls within the Municipal scope. Many contingency plans will be required to be put in place in order to manage unforeseen and critical maintenance of Roads.

#### **c. Land Shortages**

The shortage of urban land for development remains one of the most difficult challenges facing our municipality. It is noted that the greater portions of land are either currently privately owned or owned by traditional authorities. There are also many instances of government owned land being illegally occupied. This has had a huge impact on the ability of the municipality to provide the most basic services that require land such as: solid waste, cemeteries and recreational facilities.

Difficulties have been experienced with the lack of land and tenure challenges. The fast expanding Sterkspruit and the development of Barkly East both continue to be regarded as areas of priority. Improvements that were hoped to be coordinated through the establishment of the Senqu Land Development Forum. The target of establishing this forum has been rolled over from the previous financial year and was again not successfully met. This was due to the fact that stakeholders from DRPW were either unavailable to meet and / or confirmation from all departments for the attendees of the forum meetings were not yet received. As a direct consequence, the endorsement of the committee by Council could not be achieved

as this was not established by the end of the financial year. This target is earmarked to receive additional focus in the new financial year.

Notwithstanding and in the interim, the Spatial Development Framework which was originally adopted in March 2017 proposes general policies and guidelines for Land Development within Senqu Municipality – providing structure and basic guidelines.

#### **d. Job Creation**

The EPWP (Expanded Public Works Programmes) involves the running of projects that focus on providing unemployed members of the public with an opportunity to work and improve skills within basic levels of EPWP project functioning.

During the 2019/2020 period an average of 161 jobs were created in this manner.

#### **e. Youth Development**

Numerous projects are traditionally undertaken annually in order to develop and upskill the youth. COVID – 19 impacted rather dramatically on those planned for the current financial year. By way of example it must be noted that the Senqu Youth Council meeting could not be held as planned during Quarter 2 and during the fourth quarter, COVID – 19 restrictions prevented the following events from taking place: The Mayoral Cup; the Cultural Youth Festival; the Local Aids Council meeting; the Senqu Youth Council Meeting; and Youth Month celebrations.

Moving forward it is clear that alternative means are required to be considered in order to minimize the impact of COVID and to ensure that adequate and appropriate resources are made available in order to achieve this.

#### **f. Local Economic Development (LED)**

It is clear that while a certain degree of progress was made all targets were not met and Local Economic Development structures and initiatives remain a prioritized planning area moving forward. While Economic Development Forum meetings were held 30 September 2019 and 26 November 2019, the third quarter meeting was postponed twice - due to lack of availability of the Mayor. The COVID - lockdown impeded this process further. It is clear that alternatives forms of holding meetings that may be more effective and accessible to all stakeholders will be required to be held. Notwithstanding it is worth noting that an awareness campaign was successfully held December 2019.

The Senqu Marketing Strategy is an area that is required to be improved, despite certain targets being met. COVID understandably had a huge negative impact. Many

milestones could not be met for various reasons (including COVID) but also due to the fact that milestones within the Marketing Strategy are not realistically structured and aligned in terms of the organization's resources and capacity. Insufficient budgetary /financial support is a huge consideration. There was also a misunderstanding on how the targets were structured. Moving forward, milestones and targets will be more appropriately structured. It is noted that Tourism Awareness Sessions were held 15 September 2019; the Beeld show was attended; and 3 LTO's were held (8 October 2019, 12 December 2019 and 10 March 2020).

#### **g. Communication and Public Participation**

Efforts are continuously being made in order to "improve communication and to heighten efforts in which opportunities for public participation occur". One forum that is used for this purpose is the IDP Representative and Public Participation Forum. The 2019/2020 period of review was met with a great number of challenges in this regard. Three out of four of the planned meetings were held. Meetings were held 20 August 2019; 2 December 2019 and 3 March 2020. No meetings were held during Quarter 4 as a result of COVID lockdown restrictions and moving forward, varied virtual considerations will be required to be exercised.

In other areas and in an effort to ensure that communication channels remain open, the Mayor and indeed the municipality has used various media platforms in order to ensure that wherever possible the required level of communication occurs. Efforts were made to improve municipal access to the community and by using various communication platforms (municipal website et al), the public were encouraged to use electronic banking for services/ to make payments /purchase electricity and the like, from convenient and more accessible service providers.

As reflected within the IDP, the areas detailed hereunder continue to remain areas of priority. Despite falling outside of the Municipality's designated powers and functions to a large extent, they are critically important:

- Water
- Sanitation
- Electricity; and
- Disaster Management.

### **1.3 KEY POLICY DEVELOPMENTS**

Compliance and the continuous quest for excellence in service delivery requires that policies continue to be reviewed regularly and developed where necessary – always ensuring that the organization remains compliant and that appropriate structures are put

into place and implemented. Application of all said policies and their levels of success are required to be monitored. In any instance where a deficiency is noted, or improvement is required, appropriate remedial action and/or amendment to policy is undertaken.

Unfortunately, during the current financial year policies have not been reviewed / developed, except in the instance of the COVID – 19 Policy and Plan, which was developed as a matter of compliance/necessity and implemented immediately. The annual review of identified policies could not be achieved as a result of Covid-19 lockdown.

All Finance policies \*(budget related) were reviewed and adopted by Council in May 2020.

The 22 by laws promulgated in the prior year \* gazette no 4217 vol 26 and a public notice informing the communities of said by-laws was completed during the month of May 2019 under notice number 65/2019. The planned target for 2019/2020 was not achieved and the 22 by laws were not printed as planned, notwithstanding the fact that a service provider was appointed.

Notwithstanding the failure to review and/or update policies, the following policies as implemented are worthwhile highlighting:

- **Performance Management (Employee and Institutional)**

At the employee level this policy has been reviewed and revised to accommodate the policy for Group 1 (incorporating s56 Directors and managers reporting to Directors down to TASK Level 15. Management of service providers is also incorporated at this level). The policy for Group 2 relates to staff below TASK Level 15 and includes the performance assessment of interns.

It is acknowledged that a roll out to all staff will ultimately occur but currently, this applies at the lowest level only to the middle management level. Details and prescriptions for policy application are contained within the policy itself. The current year accommodates the policy having cascaded to one level below s56, the level of middle management - first implemented during 2016/2017 and currently continuing during 2019/2020 \*(these assessments are planned for early 2021);

- **Service Provider Reporting and Assessment**

Performance management of service providers occurs under strict conditions as per policy. While improvements have been noted in the reporting on service provider reporting, room for improvement remains. Greater effort is required to be applied to the manner in which service providers are managed and the manner in which reporting occurs. The Supply Chain Management (SCM) process flow has improved, and the scheduling of meetings has resulted in improvements in the SCM turnaround time (improvements are required ongoing). It is noted that certain Directorates have indicated their progress in terms of meeting / achieving targets are often hampered



by “red tape” and or slow SCM processes. The negative impact of COVID has also been seen and experienced.

The performance management function of service providers and vendors remains the responsibility of the relevant line managers in terms of their assessment (as part of their day to day operational and management function). While improvements are noted, this is not occurring formally as per policy prescriptions. This in turn may lead to poor service delivery and related audit queries.

Performance management prescriptions are required to be followed, and the necessary levels of consequence management instituted – resulting in the issuing of compliance notices. Disciplinary action must be taken where required. The management and rating of service providers is required to occur in terms of policy.

- **Performance Management of Interns**

In terms of the newly approved Performance Management Policy, the performance of interns is now required to be monitored and reported on formally;

- **mSCOA and OPCAR**

OPCAR and mSCOA projects continue to progress well and this is particularly commendable, as Senqu Municipality represents the mSCOA pilot project for the Eastern Cape.

- **Operation Clean Audit** has been exceptionally well achieved and a Clean Audit was received for the **prior financial year 2018/2019 with other matters**. Maintaining this status ongoing will become a challenge. **Currently, results are awaited for the outcome of the Auditor General’s assessment for 2019/2020.**

- **Review of Functional Structure**

The functional structure review and review of the organogram in particular, has been affected by a recent court case alleging that certain sections of the MSA 7 of 2011 as amended are unconstitutional /ultra-virus. The organogram is no longer approved by Council but by the Municipal Manager (MM). As a direct consequence, the review of the organizational structure will be held over until the Job evaluation (JE) process is completed and an item to support this was presented and approved at a Top Management Meeting.

- **LED (Local Economic Development)**

In an attempt to reduce the high levels of unemployment, the Local Economic Development Plan is currently being implemented in an effort to reduce unemployment and poverty. In this regard the municipality is attempting to activate the rural economy by stimulating the agricultural and tourism sectors. The



participation of Black business within these sectors is being encouraged although recognized that a great deal of additional effort is required within this area;

- **Vision 2030** reflects both a plan and a policy that emphasizes a developmental focus for Senqu Municipality. The organization is required to be a “people centered, vibrant, dynamic municipality”. The strength of this vision is built on five (5) pillars, namely: stimulation of economic growth; access to what is considered to be decent access roads; the positioning of steadfast and reliable governance systems; the creation of an enabling environment for all residents to prosper and the social upliftment of all residents.

The implementation of vision 2030 will ensure that the goals of performance as outlined in the country’s National Development Plan (NDP) will be achieved.

Vision 2030 will ensure that through long-term planning and effective and strategic leadership, Senqu Municipality will focus on and achieve improved living standards for the residents of Senqu Municipality. The emphasis will be on ensuring:

- Sufficient / adequate water and sanitation provision;
- A clean environment;
- Regular waste collection;
- Good housing and urbanization of all towns within the municipal jurisdiction; and
- Excellent education and training (empowering all genders, youth and disadvantaged / vulnerable groups through the elimination of poverty);

## **1.4 KEY SERVICE DELIVERY IMPROVEMENTS**

Challenges regarding old and aging infrastructure continue to be experienced and every effort is made to compensate for this at every level.

Efforts for improvement are required to be focused on the following areas:

### **1.4.1 Roads**

These remain a priority and the challenge is in ensuring the quality and sustainable maintenance of the roads themselves. Certain areas lack roads infrastructure altogether and as always, our efforts focus on obtaining funding to assist with roads infrastructure development – especially in areas where there are no roads altogether (villages and the like). It must be noted that certain targets within Roads and Stormwater have been negatively affected due to community driven strikes and the COVID – 19 lockdown regulations. These factors impacted on the achievement of planned targets. Notwithstanding, a Roads Master Plan and a Roads Maintenance Policy are both in place. Deviations were undoubtedly impacted by COVID as of

lockdown that occurred 27 March 2020. This caused deviations from planned targets during the year under review. At this point only, critical maintenance services were able to be provided and in addition special requests that were made by the Mayor which impacted on resources, cost and achievement of targets overall.

#### **1.4.2      Commercial Property Development**

As per the IDP, Senqu Municipality is one of the key partners of the Joe Gqabi Economic Development Agency (JoGEDA) which is tasked with heading up economic development projects on behalf of the district municipality and the four local municipalities in Joe Gqabi. With respect to Senqu, the Agency has prioritised commercial property development and plastic manufacturing. This is achieved also with partnering with the Senqu Tourism Association and the Small Enterprise Development Agency (SEDA), both of which provide support services to tourism enterprises and other small businesses in the area. Other partners include: JGDM, ECDC, DLGTA, DEDEA and the Department of Agriculture.

#### **1.4.3      Job Creation**

An average of 161 jobs were created during 2019/2020 through LED initiatives including capital projects.

#### **1.4.4      Landfill Challenges**

Progress has been made and the municipality did obtain permission to construct landfill sites in Herschel and Rossouw.

In Barkly East, the landfill site has been upgraded and lined according the minimum requirements of solid waste requirement and as per the NEM WA Act. This occurred during the current financial year.

In Rhodes, the EIA was rejected by the Rate Payers Association of Rhodes, claiming that that there are no Buffer zones and that the site is situated on the river banks. A new site is required to be identified and the application for the EIA is to be completed and submitted for the new site; and

The Rural Waste Storages Facilities (Drop Off Zones) did not materialize due to the lack of budget. Although the confusion regarding the specifications has been corrected, the required budget was not made available and will be required to be addressed during 2020/2021 financial year.

#### **1.4.5**      **Youth Projects**

Despite project planning and targets that were set in this regard, COVID has impacted hugely on all youth projects and processes planned. As a direct result, the Senqu Youth Council meetings were not held during the second and fourth quarters and neither were related planned meetings and activities, such as: “the Mayoral Cup”, the Cultural Youth Festival, the Local Aids Council meetings, the Senqu Youth Council Meeting, Youth Month Celebrations and the like. Moving forward, while it is acknowledged that these events were totally out of our control due to Covid 19 restrictions, it is acknowledged that factors and restrictions such as these need to be taken into account when planning for the future.

#### **1.4.6**      **Sportsfields**

Maintenance of Sportsfields during the current year has proved to be challenging at best due to insufficient budget. Although efforts were underway to obtain approval for the midyear adjustment budget to accommodate need, this was not successful. It is recognized that proper planning and budgeting is to occur - and an analysis of the condition of sportsfields must be made prior to planning of targets to ensure that deviations are to planned targets are circumvented. Deviations to approved planned maintenance plans and SDBIP targets must be formalized. In terms of success it must be noted that notwithstanding challenges, the required sets of poles and nets were successfully purchased for rural sportsfields – albeit that required timeframes were not met. It is acknowledged that greater efforts are to be made in respect of the planning phase in order to ensure that timeframes are more accurately projected and ultimately met.

#### **1.4.7**      **Traffic Services**

Basic traffic functions are well provided overall, and it must be noted that a great increase in traffic fines issued was experienced as compared with the previous financial year - an increase of 409,52%. The Roadworthy Division in Barkly East does not meet compliance criteria and does not have all the required resources to function. It is noted that this testing station / division/ roadworthy system has not been functional for the 3 past financial years \*since 2017/2018. No vehicles have been tested for Roadworthiness during the previous financial year, nor during the current year under review. COVID - 19 has exacerbated the current status; and

#### 1.4.8 Hawkers

Hawkers are encouraged to operate legitimately with assistance provision at every opportunity.

### 1.5 PUBLIC PARTICIPATION

Historically a Public Participation Framework and Plan was developed and adopted. This has been implemented to a large degree although the impact of COVID – 19 and the subsequent lockdown impacted on the manner in which public participation initiatives occurred. It is required to be emphasized that public input into the manner in which municipal strategic objectives are developed (as reflected within the IDP) is critical and a matter of compliance. The same is true for: the manner in which public input occurs regarding open documents (such as the Budget); the manner in which issues regarding service delivery are raised; and the manner in which opportunities are created in which the public are able to be heard. By obtaining inputs within these areas, community needs, and issues are identified and may be addressed through adequate planning and the availability of required resources.

While wherever possible public participation initiatives were undertaken, COVID – 19 had a dramatic impact on the implementation of all aspects of planned public participation initiatives during the latter part of the 2019/2020 financial year.

To this end it is noted that:

- A SPLUMA compliant Spatial Development Framework was finalized and approved by Council during the previous financial year. During the current financial year, the municipality has developed a Local Spatial Development Framework for Sterkspruit which has also been approved by Council. In addition, the municipality has developed a land use scheme as per the requirement of SPLUMA. A draft SDF for Barkly East and Lady Grey were both recently approved by Council (30 June 2019).
- Only 3 out of 4 IDP Representative and Public participation Forum meetings were held as planned. COVID prevented quarter 4's meeting from being held and moving forward alternative platforms will be required to be used so that meetings such as this can be held;
- Ward Committee meetings were not held as planned in all quarters. Variances occurred in quarter 1 although Ward Committee Meetings were held from 8 August 2019 to 16 September 2019. During quarter 3, Wards' 14, 15 and 16 did not sit and during quarter 4, no meetings could take place as result of the COVID lockdown restrictions / regulations on gatherings;
- The Mayoral Budget Speech required that innovative alternatives were undertaken to meet the target as \* Quarter 4 was impacted by COVID. Alternative mechanisms were therefor undertaken to reach the community. The Mayor undertook public participation via the local radio stations and the budget speech was incorporated in said media communication;

- Despite the impact of COVID on public participation in particular it is acknowledged that the Public Participation Forum was constituted, and meetings scheduled for Ward Committee members, Councilors, members of the LED Forum, SPU and government Departments;
- Information sharing, and public participation was improved through the holding of Integrated Public Participation Forum meetings. Alternative mechanisms were undertaken to manage public participation and to enable participation as no meetings could occur during the fourth quarter during Covid 19. Local radio stations were used to reach various stakeholders and members of the community.
- Mayoral Imbizo's and community information sessions were held regularly as planned. Innovative alternatives were undertaken to meet the target in extenuating circumstances \* Quarter 2 - milestone for quarter 2 was achieved all outreach was held in all 17 Wards of the municipality. \*During Quarter 4, alternative mechanisms were undertaken in order to reach the community. The Mayor undertook public participation via the local radio stations;
- Targets relating to internal and external newsletters were not met. \* During quarter 1 - no newsletters published; \* During quarter 2 both internal and external newsletters were developed and published; \* During quarter 3 - 1 internal newsletter was developed in March 2020; and during \* quarter 4 - 1 external newsletter was developed. Efforts to develop and maintain both a Facebook and Twitter page did not materialize/reach required levels of success and will be addressed in the new financial year;
- A Presidential Hotline is manned so as to deal with and resolve issues raised. Targets relating to this were not met as required. During \*Quarter 1, for two months of the quarter, the Presidential Hotline was on 100% and during September 2019 only 1 call was logged and was attended to. During \*quarter 2 reports were submitted. During the month of October, the Presidential Hotline was on 99.06% as 1 call was logged. During \*quarters' 3 and 4 no reports were compiled and submitted on the number of resolved issues from the Presidential Hotline as result of the Covid 19 Lockdown;
- A Customer Care Complaints Register does exist and is required to detail issues raised in order that these may be appropriately addressed. Targets were not met. More specifically, during Quarter 1 (July 2019), complaints regarding Amadwala were raised. The Customer Care Officer visited their offices and they confirmed that the complaints have been responded to and forwarded to the PMU office. There were no complaints lodged during the month of August 2019 and September 2019. During \* quarter 2, reports were submitted. Complaints lodged in quarter 1 and 2 were resolved within the 7 days. During quarter 3 and 4, reports could not be developed as the office at this time was closed as a result of the COVID- 19 National Lockdown; and

Despite our best efforts it is always acknowledged that more can be done. This area remains a particular challenge when recognizing the geographical spread of the communities and recognizing that all media must be utilized in an effort to reach the public. Newspapers, radio, the Community Development Workers and broadcasting media are used in order to improve communication. COVID – 19 has exacerbated these challenges and necessitated new and innovative ways in which to meet required targets.

## **1.6 FUTURE ACTIONS**

Historically, when examining challenges and successes, similar areas remain highlighted as requiring particular focus moving forward. Areas continue to include:

- Public participation initiatives (particularly focusing on new media platforms as per COVID related challenges in particular);
- Minimization of electricity losses;
- Roads maintenance and construction initiatives in order to minimize extensive challenges;
- Sustainable road and bridge development and maintenance;
- Capacitation of both staff, councillors and the community;
- Economic regeneration plans for each town and related implementation in this regard;
- Effective performance management and reporting in the ever quest to improve service delivery;
- Land availability, land tenure changes and allocation of sites;
- Eradicating /minimizing cases of irregular, wasteful and fruitless expenditure;
- Paving of sidewalks and roads in towns (EPWP initiatives);
- The development of recreational facilities;
- The implementation of SPU programmes (especially relating to youth); and
- Updating and adherence to local municipal bylaws regarding buildings, business, land and traffic.

## **1.7 AGREEMENTS /PARTNERSHIPS**

These reflect the formal and semi-formal structures that existed in order to improve all aspects of functioning such as: MUNIMEC, DIMAFU, IGR and the like. These need to be actively pursued moving forward.

Agreements are entered into with the appointed Service Providers who are then evaluated in accordance with the recognized service provider's assessment processes. The JOGEDA (recognized Development Agency) that is used to boost tourism in the area, is effective in ensuring that tourism objectives are prioritized.

Agreements with DSRAC (libraries), Department of Roads and Public Works are examples of other agreements entered into nationally in order to ensure that services are provided effectively.

## **1.8 CONCLUSION**

The 2019/2020 year has been somewhat clouded by the challenges of COVID- 19 and as we see, these challenges are continuing unabated and extending into the 2020/2021 financial year. Service Delivery on every level is challenged and as we are so acutely aware, our responsibility remains to ensure that the people of Senqu Municipality are provided with sustainable services and an acceptable standard of living. Notwithstanding the enormous challenges we have again shown our strength and commitment to our vision and have gone above and beyond – utilizing other media platforms and ensuring that appropriate structures have been set up that allow staff where possible to work remotely when this has been required. Every effort has been made to ensure that community members are assisted with this transitioning and new way of working – providing enabling and supportive structures wherever this is possible.

It is safe to say that we have an unwavering political and administrative support structure and base. Through the dedication and ongoing commitment of all management, staff and politicians, we will ensure that our political mandate and the provisions of the ANC manifesto will be met.

I hereby take this opportunity to expressly thank the Speaker, our Chief Whip, Exco, Council, the Municipal Manager and all staff for their unwavering support at this time. Together we will stand tall and strong and as a community we will continue to strive to work together – creating a sustainable and better life for all!

.....  
**N.P MPOSELWA**  
**MAYOR**



## COMPONENT B: EXECUTIVE SUMMARY

### 1.9. MUNICIPAL MANAGER'S OVERVIEW

The 2019/2020 financial year has certainly arrived with a unique set of challenges – some which could have been predicted and others that have occurred without any warning whatsoever. As the administrative head, it is very tempting to allow the challenges of the current year to be completely overshadowed by the COVID – 19 pandemic as this remains in the forefront of our minds. To do this however, would certainly be an injustice on so many levels and would or could also be seen as an excuse that is not justifiable when performance targets are not met.

To say that we have experienced challenges is an understatement. To say that the COVID pandemic has contributed to these is in many instances correct, but it is not the sole contributing factor and it is imperative that we consider our “positive actions” that have been taken when faced with our challenges, rather than our “inactions” or less positive results. I firmly believe that it is this mindset that will set us apart from other municipalities in the long term and will ensure our sustainability and success in all areas moving forward.

One of the greatest challenges that we face as this municipality, is ensuring that we continue to achieve a clean audit – an accolade and testament of success that we have achieved for the last six consecutive years. These accolades and achievements talk to our financial sustainability and stability overall. We also cannot fail to acknowledge the recognition received from Ratings Afrika, which has acknowledged Senqu Local Municipality as being the second highest scoring municipality within South Africa and as the highest performing municipality within the Eastern Cape. These are certainly achievements of which to be proud and the recognition from Ratings Afrika takes into account the financial stability index and the financial sustainability of the municipality overall. To re-iterate, the current challenge facing us to ensure that we can sustain these acknowledgements in the years to come.

This Annual Report serves to provide us with summaries and insights into the manner in which this municipality has performed during the current financial year. The information provided is yet to be audited externally as the Auditor General is currently busy with the audit itself and the final audit outcome is not yet available. We will acknowledge success where it is due, and we will analyze and determine the appropriate manner in which to deal with challenges as identified. Our vision, goals and objectives remain strong and steadfast. Performance will be examined within the following areas:

#### 1.9.1 Alignment of Service Delivery Priorities

- The performance of the municipality is directed by the strategic objectives as contained within the IDP (Integrated Development Plan). The IDP is developed at the beginning of each term of office for a period of five (5) years (the length of the term of office). This IDP or 5-year strategic plan is reviewed annually, and a set of annual strategic objectives are developed while taking into account community inputs,



national indicators (pre-determined targets), organizational objectives, current infrastructure and related budget. Annual plans and targets represent a realistic set of targets that take into account compliance targets and realistic targets – with alignment to the budget, resources and ultimately with the 5-year IDP.

- The IDP is effectively a “peoples” document that is informed predominantly by inputs obtained via public participation initiatives. Final strategic objectives as reflected within the IDP, reflect not only the needs of the community, but are required to take into account the pre-determined objectives (with emphasis on service delivery) that are required nationally as a matter of compliance, not to mention the competencies required in terms of the Competency Framework (as per the revised Performance Management Framework and System).

In order to ensure that these targets are successfully achieved a Service Delivery and Budget Implementation Plan (SDBIP) for the organization as a whole (reflected within each Directorate) is created and this is aligned to both Budget and IDP.

- The Service Delivery and Budget Implementation Plan (SDBIP) is used as a means to cascade the required targets throughout the organization and these are cascaded down to further levels – at all times showing alignment with the IDP and Budget. In this way, it is ensured that every person/employee at every level, will ultimately contribute towards achieving the high-level targets overall;
- Realistic service delivery targets are created / formulated, and this occurs using what is formally known as the “SMART” principles. Targets are therefore written in such a way that they are considered to be “SMART” i.e., **S**imple; **M**easurable; **A**chievable; **R**ealistic and **T**imebound.
- In identifying and aligning service delivery priorities it must be noted that information was obtained locally for input into the IDP, Budget and SDBIP through the implementation of the Public Participation Framework and Plan, the IDP Process Plan and related initiatives. These include but are not limited to:
  - Council Meetings;
  - Mayoral Meetings;
  - Mayoral Imbizos;
  - MPAC meetings and reports/ auditing; and
  - The Presidential Hotline.

Community participation is key at every level. During this financial year meetings and public participation opportunities certainly became limited during the fourth quarter due to the **COVID pandemic**. Where meetings and opportunities for inputs and feedback were adversely affected, the municipality was forced to engage with other media platforms i.e. virtual meetings; radio; talk shows; printed media; surveys; electronic media platforms and the like. Every effort was made at every level in order to facilitate appropriate, inclusive and participatory action. These aspects will be expanded on further as the annual report examines all areas of service delivery and operation.

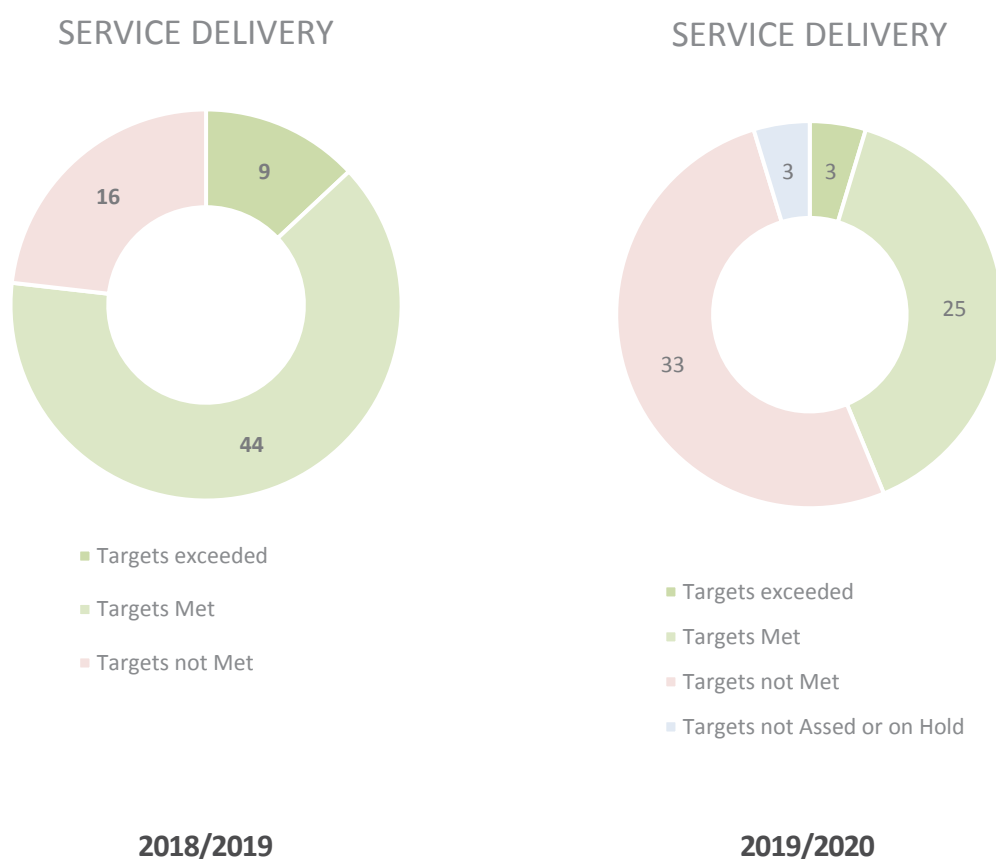
### 1.9.2 Service Delivery Performance

Service Delivery Performance for the 2019/2020 financial year is depicted diagrammatically within this section and comparisons are made between the current year and the preceding year i.e. 2018/2019.

The graphs and tables that follow illustrate the challenges that we now face as we acknowledge and examine the contributing factors that have led to the severe decline in service delivery performance within the last financial year.

#### Service Delivery Targets (Exceeded, Met, Not Met): 2018/2019 as compared with 2019/2020

##### a. Basic Service Delivery



### Service Delivery: 2018/2019 (Previous Financial Year)

KPA 2018/2019	Total Number of KPI's Per KPA Area	Number KPI's Exceeding Target	% KPI 'S Exceeding Target	Number KPI's Meeting Target	% KPI 'S Meeting Target	Number of KPI's Not Achieved	% of KPI's Not Achieved	Number Targets Not Assessed and or on Hold	Percentage Targets on Not Assessed and or on Hold
Service Delivery	69	9	13.04%	44	62.32%	16	23.19%	0	0.00%

### Service Delivery 2019/2020 (Current Financial Year)

KPA 2019/2020	Total Number of KPI's Per KPA Area	Number KPI's Exceeding Target	% KPI 'S Exceeding Target	Number KPI's Meeting Target	% KPI 'S Meeting Target	Number of KPI's Not Achieved	% of KPI's Not Achieved	Number Targets Not Assessed and or on Hold	Percentage Targets on Not Assessed and or on Hold
Service Delivery	64	3	4.69%	25	39.06%	33	51.56%	3	4.69%

In terms of the diagram / table above: KPA's refer to the Key Performance Areas in which Senqu Municipality assesses achievement of performance targets. KPI's refer to the specific Key Performance Indicators or "performance targets" that Senqu Municipality is required to achieve within each Key Performance Area. While understanding and accepting the challenges in terms of old and ageing infrastructure relating to service delivery, it must be noted that service delivery contributes to the highest number of performance targets that are required to be measured organizationally. During 2019/2020 only 10 KPI's i.e. 5.75% of the performance targets **exceeded** required performance; 50.00% **met required performance targets**; and **51.13% as compared with 23, 19% during 2018/2019** of the targets were **not met** and **4.69%** of the targets were **not met / put on hold** during 2019/2020.

A number of factors are considered to have contributed to the drop in service delivery performance. Aside from COVID which certainly impacted within the fourth quarter, consideration must be given to: the manner in which targets have been phrased and the extent to which remedial action has been taken in areas identified for potential issues/shortfalls during the 2018/2019 period – facilitating growth and development for 2019/2020. Alignment issues between the SDBIP and Annual Performance report are also required to be considered and would certainly contribute towards levels of achievement and non-achievement, should non-alignment prevail. As stated in previous years, it cannot be over-emphasized that every effort must be made to ensure that performance targets are appropriately written and are meaningful in terms of what they measure and plan to achieve.

Generally, the following areas are highlighted:

**a. Road Traffic**

Most targets were well achieved. The construction of the DLTC in Sterkspruit remains an issue and this site is required to be re-zoned before appointment of a PSP. In addition, it is to be noted that due to insufficient budget, the roadworthy division in Barkly East does not meet compliance criteria and does not have all the required resources with which to function. This testing station / division for roadworthy of vehicles has not been functional for the past 3 financial years. While COVID - 19 has exacerbated the current status, all other traffic related targets were well achieved.

**b. Roads, bridges and transport infrastructure**

In these areas' performance is highlighted as follows:

- i. **Pothole repairs and maintenance.** These targets were over - achieved, due to critical unplanned maintenance repairs being completed as a result of COVID and the need to access badly maintained areas. As per the Maintenance Plan, 101.78 kilometers of maintenance was achieved, and 7036 potholes fixed. Critical Maintenance contingency plans will be required to be put in place moving forward.
- ii. **Construction of 4 km of Paved Road (Phase 1) in Boysi Nondala** was placed on hold due to litigation issues and SMME issues that were required to be resolved;
- iii. The Construction of 6 kms of access road with 1,5 storm water control (Walaza, Thozama, Bikizana & Magubudela) was achieved as required and a certificate of completion issued 12 December 2019;

**NOTE:**

- In a number of instances targets were not reflected as “met” due to the manner in which targets were worded and at times due to the non-alignment between the SDBIP and IDP;
- In other instances, targets were not met due to COVID and the inability to proceed and/or appoint service providers and/or due to delays in the procurement process;
- In other instances, confusion with boundaries of the Demarcation Board prevented targets from being achieved; and
- Delays in tender specifications in certain instances delayed projects together with COVID challenges.

## MIG and Donor Funding

This period has seen use of MIG funding and reports are now submitted through an MIG - MIS system with MIG and Donor funding contributing extensively towards the upliftment of the community. A Municipal Disaster Relief Grant was received to provide relief to the required needs arising from the COVID 19 pandemic and additional MIG funding received for infrastructure projects.

### **c. Recreation and Community Facilities**

These targets were well met in a number of instances but in many others, budget constraints and in some instances the onset of COVID required that the targets of maintaining halls and recreational facilities be placed on hold.

### **d. Cemeteries and Pauper Burials**

Cemeteries were for the most part exceptionally well maintained. The appointment of a contractor to construct a new cemetery in Barkly East was delayed due to the COVID – 19 pandemic and an appointment is planned to be made during quarter 1 of the 2020-2021 financial year.

### **e. Sportsfield Maintenance**

This is an area that requires attention in as far as maintenance and construction are concerned. In the first two (2) quarters it was realised that there would be insufficient budget to perform all repairs that were planned for the financial year under review and a budget increase was requested during the budget adjustment period\* February 2020. This was however not approved/not granted and affected the completion of the overall Maintenance Plan. Attention is required to address deficiencies, both in terms of the maintenance plan and in terms of appointing suppliers who are adequately resourced. Vandalism and the availability of adequate resources has also impacted negatively within this area during this period. In other instances, the purchase of nets and poles for rural stadium areas was achieved.

### **f. Libraries**

Library services are well provided within the first two quarters and the Service Level Agreement was signed by the Municipal Manager and was sent to DSRAC on 18 June 2019. In accordance with this it must be noted that while services were provided for and reported on in quarters 1 and 2, this was not the case in the last two quarters where services did not operate efficiently (library services did not operate following lockdown) or at all, due to the COVID lockdown.

**g. Parks and Public Open Spaces**

Monthly reports on the maintenance of the parks was done and submitted to the standing committee and the same is true for public open spaces (Lady Grey, Barkly East, Sterkspruit & Rhodes).

**h. Commonages and Animal Licensing**

Three out of four stock registers were updated as required although the stock register for quarter 4 could not be completed as the stock counting had to occur with owners of stock present, and COVID restrictions prevented this. Two out of four Awareness Campaigns for overgrazing were conducted. - In quarter 1 - \*1 Awareness Campaign conducted on 11 September 2019 and in quarter 2 \* 1 Awareness Campaign conducted on 16 October 2019. The restrictions on public gatherings during the COVID – 19 period prevented the final two campaigns from taking place. The completion of the animal pound in Lady Grey was well achieved and was completed 3 months ahead of planned date due to additional resources that were available on site. These assisted in accelerating the project completion.

**i. Waste Management**

The waste management function has overall been well achieved and targets have been exceeded in respect of waste removal specifically. Regular reporting regarding the removal of waste in all six towns was compiled and submitted.

Targets of solid waste removal in rural towns were exceeded by 345,09 tons. During Quarter 1: 125,87 more tonnage was collected than the planned target - as result of cleaning campaigns conducted and, the Greenest Municipality Competition, resulting in extra areas of collection. During \*Quarter 2: 100,77 additional tons were collected – as a result of an increase in the generation of waste during the festive season \*influx of waste generation. During \*Quarter 3, 102 of tons of waste was collected as there was an increase in collection in additional areas of Mokhesi Village and part of Tien bank, and New Rest. During \* Quarter 4 16,45 tons more than the planned target of waste was removed.

The target of solid waste removal in towns was exceeded by 1128,93 tons. Total of 7946,86 tons of waste was collected in Towns. During Quarter 1: 203,57 more tonnage of waste was collected than the planned target. During Quarter 2, 540,75 \*Over the festive season there was an influx of business waste. Chain stores /retailers were generating lot of waste, as a result their collection schedule was increased to 3 times a week. During Quarter 3, 1959,61tons was collected and during quarter 4, 1835,46 additional tons were collected as compared with those planned.

While waste awareness campaigns were conducted within schools it is acknowledged that the required number were not held – in part due to COVID restrictions but also due to the failure to plan and secure appropriate dates that failed to clash with school timetables. Waste awareness and cleaning campaigns were conducted in budgeted wards. Notwithstanding a great deal of success in this regard, not all campaigns were conducted and COVID prevented certain of these from taking place.

The construction and completion of the solid waste site in Herschel was not fully achieved. COVID – 19 impacted on this. In addition, the project had not been advertised, nor had the contractor been appointed. It is to be noted that Herschel was categorised as a Class D waste site \*dealing with only general waste. Notwithstanding, it was acknowledged that various types of waste would be disposed at the said site and this prompted the application of the license to be changed from Class D to Class B. Financial implications as a result of this could not be adjusted and budgeted for in terms of the current year.

The construction and completion of the Rossouw solid waste site was not completed as a contractor was not appointed and the COVID 19 epidemic restricted movement of bidders and municipal readiness.

Progress on the Lady Grey site could not be completed due to litigation issues that needed to be resolved.

The application for the EIA in Rhodes was not approved and the initial EIA was rejected as the identified land was within the buffer zone \* i.e. within 500m of a settlement. A new site had to be identified and required a further EIA which carried with it additional financial implications – not budgeted for.

The completion of the Barkly East solid waste site was met, and the practical completion certificate was issued on the 9th of December 2019.

The application for the EIA and appointment of the contractor in Sterkspruit was not achieved as planned. The initial preferred site was rejected and not deemed suitable due to a housing development adjacent to the site. A second site was chosen, and the target milestones were reviewed mid-year. The delays are further exacerbated by the COVID 19 pandemic and subsequent lockdown, and the construction industry closed including DWS & DEDEAT

Additional recycling co-ops existed within the municipality, which were supposed to claim all the recyclable material which ended up in landfill sites, minimising the air space in our landfill sites. During the COVID - 19 period the recycling co-ops were placed under the instruction/direction of DEFF and were required to stop working



as they were COVID compliant. It must be noted that \* no PPE was available and it was not safe for them to operate.

**j. Free Basic Service Delivery**

These targets have in most instances been exceeded – especially in respect of the reporting on indigents that receive free basic electricity and access to alternative energy. Reporting on refuse removal for indigents is required to receive additional focus in order to achieve accurate statistics;

**k. Electricity and Street Lighting**

A number of challenges were experienced in respect of this. Variances in respect of electrification were attributed to a large extent by failure to appoint the Contractor by Quarter 2 and 303 households were not electrified in rural areas as a direct result. The delays were exacerbated by the Corona Virus pandemic. The tender was also not advertised on the CIDB website and as a result the Adjudication Committee withdrew the tender.

In terms of the installation of new Pre-Paid Meters throughout the Municipality, it must be noted that targets were met regarding installations although targets were not met in terms of the number of meters having been replaced.

While many targets were not met, it must be noted that Street lights were repaired/replaced, and transformers were sent for refurbishment.

**l. EPWP Projects (Expanded Public Works Programmes)**

These projects are designed and created in order to facilitate job creation and thus the capacitation of unemployed persons, by utilizing their skills/labour within service delivery projects. “**Job Creation**” is now termed “**EPWP**” and EPWP projects are currently run within the following departments: Street Cleaning; Pothole repair, Waste Management, Refuse Removal and Grass Cutting.

**Expanded Public Works Programmes** are required to be informed by the need to meet specific projects and to assist with the achievement of service delivery objectives and targets. Challenges continue to be experienced with processes involving the manner in which these are staffed and the manner in which statistics are maintained and reported. In order to resolve these challenges (and related others), it is suggested that an EPWP Policy be implemented in a manner that allows for the recruitment of EPWP workers by the Corporate Services Directorate – following modified but standard recruitment and selection practices for limited duration contracts such as those applicable to EPWP contracts;

**m. The SPLUMA bylaws** were adopted by Council and promulgated in the government gazette on 13 June 2016. Local SDF for Lady Grey was approved by Council 30 June



2019. The service provider was appointed on 4 November 2019, and 1st draft SDF complete by 30 June 2020;

Establishment of a Senqu Land Development Forum was not achieved as Stakeholders from DRPW were either unavailable and or confirmation from all departments for the attendees of the forum meetings were not timeously received; and

The Service provider was appointed 17 December 2019 in order to develop the Housing Development Plan. The first draft of the Housing Development Plan (HSP) is now complete.

**n. Staff Development**

While the organization continues to regard staff development as critical, it is acknowledged that training constraints are impacted by financial resources; the availability of service providers and processes relating to procurement. This is required to be factored into the overall Workplace Skills Plan and a more realistic plan created to suit challenges such as these. This year in particular has been impacted by COVID-19. Despite the severe setbacks that this created, training has occurred although the targets were not achieved as planned.

**o. Staffing**

This area of functioning remains a challenge and a concern – especially at the senior levels. It has long been recognized that continuity of functioning and retention of desired skills is necessary in order to keep the municipality functioning at an optimum level. Appointment of the right calibre of staff critical if the operational and financial health of the organization is to be secured. The impact of a poor appointment and failing to ensure continuity and the development of appropriate skills basis will lead to the downfall of the organization and must be taken into account and treated seriously.

**p. Performance Management**

The Performance Management Policy was not able to be reviewed but is confirmed to be current and aligned with the Competency Framework – meeting all aspects of compliance. The policy has been divided into Group 1 (applicable to the Municipal Manager, s56 Directors and identified middle management from Task 15 and above) and service providers and Group 2 (being applicable to all staff not deemed to be middle management from TASK Level 14 and below - inclusive of interns).

Improvements in its practical application in the workplace have also been noted and have been incorporated into the policy and Performance Management process overall. In addition, it must be noted that during this period this policy was rolled out to the level of middle management and a level below. As part of the review, all

proposed changes to phase in the roll out of implementation to lower levels (below the middle management level) were incorporated into this policy. Additional rollouts are scheduled for future years. All changes are required to be considered by Management and the Local Labor Forum and finally approved, adopted and implemented as detailed;

- q. **Levels of compliance with mSCOA.** Compliance in this regard is progressing well overall. It is particularly commendable that Senqu Municipality was chosen to represent the mSCOA pilot project for the Eastern Cape;
- r. Senqu Municipality's **Strategic Budgeting Model** has proved to be extremely successful and it must be noted that as a result of the accolades received Senqu Municipality's model is being used as the national standard;
- s. **Operation Clean Audit** continues and will constantly remain an ongoing focus for achievement;
- t. **Irregular, unauthorized and wasteful expenditure**  
Regular reporting occurs monthly regarding any instance of unauthorised, irregular, fruitless and/or wasteful expenditure and any minor breaches are detailed. Irregular expenditure increased during the 2019/2020 financial year. This occurred due to deviations from supply chain management regulations and non-compliance with the BBBEE Act. Management has subsequently identified that an award was made to a contractor that was not in compliance with the BBBEE Act. The amount reflected as irregular expenditure represents the expenditure paid to date. This has resulted in the figure for irregular expenditure increasing during the 2019/2020 financial year.

The Fruitless and Wasteful expenditure for the year may be attributed to overdue Roadworthy Certificates and licenses. The Council has referred the amounts disclosed above to MPAC for investigation.

- u. **Policy Updates**  
Not all policies have been successfully reviewed and or updated. Those that were planned have not been completed and the only policy and procedure developed for this period was the COVID – 19 Policy and Procedure. others prioritized due to financial constraints. The municipality has documented and approved internal policies and procedures to address planning, implementation, monitoring and reporting processes and events pertaining to performance management and financial reporting; and
- v. The record management of the municipality has been found to have been satisfactorily implemented in terms of its policies and procedures.

### **1.9.3      Financial Health**

Senqu Municipality must be commended for its ability to show financial sustainability and financial health overall. For the past six (6) years in succession Senqu Municipality has received a clean audit report from the Auditor General and is also historically ranked by Ratings Africa as the best performing municipality within the Eastern Cape and second best nationally (in terms of financial sustainability indexes). Maintaining these awards of recognition will prove to be the greatest challenge. Currently we await the Auditor General's final report regarding its audit on Senqu Municipality and the Annual Financial Statements for 2019/2020.

Historically, having displayed excellent financial management and investment practices, it must be noted that the municipality is currently experiencing an extremely favorable cash flow and finds itself in a position to meet its long- and short-term commitments in a timely manner. A positive cash flow is enjoyed for the short term, and there is greater control over revenue (which has increased due to additional farmland having been added). Other revenue also increased as in the case of: fines, penalties and forfeits, licenses and permits and Agency services.

An increase in the Provision for Debt Impairment has occurred. Greater control exists in order to prevent under expenditure of budget and improved controls have been put in place overall. Regular financial reporting occurs in terms of compliance and operational reporting.

Efforts and plans to provide indigents with free alternative energy sources is continuing. It has been acknowledged that while this has been occurring, it has not been entirely successful. Solar power continues to be considered more often and Eskom's national rebates have encouraged members of the community to utilize solar energy. Efforts continue unabated to improve the processes involved in the registration of free basic service delivery (FBS) within the community.

### **1.9.5      Administrative Policies**

Policies were not formally developed and/or reviewed within the current financial year other than the development of the COVID Policy and Plan. Notwithstanding policies are up to date and will be reviewed moving forward. Staff continue to receive the necessary training and correspondence required in order to ensure that legislative prescripts are met and to ensure that all parties have a good understanding of what is required of them in order to remain compliant.

In this manner, staff are effectively managed, Human Resources Management principles are effectively applied and day to day operations are successfully executed and performance optimized at every level.

### 1.9.6 Management of Performance

In respect of managing and ensuring that employee performance occurs in the manner required, the Performance Management System Framework has been developed and refined since its inception in keeping with the prescriptions of the Municipal Systems Act (MSA), 2000, which requires that municipalities establish performance management systems that are “commensurate with their resources, and best suited to their circumstances”.

In developing and refining the current Performance Management Framework and related Performance Management System since its inception and over the past few years, due cognizance has been taken of the MSA, the Municipal Finance Management Act (MFMA) and Regulation 7(1) of the Local Government: Municipal Planning & Performance Management Regulations, 2001 and 2006. The current policy was reviewed and approved by Council in the council meeting of 26 October 2018.

One of the greatest amendments to the PMS Policy and Framework in its current draft is the fact that the policy has been split from one (1) into (2) policies. This was necessitated due to the fact that the performance management principles and practices for staff on the second level / policy are very different to the prescripts governing the Municipal Manager, the s56 Directors and the Middle Managers (found in policy 1). While staff at higher levels are impacted directly in respect of the reporting institutionally and in terms of PMS reporting, staff at lower levels have extremely operational and behavioral targets against which they are to be measured.

While performance management principles remain similar between the two aspects of the policy, differences relate to the manner in which performance rewards are recognized. The second policy also includes the performance assessment of interns - ensuring that the work experience gained is meaningful, that appropriate coaching takes place and that performance of interns is reported on appropriately and in the correct format. No monetary award or bonus is attached to the performance assessment results of interns.

It must be noted that the necessary groundwork and training has occurred in order to ensure that the system can be formally cascaded to the next level of staff i.e. staff from TASK levels 14 - 12 – to be fully implemented as from the 2019/2020 financial year period. 18 posts from TASK levels 14 to 12 were identified for this level of application.

An overall concern remains regarding the practice of performance management generally. This relates to the apathy with which performance reporting occurs generally. It is clear that certain Directors, Managers’ and reporting staff do not take performance reporting seriously and appear only to regard this as a matter of compliance. This is a short-sighted practice in the extreme. In reality “performance management” should encompass a day to day work ethic and formal responsibility as senior and line managers. It therefor represents a critical management function – which is mandatory to the process of “managing staff”.

It is acknowledged that the entire process of performance management will always be an issue as long as it is related to any form of reward. However, all that is required is to ensure compliance with policy prescriptions, to take the process of performance management seriously and to recognize that performance will remain a challenge until it becomes part of day to day management. It is a simple but effective management tool that benefits the employee and institution alike – providing that it is effectively applied.

Institutional performance is measured regularly and it is ensured that all efforts are geared towards engaging in remedial action when organizational performance targets are not achieved. Institutional reporting occurs in terms of the SDBIP's, s71 reports, s72 Performance Reports, Audit Reports, MPAC Reports, management and departmental meetings and related reports. All of these reports tie back to the IDP's strategic objectives and the concept and legitimized notion (through compliance reporting), that performance is required to be managed at every level. Accordingly, each line manager takes appropriate action to ensure that required performance targets are achieved. Where necessary, appropriate action is taken, and this may be in the form of disciplinary action or acknowledging the performance of staff members – as reflected on personal files.

#### **1.9.7 Conclusion**

Following an unprecedented year that culminated in the COVID – 19 pandemic, I can but reflect on progress made under exceptionally challenging circumstances. We have entered into a new way of working” on so many levels and yet our objectives remain the same (aligned annually). This year despite the drop in many of our service delivery results as a result of these new challenges, many managers have successfully been able to engage in creative and innovative ways in which to successfully manage these challenges – relying heavily on IT structures and services and other multi-media platforms. We remain committed to maintaining the required standards of service delivery on every level while doing all that we can to educate and enforce a culture within the institution and the community that is focused on adhering to compliant ways in which to remain physically safe and healthy during the COVID times. The well-being of Councillors, management, staff and the community remains of paramount importance.

I must congratulate the Mayor, Exco, Councillors and staff alike. We have pulled together as one team with a common focus.

Senqu Municipality's success bares testimony to the manner in which both the administrative and political arms have managed to work together and with the community at large. Our success will continue to depend on these sound practices.

We look forward to another successful year albeit a different one – a year that involves change on every level – ensuring that we are equipped to handle the challenges dictated by this pandemic. We cannot allow ourselves to be lulled into any false sense of security and the year ahead will involve strategic planning initiatives that are successfully

implemented, so that we are able to stay ahead of these challenges. Teamwork and commitment is the key.

We will continue as always and unabated, to strive to excel and to continue to meet the needs of the community, so that a better quality of life may be experienced by all.

A handwritten signature in black ink, appearing to read 'M M YAWA', is positioned above a horizontal line of small, evenly spaced dots.

**M M YAWA**  
**MUNICIPAL MANAGER**

## **1.10 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW**

### **1.10.1 Introduction to Background Data**

The geographical area and aspects defining the Senqu Municipal context within which it exists, together with demographics relating to the population itself will be examined. This information is captured further within Senqu Municipalities Integrated Development Plan (IDP) that is updated annually. In this manner, insight into the challenges and situations faced by Senqu Municipality will be obtained and must be considered when determining context at any and every level.

### **1.10.2 Geographical Context and Overview of the Municipality**

Historically it must be noted that Senqu Municipality was established following the amalgamation of the following Local Authorities and towns:

- Lady Grey (including Transwilger and Kwezi Naledi);
- Barkly East (including Nkululeko, Fairview and Lulama Hlanjwa);
- Sterkspruit;
- Rhodes (including Zakhile), Rossouw; and
- Portion of Wodehouse (Dordrecht) and Indwe.

The Senqu area also covers commercial farms and villages of the former magisterial districts of Barkly East, Rhodes, Herschel, Lady Grey and Sterkspruit and portions of Wodehouse (Dordrecht) and Indwe.

The map which follows clearly indicates the boundaries relating to the Senqu Municipal district and provides an appropriate pictorial context and frame of reference for further discussion.





- Senqu Municipality is the largest Municipality in the Joe Gqabi District Municipality and spans an area of 6 772km squared.
- It borders the Eastern Cape Province and Lesotho.
- It is characterized by mountains and beautiful rivers. There are many game-fishing opportunities and both agriculture and the potential for tourism are considered to be critical economic factors to nurture for growth.
- Elundini and Sakhisizwe Municipalities are to the south of Senqu Municipality and in the west is Maletswai Municipality. To the north is the border between the Eastern Cape Province and the Free State Province. The R58 and R392 are the key transport routes through this Municipality. These then link to the N6 at Aliwal North.
- The municipality has three urban nodes viz. Barkly East, Sterkspruit and Lady Grey with Sterkspruit displaying the highest population growth rate.
- The remaining areas of the municipality are characterized by small villages and communal and commercial farming land.

In examining the background detail, due cognizance must be taken of the efforts made by Senqu Municipality to satisfy basic service delivery requirements, while facing the many social and economic challenges.

### **1.10.3 Demographic Overview: Senqu Municipality (2017/2022 IDP)**

- Senqu Municipality consist of 3 main towns i.e. Lady Grey, Barkly East and Sterkspruit;
- The dominant home languages are Isi Xhosa, isiHlubi, seSotho, Afrikaans and



English. A larger part of isiHlubi speakers can be found living within the Sterkspruit area;

- According to the 2001 Census, **86% of households are rural** in nature. This dynamic is shifting with the phenomenon of urban migration – particularly around the town of Sterkspruit (SDF 2016). In essence, people appear to be moving to live in villages which are expanding towards the urban centre of Sterkspruit. The previous practice of a rural countryside with scattered homesteads is disappearing and is now being replaced by many villages that are growing towards each other -- creating rural urbanization;
- There appears to be an **“out migration” of people both out of the rural areas and to the urban areas and from JGDM to other districts**. An inward migration from Lesotho to Mt Fletcher and Sterkspruit is also being experienced (Joe Gqabi WSDP 2010);
- **Population density:** As per the IDP 2017/2021 Senqu Municipality in 2016 has a higher population density than Joe Gqabi district at 19.3 people per square kilometre compared to 14.5 people per square kilometre. This is an increase from 2006 of 18.71 which is an annual growth rate of 0.33%. This was the lowest average annual growth rate in the District Municipality. This average is however less than the Eastern Cape Province of 41.5 per square kilometre (Ecsecc,2017:70-71). The majority of the population still reside in rural areas as opposed to urban area. This includes rural villages and farm households;
- **Average unemployment rate of those actively looking for employment**  
As reflected within the IDP 2017/2022 and based on the official definition, more than one third (30.34%) of the economically active group within Senqu is unemployed while the district average is 23.54%. If one includes those not actively seeking for work, unemployment in Senqu is as high as 65% compared to 54% and 48% for the District and Eastern Cape respectively;
- **Literacy levels:** As reflected within the IDP 2017/20122 only 58.66% of the adult population can read and write as compared to the provincial level of 66.7% and the national average of 73.62%;
- **Skills Challenge:** It is noted that the majority of the adult population (32.21%) are unskilled and there is a major shortage of technical skills (currently reflected at only 0.19%). Notwithstanding, it is to be noted that Senqu has a relatively high proportion of professionally skilled persons (23.46%);
- **Income:**
  - 50.25% of the households earn no income at all.
  - 21.39% of households earn between R1 and R1600 per month; and

- Almost two thirds of Senqu households are indigent. More than a quarter of the households (6 134) earn R400 or less per month.

**NOTE:** This reflects Senqu's low economic base, which negatively affects investor confidence, their investments and has serious negative repercussions for the economy and the municipality overall. Fewer people are able to sustain their livelihoods and afford to live and pay for services.

- While Senqu has experienced **positive economic growth** between 2000 and 2010, the economy has been unable to create meaningful benefits for the poor. The **poverty rate** is 62.93% (much higher than the provincial average of 53.61%);
- The municipality has a **very high youthful population** which requires **a high need for employment, secondary and tertiary education** in the region. Tertiary opportunities are offered outside the region. As summarized, Senqu Municipality experiences a youthful population with low skills levels and high unemployment. The majority of the population live in rural villages and rely on social grants. There is high migration to the more urban areas inside and outside the municipality for employment and educational opportunities. The high "out migration" to areas outside the municipality has an **annual season** with persons returning for Easter and Christmas holidays. Persons also tend to return to the traditional areas when they are faced with illnesses that require high caring from relatives;
- **The traditional employment opportunities in agriculture and the commercial sector for low skilled workers do not appeal to the better educated youth;**
- Senqu is a poor area with:
  - High levels of service backlogs;
  - Poverty;
  - Unemployment;
  - A very small tax base to pay for services;
  - Limited skills base; and
  - Reliance on public sector employment.

**NOTE:** The Municipality disputes the accuracy of the figures relating to the population. Due to the scattered and mountainous terrain of the municipality, the rural population was not adequately accounted for in the census.

- **Population Figures & Gender and Race**

As per the statistics reflected within the IDP of 2017/2022 the following figures and statistics are additionally noted:

- The male/female split in population was 88.1:100 (Male: Female) in 2016. The Municipality effectively has more females (53.17%) than males due to the high "out migration" of males looking for work due to historical factors;

- According to (Ecsecc,2017:13) there were 75 400 (53.17%) females and 66 400 (46.83%) males;
- The largest population group is between 0-14 years of age who make up 32.7% of the population and this indicates a very youthful population that the LED Strategy is required to take into account in order to ensure employment opportunities in the future.
- The category with the second largest number of people is the young working age (25-44 years) age; and
- The composition of the households by population group shows that Africans are the largest group of 97.3%, followed by Whites at 1.2% and then Coloureds at 0.9%. The smallest population group in terms of households is the Asian population group with only 0.6% in 2016 (Ecsecc,2017:17).

- **Poverty Levels**

The poverty gap measures the depth of poverty by measuring the average distance of the population from the poverty line and is expressed as a percentage of the upper bound poverty line, as defined by StatsSA. "It is estimated that the poverty gap rate in Senqu Local Municipality amounted to 30.0% in 2016 - the rate needed to bring all poor households up to the poverty line and out of poverty. In 2016, the poverty gap rate was 30.0% and in 2006 the poverty gap rate was 32.5%, it can be seen that the poverty gap rate decreased from 2006 to 2016, which means that there were improvements in terms of the depth of the poverty within Senqu Local Municipality (Ecsecc,2017:63)".

#### **1.10.4 Service Delivery Challenges**

A number of Service Delivery challenges appear to exist, and these are reflected generally as follows:

##### **a. Water**

As per STATS SA, 2011: 7 209 households out of 38 046 households reflect the unserved population. This figure reflects a percentage below 20%;

##### **b. Sanitation**

Sanitation provision has improved, and it is noted that currently 6,7 % of the population does not have any access to sanitation at all (STAT SA,2016). Senqu continues to work towards eradication all old, "decaying" and poorly designed water and sanitation systems that simply cannot handle the current demands placed upon them.

**c. Electrification and Telecommunication**

It is acknowledged that these networks are mostly inadequate and poor quality is experienced in many areas. In addition, it is noted that a great deal of electricity leakages/losses are experienced, and it is the intention to address this in a manner that produces desired outcomes and reduces these losses;

**d. Waste management**

While success has been achieved with the waste removal function, it is acknowledged that challenges are experienced in terms of old vehicles that require maintenance. The development of solid waste sites and the maintenance of solid waste sites can be challenging (especially in terms of supply chain management issues and when attempting to obtain required Environmental Impact Assessments as these are reliant on third parties). Recycling efforts also remain limited due to financial constraints;

**e. Environmental Management**

Service delivery within this area is poorly provided due to limited financial and human resources provision. This makes it extremely difficult to enforce related by-laws. As a direct consequence, many town planning by-laws are broken, and illegal land invasion occurs regularly. The greatest challenges faced in terms of environmental issues **include** the following:

- Alien vegetation eradication (specifically the Crack Willow which grows along the Kraai River and sucks up litres of water);
- Firewood collection that results in the destruction of trees;
- Grassland burning (indiscriminately) which heightens air pollution and loss of biodiversity;
- Dipping tank locations as these can poison water supplies (from streams);
- Borrow Pits which are not adequately rehabilitated;
- Drainage culverts that can either hinder or promote gulley erosion;
- The proximity of all wastewater treatment works which may result in water contamination (risk of flood damage and spillage into dams, rivers and wetlands) causing contamination generally and risk to animals);
- Soil erosion which is the highest in the Joe Gqabi District Municipality (JGDM) due to marginal soils being utilised for inappropriate agricultural practices;
- The registration and management of solid waste disposal sites;
- The lack of recycling at waste sites;
- The burning of and inadequate collection of waste at times that may lead to illegal dumping;
- Inappropriate land and hygiene practices leading to increased sedimentation and pollution of fresh and groundwater sources; and

- The increased invasion by alien and undesirable species like Slangbos and blue bush near Lady Grey and limited protection of environmental sensitive areas.

Overall it may be stated that limited financial and human resources make it extremely difficult to control the environmental factors that present themselves.

**f. Access Roads and Bridges**

Access roads and bridges in the rural areas are generally of a very poor standard, due to the lack of maintenance and staff. It is also noted that rural people do struggle to access services due to these factors and especially during the rainy period when the roads become impassable and flooded. Access to clinics and schools remains a challenge as people are required to walk long distances and the quality of the service is limited.

**1.10.5 Concluding Statements: Demographics**

- a. Population studies have indicated that Senqu is characterized as having a youthful population with low skills and high unemployment. There is there for a high need for tertiary and secondary education;
- b. The majority of the population lives in rural villages and relies on social grants.
- c. The majority of the population are black Africans.
- d. There is high migration to the more urban centres inside and outside the municipality for employment and educational opportunities.
- e. The high “out migration” to areas outside the municipality presents as an annual season with persons returning for the Easter and Christmas holidays;
- f. Senqu has an exceptionally low rate base;
- g. There is a corresponding need for infrastructure and social services due to the high number of indigent people. This means that there is a risk that the Equitable Share contribution will remain insufficient to provide basic services as set out in the Constitution;
- h. Agriculture and Tourism are the major economic drivers of the local economy;
- i. Tourism reflects as a key potential economic sector, and economic driver, particularly with the inclusion of the country’s only ski resort, Tiffendell; and
- j. Senqu is characterised by scenic beauty, hiking and wildlife attractions and trout fishing.

## **Natural Resources**

<b>NATURAL RESOURCE</b>	
<b>Major Natural Resource</b>	<b>Benefit / Potential</b>
Mountains	Beautiful scenery (adventure and agricultural tourism)
Wind	Off grid and cleaner sources of electricity from wind
Rivers	Game fishing and tourism

More specifically and as reflected within the IDP it must be noted that Senqu's rugged terrain is able to be utilized for adventure and agricultural tourism which is already occurring, such as the case of the "Salmon Skyrun".

Numerous varieties of sandstone are available and have a variety of uses, such as: building bricks or paving - as is being provided from Hershel Sandstone. It must be noted that there is also a great deal of fine river sand for building purposes, but this needs to be monitored as a great deal of illegal sand mining occurs without permits.

The high levels of wind and solar energy facilitate the use of greener energy alternatives such as wind and solar energy (JGDM Environmental Management Plan 2011). Despite this it is acknowledged that these types of alternatives require further study and mapping.

The Senqu District is home to many bird species and a vulture restaurant is located near Lady Grey. It contains many species of the unique alpine plants and an example of this is the red-hot poker which does not grow anywhere else.

In addition, many paleontological species are being discovered in the area with many dinosaur skeletons as well as rock art.

## 1.11 SERVICE DELIVERY OVERVIEW

### 1.11.1 Service Delivery Introduction

Free Basic Water and Free Basic Sanitation statistics are handled by Joe Gqabi District Municipality (District Municipal Function) and not Senqu Municipality.

FREE BASIC REFUSE REMOVAL * UNAUDITED FIGURES TBC					
No. of Indigent (poor) beneficiaries	No. of other beneficiaries (non-indigent)	Total beneficiaries	Level of Service	Type of subsidy e.g. Equitable Share	Frequency of waste collection e.g. once a week or twice a week
1787	0	1787	On site appropriate & regularly supervised disposal	Equitable share	Once a week
			Community transfer to central collection point	0	0
			Curbside Collection	1552	1 x Week
			Other (Please specify)	0	

FREE BASIC ENERGY TBC * UNAUDITED FIGURES	
No. of Indigent (poor) beneficiaries	13 027
No. of other beneficiaries (non-indigent)	0
Total beneficiaries	12 530
No. of Indigents configured in Eskom database	11 661
No. of Indigent who collected tokens and the % thereof	8 269
Beneficiaries provided by Eskom	7 533
Beneficiaries provided by Municipality	736
Non-grid energy Beneficiaries	497
level of Service (e.g. 50 Kwh per household) or the Rand value in the case of non-grid	259.82

## 1.12 FINANCIAL HEALTH OVERVIEW

Note: Senqu Municipality is currently awaiting the Auditor General's Report for 2019/2020. In terms of the Auditor General's report for 2018/2019, Senqu Local Municipality received a clean audit. At this time and indeed in the current financial year (\*although still to be formally audited), the financial health of the organization and its management was and is considered to be positive overall. A broad overview is provided as follows and is based entirely on \* **unaudited figures**:

- 1.12.1 Senqu Municipality has received a clean audit for the sixth year in succession up until 2018/2019. We await audit results for 2019/2020;
- 1.12.2 The municipality's liquidity is considered to be relatively sound as the current ratio by far exceeds its short-term obligations. In the current financial year Senqu Municipality achieved a liquidity ratio of **\*8.66** and an operating surplus of **\*R 71 797 435**;
- 1.12.3 During 2019/2020 four (4) Quarterly Reports relating to Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches were compiled and submitted as required.
- 1.12.4 \*No unauthorized expenditure was noted.
- 1.12.5 Fruitless and Wasteful expenditure for the financial year (2019/2020) amounted to \* R 80 026 and \*R 74 326 was incurred during the previous financial year. These related to penalties paid to the Department of Transport.
- 1.12.6 Irregular expenditure increased from \*R 14 235 461 during 2018/2019 to \*R 25 203 143 during the 2019/2020 financial year. This occurred due to deviations from supply chain management regulations and non-compliance with the BBBEE Act. Management has subsequently identified that an award was made to a contractor that was not in compliance with the BBBEE Act. The amount reflected as irregular expenditure represents the expenditure paid to date.
- 1.12.7 Zero tolerance will be implemented in respect of unauthorised, irregular, fruitless and wasteful expenditure moving forward;
- 1.12.8 Under expenditure is noted throughout the budget and was caused by the COVID restrictions.



- 1.12.9 Assets and liabilities are well managed overall when taking into account available budget and accepted practices. The assets are governed by the Asset Management Policy and liabilities are informed by recognized practices and principles regarding long-term borrowing;
- 1.12.10 This municipality is acknowledged for paying its creditors within 30 days, as is stipulated by the MFMA (except in situations where there have been disputes between the Municipality and the creditor). Special efforts and procedures were put into play to ensure that this practice of compliance continued despite the COVID Lockdown;
- 1.12.11 Employee costs have been underspent due to the vacant funded posts that have not yet been filled;
- 1.12.12 An overriding challenge is always to ensure that outstanding debt levels are minimized as this affects cash flow directly. Strict credit control measures are executed (as per Credit Control Policy and By-Laws) in order to ensure that this situation is effectively managed;
- 1.12.13 During the Adjustment Budget process, the original amount for repairs and maintenance was increased from \*R 11 579 000 to \*R 11 438 000 (\*R 231 000 decrease); and
- The Adjustment Budget was subsequently underspent by \*25% due to planned maintenance not occurring as planned in the adjustment budget phase, with actual expenditure amounting to \*R8 621 121. In the last quarter all activities was halted due to the pandemic lockdown. Reference is made to the graph below for a comparison of basis for the table above.
- 1.12.14 Long term liabilities are expected to decrease within the future financial period as initial loans are redeemed and no additional loans are expected to be undertaken.
- 1.12.15 Reporting to National Treasury in respect of performance reporting is being well achieved within the prescribed periods.
- 1.12.16 Senqu Municipality was chosen to be the pilot site for the implementation of mSCOA – which was applied nationally during 2016 as a matter of compliance. Financial and support systems are becoming more integrated with mSCOA requirements and performance reporting and it is fair to say that mSCOA is progressing well;

- 1.12.17 The OPCA Project (Operations Projects Clean Audit) has progressed exceptionally well and the challenge moving forward is to ensure that this achievement can be sustained.
- 1.12.18 The introduction of GRAP has become more readily available and this allows information to be presented correctly in many instances. Despite this, difficulties are experienced in terms of the information required for property, plant and equipment, inventory, external valuations of employee benefits and tip site provisions;
- 1.12.19 It is noted that the Internal Audit and the Audit Committee are required to work together in order to review the Strategic and Annual Performance Plans and to ensure that all aspects of the Audit Action Plan are addressed – while ensuring that appropriate and valuable reporting occurs; and
- 1.12.20 The quality of quarterly and monthly reports is at all times required to be addressed and suitable and timeous action is required to be taken to rectify any issues identified (financial, pre-determined targets or otherwise). Oversight from managers and the Internal Audit/Audit Committee is required.

The following dash board information and tables indicate the municipality's performance in terms of National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and Section 43 of the MSA. These key performance indicators are linked to the National Key Performance Areas.

As an overall assessment, the following indicators are highlighted (\*unaudited figures)

	2018/2019	2019/2020
Capital charges to Operating Expenditure	25%	15.3%
Liquidity: times	7.56	8.66
Outstanding debtors to Annual Revenue	5%	7%
Creditors to cash	2%	3%
IDP regulation financial viability figures		
Debt Coverage	160%	351%
Outstanding Service Debtors	79%	92%
Cost Coverage	17,4 Months	17,7 months

## 1.13 ORGANIZATIONAL DEVELOPMENT OVERVIEW

### 1.13.1 Organizational Development Performance

Reference is made to Chapter 4 as this issue is dealt with and reported on extensively in this section.

#### a. Introduction to Employee Personnel

This aspect is to be examined with reference to Chapter 4.

The Human Resources function is considered to have been well managed overall. Generally, and with specific reference to staffing the following points are noted:

- i. While efforts to strictly adhere to the Human Resources Strategy, Recruitment and Selection Policy and the Employment Equity Plan when planning for the appointment of staff it must be noted that targets have not been met in respect of turnaround times relating to appointments being required to be made within 3 months. It appears that filling of vacant posts has taken closer to between 4 to 5 months in a number of instances. This issue will be addressed moving forward;
- ii. The Employment Equity targets have been met as per Employment Equity reporting to the Equity Registry /Department of Labour, for target groups employed in the three highest levels of management. This is in compliance with the municipality's approved Employment Equity Plan. More specifically it is noted that:
  - a. The **top management post targets are reflected as:** 2 African Males; 1 Coloured Male; 1 White Male and 2 African Females. It must be noted that the municipality has rescinded the 3 top Management contracts and these posts were occupied on a month to month basis until such time as they were advertised and filled. This matter was handled sub judica. Notwithstanding the targets as reflected, have been met within the top the management level. Senqu Local Municipality's targets remain consistent within such category of management prior to the rescission of contracts (\* unaudited figures).
  - b. The category of **Middle Management** has been combined with the category **Professional qualified and experienced specialist and mid-management.**

The following targets were achieved: 19 African Males; 1 Coloured Male; 171 African Females and 1 African Male. (\* unaudited figures)

Notwithstanding it must be noted that recruitment of staff was suspended during the last quarter due to COVID-19 restrictions which required an innovative change of policy. This in turn made provision for remote sitting. Notwithstanding, the Demand Manager was appointed and the recruitment

process for Senior Managers was completed by 30 June 2020 (Council being required to ratify the final appointments).

- iii. The Employment Equity Plan was reviewed quarterly and reporting was conducted as required. The Employment Equity Report was captured on the Equity Registry Site before the legislated date for electronic submissions i.e. 15 January 2020;
- iv. All staff are in possession of job descriptions and these were written according to the TASK system of Job Evaluation. Notwithstanding, the Municipality recently underwent a restructuring exercise and currently all job descriptions are being redrafted according to said new structure. The job descriptions will be re-evaluated by the PJEC'S appointed locally. This will continue to occur thereafter, as and when there are changes to either the organizational structure or the job profiles;
- v. The organogram has not been reviewed and this process was affected by a recent court case in that in terms of certain sections of the MSA 7 of 2011 as amended, remains unconstitutional /ultra-virus. In terms of this the organogram is no longer approved by Council but by the Municipal Manager (MM). The review of the organizational structure will be held over until the Job evaluation (JE) process is completed and an item to support this was presented and approved at a Top Management Meeting. The Municipality remains committed in all endeavours to recruit qualified and experienced individuals in all key positions;
- vi. Skills Retention remains a challenge, especially due to the geographical location of the municipality (rural nature) and the inability to offer competitive salaries; and
- vii. Staff capacitation remains of critical importance and the development and the implementation of the Workplace Skills Plan ensures that this occurs in a planned manner.

**b. Managing the Municipal Workforce**

Numerous and varied efforts have been made in order to ensure that the municipal workforce continues to be effectively managed. Historically it is noted that a strong administrative support structure was created in order to facilitate this process. More specifically, it is noted that:

- i. Policies and procedures have been put in place, not simply as a matter of compliance, but to ensure that the manner in which work is performed occurs under guidance and with fairness to both the employer and employee. Funding constraints are the greatest challenge experienced when attempting to ensure that this occurs;
- ii. The reviewed and updated Performance Management Policy was approved by Council in October 2018. This policy is split into 2 groups (group 1 being applicable to s56 employees and identified middle management from Task 15 and above) and Group 2 being applicable to all staff not deemed to be middle management from

TASK Level 14 and below. The policy has also been written to accommodate the new Competency Framework Regulations.

The scope of this policy also extends to the cascading below the level of middle management and the assessment / management and rating of interns and service providers;

- iii. Occupational Health and Safety Committees have been formed and are functional with reporting occurring. During the current year not all inspections in all units could be held (one missed during quarter 1 and during quarter 4 the challenge was in moving out of Lady Grey to conduct inspections in other units). It must be noted that the Steering Committee (serving as an extension of the OHS) further conducted a risk assessment on COVID-19 related risk during this period. The COVID-19 plan and lockdown plans were developed and adopted by Management and Trioka. Notwithstanding the fact that the annual meeting target was exceeded by 2 meetings, there was a variance of 1 meetings in Quarter 1 which could not be held as the OHS meeting scheduled to sit on 26 September 2019 could not sit as both Unions decided not to participate in any Municipal operations until they had met with TROIKA. The demand for the additional meetings occurred as a result of COVID 19 and were extremely fruitful.
- iv. The target of printing 22 By-laws was not met. During \*Quarter 2 (during December 2019 a \*service provider (GEM Print) was appointed; the purchase order issued 4 February 2020; and proof of translated by-laws for sign-off was received on the 12 June 2020. Notwithstanding, COVID-19 prevented these from being finalized;
- v. Policy review and implementation of Finance related HR Policies did not occur as planned due to the COVID-19 lockdown which impacted severely on the day to day operations of the municipality. As a direct consequence, most policies could not be reviewed as planned and the only policy approved was the COVID - 19 Policy/Plan. Although the policy review recommendations were submitted to Management for approval, due to COVID-19 the targets will by necessity roll over into the 2020-2021 financial year;
- vi. The current Performance Management Policy is compliant with the performance regulations and the MSA and there were no additional changes or amendments to legislation that supported or warranted review of the said policy. This policy will be reviewed in the 2020/2021 financial year; and
- vii. Risk is managed through the establishment and implementation of a Risk Management Plan.

### c. Capacitating the Municipal Workforce

Emphasis continues to be placed on capacitating Councillors, management and staff and overall this target has been well achieved. The COVID – 19 pandemic undoubtedly presented additional challenges in so far as meeting all planned targets. Notwithstanding, great progress has been made as detailed below:

- i. The Workplace Skills Plan (WSP) together with all supporting documentation was submitted 29 May 2020, following the LGSETA's blanket extension to 30 May 2020 due to the hard lockdown and receipt was acknowledged by LGSETA. The WSP is aligned to the IDP performance objectives and incorporates the future needs of the Municipality and Personal Development Plans;
- ii. Efforts are continuously made to ensure that only competent service providers are used in the delivery of training initiatives and to this end "value add" is imperative;
- iii. The Skills Development Facilitator was appointed as required during the current financial year in order to facilitate the training and development process and function;
- iv. The implementation of the training plan and reporting in terms of the submission of implementation plans was thwarted to a large extent due to the impact of COVID-19. As a direct result and in this instance, it must be noted that the overall target for staff training was not met and specifically only 49 out of the 69 planned training initiatives were implemented. While much of the planned training was not able to occur as a result of COVID it must be noted that the \* Internal Audit staff completed an online training course. \* During quarter 1a variance of 11 less training initiatives were implemented as against those planned; quarter 2 showed a variance of 1 less training initiatives against the planned target; in \* quarter 3, 8 training interventions were implemented. Quarter 4 held no training interventions as a result of COVID-19.
- v. Despite the impact of COVID – 19, it is recognized that targets should be more realistically set overall. Historically it has been acknowledged that there is not always sufficient budget to address identified needs and control or reliance on external funding from a third party, such as LGSETA (through Discretionary Grants) cannot be relied upon as these are not always received timeously. Additional and innovative ways in which to stretch the budget to cover / implement more training interventions are required. Innovative ways to reduce associated training costs, as with on line platform training, training via Microsoft /zoom platforms or webinars are required and COVID has certainly enabled the organization to pursue these forms of training.

- vi. The targets for training for Councillors was met and as planned, 1 training initiative for Councillors was implemented, resulting in four (4) councillors being trained on Municipal Governance.
- vii. Internship opportunities were created in 2018/2019 and have extended into the current year – keeping the status quo. 4 FMG interns were appointed and employed during the 2018/2019 financial year \* placed in Finance, Internal Audit and DTPS. Internships and learnership opportunities are created in three (3) to 18-month cycles respectively. The 3-year period falls within the 2019/2020 period under review the as a result the status quo remains; and
- viii. Every effort is made to ensure that the Municipality continues to enrol designated staff in the prescribed competency training so as to ensure that they meet all minimum competency levels as prescribed in terms of the Minimum Competency Regulations of 2007. As required, two planned reports were submitted to National Treasury on staff who meet Minimum Competency levels. All financial officials, with the exception of one official, the \*Acquisition Manager are acknowledged as having met the competencies as prescribed. Current interns were enrolled for these competencies during 2018/2019.

#### **d. Managing Workforce Expenditure**

Very strict protocols exist in an attempt to ensure that workforce expenditure is managed effectively and correctly. Protocols are in place to ensure that any changes to the payroll are checked and audited, prior to any change being sanctioned.

Failure to ensure that all controls are instituted will result in a greater degree of inaccurate data and an inability to identify and remedy any discrepancies between systems.

## **1.14 AUDITOR GENERAL'S REPORT**

### **Report of the Auditor-General to the Eastern Cape Provincial Legislature and the council of Senqu Municipality**

**Reference is made to Chapter 6 in which this document is now incorporated**



## 1.15 STATUTORY ANNUAL REPORT PROCESS

ANNUAL REPORT PROCESS TABLE		
No.	ACTIVITY	TIMEFRAME
1.	Consideration of next financial year's Budget and IDP process plan. Aside from legislative plan should conform with in-year reporting formats so that reporting and content, this process monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2.	Implementation and monitoring of approved Budget and IDP commences (in-year financial reporting).	
3.	Finalisation of the 4 <sup>th</sup> quarter report for previous financial year.	
4.	Submission of the draft year's Annual Report to Internal Audit and Auditor-General	
5.	Municipal entities submission of draft annual reports to Municipal Manager	
6.	Consideration by the Audit/Performance committee of the draft Annual Report of municipality and entities (where relevant)	August
7.	Tabling by the Mayor of the unaudited Annual Report	
8.	Municipal submission of draft Annual Report (including consolidated annual financial statements and performance report) to Auditor General	
9.	Annual Performance Report submitted to Auditor General to be provided as input into the IDP analysis phase	
10.	Auditor General auditing of Annual Report, including consolidated Annual Financial Statements and Performance data.	September – October
11.	Municipalities receiving and starting to address the Auditor- Generals comments	November
12.	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report	
13.	Audited Annual Report is made public and representation is invited	
14.	Oversight Committee assesses Annual Report	
15.	Council adopts Oversight report	December
16.	Oversight report is made public	
17.	Oversight report is submitted to relevant provincial councils	
18.	Commencement of draft Budget/IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input.	January

### 1.15.1 Comments on the Annual Report Process

The table above defines all the deadlines required to be met in terms of compliance. In this manner it is ensured that all required reporting occurs timeously and is an accurate consolidation of all required reporting.



The Annual Report is acknowledged as the strategic document that accurately depicts an annual review of performance for the entire year. It is this document that will be used for all forward planning and for this reason it is imperative that there is alignment and verification between all content shown between and within the IDP, SDBIP, Budget (AFS) and the Annual Report.

The Annual Report is required to reflect the most accurate, aligned and consolidated version of all preceding documents. This is achieved through a very structured process of auditing (internally and externally). Through validation and confirming the accuracy of data, the Annual Report may be used to inform the IDP review process; the structuring of the organogram; the development of SDBIP's; Performance Planning; the development of the Budget and the like.

The Annual Report provides a holistic view of the organization – its challenges, available resources and records of performance.

The Annual Report is required to comply with very definite prescripts and timeframes as follows:

- The Annual Performance Report (s46) and Annual financial statements were compiled and submitted to the Auditor General by 31 August 2019; and
- The draft Annual Report 2019/2020 will be tabled by 31 January 2020 and the final Annual Report (with related oversight reporting) will be submitted to Council 31 March 2020.

## **DISCLAIMER**

The information provided within this report is reliant on the information provided by the various Directorates. Difficulties in validating data continues to be experienced and as such, the accuracy of all information provided cannot be assured.

It is the responsibility of all Directorates to provide the required information which is then required to be collated and submitted within the correct format. While it is acknowledged that certain directorates have attempted to provide this information as requested, most have not complied. Little or no information has been received to date and this has placed a great deal of strain on this exercise. This is a compliance related task and the accuracy with which data is presented is of critical importance.

Staff within certain directorates appear to believe that it is the responsibility of the collators and the co - coordinators to provide all required information. This is unacceptable and impossible, as the report belongs to Senqu Municipality and each director is required to take full responsibility for information relating to their specific directorate. Content and the accuracy thereof are not the responsibility of the collators' and the coordinators' – their role is simply to obtain, collate, align and restructure information provided and not to verify this in any way. In addition, it is the technical responsibility of all relevant directorate staff to provide inputs regarding performance and issues within their own directorates. They are required to take responsibility for any

inputs provided as they are aware on a functional level as to what information is applicable / relevant. Under these circumstances the collators and the coordinators cannot be held accountable for the quality/accuracy/absence of information provided or the lack thereof.

The situation and challenges faced in compiling this report have been compounded by the fact that the Auditor General is still busy with their audit and no feedback and audit outcome has been received to date. It is totally understood and accepted that this process has also been impacted by the COVID – 19 restrictions that have negatively impacted on certain areas of performance throughout this year. Figures and information provided in all instances are therefore accepted in this draft of the Annual Report as being **unaudited** and **will be replaced where necessary and when possible by audited figures and information.**

In instances where information is found to be lacking or inadequate you are hereby advised that the coordinator of this report has only been able to work with the information provided to them – and as much as they have attempted to validate this where possible they cannot be held accountable – for the reasons reflected above.

# CHAPTER 2

**Governance  
2019/2020**

# CHAPTER 2: GOVERNANCE

## INTRODUCTION TO GOVERNANCE

“Governance” involves the interdependence and interaction that occurs between four critical components which will be examined further below. The concept of “Governance” requires that one take a holistic view of these four (4) components, in order to establish whether the organization is functioning effectively and achieving its required objectives.

**The following four (4) components are discussed in order to examine and understanding “Governance” appropriately:**

Component A: Political and Administrative Governance

Component B: Intergovernmental Relations

Component C: Public Accountability and Participation

Component D: Corporate Governance

## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

### 2.1 INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Political and administrative frameworks and infrastructure have been created both internally and externally and exist as formal structures in order to facilitate and enhance operational performance. Policy created for this purpose has ensured that both political and administrative structures have been developed, together with the development of procedures and compliance prescriptions, so as to assist and direct day-to-day operations. An appropriate infrastructure and support system has been created overall in order to ensure that political and administrative governance occurs in the most effective manner.

Senqu Local Municipality is driven by its strategic objectives. In accordance with this, the annual strategic objectives are reflected within the organization’s Integrated Development Plan (IDP) and represent a set of realistic annual targets that are cascaded operationally from the IDP throughout the organization, in order to ensure that they remain the focus of operational effort and are achieved as required. These targets are adjusted annually after being aligned to identified community needs, pre-determined targets nationally and dictated additionally by realistic assessment of the organization’s available resources and infrastructure. These objectives are initially translated into the performance targets that are reflected within the Service Delivery and Budget Implementation Plan (SDBIP). Operational and management targets are developed aligned to the SDBIP and are incorporated within the relevant performance scorecards found within each directorate – ensuring that all targets are aligned to the overall strategic objectives. This process facilitates the meeting of performance targets by ensuring that they are monitored and met over a designated period of time and in the manner prescribed. These performance targets will be translated into the targets of each employee as the strategic targets are cascaded down to each subsequent level

within the organization. The successful achievement of these objectives depends on the available resources i.e. operational, human and financial – enabling targets to be met as required.

#### **Functions of the political arm:**

- Advocating and protecting the needs of the community. In this manner a better quality of life for all is fostered; and
- Communicating effectively by engaging with members of the community and involving them in decision – making wherever practical and possible. In this manner a “people-centred government” is achieved.

#### **Functions of the administrative arm:**

- Ensuring that there is adequate infrastructure (human capital, resources, policies and procedures) in order to ensure that the strategic objectives can be met. This is achieved through the effective management and control of operations, service delivery and matters of compliance; and
- By providing an overall supportive and administrative role and function.

### **2.1.1 Political Governance**

#### **Introduction to Political Governance**

As per the Municipal Structures Act, Act No. 117 of 1988, Senqu Municipality has a **Council Executive System**. In terms of this and as depicted within the diagram below, it presents as a democratically elected Category B municipality with a structure that is categorized by elected Ward Councillors and Proportional Representative Councillors.

## Political Structure 2016 - 2021



Councillors are allocated to Standing Committees that meet monthly. Formal decision making is enhanced at every level by having Councillors engaged in discussions at the level of Standing and other Committees. This facilitates informed and appropriate decisions at higher levels as their inputs and votes are made from a place of knowledge and additional

insights – issues having already been discussed at lower levels. Through these committee meetings Councillors are better placed to make “informed decisions” and appropriate recommendations to Council for final approval.

**a. Councillors**

**Refer to Appendix A (Chapter 6: Glossary):** Full list of Councillors (including the Committee allocations and attendance of Council meetings).

The Senqu Municipal Council is comprised of 34 Councillors (Ward Councillors and Party Representatives) and this is reflected as follows:

**Party Representatives: 17**

**Ward Councillors: 17**

**Administrative responsibilities of Councillors/Council**

- Attendance quarterly of Council meetings and Special Council meetings. The Special Council meetings are convened adhoc in order to address urgent issues.
- Taking part in political decisions regarding service delivery.
- Provision of an oversight role regarding Council decisions and operations overall.
- Compliance with Chapter 3 of the Municipal Systems Act, (Act No. 32 of 2000). It is legislated and understood that the executive and legislative authority of a municipality lies with the Council and accordingly, Council is required to take all the decisions of the municipality subject to s59.
- Executive Committee meetings are convened monthly and are constituted as follows: The Mayor, Political Heads of Standing Committees and the top management of the municipality; and
- Standing Committees meet monthly in order to discuss or recommend that certain actions are taken by the Executive Committee or Council. These committees are chaired by the Portfolio Councillors who form part of the Executive Committee members. The other members are Councillors, who are elected by political parties, traditional leaders and the administration.

**b. Committees of Council (Standing Committees, MPAC, Traditional Leaders, Ward Committees et al)**

Reference is made to Appendix B (Chapter 6: Glossary) which details all the committees applicable to Councillors and their purpose.

**c. Standing Committees**

- There are 5 Standing Committees, and these correspond with the 5 Directorates (detailed within table that follows);
- Committee meetings are held monthly as scheduled.
- Information and recommendations from these meetings are submitted to the full Council, for consideration; and

- All Councillors are required to serve on the Standing Committees, with the exception of both the Mayor and the Speaker.

The role and function of the Standing Committee is to ensure that the process of informed decision making is facilitated. Councillors who serve on these Committees become more knowledgeable about the directorates with which they are linked. In this manner and with heightened knowledge they are able to make more informed decisions regarding the challenges and operational issues facing the directorate in whose committee they serve. When issues are referred to full Council, they are able to contribute at a higher level and guide discussion in a helpful, positive and insightful manner. In this manner, decision making abilities are greatly improved and decisions made are regarded as being “informed decisions”.



**Approved and functioning Standing Committee Structures (as reflected within the table that follows):**

DIRECTORATE	FOCUS AREAS
<b><u>BUDGET &amp; TREASURY</u></b> Chairperson: Cllr P M Mnisi Councillors: Cllr K Mpiti Cllr S Ntlwatini Cllr Z S Khoba Cllr R Lose	<ul style="list-style-type: none"> <li>• Management of financial resources <ul style="list-style-type: none"> <li>– Budget and Treasury,</li> <li>– Revenue Services,</li> <li>– SCM,</li> <li>– Stores and Expenditure Management</li> </ul> </li> <li>• Policies, Procedures and By-laws (MFMA and National Treasury)</li> <li>• Financial support to all Departments</li> <li>• Information Technology Support</li> <li>• Fleet Management</li> <li>• eNatis Licensing</li> </ul>
<b><u>DEVELOPMENT AND TOWN PLANNING</u></b> Chairperson: Cllr M Puza (Chief Whip) Councillors: Cllr M Sehloho Cllr N Nyongwana Cllr A P Kwinana Cllr M Mgojo	<ul style="list-style-type: none"> <li>• Support to community participation structures</li> <li>• Housing, Town Planning and Land Use Management</li> <li>• Performance Management</li> <li>• Integrated Planning and Economic Development</li> <li>• Governance and Compliance – Risk Management</li> <li>• Strategic Planning</li> <li>• LED</li> </ul>
<b><u>COMMUNITY AND SOCIAL SERVICES</u></b> Chairperson: Cllr S Ndzongana Councillors: Cllr N C Mraji Cllr D J Somsila Cllr Mqakelana	<u>Community based service provision:</u> <ul style="list-style-type: none"> <li>• Cemeteries,</li> <li>• Environmental management,</li> <li>• Libraries and amenities</li> <li>• Traffic Services – Law enforcement</li> <li>• Community based by-laws</li> <li>• Waste Management and Refuse</li> </ul>
<b><u>CORPORATE &amp; SUPPORT SERVICES</u></b> Chairperson: Cllr G N Mbonyana Councillors: Cllr S Mfisa Cllr N January Cllr N Y Monakali	<ul style="list-style-type: none"> <li>• Council Administration, Assets and Building Preservation</li> <li>• Council Support and ward support</li> <li>• HR &amp; Labour Relations</li> <li>• Stakeholder Relations – participation</li> <li>• Customer Care/ Presidential Hotline</li> <li>• Legal Services / Compliance</li> <li>• Special Programmes (HIV Aids Youth, disabled, elderly and woman)</li> <li>• By-Laws Facilitation</li> <li>• Document Management</li> <li>• Fleet Management</li> </ul>
<b><u>TECHNICAL SERVICES</u></b> Chairperson: Cllr T Dumzela Councillors: Cllr I Mosisi Cllr C Kibe Cllr J Mposelwa Cllr X G Magcai	<ul style="list-style-type: none"> <li>• Infrastructure Development (Maintenance and Minor Construction)</li> <li>• Technical Service Delivery</li> <li>• Electricity</li> <li>• Roads (Maintenance and Minor Roads Construction) and Stormwater</li> <li>• PMU Project Management /Administration</li> </ul>

#### d. Oversight & Audit



The diagram above illustrates the manner in which oversight occurs. The oversight role is completed by the following critical structures who engage in oversight, auditing and audit verification:

- Audit Committee
- MPAC (Oversight Committee)
- Auditor General (External Auditor)

Note: Decision making occurs according in the following hierarchy: from Standing Committees to EXCO and finally to Council. In this manner, an informed decision is made possible. Oversight is provided by the relevant structures - ensuring compliance and correctness of operation at all times.

#### e. Audit Committee

##### **Committee responsibilities and performance during 2019/2020:**

- The Audit Committee was established in terms of s166 of the MFMA 56 of 2003 and is comprised of four (4) independent members.
- This Committee is bound by the Council approved Audit Committee's Charter.
- The Committee performs an advisory function and role for the municipality and is directly accountable to Council. It plays a key role in ensuring that there is accountability and transparency within the organization.
- The quarterly performance information is required to be reviewed in terms of compliance.

- The unaudited financial statements are required to be reviewed prior to submission to the Auditor – General as per prescriptions of compliance.
- The following Ordinary Audit Committee Meetings were formally scheduled and held in terms of compliance, oversight and governance. During 2019/2020 and despite the challenges of the COVID – 19 pandemic these were held as follows:
  - Quarter 1: 26 August 2019
  - Quarter 2: 18 November 2019
  - Quarter 3: 24 February 2020; and
  - Quarter 4: 18 May 2020.
- The committee is required to provide an objective view on the effectiveness of the municipality’s risk management processes during each quarter in terms of compliance. Specific feedback is then required to be provided to the Accounting Officer and Council in this regard. Four (4) quarterly reports on matters of risk were submitted to Internal Audit on 30 September 2019 (Quarter 1); 6 January 2020 (Quarter 2); 13 May 2020 (Quarter 3); and 16 July 2020 (Quarter 4).
- The quarterly Institutional Audit Dashboard Report was submitted according to the following dates: Quarter 1 - 25 October 2019; Quarter 2 - 25 January 2020; Quarter 3 - 24 April 2020; and Quarter 4 - 24 July 2020.
- The committee is responsible for oversight on the integrity of financial controls, combined assurance, compliance management and meaningful integrated reporting to stakeholders.
- The Audit Committee is required to discharge its responsibilities by using work done/information received from the internal audit unit and other information presented to it by the management at its quarterly meetings. These meetings were held as follows: 26 August 2019 (Special Audit Committee meeting) and 30 September 2019 (Audit Committee meeting) for Quarter 1; 6 January 2020 submission to Internal Audit Committee for submission 24 February 2020 to Audit Committee meeting (for Quarter 2); submission 13 May 2020 to Internal Audit for submission to Audit Committee meeting of 18 May 2020 (Quarter 3) and submission to Internal Audit on 21 July 2020 for submission to Audit Committee 24 August 2020 for Quarter 4.
- The committee minutes contain comments, resolutions and reports on work performed by the internal audit and the committee, and these are required to be approved during the quarterly meetings.
- The report on the Implementation of the Audit Action Plan was submitted to Internal Audit Unit on 30 September 2019 for Audit Committee consideration (Quarter 1); the Quarter 2 report on the Implementation of the Audit Action Plan was submitted to the Internal Audit Unit for Audit Committee consideration on 6 January 2020; the Quarter 3 report was submitted to the Internal Audit Unit for Audit Committee consideration on 13th May 2020 and the Quarter 4 report was submitted for Audit Committee consideration on 21 July 2020; and

- Approved internal audit reports are required to be distributed quarterly to the Accounting Officer, the Mayor and the chairperson of the Municipal Public Accounts Committee (MPAC) for notification and to management for action.

### **Audit Committee Recommendations:**

Reference is made to Appendix G in Chapter 6 for the full set of recommendations made for 2019/2020 based on the Auditor General's Report.

The unaudited report of the Audit Committee to Council for the year ended 30 June 2020 is summarized below. As already stated, recommendations incorporated from the Auditor General's 2019/2020 report will be incorporated within Chapter 6.

### **Efficiency and Effectiveness of Internal Control**

The Internal Audit Committee was of the opinion that despite the existence of certain internal control weaknesses within the SDBIP and the Quarterly Assessment Report, a good control framework existed overall. Improvements are required in certain key control activities and these are summarized within the areas listed below – relating to the degree of risk that these represented:

- **Alignment discrepancies between the IDP, 2019/2020 SDBIP and the Annual Performance Report**

Having highlighted this, this issue was immediately addressed by management and remedied – acknowledging that the incorrect s46 report had been utilized. This has since been revised in order to remove identified errors and omissions and displays improved alignment between SDBIP and Annual Performance Report in all areas identified.

- **Key Performance Indicators within the IDP and SDBIP not considered to be strategic in nature.**

The Internal Audit Committee found that the Key Performance Indicators were worded in a way that was too operational and not measurable, objective and/or relevant. It was considered that this had made the development of targets difficult when attempting to adhere to recognized SMART principles (i.e., targets are to be Specific; Measurable; Achievable; Realistic and Time bound). Management acknowledged that this had been influenced through the development of objectives with mSCOA. It was intimated that the service provider had written objectives according to projects rather than programmes, making these more operational rather than strategic. It is recognized that these strategic objectives become more operational as they are cascaded further down the organization, but that making them highly operational at the outset poses difficulties in attempting to cascade these accurately and as operationally as required. This was to be corrected in the new IDP 2021 – 2025.

- **The measures taken to improve performance for targets not achieved in 2018/2019 were not followed up in 2019/2020 financial year.**

In each instance management responded appropriately by attaching the relevant supporting documentation required/removing the target when this was appropriate and / or undertaking to take appropriate action where this was required as a matter of priority.

### **Comparison to previous year**

There were no material misstatements reported by the AGSA in their audit report in 2018/2019 and feedback is required for the 2019/2020 period. A clean audit report was received for 2018/2019. The results for 2019/2020 from the Auditor General's report are awaited.

### **The Audit Committee was constituted as follows:**

MEMBER	POSITION
Mr Dumisani Mrwetyana	Chairperson
Mr Roger Hill	Ordinary Member
Mr Logan Govender	Ordinary Member
Ms Thandiwe Sobhuza	Ordinary Member

Note: A Senior Audit Executive and an Internal Auditor facilitate the audit function in- house.

### **Internal Audit Unit Functioning**

The internal audit unit has seen a great deal of improvement overall during this financial year. More specifically it must be noted that:

- Improvements have been experienced overall within the Internal Audit Units functioning – despite challenges that have been experienced for quite some time regarding internal capacity and the filling of posts. Accordingly, it must be noted that within this financial year all four (4) Quarterly Reports on the Audit Dashboard were submitted timeously as required.
- 4 Quarterly Reports on matters of Compliance were submitted to the Internal Auditor for Audit Committee Consideration.
- Matters of risk were submitted quarterly to the Internal Auditor for Audit Committee Consideration
- The IT Security Audit did not meet timeously 30 June 2020. Logistical issues prevented a meeting with the service provider prior to final submission which meant that this report could not be tabled 24 August 2020 as required.

- The Internal Audit External Quality Review was completed. This was required to be tabled 20 July 2020. Unfortunately, this did not occur as the meeting was postponed and was finally reported to the Audit Committee of 24 August 2020. This review is a critically important tool that is used to obtain the necessary audit and compliance insight that can be used in order to contribute to required improvements overall; and
- The four (4) quarterly feedback reports on the implementation of the Audit Action Plan were completed. This is part of a strategic and compliance initiative that will ultimately facilitate that the ability of the organization to meet all compliance initiatives identified as being “at risk”. Failure to monitor this has far reaching implications overall.

Oversight, feedback and assistance are all critical functions of the audit unit, who through the Municipal Manager are required to do what is required to work with the organization/Directorates (not against them) and in this manner to adequately prepare them to meet all matters of compliance. Daily and certainly prior to external audits being conducted, it is the role of the internal audit to facilitate the successful functioning and reporting on all levels – ensuring that all aspects of compliance are met.

#### **d. MPAC (Municipal Public Accounts Committee)**

The committee is constituted as follow:

MEMBER	POSITION
Cllr. M. Mfisa	Chairperson
Cllr. A Kwinana	Member
Cllr. M.H. Rorwana	Member
Cllr. B. Moeletsi	Member
Cllr. M. Jeje	Member

#### **Functions of MPAC**

- Provision of an oversight role in respect of the administration and executive committee of the council.
- Reviewing the municipal / municipal entity’s quarterly, mid-year and annual reports and providing an oversight report on the Annual Report for consideration by Council.
- Assisting Council to maintain oversight over the implementation of the Supply Chain Management Policy.
- Examining the financial statements and audit reports of the municipality and municipal entities (considering improvements from previous statements and reports);
- Evaluating the extent to which the Audit Committee’s and the Auditor General’s recommendations have been implemented.

- Promoting good governance, transparency and accountability on the use of municipal resources.
- Examining the Mid-Year Review documents in line with the Integrated Development Plan (IDP); and
- Recommending or undertaking any investigation that falls within the scope of this committee's responsibilities/ area of competence. By way of example, MPAC was required to compile 2 half yearly reports on the status of legal cases that the municipality was involved in and this was completed during Quarter 2 and Quarter 4.

**To fulfil its functions MPAC is required to:**

- Seek / have access to any information required from any councillor/employee.
- Report to council on the activities of the committee.
- Perform any other function assigned to the committee through a resolution of Council.
- Call upon the accounting officer of the municipality or the chairperson of the municipal entity to provide information or clarity.
- Request the support of the internal and external auditors when necessary.
- Engage directly with the public and consider public comments when received.
- Have permanent referral with regard to the following reports:
  - Mid-year /In-year s72 reports
  - Annual Financial Statements
  - Reports of Auditor General and Audit Committee
  - Any other financial audit report from the municipality
  - Information on compliance in terms of sections 128 and or sections 133 MFMA
  - Information in respect of any disciplinary action taken in terms of MFMA on matters serving or having been served before the committee; and
  - Performance information relating to the municipality.

**Note:**

- As with the previous year, the annual work plan was drafted and implemented.
- Oversight was provided as prescribed and in terms of any other issues deemed necessary.
- The oversight report for 2019/2020 as part of the Annual Report will be drafted and tabled to Council by 31 March 2021. This report will incorporate comments and recommendations on management's action plans developed in order to address findings raised by the Auditor General in its audit report; and
- 4 Quarterly MPAC meetings held: 12 September 2019; 8 October 2019. 6 December 2020 and 19 March 2020.

**e. Ward Committees Establishment and Functionality**

Ward Committees were established in terms of section 73 of the Municipal Structures Act 117 of 1998.



## Purpose

As per s74 of the Municipal Structures Act 117 of 1998, the purpose of these committees is to assist Municipal Councils to ensure that ward issues are properly communicated to Council and are catered for should there be a need for a budget to address such issues. Ward Committees play a critical role in achieving the above. Ward committees are essentially a representative structure of the community and citizens and they are created in order to be in a position to inform the municipality regarding the issues, goals, aspirations and difficulties experienced by community members.

Ward Committee meetings provide the community and the municipality with an opportunity to engage and to facilitate what is in essence and in simplified form an opportunity for two-way communication. Ward committees have an extremely important role to play in ensuring that there is active participation and involvement from the community when determining core municipal process. These include: Integrated Development Planning, municipal budgeting and municipal performance management processes. Should these processes occur without this involvement it is fair to say that our system of “democratic government and developmental local government” will not be considered to have been centred within the community and having representation from the community.

Ward committee meetings are required to provide opportunities to report to the Speaker on issues of interest to the municipality which are taking place in their wards. This process has assisted the municipality in ensuring that public participation is enhanced, and accountability of the municipality is not compromised. In the past and in the brewing protests in Sterkspruit for example, information was communicated via this channel, especially on issues such as Municipal Public meetings and other information sharing sessions.

During 2019/2020 the targeted number of required Ward Committee meetings were not held as required. Challenges were experienced especially as a result of COVID. It is noted that performance reporting is required to be detailed and qualitative and respond to the specifics of the target set. Reporting to detail required the number of meetings held per ward. Ward Committee meetings sat haphazardly, and it was extremely difficult to get councillors to meet at agreed times – a situation exasperated by the COVID 19 lockdown. It is fair to say that the target of 1 meeting per Ward in each quarter (17 wards), was not met. Many variances occurred. More specifically, during Quarter 1, notwithstanding the fact that ward committee meetings were held from 8 August 2019 to 16 September 2019, the reporting provided did not specify the number of meetings held and in which wards these occurred. During Quarter 3, Wards 14, 15 and 16 did not sit and in Quarter 4, no meetings could take place as result of the COVID lockdown restrictions regulations on gatherings. It is acknowledged that other media platforms will be required to be utilized as it is clear that the challenges presented by COVID-19 continue unabated and the prescriptions relating to public participation require meetings of this nature to occur – as a matter of compliance and due to the tremendous benefit afforded by these meetings.

Issues raised by ward committees are required to be reported quarterly to the Executive Committee. Under normal circumstances and historically in the past, it appears that these meetings and this method of communication was successful, with issues being resolved.

2019/2020 brought with it a unique set of circumstances that greatly reduced the effectiveness of this mode of communication. Under more normal circumstances, this system ensures that council is kept current on all issues raised within Ward Committee meetings. Accordingly, reports on the functionality of Ward Committees are required to be submitted to Standing Committees, Exco and Council meetings.

### **Administrative Considerations**

- Ward Committees were established as required and in terms of Gazette No. 1405, Notice no. 209 of 9/12/2005.
- The Municipality published its By-Laws relating to Ward Committees in terms of s13 of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) read with s162 of the Constitution of the Republic of South Africa Act 1996 (Act 108 of 1996).
- In terms of these prescriptions the following issues are required to apply:
  - Representation on Ward Committees shall not be according to political party affiliation and will include religious, youth, civic, education, sport, culture, business, welfare, and women's associations.
  - Committees are required to meet at least once per quarter and report formally to the Municipal Manager at least quarterly through their Ward Councillor.
  - The term of office of a member is a period of two years.
  - The Mayor is responsible overall for the functioning of the Ward Committees and will meet at least quarterly with all Ward Committees to discuss issues of mutual concern and issues to be addressed.
  - The Mayor shall submit a 6-month report to Council on the activities and considerations of the Ward Committees.
  - Each Committee will be chaired by its respective Ward Councillor. During Ward Committee meetings, the community members are briefed about developments in their ward and within the municipality itself. In this manner, a consultative community structure is created and maintained; and
  - In order to facilitate the smooth running of these communities a code of conduct has been developed which will in turn be work shopped.
- In keeping with all required legislation, it must be noted that:
  - All records of meetings scheduled and attended are maintained (minuted).
  - Minutes of all meetings are made available.
  - Written proof of resolutions tabled to Council are made available.
  - Minutes are available for all feedback meetings with communities; and
  - Ward Committee activity reports are made available to all.

### **f. Community Development Workers (CDW's)**

Community Development Workers (CDWs) are effectively multi-skilled public servants who are deployed at the community level in order to bridge the gap between the provision of

services by government and access to those services by the communities. CDWs are deployed to municipalities where they live in order to address issues that may include lack of information, knowledge and poor communication that communities experience in relation to municipal services.

### Functioning of CDW's

- All CDW's are required to undergo the appropriate training (ensuring that they clearly understand their role and purpose).
- CDW's report monthly to their co-ordinator in Sterkspruit in order to provide operational monthly reports i.e., reports on activities performed. Issues and observations noted, are forwarded monthly to the municipality via the Speakers Office.
- All Ward Committee meetings are attended by the CDW's who also then provide assistance to the Ward Councillors in respect of the dissemination of information.
- The role and task of CDWs is to link communities with all government spheres and departments.
- CDW's work as community facilitators and organisers, focuses on the following key functions:
  - Assisting communities with developing and articulating their needs
  - Facilitating the development of community structures
  - Facilitating public participation in government development projects (e.g. IDP, LED, infrastructure and service delivery projects and the like)
  - Identifying service blockages in the community
  - Finding solutions to identified needs and blockages by interacting with national, provincial and local government structures.
- Community Development Workers are required to interact with the community, identify households in need and to ensure that community relationships are nurtured so that community participation, support and correct utilization of services occurs as a result of effective marketing.
- Even though this financial year required the organization to engage in other means to reach the public and community (local radio station and the like), CDW's remain operating on the ground and in the communities in order to spread required information regarding content and the platforms used. Social distancing and standard COVID safety precautions were required to be upheld at all times.

Note: Difficulties in communication in respect of the CDW programme are traditionally experienced. It would seem that this occurs in part due to misunderstandings by the Ward Councillors as to the role of the CDW's and this in turn leads to miscommunications and Additional training is to be provided in this regard.

- CDW's report to the relevant government department by utilizing designated reporting mechanisms in an effort to obtain required support and assistance for particular households; and

- Round Table Meetings are held quarterly and chaired by the Speaker. COGTA representation is to be found at these meetings. CDW's report on their activities performed, while detailing challenges experienced within the communities in which they work – with a view to resolving these at higher levels.

While this programme has achieved great success through its marketing campaigns, it is hampered by the lack of transport and telecommunications that would enable CDW's to ensure that the requested services reached the required families.

#### Institutional Meetings Held by Committees 2019/2020

INSTITUTIONAL MEETINGS	DATES ATTENDED - 2019/2020
<b>MPAC</b>	12 September 2019
	8 October 2019
	6 December 2019
	19 March 2020
<b>EXCO</b>	24 July 2019
	28 August 2019
	25 September 2019
	22 October 2019
	2 December 2019
	22 January 2020
	19 February 2020
	17 March 2020
	25 June 2020
<b>Audit Committee Meetings</b>	26 August 2019
	18 November 2019
	24 February 2020
	18 May 2020
<b>Council Meetings</b>	<b>Ordinary Council Meetings:</b>
	29 July 2019
	30 September 2019
	6 November 2019
	29 November 2019
	9 December 2019
	29 May 2020
	<b>Special Council Meeting:</b>
	30 June 2020

**mSCOA Meetings** (Finance): 4 quarterly reports on the progress of implementation of **mSCOA** were tabled to Council during this financial year.

**g. Committees and Committees' Purpose**

COMMITTEES (OTHER THAN MAYORAL /EXECUTIVE COMMITTEE) AND PURPOSE OF COMMITTEES	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
Audit committee	Administrative Oversight
Municipal Public Accounts Committee (MPAC)	Oversight
Local Labour Forum	Labour Issues
Training Committee	Training and Employment Equity Issues
Bid Committees	Bid/Specification/Tender Adjudication
Performance Management Evaluation	Assessment of Performance
Mandate Committee	To carry out and discuss all the mandatory issues of the Council
Remuneration Committee	To carry out and discuss all the remuneration issues of the Council
Strategic and Governance Committee	To carry out and discuss all the strategic issues of the Council
Ethics Committee	To carry out and discuss all the ethical issues of the Council
Corporate and Support Services Committee	To discuss, recommend and dealing with council related business.
Community Services Committee	To discuss, recommend and dealing with council related business.
Technical Services Committee	To discuss, recommend and dealing with council related business.
Budget and Treasury Committee	To discuss, recommend and dealing with council related business.
Development and Town Planning Services Committee	To discuss, recommend and dealing with council related business.
Occupation Health and Safety Committee	To carry out and discuss all the Occupational Health and Safety issues of the Council
Employment Equity Committee	To carry out and discuss all the Employment Equity issues of the Council

The following Traditional leaders are recognized and consulted as and when appropriate

J Mguye	Traditional Leader
T Kakudi	Traditional Leader
N J Tikiso	Traditional Leader
N H Binza	Traditional Leader
Z Mphambo	Traditional Leader

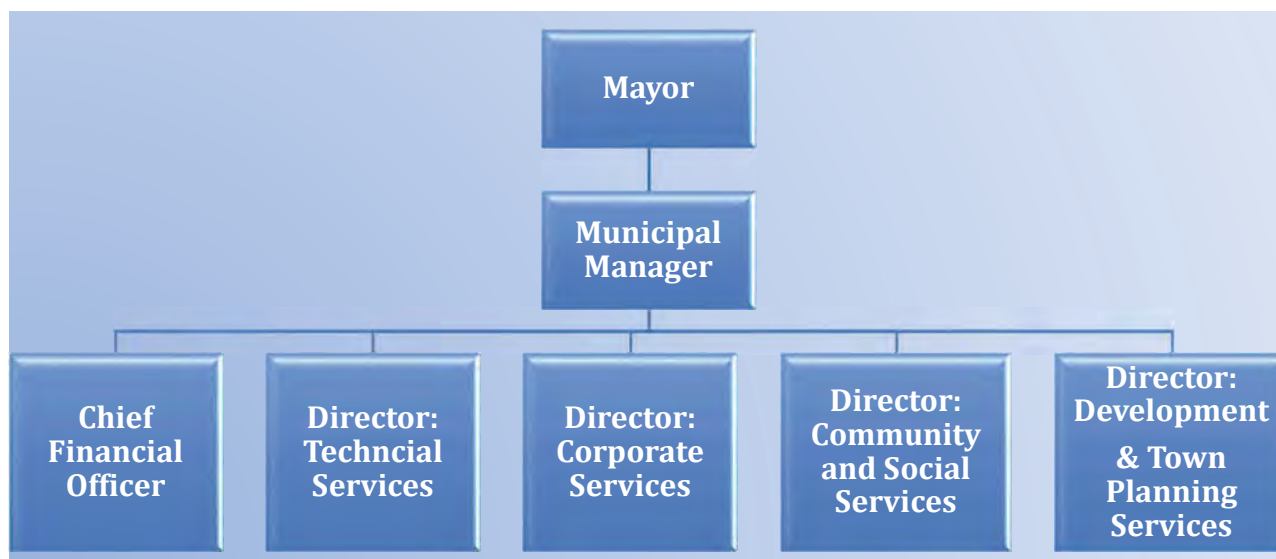
#### **h. Political Decision Making**

Political decisions are made through Standing Committee resolutions (after examining reports submitted) and at times these are forwarded to Council for a decision from Council i.e. Council Resolution. Actions taken must be taken strictly in accordance with a resolution number in order to be valid. A Resolution Register provides detail regarding action to be taken and follow ups are conducted in order to ensure that resolutions are acted upon.

### **2.1.2 Administrative Governance**

#### **a. Introduction to Administrative Governance**

The functional structure representing administrative governance is reflected as follows:



As depicted by the diagram above, the administrative structure consists of the Municipal Manager (Administrative Head) and the five (5) s56 Directors who report to the Municipal Manager.

S56 Directors' are appointed under the following conditions:

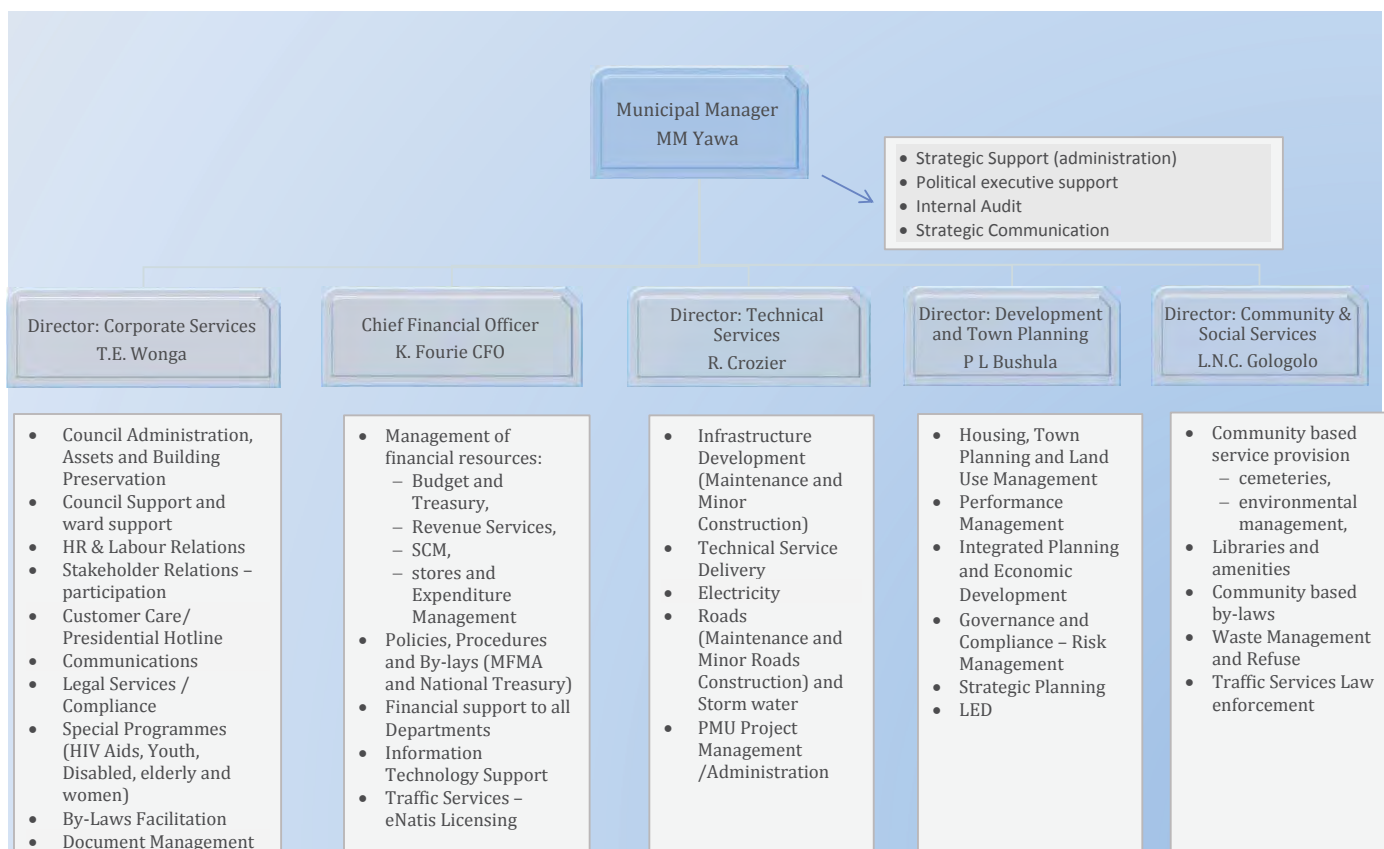
- They are appointed on 5-year fixed term contract.
- Performance Agreements are signed annually between the s56 Directors' and the Municipal Manager (to whom they report). This details their specific contract conditions and together with an annually reviewed performance scorecard, their performance goals and objectives are agreed to annually (as performance measurable targets). It is against these that their performance will be measured; and
- S56 Directors' report regularly to the Municipal Manager regarding performance and issues requiring appropriate action.

**b. Reporting Relationships and Administrative Functioning**

- Directors report directly to the Municipal Manager regarding functional issues that relate to their specific directorates.
- Reporting occurs according to reporting lines and recognized communication structures (encouraging free flow of communication).
- Directors compile/present reports to Council regarding their respective directorates monthly (to the Standing Committees), who then recommend that these are approved/taken to Exco/Council as deemed appropriate (for final approval /resolution).
- Council resolutions are required to be effected within a specific period of time and follow ups are required to be undertaken in order to ensure that this occurs timeously and, in the manner, required.
- Directors are required to meet the terms and conditions of the approved Performance Management Policy; and
- Directors are required to ensure that all reporting occurs in terms of compliance and in respect of all internal controls and systems.

The table that follows details each directorate, the name of its director and the functional requirements for each directorate:

The functional nature of each Directorate is reflected below:





## COMPONENT B: INTERGOVERNMENTAL RELATIONS

### 2.2 INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

It is recognized that organizations benefit from both individual and shared experiences. In this manner, opportunities are created for organizations to share and learn from each other and to develop more effective skills in handling day to day operations and specific challenges.

Efforts to improve and facilitate these relationships has led to the development of IGR (intergovernmental relations) structures which have been put in place and are driven at the level of the district. The IGR Forum has been established in order to formally promote and to improve this process.

In order to govern and facilitate this process further, an Intergovernmental Relations Framework Policy was adopted by the district (Joe Gqabi District Municipality) and related structures were created that were linked to the following clusters:

- a. Social Needs.
- b. Economic and Infrastructure.
- c. Safety and Justice; and
- d. Governance and Administration.

These clusters meet within the district by-monthly, in order to discuss service delivery, policy issues, integration, co-ordination, monitoring and evaluation.

#### 2.2.1 Existing and Functional Structures

Aside from the clusters, the following structures exist:

- **The District Technical Task Group.**
- **The District Mayor's Forum (DIMAFU).**
  - Meets quarterly to align key programmes and issues that relate to municipalities.
  - This is a s79 committee (special committee that consists of Mayors of all Local Municipalities within Joe Gqabi District Municipality).
- **MUNIMEC Meetings.**
  - Attended by Mayor and Municipal Manager.
  - Driven and coordinated by MEC for Co-operative Governance (to evaluate the performance of government programmes).
- **Presidential Hotline**
  - The Presidential Hotline continues unabated.
  - Targets in respect of having “resolved issues” were all met in this regard and 12 reports on the number of resolved issues from the Presidential Hotline were submitted.
  - Quarter 1 For two months of Quarter 1, the Presidential Hotline was functioning at 100% and during September 2019 only 1 call was logged and was attended to. During

quarter 2, reports were submitted. During the month of October, the Presidential Hotline was on 99.06% and only 1 call was logged. During both Quarter 3 and Quarter 4 no reports on the number of resolved issues from the Presidential Hotline occurred. It is clear that more innovative action is required to be utilized during times of crises and that ways to assist in centralizing customer care systems with a view to improving productivity; reducing costs; being more competitive; and building value, may be required.

- Quarter 3 and quarter 4 reports could not be developed as the office at said time closed as a result of the Covid 19 National Lockdown. It is acknowledged that for this hotline to become a more effective platform - efforts must be made to create more awareness and facilitate better understanding within the communities of the hotline purpose and functioning itself; and
- To develop alternative methods of functioning and access to information in the event of another lockdown scenario.

- **IDP Representative and Public Participation Forum Meetings (IPPF)**

- These are held in order to consult with Sector Departments and in order to link IDP processes.
- The Integrated IDP Representative and Public Participation Forum meetings held are informed in part by the IDP Process Plan.
- This target was not achieved and only 3 out of the 4 planned meetings were held. During \*Quarter 1: IPPF held 20 August 2019; during \*Quarter 2: IPPF Meeting held 2 December 2019 and during Quarter 3, IPPF held 3 March 2020.
- The variance of one meeting occurred in quarter 4 and was a direct result of the national lockdown process – caused by COVID – 19 and the resultant inability to hold conventional meetings (due to reduced numbers in gathers as a safety issue).
- Efforts are continuously being made in order to improve and create conditions to facilitate public participation.
- Alternative mechanisms were undertaken in order to attempt to manage public participation. During COVID 19 in particular, the local radio stations were used as an alternative means to reach various stakeholders and members of the community.
- The IDP was submitted and adopted by Council on 29 May 2020.

## **2.2.2 Intergovernmental Relations**

### **a. National Intergovernmental Structures**

All the programmes that are developed by Senqu Municipality are derived from the legislative policies that are approved by National and Provincial Government. The Local Development strategies in Senqu Municipality's Integrated Development Plan are aligned to the National Development strategies and policies.

## **b. Provincial Intergovernmental Structures**

Munimec meetings are attended as and when run. Munimec technical team and political team meetings are scheduled and attended accordingly. These meetings are held in order to discuss and to resolve issues of mutual interest with neighbouring municipalities. Reference is made to Appendix D (detailing a complete list of entities and delegated functions).

## **c. District Intergovernmental Structures**

Efforts to improve intergovernmental relations are driven at the level of the district. The IGR Forum has been used in the past to promote this process and Joe Gqabi District Municipality has adopted an Intergovernmental Relations Framework Policy. Intergovernmental structures were created historically (linked to the clusters of Social Needs; Economic and Infrastructure; Safety and Justice and Governance and Administration). Notwithstanding it must be noted that the District IGR Forum has not been active for the last two financial years.

Additional structures have and do include:

- The District Technical Task Group;
- The District Mayor's Forum (DIMAFU) – meeting quarterly in order to align key programmes and issues between all municipalities within Joe Gqabi District Municipality. This s79 committee comprises the Mayors of all local municipalities within the district.
- As is clearly observed, in this manner, many opportunities are provided for the benefit of both district and local municipalities.

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

## **2.3 OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION**

Every year formal opportunities are created in order to provide the public with opportunities to input into organizational objectives and the manner in which services need to be and are addressed. In addition, they are given opportunities to “interact” with information regarding service delivery, operational and financial performance (IDP and Budget meetings, SDBIP reporting, Performance and Annual Reports and the like). In this manner, a “people centered” organization is created – one in which the needs of the community are noted, and plans are made to address these through processes of interaction and inclusion.

The IDP Process and Budget Plan are just a few of the structures that have been created in order to ensure that public participation occurs effectively – ensuring that the needs of the public are met.

### **2.3.1      Public Meetings**

#### **Communication, Participation and Forums**

Historically, it is noted that the Communication Plan and Strategy was adopted and implemented successfully (reported on monthly) and implementation reports were submitted quarterly to Council.

During this financial year the targets applicable to the Communication Plan in particular were not met. The Communication Plan was not implemented as planned. More specifically it must be noted that the quarterly reporting on implementation was not achieved, nor was it tabled to the Standing Committee. In terms of 4 reports (quarterly reports on implementation) it must be noted that during quarters 1 and 2, while reports were compiled, they were not tabled to the relevant Standing Committee. During Quarter 3 the planned milestone of having a media breakfast and local communications forum was not implemented. Finally, during Quarter 4 it must be noted that COVID-19 lockdown restrictions and regulations impeded the implementation of the Communication Plan overall, compounding its failure in terms of implementation. Historically it must be noted that this Plan has never been sufficiently funded for implementation. That being said, the alleged budgetary constraints and lack of resources need to be investigated, or it must be established whether the issue relates to a capacity or a performance issue, so that this can be dealt with appropriately.

Ward Committee members, Councillors, members of the LED Forum, SPU and government departments were invited to form part of the Public Participation Forum. Unfortunately, the targets relating to this forum were not met. During Quarter 1 the IPPF Meeting was held 20 August 2019. During Quarter 2, one IPPF Meeting was held 2 December 2019. During Quarter 3, one IPPF Meeting was held 3 March 2020; and during Quarter 4, no IPPF meetings could take place due to COVID-19 lock-down restrictions.

Mayoral outreach targets were met, and two meetings were held within two quarters as required. In this regard, innovative alternatives were utilized to meet the target under the extenuating circumstances relating to COVID. Accordingly, during Quarter 2, the milestone for Quarter 2 was achieved and all outreaches were held in all 17 Wards of the municipality. During Quarter 4, alternative mechanisms were undertaken in order to reach the community. The Mayor undertook public participation via the local radio stations.

The target relating to the Budget Speech for 2019/2020 was met. More specifically, innovative alternatives were undertaken in order to meet the target in extenuating circumstances. During Quarter 4, alternative mechanisms were undertaken to reach the community. The Mayor undertook public participation via the local radio stations and the budget speech was incorporated in said media communication. In this manner attempts were made to obtain inputs from the community and budgetary constraints, operational issues and challenges were used to inform and choose projects that appeared in the municipal 5-year IDP (2017 - 2022). Community information sessions and feedback were used to prioritize these projects for each subsequent year. The results of this were then prioritized within the IDP and Public Representative Forum meetings, and the prioritized projects (municipal and government) were then tabled to Ward Committee members.

Communication continues through Ward Committee meetings that now favour - radio talk shows and printed media. Additionally, the Presidential Hotline and the manual receipt of complaints are also being utilized in order to address all complaints received from communities and other stakeholders. Targets relating to these aspects have not been met. During Quarter 1 (for two months of the quarter), the Presidential Hotline was on 100% and during September 2019 only 1 call was logged and was attended to. Quarter 2 reports were submitted. During the month of October, the Presidential Hotline was on 99.06%. During Quarter 3 only one call was logged, and during Quarter 4, no reports were issued on the number of resolved issues from the Presidential Hotline as result of the Covid 19 Lockdown. Greater innovation is required to be employed during crisis situations such as COVID and this will require looking at introducing ways to centralize customer care systems which will improve productivity; reduce costs; be more competitive; and build the value. A central customer care centre with modern technology, such as a “cloud based” or an “App-based” system will be required to be investigated. This will ensure that no matter where employees are located – they have access to login and access the information they need within minutes, while at the same time providing them with all the information any given moment in time to manage reporting requirements. Reporting monthly in terms of Customer Care complaints and appropriate action to resolve issues has not occurred successfully.

During Quarter 1(July 2019), complaints were received regarding Amadwala. The Customer Care Officer visited their offices and they confirmed that the complaints have been responded to and forwarded to PMU office. There were no complaints lodged during the month of August 2019. Two complaints were lodged in September 2019. During Quarter 2 Reports were submitted. Complaints lodged in quarter 1 and 2 were resolved within the 7 days. Quarter 3 and quarter 4 reports could not be developed as the office at said time had closed as a result of the COVID 19 National Lockdown. A central Customer Care Centre with modern technology “cloud based” or an “App based system” will be investigated.

During the current financial year, the Communication Plan was reviewed. Unfortunately, the Plan was not sufficiently funded for implementation in the first and second quarters and as a result it had to be adjusted during the adjustment budget. Quarterly implementation reports were not submitted as required.

Efforts to improve public participation and communication have involved the extensive use of other communication media. This became extremely necessary also during the time of lockdown due to COVID – 19. These efforts include:

- Newspapers (reporting on highlights) such as: Daily Dispatch, Aliwal Weekly, Daily Sun, The Reporter and the Eagle Eye News.
- A target of four (4) Internal Newsletters and four (4) External Newsletters were required to be achieved. This was not met. During \*Quarter 1 - no newsletters were published; during Quarter 2, internal and external newsletters were developed and published; \*during Quarter 3, 1 internal newsletter was developed in March 2020; and during \* Quarter 4, 1 external newsletter was developed.
- Broadcast media such as: Takalani Community Radio, Ekhephini Community Radio and LA FM Community Radio. These are used for media activities such as: advertising of Mayoral Outreaches and in order to communicate with the community generally. Mhlobo Wenene is

used only when the need to advertise broadly is required, as this represents an extremely costly option; and

- Budget consultations and final consultations proved to be a challenge. The draft Budget was tabled to Council on the 26 March 2020. The notice was placed on the website but not on the newspapers due to the National Lockdown. The Final Budget was Approved by the Council through a virtual meeting that was created as result of COVID - 19 on the 29 May 2020.

The Adjusted Budget was tabled to Council on the 26 February 2020. The notices were placed on the newspapers and website on the 6 March 2020.

### **2.3.2 Other Role-players Used to Improve Public Participation**

In addition, the following role-players are used to heighten and improve public participation overall:

#### **a. Community Development Workers (CDW's)**

The CDW's report to province, but also report to the municipality via the Round Table Meeting which is held quarterly. Communication and cooperation is facilitated by these round table meetings where issues relating to the wards may be discussed. These discussions are chaired by the Speaker and meetings are constituted as follows: Ward Councilors', Traditional Leaders, Local Government, Traditional Affairs Representatives and CDW's.

#### **b. Economic Development Forum**

This forum is required to meet quarterly and comprises all stakeholders involved in LED. Issues and challenges relating to LED implementation are discussed and the forum monitors the implementation of the LED Strategy. The 4 meetings planned could not occur due to lockdown and a variance of 2 meetings occurred. In quarter 3 the 1 EDF was planned to be in the form of a breakfast meeting with the MEC in Sterkspruit on 28 February 2020. This was postponed to March 2020 as the Mayor was unable to attend. As result of COVID – 19 and the 27 March 2020 lockdown, the target milestones could not be achieved. Meetings will again be held once COVID restrictions and regulations are relaxed and operations are normalised. The municipality will certainly investigate and strategize in order to find alternatives forms of holding meetings that may be more effective and accessible to all stakeholders.

#### **c. Communications Forum**

This forum meets quarterly in order to discuss issues relating to communications within the region. It consists of local municipal communicators, GCIS and local media representatives. Meetings will again be held once COVID restrictions and regulations are relaxed and operations are normalised.

#### **d. Ward Committees**

As s73 structures (as per s73 of the Municipal Structures Act, Act 117 of 1998) these have been created in order to facilitate ward communication with Council.



Committees are required to meet monthly and report to the Speaker regarding issues of interest. Historically, meetings have not always been held as regularly as required and in an effort to improve attendance, the payment of stipends was recommended by National Treasury. Financial constraints have impacted negatively on this.

These committees are extremely effective in facilitating two-way dissemination of information, notwithstanding any challenges experienced with Sterkspruit.

Senqu Ward Committees are effective in the sense that issues raised by ward committees are reported on quarterly to the Executive Committee. This ensures that council in general is on board of function of the ward committees at all times. That being said, COVID restrictions impacted negatively on these meetings, preventing them from occurring.

**Reference:** Appendix E (Ward Committee Governance) and Appendix F (Performance Data for Wards)

**e. Comment on Effectiveness of Public Meetings Held**

The Public Participation Plan was approved and adopted, and Public Participation Meetings were held, although it is noted that this is an area that requires attention and meetings were postponed at times especially during the fourth quarter, due to COVID.

It is recognized that despite progress and the effectiveness of meetings held, ongoing efforts must continue in order to increase opportunities for Public Participation.

**2.3.3 IDP Participation and Alignment**

s34 of the Municipal Systems Act, (Act No 32 of 2000), together with Chapter 2 of the Local Government Municipal Planning and Performance Management Regulations (No. 796/2001) requires the development and completion of the Integrated Development Plan (IDP). This 5-year document was first compiled in 2002, then in May 2006, in 2011 (for the 2011-2016 period) and more recently in 2016 (for the 2016-2021 period). The reviewed IDP for 2018/19 was adopted by Council 30 May 2018.

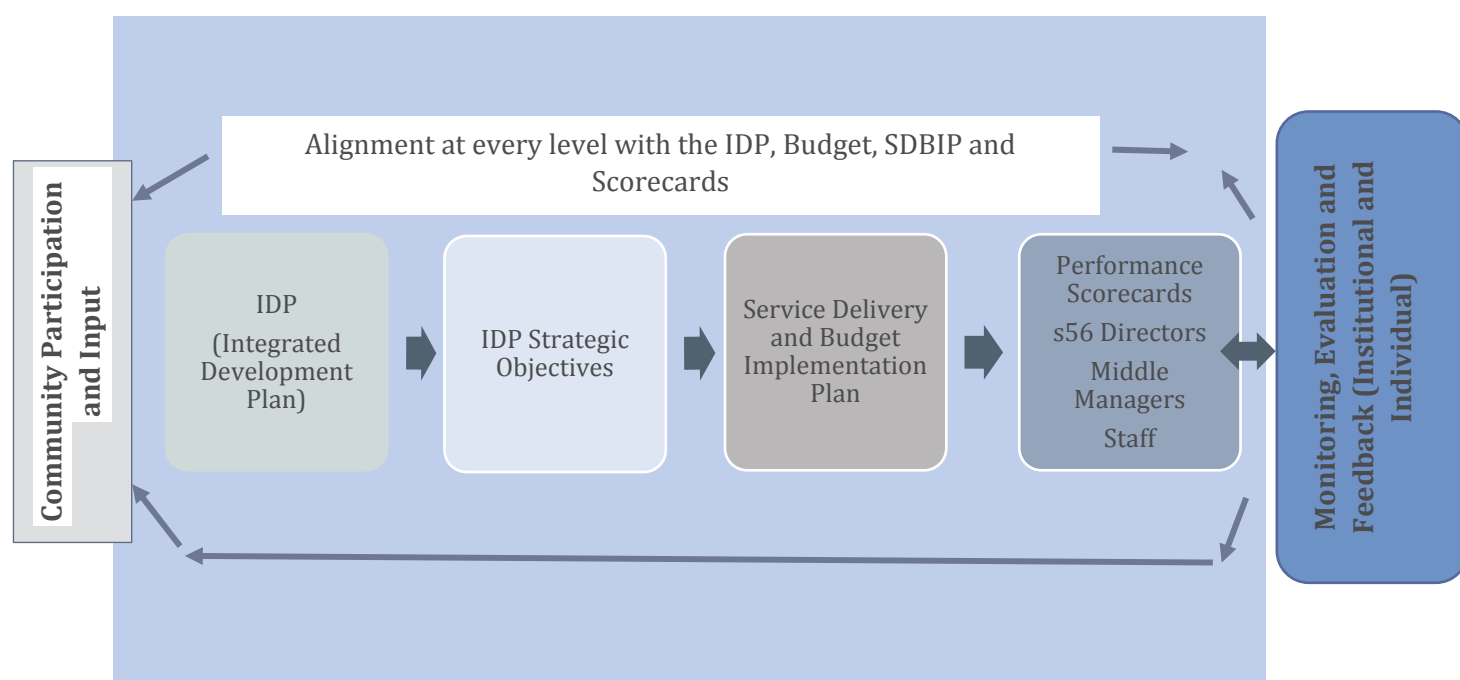
The IDP is required to correspond with each new Council's elected term of office. It is the organizations strategic document that directs and influences the functioning of the organization overall – informing and influencing the strategic direction and operation of all projects and planning that occurs internally.

The Integrated Development Plan (IDP) is explained by the diagram that follows, detailing its impact and role within the organization. More specifically the following points of explanation are noted:

- a. The IDP is developed for a period of 5 years and is reviewed annually. The strategic targets and goals take into account the available resources and are developed as realistic goals that are reworked annually from the 5-year strategic goals. Available resources are taken into account and impact on the development and approval of annual achievable and realistic targets – aligned to the overall strategic objectives contained within the IDP.
- b. A Process Plan is developed annually which informs the manner in which the IDP will be reviewed and managed (and public participation will be maximized).

- c. Planned meetings are detailed and scheduled as required.
- d. Performance is evaluated according to the use of the Budget Evaluation Checklist.
- e. The Budget Executive Committee meets regularly in order to evaluate the previous year's budget process – learning from current and past situations.
- f. It is critical that there is alignment between the IDP, Budget and the SDBIP. In this manner, the achievement of performance objectives as reflected in performance scorecards will facilitate the achievement of the IDP strategic objectives.
- g. In accordance with this philosophy, alignment must be carried through to the population of the s56 Directors' scorecards and to the levels below; and
- h. The assessment of the degree to which performance targets are achieved is facilitated through regular assessment and reporting structures. Reporting structures are in place in order to ensure that implementation, monitoring and feedback occurs ongoing – thereby ensuring that every effort is being made to meet the IDP objectives.

**Figure: Development of the IDP through Public Participation and alignment with SDBIP and Budget**



In keeping with the practice of planned IDP related consultations, the following meetings and achievements occurred:

- The development of the 2019/2020 IDP Review and Budget Process Plan was developed and approved on the Council meeting that was held 29 July 2019.

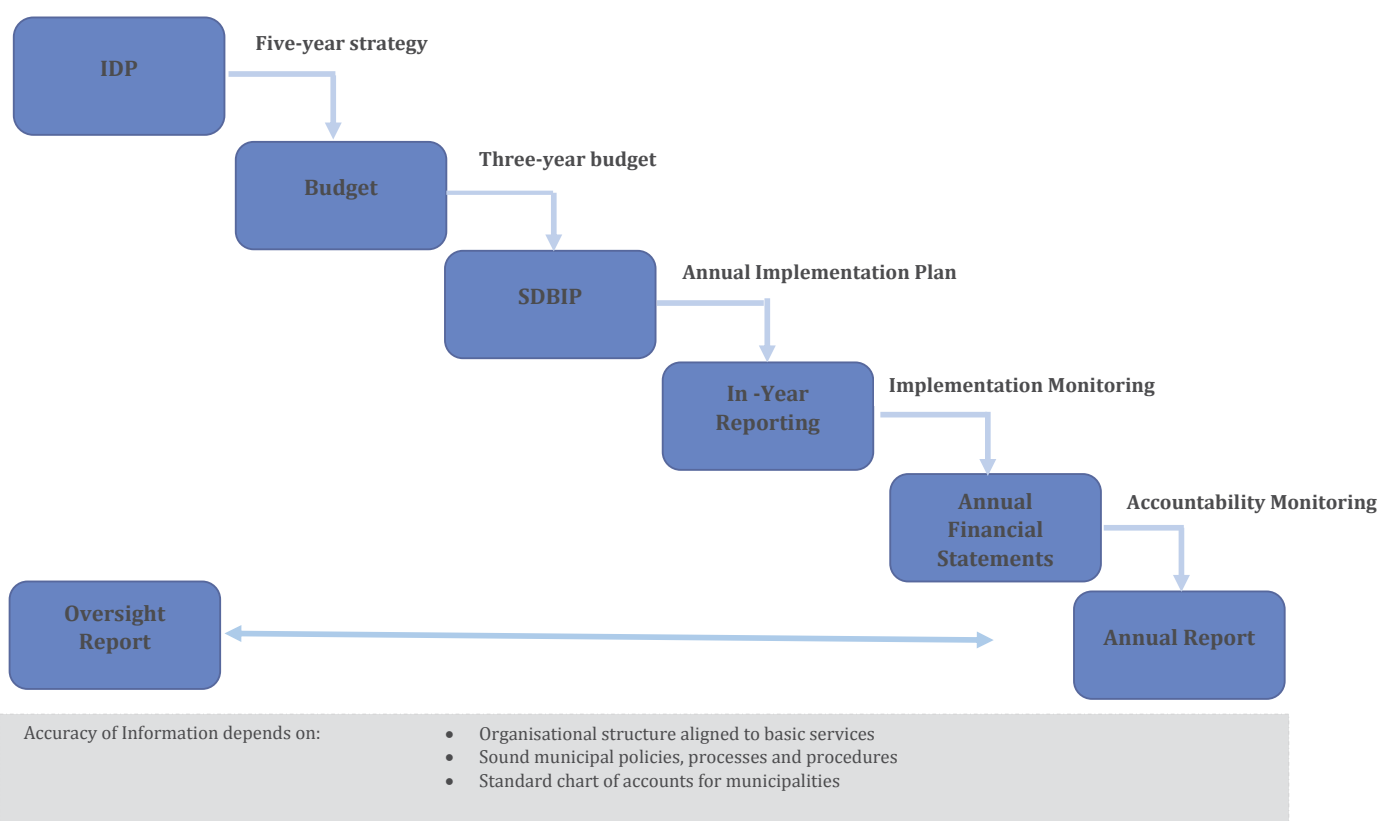


- The draft IDP was adopted 26 March 2020 and the Final IDP adopted by Council on 29 May 2020.
- In terms of the number of IDP Representative and Public participation Forum meetings required to be held it must be noted that only three out of four meetings were held. During quarter 1 an IPPF meeting was held 20 August 2019; during quarter 2 an IPPF meeting was held 2 December 2019; during quarter 3 on 3 March 2020. No meeting held in quarter 4 due to COVID. In this context, 75% of the target was achieved and the IDP was submitted and adopted by Council on 29 May 2020.
- The required number of IDP and Budget Steering Committee meetings were not held as required. No meetings occurred in quarter 1. Meetings occurred 22 January and 10 March 2020 and 1 meeting on 20 May 2020 (75% of the target was achieved). Noted that the meeting planned for quarter 1 and 2 did not take place however 2 meetings took place in quarter 3 as opposed to the 1 meeting planned and 1 in quarter 4. During quarter 1, the meeting was scheduled for the 18 July 2019 and was postponed at the last minute by the Mayor who was attending Mandela day celebrations. The draft was then sent to management and to Exco prior to approval by Council. One meeting during Quarter 2 was not held as the strategic session was delayed. It is realized that Compliance to the Calendar of Events must be managed and monitored. Strategic Stakeholders that influence these dates that form part of planned targets must be engaged as to the risks of the Municipality's not achieving planned targets. These individuals must form part of the planning process when the targets are crafted so as to ensure "buy in". It is suggested that the target be reviewed mid-year so as to find a solution to meet the target of achieving 4 meetings by quarter 4.
- The Draft SDBIP was compiled and approved by the Mayor within 28 days after the approval of the budget.
- The Mayoral Budget speech was well organized, notwithstanding the many challenges relating to COVID in particular. Innovative alternatives were undertaken to meet the target in extenuating circumstances. During quarter 4 alternative mechanisms were undertaken to reach the community. The Mayor undertook public participation via the local radio stations and the budget speech was incorporated in said media communication. All needs and inputs (formally identified by the community) were recorded, prioritized and included in Council's Integrated Development Plan (which was adopted by Council). The table below provides a brief analysis of the participation and alignment that resulted in the development of the IDP and related document.

The following two diagrams/figures illustrate accountability and reporting and oversight functions further.

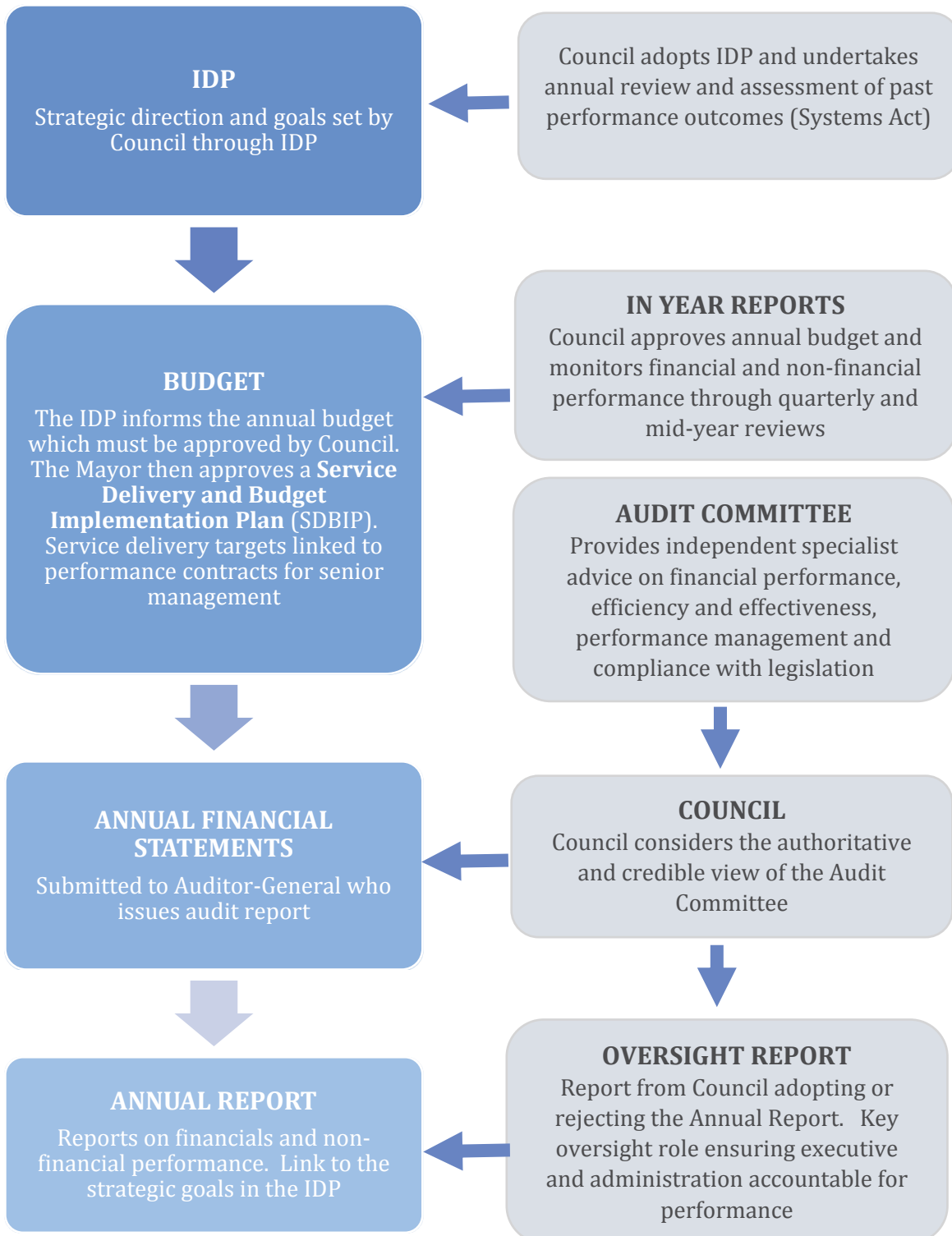
- The Accountability Cycle illustrates the manner in which financial accountability lies at each point and level; and
- The Process Diagram illustrates the manner in which Council Oversight is achieved at every level (from IDP through to the Annual Report).

MUNICIPAL ACCOUNTABILITY CYCLE



## PROCESS

## COUNCIL OVERSIGHT



IDP PARTICIPATION AND ALIGNMENT CRITERIA* 2019/2020	YES/NO	COMMENT
Does the municipality have impact, outcome, input, output indicators?	Yes	
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes	
Does the IDP have multi-year targets?	Yes	5-year Target with implementation of mSCOA
Are the above aligned and can they calculate into a score?	Yes	
Does the budget align directly to the KPIs in the strategic plan?	Yes	
Do the IDP KPIs align to the Section 56 Directors	Yes	Scorecards are developed from SDBIP.
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes	
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes	Municipal Performance Management Regulations s10g
Were the indicators communicated to the public?	Yes	Through Process Plan and IDP Rep & Public Participation Forums
Were the four quarter aligned reports submitted within stipulated time frames?	Yes	

## COMPONENT D: CORPORATE GOVERNANCE

### 2.4 OVERVIEW OF CORPORATE GOVERNANCE

Corporate Governance is required to ensure that all legislative prescriptions are adhered to and in so doing to ensure that the rights of all stakeholders are protected.

Governance and compliance issues are required to be managed in the strictest sense. The administrative arm and related/designated human resources are required to ensure that all prescriptions (legal / policy prescriptions) are adhered to as prescribed, in order to ensure that the organization functions effectively and minimizes/eradicates all identified aspects of risk.

This section will detail issues relating to: Risk Management, Fraud and Anti-Corruption, Supply Chain Management, By-laws, Website access and Public Satisfaction levels --- all in terms of compliance required and the level achieved.

#### 2.4.1 Risk Management

Section 62(i)(c) of the Municipal Finance Management Act prescribes that formal risk management is a matter of compliance. In terms of this, it is required that all municipalities develop and adopt an effective, efficient and transparent system of risk management.

It is acknowledged that the failure to identify and manage identified risks will impact negatively on the organisation (financially and operationally). Costs and the negative impact of failing to

manage risk cannot be justified, particularly if the risk had been noted and no appropriate action was taken. The lack of appropriate action would reflect as poor business practice and poor management overall. The “fall out” in respect of this would include extreme costs to the organisation, audit queries and possible audit qualifications.

**Note:**

- Despite consideration being given to the top 5 Risks organizationally as reflected in the table that follows, it is prudent to highlight a number of additional risks that are no less problematic and just as concerning. These relate predominantly to the issue of Performance Management and specifically to the manner in which it is applied individually and institutionally in terms of functioning and reporting.
- It appears that many of those in top management positions do not realize that the entire function of performance management belongs to managers and supervisors at whatever level in the organization. Management and supervision represent a core function of the job and needs to be taken seriously and conducted daily.
- Reporting on performance is required to be completed correctly, accurately and timeously. As a case in point, inputs into the s46, s72, pertinent areas of the Annual Report (not to mention SDBIP and other reporting) are not taken seriously by top management. It is the responsibility of all directorates and departments to input timeously and appropriately and it is concerning that this is seldom occurs with the time and motivation given to it in terms of worthwhile content. It must be noted that the absence of management and the failure to produce accurate information and the correct documentation will have very serious consequences for the organization overall. The fact that Senqu Municipality has achieved a clean audit report in previous years is no guarantee that it remains this way and will be achieved in 2019/2020 and the failure to present accurate and correct information will impact very seriously on this. It must be noted that the status of “Clean Audit” can be withdrawn by the Auditor General should this be found wanting. This is a huge risk to the organization on many levels – it relates to the ability to achieve performance optimization and ensuring that the organization functions optimally on every level and achieves all aspects of compliance.
- It must be noted that performance is evaluated differently when we speak of employee performance assessment vs institutional performance assessment. In the case of employee assessments, performance may be legitimately affected, and this is considered carefully and may/may not result in performance being “met with a variance” - with due consideration of all the evidence. In the case of institutional performance assessment, no such consideration is made ---it is essentially either “met”, “not met”; and
- The role of the internal audit is one of oversight and assisting management to be successful. In addition, it is required that support be provided in respect of approved, compliant and legitimate policies. As an example, while the right to question and ensure correctness is recognized, it should never impede on the ability of the organization to perform as required in terms of a policy that is approved. Reference is made to the ongoing issue regarding “self-scores” which is brought up annually and justified and substantiated as acceptable practice annually. Many workshops and information sessions have been held in order to clarify this issue and following agreement of sorts it gets raised again and again – to the point where one has to begin to question the logic and purpose of this all. This practice of the internal audit and related structures in itself represents a risk – which can easily lead to unnecessary

destabilization of recognized and compliant practices (such as this policy and function) and may contribute unnecessarily to the cause of wasteful and fruitless expenditure - due to ongoing and unnecessary workshops, legal opinion (already received) and the like.

#### 2.4.1 Risk Management

##### Top 5 Risks (2019/2020)

TOP FIVE RISKS OF SENQU LOCAL MUNICIPALITY FOR 2019/2020		
Risk	Current Controls	Action Plan
1. Inadequate maintenance of existing infrastructure	<ul style="list-style-type: none"> <li>Roads &amp; Storm water maintenance plan in place (Existing roads maintenance team but not achieving much due to insufficient plant and staff)</li> <li>Electrical maintenance plan in place</li> <li>Minor maintenance is taking place.</li> </ul>	<ul style="list-style-type: none"> <li>Increase roads maintenance capacity, form a separate storm water unit, roads &amp; storm water master plan, registration of borrow pits.</li> <li>Employ electrician for Lady Grey, resolve above threshold overtime payment, reduce electricity losses and ensure Nersa &amp; ERA compliance.</li> <li>Maintenance plans for Senqu SWS: Service provider will develop maintenance plans for SWS within the municipality.</li> <li>Budgeting for maintenance and repairs needs to be done as the current budget is below the norm of 8%</li> </ul>
2. Poor planning, monitoring and evaluation of the quality of infrastructure projects during construction.	<ul style="list-style-type: none"> <li>PMU Manager X 1;</li> <li>PMU Technician X 1;</li> <li>Control sheets operational.</li> </ul>	<ul style="list-style-type: none"> <li>Employ engineer and 2 x technicians with resources (IT, office space, transport). Implementation of SIPDM modified to regulations with SANS and standardise formats and implement Variation Orders as per project requirements.</li> </ul>

**Top 5 Risks (2019/2020) (cont.)**

TOP FIVE RISKS OF SENQU LOCAL MUNICIPALITY FOR 2019/2020		
Risk	Current Controls	Action Plan
3. Under - utilisation of land and increased urban sprawl	<ul style="list-style-type: none"> <li>• Senqu Land Use Scheme regulations.</li> <li>• Senqu SPLUMA By-Law; and</li> <li>• PIE Act.</li> </ul>	<ul style="list-style-type: none"> <li>• Peace Officers,</li> <li>• Attach fines to SPLUMA By-law</li> </ul>
4. Investment interest declines	<ul style="list-style-type: none"> <li>• Cleaning schedules for Mass Job creation.</li> <li>• LED Strategy; and</li> <li>• Gazetted By-Laws</li> </ul>	<ul style="list-style-type: none"> <li>• Improved budget for maintenance of existing infrastructure rather than more capital projects.</li> <li>• Implementation of small-town regeneration plan.</li> <li>• Enforcement of by-laws</li> </ul>
5. Loss income	<ul style="list-style-type: none"> <li>• Meter Reading Using Meter Reading Tool.</li> <li>• Monitoring low or no consumption on pre-paid electricity meters.</li> <li>• Technical Department to conduct physical inspection of properties; and</li> <li>• Roll - out of Prepaid Meters</li> </ul>	<ul style="list-style-type: none"> <li>• Budget for Pre-paid Rollout</li> <li>• Budget to Conduct meter Audit and Tariff Review</li> <li>• Budget to convert conventional pre-paid meters to Smart Meters</li> </ul>

The function of risk management is located within the Directorate of Development and Town Planning in the Governance and Compliance Division. This function is managed by the Manager: Governance and Compliance. Risk remains the responsibility of each Directorate and said parties on all levels are required to manage risk within the ambit of their control.



## Oversight on Risk

**The Internal Audit Committee** provides the required oversight on all matters pertaining to risk (both internal and external). The top five (5) risks as reflected within the table above receive priority. Notwithstanding risk is identified on all levels and where at all possible, contingency plans are put into place in order to mitigate risk. The oversight role involves making a comparison between perceived and actual risk experienced. Recognized practices and processes are utilized in order to measure and assess the manner in which risk is minimized and the manner in which reporting, and controls are undertaken, so as to manage risk effectively.

As a means to facilitate monitoring, oversight and management, the following structures and reporting mechanisms were utilized, while recognizing that COVID – 19 did have a significant impact overall:

- a. A Risk Management Framework and Policy have been developed and are updated regularly with the exception of the current year –in which no policies were reviewed. In this manner, a standardized approach to risk management and commitment to such throughout the organization is achieved.
- b. Despite changes in timeframes due to COVID – 19, quarterly reports on matters of risk were submitted to the Internal Audit for Audit Committee consideration quarterly as required as per the following dates: Quarter 1: 30 September 2019; Quarter 2: 6 January 2020; Quarter 3: 13 May 2020 and Quarter 4: 16 July 2020.
- c. Quarterly Risk Assessment and Compliance reports were submitted to the Internal Audit for Audit Committee consideration on the following dates: Quarter 1: 26 August 2019 (Special Audit Committee meeting); 30 September 2019 (Audit Committee Meeting); Quarter 2: 6 January 2020 for meeting held 24 February 2020; Quarter 3: 13 May 2020 for 18 May 2020 and Quarter 4: 21 July 2020 for 24 August 2020. Due to the Covid lockdown and the state of readiness the Audit Committee Meeting that was planned for 20 July 2020 was moved to 24 August 2020.
- d. The municipality has developed a Risk Profile in which risks are identified and rated – illustrating the gravity of the risk and action plans required in order to resolve this risk – which is then ideally monitored and reported on.
- e. Directorates/Departments are advised on mitigating measures that are required to be implemented in respect of identified risks.
- f. The Risk Action Plan for each Directorate is required to be developed, monitored and reviewed annually.
- g. The IT Disaster Recovery Plan was reviewed, and no changes required or made.
- h. The IT Security Audit was not timeously tabled to the Audit Committee due to delays caused by failure to meet timeously with the service provider (logistical issues);
- i. As a result of COVID the OHS officer was unable to go to the other municipal units following the memo that suspended movement of staff across the different town to control the spread of COVID-19. The Steering Committee which is an extension of the OHS further conducted a risk assessment on COVID-19 related risk and submitted this to the Audit Committee and Council.
- j. In an effort to combat fraud, to prevent any inappropriate influences regarding supply chain management processes and awards and as a matter of compliance, all

staff members and Councillors signed their disclosures in the Conflict-of-Interest Register.

- k. The Declaration of Conflict-of-Interest Register was developed and tabled for both Councillors and employees; and
- l. The Fraud Awareness event was not held as planned due to the fact that the municipality wanted to change the strategy and not use pamphlets to conduct awareness but rather do voice overs through the local radio stations. The onset of COVID - 19 and lockdown prevented timeframes from being met.

### 2.4.2 Litigation Issues

The municipality is currently involved in the following litigation issues that could result in damages/loss awarded against/ in favour of Council if claimants are / Municipality is successful. The following cases apply (unaudited information):

LITIGATION ISSUES	2020	2019
<b>1. Moeletsi, Ngogodo &amp; April defamation claims</b>  The Councillors have each instituted separate legal proceedings against the Municipality, together with the Mayor, for defamation in respect of an article that appeared in the Eagle Eye Newspaper in March 2014. The pleadings are closed, and the councillors have not set the matters down for trial since 2015. There is a low risk of the defamation claim being won or even of the matter proceeding.		R300 000
<b>2. Travel and Subsistence Claim</b>  Councillor Tindleni has put in a claim against the municipality for Travel and Subsistence money not yet paid out. The matter was set down for trial on 13 & 14 June 2017 and was postponed as the matter was not ready to proceed. The councillor has not set the matter down for trial again and there is a low risk of the matter proceeding.		R60 000
<b>3. MTN Dispute</b>  The Municipality defended a claim of R 779 411.47 by MTN after the Municipality's contract with MTN was renewed without approval by the Municipality and subsequent to the contract being set aside by the High Court. The Municipality advised the MTN lawyers that it will defend the claim. The matter is dormant, but the liability remains.		R 779 411.47

Litigation Issues cont.

LITIGATION ISSUES	2020	2019
<p><b>4. <u>Ex Gratia Payment</u></b></p> <p>Upon termination of the Municipal Manager's contract, an ex-gratia amount of 1.25 x his gross annual salary will be paid to him. The Community Services and the Technical Services Directors' employment contracts were terminated by the Council on 19 December 2018. The aforesaid termination was subject to further litigation during 2019/2020.</p>	R3 735 731	<p>R3 427 772</p> <p>R3 972 997</p>
<p><b>5. Termination of 4 Directors Employment Contracts</b></p> <p>The claimants have applied to the high court to have the decision reviewed and set aside. The MEC for local government launched a counter application to have the renewal of the claimants' contracts set aside.</p> <p>The counter application was successful, and the employment contracts have been reviewed and set aside by the high court on 19 September 2019. The Municipality has been ordered to pay the costs of the parties as its Council took the decision to renew the contracts. The claimants applied for leave to appeal but the appeal has not been pursued. The taxed costs of the claimants have been paid, but the MEC has not taxed his costs. Given that the appeal has not been pursued, the liabilities have been removed from the financial exposure disclosure.</p>	R200 000	<p>R855 320</p> <p>R200 000</p>

Litigation Issues cont.

LITIGATION ISSUES	2020	2019
<p><b>6. Dibanani Consulting CC</b></p> <p>The CC has instituted action in the High Court, Grahamstown during December 2019 for the recovery of professional consulting engineering fees for road construction projects in Tienbank and Herschel. The Municipality has defended the action and filed an exception to the particulars of claim inter alia based on the fact that the claims are based on variation orders of the original contract that did not comply with the regulatory framework. The exception has not yet been set down for hearing.</p>	R 640 369	
<p><b>7. Amadwala Construction Trading 363 CC</b></p> <p>Amadwala instituted action in the High Court, Mthatha during November 2019 for the recovery of the retention amount for a road construction project in Herschel. The Municipality has defended the claim but Amadwala has not pursued the litigation.</p>	R798 216	
<p><b>8 <u>Mr D. Tsembeyi</u></b></p> <p>Mr Tsembeyi instituted action in the High Court, Mthatha during March 2020 for the market value of the top structures of houses that he allegedly constructed on municipal land. The Municipality has defended the action and filed an exception to particulars of claim based inter alia on the court not having jurisdiction and the failure to comply with the rules for pleading. Mr Tsembeyi has applied to amend the particulars of claim and the Municipality has objected to the amendment. The application for the amendment will be set down for hearing.</p>	R 700 000	

### Litigation Issues cont.

LITIGATION ISSUES	2020	2019
<b>9. Landfill Sites</b>  The municipality does not have a permit or license for all of the landfill sites currently in use and could be liable for a penalty in terms of section 24G of the Environmental Conservation Act.		
<b>10. Land Invasion</b>  The municipality is currently engaged in litigation in respect of various land invasion cases in the Senqu Municipal Area.		

#### **2019/2020 period:**

It must be noted that Legal Services have remained an outsourced function. A data base of suitable service providers has been established in order to ensure that appropriate assistance for legal cases may be obtained in the correct and prescribed manner as per the Supply Chain Management policy and practices.

The database relating to contracts and lease agreements is currently managed by the Corporate Services Directorate. The management and control of disciplinary cases remains a critical function and responsibility. As such it remains imperative that appropriate measures are put in place in order to manage these cases and to provide the required regular statistical reporting.

#### **i. Anti-Corruption and Fraud**

Senqu Municipality has an approved Fraud Prevention Plan. This plan outlines the concept of “fraud” and has resulted in the development of a Code of Conduct for Employees and Councillors. Procedures for reporting fraud and a policy and practice to be utilized to protect “whistle-blowers” was developed and implemented. This plan also outlines the policies and procedures that must be adhered to/implemented in order to prevent any fraudulent practice/activity that may be observed within supply chain management activities and the like. To this end it is further noted that the Internal and External Audit as well as the Audit Committee are required to provide an oversight role in this regard and all are mandated to expose any evidence of fraud.

Note: Most of the recommendations of this plan have been implemented and all employees have been inducted regarding the Code of Conduct.

## **Fraud and Anti-corruption Strategy**

In an effort to minimise and to prevent fraud it is noted that:

- a. The Fraud Prevention Plan is in place and is being implemented by the Compliance Officer.
- b. All new employees and Councillors are inducted regarding the Code of Conduct – thus ensuring that they are adequately prepared regarding protocols and the manner in which all parties are required to behave.
- c. In terms of the Disciplinary Policy and Procedure Code, any instance of misbehaviour /malpractice will result in appropriate action in terms of the policy.
- d. Very clear procedures for authorisation of approval/payments are in place in order to prevent corruption, fraud and theft. In this regard, very specific signing authority as per the Municipal Finance Management Act (MFMA), is specified.
- e. In any instance where it is suspected that a person has contravened any aspect relating to compliance/having committed fraud, they are immediately suspended pending the nature of the allegation and if justified criminal charges are laid.
- f. Fraud Awareness events are staged and held in an effort to educate the consumers and public in this regard. Due to COVID – 19 the planned awareness campaign did not occur timeously but will be addressed within the new year.
- g. A Declaration of Interest Register for 2019/2020 was developed for both Councillors and Employees in order to ensure that no conflict of interest occurs; and
- h. It is noted that both the Mayor and the Municipal Manager have publicly condemned acts of corruption, fraud and malpractice of any kind.

## **Audit Committee Comments/Recommendations (as per Appendix G and Chapter 6)**

Notwithstanding the progress within this area, it is important to make reference to the Audit Committee Recommendations for the current year – thereby ensuring that all issues are accommodated. In this regard reference is made to Appendix G and Chapter 6.

### **ii. Supply Chain Management**

#### **Overview of Supply Chain Management**

The MFMA s110-119, the SCM Regulations of 2005 and the relevant MFMA circulars set out the required processes and guidance manuals that will facilitate that the application of Supply Chain Management Policy and Procedures – facilitating the correct acquisition and provision of required goods and services.

- a. All SCM reporting submissions as legislated were met. Quarterly reports to the Municipal Manager and Mayor were made within 10 working days of each quarter, and submission of annual SCM report within 30 days of end of each financial year on implementation of SCM Policy to Council: and
- b. During 2019/2020 SCM compliance reporting was submitted to National Treasury; and
- c. Reference is made to **Appendix H** for detail regarding long-term contracts and Chapter 3 for statistical reporting regarding Supply Chain Management.

Note: Chapter 3 in which the analysis of performance in respect of Supply Chain Management is discussed in greater depth.

### **2.2.5 By-Laws**

By-laws are required to be reviewed and updated annually.

#### **Comments on By-Laws**

During 2019/2020 a service provider was appointed to print 22 By-laws. These were not printed timeously due to the impact of the COVID – 19 lockdown period. Similarly, the process of Policy Review for the Human Resources and Finance Policies could not be completed despite recommendations having been submitted to management for approval. Affected by COVID – 19, these targets will be required to roll over into the 2020-2021 financial year. Under these circumstances, the only policy approved was the COVID - 19 Policy/Plan.

### **2.2.6 Municipal Website**

#### **Comment Municipal Website Content and Access**

The website was developed in order to improve communication with communities. Reports on the monitoring of the Website in terms of compliance with the MFMA and MSA were submitted quarterly to the Executive Committee and Audit Committee.

The Communications Officer is required to maintain and update the Website regularly. It must be noted that the content of the website has greatly improved, although there is always room for improvement and growth aesthetically and overall, in terms of the “look and feel” and functionality. This function was moved to the IT Department due to capacity issues and the fact that the individual best suited to perform this function was within this department (with required resources).

Note: The MFMA s75, requires that Municipalities monitor and report on the use of their websites by the public - detailing the number of hits per website and related data.

The new website is constantly updated but improvements are required.

The Website function overall was moved to the Finance IT Division, due to the fact that the employee tasked with this function did not have the required expertise necessary in order to provide this function optimally. In addition, this situation was exacerbated by



the many difficulties experienced while attempting to develop the new website which were service provider related. Ultimately and in an effort to reduce operational and project costs overall, the IT division was requested to handle this function. In particular, it must be noted that the IT Manager developed the new website and has subsequently maintained this at no additional cost to council. As can be seen there are gaps that need to be addressed.

<b>MUNICIPAL WEBSITE: CONTENT AND CURRENCY OF MATERIAL</b>	
<b>Documents published on the Municipality's /Entity's Website</b>	<b>Yes /No</b>
Full Council details	Yes
Contact details of the Municipal Manager	Yes
Contact details of the CFO	Yes
Physical address of the Municipality	Yes
Postal address of the Municipality	Yes
All budget-related documents:	Yes
All budget-related policies	No
Annual report	No
The annual performance agreements for the municipal manager and other senior managers are placed on the website.	Yes
The date these agreements were posted on the website is shown	Yes
All service delivery agreements	Yes
All long-term borrowing contracts	No
All supply chain management contracts above R30 000	No
An information statement of capital assets that have been disposed	Yes
Contracts which impose a financial obligation on the municipality beyond 3 years	No
All quarterly reports tabled in council	No
Public invitations for formal price quotations	Yes
Public invitations for competitive bids	Yes
The number of quarterly reports tabled to council on the implementation of the budget	Yes
Oversight reports	No
Monthly budget statement	Yes
Mid-year budget and performance assessment	No
The IDP is placed on the website	Yes
The SDBIP is placed on the website	Yes
Strategy (LED)	No
Delegations	No
Internal Audit charter	No
Audit Committee charter	No
Risk Management Policy	No

### **2.2.7 Public Satisfaction on Municipal Services**

During the period under review no Customer Care survey were conducted as no funding was allocated for Customer Care Surveys.

In an effort to provide opportunities for Customers to rate municipality and/or to complain, address issues of concern the following tools / opportunities are provided:

- a. Complaint boxes have been installed at designated Community Halls and all Municipal offices throughout the Senqu Municipal jurisdiction (Lady Grey, Sterkspruit and Barkly East). The boxes are opened weekly and the complaints /suggestions if any are channelled through the Communication divisions to the relevant Directorates for response.
- b. The Customer Care section has further developed a Customer Complaints Register for all external complaints (including calls, walk-ins and anonymous complaints). Reports (inclusive of statistics) are submitted to the Standing committee monthly. During 2019/2020 only 2 reports on the number of resolved issues from the Municipal Customer Care Complaints Register were received. During quarter 1 (July 2019), complaints regarding Amadwala were received and the Customer Care Officer visited their offices. They confirmed that the complaints had been responded to and forwarded to the PMU office. There were no complaints lodged during the month of August 2019 and September 2019. During quarter 2, reports were submitted. Complaints lodged in quarters 1 and 2 were resolved within the 7 days. Quarter 3 and quarter 4 reports could not be developed as the office at said time closed as a result of the Covid 19 National Lockdown.
- c. The Complaints Hotline has been installed (number is 0861 (Senqu) 73678), this together with feedback from the many public participation structures, the Presidential Hotline, Performance and Service Delivery statistics and the like, the organization continuously look for ways to address the issues raised and to improve the level of customer satisfaction.
- d. The Presidential Hotline is provided to ease the resolution and reporting of complaints; and
- e. The public are encouraged within all public participation initiatives to use these opportunities to discuss and resolve issues. Notwithstanding these efforts, the suggestion boxes are not fully utilised as the communities prefer face-to-face interactions with staff members at the Customer Care Division.

## **DISCLAIMER**

The information provided within this report is reliant on the information provided by the various Directorates. Difficulties in validating data continues to be experienced and as such, the accuracy of all information provided cannot be assured. **Information contained within this report is also not currently audited and will be updated as and when this audited information becomes available (following the results of the audit performed by the Auditor General).**

It is the responsibility of all Directorates to provide the required information which is then required to be collated and submitted within the correct format. While it is acknowledged that certain directorates have attempted to provide this information as requested, most have not complied – raising the issue of compliance responsibilities.

Staff within many directorates appear to believe that it is the responsibility of the collators and the co - ordinators' to provide all required information. This is unacceptable as the report is that of Senqu Municipality (with each directorate taking full responsibility for information relating to their specific directorate). Content and the accuracy thereof is not the responsibility of the collators' and the coordinators' – their role is simply to obtain, collate, align and restructure information provided and not to verify this in any way. In addition, it is the technical responsibility of all relevant directorate staff to provide inputs regarding performance and issues within their own directorates. They are required to take responsibility for any inputs provided as they are aware on a functional level as to what information is applicable / relevant. Under these circumstances the collators and the coordinators cannot be held accountable for the quality/accuracy/absence of information provided or the lack thereof.

While extremely limited inputs have been received and acknowledged, it is understood and accepted that certain information may still be lacking from the information provided. The information is thus being presented with the full knowledge that certain of the detail provided might not reflect the required levels of accuracy. It is further noted that every effort has been made to align reporting to the information contained within other strategic and reporting documents.

In instances where information is found to be lacking or inadequate you are hereby advised that the coordinator of this report has only been able to work with the information provided to them – and as much as they have attempted to validate this where possible they cannot be held accountable – for the reasons reflected above.

This is an extremely serious situation and must be regarded and handled as such ---- failure to comply and provide accurate data may have serious consequences for Senqu Local Municipality.

# CHAPTER 3

SERVICE  
DELIVERY  
PERFORMANCE  
(PERFORMANCE  
REPORT  
PART 1)  
2019 - 2020

# CHAPTER 3

## SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART 1)

### INTRODUCTION

The service delivery function has been particularly challenging over this past financial year. Despite the old, recognized challenges that relate to: old and ageing infrastructure and the scarcity of required resources for ensuring that service delivery targets are adequately addressed in a coordinated fashion, 2019/2020 has brought with it the challenges associated with the COVID 19 pandemic that has impacted (mostly negatively) on all aspects of service delivery and supplier operation. Despite the fact that COVID reared its head during the very end of the third quarter, its impact was felt far and wide and it certainly was detrimental to our efforts of trying to meet all service delivery targets, resulting overall in a significant decline in our ability to meet the required service delivery targets.

These challenges are additionally impacted by the high levels of unemployment and the extremely small rate base. This in turn impacts on the revenue base and resultantly on the ability of the organization to have required and much needed financial resources with which to engage in infrastructure maintenance and development activities.

Up until 2018/2019 it must be noted that Senqu Municipality had obtained a “clean audit” from the Auditor General for the sixth year in succession. In this regard this was always indicative of having established that Senqu Municipality had a sustainable and positive cash flow and experienced sound and good financial health. The Auditor General’s Audit outcome for the current financial year has not yet been finalized due to delays as a result of COVID and as a result we are not in a position to include the Audit outcomes in our discussion that follows.

Over these years Senqu Municipality has received much recognition for not only its financial health but for the manner in which the IDP was compiled and the high levels of service delivery provided.

Reference is made to **Appendix D** (Functions of all municipal entities); **Appendix I** (Service Providers Report) and **Appendix F** (Service Delivery performance at Ward level) in order to provide both context and progress in terms of projects undertaken.

Note: The information provided within this report is unaudited and must be considered in this light. Following the audit from the Auditor General, any changes required will be made as appropriate and in terms of audited and thus verified information.

Service delivery functions currently performed by Senqu Municipality (noting that the water services and sanitation function are performed by Joe Gqabi District Municipality as the Water Services Authority) are reflected as follows:

- Electricity distribution – licensed areas only
- Provision of assistance to Eskom with rural electrification issues
- Street Lighting
- Roads construction and maintenance – municipal and access roads (including Stormwater Maintenance)
- Storm water and pavement construction
- PMU / Infrastructure planning and Technical Administration (including roads – PMU Construction)
- Library Services (Service Level Agreement entered into between Senqu Local Municipality and DSRAC on an agency basis. (Portion of funding received from DSRAC)
- Community Halls and facilities
- Cemeteries
- Sport and Recreational Facilities
- Parks and Public Open Spaces
- Public Safety
- Commonages
- Issuing of business licenses
- Communications
- Town Planning (Land Use Management, Housing and Building Control)
- LED (Tourism, SMME and Poverty Alleviation); and
- Building of crèches (Grant funding through MIG)

Each of these areas will be examined in terms of reporting on their performance for the period under review.

## COMPONENT A: BASIC SERVICES

### 3.1 ELECTRICITY (\*UNAUDITED FIGURES AND INFORMATION)

#### 3.1.1 Background

The National Energy Regulator of South Africa (NERSA) has licensed Senqu Municipality to distribute electricity within the towns of Sterkspruit, Lady Grey and Barkly East. It was always assumed that Eskom is licensed to supply the rural areas. In reality it appears that this is a matter of perspective as according to legislation, municipalities are considered to be “wall to wall” and the electricity authority overall, in terms of the Constitution.

Despite this thinking and aspect of interpretation, the following points are to be considered in terms of electricity disputes and issues currently faced:

- \*The matter for the right to reticulate electricity within the new 802-unit housing project in Barkly East (Boyce Nondala) remains “ongoing”. An official dispute was declared with Eskom and this has been submitted to NERSA. This process is currently still under way – five (5) years after the original application to NERSA;
- \* Public hearings were held in Pretoria during August 2017. The result was received in June 2018 despite Eskom having been informed by NERSA in March 2018 that NERSA had rejected Eskom’s application and that the matter would be required to be arbitrated by the Department of Energy. A meeting was held between all stakeholders, in East London during November 2018. This was chaired by NERSA. At this meeting, the Eskom representatives stated that due to the fact that NERSA had already decided not to incorporate the Boyce Nondala area of distribution into the Eskom license, the only other organisation would have to be the Senqu Local Municipality. NERSA made a commitment to provide a final decision in this regard in writing. **\*To date this has not been received**, despite a reminder having been sent. **Eskom is still currently distributing in the area as instructed by NERSA, until the final decision is taken.** The primary purpose of this was to increase the revenue base of the municipality safely and to facilitate improved service delivery while implementing its rights in terms of the Constitution.
- It is noted that while most of the Senqu communities have access to electricity, there are certain communities that are still required to be electrified (either in the form of electricity installations of infill sites, new connections or for those that have no grid connection, through solar power).

- Overall, it must be acknowledged that the standard of electricity provision within the licensed area is considered to be “reasonable” as the municipality strives to and manages to maintain the various National Rationalisation Standards (NRS 047 & NRS 048), ERA and the NERSA licence conditions.
- Electricity backlogs have been noted within the rural areas and it is currently calculated that 2 396 households do not yet have access to basic electrical services, and \*301 households within the municipal area (urban invasion).
- \*24 % of households have access to basic level of electricity that is provided by Eskom and \*45% of household have access to basic level of electricity that is provided by Senqu municipality.
- \*The current electricity backlog within the rural area is being dealt with under the Integrated National Electrification Programme (INEP) that utilizes Eskom through INEP funding. A further R 5 000 000 was allocated to Senqu Municipality during the 2017/2018 financial year for 323 new connections in wards 2 and 3, in order to assist Eskom with the eradication of the backlog. This was completed during the 2019/2020 financial year, following the roll over approval from National Treasury.
- \*It is noted that a further amount of R 5 983 000 was approved for the current financial year (2019/2020) in order to complete a total of 368 backlog connections within the rural areas. These connections are planned for Wards: W 5 (102), W 12 (154), W 14 (71) & W 15 (41). Notwithstanding and due to the fact that Eskom has not been able to supply their own meters, another tender has had to be utilised for the purchase of these meters, following the appointment of the contractor. This led to a three (3) month delay in the project and resulted in under expenditure on the INEP funds. As a result, only 210 connections were achieved during the 2019/2020 financial year. A motivation for the rollover of the remaining R 993 750.83 of allocated funds will be made to National Treasury in order to complete the full scope of works during the new financial year.
- \*The strategic Electrical Upgrade Programme has been running for the past six (6) years and is expected to run for a further five (5) years – although this is clearly dependent on available resources. On completion it is expected that all networks (LV and MV) will be upgraded, safety standards will have been met, service connections will have been replaced and metering systems updated and replaced (resource dependent) in order to achieve a fully functional AMI system, which will bring electrical losses down to an acceptable level. The ultimate target for losses is 8%. It is the intention that this would extend the lifespan of the distribution networks for an estimated further twenty-five (25) years, or longer, depending on presenting circumstances such as development,



disaster and the like. This programme is completely dependent on the level of capital and operational funding made available within the approved budget; and

- The installation of pre-payment split phase, AMI ready, metering is continuing with a “phased - in” approach in order to assist with backlogs and to minimize losses.

### **3.1.2 Overall Challenges and Comments regarding Electricity Provision**

- There are limited financial resources to accommodate required upgrades to old and ageing infrastructure.
- There are a great number of schools, clinics and other social facilities that don’t have a regular supply of electricity (if any supply at all).
- Affordability of the service is a challenge, recognizing that Senqu has such a high rate of unemployment.
- Electricity tokens are difficult to distribute as vendors are generally far from the rural areas and the population is widely spread over a large geographical area – in many cases with great difficulties being experienced in terms of transport.
- Electricity losses occur due to theft, poor metering management, poor network conditions in some areas, incorrect accounts, lack of resources for Quality of Supply monitoring (Eskom & Own networks) and transformer earthing issues. Despite these issues, improvements have occurred overall.
- It is noted that the quality of supply needs to be improved through the installation of capacitor banks on all points of supply from Eskom to the three towns licensed for distribution to Senqu Local Municipality.
- The lack of coordination of meter reading dates between the municipality and Eskom do result in in-accurate electricity loss information.
- An insufficient budget exists, and this is required to be increased in order to remedy the situation.
- \*It is noted that Electricity backlogs exist within the rural areas (Eskom - specifically non-grid areas). These are being addressed by Eskom with assistance from the municipality, in terms of the INEP. This assistance will however end in the 2019/2020 financial year, based on the 2019/2020 INEP allocation, due to the fact that there is insufficient DoE funding allocated per household. This has resulted in tenders exceeding the allocation, which in turn results in stress being placed upon the municipal budget. Eskom was presumed to have been licensed for these areas, but this is not the case. Notwithstanding, it is noted that 85.7 % of the municipality rural area has been served and 83.54% of urban areas, based on a total household count of 39 570 (reflecting an increase of 992 H/H’s in housing projects) rural connections and 2 994

urban connections and therefore a total of 42 564 households. An additional 493 informalised households were added to the municipal backlog, hence the decrease in households served. Eight (8) permanent disconnections were completed in the urban area due to theft.

- \*The Council has resolved to distribute electricity under the Senqu license within the commonage areas surrounding the towns. This has begun with the “Newtown” or “Boyce Nondala” area as it is now known. This application was made in terms of the Electricity Regulation Act of 2006, during 2013. Negotiations with Eskom have failed, and the matter will continue in terms of the Electricity Regulation Act and the Constitution until resolved.
- \*SALGA is required to take up the matter of electrical distribution rights within municipalities and it is noted that this would require a change to legislation as Eskom does not traditionally accede to existing areas of their “claimed” area of distribution being transferred to municipalities. This issue needs to be addressed in terms of the Constitution and a municipality may only allow an external service provider to distribute if a Section 78 process has been completed and a Service Delivery Agreement is in place.
- It is noted that the Supply Chain Management function is impractical in application when it comes to the rural circumstances. Attempts to source suitable service providers inevitably result in lengthy delays, which in turn result in potential under-expenditure, service delivery delays and unnecessary stress for staff in order to meet required targets.
- There is currently a lack of sufficient funding to obtain a full staff complement and scarcity of skills is experienced. This results in the municipality experiencing numerous issues relating to non-compliance and financial risk.
- The target percentage for losses was previously set at 10%. COGTA has subsequently regulated an 8% national norm and the municipality will accordingly reset its final target to 8% or less, over the next 3 years. It is expected that this target will be met by June 2022 (resource dependent).
- The lack of interest from Eskom regarding the municipality’s requirements is unacceptable and is negatively affecting civil capital projects in that their infrastructure is required to be moved in order for roads to be constructed, despite payment by the contractor. At the time of this report Eskom finally moved their infrastructure in February 2019 allowing the project to achieve practical completion. The delays have however resulted in additional expenditure to the project, which will hopefully be recuperated back from Eskom.
- A critical situation has been created by the practice of allowing senior staff who earn in excess of the threshold, time off in lieu of overtime rather than paying overtime rates. Due to the challenges of insufficient capacity available within the electricity division,

this practice results in the electrical section being unable to function effectively and places other staff at risk as they work without supervision. This matter was referred to Top Management who obtained a legal opinion - advising against payment of overtime. This is contradiction of the LRA, ERA, electrical license of NERSA and OHS and a report was resubmitted to Top Management for further action. Management have re-submitted this for legal counsel but to date there has been no response. This still leaves the municipality at great risk in terms of compliance (NRS) and financial viability (Credit control).

- Eskom meters are found to have been installed within the Senqu area of distribution. This has been reported to Eskom, but the trend seems to be continuing.
- Currently the details surrounding Eskom payments via INEP are not known as it has been a number of years since the municipality last signed off on a DORA report. This affects municipal and Eskom planning negatively as no information has been received since 2015 regarding progress of backlog reduction and cost related thereto. Despite numerous meetings to date, Eskom has only supplied 2019/2020 connection figures of 300.
- Eskom is the current recognized licensed supplier of electricity in rural areas. As such they do not allow other utilities to utilise their infrastructure. As a result, and due to the required infrastructure duplication, it therefore becomes extremely expensive to supply public lighting.
- All users of electricity token meters (STS TDI rollover pre-paid meter and vending systems software updated to STS6) have to be reset by the year 2024 but the target set by the AMEU is 2022. This is directly due to the worldwide programming having reached its maximum number of available tokens. The metering department of the financial services section is required to address this as a matter of urgency as the tokens will not be accepted after 2024. Failure to comply will prevent electricity sales and this in turn will result in corresponding consumer complaints and losses.

This situation involves a special configuration change to be made to all pre-paid meters and vending systems. This must be addressed with meter suppliers, regarding new procurement and this will be conducted by the electricity section of the Technical Services Department for new meters only; and

- It is noted that insufficient funding exists for new street lighting and the replacement of old lights with LED's in order to reduce consumption without loss of effect.

- Efforts to conserve power have resulted in the following considerations that will be implemented moving forward. Three energy savings opportunities were identified as having sizeable potential:
  - Lighting: Reduction of power due to the replacement of Street Light Fittings with LED Fittings. Reducing the wattage range from 57w to 40w and 250w to 120w respectively.
  - Buildings: Significant energy savings are possible if a Solar system can be installed whereby the building roof top can be used for the Solar Panels.
  - Water Heating (SWH): If possible, solar water heating system being installed at households.
  - Mass Roll Out (MRO) programmes: These are to be practised in the residential sector. The municipality is encouraging its residents to adhere to the National Energy Efficiency Action Plan (NEEAP).

### 3.1.3 Achievements and Challenges

During the 2019/2020 financial year the following work was completed successfully:

- 44 new meters were installed increasing revenue collection.
- 92 versus the planned 110 electricity meters were replaced (due to Department of Energy priority and funds having been transferred to them).
- 4 Transformers were sent for refurbishment.
- 119 Streetlights were replaced.
- 12 monthly expenditure reports were compiled and submitted regarding DoE (Department of Energy Allocations)
- Electricity losses: 16.57%
- The target of electrifying 303 houses in rural areas was not met. Delays were attributed in part to the Corona Virus pandemic. Notwithstanding it must be further accepted that the tender itself was not advertised on the CIDB website and as a result the Adjudication Committee withdrew the tender. A request to roll over the application for DoE (Department of Energy) funds to complete the project in this Financial Year 2020 /2021 has been made. It is realized that this target should be reviewed. It must be noted that this particular tender has been put up for tender twice and been withdrawn twice – which meant that this target had not been met in the previous financial year either. Within the current financial year it was re - advertised notice number 136/2019-2020 and withdrawn as stated. It is clear that management /staff and bid committees are required to undergo training /workshops to create awareness on processes such as these so that they are equipped to manage the possible risks associated with continued flaws within tender /SCM (Supply Chain Management) processes.

a. Progress to date is reflected as follows (2019/2020 )\* UNAUDITED

	INDICATOR NAME	TOTAL NUMBER OF HOUSEHOLD/ CUSTOMER EXPECTED TO BENEFIT	ESTIMATED BACKLOGS (ACTUAL NUMBERS)	TARGET SET FOR THE FINANCIAL YEAR UNDER REVIEW (ACTUAL NUMBERS)	NUMBERS OF HOUSEHOLDS/ CUSTOMERS REACHED DURING THE FINANCIAL YEAR	PERCENTAGE OF ACHIEVEMENT DURING THE YEAR 2019/2020
1	Percentage of households with access to electricity services	Est 97% in urban Est 68% in rural	25 (urban – land invasion) 3 301 (Rural)	0 (done on application) 2 753	28 new connections (Urban-On demand) 324 (Rural)	100%  19% (Eskom)
2.	Percentage of indigent households with access to basic electricity services	100% of applicants (Urban) 100% of applicants (Rural)	On application 575 (Urban) 11 643 (Rural estimated)	725 (Urban)	575 (Urban) 7 084 (Rural)	100%  61%

**ESKOM DISTRIBUTION (RURAL AREA – DATA IS ESTIMATED DUE TO THE LACK OF INFORMATION PROVISION FROM ESKOM): \*TBA**

**b. Electricity Service Delivery Levels\***

ELECTRICITY SERVICE DELIVERY LEVELS*				
Households (Eskom Area)				
Description	2016/2017	2017/2018	2018/2019	2019/2020
	Actual No.	Actual No.	Actual No.	Actual No.
<b>Energy: (above minimum level)</b>				
Electricity – prepaid (min. service level)	34 564	35 685	33 892	
<i>Minimum Service Level and Above sub-total</i>	83.46%	92.22%	85.7%	
<i>Minimum Service Level and Above Percentage</i>				
<b>Energy: (below minimum level)</b>				
Electricity (<min. service level)	0	0	0	
Electricity-prepaid (<min. service level)	0	0	0	
Other energy sources	6 889	2 741	5 678	
<i>Below Minimum Service Level sub-total</i>	16.65%	7.78%	14.3%	
<i>Below Minimum Service Level Percentage</i>				
<b>Total number of households</b>	41 453	38 347	39 570	TBA

c. ESKOM Consumers \* TBA

HOUSEHOLDS – ELECTRICITY SERVICE DELIVERY LEVELS BELOW THE MINIMUM						
ESKOM AREA						
Households						
Description	2016/17	2017/18	2018/19	2019/2020 '000		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
<b>Formal Settlements</b>						
Total households	41 453	38 347	39 570			
Households below minimum service Level	6889	2 741	5 678			
Proportion of households below minimum service level	16.65%	7.78%	10.8%			
<b>Informal Settlements</b>						
Total households	Available					
Households below minimum service Level	Above					
Proportion of households below minimum service levels						
Household calculations rectified by subtracting municipal households from Eskom due to separate “areas of supply The Senqu Local Municipality assisted Eskom with an additional amount of 533 connections in the rural area through INEP funding.						

d. Electricity Service Delivery Levels \* TBA

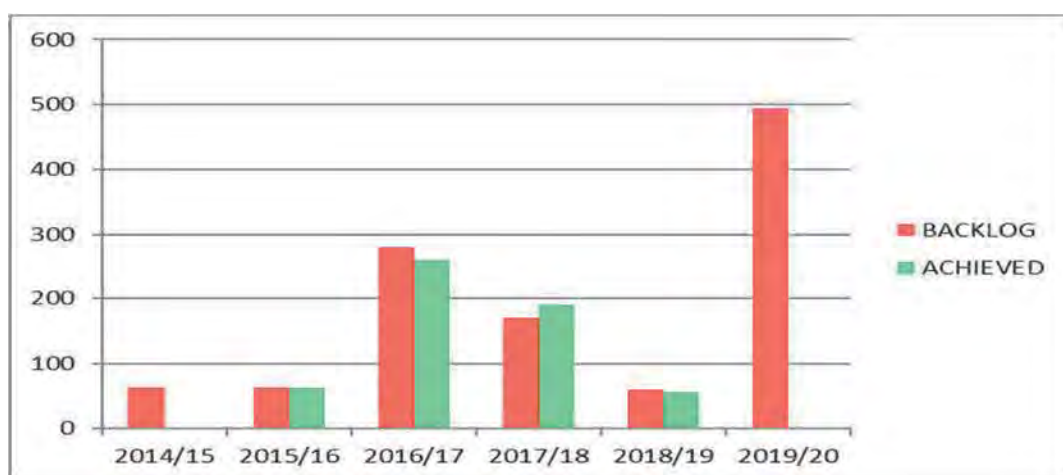
ELECTRICITY SERVICE DELIVERY LEVELS				
Households(Municipal)				
Description	2016/2017	2017/2018	2018/2019	2019/2020
	Actual No.	Actual No.	Actual No.	Actual No.
<b>Energy: (above minimum level)</b>	1 683	834	560	
Electricity (at least min. service level)	1 058	1 909	2434	
Electricity – prepaid (min. service level)	2 761	2 763	2994	
<i>Minimum Service Level and Above sub-total</i>	99.2%	88.96%	89,88%	
<i>Minimum Service Level and Above Percentage</i>				
<b>Energy: (below minimum level)</b>	22	363	303	
Electricity (<min. service level)	0	0	0	
Electricity-prepaid (<min. service level)	1 683	834	560	

e. Municipal Backlogs (Area of Distribution) \*

YEAR	2016/2017	2017/2018	2018/2019	2019/2020
Backlog	280	170	60	25*
Achieved	260	190	56	28*



**Municipal backlogs as reflected per table above in graph below (2014 -2020)**



Municipal backlogs increased due to informal settlement connections planned for the 2019/2020 financial year.

**TOTAL BACKLOGS (Eskom & Municipality)**

**ESKOM DISTRIBUTION - Data is estimated due to lack of information provision from Eskom)**

Total Households	Original Backlog Rural (Eskom)	Target Eskom (2019/2020)	Actual Eskom (Estimated)	New Backlog (Rural)	Original Backlog (Urban)	Target (Urban)	Actual (Urban)	New Backlog (Urban)	Total Backlog (end FY)
TBA	TBA	TBA	TBA	TBA	TBA	TBA	TBA	TBA	TBA

**Note:** These targets are to be received from Eskom for the 2019/2020 financial year.

f. Households with Electricity Service Levels Below the Minimum Service Levels  
TBA

HOUSEHOLDS – ELECTRICITY SERVICE DELIVERY LEVELS BELOW THE MINIMUM						
MUNICIPAL AREA						
HOUSEHOLDS						
Description	2016/2017	2017/2018	2018/2019	2019/2020		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Actual No.	Original Budget No.
<b>Formal Settlements</b>				TBA		
Total households	2 448	2 448	2 454			
Households below minimum service Level	0	0	56			
Proportion of households below minimum service levels			0			
<b>Informal Settlements</b>				TBA		
Total households	2 448	2 741	2510			
Households below minimum service Level	63	20	0			
Proportion of households below minimum service levels	11.4%	11.4%	0.0%			

\* The new financial year will begin with a backlog of 303 additional houses that are planned for connection through INEP Funding. R 3.2 M was approved for the 2019/2020 financial year within own licensed area in informal areas. Issues with the CORONA pandemic and the tender process has resulted in this target being rolled over to the 2020/2021 financial year.

g. Electricity Service Policy Objectives taken from IDP

Electricity Service Policy Objectives taken from IDP

ELECTRICITY SERVICE POLICY OBJECTIVES TAKEN FROM IDP									
Service Objective	Outline Service Targets	2016/2017		2017/2018					*Following Year
		Target	Actual				Target		
		*Previous Year		*Previous Year	*Current Year	Actual	2018/19	2019/2020	2020/2021
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective									
Provision of minimum supply of electricity	Additional households (HHs) provided with minimum supply during the year (No elect.)	1 878 (Eskom)  Munic - 260	859 (Eskom)  Munic -280	1 878 (Eskom)  Munic - 260	1 123 (Eskom)  Munic for Eskom-323	Eskom – 1 123 Estimated- No Eskom information  Munic – 0 [Meters not received from Eskom]	Eskom Planned: 1 005  Municipality: 323 for Eskom from previous year and 511 for current year = 834 total	Eskom Planned: 400 [Estimated infills]  Municipality: 363	Planned Eskom = Municipal: 322
Facilitate the provision to access to adequate basic services in the area of Electricity / Reduce backlogs in service delivery in the areas of Electricity	Reports developed to detail manner in which backlogs for electricity& roads will be alleviated & sustained with financial planning All Wards / Provision of Implementation plan & quarterly reports to detail manner in which backlogs will be managed/ Municipal Manager/ Manager TS	12 x monthly reports 4 x Quarterly reports	12 x monthly reports 4 x Quarterly reports	12 x monthly reports 4 x Quarterly reports	12 x monthly reports 4 x Quarterly reports	12 x monthly reports 4 x Quarterly reports	12 x monthly reports 4 x Quarterly reports	12 x monthly reports 4 x Quarterly reports	12 x monthly reports 4 x Quarterly reports

**Electricity Service Policy Objectives taken from IDP(cont.)**

ELECTRICITY SERVICE POLICY OBJECTIVES TAKEN FROM IDP									
Service Objective	Outline Service Targets	2016/2017		2017/2018					*Following Year
		Target	Actual				Target		
		*Previous Year		*Previous Year	*Current Year	Actual	2018/2019	2019/2020	2020/2021
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective									
Facilitate a improved electricity infrastructure and service provision as per implementation strategy and plan	Management, monitoring & oversight to ensure improved electricity infrastructure &service provision as per implementation strategy & plan in respect of report on no of New connections (no of application) /no new meters installed/ changed serviced /repaired & no new conductors replaced /networks changed /establish a store	Reduce Electricity losses to below 18%	<ul style="list-style-type: none"><li>• 7 952 m of new MV &amp; LV conductor stringed,</li><li>• 559 m of conductor replaced,</li><li>• 3 x Transformers were refurbished,</li><li>• 293 new connections,</li><li>• 219 non-payment disconnections,</li><li>• 131 reconnections,</li><li>• 224 meters replaced,</li><li>• 214 call outs dealt with,</li><li>• 2 710 hours overtime worked,</li><li>• 159 service connection faults,</li><li>• 28 OH line faults,</li><li>• 11 UG cable faults,</li><li>• 175 street complaints,</li></ul>	Reduce Electricity losses to below 18%	Reduce Electricity losses to below 16%	<ul style="list-style-type: none"><li>• New conductor erected: MV=0 LV = 2 634 m</li><li>• Conductor replaced:</li><li>• MV=0 LV=164 m</li><li>• Transformers refurbished = 4</li><li>• New connections = 193</li><li>• Meters replaced = 319</li><li>• Disconnections for non-payment = 77</li><li>• Reconnections = 48</li><li>• Call outs =191</li><li>• Overtime hours = 2 962</li><li>• Service connection faults = 108</li><li>• OH line faults = 22</li><li>• UG cable = 2</li><li>• Street Light complaints = 200</li></ul>	Reduce losses to below 18%	Reduce losses to under 16%	Reduce losses to below 14%

Electricity Service Policy Objectives taken from IDP(cont.)

ELECTRICITY SERVICE POLICY OBJECTIVES TAKEN FROM IDP									
Service Objective	Outline Service Targets	2016/2017		2017/2018					*Following Year
		Target	Actual					Target	
		*Previous Year		*Previous Year	*Current Year	Actual	2018/2019	2019/2020	2020/2021
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective									
			<ul style="list-style-type: none"> <li>• 27 new streetlights installed.</li> <li>• 123 streetlights replaced,</li> <li>• 5 high mast towers refurbished,</li> <li>• 467 street repairs,</li> <li>• OUTAGES:</li> <li>• Munic Unplanned- 11</li> <li>• Munic Planned- 13</li> <li>• Eskom Unplanned- 7</li> <li>• Eskom Planned- 3,</li> <li>• Illegal connections- 11,</li> <li>• 260 new consumers connected in Sterkspruit through INEP,</li> <li>• store value dropped to approx. R 818 000 from approx. R 1 522 000 in the previous year</li> </ul>			<ul style="list-style-type: none"> <li>• New streetlights = 8</li> <li>• Streetlights replaced = 140</li> <li>• Highmast tower repairs = 19</li> <li>• Street light repairs = 327</li> <li>• Outages Planned Municipal = 17</li> <li>• Outages unplanned Municipal = 16</li> <li>• Eskom planned outages.</li> <li>• = 0</li> <li>• Eskom outages unplanned = 6</li> <li>• Illegal connections = 14</li> <li>• Store value =</li> <li>• R 697 312.15</li> <li>• Electricity losses = 13.83%</li> </ul>			

**Electricity Service Policy Objectives taken from IDP(cont.)**

ELECTRICITY SERVICE POLICY OBJECTIVES TAKEN FROM IDP									
Service Objective	Outline Service Targets	2016/2017		2017/2018					*Following Year
		Target	Actual					Target	
		*Previous Year		*Previous Year	*Current Year	Actual	2018/2019	2019/2020	2020/2021
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
<b>Service Objective</b>									
Facilitate a improved electricity infrastructure and service provision as per implementation strategy and plan	Management, monitoring & oversight to ensure improved electricity infrastructure & service provision as per implementation strategy & plan in respect of report on no of New connections (no of application) /no new meters installed/ changed serviced /repaired & no new conductors replaced /networks changed /establish a store	Reduce Electricity losses to below 18%	<ul style="list-style-type: none"> <li>• 7 952 m of new MV &amp; LV conductor stringed,</li> <li>• 559 m of conductor replaced,</li> <li>• 3 x Transformers were refurbished,</li> <li>• 293 new connections,</li> <li>• 219 non-payment disconnections,</li> <li>• 131 reconnections,</li> <li>• 224 meters replaced,</li> <li>• 214 call outs dealt with,</li> <li>• 2 710 hours overtime worked,</li> <li>• 159 service connection faults,</li> <li>• 28 OH line faults,</li> <li>• 11 UG cable faults,</li> <li>• 175 street complaints,</li> </ul>	Reduce Electricity losses to below 18%	Reduce Electricity losses to below 16%	<ul style="list-style-type: none"> <li>• New conductor erected: MV=0 LV = 2 634 m</li> <li>• Conductor replaced: MV=0 LV=164 m</li> <li>• Transformers refurbished = 4</li> <li>• New connections = 193</li> <li>• Meters replaced = 319</li> <li>• Disconnections for non-payment = 77</li> <li>• Reconnections = 48</li> <li>• Call outs =191</li> <li>• Overtime hours = 2 962</li> <li>• Service connection faults = 108</li> <li>• OH line faults = 22</li> <li>• UG cable = 2</li> <li>• Street Light complaints = 200</li> <li>• New streetlights = 8</li> <li>• Streetlights replaced = 140</li> </ul>	Reduce losses to below 18%	Reduce losses to under 16%	Reduce losses to below 14%

Electricity Service Policy Objectives taken from IDP(cont.)

ELECTRICITY SERVICE POLICY OBJECTIVES TAKEN FROM IDP									
Service Objective	Outline Service Targets	2016/2017		2017/2018					*Following Year
		Target	Actual				Target		
		*Previous Year		*Previous Year	*Current Year	Actual	2018/19	2019/2020	2020/2021
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective									
			<ul style="list-style-type: none"> <li>• 27 new streetlights installed,</li> <li>• 123 streetlights replaced,</li> <li>• 5 high mast towers refurbished,</li> <li>• 467 street repairs,</li> <li>• OUTAGES:</li> <li>• Munic Unplanned- 11</li> <li>• Munic Planned- 13</li> <li>• Eskom Unplanned- 7</li> <li>• Eskom Planned- 3,</li> <li>• Illegal connections- 11,</li> <li>• 260 new consumers connected in Sterkspruit through INEP,</li> <li>• store value dropped to</li> <li>• approx. R 818 000 from approx.</li> <li>• R 1 522 000 in the previous year</li> </ul>			<ul style="list-style-type: none"> <li>• Highmast tower repairs = 19</li> <li>• Street light repairs = 327</li> <li>• Outages Planned Municipal</li> <li>• = 17</li> <li>• Outages unplanned Municipal = 16</li> <li>• Eskom planned outages.</li> <li>• = 0</li> <li>• Eskom outages unplanned = 6</li> <li>• Illegal connections = 14</li> <li>• Store value =</li> <li>• R 697 312.15</li> <li>• Electricity losses = 13.83%</li> </ul>			

**a. Electricity Losses (Historic to Date) \* Unaudited**

2016/2017	2017/2018	2018/2019	2019/2020
17.5%	14%	16 %	16.57%

Upon completion of the following operationally planned targets it is anticipated that electricity losses will reduce to a level of 8% during the 2024 financial year:

- Completion of the AMI Meter project, inclusive of data collectors (budget dependent);
- Minor conductor upgrades.
- Installation of check sectional metering (Budget dependent);
- Installation of capacitor banks on the MV to ensure quality of supply.
- LV phase balancing (ongoing); and
- Assessment of loss calculations in order to reduce the time lapse in order to ensure efficiency and correctness.

**3.1.4 Table: Employee Statistics: Electrical Services \* TBA**

EMPLOYEES: ELECTRICITY SERVICES					
Job Level	Year 1	Year 2019/2020			
TASK SYSTEM	Employees No.	Posts No.	Employees No.	Vacancies (full time equivalents) No.	Vacancies (as a % of total posts)
0-3	0				
4-6	6				
7-9	7				
10-12	2				
13-15	1				
16-18	1				
19-20	-				
Total	17				
<p><i>Total should equate to those included in the Chapter 4 total employee schedule. Employees and Post numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p>					



### 3.1.5 Financial Performance \* TBA

FINANCIAL PERFORMANCE YEAR JUNE 2020: ELECTRICITY SERVICES					
R'000					
Details	2018/2019	2019/2020			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	62 958	73 925	74 448	75 427	TBA
Expenditure					
Employees	6 297	5 312	5433	6 890	TBA
Repairs and Maintenance	2 091				TBA
Other	37 399				TBA
Total Operational Expenditure	45 787				TBA

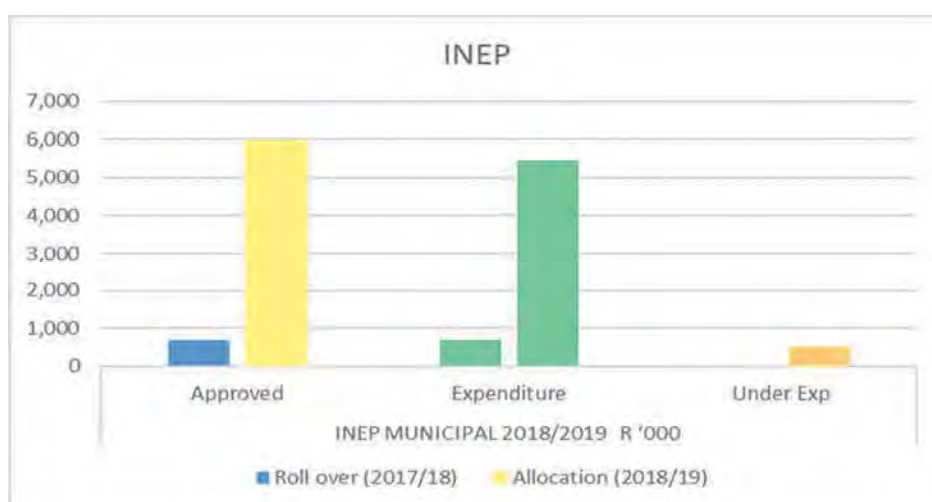
### 3.1.6 Electricity Services Capital Expenditure 2019/2020 \* TBA

CAPITAL EXPENDITURE YEAR 2019/2020: ELECTRICITY SERVICES TBA					
MUNICIPAL AREA					
R' 000 (Ex VAT)					
Capital Projects	2019/2020				
	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Total All					
Tools & Equip & Vehicles					
Infrastructure					

### 3.1.7 Municipal INEP Allocation (2019/2020) \* TBA

INEP MUNICIPAL 2019/2020				
Allocation	Budget	Actual	Variance	Total Project Value

### INEP EXPENDITURE AS PER ABOVE TABLE (2018/2019) (TBA AND UPDATED 2019/2020)



A roll over amount of R 523 077 was approved by National Treasury from the 2018/2019 financial year due to the fact that completion of the project was impeded by Eskom meters failing to be received in time; due to an extension of time requested by the contractor (due to the same issue); and due to the additional scope of work requested and required in terms of network extensions. The scope of the above was to complete the original 323 connections approved by the INEP for the 2019/2020 financial year in an effort to assist Eskom with backlog eradication.

Additionally approved funding to the value of R 3 200 000 was received through INEP for the connection of an additional 368 within the Eskom area for 2019/2020. Of these only 210 were able to be completed due to Eskom being unable to supply their own meters as done previously and due to SCM not making allowances for additional scope of work extension to the contractor (supply of meters). These issues effectively extended the project by an additional three (3) months, resulting in a rollover application to National Treasury for the balance of R 1 290 857. This is still to be approved.. A further R 3.2 M has been approved by the DoE (INEP), for an additional 303 new connections within the

municipal licensed area. No future assistance will be provided to Eskom in terms of INEP due to capacity issues within the municipality.

### 3.1.8 Operational Cost Electrical Services (Distribution)

OPERATIONAL EXPENDITURE: YEAR JUNE 2020: ELECTRICAL SERVICES (DISTRIBUTION)					
DETAILS	2018/2019	2019/2020* TBA			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	54 854 090	73 925	74 448	75 427	-979
<b>Expenditure</b>					
Employees	4 901	5 312	5 433	6 297	-864
Repairs and Maintenance	4 111	3 178	3 192	2 133	-1 059
Other	42 810	45 938	46 374	39 578	6 796
Total Operational Expenditure	51 822	54 428	54 999	48 008	6 991

### 3.1.9 Operational Cost Electrical Services Street Lighting

OPERATIONAL EXPENDITURE 2019/2020: STREET LIGHTING				
Details	2019/2020* TBC			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue				
				Expenditure
Employees	696	695	593	44
Repairs and Maintenance	594	584	524	60
Other	179	179	1 383	-1 204
Total Operational Expenditure	1 470	1 458	2 501	-1 043

### 3.1.10 Capital Expenditure Year 2019/2020: Electricity Services (Street Lighting)

CAPITAL EXPENDITURE YEAR 2019/2020: ELECTRICITY SERVICES (STREET LIGHTING)					
MUNICIPAL AREA					
R' 000 (Ex VAT)					
Capital Projects	2019/2020 * TBC				
	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Total All	N/A				
Tools & Equip & Vehicles	N/A				
Infrastructure	N/A				

## **3.2 WASTE MANAGEMENT (REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)**

Note: In terms of the mSCOA implementation, this function was initially moved from the Community Services Directorate to the Technical Services Directorate. As of 1 July 2017, this function again returned to the Community Services Directorate.

### **3.2.1 Waste Management**

It is the intention of the solid waste management division to focus on improving the management of the environment and creating a healthy and aesthetic living environment for all.

This process is required to be managed and implemented according to the legislation most pertinent to the management of waste in South Africa. This is specifically referred to as the National Environmental Management Waste Act, (Act 59 of 2008). This Act has been promulgated in order to ensure that there is structure and compliance in respect of:

- institutional arrangement and planning matters,
- national norms and standards for regulating the management of waste by all spheres of government, and
- the licensing and control of waste management activities and all matters connected therewith.

In so doing it provides the legislative framework for the management of waste in South Africa.

#### Other objectives of Solid Waste Management:

- Promoting and ensuring the effective delivery of waste services.
- Achieving Integrated Waste Management reporting and planning.
- Avoiding and minimising the generation of waste.
- Reducing, re-using, recycling and recovering waste.
- Preventing pollution and ecological degradation.
- Conducting efficient and effective Waste Awareness Campaigns.
- Ensuring that people become aware of the impact of waste on their health, well-being and the environment; and
- Ensuring compliance with all prescriptions of the Act.

It is the overall intention and objective of waste management, to improve the management of the environment, to combat illegal dumping and to ensure that all refuse and waste is removed and disposed of timeously and in the appropriate manner.

### 3.2.2 Targets identified and implemented during 2019/2020

In an effort to achieve these objectives the following targets were identified and implemented in as far as possible:

- Construction and Completion of the Solid Waste Site in Ward 13 – Herschel
- Construction and Completion of the Solid Waste Site in Ward 5 - Rossouw
- Completion of the Lady Grey Solid Waste Site
- Application for EIA in Rhodes
- Completion of Barkly East Solid Waste Site
- Application for EIA and appointment of contractor in Sterkspruit
- Waste awareness campaigns conducted within the Community. 5 are targeted within the wards;
- Waste Awareness campaigns conducted within Schools. 6 are targeted within schools;
- Cleaning of CBD streets in all towns;
- The target of 956,92 tons of waste collection in rural areas was exceeded and \*1 302.01 tons of waste was collected; and
- The target of 6814,92 tons of waste collection in the towns of Barkly East, Herschell, Lady Grey, Rhodes, Rossouw and Sterkspruit was exceeded and \* 7946.86 tons was collected.

#### a. Construction and completion of Solid Waste sites (Herschel, Rossouw, Lady Grey, Barkly East)

The following achievements and challenges were noted:

- Solid Waste Site: Herschel

This project was not advertised, and the contractor was not appointed. COVID 19 regulations restricted the movement of bidders and municipal readiness was not in place. Herschel was categorised as a Class D waste site \*dealing with only general waste. It had become evident that various types of waste would be disposed at the said site and this prompted the application of the license to be changed from Class D to Class B. As a result of the financial implications this could not be budgeted for and the implementation period had to be reviewed resulting in this moving to the 2020/2021 period.

- Solid Waste Site Ward 5: Rossouw

This target was not achieved, and the Project was not advertised, meaning also that the contractor could not be appointed.

The target was adjusted during the mid-year adjustment period; however, no work could occur pending the approval of Variation Orders. The target milestones for quarter 1 were adjusted to reflect this and the project milestones will have to be reviewed and the project will rollover into 2020/2021 financial year.

- Lady Grey

This target was not achieved due to legal proceedings underway. Due to the previous contractor's alleged underperformance, their services were terminated. Until such time as this process is settled the project remains on hold. Additionally, it is noted that the COVID - 19 pandemic contributed to the delay of arbitration proceedings.

- Barkly East

This target was met, and the practical completion certificate was issued 9 December 2019.

**b. Applications for EIA's (Environmental Impact Assessments)**

Ward 10 (Sterkspruit)

This target was not met, nor was a contractor appointed as required. The initial preferred site was rejected and not deemed to be suitable due to a housing development adjacent to the site. A second site was chosen, and the target milestones were reviewed mid-year. Delays have further been exacerbated by the COVID 19 pandemic Lockdown resulting in the construction industry being closed - including DWS & DEDEAT. Progress can only be made when restrictions are lifted appropriately.

Ward 15 (Rhodes)

This target was not met, and a contractor not appointed. The initial EIA was rejected as the identified land was in the buffer zone \* i.e. within 500m of a settlement. A new site had to be identified and required a further EIA which carried with it additional financial implications which was not budgeted for. This resulted in time delays as the implementation is required to be reviewed. The VO was planned to be resubmitted to the BAC in the fourth quarter in the correct format. Extenuating circumstances of Covid 19 from end of quarter 3 \*27 March 2020 prevented this from occurring.

**c. Historic and current Challenges experienced within Waste Sites**

Waste sites are located in Lady Grey, Barkly East, Sterkspruit, Rhodes and Rossouw. Sites do experience related challenges, that include:

- Insufficient staff.
- Old and ageing vehicles.
- Inadequate plant and equipment in order to manage solid waste disposal sites in terms of legislation.
- Breakdown of vehicles (no mechanic available for maintenance).
- Non-compliance with legislation, with the resulting consequences.
- Lack of recycling projects and related components.
- Delays in terms of Solid Waste Site lining projects due to insufficient resources; and
- Overall, it is noted that Solid Waste is not receiving the resources required, in order to meet Constitutional and legislative requirements.



d. Status of Landfill Sites:

LANDFILL SITE	STATUS QUO AND CONDITIONS
Lady Grey Landfill Site	<ul style="list-style-type: none"> <li>Classified as G.S.B- (Class D).</li> <li>Licensed for operational (16/2/7/D120/D8/Z1).</li> <li>No plant or equipment for proper cover and compaction of disposed waste.</li> <li>The waste is disposed of in a cell (Now illegal but due to lack of plant this practice has continued);</li> <li>Landfill site has been fenced, for access control.</li> <li>Cells are still required to be lined and the contractor is on site; and The Contractor was appointed by the municipality to upgrade the cell (lining). The contractor has moved out of the Project without beginning the lining process); and</li> <li>The Weighbridge is calibrated. This was calibrated during the third quarter and only finalized during the fourth quarter. This occurred as the site was handed over to the "lining contractor", rendering required access to the weighbridges impossible for calibration to be completed.</li> </ul>
Sterkspruit Landfill Site (old Site)	<ul style="list-style-type: none"> <li>The Closure License expired 30<sup>th</sup> June 2018. The municipality has applied to DEDEAT for the extension of the license in order to finalise the new planed landfill sites in Sterkspruit (HO/A/14/L043/14). The extension was granted to the municipality by DEDEAT for a three (3) year period and this will <b>terminate in 2021</b>.</li> </ul> <p>The municipality could not continue with the new site which was earmarked for the construction of the new landfill site, due to the fact that the site was not found to be suitable for the construction of the new landfill site. In addition, the required buffer zone was insufficient.</p> <ul style="list-style-type: none"> <li>There is no burning of waste in the cell and there is no compaction (this is illegal);</li> <li>The site has been fenced. The service provider was appointed for the fencing of the Sterkspruit landfill site and it was fenced off as required.</li> <li>An ongoing challenge exists in terms of the need for plant and equipment for proper cover and compaction. No plant and equipment for proper covering and compaction on site exists.</li> <li>Improvements within this site have been made and the site is currently compliant with the Occupational Health and Safety Act in respect of the health and safety of its employees (access to toilets, shelter, running water and the like – as previously identified); and</li> <li>The municipality was expected to have completed the rehabilitation and closure of the old Sterkspruit dumping site by the end of the 30 June 2018. It must be noted that the site could not be closed due to the fact that the municipality is currently still struggling to establish a new site in Sterkspruit. It was then opted to request for the extension of the license.</li> </ul>

### Status of Landfill Sites (cont.)

LANDFILL SITE	STATUS QUO AND CONDITIONS
Sterkspruit (New)	<ul style="list-style-type: none"> <li>• The municipality has expropriated land in Tapoleng village (Ward 17) where a new disposal site was to have been developed. The application was closed by DEDEAT due to the fact that the site was not compliant and was not found to be suitable for the development of the landfill site. The buffer zone challenge contributed to this decision.</li> <li>• Moving forward the municipality was required to restart the application for the development of the landfill site in Sterkspruit, following the DEDEAT closure of the application, due to the non-submission of the geohydrological report on the due date. As required public participation initiatives have already begun and the EIA process is required to be begun.</li> </ul>
Hershel landfill Site	<ul style="list-style-type: none"> <li>• The Municipality has received the permit to construct the landfill site in Herschel.</li> <li>• While the municipality had budgeted for the establishment of the landfill site in the 2017/2018 financial year, a delay was experienced in the completion of the EIA.</li> <li>• The EIA has since been completed and the landfill site construction will resume during the next financial year i.e., 2020-2021</li> <li>• Waste is transported to Lady Grey and Sterkspruit.</li> </ul>
Rural waste storages facilities (drop off zones)	<ul style="list-style-type: none"> <li>• This project did not materialised in 2018/2019 due to the lack of budget (it was not budgeted for).</li> <li>• Although the confusion regarding the specifications has been corrected, the required budget was not made available and will be required to be addressed during 2020/2021 financial year.</li> </ul>
Rossouw Landfill Site	<ul style="list-style-type: none"> <li>• Rossouw has received the permit to construct the new landfill site, which is expected to be constructed during the 2020/2021 financial year.</li> <li>• The site is currently unlicensed and is situated near the Wasbank River. It will be listed for closure and rehabilitation in terms of license.</li> <li>• Waste is covered through the use of shovels and it is not well compacted as there is no proper compaction equipment. This status quo has existed for quite some time and there continues to be no plant and equipment and the use of shovels for covering waste.</li> <li>• No permanent staff are appointed and only EPWP staff are utilized to work in this area.</li> <li>• Legislative compliance is lacking; and</li> <li>• Originally the EIA was expected to be completed by November 2017, and</li> <li>• New land has been established for the development of the landfill site facility. Accordingly, the EIA has been approved and the construction is required to resume during the 2020-2021 financial year;</li> </ul>

### Status of Landfill Sites (cont.)

LANDFILL SITE	STATUS QUO AND CONDITIONS
Barkly East Landfill Site	<ul style="list-style-type: none"> <li>• The landfill site has been upgraded and lined according to the minimum requirements of solid waste requirement and as per the NEM WA Act. Achieved 2019 /2020 financial year.</li> <li>• The landfill site is now officially licensed.</li> <li>• There is no burning of waste in the site as the incinerator has collapsed but this is to legislative advantage.</li> <li>• No plant and equipment exist for cover and proper compaction. This remains as an issue of non-compliance (not covering or compacting waste appropriately).</li> <li>• The cells are currently under lining as required and the design and costing has been completed – with the process entering the final stages of completion; and</li> <li>• The weighbridge has been calibrated.</li> </ul>
Rhodes Landfill Site	<ul style="list-style-type: none"> <li>• The EIA was rejected by the Rate Payers Association of Rhodes, claiming that that there were no Buffer zones, and the site is on the riverbanks.</li> <li>• A new site is required to be identified and an application for the EIA is to be made for the new site.</li> <li>• Original applications were closed due to an objection received from the public.</li> <li>• A new site has been identified and the application has been launched with the department and the EIA process is expected to resume.</li> <li>• The landfill site is not licensed.</li> <li>• The site is operating ineffectively due to limited equipment.</li> <li>• The site is not managed according to the current legislative requirements.</li> <li>• Waste is covered but not properly compacted.</li> <li>• The site does not accept Hazardous Waste and Medical Waste; and</li> <li>• The EIA was expected to be completed during November 2017. The municipality has not received any information regarding the approved EIA as expected during November 2017.</li> </ul>

#### **NOTE:**

- The Sterkspruit Waste Site has reached the end of its life cycle and the municipality is required to ensure that a new site is operational by June 2018. Under the current circumstances this is unlikely. Due to Sterkspruit unrest in May 2019 the project was delayed, and progress made is far behind required targets. This may result in sanctions against the municipality due to non-compliance.
- Medical waste for the four (4) hospitals and fourteen (14) clinics is collected by a company called Compass Waste and this was organised by the Department of Health; and

- Environmental Health Practitioners are responsible for the control of waste management at clinics, being under the supervision of a Chief Environmental Health Practitioner. Monthly reports are received on Solid Waste Sites' but are mostly negative due to insufficient resources and SCM delays.

**e. Waste Collection**

- In all areas it must be noted that Waste Collection is successfully achieved, despite challenges relating to insufficient plant and staff.
- Currently challenges are experienced that relate to illegal dumping within all Senqu towns. It has been suggested as a solution that consideration be given to increasing the number of available law enforcement officers.
- The weighbridges are calibrated annually.
- It is noted that staff challenges exist in the operation of weighbridges in Barkly East and Lady Grey.
- Senqu Municipality currently has three (3) licensed landfill sites. More specifically:
  - Lady Grey and Barkly East are licensed as required in order to be able to operate; and
  - Sterkspruit have a closure license/permit.
- The following new sites are required to be developed:
  - Sterkspruit
  - Herschel
  - Rhodes
  - Rossouw

Specific challenges in terms of each of these sites are reflected as follows:

- Insufficient staff.
- Old and ageing vehicles.
- Inadequate plant and equipment with which to manage solid waste disposal sites in terms of legislation.
- Breakdown of vehicles (no mechanic available for maintenance).
- Non-compliance of legislation with the resulting consequences.
- The lack of recycling projects and related components; and
- Delays in terms of SWS lining projects, due to insufficient resources; and

Suffice is to note that generally, Solid Waste is not receiving the resources required, in order to meet Constitutional and legislative requirements.

The Constitution of the country places the responsibility on government to ensure that such services are progressively expanded to all, within the limits of the available resources. Municipal policy is progressively moving towards universal access to Waste Management.

Currently the municipality provides only waste collection services to the communities and private enterprises of:

- Lady Grey
- Barkly East
- Rhodes
- Sterkspruit
- Herschel
- Mokhesi and Tienbank (rural)

The estimated cost to extend waste services to the rural areas of Sterkspruit is very difficult as the method of service provision is required to be finalised and will require a phased-in approach, dependent on available resources.

With no waste collection taking place in the rural areas, illegal dumping as well as burning of waste is taking place and this represents a huge challenge for the municipality.

This problem further compounds the effect of contamination, pollution, damage to tourist assets and the environment.

Waste is collected weekly from households and twice or three times in a week from businesses within the areas of collection. Residential and most commercial waste is handled as “kerbside collection”.

#### **Metric Tonnage collected per annum.**

- **Rural areas:**  
The target of 956,92 tons was exceeded. A total of 1302,01 tons of waste was collected in the Rural Areas a variance of 345.09 tons. This occurred predominantly as result of cleaning campaigns conducted such as “The Greenest Municipality Competition” – facilitating extra areas of collection; the increase in the generation of waste during the festive season (waste collection is demand driven); and additional areas of Mokhesi Village and part of Tien bank, and New Rest were added.

- **Urban areas:**

The target of 6814,92 tons of Waste in the towns of Barkly East, Herschell, Lady Grey, Rhodes, Rossouw and Sterkspruit was exceeded by 1128,93 tons and a total of 7946,86 tons of waste was collected in these towns. \*Over the festive season there was an influx of business waste. Chain stores /retailers were generating lot of waste, as a result their collection schedule was increased to 3 times a week. Later there were additional recycling co-ops within the municipality, who were supposed to claim all the recyclable material which ended up in landfill site, thus minimising the air space in our landfill sites. During Covid - 19 period the recycling Co-ops were under the instruction/direction of DEFF. They were required to stop working as they were required to be Covid compliant \* No PPE was available and it was not safe for them to operate – resulting in this issue.

**f. Recycling**

There are only a few informal recycling programmes currently running within Senqu Municipality, extracting less than 1% of the potential recyclable product.

Issues were experienced with recycling co-ops within the municipality, who were supposed to claim all the recyclable material which ended up in the landfill site, thus minimising the air space in our landfill sites. During Covid - 19 period the recycling Co-ops were under the instruction/direction of DEFF. They were required to stop working as they were required to be Covid compliant \* No PPE was available and it was not safe for them to operate – resulting in this issue.

**g. Integrated Waste Management Plan (IWMP)**

- The IWMP is implemented and approved by Council. In terms of 2017 data:

Households served (as per IWMP 2017):

- 2 835 households in Barkly East.
- 510 in Herschel.
- 2 820 in Lady Grey.
- 144 in Rhodes.
- 100 in Rossouw; and
- 639 in Sterkspruit.

#### **h. Waste Awareness**

- Public awareness and education is an important factor in sustainable waste management. Waste awareness initiatives have been implemented through the use of internal funding.

Numerous Waste Awareness campaigns have been conducted and are detailed as follows:

- 6 planned awareness campaigns were required to be conducted within schools. Deviations and variations did occur. During quarter 1: an additional school was included. The Provincial Thuma Mina campaign occurred and the programme Green Deeds for planting of trees. The school was further assisted with waste bins for separation of waste at source. During Quarter 3 awareness was conducted in ward 10 but could not be done as planned in ward 13 as the Principal of Orangefontein Primary School was unable to provide alternative dates to planned date. Senqu Local Municipality together with Department of Environmental Affairs, organized a Thuma Mina programme that targeted awareness in all schools. This additional event contributed to the target being exceeded in this regard.
- During Quarter 1, 3 school awareness campaigns were conducted i.e. Ward 15 - Malikhanye Senior Secondary School and Rhodes Primary School on 15 August 2019; Mokhesi Primary School Ward 8 on \* 23 September 2019. During Quarter 2, the David Ross Arts Academy programme was conducted in ward 14 on\* 20 November 2019. During Quarter 3, awareness campaigns were conducted in ward 9 on 10 March 2020 (\* deviation to planned milestone, no awareness could be done in ward 13 as in quarter 3 as per the planned target milestone.
- Ward awareness campaigns were conducted with a variance. During Quarter 1 - Waste Awareness and Cleaning Campaigns were conducted in ward 15 \*August 2019, and in Ward 16 on \*17 September 2019. During Quarter 2, Waste Awareness campaigns were conducted in Ward 10, "Zwelitsha community" during the \*Month of December 2019. During Quarter 3 Waste Awareness campaigns were conducted in Ward 14 on \* 19 March 2020 and in Quarter 4, no waste awareness campaigns were conducted in Ward 13.
- Lockdown prevented planned activities during Quarter 4 in Ward 13.
- In order to achieve sustainable waste management, it is imperative that the public become aware and educated regarding waste issues.

**g. Waste Management By-Laws**

Related By-laws are still under public review and have not been updated/developed and approved. There is no capacity for the policing of illegal dumping or the implementation of by-laws.

**3.2.4 Financial Performance: Solid Waste Management Services**

**a. Financial Performance Year 2019/2020: Solid Waste Management Services**

Financial Performance Year 2018/2019: Solid Waste Management Services					
R'000					
Details	2018/2019	2019/2020 * TBC			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	38 990	38 723	38 723	40 779	-2 506
Expenditure					
Employees	10 722	12 275	12 497	11 367	1 100
Repairs and Maintenance	689	890	890	558	332
Other	12 707	11 225	13 318	12 836	482
Total Operational Expenditure	24 118	24 390	26 705	24 761	1 944

**b. Capital Projects: Solid Waste**

Financial Performance Year 2019/2020: Solid Waste Management Services Municipal Areas					
R'000(Ex VAT)					
Capital Projects	2019/2020 *TBC				
	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Total All	20 023	17 873	10 256	7 617	TBA
Machinery and Equipment	449	400	0	400	TBA
Solid Waste Infrastructure	19 574	17 473	10 256	7 617	TBA



### 3.3 HOUSING

#### 3.3.1 Introduction to Housing

The Department of Human Settlements is responsible for the function of housing in terms of providing planning services, construction of the top structures and the transfer of the properties to the beneficiaries. Since this period, the Department has been the implementer of housing projects, services and the top structures. This was conducted through the Department of Human Settlement's own procurement procedures and service providers.

Notwithstanding, the municipality assists the department and this function by engaging in the following activities:

- Beneficiary identification and registration for RDP houses.
- Ensuring land availability.
- Assisting the Department of Human Settlements by assisting beneficiaries in filling out deeds of sale for the Department in order to transfer the properties to the beneficiaries through their appointed conveyancers.
- The municipality develops the Housing Sector Plan (an attachment to the IDP). Currently this is being reviewed. The municipality is currently using the 2013-2018 plan, hence the need to review.
- In an attempt to realign municipal departments with the Treasury GFS functions under mSCOA, the housing function was not considered to be a municipal function and officials were transferred / re - allocated to posts within EPWP and LED. Notwithstanding, this has proved to be a misunderstanding of the regulations and the function of housing returned to Development and Town Planning Services during 2017/18 under Town Planning.
- The Housing Sector Plan for the municipality was re-adopted in order to accommodate changes to the identified needs of the community. This has now been revised in totality and after taking into account more detailed studies, this will now provide the municipality with a more realistic backlog total. **The Housing Sector plan is being reviewed.** The backlog for housing is \*10 852.
- It must be noted that the majority of Senqu households enjoy access to the RDP minimum levels of basic services in respect of housing - reflected as 95.16%. Notwithstanding, the IDP cites a housing backlog in Senqu Municipality of 10 761 with 1 752 in the urban area and 9009 in the rural area (Housing Sector Plan 2011).
- According to the results of surveys conducted by STATS SA, 2011 - 70 % of households live in formal dwellings and 68.5 % own their own dwelling.

- It must be noted that the Spatial Development Framework (SDF) has identified land in all towns for future housing developments. A land audit was conducted, and available land was identified for resale to the general public for individual residential development. This exercise is in accordance with the SCM Regulation of August 2014. This land audit has been undertaken by the Housing Unit and is considered to be 90% credible.
- To provide context, the Rhodes and Rossouw projects were approved in the 2010/2011 financial year. To date only the Rossouw project has been completed. The first phase of the Rhodes Green Field Project is still awaiting EIA approval but construction in phases (an in-situ project - not requiring an EIA) is under construction. **Of the eighty – seven (87) houses, seventy-eight (78) have been completed and fifty (50) handed over. All 87 units of phase one have been completed. The layout plans for the Green Field have not yet been approved, due to issues of bulk water in Rhodes.**
- It is noted that Land Invasion had caused delays to the Herschel Housing Project. More specifically, only five hundred and five (505) units of the original seven hundred (700) units have been constructed. The Council took the decision to reduce this project to five hundred and five (505) units and identify other land for a new project registration that would accommodate the shortfall. To date this has not yet been acknowledged by the department, despite correspondence and meetings. Local politicians were to meet with the Tugela Tribal authority in order to resolve the matter. This did not occur due to unrest in the Sterkspruit/Herschel area. In an effort to combat this, Land Invasion Signboards were erected and layout plans developed for Lady Grey, Barkly East and Sterkspruit. These were tabled for approval in the July 2019 Council meeting. **The Town Planning section is also in the process of developing a land invasion Bylaw.**
- 992 houses have been completed. In Ward 9, 172 houses were completed, and 56 houses were handed over out of the 539 units planned for the financial year. **Only 30 units out of 539 are incomplete from the Sterkspruit 4000 units project for this financial year, in ward 9.**
- In Ward 10, 506 houses were completed and handed over.
- In Ward 17, 314 houses were completed and handed over.
- There is currently legal action being taken against land invasion, but legal matters are a costly and a drawn-out process. These processes have been underway for the last eight (8) years without success to date.

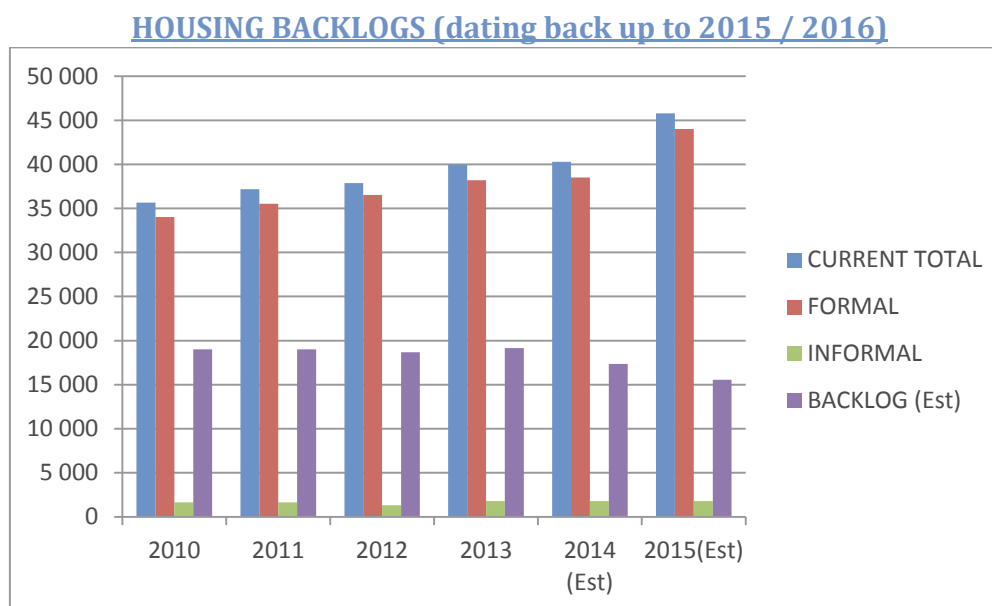
- A great challenge continues to be experienced regarding the fact that in many cases beneficiaries allocated to housing units become “lost” for various reasons and wrong erf allocations. This then results in the de-registration and registration of new applicants. The transfer of erven in order to achieve title deeds, depends on professional legal persons and in some cases this process occurs at a very slow rate.
- There are currently insufficient resources to enable the municipality to become more efficient within this area of service delivery. In this regard the municipality took a decision that they would apply for accreditation to be able to complete the entire housing process in the future. This has not been resourced to date; and
- Illegal building within the Sterkspruit rural area is a challenge with limited capacity. Traditional leaders complicate land and building matters allowing adhoc building operations – placing severe strain on service delivery.

### 3.3.2 Access to Basic Housing

PERCENTAGE OF HOUSEHOLDS WITH ACCESS TO BASIC HOUSING 2015/2020			
Year end	Total households (including formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
Year - 4	*38 195	*9 247	
Year -3	37 704	10 986	29%
Year -2	37 856	37 786	99%
Year-1	39 990	38 200	95%
Year 0	41 408	39 618	92.5%

It must be noted that the figures/statistics remain the same. This was due to the Housing Sector Plan not being reviewed since 2015 /2016. The housing division in that financial year was moved from Town Planning to IPED and the housing unit did not exist according to mSCOA. It was not considered to be a core function /municipal function. The Department of Human Settlements has further stopped assisting municipalities with their Housing Sector Plans. During 2019/2020 as the latest statistics, it is noted that: the **total households for formal settlements sits at a figure of 9247 and informal settlements are reflected as 28948.**

### 3.3.3 Housing Backlogs (Historical data and contextual overview)



### 3.3.5 Housing Service Policy Objectives Taken from IDP

3.3.3 Housing Service Policy Objectives Taken from IDP

HOUSING SERVICE POLICY OBJECTIVES TAKEN FROM IDP									
Service Objectives / Service Indicators (i)	Outline Service Targets (ii)	2015/2016		2016/2017			2017/2018	2018/2019	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(viii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objectives									
Provision for housing for all households	Additional houses provided during the year (Houses required at year end)  Barkly East 29 units	4000 additional houses (9 262 houses required)	4000	4000	3 500 additional houses (5 762 houses required)		1359	708	1100  298
Facilitate housing project(s)/ implementation.	Evidence of facilitation efforts/reports / Database updated	12 x monthly reports	12 x monthly reports	12 x monthly reports	12 x monthly reports		12 x monthly reports	12 x monthly reports	12 x monthly reports
Ensure Housing Sector Plan adopted by Council	Council resolution of Housing Sector Plan	1	0	1	1		1	0	1

### 3.3.6 Table: Employee Statistics (Housing Services)

EMPLOYEES: HOUSING SERVICES					
Job Level	2018/2019	2019/2020 * TBA			
TASK SYSTEM	Employees No.	Posts No.	Employees No.	Vacancies (full time equivalents) No.	Vacancies (as a % of total posts)
0-3					
4-6	1				
7-9					
10-12	1				
13-15	1				
16-18					
19-20					
<b>Total</b>	3				

Note: No funded vacancies exist for the current year.

### 3.3.7 Comments on the Performance of the Housing Service Overall

- As already detailed, Senqu Municipality is no longer involved in the capital construction of housing projects but only assists in an administrative manner with regard to beneficiaries (considered as operational);
- The delivery of housing units is slow due to: poor communication and cooperation challenges experienced from the department of Human Settlements; late approval of the Housing Sector Plan (due to the Department of Human Settlement not yet having submitted); insufficient data to engage in informed planning and last but not least, the difficult and sometimes inaccessibility of sites in the rural areas in order to deliver materials and construct (due to poor road access, and intermittent water supply) which affects construction and increases project costs in general;
- The quality of workmanship is currently a concern as the municipality has no control thereof. This is reliant on the Department of Human Settlements which conducts the related quality control. The Hillside Project bears testimony to this in that: of the 998 units already built, 603 required rectification and the DHS is aware of this. This issue will be accommodated in the revised Housing Sector Plan. Clearly this question and raises extreme doubt regarding the construction quality. In this regard, it must be noted that the department is clearly aware of this situation, having been informed of this by the municipality.
- The municipality no longer has control of any housing capital projects. The operational budget variance was caused by poor performance on the part of service providers (conveyances) in transferring the title deed to the beneficiaries. The municipality has removed all non-performing conveyances and appointed

new conveyances to attend to the transfer of properties. **The issuing of rates clearance certificates by the Joe Gqabi District Municipality also contributes to the slow progress of the transfers of properties.**

- There is an urgent need for middle and rental housing within the area and these applications have been submitted, however, the challenge still remain due to the limited availability of bulk infrastructure and land in Sterkspruit.
- The issue of disaster housing is gaining importance. Persons applying for emergency houses wait for long periods of time as the Department of Human Settlements waits until it reaches a minimum number of houses required in the area before it contracts a person to build them; and
- Housing staff were trained on the HSS system and the Housing Needs Register. It is hoped that this will decrease allegations of corruption as persons cannot be removed from the list or moved up or down - it is in essence a national list.

### **3.4 FREE BASIC SERVICES**

#### **3.4.1 Introduction to Free Basic Services (FBS) and Indigent Support**

In terms of its powers and functions, the Joe Gqabi District Municipality is the Water Services Authority and is therefore responsible for the implementation of all water and sewerage services, including Free Basic Services (FBS). Senqu Municipality, in conjunction with Eskom, is responsible for **FBE (Free Basic Energy)** and **FBAE (Free Basic Alternative Energy)**. Currently there is a Service Level Agreement (SLA) in place with Eskom for FBE in the rural areas. This is based on technical data (20 A supply).

Senqu Municipality has both an Indigent and a FBE Policy in place. These cater for any household earning a combined income of no more than twice the official old age pension, which changes on an annual basis. This then entitles them to receive Free Basic Energy or Free Basic Alternative Energy. Free Basic Solid Waste Removal and **a full subsidy on property rates** is included for formally identified indigent households.

The Indigent Register was updated. The indigent verification was completed by utilizing the CAAT system and **1787 of the 5 757 consumers were approved to receive the free basic services.**

**FREE BASIC SERVICES - including Solid waste /refuse removal 2019/2020**  
**(Comparison with previous financial year 2018/2019) \*Unaudited figures**

KPA & INDICATOR	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT
	2018/2019	2019/2020
a) The percentage of households earning less than R 1100 per month with access to free basic services	100% (Munic)  37% (Rural)	31,04 % of our serviced consumers are registered as Indigent consumers. Senqu LM service 5757 consumers of which 1787 are indigent beneficiaries. Rural areas fall outside the Municipal service area and are thus not reported on during the year under review.
b) The percentage of households with access to basic level of solid waste removal	27% 5 877 households have access to refuse removal of which 1 552 are free basic services in terms of solid waste removal	85,75% 6 713, households have access to refuse removal of which 5 757 receive free basic properties during the year under review. There are 956 properties where services were not collected these do appear on the collection site.

**Households Receiving Free Basic Energy \* TBA**

REGISTERED HOUSEHOLDS (Eskom & Municipality)	Year 2016/2017	Year 2017/2018 (Estimated)	Year 2018/2019	Year 2019/2020
Free Basic Energy	12 523	12 523	12 530	TBA
Free Basic Alternative Energy	625	497	497	TBA



Free Basic Services to Low Income Households										
	Number of Households									
	Total	Households earning less than R2 920 per month								
			Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
		Total	Access	%	Access	%	Access	%	Access	%
Year - 3	TBA	TBA	TBA	-	TBA	-	TBA	TBA	TBA	-
Year -2	39 438	12 523	JGDM	-	JGDM	-	12 523	32%	Not available	-
Year -1	41 408	14 943	JGDM	-	JGDM	-	12 523	30.4%	2 420	5.83%
Year - 0	41 453	15 113	JGDM	-	JGDM	-	12 523	30.22	2 590	6.25%

#### FREE BASIC SERVICES: ELECTRICITY 2019/2020(Unaudited figures)

INDICATOR NAME		TOTAL NUMBER OF HOUSEHOLD/ CUSTOMER EXPECTED TO BENEFIT	ESTIMATED BACKLOGS (ACTUAL NUMBERS)	TARGET SET FOR THE FINANCIAL YEAR UNDER REVIEW (ACTUAL NUMBERS)	NUMBERS OF HOUSEHOLDS/ CUSTOMERS REACHED DURING THE FINANCIAL YEAR	PERCENTAGE OF ACHIEVEMENT DURING THE YEAR 2019/2020
1	Percentage of households with access to electricity services	Est 97% in urban Est 68% in rural	25 (urban – land invasion) 3 301 (Rural)	0 (done on application) 2 753	28 new connections (Urban-On demand) 324 (Rural)	100% 19% (Eskom)
2.	Percentage of indigent households with access to basic electricity services	100% of applicants (Urban) 100% of applicants (Rural)	On application 575 (Urban) 11 643 (Rural estimated)	725 (Urban)	575 (Urban) 7 084 (Rural)	100% 61%

FINANCIAL PERFORMANCE YEAR 2019/2020: COST TO MUNICIPALITY OF FREE BASIC SERVICES DELIVERED R '000					
Services Delivered	Year 2018/2019	Year 2019/2020 * TBC			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	-				
Wastewater (Sanitation)	-				
Electricity	6 834	7 655	7 655	6 056	1 599
Waste Management (Solid Waste)	2 485	4 427	4 427	3 076	1 351
Total	9 319	12 082	12 082	9 132	2 950

Note: Water and Sanitation are not Senqu functions but are the responsibility of Joe Gqabi District Municipality.

FREE BASIC SERVICE OBJECTIVES TAKEN FROM IDP (TBA)									
Service Objectives / Service Indicators	Outline Service Targets	2014/2015		2015/2016			2017/ 2018	2017/2018	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(viii)	*Current Year (ix)	*Following Year (x)	
Service Objectives									
Provision of alternative energy support to low-income households that do not received free basic services	Low Income Households (LIH's) who do not receive all free basic services but <u>do</u> receive alternative support (total number of LIH's not in receipt of free basic services)	445 HHs	602 HHs receiving support	602 HHs receiving support	500 HHs	625 HHs	625 HHs receiving support	625 HHs receiving support)	625 HHs
Facilitate the provision to access to adequate basic Electricity: Free Basic Electricity of 50 Kwh	Report on number indigent households receiving free basic services / inclusive of expenditure.	12 000	12 523	12 000	12 523	12 523	12 523	12 523	12 523

### 3.4.2 Comment on Free Basic Services and Indigent Support \*TBA:

It must be noted that the Free Basic Services and Indigent Support Policies are revised annually, and Free Basic Services are paid for from the Equitable Share Grant as allocated under DORA.

- Joe Gqabi District Municipality is the Water Services Authority and deals with all aspects of water and sewerage services, while the Senqu Municipality Technical Services Department is now responsible for Solid Waste matters until 1 July 2017.
- The indigent verification was done through CAAT system **1787 of the 5 757 consumers were approved to receive the free basic services.**
- In total 6713 households have access to refuse removal services of which 5 757 is free basic refuse removal services.
- 85.75% of households have access to refuse removal.
- 31,04 % of our serviced consumers are registered as Indigent consumers.
- The electricity consumption is difficult to calculate as some households require the FBE units every month while others only obtain these once every two (2) to three (3) months, and therefore consumers are calculated on households that are registered.
- There is currently only one (1) dedicated staff member for the FBS function. Notwithstanding it is the intention to employ an intern, with the possibility of long-term employment, to assist with FBS due to the magnitude of the service. The intention is to achieve a permanent FBS Unit within the next 3 years, budget dependent.
- In areas that will not be grid electrified, the municipality will be completing and submitting applications to the DoE for solar energy, after assessment of the need is complete; and
- Applications have been submitted to the DoE for Solar Water Heaters for areas where criteria are met but no response has been received to date.

### 3.4.3 Challenges Experienced (FBS and FBAE) \* TBA

- Unreliable vehicle (2006 model)
- Delivery logistics
- Insufficient staff
- Insufficient data
- Insufficient political assistance
- Insufficient operational budget; and
- SCM turnaround time.

**NOTE:** The FBS section was moved from the Technical Services Department to the Financial Services Department as of 1 July 2017.

a. Budget vs Expenditure: Free Basic Services \* TBA

	Year 2017/2018	Year 2018/2019	Year 2019/2020
Budget	10 943	11 582	
Expenditure	5 727	9 319	

**NOTE:** There is to be a concerted effort made to increase FBE in the new financial year.

## COMPONENT B: ROAD TRANSPORT (ROADS, TRANSPORT AND WASTE WATER (STORMWATER DRAINAGE)

### 3.5 ROADS

#### 3.5.1 Introduction to Roads

- Senqu Municipality has the largest and longest amounts of unsurfaced main roads and access roads. Within this geographical region it must be noted that following Gariep, Senqu Municipality has the second longest road length within this area.
- The Transport Plan is completed by the Joe Gqabi District Municipality with input from all local municipalities. Roads forums are championed by the Department of Roads and Public Works (DRPW) but are seldom successful due to non-attendance of stakeholders and due to the insufficient availability of staff found within municipalities.
- A Roads Maintenance Plan for 2019/2020 was approved for implementation. This involved planned maintenance for 37 296m of Roads in Wards' 1, 2, 8, 9, 10, 11, 12, 13, 14, 15, 16 & 17. The analysis of progress has been difficult to document but will be detailed as follows:
  - July: Ward: 9 - 4,99 km and Ward: 17 - 7,34 km.
  - Potholes repaired in Ward 16 (314); Ward 10 (347); Ward 8 (586).
  - Storm Water Cleaned in Ward 16 (1 538m).
  - August: Ward 8 - 16,29 km completed.
  - Potholes repaired in Ward 16 (255); Ward 10 (190); Ward 14 (61).
  - September: Ward 10 - 13,14 km; Ward 12 - 5,07 km.
  - Potholes repaired in Ward 16 (250)

- 3 Monthly Reports were submitted on Km's maintained. In Ward 13 (20 080m) i.e., a difference of 17 080m. In Ward 14, 3160 m a difference of 160m. In Ward 15, 10 260m (a difference of 7260m).
- Ward 11 planned for Q1 was completed in Q2 (Total - 16730)
- The grand total for Roads Maintenance was 50 230.
- Potholes Repaired: Ward 8: 270 and in quarter 3 Wards 1 – 0 km; Wards 16 - 38 347m, a difference of 35 347m; Ward 10 - 850m (Deviation); Ward 3 - (3270m), a difference of 230m i.e. a total of 42 467 and a total difference of 35 903.
- In Quarter 3 - Ward 1 - (0 Km) , Ward 16 - 38 347m – a difference of 35 347m; Ward 10 - 850m (Deviation); Ward 3 - 3270m - a difference of 230m. A total of 42 467 and a total difference of 35 903.
- In terms of potholes: Ward 16 - 817 potholes; Ward 14 - 723 potholes; Ward 10 - 1162 potholes; Wards 8 - 599 potholes;
- During Quarter 4, reports were not submitted.

Overall, the target relating to Roads Maintenance was not achieved but it is extremely difficult to quantify.

- The target of constructing 4 km of Paved Road (Ph 1) in Boysi Nondala was not achieved due to a litigation issue with an SMME and was thus placed on hold. It is recommended that SCM put in formal controls to exercise the management of the appointment of SMME's. Formal Agreement/s must be entered into at the outset of the projects - prior to work being carried out.
- The construction of a 6 km access road with 1,5 storm water control (Walaza, Thozama, Bikizana & Magubudela) was met and a practical completion certificate was granted on 12 December 2019.
- Paved roads and gravel roads project – it was required that this project be advertised for the contractor, that the contractor be appointed and that the site be established. This target was not met due to COVID related delays. Appointment of a contractor will be completed in quarter 1 of 2020-2021 financial year. Implementation of proper planning and communication between the project owners and the Budget Division is required in order to ensure that in the initial stages all the planned project requirements and the correct project descriptions tie up with the correct budget descriptions. The tender document will be amended/ revised and aligned to the budget, to indicate accurate km \* 7.01kms as registered with MIG.
- The target of constructing 6 kms of a New Gravel Road with 1,5 of stormwater channels was not met due to issues of boundary confusion with the Demarcation Board.
- The need to appoint a consultant could not be addressed as the tender specifications could not be finalized when the specification committee sat 16 March 2020 and 20

March 2020. This occurred as the result of the absence/unavailability of \* the PMU Manager. Delegations are not managed in PMU Unit. The end user department was not sure of what needed to be done. Further delays attributed to COVID 19 pandemic restricting the movement of bidders and municipal readiness with compliance of COVID 19 regulations which were not in place at the time.

- Construction 2km of gravel roads with 1,5 storm-water control could not be met due to SMME litigation issues and the project was placed on hold.
- The Ward 8 appointment of a consultant could not be met as tender specifications could not be finalized due to the absence/unavailability of the PMU Manager. Further delays attributed to COVID 19 pandemic.
- The appointment of a contractor for Tienbank project could not be achieved due to non-responsive bidders. The rejection occurred at the Bid Specification Committee. The Bid validity period had expired, and conflict of interest was not declared. The project was not deemed to form part of essential services - procurement was further limited to only essential services;
- An analysis of our tarred roads has indicated as follows \* (unaudited data):
  - the provincial trunk road (the R58) is in a barely usable condition and is maintained by SANRAL. Rock falls are often experienced in cuttings after heavy rainfalls and this impacts negatively on tourism (as the main point of entry to the municipality). In this regard, this needs to be treated as a provincial priority.
  - The R 393 between Lady Grey and Sterkspruit is for the most part found to be in good condition, but there are sections that are failing. In these instances, there are an increased number of potholes that have occurred; and livestock found on the road are commonplace as a result of having been stolen or due to poor/lack of fencing. This represents a danger to both animals and drivers; and
  - The balance of the Musong Access Road was partly upgraded to asphalt.
- Business plans are drawn up annually and submitted to the Department of Transport during each new financial year, for any required surfacing of roads, identified as top priority by Council.
- In terms of Gravel/ Unsurfaced Roads it is fair to say that, despite maintenance by the DRPW, most of provincially maintained gravel roads have deteriorated significantly to a level where they need extensive re-gravelling and low-level bridges need repair or replacing. The DRPW is required to re-examine their strategy and to investigate ways in which a more sustainable road surface process

(such as interlock paving) can be utilized. This is also required as it is noted that the quantity and quality of gravel is diminishing. Ultimately this will result in a situation where people will be unable to access goods and services or will be required to pay a high price for the transport of goods and persons, due to poor or impassable roads. This is compounded by extreme weather conditions such as flooding and snow. A number of roads aside from the above have been prioritised for re-gravelling and priority upgrading by the municipality through the DRPW.

### 3.5.2 Roads requiring urgent attention

- The R 396 from Barkly East to Rhodes as this leads to an important tourist destination.
- Access roads to the 7 gravel passes of Lundean'sneck, Jouberts, Otto du Plessis, Carlislehoek DR 03230, Volunteers (MN 20635), Bastervoetpad, and Naudesnek (R396). These passes incorporate three (3) of the highest passes in South Africa. In addition, the roads leading to Tiffindell Ski Resort must be attended to, noting that this is the only ski resort in South Africa.
- DR 393 to Lundean's Neck and Sterkspruit from Barkly East.
- Upgrade of DR 03214, DR 03221 and DR 3222.
- Access roads to hospitals and villages.
- Khiba DR 08526 Road.
- Coville DR 08510 Road.
- Mlamli DR 08606 Road.
- Herschel to Manxeba to Sterkspruit DR 08511 Road (Interlock paving/Asphalt surfacing).
- Road from Sterkspruit to Holo Hlahatsi Dam DR 08521/DR 08516 (previously Jozanashoek Dam) - Interlock paving / Asphalt surfacing.
- Herschel/Manxeba/Sterkspruit (interlock paving/asphalt surfacing; and
- Access Roads are required to be maintained by municipalities in terms of the Municipal Structures Act (although this is not financially viable for Senqu Municipality) - maintaining all roads as frequently as planned for optimal maintenance. The municipality inherited a backlog of maintenance of existing access roads as well as many villages which don't have access roads or internal roads. Taking this into account together with the acknowledgement of the small tax base and high levels of unemployment, it is observed that the municipality is heavily reliant upon MIG grant funding for construction and rehabilitation of roads infrastructure and the Equitable Share for the repair and maintenance of roads.
- In terms of Powers and Functions, Senqu Municipality is responsible for all access and municipal roads in its area. The balance of roads fall under the powers and functions



of the Department of Roads and Public Works (DRPW) now known as the Department of Transport (DoT), as of 1 April 2018.

- As in previous years, the Municipality has engaged its municipal wards to identify and prioritize the access roads that required surfacing/paving.
- Streets within towns are the responsibility of the relevant local authority. Streets within townships in all the urban settlements are mostly in a reasonable state, however it is noted that Lady Grey and surrounding areas have been affected and hit in the past by weather extremes i.e., flooding and localized flooding and/or affected by severe drought conditions. In all instances these circumstances may lead to impassable roads and poor access across the Senqu area during times of bad weather.
- The original RDP housing constructed in Kwezi Naledi has contributed to the original flooding challenge due to incorrect building practices (failure to build above the natural ground level) and it is noted that communities block storm water flow due to illegal access constructions and dumping of waste in storm water channels.
- Senqu Municipality does not have any entities responsible for rendering road maintenance services within the municipality. Capital projects are completed through the procurement of professional service providers and contractors and funded through the MIG programme and internal funding. Capital projects are identified through the IDP process, prioritised by the IDP & Budget Steering Committee and dependent on available funding. These priorities change periodically in order to suit the changing needs of the community. It must be noted that the weather patterns (heavy rain/snowfall) wreak havoc on the gravel roads, and this will in turn lead to changes within the MTERF.
- As the quality and quantity of gravel is rapidly dwindling within the area, the use of gravel access roads is currently being phased out in favour of interlock paving, which is sustainable and has high job creation content. The adopted Roads Policy now incorporates the construction of sustainable roads as well as the provision of an on-going sustainable source of job creation for years to come. The innovative use of Polymers is being investigated and as of 2018/2019 all new gravel roads will be constructed utilising this binding system in order to extend the life of the gravel road and thus reduce maintenance cost. The same will be used on roads maintained once a higher level of maintenance is achieved. It is required that the municipality urgently look at capacitating the roads section and maintenance/rehabilitation of existing infrastructure.
- The Barkly East, Mokhesi, Zwelitswa, Ext 4, Lady Grey (inclusive of Khwezi, Steve Tswete) asphalt surfaced roads required urgent attention in terms of revitalisation, resurfacing and possible rehabilitation, failing which there is a real risk of having to downgrade these roads to Class 5 (gravel roads). The MIG infrastructure also needs to be prioritised for maintenance.

- Currently the municipality is in possession of its own roads team that was used in the construction, rehabilitation and maintenance projects until recently, when Council resolved that the team be used for maintenance purposes only. This has also been incorporated into the adopted Roads Policy. While this should have provided a boost to the current road infrastructure lifespan, it did not occur, due to the low-level maintenance strategy of Council. It must be emphasized that this is a short-term solution that requires a higher level of maintenance through capacitation within the roads section. It is further noted that the Senqu area is too large in order for the roads team to be considered efficient and the maintenance of municipal roads in urban areas is also dealt with by the roads team. Some roads require major maintenance and are required to be re-gravelled. This then slows down the maintenance program, which in turn affects performance targets. This all occurs at the cost of time, which is contradictory to the Councils current strategy of attempting to reach all wards and their communities; and
- It is noted that each constructed/rehabilitated road will only be visited once every 2 to 3 years as there are insufficient plant and operators to do this more frequently and to ensure that this occurs at the proper level. This is an extremely inefficient option and plan, as each road needs to be maintained at least once per year and also following every heavy rainfall/snow. The cost of sufficient plant and staff to maintain the entire area will be high and therefore will need to be phased in but should be considered as a high municipal priority. The replacement of existing plant also needs to be considered.

In reality, backlogs will in all likelihood increase again once existing roads find themselves severely impaired at the end of their lifetime. This will be due to the insufficient maintenance capability required to extend lifespans of the new roads. This has largely contributed to the Council policy of constructing more sustainable roads and creating jobs by the use of interlock paving systems.

Maintenance in urban areas takes longer than in rural areas due to greater existing infrastructure, road furniture and access ramps.

The cost of plant purchases is planned as a phased in approach over various financial years by the municipality (budget dependent). There is however a real need for more plant and operators in order to split the team into two sections in order to establish re-gravelling team and a light maintenance team. The need for Plant Operators within the area is also a critical issue as they represent a scarce skill and tend to prefer to work in the private sector as the benefit is greater. The municipality is continuously busy with an on-going training programme that results in all operators obtaining official "Operator Certificates".

The matter of powers and functions sometimes leads to a frustrated community as the access roads of the municipality are often in better condition than the provincial roads.

This can be attributed to lack of integration in the maintenance programmes. Meetings have been held with the local DRPW office, but they also have resource issues.

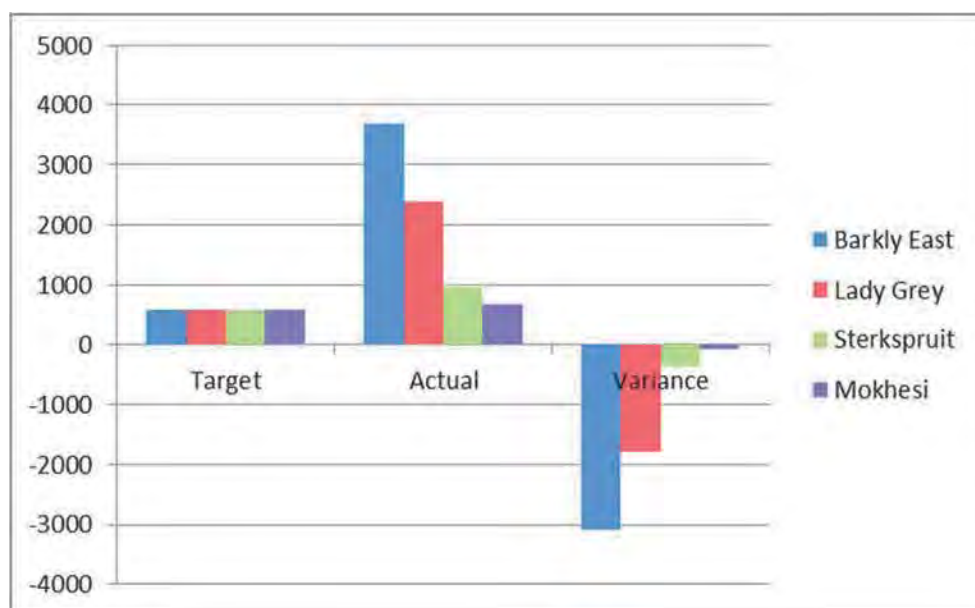
### 3.5. Pothole Repairs

During the current year the following pothole repairs were completed:

POTHOLE REPAIRS 2019/2020			
	Target	Actual	Variance
Barkly East	400	2518	-2 118
Lady Grey	400	794	-394
Sterkspruit	400	2269	-1869
Mokhesi	400	1455	-1055

Note: Additional potholes were caused by heavy rain and further deteriorating road conditions.

#### a. Potholes 2019/2020



It remains difficult to establish targets on pothole repairs as they may increase due to poor weather. The drought that has currently been experienced within the areas has reduced potholes as there is less moisture content, but with the heavy rain received, potholes also tend to increase almost overnight.

In Barkly East and Mokhesi the current asphalt roads are extremely bad and break up due to age, making pothole repairs almost impossible. In addition, as when they are repaired the existing road surface surrounding the repair work breaks up. These roads are in urgent need of rehabilitation or within a few years they will have to be converted back to standard gravel roads, increasing maintenance cost and time and decreasing sustainability.

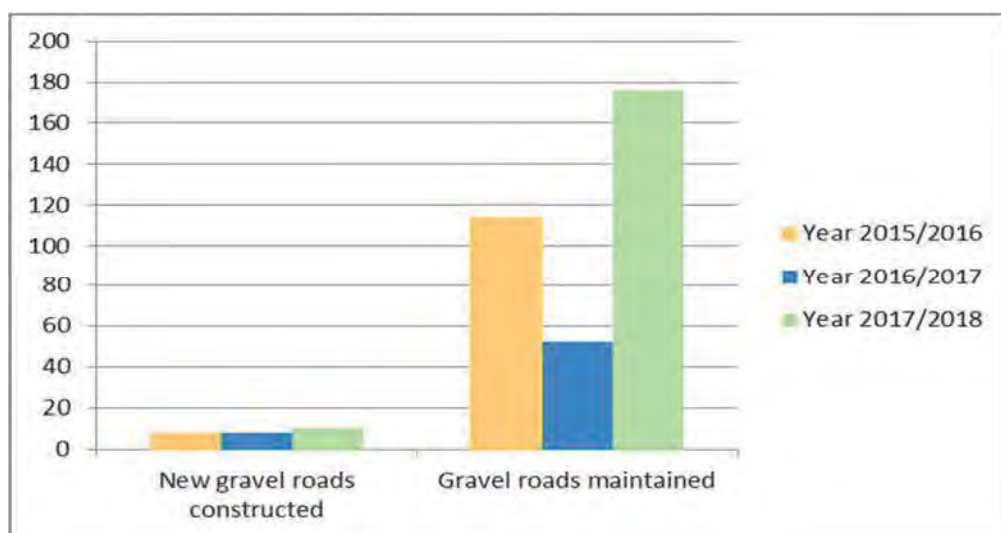
There are numerous bridges that are required to be replaced / renovated within the area, but these exist mainly on provincial roads for which the DRPW has insufficient budget.

#### 3.5.4 Gravel Road Infrastructure \* TBA

GRAVEL ROAD INFRASTRUCTURE				
				Kilometres
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar/Paving	Gravel roads graded/maintained / fully re-gravelled
Year 2017/2018	591.3	10.3	5.1	175.88
Year 2018/2019	593	2	4	93.57
Year 2019/2020				

NOTE: Only roads constructed by MIG and streets on the assets register were maintained as it is a condition of MIG to maintain infrastructure. There is insufficient capacity to maintain all roads within the area unless more resources are allocated in terms of plant and staff.

a. Gravel Roads Constructed, Upgraded And Graded/Maintained (TBA)



b. Gravel Roads Maintained (TBA)



c. Gravel Roads (Infrastructure and Maintenance)

TARRED ROAD – INFRASTRUCTURE KILOMETRES					
	Total tarred roads	New tar roads constructed	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads-maintained Potholes Repaired
Year 2017/2018	15	0	0	0	7 748
Year 2018/2019	15	0	0	0	10 119
Year 2019/2020	15	0	0	0	7 036

ACTUAL COST OF CONSTRUCTION/MAINTENANCE						R'000
	Gravel			Tar/ Paving		
	New	Gravel	Maintained	New	Tar/Paving	Maintained
Year 2017/2018	7 300	0	2 911	0	20 728	851
Year 2018/2019	1600	0	2127	0	5900	985
Year 2019/2020	TBA	TBA	140.83	TBA	TBA	TBA

ROAD SERVICE OBJECTIVES TAKEN FROM IDP									
Service Objectives / Service Indicators	Outline Service Targets	Year 2017/2018		Year 2018/2019			Year 2019/2020	Year 2020/2021	
		Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(viii)	(viii)	(ix)	(x)
To upgrade and maintain current infrastructure: Internal Roads Team	Validation of km / report quantifying the number of kilometres/meters maintained/constructed internally	140.800 km	175.88km Exceeded by 35.08 km	140.8 km (target) Actual 175.88 km	14.6 km Based on first draft.	150 km	140,83		
To upgrade and maintain current infrastructure: Pedestrian and Road Bridges	MIG Reports /consultant /contractor's performance reporting. Pedestrian and Road Bridges constructed	0	0 – Under construction – Extension of time due to weather	2	2	0			
To upgrade and construct new infrastructure: Access Roads (km)	MIG Reports /consultant /contractors performance reporting /validation of km / Report quantifying the number of kilometres/meters of access road constructed	13.1	10.3	10.3 km gravel road & 5.1 km upgrade to paving.	12.07	12			

### 3.5.5 Employee Statistics (Roads Services)

#### Provided by Directorate of Technical Services

Please note that this information includes funded and unfunded vacant positions in terms of vacancies.

EMPLOYEES: ROADS SERVICES					
Job Level	Year 2018/2019	Year 2019/2020			
	Employees No.	Posts No.	Employees No.	Vacancies (full time equivalents) No.	Vacancies (as a % of total posts)
0-3		19	18	1	19
4-6	20	3	3		3
7-9	9	11	11		11
10-12	1	1	1		1
13-15	1	1	1		1
16-18					
19-20					
Total	33	35	34	1	35

**Note:** The number of employees has increased due to the adsorption of previous contract staff (job creation).

### 3.5.6 Financial Performance Year 2019/2020: Road Services

FINANCIAL PERFORMANCE YEAR 2019/2020: ROAD SERVICES (TBC)					
R'000					
Details	Year 2018/2019	Year 2019/2020			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		38 946	45 446	45 126	320
Expenditure					
Employees		5 103	5 292	5 171	121
Repairs and Maintenance		890	890	558	332
Other		13 261	13 356	9 237	4 119
Total Operational Expenditure	18,742	19 254	19 538	14 966	4 572

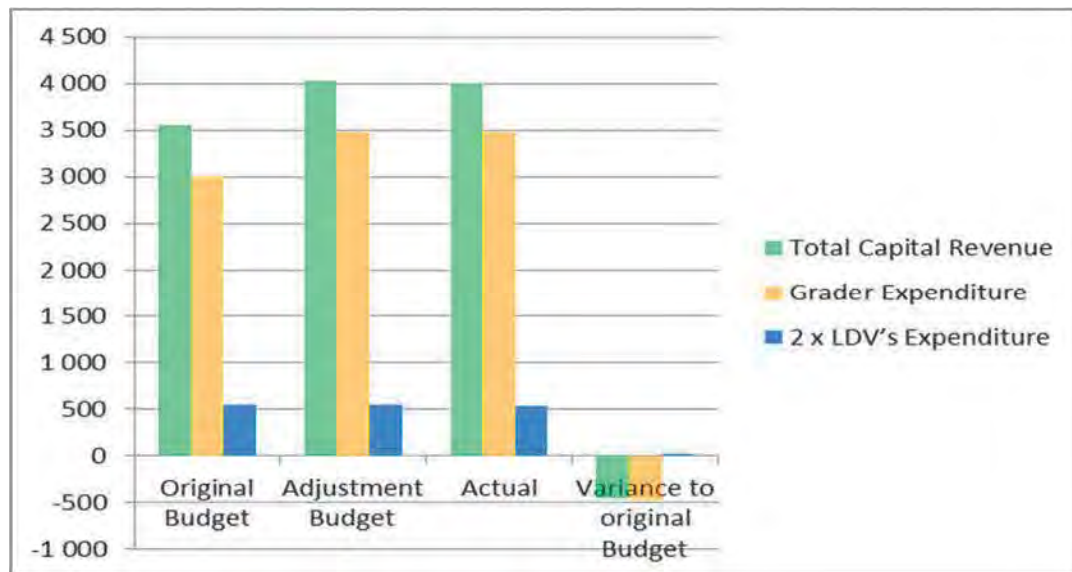


Details	Year 2019/2020 (TBA)			
	Original Budget	Adjustment Budget	Actual	Variance to original Budget
Total Capital Revenue	TBA			
Expenditure	TBA			
Grader	TBA			
2 x LDV's	TBA			

**a. Table: Expenditure (Non-MIG) TBC**

Details	Year 2019/2020 (TBC)		
	Original Budget	Adjustment Budget	Actual Expenditure
Total Capital Revenue	-	-	-
Expenditure			
Traffic Lights	200,000.00	100,000.00	-
Construction of Gravel Road with Stormwater control Esilindini to Frans Ward 10 (6km)	5,000,000.00	3,080,000.00	3 893 982
Construction of Bus Route in Boyce Nondala Township Barkly East	-	6,712,792.26	9 425 957
Barkly East Pavements	-	-	-
Tienbank Property Access Construction	490,000.00	450,000.00	-
Construction of Gravel Road with Stormwater control Ward 2 (7.01 km)	4,000,000.00	360,000.00	-
Transwilger Bridge	850,000.00	120,000.00	-
Pre-Paid Electricity Meters	1,500,000.00	500,000.00	288 644
DOE Projects - Pre-Engineering Costs - Rural Connections	3,200,000.00	3,723,000.00	2 362 369
DOE Projects - Pre-Engineering Costs - Rural Connections	-	1,250,000.00	-
Solid Waste Site - Sterkspruit	4,500,000.00	300,000.00	111 938
Upgrading of Existing Solid Waste Site in Barkly East	-	1,399,186.74	8 027 101
Solid Waste Site - Herschel	350,000.00	850,000.00	89 823
Solid Waste Site - Rhodes	410,000.00	410,000.00	106 026
Solid Waste Site - Rossouw	320,000.00	630,000.00	106 026
Vehicles, Tools and Equipment	2 611 271	2 322 271	1 783 096

**b. Expenditure (Non-MIG) – As per above**



**3.5.7 Comment on the Performance of Roads Overall**

- Un-licensed borrow pits present an extreme compliance challenge in terms of legislation, usage by all and the fact that they are located mainly in tribal areas. This also results in access difficulties experienced by contractors due to the tribal authority/community interference.
- The quality and quantity of gravel available for roads construction is diminishing rapidly in the area and this results in over-haulage or crushing. This raises the costs of construction and maintenance. Accessibility to gravel requires roads to be constructed with borrow pits in order to procure gravel and this leads to further delays.
- The municipality is working according to a Roads Maintenance Plan and the targets set for the year were not met. This occurred as projects fell behind the scheduled timeframes /milestones and as result the annual target/s in terms of the Roads Maintenance Plan could not be achieved. Delays generally were caused by unforeseen circumstances and circumstances beyond Senqu Local Municipalities control – especially COVID – 19. Delays were also caused by litigation issues or through poorly drafted tender specification documents.
- In terms of other targets, it must be noted that in many instances the targets were able to be met. In those that were not, SCM and issues with the specification committee/adjudication committee were at times to blame for lack of appointment and/or unnecessary delays.

- The municipality is urgently required to consider the increase of plant and staff for roads maintenance in order to meet its Constitutional and MIG mandate and to physically implement sufficient roads maintenance.
- Meetings have been held with the DRPW in order to integrate maintenance on all roads in the area and in order to obtain mutual assistance where possible. Due to insufficient resources and political priorities, this has not been proven to be successful.
- Road signage is a legal issue and is dealt with by the traffic department as the roads section does not have the capacity to erect or replace a sign.
- A prioritised, costed roads and storm water master plan is critically required in order for proper budgeting and planning to take place.
- The current 'low level maintenance' strategy was unsuccessful as almost all the roads have been found to require complete re-gravelling back to a 150mm wearing course and base repairs in places; and
- There is confusion within the community as to the difference between a "constructed road", an "unconstructed road" and a "track" which all have different needs and costs. This results in high expectations from the roads section which cannot meet the expectations of the community.

## 3.6 TRANSPORT (MOTOR VEHICLE LICENSING)

### 3.6.1 Introduction to Motor Vehicle Licencing

- a. Currently the functions of: Learners and Drivers Licences; vehicle registrations; and vehicle licensing are provided at the designated Traffic Testing Stations in the Senqu Municipal area. The office at Sterkspruit is not yet fully operational and an investigation of the feasibility of constructing and operating a Sterkspruit Licencing Centre is underway.
- b. It is noted that this NATIS motor vehicle registration facility service is rendered by Council on an agency basis for the Department of Transport in Lady Grey, Sterkspruit and Barkly East; and
- c. Due to insufficient budget, Senqu Municipality has not been in a position to ensure that the roadworthy division in Barkly East meets the compliance criteria sufficient for registration and operation as a centre. More specifically, it lacks all the required resources in order to be able to function in this capacity formally. It is worth noting that this testing station / division of roadworthy system, has not been functional for the 3 past financial years \*since 2017/2018. Moving forward, an analysis and review/report on the management and functionality of this test station is required.

Contributing factors relate to poor and/or lack of management, budgeting, planning, lack of resources, lack of human capital and maintenance at this test division. Extensive investigations are required to be conducted. COVID – 19 has simply exacerbated the current status.

### 3.6.2.1 Traffic Section Objectives

- a. Provision of facilities for the licensing of motor vehicles within existing centres.
- b. Maintenance and utilization of the National Traffic Information System (Natis) on behalf of the Department of Transport.
- c. Establishment and operation of a fully compliant Motor Vehicle Registration and Licensing facility within Sterkspruit, sanctioned by Department of Transport. This centre is intended to provide driver testing and plans are in place to develop the DLTC in Sterkspruit.

Note: The anticipated progress to achieve this has not occurred within the current financial year as planned and will need to be addressed now in the 2020/2021 financial year; and

- d. Continuous updating and training of staff on the operation of the Natis System occurs.

### 3.6.3 Traffic and Licensing Statistics (TBA)

LICENCING REVENUE	ACTUAL REVENUE	BUDGET	ACTUAL REVENUE	BUDGET
	2018 - 2019	2018 - 2019	2019 - 2020	2019 - 2020
Traffic Fines	44 850	17 720	TBA	TBA
Duplicate Permits & Registration	63652	63798		
Commission on M/V Registration & Prodiba Driver Licence Renew	1 053 937	1 187200		
Learner's Drivers Licence	202 845	185 500		
Drivers Licences	-73 875	318 000		
Prodiba Driver Licence Renew				
Roadworthy; licences & permit	459	10600		
Total	<b>1 291 868</b>	<b>1 782 818</b>		

### Traffic Operational Statistics 2019/2020

TRAFFIC OPERATIONAL STATISTICS 2019/2020	
Vehicle Registration (No. of vehicles Registered)	511
Vehicles Licensed	7452
Learners Licence: Applicants tested	495
Drivers Licence: Applicants tested	2451
Roadworthy of vehicles: Vehicles tested	0
Road Offence Tickets Issued (Traffic Fines)	268

#### 3.6.4 Comment on the performance of Vehicle Licensing Overall

- a. Regular reporting on the licensing and testing of vehicles was provided as required.
- b. Due to the COVID – 19 pandemic, no persons were tested for Learners’ and Drivers’ Licences during the period 27 March 2020 until 30 June 2020.
- c. No vehicles were tested for roadworthiness during 2019/ 2020 or the previous financial year. This dated back to 2017/2018. It must be noted that the roadworthy testing system has not been functional since the last financial year. While plans had been made to install cameras in the roadworthy facility during the 2019/2020 financial year in order to make it compliant for vehicle testing, the insufficient budget made this impossible. The Roadworthy division in Barkly East does not meet compliance criteria and does not have all the required resources in order to function. COVID - 19 has exacerbated the current status.
- d. Of particular note is the dramatic increase in traffic fines issued during this financial year as compared with previous financial years. In terms of percentage the level of increase relates to 409.52%; and
- e. Moving forward, an analysis / review /report of the management and functionality of this test station is required and acknowledgement that there are a number of contributing factors that have resulted in: poor /lack of management, budgeting and planning; and the lack resources, human capital and maintenance at the test division. This is required to be investigated and reported on.

### **3.7 WASTEWATER (STORMWATER DRAINAGE)**

#### 3.7.1 Introduction to Storm Water Drainage

Senqu Municipality does not use entities to maintain storm water systems within the area. When required, capital construction is outsourced through the procurement policy for the services of a consultant and contractor and these projects are funded through the MIG programme. Historically, due to the implementation of mSCOA, the cleaning of storm

water drainage was moved from the Technical Services Department to the Community Services Department. Despite this arrangement, maintenance construction remains within the Technical Services Department.

The on-going cleanliness of the storm water system is conducted through the job creation programme as there are no designated permanent staff appointed to the storm water function.

While “storm water” is generally regarded as a roads project, construction aspects are separated and as per mSCOA CAPEX requirements, roads and storm water are depicted separately.

Historically it is to be noted that there are storm water control issues that are present throughout all the areas of Senqu. Indigent and rural areas are included. In reality, the rural challenges provide the greatest challenge as they have been caused by uncontrolled development. This occurs in particular when tribal authorities allocate land at will and then demand basic services. In reality the municipality is not in possession of the manpower and capacity to manage these issues effectively.

RDP/indigent projects experience challenges in that the roads and storm water infrastructures are poorly constructed due to budget constraints on project funding. The situation is then made worse over time and results in more critical issues occurring. It has also been noted that there are instances in which people interfere with their own constructions, compounding the issue of blockages further. By way of example, it must be noted that in Lady Grey, Barkly East and Herschel, grey water is experienced as problematic. This is by necessity, discharged into the storm water system, as there are no other options for this.

### 3.7.2 Stormwater Policy Objectives

STORMWATER POLICY OBJECTIVES TAKEN FROM IDP									
Service Objectives / Service Indicators	Outline Service Targets	Year 2016/2017		Year 2017/2018			Year 2018/2019	Year 2019/2020	
		Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(viii)	(viii)	(ix)	(x)
Service Objectives									
Storm water maintenance	Cleaning of storm water channels	200		559,883	N/A No Target for 2017/2018	N/A	Appointment of PSP for Roads & storm water master plan	TBA	TBA

### **3.7.3      Overall comments on the performance of storm water drainage:**

- The storm water capital programme is being dealt with on an on-going basis, as part of the roads programme and is dependent on resources, although there have been dedicated projects in the past. These capital projects are now implemented by the Department of Development and Town Planning Services.
- The job creation programme is used for cleaning existing systems on an on-going basis.
- Storm water infrastructure physical repairs are dealt with by the road's maintenance team and cleansing within the job creation programme, under the supervision of the Community Services Department. The lack of capacity and attempts to reduce costs have resulted in the roads and storm water function being considered to be an operational priority (with the exception of cleaning). There is a dedicated storm water section reflected in the organogram but there are insufficient resources for a storm water section.
- There are very serious storm water issues experienced within all of the villages (86 in total) and within the Kwezi Naledi and Nkululeko townships. Rossouw experiences the greatest problems as there is insufficient roads & storm water infrastructure and the cost of creating this will be extremely high compared to its benefit. As there is no town planning (historically) it is extremely difficult to control storm water, aside from the cost.
- Sterkspruit has mostly been dealt with although a few areas still require attention. These are slowly being addressed under the road's construction programme of the municipality. Realistically it will take years and an exorbitant amount of funding to address these challenges throughout the Senqu area. This on its own remains a further motivation for sustainable roads and storm water systems. In short, gravel does not work and is compounded by the lack of capacity for maintenance.
- During the current year successful construction of 1,5km of storm water control in Ward 1 (Walaza, Thozama, Bikizana & Magubudela). In other instances, a great deal of challenges relating to the stormwater function were experienced and progress was not achieved as a result. Reasons for this included: issues brought about by COVID-19; delays in the supply chain process; failure to finalize tender specifications; litigation issues with SMMES'; issues requiring resolution with the Demarcation Board regarding boundaries and the like.
- It is noted that there is no dedicated Storm Water Department; and
- There is no Storm Water Master Plan.



## **COMPONENT C: PLANNING AND DEVELOPMENT (PLANNING AND LOCAL ECONOMIC DEVELOPMENT)**

### **3.8 PLANNING AND DEVELOPMENT**

#### **3.8.1 Introduction to Planning and Development**

It must be noted that there is insufficient capacity (both human and financial) within the Housing Unit, to achieve accreditation currently. In terms of mSCOA, it is acknowledged that housing is no longer a core function. As a direct result, the municipality is no longer directly involved in housing.

It is acknowledged that the Spatial Development Framework (SDF) represents a shared responsibility between both the IDP and the Town Planning units. Despite efforts to staff this unit there have been limited dedicated resources for the SDF over the past few years. In an effort to alleviate this challenge, a service provider has been appointed in order to assist the municipality to review the SDF and Land Use Scheme, in terms of SPLUMA (Spatial Planning and Land Use Management Act). The SDF has been finalised and was adopted by Council on the 31<sup>st</sup> of March 2017. A SPLUMA compliant SDF was finalised and approved by Council during prior financial year. The municipality has during the year under review developed a Local Spatial Development Framework for Sterkspruit which has also been approved by Council. The municipality has also developed a land use scheme as per the requirements of SPLUMA. A draft SDF for Barkly East was approved by 30 June 2020 and a SDF for Lady Grey was previously approved by Council 30 June 2019.

The municipality has also developed a wall-to-wall land use scheme that is compliant with SPLUMA. The Land Use Scheme (LUS) was adopted by Council on the 31<sup>st</sup> of March 2017. This is a requirement in terms of the Spatial Planning and Land Use Management Act 16 of 2013. The objective of this project is to have uniform town planning regulations for the entire municipal area that will also accommodate the needs of the rural community. This project commenced during the second quarter of this financial year and has also been finalised and is awaiting Council adoption. This tool will enable development to occur in a controlled manner and will assist in enforcing the principles of the Spatial Development Framework. Notwithstanding, challenges will still be faced as there is currently only (1) one Building Control Officer for the entire municipality.

The planned establishment of the Senqu Land Development Forum in the 2019/2020 financial year was not achieved as difficulties were experienced in ensuring that stakeholders from DRPW and departmental representatives could attend the meeting as required. As a direct result, the endorsement of the committee by Council could not be achieved.

The development of the Housing Sector Plan was not fully completed and approved as planned. The service provider was appointed 17 December 2019 and the first draft of the

Housing Development Plan (HSP) is complete, although the necessary public participation initiatives failed to occur as a direct result of the COVID – 19 restrictions.

In terms of facilitating the Implementation of Housing Development within Senqu by the Provincial Department of Human Settlement it must be noted that construction was impeded by the COVID 19 lockdown restrictions. Notwithstanding, during Quarter 1: \*71 houses were built; during \* Quarter 2, 78 houses were built, during \*Quarter 3, no houses were built (COVID) and during Quarter 4, \*12 houses were completed.

Senqu Municipality comprises a large rural environment consisting of mountainous areas, 86 villages and the towns of Barkly East, Sterkspruit and Lady Grey as well as the hamlets of Rhodes, Rossouw and Herschel. This makes prioritised planning difficult as politically and realistically, not all parties within these areas can be fully accommodated on all levels of need.

Land invasion remains a large concern for the municipality. The Building Control unit attends to land invasion matters on a weekly basis and when an emergency arises. They issue contravention notices to the invaders and give them time to comply. Regular site visits are conducted during this time and when the invaders do not comply, matters are then forwarded to the attorneys of the municipality.

During this financial year the municipality has also developed a land invasion strategy that will guide the municipality in dealing with land invasion and also allow for proactive planning and precautionary measures to reduce land invasion. From the strategy, Land Invasion Signboards were required to be erected and layout plans developed for Lady Grey, Barkly East and Sterkspruit. Council approval was required to be obtained by 30 June 2019 and this was achieved. The municipality is developing a land invasion by-law within this financial year.

This unit also attends to Town Planning and the National Building Regulations contraventions in order to ensure that the development occurs in a harmonious manner that will promote health, safety, social cohesion and economic development for the communities.

This section is also involved in facilitating the implementation of Housing Development in Senqu by the Provincial Department of Human Settlements. Accordingly, this section reports monthly on the number of houses already built. More specifically, 1329 houses were completed overall. In Ward 9: 509 houses were completed, and 509 houses were handed over out of the 539 units planned for the financial year. In Ward 10: 506 houses were completed and handed over, and in Ward 17: 314 houses were completed and handed over.

The challenge that the unit faces with attending to land invasion, town planning and building control is the insufficient staff, the lack of knowledge of procedures and legislation from the public and the fact that sheriffs at times do not execute the court orders to evict the illegal occupants because they are threatened by the illegal occupants and they get no assistance from SAPS.

Senqu Municipality has further been able to develop a Land Use Management System that is compliant with SPLUMA and business processes for the division. Policies are being developed for the division that will assist in operational requirements. Currently the division has one policy for both **town planning and building control**.

Physical planning needs are based primarily on community needs which are prioritized by the IDP and Budget Steering Committee, taking all resources into account. The Technical Services Directorate is involved in the implementation of all infrastructure capital projects, although some are reported on by other departments (e.g., solid waste sites) depending on where the responsibility lies. These projects are managed by the Project Management Unit (PMU) of the municipality, including implementation planning, time frames, budget and the like.

### 3.8.2 Building Plans 2018/2019 and 2019/2020

Category	Number of new applications received 30 June 2019	Total value of applications received 30 June 2019 Rand	Applications outstanding 30 June 2019	Number of new applications received June 2020	Total value of applications received 30 June 2020 Rand	Number of new applications received 30 June 2020
Residential new	0	780,000	None	4	R940,000	4
Residential additions	10	2802,000	None	24	R1,070,000	24
Commercial	6	880,000	None	1	R450,000	1
Industrial	0	0	None	0	0	None
Other (specify)	8 Cellular mast/s 1 School	8747.04 5242.80	None None	Church Funeral parlour Officers School grad R	R120,000 R750,000 R640,000 R3,000,0000	1 1 1 1

### 3.8.3 Town Planning Applications 2019/2020

Applications outstanding 1 July 2019	Category	Number of new applications received July 2020	Applications outstanding 30 June 2020
0	Rezoning	1	1
0	Consolidation	0	0
1	Sub Division	1	0

### 3.8.4 Planning Policy Objectives Taken From IDP (TBA)

PLANNING POLICY OBJECTIVES TAKEN FROM IDP									
Service Objectives / Service Indicators  (i)	Outline Service Targets  (ii)	Year 2015/2016		2016/2017			Year 2017/2020		
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (iii)	(iv)	*Previous Year (iii)	2017/ 2018	2018/ 2019	2019/ 2020
Service Objectives									
Construction of access roads	Construction of 200 km of access roads	9.5	33	25	10	10	12	9.5	
Construction of river crossings	Construction of 2 river crossings	2	2	0	2	2	1	2	
Renovation and construction of municipal property	Renovation of offices, mayoral residence & construction of Fleet Bay	100%	100%	100%	100%	100%	100%	100%	
Sterkspruit Taxi rank	Completion of construction (multiyear)	80%			-	-	-	80%	
Construction of houses	1302 low-cost units in Barkly East, Lady Grey, Rhodes & Rossouw.	69.25%	0%	0%	4000	3500	3500	69.25%	
Reduce electricity losses	To be at acceptable limits (15% or lower)	16%	15%	15.03%	15%	14%	14%	16%	

### 3.8.5 Capital Investment Programme

The capital project investment programme is run and managed by the PMU Unit which has been re-located to the Technical Services Department as of the 1 July 2017.

### 3.8.6 PMU Employee Statistics

**Table: Employee Statistics (Planning Services) (TBA)**

EMPLOYEES: PLANNING SERVICES (MIG PMU)					
Job Level	Year 2018/2019	Year 2019/2020			
TASK	Employees No	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3					
4-6					
7-9	1				
10-12	2				
13-15					
16-18	1				
19-20					
Total	4				

**Note:** No funded vacant positions for this financial year.

An annual PMU Business Plan is submitted annually to COGTA for approval of the budget for the PMU unit.

All projects form part of the Integrated Development Plan.

### 3.8.7 Financial Performance (MIG Project Management Unit) (TBA)

FINANCIAL PERFORMANCE YEAR 2018/2019: MIG PROJECT MANAGEMENT UNIT					
R'000					
Details	Year 2018/2019	Year 2019/2020			
	Actual	Original Budget	Budget Adjustment	Variance Original Budget	Actual
Total Operational Revenue	1 635	1 924	1 924	-	2 249
Expenditure (Total MIG UNIT)	1 635	1 533	1 616	-83	613
Total Operational Expenditure	1 635	3 532	3 654	-122	2 834
Net Operational Expenditure	1 635	-1 608	-1 730	122	-585

### 3.8.8 Comment on the Performance of Departmental Functioning Overall

- It was required that the department develop a list of all properties with title deeds (\*by Quarter 2) in order to assist with better management and control of municipal properties. This was achieved.
- Renovations and re-alignment of the damaged Sterkspruit administration office gate was completed as required.
- New locks at the office of the Municipal Manager were installed during the month of July 2019.
- Blinds were fitted to identified offices in July 2019.
- Renovations to the Barkly East traffic department were completed, including repairs to doors and lights (reported to the Standing Committees in July 2019 and August 2019).
- During Quarter 3 the Maintenance Plan was implemented as planned, notwithstanding the fact that painting was delayed due to the renovations underway. As a direct result, the target rolled over to quarter 4.
- It is noted that in terms of performance, there were a great deal of variances to the Maintenance Plan and moving forward in order to minimize this, it is acknowledged that proper planning and budgeting is required prior to including these as targets within the Maintenance Plan. Tender specifications are also required to be reviewed and related forward budget planning will be required to fund changes and requirements so that a more realistic and accurate plan is created.
- The organogram takes into account the new SPLUMA Regulations and Scopa. It is the intention that at this time the Town Planning and PMU units will be adequately capacitated.

### 3.8.9 Challenges and improvements influencing projects

CHALLENGES		IMPROVEMENTS
Department Water & Sanitation not assisting timeously on EIA	1	Successful meetings held with the DWS and DEDEA
Objections during public EIA participation processes delaying implementation of projects	2	Objections can be over-ruled dependent on circumstances
Community resistance / Land matters in community lands	3	Politicians aware of the resistance
Poor performance of service providers	4	Successful meetings held with Service Providers to improve performance
PMU under capacitated	5	Council and management are aware of the under-capacity and intend to resolve in the new financial year
Non-responsive tenders requiring re-advertisement	6	CIDB and SCM are attempting to workshop contractors
Eskom infrastructure issues and poor communication	7	Issues raised
Budget estimates not always correct	8	The implementation of mSCOA is there to assist and to resolve
SCM Regulations oblige appointment of Service Provider with highest points	9	There is allowance in the regulations for SCM to investigate further service provider for appropriate appointments
Non-appointment of contractors due to funding shortages and pending confirmation leads to delays	10	The DAC meetings sit monthly
Project savings remain uncommitted and therefore contribute to uncommitted funds	11	NT will be requested that no funding be removed as all will be used in the new year with projects currently out for tender
Difficulty in start timing of multi-year projects due to budget	12	Unfortunately, this cannot be changed with exception of loans
End user departments not fully co-operating during project implementation stage	13	
There is grey area on functions between SCM & PMU from tender advertisement to tender award period	14	
Impact of COVID 19	15	



3.8.10    The current financial year - MIG Project Detail 2019/2020 (TBA)

PROJECT TYPE	MUNICIPAL ADJUSTMENT BUDGET (2019/2020)	ACTUAL EXPENDITURE (2019/2020)	CURRENT YEAR ROLLOVER /COMMITMENT (MUNICIPAL)	FUNDING STATUS	PROJECT STATUS

The current financial year - MIG Project Detail 2019/2020 (cont.)


The previous financial year - MIG Project Detail 2018/2019 (TBC)

PROJECT TYPE	MUNICIPAL ADJUSTMENT BUDGET (2019/2020)	ACTUAL EXPENDITURE (2019/2020)	CURRENT YEAR ROLLOVER /COMMITMENT (MUNICIPAL)	FUNDING STATUS	PROJECT STATUS
<b>Roads</b>					
Tienbank Paved Roads	4 170 000	2 343 675	-	MIG	Registered
Bridge Ward 5	887 000	715 145	-	MIG	Registered
Herschel Paved Roads	770 000	269 628	-	MIG	Registered
Roads between Esilindini and Frans	2 000 000	1 395 008	-	MIG	Registered
Boysi Nondala Paved Roads	13 868 000	13 727 552	-	MIG	Registered
Construction of 6 km Access Roads with Storm Water control W1	2 000 000	859 350	-	MIG	Registered
Construction of 6 km Access Roads with Storm Water control W2	354 000	309 000	-	MIG	Registered
<b>Community Assets</b>					
Community Hall - Ward 9	159 000	208 358	-	MIG	Registered
Construction of New Cemetery in Barkly East	300 000	182 856	-	MIG	Registered
Construction of Lady Grey Animal Pound	5 000 000	3 718 426	-	MIG	Registered
<b>TOTAL</b>					

The current financial year - MIG Project Detail 2019/2020 (cont.)

PROJECT TYPE	MUNICIPAL ADJUSTMENT BUDGET (2019/2020)	ACTUAL EXPENDITURE (2019/2020)	CURRENT YEAR ROLLOVER /COMMITMENT (MUNICIPAL)	FUNDING STATUS	PROJECT STATUS
<b>Solid Waste Sites</b>					
Upgrade BE Solid Waste Site	9 032 000	10 035 584	-	MIG	Not Registered
Upgrade LG Solid Waste Site	4 148 000	1 281 678	-	MIG	Not Registered
Old Sterkspruit SWS Compliance & Rehabilitation Construction	1 340 250	4 851 208	-	MIG	Not Registered
<b>Other</b>					
Upgrade Second Floor Building	1 500 000	3 642 990	-	MIG	Registered
<b>TOTAL</b>	<b>45 528 250</b>	<b>43 540 458</b>			

As Senqu Municipality is essentially a rural area, under tribal administration (with the exception of commercial farms and urban areas), it is extremely challenging to control land use and building control in the rural areas.

During this period, it is noted that:

- Council approves Town Planning matters only and not the Building Plans.
- An updated Building Register was kept.
- An updated Town Planning Register was kept.
- Town Planning submissions were received and processed as required.
- An increased number of Building Plans were received and processed (for domestic and business/commercial use); and
- Land Invasions continue to present a challenge and are dealt with via legal counsel as required.

### **3.9 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)**

#### **3.9.1 Introduction to Economic Development**

The strategic direction of Senqu Municipality is informed by the Integrated Development Plan (IDP (2017-2022) and within this it's 5-year Local Economic Development Strategy (LED Strategy). The strategy referenced was ultimately adopted 23 August 2018.

#### **3.9.2 Objectives of the five (5) year LED strategy**

Economic Development within Senqu Municipality is driven by the LED Strategy and its objectives as stated below:

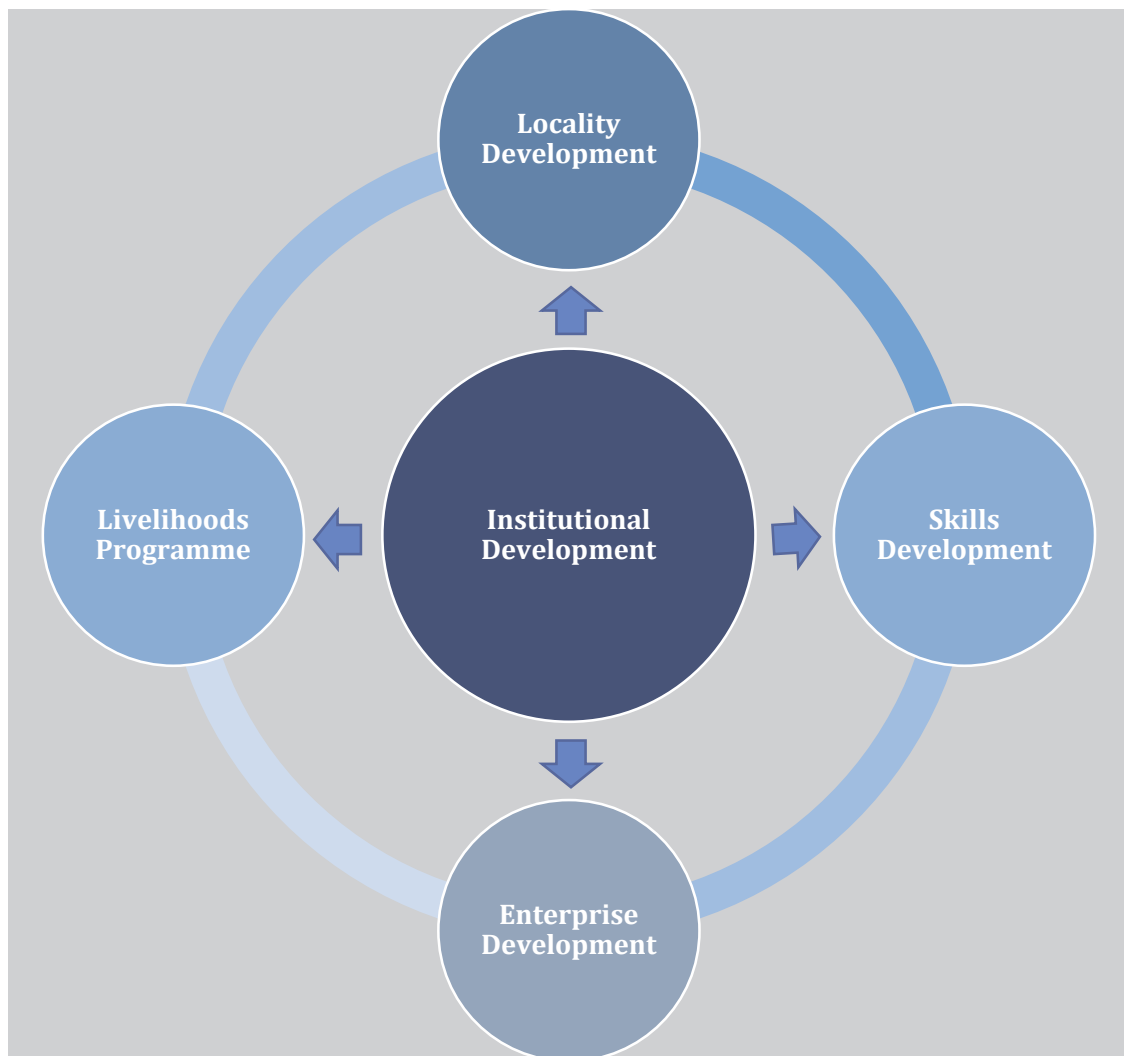
- Improving urban infrastructure in order to attract investments.
- Developing partnerships between the public sector and the private sector in order to encourage investment and skills development within this area.
- Improving youth entrepreneurship and participation within the mainstream economy.
- Building strong and sustainable LED institutions and resources.
- Ensuring that 30 % of all infrastructure projects benefit SMME's; and
- Alleviating unemployment by utilising labour-intensive programmes and projects such as CWP and EPWP.

Taking these targets into account, it is imperative that the LED Strategy is understood in terms of its Developmental Thrusts and areas of focus:

### 3.9.3 LED Strategy Development Thrusts

The Senqu LED Strategy (2013) has 5 integrated LED development thrusts and priorities (strategic focus areas) as depicted within the diagram below:

#### LED Strategy Development Thrusts



#### **a. Development Thrust 1: Locality Development**

**The Locality Development Programme will be focused on achieving the following outcomes:**

- Making the municipal area more attractive to investors, tourists and individuals; and
- Improving the physical and environmental appeal of the area;

#### **b. Development Thrust 2: Enterprise Development**

The Enterprise Development Programme focuses on:

- Creating a conducive environment for existing, new and start-up businesses.
- Improve profitability, competitiveness and sustainability of locally-based enterprises; and
- Prioritising the development of key growth and employment sectors e.g. Agriculture, Tourism and the Green Economy;

#### **c. Development Thrust 3: Sustainable Livelihoods**

The purpose of the sustainable livelihoods programme is to:

- Facilitate labour intensive projects that create employment opportunities.

#### **d. Development Thrust 4: Skills Development**

The purpose of the skills development priority is to:

- Build the necessary skills base for economic growth and development.
- Improve employability and active economic participation; and
- Support key growth and employment sectors.

#### **e. Development Thrust 5: Institutional Development**

LED institutional development in Senqu is designed to:

- Foster sustainable partnerships with key and relevant stakeholders; and
- Improve monitoring and evaluation of LED projects and initiatives.

### 3.9.4 Economic Indicators (as reflected in the IDP)

- Senqu **local economy** generates around one quarter (25.7%) of total District GVA. This is the second largest contribution after Elundini (39.0%);
- From 2000 to 2010, the local economy has grown at an average rate of 3.0% pa. The District and provincial economies have averaged 5.6% pa and 3.2% per annum, respectively, over the same period: and
- **Total formal employment** within the District sees Senqu Municipality making a relatively higher contribution of 27.9% (i.e., ranking second to Elundini (36.7%).

### 3.9.5 Economic Growth, Structure and Sectors

- It is noted that of the GDP of R 3.07 billion in 2016 (up from R 1.16 billion in 2006), Senqu contributed 29.42% to the Joe Gqabi District Municipality GDP.
- Annual growth is forecast at 2.13% pa from 2016 to 2021. This is higher than JGDM and SA whose annual growth is 1,61%.
- In 2016 the community services sector represented the largest sector within Senqu Municipality and accounted for 1.23 billion or 44.2 % of the total GVA. The sector that contributed the second most to the GVA is the trade sector at 19.4 %, followed by the finance sector with 12.4 %. The sector that contributed the least was the mining sector with 7.08 million or 0.25 % of the GVA (Ecsecc,2017:26).
- During 2006 the unemployment rate was 28.3% which decreased to 27.1% in 2016.
- The poverty gap rate in Senqu Local Municipality amounted to 30.0%. This represented a decrease from 2006 at 32,5 %.
- Overall, the economy is at risk because it has become over reliant on certain sectors.
- The majority of employment is to be found within community services; and
- There is a low skill level with only 69.33% of the population being functionally literate, although this has improved from the level of 58,3 % in 2006.

\*Stats obtained from latest IDP figures.

### 3.9.6 Comparative and Competitive Advantages

#### a. **Basic Services and Infrastructure**

The local municipality performs above District average in respect of access to all **basic services** excluding refuse removal. The majority of Senqu households enjoy access to the RDP minimum levels of basic services in respect of housing, energy, and sanitation. In Senqu's favour is the considerable allocation of the local government equitable share.



**b. LED Support System**

The Senqu Municipality has a dedicated LED Unit located within its planning department. This Unit is responsible for coordination and facilitation of LED processes in Senqu as well being required to advise Council regarding LED matters.

Senqu Municipality is one of the key partners of the Joe Gqabi Economic Development Agency (JoGEDA) which is tasked to drive special economic development projects on behalf of the district municipality and the four local municipalities in Joe Gqabi. With regard to Senqu, the Agency has prioritised commercial property development and plastic manufacturing as its immediate flagship projects.

- c. Senqu local economy** generates around one quarter (25.7%) of total District GVA. **This** is the second largest contribution after Elundini (39.0%).
- d.** From 2000 to 2010, the local economy has grown at an average rate of 3.0% per annum (pa). The District and provincial economies have averaged 5.6% pa and 3.2% pa, respectively, over the same period: and
- e. Total formal employment** within the District sees Senqu Municipality making a relatively higher contribution of 27.9% (i.e. ranking second to Elundini at 36.7%).

**3.9.7 Economic Growth, Structure and Sectors**

- The **tertiary sector** contributes the greatest share of GVA (82.3%) and formal employment (68.8%) to the Senqu local economy. The Senqu economy claims a comparative advantage in the primary sector, with a location quotient (LQ) of 1.18, where both Agriculture (LQ: 1.15) and particularly Mining (LQ: 2.16) are claimed as advantages. A **comparative advantage** is also enjoyed in the tertiary sector, with a modest location quotient of 1.03, which is principally due to the relative strength of the Community (LQ: 1.20) and General Government (LQ: 1.23) Services.
- No comparative advantage exists in the secondary (LQ: 0.80) sector, although several **manufacturing sub-sectors are claimed as advantages** (i.e., the radio and instrumentation (LQ: 3.88);
- **Community services and General government (Services)** account for the bulk (39.8%) of local GVA and for 37.4% of all local formal employment. The dominance of services contributes to the concentration of the local economy (Tress Index: 63.48). Given that diversification is essential for a robust and resilient economy, the promotion of economic development across a range of sectors, away from the current concentration on Services, will mitigate against negative seasonal or sectoral impacts.

- Finance, like Services, is not strictly a driving sector in that no new productive value is generated, although both can play significant roles, as services, in facilitating (or limiting) an enabling environment conducive to local economic development. Beyond these dominant service-related sectors, potential local economic drivers emerge as mining and quarrying together with the Manufacturing sub-sectors of Electrical machinery and Transport equipment. The latter industries emerge as leading (GPI >100) comparative advantages (LQ >1; positive shift in share) and further claim higher than average growth rates, with the notable exception of Mining (-1.9%pa). Agriculture, while being claimed as a comparative advantage (LQ: 1.15), emerges as a lagging sector (GPI: 95.11) and reflects negative growth (-3.2%pa) as well as relative loss in share (-1.5%) of the District economy. However, agriculture's contribution to formal employment in Senqu (36.3%) and in the JGDM (36.6%) and contrasted with 19.3% provincially, represents more than one third of local formal employment. Senqu is characterised by a strong presence of subsistence agriculture, which does not contribute directly to the formal economy but does enhance local food security and survivalist economics at household level, and further presents opportunities for skills development and growth in small-scale agricultural development. Limitations to commercial agricultural development, beyond the predominance of subsistence agriculture, lie in the limited extent of arable land in Senqu – one of the most degraded areas in South Africa – although intensive production of selected fruit, with related processing and packaging opportunities, as well as marginal production of dry beans and grain sorghum, have been identified for Senqu Municipality. (JGDM 2010; UKDM 2009).
- Tourism
  - Senqu hosts Tiffendell, the only ski resort in Africa.
  - It also contains many of the highest mountain passes in South Africa; and
  - In addition, many rare plant and bird species are found in the area.
- Agriculture
  - Senqu is one of the biggest producers of greasy wool in South Africa and this production is increasing.

### 3.9.8 Challenges

- Local Economic Development or LED is one of the mandates of local government, which is directly derived from the Constitution, Act 108 of 1996 S 152 and is required to promote social and economic development. Senqu Municipality's 5-year LED Strategy was reviewed in 2017/18 although approved late.
- LED is one of the more difficult mandates of local government as it is holistic and involves all municipal departments and includes all spheres of government as well as the private sphere.

The role of local government is therefore to provide an environment which is conducive to the development of the economy. It does this by ensuring that the necessary infrastructure is in place and maintained in order for the economy to grow and thrive.

- Due to historical factors the infrastructure which is needed to drive the economy is in a bad state of repair and the current and future budget projections do not allow for the infrastructure to reach a standard which will promote economic development. The Municipality consists of small towns which do not have any industrial output and only offer services and sell goods procured and made elsewhere. The road network is inadequate with poor linkages, poor signage and predominantly gravel. The existing main rural roads have reached the end of their lifespan and require rebuilding. However only a maintenance budget is available, and this has been likened to “trying to stem blood flow from a main artery with a piece of paper”. The cellular network is patchy and fast internet connections are desired by the majority of residents.
- Whilst water and sanitation networks have improved in the past years, the service is inadequate and irregular with the result that many areas suffer from droughts. More water storage facilities have to be built as well as increasing the education of water wise consumers. Agricultural facilities for stock have increased in the communal areas with many shearing sheds being built which has increased agricultural production. However, the lack of maintenance and vandalism of dipping and fencing together with poor veld management on highly erodible soils has led to overgrazed lands with huge dongas and increased loss of topsoil.
- The lack of land for development in urban areas has led to an expansion of former rural villages to the town boundaries. This can be seen in Sterkspruit and Hershel where the former town now has an urban fringe of villages under a communal land tenure system. This has an impact on service delivery as current systems do not accommodate homeowners without formal title deeds.
- Land invasions due to lack of finance for acquiring land and lack of land for sale continues to be a problem in the former RSA towns of Barkly East, Lady Grey, Rossouw and Rhodes.

### 3.9.9 Intergovernmental Platforms

- The LED Unit is focused on achieving LED through creating partnerships. It therefore focuses on engaging with the public and private sector to create institutions whereby engagement can take place such as LTO's and Economic Development Forums.

Name of Forum	Times met	Dates
Local Tourism Organization Meetings	3	8 October 2019 12 December 2019 10 March 2020
Economic Development Forum (EDF)	3	30 September 2019 26 November 2019 28 February 2020 (not held, postponed twice - due to lack of availability of Mayor) Awareness campaign was held December 2019.

### 3.9.10 Promotion of Tourism

- Tourism is a growing industry and provides a growth opportunity for the local economy. As such it is one of the important drivers of the LED Strategy. The LED Unit therefore supports the local tourism industry by providing support to Community Tourism Organisations for the hosting and development of their websites. During the 2017/2018 financial year the hosting of the CTO websites was paid for and tourism information signs including one for Lady Grey town were procured and erected. Brochures were printed for Sterkspruit and Rhodes. Rock art brochures were additionally procured for the museum. This support continues moving forward.
- Reporting on the implementation of the Senqu Marketing Strategy derived from the Responsible Tourism Plan did occur as required although it is acknowledged that this remains a focal area requiring a great deal more in terms of marketing and ongoing publicity by attending related showcase events nationally.
- Notwithstanding the reporting, the implementation of the strategy remains a challenge - exacerbated by implementing cost containment measures, lack of financial resources and reliance on third parties and the extenuating circumstances of the Covid-19 lockdown regulations.
- The planned second joint awareness with the District Municipality was postponed in March 2020 due to Covid Lockdown.
- Attendance at Getaway did not occur.
- Stoepsit could not occur due to administrative issues.

- Passion Play was postponed due to Covid 19.
- The Indaba in Quarter 3 was postponed and arranged through a virtual platform planned by ECPTA on 10 and 11 June 2020. Notwithstanding the creative effort this was however postponed to 24 and 25 July 2020.
- A Tourism Awareness Session was held 15 September 2019 and the Beeld show was attended.
- Events such as the Mayoral Cup, the District Youth Festival and others could not occur due largely to COVID and this and its implications will have a huge impact on the economy moving forward and on the tourism industry at large.

It is accepted that more efficient co - ordination, communication, planning and use of limited resources is required in order to ensure that tourism specific events and awareness campaigns occur in a more targeted and strategic manner – especially with the COVID pandemic in mind.

### **3.9.12 Support to SMME's**

Support for SMME's is conducted through the hosting of information days, financial application support and training.

In addition, it must be noted that:

- It is required that 30% of the municipal infrastructure capital budget actually spent, be allocated to SMME's through sub-contracting in compliance with circular 77 of the MFMA.
- The Senqu Marketing Strategy has been developed and is reported on. Notwithstanding, and whilst the target relating to this was achieved due to the way that the target was phrased, the milestones/targets within said strategy were not all achieved as planned and must be restructured more realistically to accommodate current reality and challenges.
- 3 Economic Development Forum meetings were held – the fourth not possible due to COVID; and
- As required one Annual Consolidated Report on the number of jobs created through LED initiatives (including capital projects) was compiled and submitted.

#### LOCAL ECONOMIC DEVELOPMENT 2019 /2020

KPA & INDICATOR	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT
	2017/2018	2018/2019	2019/2020
Report on number of jobs created through local economic development initiatives LED (CWP) including EPWP - capital projects	167 jobs were created through EPWP when an average is taken for the 12 months	An Average of 205 jobs were created during 2018/2019. It becomes difficult to determine how many jobs were created during the financial year under review as this differs from month to month as participants become sick or do not work. EPWP participants are often "laid off" or their ID's are not submitted and as result the numbers change e.g., MJC provided for 162 participants to be appointed (50 in LG, 50 in Barkly and 50 LG, 6 in Rhodes and 6 in Rossouw). No project participants were appointed as the Councillors did not nominate project participants to fill these jobs since December 2018 and as result between 137 and 130 people participated each month instead of the planned 167.	An average of 161 jobs were created during 2019/2020.

### **3.9.13 The Expanded Public Works Programme (EPWP)**

The EPWP policy was reviewed in January 2016 and went to Council for adoption. A new framework for EPWP and Interns was adopted in the 2018/2019 financial year.

The currently approved policy outlines the institutional arrangements for implementing EPWP, roles and responsibilities, the employment opportunities, training and EPWP target, conditions of employment, target groups and reporting processes. The Director of Technical Services is responsible for implementing EPWP, but co-ordination thereof will be completed by the EPWP Steering Committee.

The EPWP programme exists in order to:

- Create job opportunities by reviewing the manner in which municipalities implement existing projects/programmes.
- To identify and propose programmes that will contribute towards additional job creation opportunities; and
- To ensure that the proposed job creation programmes forms part of the service delivery mandates of the municipality.

These principles have been incorporated into the municipality's efforts to increase employment opportunities for its residents. Projects have included: basic road maintenance, paving of streets, picking up refuse, pothole repair and stormwater channel maintenance.

To date, the Expanded Public Works Programme (EPWP), funded by the Department of Public Works, is considered to have been successfully implemented. Management and politicians review the program annually in order to ensure that sustainable work opportunities are created and that graduates from the programme acquire the necessary skills in order to increase their employment opportunities. From its inception, internal and MIG infrastructure projects have also been registered with the EPWP and have resulted in the opportunity to provide many job opportunities and to obtain benefits from the Labour Rebate Program of the EPWP. An average of 161 jobs were created during the 2019/2020 period.

It is always difficult to determine how many jobs have been developed during the year as the number of employed people increases and decreases month by month. It is also difficult to determine the annual number of designated persons. In an effort to ensure maximum transparency, an average monthly total is calculated for the year by adding all the jobs reported monthly on EPWPRS and dividing them by twelve. This then gives a monthly average of jobs.

Senqu Municipality included the CWP figures as part of the overall job creation figures. It must be realised that job figures differ throughout the year. The funds for the programme are not transferred to the Municipality but paid out by COGTA to its implementing agent.

a. Table: EPWP project costs and results for the 2019/2020 period as reported on the EPWPRS \* TBA

LOCATION	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	TOTAL	MONTHLY AVERAGE
<b>Total</b>														

Note:

- There is a new electronic EPWP Reporting System currently in use. If this is not operated effectively, or if this is not managed properly, it can have very damaging consequences as the system may at times not read ID's and may then not count individuals. Challenges in respect of this system exist in many instances.
- It is acknowledged that there are a number of difficulties and challenges in respect of administering and managing the EPWP projects themselves. Despite continuous movements and many different types of jobs being created, record keeping should not be an issue if managed correctly. Appropriate and proper statistics are required to be kept and updated monthly.



b. Table: Detailing the actual number of people employed per quarter in designated groups for the 2019/2020 \* TBA:

Location	Youth				Female				Male			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>TOTAL</b>												

- c. The table below details the EPWP project costs and provides results for the 2019/2020 period as reported on the Expanded Works Programme Reporting System (EPWPRS):\* TBA

EPWP PROJECTS (2019/2020 Financial Year)	BUDGET	NO. OF JOBS	Male	Female	Youth
<b>TOTAL</b>					

Note:

- \*It must be remembered that Hershel paved roads and Tienbank paved roads are multiyear projects and so the budget is not only for the 2017/2018 financial year but extends to the current financial year i.e. 2019/2020.
- The EPWP and CWP programmes are operating effectively within the municipality. The roll out of the CWP programme continues to struggle due to delays in engaging new labourers to replace outgoing labourers as well as procuring equipment for projects timeously. The reporting of EPWP on the national EPWPRS is improving, although service providers are still failing to supply ID copies and labour reports timeously. This can be improved by ensuring that it forms part of service provider's contracts; and
- Enterprise development is experiencing challenges as SMME's and co-operatives struggle to become financially viable. The municipality continues to support these initiatives through its percentages in its Supply Chain Management Policy. This is proving difficult as tenderers continue to make administrative mistakes which render their tenders invalid; and
- An average of 161 jobs were created during 2019/2020.

### 3.9.13 Support Social Investment Programme

The Sustainable Developmental Community/Social Development Programme (SIP) is a project that is intended to move beyond project-based community economic development. The emphasis is on “empowerment” and innovative methodologies are utilized to systematically build community competence and capacity. Under these circumstances, Senqu is required to present its plan to create the conditions required for the second economy through community-based organisations and informal business associations. Information required includes: the number of cooperatives, small business associations and women/youth associations, develop and maintain unemployment data base.

#### a. Expanded Public Works Programme/s (EPWP)

#### Annual Performance as Per Key Performance Indicators in LED 2019/2020 \* TBA

INDICATOR NAME	TARGET SET FOR THE YEAR	ACHIEVEMENT LEVEL DURING THE YEAR (ABSOLUTE FIGURE)	ACHIEVEMENT PERCENTAGE DURING THE YEAR
Percentage of LED budget spent on LED related activities			
Number of LED stakeholder forums held			
Percentage of SMME that have benefited from a SMME support programme			
Number of job opportunities created through EPWP		161	
Number of job opportunities created through PPP			

Note:

- The municipality has its own internal job creation project which uses the services of interns on a one-year contract basis and outside general staff are hired for a period of one year. This project is then registered as an EPWP project and forms part of the EPWP grant.
- All infrastructure projects are also registered as EPWP projects and the gender guidelines of the EPWP are adhered to as part of the mainstreaming programme.
- The main challenges on the job creation programme have been to ensure that there is sustainability and economic service delivery linked to lack of sufficient skills and transport. The reporting of the projects on the National system EPWPR'S has improved but under reporting still occurs due to ID copies and labour reports not being submitted timeously.
- **Expanded Public Works Programmes** are required to be informed by the need to meet specific projects and to assist with the achievement of service delivery objectives and targets; and
- EPWP is an on-going programme to which the Council has dedicated as priority in order to achieve sustainable development of the area into the future.

**LOCAL ECONOMIC DEVELOPMENT POLICY OBJECTIVES TAKEN FROM IDP**

Service Objective   
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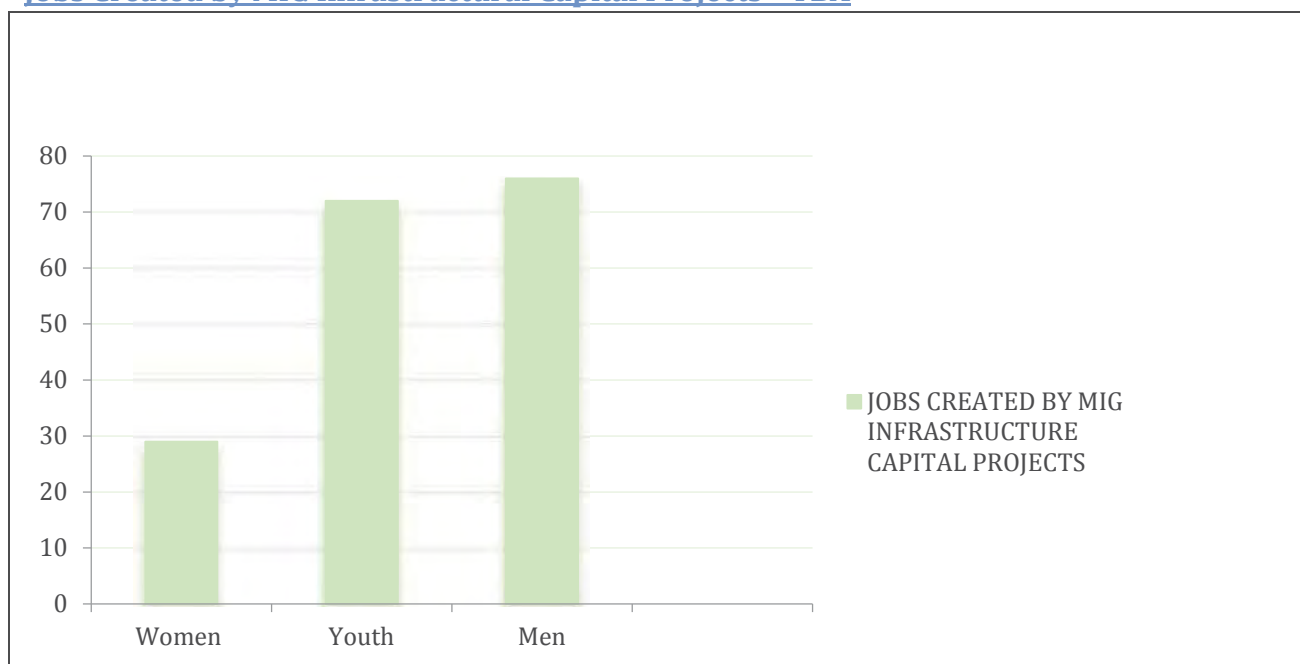
EXPENDITURE YEAR JUNE 2020 ON EPWP (LOCAL ECONOMIC DEVELOPMENT INITIATIVES) * TBA					
R'000					
Capital Projects	Year 2019/2020				
	Budget	Adjustment to Budget	Actual Expenditure	Variance from Original Budget %	Total Project Value
Job Creation EPWP/CWP					

#### b. Comment on EPWP Performance Overall

EPWP targets were exceptionally well achieved during this period. More specifically:

- An average of 161 people were engaged in EPWP and MIG projects;
- Despite this it is noted that job creation beneficiaries leave the programme for more permanent employment /better employment offers.

#### Jobs Created by MIG Infrastructural Capital Projects \* TBA



As can be seen above, due to the nature of infrastructure work, more men were utilized than woman.

As a matter of great urgency there exists a need to look into the main streaming of dis-abled persons and the incorporation of these into these programmes where at all possible. This is difficult as the majority of jobs available rely on able bodied persons to fulfil the tasks.

### 3.9.14 Challenges regarding LED strategy implementation

Challenges within the LED function continue and may be attributed to funding constraints and limited staff capacity in order to deal with the challenges. Taking these issues into account the following remedial action is proposed:

- Local contractors have low CIDB level ratings and do not benefit from Municipal tenders. There is a critical need to look at increasing contractor training with identified partners so that it is possible to improve the number of local firms benefitting from tenders.
- The new regulations regarding the amount of local content does not take into account the difficulties experienced by local suppliers who struggle to access the required documentation in order to be in a position to procure for the Municipality.
- The level of understanding and knowledge of the LED Strategy by internal and external stakeholders and in particular, of the role of local government in LED is extremely limited. This results in LED being seen as poverty alleviation. More effort must be extended by the LED Unit in order to expand the knowledge of ordinary citizens and influential stakeholders. This will result in a more co-ordinated and unified approach to the implementation of LED.
- The Local Municipalities lack of annual growth has resulted in unprecedented high unemployment rates. This places Senqu Municipality in an unenviable position in which they have a high dependence on government grants. This issue, coupled with access to basic household and community services which is below optimal levels, creates tension amongst communities who compete for relatively scarce resources. Under these circumstances it is critical that the municipality creates appropriate conditions for job creation and participation in agricultural activities by availing land for development.
- It is noted that businesses are not growing as SMME's as they do not receive strategic support from government institutions. Areas for great concern are centred around food, security and land reform.
- It is noted that the tourism sector is underdeveloped and needs strategic intervention to revive and contribute to the local economy meaningfully. In this regard, a responsible tourism sector plan must be developed which could provide direction to optimise the potential that exist in the area.
- Agriculture remains central to the development of the area. However, it must be managed and grown in a coordinated fashion.
- Land administration and town planning remain as areas requiring focus.

## COMPONENT D: COMMUNITY & SOCIAL SERVICES

The main function of this directorate is the maintenance of municipal infrastructure as well as to ensure effective service delivery. The department is responsible for rendering services within the following areas: cemeteries; crematoriums; community facilities (including sporting facilities, community halls); waste management; libraries; parks & amenities; commonage management; public safety; childcare facilities and the planning, coordination and implementation of the Community Services Departments' capital and expenditure budget.

### 3.10 LIBRARIES, ARCHIVES, MUSEUMS, GALLERIES, OTHER

#### 3.10.1 Introduction to Libraries

- a. The library service offers a wide variety of services within the following areas: lending; referencing; study; photocopying and wi-fi facilities. Books are provided for research and lending in a vast number of areas and disciplines that include fiction and non-fiction.
- b. In terms of services offered and awareness campaigns provided it is worth noting that visits are provided to prisons, schools and early childhood development centres. Various awareness campaigns and marketing in respect of library services are held on a regular basis, in order to facilitate greater knowledge of the value and benefit of libraries and the importance of literacy.
- c. It must be noted that libraries are a provincial competency and are run on an agency basis by Senqu Municipality. The municipality is there for dependent on an annual subsidy received from the DSRAC Government Grant in order to provide this function. A service level agreement that sets out the terms and conditions of this arrangement is signed between DSRAC and was signed by the Municipality for 2019/2020 although DSRAC delayed signing the SLA which in turn delayed the transferring of funds. This situation unfortunately initially impacted negatively on library services provision.
- d. Overall, it must be noted that inadequate funding still remains a challenge as the grant from DSRAC does not cover all library expenditure – especially when wanting to optimize service delivery on all fronts.
- e. In terms of the SLA quarterly reports are required to be sent to DSRAC. COVID impacted negatively and due to related restrictions, the libraries were not open for Quarters 3 and 4. Consequently quarterly reports were only submitted for Quarters 1 and 2 to DSRAC during this financial year.



- f. In terms of challenges with existing infrastructure, it must be noted that despite libraries operating and being open for the most part (excluding COVID prescriptions and lockdown), the wi-fi has been a particular challenge and in some libraries, it can be safely stated that this has not been functional for the most part. As this remains the responsibility of the Department of Sports Arts and Culture, this has been reported and it is hoped that this will be addressed; and
- g. Senqu Municipality currently has 5 libraries that are able to service the community. Areas of operation include: Lady Grey, Barkly East, Sterkspruit and satellite libraries in Rhodes and Rossouw.

### **3.10.2 Overall Comment on Library Service Performance**

- a. Inadequate funding will continue to be experienced as a challenge as the grant from DSRAC does not cover all library expenditure.
- b. Quarterly reports on the implementation of the SLA were compiled for quarters 1 and 2 but not for quarters 3 and 4 due to COVID restrictions, lockdown and related challenges that prevented libraries from opening during these periods.
- c. During quarters 1 and 2 the reports on the statistics of books loaned and returned were compiled for each library and submitted to the Standing Committee. The quarterly reporting on statistics of books loaned and returned for each library was completed in quarter 3, but not submitted to the Standing Committee and the quarter 4 quarterly reporting was not compiled and / or submitted to the Standing Committee.
- d. The report on the Research Exercise conducted was not reported on as required during 2018/2019 but was tabled to top management during the first quarter of 2019/2020.
- e. Book clubs and the Library Committee continued to function during quarters 1 and 2.
- f. New books were delivered to libraries by DSRAC.
- g. Library promotion events were held mostly in rural and farm schools in order to promote library usage to those in disadvantaged areas. Due to COVID- 19 the areas of focus were addressed only during the first two quarters.
- h. Systems and procedures have been developed for libraries in order to effect controls on the administration of libraries.
- i. The mini libraries for the blind continue to operate within Barkly East and Sterkspruit effectively (limited to the first two quarters); and
- j. Manual systems continue to be used to record data and for reporting purposes.

**a. Library Services Statistics**

LIBRARY	NUMBER OF FACILITIES	USERS	CIRCULATION OF BOOKS
Rhodes	1	134	842
Rossouw	1	73	954
Barkly East	1	472	1204
Lady Grey	1	356	1103
Sterkspruit	1	225	2586

**b. Library Services Employees**

EMPLOYEES: LIBRARIES					
Job Level	Year 2018/2019	Year 2019/2020			
	Employees No.	Posts No.	Employees No.	Vacancies (full time equivalents) No.	Vacancies (as a % of total posts)
0-3					
4-6	3	3	-	0%	3
7-9	2	1	-	0%	1
10-12	1	1	-	0%	1
13-15			-	0%	
16-18			-	0%	
19-25			-	0%	
Total	6	5	-	0%	5

c. Financial Performance: Library Services (TBC)

FINANCIAL PERFORMANCE YEAR JUNE 2019: LIBRARIES					
Details	Year 2018/2019	Year 2019/2020			
	Actual*	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1 504	1 504	1 504	1 505	-1
Expenditure					
Employees	1 727	1 739	1 767	1 931	-164
Repairs and Maintenance	-	0	0	0	-
Other	228	248	247	130	117
Total Operational Expenditure	1 955	1 987	2 014	2 061	-47

**NOTE:** It is to be noted that there was no capital expenditure on Libraries

### 3.11 CEMETERIES

#### 3.11.1 Introduction to Cemeteries

- This unit is responsible for the management, maintenance and development of Cemeteries and Crematoria. In an ongoing effort to ensure that service delivery is provided at the highest level, every effort is made to ensure that improvement occurs from year to year and areas for improvement are highlighted from the previous year's feedback reports. Burials are required to be controlled within the framework of the Health Act and within the prescripts of community records and administration, while ensuring that there are sufficient sites operating.
- Responsibility lies in the provision and maintenance of cemeteries in terms of functions that include grave digging, exhumations, burial related administration (reservation of graves, record keeping and the like.).
- Burial Plots were provided as per request and pauper and indigent burials were also conducted.

- 8 Cemeteries in urban areas were maintained quarterly and 10 rural cemeteries were also maintained and reported on in the SDBIP.
- Challenges experienced in this section relate to the fact that the Lady Grey cemetery is reaching its full capacity and delays are being experienced in the establishment of a new cemetery in Barkly East (shortage of burial land).
- A Cemetery Database has been constantly updated during the current financial year.

### **3.11.2 Service Statistics for Cemeteries & Crematoriums**

#### **Closed Cemeteries:**

- Khwezi Naledi Cemetery.
- Sterkspruit Town Cemetery; and
- Two cemeteries in Barkly East.

#### **Operating Cemeteries:**

- Rhodes: two cemeteries.
- Rossouw Cemetery.
- Lady Grey: three cemeteries.
- Barkly East: 1 cemetery; and
- Rural cemeteries in Sterkspruit.

### **3.11.3 2019/2020 Cemetery Performance Overall:**

- 187 Burial Plots were provided as per request during 2019/2020. This is a demand driven target.
- 8 cemeteries were maintained during the financial year: Steve Tshwete, Khwezi Naledi, Nkululeko old cemetery, Zola, Rhodes-Zakhele, Barkly East Town, Lady Grey Town, Sterkspruit Town Cemetery.
- 10 Rural cemeteries were maintained during each quarter \*Jozana's Nek, Magwiji, Khiba, Blue Gums, Mbobo, Qhoboshane, Qhimirha, Masekeleng, Upper Bebeza and Lower Bebeza Cemeteries.
- The appointment of a contractor to build the Barkly East cemetery did not occur (COVID implications) and a contractor is expected to be appointed 2020/2021.
- It is acknowledged that Lady Grey cemetery is reaching its full capacity.
- A Cemetery Database is constantly updated during the financial year; and
- It is recognized that the identification of new land for new cemeteries is vital to accommodate burials for the next 20 years.

**a. Nature and Extent of Facilities Provided: Cemeteries (Urban)**

LOCATION	2018/2019	2019/2020
Barkly East	2 Facilities	3 Facilities
Lady Grey	4 Facilities and one facility is closed	4 Facilities
Sterkspruit (Urban)	1 Facility and The facility is closed. Rural cemeteries that are operational	1 Facility and Rural cemeteries that are operational
Rhodes	2 Facilities	2 Facilities
Rossouw	Nil	1 Facility

**b. Financial Performance**

FINANCIAL PERFORMANCE YEAR 2019/2020: CEMETERIES AND CREMATORIALS R'000					
Details	Year 2018/2019	Year 2019/2020 (TBC)			
	Actual	Original Budget	Adjustme nt Budget	Actual	Variance to Budget
Total Operational Revenue	17	42	42	18	24
Expenditure					
Employees	709	713	711	715	-4
Repairs and Maintenance	682	1 112	931	493	438
Other	553	665	665	566	99
Total Operational Expenditure	1 944	2 490	2 307	1 774	533
Net Operational Expenditure	(1 927)	(2 448)	(2 265)	(1 756)	509

### c. Capital Expenditure

CAPITAL EXPENDITURE YEAR JUNE 2019/2020 CEMETERIES R'000 (TBC)					
Capital Projects	Year 2019/2020				
	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Total All	826	650	105	545	
EIA's Senqu Cemeteries	600	350	-	350	
Construction of New Cemetery in Barkly East	226	300	105	195	

## 3.12 CHILDCARE, AGED CARE AND SOCIAL PROGRAMMES

### 3.12.1 Introduction to Childcare, Aged Care and Social Programmes

Special Programmes have been undertaken by the Special Programmes Unit in order to provide assistance to those in need/those who have been disadvantaged in some way and in this manner to ensure a better quality of life for all. To this end it must be noted that:

Local authorities have a legal mandate in terms of the Constitution (Schedule 4B) regarding their duty to provide facilities for early childhood development, but other imperatives can be gleaned from their responsibility towards promoting social and economic development. In terms of childcare, it is required that the municipality:

- Inspect the facilities utilized in order to ensure that they meet the minimum requirements – in this manner ensuring the child's safety by the actions of the District Municipality.
- Environmental Health Practitioners are required to inspect identified facilities and to report on their status and whether any interventions are necessary; and
- The Environmental Health Practitioners' are required to assist with the monitoring of the quality of early childhood development, facilities, services and programmes rendered within those facilities.
- **Implementation of the SPU Implementation Plan and Projects:** projects such as World Aids Day and "16 days of activism against child and woman abuse" are required to be organised.
- Efforts are required to be made in order to facilitate the upliftment of children, youth, women, people with disabilities and the like; and

- **Implementation of the HIV/Aids strategy and plan.** Programmes and related interventions are required to be mainstreamed through effective planning and successful execution.

### **3.12.2    2019/2020**

Despite the number of challenges that include the impact of COVID – 19 and the difficulties that this created in terms of social distancing and social gatherings (required for awareness campaigns and the like), numerous positive interventions have been held and are reflected in the table that follows. This table that will follow will detail the manner in which the intervention occurred and the activity and date at which the intervention took place.

#### **The 2019/2020 period is reflected on as follows:**

Targets for planned initiatives in respect of mainstreaming and special projects were not well achieved. Many planned events could not be held as planned and more specific details are provided as follows:

- The Senqu Youth Council meeting was not held as planned.
- During Quarter 4 no reporting occurred and in terms of planned meetings and activities it is noted that: \* the Mayoral Cup, Cultural Youth Festival, Local Aids Council, Senqu Youth Council Meeting, and the Youth Month Celebrations could not take place due to Covid 19 restrictions.
- It must be noted that the Local Aid's Council meeting was also cancelled due to COVID.
- Notwithstanding the municipality has been extremely innovative in a large number and variety of ways. They have used the local Radio station to keep the community informed - however targets may have to be reviewed where appropriate and other alternatives ways to communicate with specific meeting structures will be investigated so as to ensure that Municipal structures continue to exist, function and meet when required.
- During quarter 3 the Senqu Women Business Awards ceremony was not held as planned.
- The Vulnerable Group Strategy and the transportation of Senqu women to SALGA Commission Provincial LEKGOTLA was not achieved as planned due to budget constraints.
- During \*Quarter 4 the following meetings were affected and couldn't occur due to COVID: Women Economic Empowerment meetings; Data Base Collection for Women Projects; Data Base Collection of Unemployed Women around Senqu Local Municipal Area; Training for Women of Senqu; Disabled Structure 4 quarterly meeting, Data base for People with Disability and Project, Training for Disabled people of Senqu, Elderly Structure Quarterly meeting.

a. SPU structures meetings

MEETING	DATE	COUNCILLORS	OFFICIALS	COMMUNITY MEMBERS
<b>WOMEN</b>				
WEE AGM was held in Sterkspruit;	22 August 2019			
Women's Month Celebration Lady Grey	6 September 2019			
WEE meeting held at Kwezi Naledi Hall, Lady Grey	9 October 2019			
Women Economic Empowerment meeting at Sterkspruit.	4 March 2020			
<b>YOUTH</b>				
Youth Council Meeting	23 March 2020			
<b>PEOPLE WITH DISABILITIES (DISABLED)</b>				
Disabled Structure Meeting in Sterkspruit;	14 August 2019			
Disability Structure Meeting at Barkly East Townhall	6 December 2019			
Disability Meeting at the Bhunga Hall Sterkspruit.	12 March 2020			
<b>ELDERLY</b>				
Elderly Forum Meeting	5 September 2019			
Elderly Forum: Nelson Mandela Day celebrated at the Old Age Home in Barkly East	19 July 2019.			
Elderly persons meeting held at Barkly East	30 October 2019			
Elderly structure meeting in collaboration with Socdev at Bensonvale College in Sterkspruit.	12 February 2020			
Elderly persons meeting held at Barkly East	30 October 2019			
3 Elderly Structure Meeting in collaboration with Socdev at Bensonvale College in Sterkspruit.	12 February 2020			



SPU structures meetings (cont.)

MEETING	DATE	COUNCILLORS	OFFICIALS	COMMUNITY MEMBERS
<b>HIV/Aids</b>				
Prison Visit Awareness: Barkly East Prison	19 September 2019			
Senqu Youth Council Meeting	13 September 2019			
HIV/AIDS Awareness Campaign (with DoH)	30 September 2019			
HIV/AIDS and TB: Meeting with DOH was held on the 29 January 2020. (Strategies on how to respond to HIV/AIDs in Senqu).	29 January 2020			
SPU visited the Masipilisane Ngo in Barkly East to discuss challenges and progress.	15 January 2020			
ECAC had its JGDM mid-term review workshop in Queenstown.*	20-22 March 2020			
Local Aids Council Meeting (LAC's)	17 September 2019 18 November 2019.			

## COMPONENT E: ENVIRONMENTAL PROTECTION

### 3.13 BIODIVERSITY AND LANDSCAPE (INCLUDING PUBLIC OPEN SPACES) AND OTHER

#### 3.13.1 Introduction Bio-Diversity and Landscape

**Biodiversity and Landscape** is an area of service delivery involving the management, maintenance and development of parks, open spaces and the beautification of municipal areas. In order to be able to achieve this, horticultural practices undertaken include landscaping and beautifying town entrances, the maintenance of sidewalks and grass cutting.

#### a. Parks and Public Open Spaces

Central to this important function is to ensure that parks and public open spaces are effectively maintained, so that the environment created for the community and visitors thereof may be appreciated, pleasant and aesthetically appealing.

This function has been well-achieved overall. More specifically it must be noted that:

- The Parks in Lady Grey and Barkly East were well maintained (2 in Lady Grey) and 1 in Barkly East, in accordance with the Maintenance and Cleaning Plan (as per budget and schedules). On-going maintenance occurs and involves grass cutting/mowing, grading/ploughing and cleaning).
- 29 public open spaces were maintained in accordance with the plan (12 in Lady Grey; 11 in Barkly East; 1 in Sterkspruit and 5 in Rhodes).
- Monthly reports in all instances are compiled and submitted to the relevant Standing Committees'; and
- The planned Construction of the Khwezi Naledi Node was not completed as planned by quarter 4. It is noted that while construction had commenced in quarter 2, this was not completed as planned and the target rolled over to quarter 3. This was caused by budgetary constraints experienced by the SMME. It is recognized that moving forward, SMME's must be adequately supported and guided to avoid situations where they under perform on projects due to extension of time as a result of adequate financial capacity.

## **COMPONENT F: HEALTH**

### **3.14 HEALTH INSPECTION**

#### **3.14.1 Introduction to Licensing and Regulation Control**

It is the intention of this function to improve the economic development within the community in respect of both formal and informal businesses. It is also the intention to regulate the trading activities of the licence holders.

#### **3.1.4.2 Strategic Objectives:**

- Promoting the development of strategic sites within the municipality by marketing these to the developers.
- Formulating an informal trading policy and using this to promote trading facilities as required; and
- Issuing of licenses and controlling of trading within the municipality.

#### **3.14.3 2019/2020 Licensing and Regulation Performance Overall**

- Business and Street Trading was monitored during the financial year that Business licenses were issued.
- 20 formal business licenses were issued, and 35 informal licenses were issued. \* It is to be noted the informal licenses were only issued in quarter 2. and reported on quarterly as required.
- Income is generated through the issuing of business licenses, temporary licenses during pension pay out days and the annual renewal of Hawkers licenses.
- Control and compliance is monitored in order to ensure compliance with legislation.
- Information sharing is conducted with street traders.
- It remains the role of the Environmental Health Practitioners to evaluate business premises in order to ensure compliance, as they may only issue licenses based on the compliance aspects having been met. All qualifying businesses were issued with licences; and
- The Licensing and Regulations Officer also dealt with a number of issues including, the control of advertising within the Municipality, where he ensures that permits are issued for people wishing to advertise and a prescribed fee is paid.

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

### **3.15 DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES**

#### **3.15.1 Introduction to Disaster Management, Animal Licensing and Control, Control of Public Nuisances**

Within this area, the functions of Disaster Management, Commonage Management and Pounds and Control of Public Nuisances will be examined.

##### **a. Disaster Management**

The municipality does not have its own functional Disaster Management Unit. Disaster Management is the responsibility of the Joe Gqabi District Municipality. The District Municipality has conducted a section 78 process and has come up with proposals to hand the function over to Senqu Municipality.

Senqu Municipality have decided to conduct their own section 78 process to determine what it would cost to manage and run this said function. This was undertaken as a result of uncertainties within in the 78-report presented by the Joe Gqabi District Municipality

The s 78 process would address issues related to -

- Financial Implications of the municipality taking over the service (human capital and required resources); and
- personnel that must be taken /absorbed from the Joe Gqabi District Municipality.

The Director Community Services attends Disaster Management meetings in an advisory capacity and liaises with the district on issues of common interest.

##### **b. Commonage Management and Pounds**

- Commonage land is required to be exclusively used for agricultural activities as described within the Commonage Management Plan. A Commonage Management Plan highlights the issues that must be looked at and managed on a day-to-day basis. This involved the management of commonage including resting and rotation of camps; maintenance of fences and water; development of permanent pastures; water provision in camps and erosion control.

- **During the 2019/2020 period, it was ensured that:**

- 3 out of 4 stock \*(75%) Stock Registers were updated. The Stock Register for quarter 4 could not be completed as the stock counting had to occur with owners of stock present and the COVID restrictions prevented this.
- Only two (2) out of four (4) Commonage Awareness Campaigns were conducted during quarter 1. \*1 Awareness Campaign was conducted 11 September 2019 and one during quarter 2 \* on 16 October 2019. COVID - 19 regulations had a direct impact on this.
- The animal pound in Lady Grey was completed 3 months ahead of its planned date due to additional resources that were available on site. These assisted in accelerating the project's completion. Stray animals were impounded as and when they were caught and monthly reports detailing these statistics were submitted to the standing committee.

- **Challenges**

- Overgrazing and continuous grazing in the commonage is still a challenge together with a number of "small farmers" who are not willing to pay the grazing fees for the use of commonages.
- The municipality is facing challenges of impounding animals when there is no suitable and approved pound. This makes it difficult to impound animals as they are stolen after hours in the pound; and
- Fences are being repaired in the commonage by the Municipality. The greatest challenge relates to fences being stolen and this creates a situation where it is impossible to maintain the commonage and practice rotational grazing according to the Commonage Management Plan.

- **Impounding of Animals**

- It is to be noted that the overall objective is to ensure that stray animals are removed from the roads and streets and are impounded.
- Pounds are to be established and maintained accordingly. Due to budget constraints, this service is provided at a very basic level.
- The Lady Grey Pound was finalised during the current financial year; and
- Income was derived from the selling in auction of unidentified impounded animals.

Income for the pound's function is reflected as follows:

FINANCIAL PERFORMANCE YEAR JUNE 2020: DISASTER MANAGEMENT, BY LAW IMPLEMENTATION (ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES)					
Details	Year 2018/2019	Year 2019/2020 (TBA)			
	Actual *TBC	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		88	88	37	51
Expenditure					
Employees		402	400	1 131	-731
Repairs Maintenance		-	-	-	-
Other		112	116	194	-78
Total Operational Expenditure		514	516	1 325	-809
Net Operational Expenditure		(426)	(428)	(1288)	860

CAPITAL EXPENDITURE YEAR JUNE 2019/2020 POUNDS R'000					
Capital Projects	Year 2019/2020 (TBC)				
	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Total All	1 931	2 081	1 860	227	
Pound Project Lady Grey	1 931	2 081	1 860	227	

## COMPONENT H: SPORTS AND RECREATION (INCLUDES COMMUNITY HALLS, SPORTS FIELDS, SPORTS HALLS, STADIUMS, SWIMMING POOLS AND CAMP SITES)

### 3.16 INTRODUCTION TO SPORT AND RECREATION

The municipality is required to provide basic sport and recreation facilities within its area of jurisdiction. This section is responsible for provision and maintenance of sport facilities and amenities. 5 Sports fields were maintained in terms of the approved maintenance plan. Vandalism of the stadiums and sports fields is rife, and these were addressed as and where required in a number of areas. The department has also extended the service of blading rural sports grounds. The nature and extent of facilities provided is reflected in the table that follows:

LOCATION	FACILITIES
Barkly East	1 x Multipurpose field in Nkululeko Township 1 x Soccer field
Lady Grey	1 x Multipurpose field I Steve Tshwete Township 2 x soccer fields 1 x Golf Course run by the Golf Club on a lease agreement
Sterkspruit	1 x multipurpose field in Patrick Shibane Playgrounds in the rural areas
Rhodes	1 x soccer field 1 x tennis court

#### 3.16.1 2019/2020 Sport and Recreation Performance Overall:

- Sports fields were well maintained in terms of the approved maintenance plan.
- Deviations to the planned Maintenance Plan has occurred. Issues contributing to this have included: taps not being connected to JoJo tanks and the JoJo tanks leaking as a result of vandalism – requiring additional work carried out by the Department. Additional work was also carried out at Naledi sports field and at Patrick Shibane - not in the maintenance plan although deemed necessary as the fascia boards and gutters were in such a poor state and needed to be replaced and painted before the ceiling cornices could be replaced;
- 10 sets of poles and nets were purchased and installed for sportsfields in the rural areas: and
- While acknowledging that vandalism of the stadium fences is rife, these were addressed as and where required in several areas.

**a. Financial Performance**

FINANCIAL PERFORMANCE YEAR 2019/2020: SPORT AND RECREATION					
R'000					
Details	Year 2018/2019	Year 2019/2020 (TBA)			
	Actual TBA	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		2 394	2 394	1	2 393
Expenditure					
Employees		1 283	1 287	940	347
Repairs and Maintenance		189	184	0	184
Other		694	690	829	-139
Total Operational Expenditure		2 166	2 161	1 769	392
Net Operational Expenditure		(228)	(233)	(1 768)	1 535

**b. Capital Expenditure**

CAPITAL EXPENDITURE YEAR JUNE 2019/2020 SPORT AND RECREATION R '000					
Capital Projects	Year 2019/2020				
	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Poles & Nets - Sportsfields	3 316	1 261	209	1 052	



## **3.17 INDOOR RECREATIONAL COMMUNITY FACILITY (HALLS)**

### **3.17.1 Introduction to Indoor Community Facilities (Halls)**

The organization was required to manage maintenance and develop all municipal sports facilities and the promotion and development of sports and recreation. Maintenance plans for the sports facilities were developed.

Senqu municipality manages 26 community halls within the five towns of the Municipality. The municipality is responsible to manage and maintain these halls within the available budget. It is also required that Senqu Municipality manages access control, handles the reservations and ensures the execution of the municipality's policy on facilities.

Halls are made available for public functions or private hire by our community members. Charges vary according to the function, time and day of the week.

Maintenance plans for the halls were developed and implemented. The Barkly East Community Hall Facility is due for renovations, this is underway. This project was delayed due to financial constraints. 7 Halls were maintained and repaired as planned i.e., Lady Grey Town Hall, Transwilger Hall, Bhunga Hall, Khwezi Naledi, Nkululeko Hall, Rhodes Town Hall and Rossouw Hall.

Rural community halls were also identified for maintenance. The following halls were cleaned: Bhunga Hall, Lady Grey Town Hall, Khwezi Naledi Hall, Barkly East Town Hall, Nkululeko, and Transwilger.

#### a. Service Statistics for Community Halls

The table below details the use and accessibility of community halls.

LOCATION	FACILITIES
Barkly East	2 x Facilities: Nkululeko Hall Barkly East Town Hall – planned renovations
Lady Grey	3 x Facilities: Khwezi Naledi Hall Lady Grey Town Hall Transwilger Hall
Sterkspruit (Urban)	1 x Facility: Bhunga Hall
Sterkspruit (rural areas)	18 x Facilities: Ndofela, Storomo, Makalakaleng, Makhumsha; Hillside Phelandaba, Mmusong, Majuba, Thaba-Lesoba, Ngquba, Tienbank, Blue Gums, Magadla, Esilindini (Kwa Ntoyi) Zava; Herschel, Sunduza; Voyizana.
Rossouw	1 x Facility: Rossouw Hall
Rhodes	1 x Facility: Rhodes Hall

There are 28 multipurpose centres (inclusive of rural areas) and it must be noted that there are facilities within the rural areas which require maintenance, although no revenue is generated.

- The renovation project for the Barkly East Town Hall could not be completed within this financial year. It was established that the project required additional and expert project planning in order to accurately and correctly budget for this scope of work. Shortfalls in the project implementation have shown the need for training and assistance with projects of this nature. This will be addressed in the new financial year.
- In terms of planned maintenance for halls in rural areas it must be noted that 6 out of 13 halls received the required maintenance due to insufficient budget and Covid 19 lockdown restrictions. \*Quarter 1 showed a variance of 1 hall when the Herschel Community Hall was not able to be maintained due to fire damage; during \*Quarter 2: Tienbank Hall required additional and unforeseen emergency maintenance work (over and above the Maintenance Plan; and during \* Quarters' 3 and 4 no maintenance occurred.
- In terms of community halls in towns it must be noted that the required target was not met. 5 out 7 halls were maintained. During quarter 1, 1 Lady Grey Town Hall had maintenance

completed; Nkululeko Hall had maintenance completed. During quarter 2: maintenance was conducted at Bunga Hall; in Khwezi Naledi Hall maintenance was completed as required.

- 7 Halls were maintained and repaired in rural areas as per the planned maintenance plan. Cleaning occurred weekly except for the fourth quarter due to COVID – 19 restrictions.
- Repairs to Community Hall in Ward 9 were not completed – due to poor planning, delays with Snag List and COVID; and
- The upgrade of the MPCC in Sterkspruit was not completed as a Consultant had not been timeously appointed and Covid-19 lockdown restrictions impacted additionally.

#### **b. Financial Performance**

FINANCIAL PERFORMANCE YEAR JUNE 2019: COMMUNITY HALLS					
Details	Year 2018/2019	Year 2019/2020			
	Actual TBA	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		92	92	348	-256
Expenditure					
Employees		3 008	3 188	3 794	-606
Repairs Maintenance		1 081	1 049	7241	-6 192
Other					
Total Operational Expenditure		5 736	6 023	6 403	-380
Net Operational Expenditure		-5 644	-5 931	-6 055	124

#### **CAPITAL PROJECTS**

CAPITAL EXPENDITURE YEAR JUNE 2019/2020 COMMUNITY HALLS					
R'000					
Capital Projects	Year 2019/2020 *TBC				
	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Total All					
Community Hall - Ward 9	-	155,000.00	-	155,000.00	
Renovations (Barkly East Town Hall)	3,500,000.00	-	-	-	
Upgrade of MPCC in Sterkspruit	150,000.00	150,000.00	-	150,000.00	

## COMPONENT I: MISCELLANEOUS

### 3.18.1 ICT

A great deal of progress was made within this area. More specifically it is noted that the review of the IT Disaster recovery plan and IT Strategic Plan did occur, and no changes were initiated. The ICT Disaster Recovery Plan forms part of the ICT Governance Framework. Back – ups are completed in terms of this and back up registers are provided in order to validate this.

Reporting on the systems downtime for emails and internet as a result of hardware or network failure were required to be submitted. Reports were submitted as follows: \* Quarter 1: no systems downtime; \* Quarter 2 (October 2019), 4 hours of downtime for the emails and 4 hours for the internet; \* November 2019 - 5 hours of downtime for emails and no downtime for the internet; \* December 2019 (5 hours of downtime for emails no downtime for the internet) and in . \* Quarter 3 and \* Quarter 4 no systems downtime.

During quarter 2 (October 2019, November 2019 and December 2019), down time was attributed to the national load-shedding schedule. Servers needed to be restarted manually for the systems to become operational. The downtime usually does not exceed 3 hours; however, this was exceeded by 1 hour during October 2019 and by 2 hours during November 2019 and by 2 hours in December 2019.

Four quarterly Reports on the status of security cameras were submitted as required. Reports on the Monitoring of the IT Back Up System were also submitted. The IT Backup system of the municipality is regularly monitored and maintained.

### 3.18.2 Supply Chain Management

Overall, it is noted that the Supply Chain Management (SCM) process flow has improved and the scheduling of meetings has resulted in improvements in the SCM turnaround time (improvements are required ongoing). Historically, certain Directorates have indicated that their progress in terms of achieving targets had been affected by “red tape” and / or slow SCM processes.

- The Supply Chain Management (SCM) process flow has improved, and the scheduling of meetings has resulted in improvements in the SCM turnaround time (improvements are required ongoing). It is noted that certain Directorates have indicated their progress in terms of achieving targets that were hampered by “red tape” and or slow SCM processes.
- It is noted that reporting on additional assets purchased per department was not performed as planned - in part due to COVID and the Asset Count was required to occur at the end of Quarter 4 and therefore also impacted by COVID.
- It is noted that improvements are required to be made in terms of the management of service

providers. It appears that Directorates are not co - operating and are still not ensuring that that the required level of commitment is being given to managing service providers/contractors /consultants appointed within their directorates. These reports are being received by SCM from directorates and/ or project managers in terms of service providers and vendors. This however remains an area that requires attention. It must be remembered that this function is critical – not only for operational reasons but due to legislative prescriptions. Upon further analysis and in an effort to improve day to day functionality it is suggested that:

- Improvements are required to be made in terms of the manner in which service providers are managed. It would appear that Directorates are a contributing factor and fail to ensure that the required level of commitment is being given to managing service providers/contractors /consultants appointed within their directorates. These reports are being received by SCM from directorates and/ or project managers in terms of service providers and vendors.

This is a critical function, and it must be understood that it represents an area of compliance.

- This area of operation, functioning and reporting is not the sole responsibility of the Supply Chain (SCM) Manager and/or Supply Chain (SCM) Unit. Staff (SCM) are required to assist in collating and reporting of data BUT the performance management function of the service providers and vendors **remains the responsibility of the relevant line managers** in terms of assessing performance (as part of their day to day operational and management function). Currently, this is not taking place in a formalized manner and is an area of great concern that clearly requires attention. Failure to comply may lead to an audit query and an audit qualification which may have far reaching consequences overall.
- Moving forward it must be ensured that Directorates manage service providers /contractor's/ consultant performances, and that good quality monitoring and reporting occurs, and assessments occur in terms of the performance system incorporated into the reviewed performance management policy framework as approved in October 2018. Failing this, consequence management is required to be instituted, and the necessary compliance notices are required to be issued, and disciplinary action taken where required.
- A system to manage and rate service providers has been incorporated within the revised Performance Management Policy / Framework Policy as approved in October 2018. Currently the Supply Chain (SCM) Manager in conjunction with relevant Directorates ensures that certain performance protocols are followed prior to processing an invoice. The performance of service providers will for some time remain an ongoing challenge.

### Result of the prior financial year 2018 /2019

KPA 2018/2019	Total number of KPI' s per KPA area	Number KPI' s Exceeding Target	%KPI' s Exceeding Target	Number KPI' s Meeting Target	% KPI' s Meeting Target	Number of KPI' s not meeting target	% KPI' s Not achieved	Number of targets on Not assessed/ On Hold	% targets Not assessed/ On Hold
Service Delivery	69	9	13.04%	44	62.32	16	23.19%	0	0.00%
LED	4	0	0.00%	3	75.00%	1	25.00%	0	0.00%
Financial Viability	32	3	9.38%	26	81.25%	3	9.38%	0	0.00%
Municipal Transformation and Development	43	8	11.63%	28	58.14%	10	23.26%	0	0.00%
Good Governance & Public Participation	28	5	14.29%	18	60.71%	6	21.43%	0	0.00%
<b>TOTAL</b>	<b>176</b>	<b>25</b>	<b>11.93%</b>	<b>119</b>	<b>67.61%</b>	<b>36</b>	<b>20.45 %</b>	<b>0</b>	<b>0.00%</b>

### Result of the current financial year under review 2019 /2020

KPA 2019/2020	Total number of KPI' s per KPA area	Number KPI' s Exceeding Target	%KPI' s Exceeding Target	Number KPI' s Meeting Target	% KPI' s Meeting Target	Number of KPI' s not meeting target	% KPI' s Not achieved	Number of targets on Not assessed/ On Hold	% targets Not assessed/ On Hold
Service Delivery	64	3	4.69%	25	39.06%	33	51.56%	3	4.69%
LED	4	0	0.00%	3	75.00%	1	25.00%	0	0.00%
Financial Viability	31	3	18.00%	17	54.84%	11	35.48%	0	0.00%
Municipal Transformation and Development	46	1	2.17%	31	67.39%	14	30.43%	0	0.00%
Good Governance & Public Participation	29	3	10.34%	11	37.93%	15	51.72%	0	0.00%
<b>TOTAL</b>	<b>174</b>	<b>10</b>	<b>5.75%</b>	<b>87</b>	<b>50.00%</b>	<b>74</b>	<b>42.53%</b>	<b>3</b>	<b>1.72%</b>

### **Overall results: Number Targets 2019/2020 with reference to the prior financial year:**

- Institutionally in 2019/2020 there are 174 targets, a decrease of 2 targets from the previous financial year.
- Notwithstanding targets have decreased there is a regression in performance from the previous financial year in all the Key Performance Indicator areas.
- The overall, result for the 2019 / 2020 financial year is 55.75 %; (targets met and exceeded are combined - taking into consideration that targets have decreased by 2 targets).
- The overall targets exceeded and met during the previous financial year 2018 / 2019 was 79.55%.
- Targets exceeded in 2019/2020 financial year represent a figure of 5.75 % as opposed to the prior years achievements of 11.93%. This represents a decrease of 6.18 %; and
- 50.00 % of targets were met in 2019/2020 financial year as opposed to the previous year of 67.61% - a decrease of 17.61%

### **Targets not met**

- An overall result of 42.53 % of targets were not met for the 2019/2020 financial year.
- There has been an increase in the number of targets not met for the 2019/200 financial year as compared with the previous year. 74 targets were not met opposed to 36 (20.68 %) not met in the previous financial year – overall increasing by 21.85 %

### **Targets not assessed and or on hold**

- 2018/2019 financial year - 0.00% and
- 2019/2020 financial year - 1.72%

## **COMPONENT J:**

**ORGANISATIONAL  
PERFORMANCE  
SCORECARDS AND  
S46 PERFORMANCE  
REPORT 2019/2020**



## COMPONENT J: ORGANISATIONAL PERFORMANCE SCORECARDS AND S46 PERFORMANCE REPORT 2019/2020

The s46 performance report is attached as an Annexure i.e., Appendix T – pages 1 to 64.

s46 of the Municipal Systems Act, Act 32 of 2000 informs this report directly and requires that:

- The Annual Performance report forms part of the municipality's Annual Report as per Chapter 12 of the Municipal Finance Management Act;
- The Annual Performance Report is required to reflect:
- The performance of the municipality and all external service providers utilised within the current financial year.
- Comparisons of all performance between the current and previous financial years (comparing targets against actual performance); and
- Detail regarding all measures taken to improve performance.

This s46 Performance Report will detail all issues as required and based on the information accessed via municipal reports, records, statistics and the like. It will be noted that this information is provided as a draft that incorporates the previous, current and future performance management targets and performance is reflected for the previous and current years (based on information provided by management).

### Note:

- Information is provided in this first draft. Information has been accepted at face value and may be required to be amended during the final draft of the Annual Report.
- Challenges were experienced with reporting information. More specifically it is noted that:
- When considering the targets and reporting on milestones (these targets) there is often no alignment or correlation between the two. Often a specific technical and quantifiable answer is required (e.g., work performed) and the reporting states "Report". This clearly does not define anything.
- Often reporting is inadequate and not enough information is provided. If meetings were held the dates are required and any other pertinent facts.
- It is strongly recommended that when setting IDP targets it is ensured that these are set in a realistic and achievable manner. It is hard to adjust targets after the fact and sometimes a "continuous" or long-term target will be more realistic.

- Discrepancies are at times noted and it is not always clear which information is correct. Information must be provided accurately. The collators of the information depend totally on documentation provided and it is the responsibility of all Directors to ensure that.
- The IDP is required to show projected reporting that spans five (5) years – in this instance reporting does not cover this period – making it extremely difficult to compile the s46 report; and
- Correct reporting on performance is beneficial for all other performance reporting and performance assessment (i.e., reporting at both the institutional and individual). In order to assist it is suggested that the content is updated regularly in order to ensure accuracy of content – ensuring too that this is available and able to be used and accommodated within all other reporting required.

## **DISCLAIMER**

The information provided within this report is reliant on the information provided by the various Directorates. Difficulties in validating data continues to be experienced and as such, the accuracy of all information provided cannot be assured. All data shown thus far represents as yet unaudited data and will be required to be adjusted as and when the audited data is made available. The Auditor General is currently busy with the audit itself – timeframes shifted out due to COVID challenges.

Notwithstanding, the collators and coordinators have been assured that the information contained within the feedback received and included within this report is in fact the correct information and at face value we have been required to accept this as against audited documents – where comparisons have been possible.

It is the responsibility of all Directorates to provide the required information which is then required to be collated and submitted within the correct format. While it is acknowledged that certain directorates have attempted to provide this information as requested, many have not complied or submitted information incorrectly and/or extremely late.

It appears that staff within other directorates appear to believe that it is the responsibility of the collators and the co - coordinators to provide all required information. This is unacceptable as the report is that of Senqu Municipality (with each directorate taking full responsibility for information relating to their specific directorate). Content and the accuracy thereof is not the responsibility of the collators' and the coordinators' – their role is simply to obtain, collate, align and restructure information provided and not to verify this in any way. In addition, it is the technical responsibility of all relevant directorate staff to provide inputs regarding performance and issues within their own directorates. They are required to take responsibility for any inputs provided as they are aware on a functional level as to what information is applicable / relevant. Under these circumstances the collators and the coordinators cannot be held accountable for the quality/accuracy/absence of information provided or the lack thereof.

The information is thus being presented with the full knowledge that certain of the detail provided might not reflect the required levels of accuracy. It is further noted that every effort has been made to align reporting to the information contained within other strategic and reporting documents. Notwithstanding, it must be noted that at times the manner in which the information is presented in these other documents may not align with the detail contained within this report, especially where additional detail is provided. Under these circumstances the collator is reliant on the information provided by the departments and is not able to validate this.

In instances where information is found to be lacking or inadequate you are hereby advised that the coordinator of this report has only been able to work with the information provided to them – and as much as they have attempted to validate this where possible they cannot be held accountable – for the reasons reflected above.

COMPONENT J

**IDP PREDETERMINED TARGETS**

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 1: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT								
TRAFFIC & LAW ENFORCEMENT - BSD01	To ensure that the traffic section operates effectively and efficiently	Construction and operating a licensing a licencing centre in Sterkspruit by 30 June 2020		Investigation of the feasibility of constructing and operating a Sterkspruit licencing centre				Community Services
		5192 people tested on learners' licences	644 (BE)	644 (BE)	1288 (BE & SS)	1288	1288	
		6845 Number of Road Offense Tickets issued within Senqu Municipality to road users	1369	1369	1369	1369	1369	
		235 vehicles tested for roadworthiness in Barkly East	47	47	47	47	47	
		452 vehicles registered annually	452	452	452	452	452	
		4874 Vehicles licenced annually	4874	4874	4874	4874	4874	
		2573 tested on drivers licence annually	2573	2573	2573	2573	2573	

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 1: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT (cont.)								
ROADS, BRIDGES, STORMWATER AND TRANSPORT INFRASTRUCTURE- BSD02	To provide sustainable infrastructure development by building and maintaining access roads, bridges and storm water	1 annual implemented access road maintenance plan	1 annual implemented access road maintenance plan	1 annual implemented access road maintenance plan	1 annual implemented access road maintenance plan	1 annual implemented access road maintenance plan	1 annual implemented access road maintenance plan	Technical Services
		Construction of roads and stormwater in annually identified wards as per the budget & Capital Investment Plan	No of km: Paved & gravel Roads No of km of stormwater	No of km: Paved & gravel Roads No of km of stormwater	No of km: Paved & gravel Roads No of km of stormwater	No of km: Paved & gravel Roads No of km of stormwater	No of km: Paved & gravel Roads No of km of stormwater	
		Construction of pedestrian and vehicle bridges in annually identified wards as per the budget & Capital Investment Plan	No of bridges:	No of bridges	No of bridges	No of bridges	No of bridges	
		Construction of speed control humps in identified area		Construction of 3 speed control humps in Rhodes Construction of 10 speed control humps in Lady Grey				

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 1: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT (cont.)								
ROADS, BRIDGES, STORMWATER AND TRANSPORT INFRASTRUCTURE - BSD02	To provide sustainable infrastructure development by building and maintaining access roads, bridges and storm water	Establish a roads & storm water master plan		Appointment of PSP for Roads & storm water master plan	Continued appointment until completion			Technical services
		Start process of registered borrow pits				Continued PSP appointment for borrow pits	Continued PSP appointment for borrow pits	
INDOOR RECREATIONAL COMMUNITY FACILITIES - BSD03	To ensure effective management and maintenance of indoor recreational community facilities	All wards to have 1 central indoor recreational facility and maintenance of existing facilities	1 new hall and maintenance and upgrading of existing facilities	Maintenance and upgrading of existing facilities	maintenance and upgrading of existing facilities	maintenance and upgrading of existing facilities	maintenance and upgrading of existing facilities	Community Services & Technical services

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 1: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT (cont.)								
CEMETRIES AND PAUPER BURIAL - BSD04	To ensure effective management, construction and maintenance of cemeteries and pauper burials	Construct 7 cemeteries	0	1	0	3	3	Community Services
		Maintain cemeteries as per the maintenance plan	Maintained cemeteries	Maintained cemeteries	Maintained cemeteries	Maintained cemeteries	Maintained cemeteries	
		Facilitate Pauper burials as and when required	No of pauper burials	No of pauper burials	No of pauper burials	No of pauper burials	No of pauper burials	
SPORTS BSD05	To construct, maintain, identify, establish and upgrade existing urban sportsfields	1 annually implemented municipal sportsfield maintenance plan	No of sportsfields maintained	No of sportsfields maintained	No of sportsfields maintained	No of sportsfields maintained	No of sportsfields maintained	Community Services
		Develop 1 central sportsfields by 2021/2022					Bluegums	
		Municipal sports audit on utilised sportsfields in rural areas		Municipal sports audit				
LIBRARIES – BSD06	To provide library services to all residents	All urban areas to have well maintained libraries with staff	Quarterly reports on individual libraries regarding usage	Quarterly reports on individual libraries regarding usage	Quarterly reports on individual libraries regarding usage	Quarterly reports on individual libraries regarding usage	Quarterly reports on individual libraries regarding usage	

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 1: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT (cont.)								
PARKS AND PUBLIC OPEN SPACES - BSD07	To create a healthy and sustainable environment by maintaining and developing public open spaces	To develop and maintain parks and caravan parks through an annual maintenance plan	No of parks maintained  No of caravan parks	No of parks maintained  No of caravan parks	No of parks maintained.  No of caravan parks	No of parks maintained.  No of caravan parks	No of parks maintained.  No of caravan parks	Community Services
		1 implemented annual operation plan by 30 September on greening, street sweeping and cutting of grass	1 implementation plan & quarterly implementation reports	1 implementation plan & quarterly implementation reports	1 implementation plan & quarterly implementation reports	1 implementation plan & quarterly implementation reports	1 implementation plan & quarterly implementation reports	



Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 1: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT (cont.)								
LICENSING AND CONTROL OF ANIMALS - BSD08	To maintain and control the municipal commonage	No municipal commonage to exceed its annual animal carrying capacity as per the adopted commonage management plan	No of animals as per the commonage management plan	No of animals as per the commonage management plan	No of animals as per the commonage management plan	No of animals as per the commonage management plan	No of animals as per the commonage management plan	Community Services
		Fenced camps and constructed water points as per the commonage management plan annual implementation plan	1 Annual Commonage management plan implementation plan adopted by 31 August. Quarterly implementation reports	1 Annual Commonage management plan implementation plan adopted by 31 August. Quarterly implementation reports	1 Annual Commonage management plan implementation plan adopted by 31 August. Quarterly implementation reports	1 Annual Commonage management plan implementation plan adopted by 31 August. Quarterly implementation reports	1 Annual Commonage management plan implementation plan adopted by 31 August. Quarterly implementation reports	
	To maintain and effectively operate the pounds	1 constructed, functional and compliant central municipal pound in Lady Grey			Construction of Pound in lady Grey	Quarterly Lady Grey pound reports	Quarterly Lady Grey pound reports	Community Services with Technical Services
		Upgrading of animal collection points in Barkly East, Rhodes and Sterkspruit			Upgrading of Lady Grey Pound	Upgrading of Sterkspruit animal collection point		Community Services

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 1: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT (cont.)								
WASTE MANAGEMENT BSD 09	To improve the quality of life for residents by increasing the % of households receiving basic refuse collection	Increase h/hold refuse collection in all urban areas through annual operational plan	Increase h/hold refuse collection in all urban areas through annual operational plan	Increase h/hold refuse collection in all urban areas through annual operational plan	Increase h/hold refuse collection in all urban areas through annual operational plan	Increase h/hold refuse collection in all urban areas through annual operational plan	Increase h/hold refuse collection in all urban areas through annual operational plan	Community Services
	To reduce waste through awareness campaigns	Quarterly waste education and awareness campaigns in a community. (4 per year)	4 waste education and awareness campaigns	4 waste education and awareness campaigns	4 waste education and awareness campaigns	4 waste education and awareness campaigns	4 waste education and awareness campaigns	
	To effectively manage and reduce waste	2 Operational Weighbridges at landfill sites in Lady Grey & Barkly East to indicate amount and type of waste.	Quarterly reports on weighbridge operations	Quarterly reports on weighbridge operations	Quarterly reports on weighbridge operations	Quarterly reports on weighbridge operations	Quarterly reports on weighbridge operations	
		Construction of 4 solid waste sites, upgrading of 1 site, closure of 2 sites, 2 lined sites in BE & LG in accordance with NEMWA	2 lined sites in BE & LG in accordance with NEMWA	Start Construction on Herschel, Rhodes & Rossouw sites  Complete Start lining of Lady Grey and Barkly East SWS.	Complete construction of Herschel & Rossouw sites  Start construction of new SWS for Sterkspruit  Begin closure process of Sterkspruit old SWS	Completion of Rhodes SWS  Completion of new SWS for Sterkspruit  Complete closure of old Sterkspruit SWS  Planning for closure of old Rhodes SWS	Completion of Rhodes SWS closure  Completion of Rhodes SWS closure	Community Services & Technical Services

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 1: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT (cont.)								
FREE BASIC SERVICES BSD10	That all registered indigent households receive free basic electricity and refuse removal	Compilation of an indigent register and annual updating of the indigent register through the BIFBS Indigent Committee by 15 December	Data Collected & captured	Data updated	Data updated	Data updated	Data updated	Finance
		Annually report on the % of households earning less than 2 state pensions with access to free basic electricity of 50 kw per month and refuse removal by 30 June	Annual report	Annual report	Annual report	Annual report	Annual report	
ELECTRICITY AND STREET LIGHTING BSD11	To maintain the existing electrical infrastructure through replacement of outdated equipment and installation of new equipment in order to reduce losses and ensure compliance	Installation of AMI meter system, upgrading of distribution networks, maintenance on infrastructure and street lighting.  Installation and replacement of 485 fittings	Replace electrical meters and a conductor  Install new fittings	Replace electrical meters and a conductor  Install new fittings	Replace electrical meters and a conductor  Install new fittings	Replace electrical meters and a conductor  Install new fittings	Replace electrical meters and a conductor  Install new fittings	Technical Services

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 1: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT (cont.)								
ELECTRICITY AND STREET LIGHTING BSD11	To reduce Senqu electricity backlogs by assisting Eskom with electrification of rural areas as identified by Council.	690 rural connections	R 5 000 000 approved by DoE for pre-engineering & construction (323 new connections in wards 2 &3)	Pre-engineering & Construction (DoE dependent)	Pre-engineering & Construction (DoE dependent)	Pre-engineering & Construction (DoE dependent)	Pre-engineering & Construction (DoE dependent)	Technical Services
OFFICE SPACE BSD12	To provide office space and parking by building new offices and renovating existing buildings	Construction of parking bay in Lady Grey	Construction completion for parking bay	Construction for LG Reports on Implementation of annual maintenance plan	Completion for LG Reports on Implementation of annual maintenance plan	Reports on Implementation of annual maintenance plan	Reports on Implementation of annual maintenance plan	Corporate Services & Technical Services
		Renovation of 2 <sup>nd</sup> Floor Offices in LG						
LICENSING OF BUSINESSES BSD 13	To ensure that all businesses operating in the Municipality have licences and are operating according to legislation by 2022	Annual audit of businesses in urban areas by 30 June	Annual audit of businesses in urban areas by 30 June	Annual audit of businesses in urban areas by 30 June	Annual audit of businesses in urban areas by 30 June	Annual audit of businesses in urban areas by 30 June	Annual audit of businesses in urban areas by 30 June	Community Services
		Demarcation of informal trading areas in Sterkspruit by 30 June 2020	*	*	Demarcation of informal trading areas in Sterkspruit by 30 June 2020	*	*	
PRE-SCHOOLS BSD 14	To construct pre-schools in accordance of a Municipal conducted Audit on usage and maintenance of facilities	Municipal Audit on pre-schools conducted	Undertake municipal audit					Community Services

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 2: LOCAL ECONOMIC DEVELOPMENT								
TOURISM LED 01	To promote responsible tourism, arts and heritage through continued support to local initiatives	1 Reviewed and implemented tourism plan	Reviewed tourism plan by 30 June 2018	Signage of tourism sites, marketing, support of local events and improving tourism infrastructure	Signage of tourism sites, marketing, support of local events and improving tourism infrastructure	Signage of tourism sites, marketing, support of local events and improving tourism infrastructure	Signage of tourism sites, marketing, support of local events and improving tourism infrastructure	D & TPS
LED 02	To promote and attract development in the local economy through implementation of the LED strategy	1 Reviewed and implemented LED strategy	Reviewed LED strategy plan by 30 June 2018	No of jobs created through the LED initiatives including capital projects (250) i.e. EPWP & CWP	No of jobs created through the LED initiatives including capital projects (250) i.e. EPWP & CWP	No of jobs created through the LED initiatives including capital projects (250) i.e. EPWP & CWP	No of jobs created through the LED initiatives including capital projects (250) i.e. EPWP & CWP	
				4 meetings with LED structures	4 meetings with LED structures	4 meetings with LED structures	4 meetings with LED structures	
				Quarterly reporting on 30 % of all infrastructure projects to go to SMMES through sub-contractors & buying of products	Quarterly reporting on 30 % of all infrastructure projects to go to SMMES through sub-contractors & buying of products	Quarterly reporting on 30 % of all infrastructure projects to go to SMMES through sub-contractors & buying of products	Quarterly reporting on 30 % of all infrastructure projects to go to SMMES through sub-contractors & buying of products	
KPA 3: LOCAL MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY								
SUPPLY CHAIN MANAGEMENT (ADMINISTRATION AND REPORTING) - MFMM01	To ensure the efficient and effective procurement of goods and services	To ensure that bid committees function in accordance with SCM legislation	Quarterly reports on bid committee functionality	Quarterly reports on bid committee functionality	Quarterly reports on bid committee functionality	Quarterly reports on bid committee functionality	Quarterly reports on bid committee functionality	Finance
		Legislative compliance of supply chain management	Quarterly reports	Quarterly reports	Quarterly reports	Quarterly reports	Quarterly reports	
		1 roadshow a year in LG, Sterkspruit & BE	Annual roadshow in LG, BE & Sterkspruit	Annual roadshow in LG, BE & Sterkspruit	Annual roadshow in LG, BE & Sterkspruit	Annual roadshow in LG, BE & Sterkspruit	Annual roadshow in LG, BE & Sterkspruit	
		Annual stock count report to CFO.	Annual stock count.	Annual stock count.	Annual stock count.	Annual stock count.	Annual stock count.	

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department	
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022		
KPA 3: LOCAL MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY (cont.)									
ASSET MANAGEMENT- MF/MV02	To ensure monitoring of Municipal Assets per Department through regular asset checks and reporting	Annual asset count & fleet management report. Quarterly Departmental stock counts undertaken by departmental staff and reported to Department Directors	Annual asset count & fleet management report. Quarterly Departmental asset counts undertaken by departmental staff	Annual asset count & fleet management report. Quarterly Departmental asset counts undertaken by departmental staff	Annual asset count & fleet management report. Quarterly Departmental asset counts undertaken by departmental staff	Annual asset count & fleet management report. Quarterly Departmental asset counts undertaken by departmental staff	Annual asset count & fleet management report. Quarterly Departmental asset counts undertaken by departmental staff	Finance	
		Fully GRAP Compliant Asset register	Fully GRAP Compliant Asset register				Development of asset management plan		
	To ensure monitoring of Municipal Assets per Department through regular asset checks and reporting  (cont.)	Annual insurance portfolio update and monthly claim reports	Monthly reports of claims to CFO	Monthly reports of claims to CFO	Monthly reports of claims to CFO	Monthly reports of claims to CFO	Monthly reports of claims to CFO		Monthly reports of claims to CFO
		Updated asset management plan by 30 June	Updated asset management plan by 30 June	Updated asset management plan by 30 June	Updated asset management plan by 30 June	Updated asset management plan by 30 June	Updated asset management plan by 30 June		Updated asset management plan by 30 June
		Annual disposal sale by May	Annual disposal sale by May	Annual disposal sale by May	Annual disposal sale by May	Annual disposal sale by May	Annual disposal sale by May		Annual disposal sale by May

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 3: LOCAL MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY (cont.)								
FINANCIAL MANAGEMENT - MF/M03	To annually assess and report on the % of the budget spent on implementing its WSP and financial viability as expressed by the following ratios: A(debt coverage) = B (total op rev received) - C (op grants) divided by D ( debt service payment due within the FY) A (outstanding service debtors to revenue) = B ( total outstanding debt) divided by C(actual rev received for services) A (cost coverage) = B ( all available cash at a particular time ) + C (investments) divided by D (Monthly fixed opl expenditure)	Annual report on financial ratios and norms by Q3 for previous year	Annual report on financial ratios and norms by Q3 for previous year	Annual report on financial ratios and norms by Q3 for previous year	Annual report on financial ratios and norms by Q3 for previous year	Annual report on financial ratios and norms by Q3 for previous year	Annual report on financial ratios and norms by Q3 for previous year	Finance
FINANCIAL MANAGEMENT - MF/M03	To annually report on the % of the Municipality's budget actually spent on capital projects identified a particular financial year in terms of the Municipality's IDP	Annual report by CFO	Annual report by CFO	Annual report by CFO	Annual report by CFO	Annual report by CFO	Annual report by CFO	

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 3: LOCAL MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY (cont.)								
FINANCIAL MANAGEMENT - MFMA03	To expand and protect the municipal revenue base by providing accurate bills for services rendered	All bills are accurate and delivered and processed monthly	Monthly processing and delivery of bills by 15th of following month	Monthly processing and delivery of bills by 15th of following month	Monthly processing and delivery of bills by 15th of following month	Monthly processing and delivery of bills by 15th of following month	Monthly processing and delivery of bills by 15th of following month	Finance
		All electricity meters in urban areas to be read 100 % by 30 of each month	All electricity meters in urban areas to be read 100 % by 30 of each month	All electricity meters in urban areas to be read 100 % by 30 of each month	All electricity meters in urban areas to be read 100 % by 30 of each month	All electricity meters in urban areas to be read 100 % by 30 of each month	All electricity meters in urban areas to be read 100 % by 30 of each month	
		Revenue enhancement strategy that will incorporate the moving of all residential customers and small business using below 60 Amp to prepaid	Adopted strategy	Moving all residential customers to prepaid including small businesses using below 60Amp	Implementation	Implementation	Implementation	
		To comply with the MFMA prescripts by submitting various documents such as the AFS	Submission of MFMA required documents timeously	Submission of MFMA required documents timeously	Submission of MFMA required documents timeously	Submission of MFMA required documents timeously	Submission of MFMA required documents timeously	
		Ensure financial viability by regular reports on the amount of expenditure on the capital and operational budget including conditional grants by 10th of following month on expenditure of capital and operational budget including grants	To report monthly by 10th of following month on expenditure of capital and operational budget including grants	To report monthly by 10th of following month on expenditure of capital and operational budget including grants	To report monthly by 10th of following month on expenditure of capital and operational budget including grants	To report monthly by 10th of following month on expenditure of capital and operational budget including grants	To report monthly by 10th of following month on expenditure of capital and operational budget including grants	



Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 3: LOCAL MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY (cont.)								
FINANCIAL MANAGEMENT	To expand and protect the municipal revenue base by providing accurate bills for services rendered	To expand and protect the municipal revenue base by implementing the valuation roll and increasing % of actual revenue collected	Annual supplementary and develop valuation roll	Develop roll	Implement roll 1 July 2018/19 FY	Supplementary roll	Supplementary roll	Finance
		To expand and protect the municipal revenue base by increasing % of actual revenue collected to 95 %	95%	95%	95%	95%	95%	
		To decrease unauthorised, irregular, fruitless, wasteful expenditure and minor breaches through regular reporting	Decrease in unauthorised, irregular, fruitless, wasteful expenditure (Council Q) and minor breaches (MM) monthly	Quarterly reports	Quarterly reports	Quarterly reports	Quarterly reports	
PAYROLL - MFHW04	To ensure good payroll management and implementation	All salaries paid timeously as per Council schedule	All salaries to be paid by the 1st of the following month	All salaries to be paid by the 1st of the following month	All salaries to be paid by the 1st of the following month	All salaries to be paid by the 1st of the following month	All salaries to be paid by the 1st of the following month	
BUDGET COMPIATION - MFHW05	To ensure compliance with the MFMA and MSA requirements regarding the adjustment budget and annual budget development and submission requirements	Draft annual budget adopted by end March annually, final annual budget adopted by end May and adjustment by end February.	Draft annual budget adopted by end March annually, final annual budget adopted by end May and adjustment by end February.	Draft annual budget adopted by end March annually, final annual budget adopted by end May and adjustment by end February.	Draft annual budget adopted by end March annually, final annual budget adopted by end May and adjustment by end February.	Draft annual budget adopted by end March annually, final annual budget adopted by end May and adjustment by end February.	Draft annual budget adopted by end March annually, final annual budget adopted by end May and adjustment by end February.	

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 3: LOCAL MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY (cont.)								
REPORTING - MFMA06	To develop and submit S 71, S 72 & S 52 reports as per MFMA guidelines and prescripts	To develop and submit financial part of S 71, S 72 & S 52 reports as per MFMA guidelines and prescripts	To develop and submit financial part of S 71, S 72 & S 52 reports as per MFMA guidelines and prescripts	To develop and submit financial part of S 71, S 72 & S 52 reports as per MFMA guidelines and prescripts	To develop and submit financial part of S 71, S 72 & S 52 reports as per MFMA guidelines and prescripts	To develop and submit financial part of S 71, S 72 & S 52 reports as per MFMA guidelines and prescripts	To develop and submit financial part of S 71, S 72 & S 52 reports as per MFMA guidelines and prescripts	Finance
IT - MFMA07	To ensure a continually secure, effective and efficient ICT service through implementation of ICT policies and plans and upgrading of ICT equipment	Reports if there is more than 3 hours of downtime on the primary domain controller, email server, financial server (EMS) and backup server	Reports	Reports	Reports	Reports	Reports	
		Upgraded security of IT & server rooms and equipment including servers in all buildings	Procurement of server & reports	Reports	Reports	Reports	Reports	
		To ensure that disaster recovery plans are fully implemented	Reports	Reports	Reports	Reports	Reports	

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT (cont.)								
SKILLS DEVELOPMENT - MTID01	To develop and implement an effective HR strategy	To align the HR strategy with the IDP priorities	Annual alignment of HR strategy with IDP priorities	Annual alignment of HR strategy with IDP priorities	Annual alignment of HR strategy with IDP priorities	Annual alignment of HR strategy with IDP priorities	Annual alignment of HR strategy with IDP priorities	Corporate Services
	To develop, adopt and implement the workplace skills plan (WSDP).  To submit the skills plan and annual training report as legislated	To develop, adopt and implement the workplace skills plan (WSDP).  To submit the skills plan and annual training report as legislated	To submit the skills plan and annual training report as legislated	To submit the skills plan and annual training report as legislated	To submit the skills plan and annual training report as legislated	To submit the skills plan and annual training report as legislated	To submit the skills plan and annual training report as legislated	
EMPLOYMENT EQUITY - MTID02	To develop and implement the employment equity plan as per the set targets in accordance with the Employment Equity Act	To develop and implement the employment equity plan as per the set targets in accordance with the Employment Equity Act. To submit the annual report as legislated	Quarterly reports on EE plan implementation. Submission of annual report	Quarterly reports on EE plan implementation. Submission of annual report	Quarterly reports on EE plan implementation. Submission of annual report	Quarterly reports on EE plan implementation. Submission of annual report	Quarterly reports on EE plan implementation. Submission of annual report	Corporate Services
	No of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan	No of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan	Annual report on no of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan	Annual report on no of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan	Annual report on no of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan	Annual report on no of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan	Annual report on no of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan	

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT (cont.)								
RECRUITMENT, SELECTION AND EMPLOYEE MANAGEMENT - MTID03	To ensure that the organisational structure of the Municipality is aligned to its present and future staffing needs and requirements	Annual review of organogram	Annual review of organogram	Annual review of organogram	Annual review of organogram	Annual review of organogram	Annual review of organogram	Corporate Services
	To ensure effective management of staff and policy and procedure processes through job descriptions, leave management and clock in systems	Effective implementation of HR policies such as leave	Quarterly reports on adherence to HR policies such as leave, recruitment etc	Quarterly reports on adherence to HR policies such as leave, recruitment etc	Quarterly reports on adherence to HR policies such as leave, recruitment etc	Quarterly reports on adherence to HR policies such as leave, recruitment etc	Quarterly reports on adherence to HR policies such as leave, recruitment etc	
EMPLOYEE WELLNESS PROGRAMME - MTID04	To ensure the physical and mental well-being of employees through the implementation of an employee wellness programme	Annual employee wellness programme by the end of Quarter 1	Annual employee wellness programme by the end of Quarter 1	Annual employee wellness programme by the end of Quarter 1	Annual employee wellness programme by the end of Quarter 1	Annual employee wellness programme by the end of Quarter 1	Annual employee wellness programme by the end of Quarter 1	Corporate Services

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT (cont.)								
OCCUPATIONAL HEALTH AND SAFETY - MTID05	To ensure that all Senqu buildings and staff adhere to and implement OHS legislation	4 OHS meetings. Quarterly reports on adherence of staff and buildings to OHS. Annual OHS awareness campaign	4 OHS meetings. Quarterly reports on adherence of staff and buildings to OHS. Annual OHS awareness campaign	4 OHS meetings. Quarterly reports on adherence of staff and buildings to OHS. Annual OHS awareness campaign	4 OHS meetings on adherence of staff and meetings. Quarterly repo buildings to OHS. Annual OHS awareness campaign	4 OHS meetings. Quarterly reports on adherence of staff and buildings to OHS. Annual OHS awareness campaign	4 OHS meetings. Quarterly reports on adherence of staff and buildings to OHS. Annual OHS awareness campaign	Corporate Services
LOCAL LABOUR FORUM - MTID 06	To ensure a good relationship between management and employees through regular interactions on labour issues	Functional LLF meetings quarterly	Functional LLF meetings quarterly	Functional LLF meetings quarterly	Functional LLF meetings quarterly	Functional LLF meetings quarterly	Functional LLF meetings quarterly	Corporate Services

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT (cont.)								
LEGAL SERVICES – 07	To ensure that the Municipality implements sound management controls in order to mitigate against unnecessary litigation	Annual report on the status of municipal lease agreements & litigation	Annual report on the status of municipal lease agreements & litigation	Annual report on the status of municipal lease agreements & litigation	Annual report on the status of municipal lease agreements & litigation	Annual report on the status of municipal lease agreements & litigation	Annual report on the status of municipal lease agreements & litigation	Corporate Services
POLICIES AND BY-LAWS - MTID 08	To review and implement departmental policies, procedures, procedure manuals and bylaws annually	Annual review of identified municipal policies, bylaws, procedures and procedure manuals annually by the end of Quarter 4	Annual review of identified municipal policies, bylaws, procedures and procedure manuals annually by the end of Quarter 4	Annual review of identified municipal policies, bylaws, procedures and procedure manuals annually by the end of Quarter 4	Annual review of identified municipal policies, bylaws, procedures and procedure manuals annually by the end of Quarter 4	Annual review of identified municipal policies, bylaws, procedures and procedure manuals annually by the end of Quarter 4	Annual review of identified municipal policies, bylaws, procedures and procedure manuals annually by the end of Quarter 4	Corporate Services & DTPS
BUILDINGS - MTID 09	To ensure that municipal buildings and assets are maintained and secured	Development of annual maintenance plan by 30 August and quarterly implementation reports	Development of annual maintenance plan by 30 August and quarterly implementation reports	Development of annual maintenance plan by 30 August and quarterly implementation reports	Development of annual maintenance plan by 30 August and quarterly implementation reports	Development of annual maintenance plan by 30 August and quarterly implementation reports	Development of annual maintenance plan by 30 August and quarterly implementation reports	Corporate Services

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT (cont.)								
RECORDS MANAGEMENT - MTID10	To ensure that Municipal information is kept secure and filed and archived according to legislation	Fully functional document system by 2022	Document system	Document system	Document system	Document system	Document system	Corporate Services
PERFORMANCE MANAGEMENT AND REPORTING - MTID11	To ensure that a system of departmental and individual performance management system is implemented	An implemented system of departmental and individual performance management system in implemented by 2022	Implemented PMS	Implemented PMS	Implemented PMS	Implemented PMS	Implemented PMS	D & TPS
SPATIAL PLANNING - MTID12	TO implement SPLUMA regulations	Implemented adopted SPLUMA schedule						D & TPS
	To ensure adherence to town planning and building control legislation	Implemented town planning and building control legislation						
		Land invasion strategy & implementation thereof						
	To manage urbanisation of existing urban areas	To extend town boundaries to incorporate former communal villages to increase the rate base (Vision 2030)						

Focus area and IDP No	Strategic Objective	New 5-year Target	Annual Goals					
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT (cont.)								
INTEGRATED DEVELOPMENT PLANNING - MTID13	To ensure development and adoption of the IDP and budget process plan and IDP s per legislated timeframes	Adopted IDP and budget process plan and reviewed IDP	Adopted IDP and budget process plan and reviewed IDP	Adopted IDP and budget process plan and reviewed IDP	Adopted IDP and budget process plan and reviewed IDP	Adopted IDP and budget process plan and reviewed IDP	Adopted IDP and budget process plan and reviewed IDP	D & TPS
	To co-ordinate meetings of the IPPF and IDP and Budget steering committee Meetings	Quarterly meetings of IPPF and IDP & budget Steering Committee Meetings	Quarterly meetings of IPPF and IDP & budget Steering Committee Meetings	Quarterly meetings of IPPF and IDP & budget Steering Committee Meetings	Quarterly meetings of IPPF and IDP & budget Steering Committee Meetings	Quarterly meetings of IPPF and IDP & budget Steering Committee Meetings	Quarterly meetings of IPPF and IDP & budget Steering Committee Meetings	
PMU REPORTING MTID14	To ensure capital infrastructure management and reporting	To ensure capital infrastructure management, implementation and reporting	Annual reporting on the MIG expenditure	Ongoing	Ongoing	Ongoing	Ongoing	Technical services
HOUSING MTID15	To ensure equitable access to housing for communities	To review and implement the housing sector plan by 30 June 2018	Housing sector plan					D & TPS
		Develop and implement a strategy on accreditation for the housing unit by 30 June 2020			Develop and implement a strategy on accreditation for the housing unit by 30 June 2020			
		To develop a strategy for bulk infrastructure for the development of integrated human settlements by 30 June 2019		Bulk infrastructure plan				



Focus area and IDP No	Strategic Objective	5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 5: PUBLIC PARTICIPATION & GOOD GOVERNANCE								
RISK & FRAUD PREVENTION GGPP01	To promote and instill good governance practices within Senqu municipality	Developed and implemented departmental risk action plans including quarterly risk reports						D & TPS
		Implemented fraud prevention policy						
COMPLIANCE GGPP02	To ensure compliance with all legislated deadlines such as MFMA & MSA, mSCOA regulations, IDP and budget dates	Developed annual compliance register						D & TPS
OVERSIGHT - GGPP03	To ensure quarterly sittings of MPAC and the Audit and Performance Committee and the annual preparation of an annual oversight report	Quarterly sittings of MPAC and the Audit and Performance Committee and the annual preparation of an annual oversight report by end of March						Office of the MM
	To ensure that Council, Exco and Top Management meetings are held regularly and that resolutions are implemented.	Quarterly sitting of Council, Exco and Top Management monthly sitting of Ex-Co, Quarterly Top Management & Quarterly Broad Management with tracked resolutions						Corporate Services

Focus area and IDP No	Strategic Objective	5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 5: PUBLIC PARTICIPATION & GOOD GOVERNANCE								
OVERSIGHT - GGPP03	To ensure good governance through the monitoring of the implementation of the OPCAR and Audit action plan	Annual development and implementation of the audit action plan & dashboard						Office of the MM & DTPS
		Annual development and implementation of an OPCAR						Finance
CUSTOMER CARE & PUBLIC PARTICIPATION GGPP04	To promote interactive communication with customers around service delivery issues	4 quarterly meetings of ward committees & 4 IPPF meetings	4 quarterly meetings of ward committees & 4 IPPF meetings	4 quarterly meetings of ward committees & 4 IPPF meetings	4 quarterly meetings of ward committees & 4 IPPF meetings	4 quarterly meetings of ward committees & 4 IPPF meetings	4 quarterly meetings of ward committees & 4 IPPF meetings	Corporate Services
		Implemented computerised customer care compliant system by 30 June 2018 and annual customer satisfaction surveys	Implemented computerised customer care compliant system by 30 June 2018	Annual customer levels of satisfaction external service provider	Annual customer levels of satisfaction external service provider	Annual customer levels of satisfaction external service provider	Annual customer levels of satisfaction external service provider	
	To ensure regular participation of the public and interaction with the public through the public participation plan, Imbizos and meetings such as IPPF etc	Annual adopted annual public participation plan by December. Annual update of stakeholder register. 4 IPPF & 2 outreaches. Mayoral budget speech	Annual adopted annual public participation plan by December. Annual update of stakeholder register. 4 IPPF & 2 outreaches. Mayoral budget speech	Annual adopted annual public participation plan by December. Annual update of stakeholder register. 4 IPPF & 2 outreaches. Mayoral budget speech	Annual adopted annual public participation plan by December. Annual update of stakeholder register. 4 IPPF & 2 outreaches. Mayoral budget speech	Annual adopted annual public participation plan by December. Annual update of stakeholder register. 4 IPPF & 2 outreaches. Mayoral budget speech	Annual adopted annual public participation plan by December. Annual update of stakeholder register. 4 IPPF & 2 outreaches. Mayoral budget speech	

Focus area and IDP No	Strategic Objective	5-year Target	Annual Goals					Responsible Department
			2017/2018	YEAR UNDER REVIEW 2018/2019	2019/2020	2020/2021	2021/2022	
KPA 5: PUBLIC PARTICIPATION & GOOD GOVERNANCE (cont.)								
MAINSTREAMING - GGPP05	To promote the mainstreaming and upliftment of HIV and AIDS, women and children, youth, people with disabilities and the elderly into municipal Socio-Economic Programmes and Projects	4 awareness campaigns, monthly condom distribution,4 LAC meetings. Reviewal of strategy	Reviewal of strategy	4 awareness campaigns, monthly condom distribution,4 LAC meetings. Reviewal of strategy	4 awareness campaigns, monthly condom distribution,4 LAC meetings. Reviewal of strategy	4 awareness campaigns, monthly condom distribution,4 LAC meetings. Reviewal of strategy	4 awareness campaigns, monthly condom distribution,4 LAC meetings. Reviewal of strategy	Corporate Services
		4 youth meetings, 4 women meetings and 4 elderly meetings	4 youth meetings, 4 women meetings and 4 elderly meetings	4 youth meetings, 4 women meetings and 4 elderly meetings	4 youth meetings, 4 women meetings and 4 elderly meetings	4 youth meetings, 4 women meetings and 4 elderly meetings	4 youth meetings, 4 women meetings and 4 elderly meetings	
		Annual Mayoral cup to develop sport in the Municipality and annual Youth Festival to promote community cohesion	Annual mayor cup to be held by 30 June	Annual mayor cup to be held by 30 June	Annual mayor cup to be held by 30 June	Annual mayor cup to be held by 30 June	Annual mayor cup to be held by 30 June	
			Annual Youth festival to be held by end of September	Annual Youth festival to be held by end of September	Annual Youth festival to be held by end of September	Annual Youth festival to be held by end of September	Annual Youth festival to be held by end of September	
COMMUNICATIONS & MARKETING, GGPP06	To ensure that the communication strategy is implemented so that the public are kept informed about municipal activities and programmes	Development of social media platforms and a policy by June 2018						Office of the MM
		Update & maintain the Municipal website so it is complaint and user friendly						
		4 stakeholder engagements a month, 16 radio engagements per year and 4 media opinion pieces	4 stakeholder engagements a month, 16 radio engagements per year and 4 media opinion pieces	4 stakeholder engagements a month, 16 radio engagements per year and 4 media opinion pieces	4 stakeholder engagements a month, 16 radio engagements per year and 4 media opinion pieces	4 stakeholder engagements a month, 16 radio engagements per year and 4 media opinion pieces	4 stakeholder engagements a month, 16 radio engagements per year and 4 media opinion pieces	

**Disclaimer:** The information provided within this component J is as provided / extracted from the IDP. The co-ordinators of said reports/document are reliant on the accuracy of all information in the Municipalities documents (as reviewed /approved). In instances where information is found to be lacking or inadequate - the co – ordinators that consolidated the information can only with the information provided to them.

# CHAPTER FOUR

**ORGANIZATIONAL  
DEVELOPMENT  
PERFORMANCE  
(PERFORMANCE  
REPORT PART 2)**

# Chapter 4

## ORGANISATIONAL DEVELOPMENT PERFORMANCE: (PERFORMANCE REPORT PART 2)

### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

#### 4.1 INTRODUCTION

Performance management and ultimately performance optimization are critical factors in ensuring that the organization is able to meet its strategic and day to day operational objectives. Senqu Municipality engages in all reasonable efforts to ensure that it is able to meet both the IDP objectives and day to day operational needs. This is achieved by ensuring that it has all required resources at its disposal in order to achieve desired outcomes.

Political and administrative infrastructure support is provided in order to ensure that staff and relevant departments function optimally. To this end, the required policies, procedures, human resources, financial resources, operational resources and infrastructure are made available. In doing so all aspects of legislative compliance are adhered to and so too operational needs and alignment with policy on all levels. In terms of legislation, all issues of compliance are adhered to. These relate to Recruitment, Employment Equity, Skills and related others.

Strictest controls are undertaken so as to ensure that all aspects of staff recruitment, selection, appointment and retention are handled correctly and strictly in accordance with stated policy, procedures and legislation. It is understood and recognized that effective employee relations is critical and enhanced where possible by ensuring that: staffing is managed effectively; labour is managed by engaging in effective employment practices; staff are trained and developed according to structured needs; optimal organizational structures are developed and job descriptions for all posts are developed in accordance with the principles of correct division of work and the manner in which performance will be monitored.

## 4.2 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

EMPLOYEE TOTALS * (TBC)					
Description	Year June 2019	Year June 2020 * (TBA)			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No. (funded)	Vacancies %
Municipal Manager	9				
Human Resource	6				
Admin & Council Support	17				
IGR/ Stakeholder Engagement	9				
Roads & Stormwater	37				
Fleet	1				
Housing	6				
PMU	5				
Governance & Compliance	5				
Local Economic Development & Planning	3				
Communications	2				
Community & Social service	35				
Electricity	17				
Budget & Treasury	3				
Information Technology	3				
Traffic	10				
Supply Chain & Expenditure	16				
Revenue	17				
Waste Management	71				
Technical: Administration	1				
Department Coordinators	4				
Section 56	6				
Totals	283				

## EMPLOYEE VACANCIES (Continued)

EMPLOYEE VACANCIES (TBC)						
Task / Job Level	June 2019		June 2020			
	Employees No	Posts (Funded)	Employees	Posts (Funded)	Vacancies Full time equivalent funded posts	Vacancies as % of total posts
0-2	95					
3	26					
4	3					
5	6					
6	36					
7	20					
8	5					
9	11					
10	13					
11	21					
12	12					
13	7					
14	4					
15	4					
16	6					
17	1					
18	6					
19	1					
20						
21						
22						
23						
Section 56	6					
<b>TOTAL</b>	<b>283</b>					

**EMPLOYEE VACANCY AND TURNOVER RATE (Continued)**

<b>VACANCY RATE: YEAR AS AT JUNE 2020 (TBC)</b>			
<b>Designations</b>	<b>*Total Approved Posts</b>	<b>*Vacancies (total time that vacancies exist using fulltime equivalents)</b>	<b>*Vacancies (as a proportion of total posts in each category)</b>
	<b>No.</b>	<b>No.</b>	<b>%</b>
Municipal Manager			
Chief Financial Officer (CFO)			
Other s56 Managers			
levels 16-25 (excluding Finance posts)			
levels 16-25 (Finance posts only)			
levels 13-15 (excluding Finance posts)			
levels 13-15 (Finance posts only)			
levels 9-12 (excluding Finance posts)			
Levels 9-12 (Finance posts only)			
Levels 4- 8			
Levels 1-3			
Other (Finance Only)			
<b>Total</b>			

<b>TURN-OVER RATE (TBC)</b>			
<b>Details</b>	<b>Total Appointments as of beginning of Financial Year No.</b>	<b>Terminations during the Financial Year No.</b>	<b>Turn-over Rate*</b>
<b>July 2019 to June 2020</b>			
<b>July 2018 to June 2019</b>	<b>283</b>	<b>14</b>	<b>4.91%</b>



Within this area of planning and control it must be noted that within both financial years Senqu Municipality has performed exceptionally well as detailed below:

- During 2018/2019: 95.3 % of all funded posts were filled; and
- During 2019/2020:  % of all funded posts were filled.

**Staff Establishment Figures:**

2018/2019				2019/2020 (TBC)			
Total No. of posts on organogram	Filled posts	Funded & Vacant	Unfunded & Vacant	Total No. of posts on organogram	Filled posts	Funded & Vacant	Unfunded & Vacant
326	283	14	43				

The table below details the approved, filled and vacant funded posts within Senqu Municipality for 2019/2020 (current year):

Approved and Funded Posts in the entire Institution	Number of Employment Contracts and Performance Agreements	Filled Posts	Total Number of Vacant funded posts in the Entire Institution	Total Number of Vacant <u>unfunded</u> posts in the Entire Institution
(TBC)	(TBC)	(TBC)	(TBC)	(TBC)

The table below details the approved, filled and vacant funded posts within Senqu Municipality for 2018/2019 (previous year):

Approved and Funded Posts in the entire Institution	Number of Employment Contracts and Performance Agreements	Filled Posts	Total Number of Vacant funded posts in the Entire Institution	Total Number of Vacant <u>unfunded</u> posts in the Entire Institution
297	7	283	14	43

#### 4.2.1 Organization Structure

The municipality has a total of [ ] posts on its organogram. [ ] posts have been filled and funded positions remain vacant. There are [ ] unfunded and vacant positions. An analysis of posts during the year under review provides the following detail:

##### Organizational Structure (2019/2020) TBC

Department / Function	Posts Filled	Posts Funded But Vacant	Posts Unfunded	Total Number of Posts
Council and Executive				
Corporate & Support Service				
Budget & Treasury Service				
Community & Social Service				
Technical & Engineering Service				
Planning and Development				
<b>Total</b>				
<b>Percentage (against total no. of posts)</b>				

Staff appointments during this time: [ ]

Staff terminations: [ ]

#### 4.2.2 Levels of education and skills (2018 - 2020)

Period	Total Number of Staff	Number of Staff Without Grade 12	Number of Staff With Senior Certificate Only	Number of Staff With Tertiary/Accredited Professionals Training
2018/2019	283	141	41	101
2019/2020 (TBC)				

#### 4.2.3 Comment on Vacancies and Turnover

It must be noted that the turnover rate moved from 0.0 % to \_\_\_\_%. Staff appointments moved from 270 to \_\_\_\_ During the year under review an additional \_\_\_\_ appointments were made. The \_\_\_\_ terminations are detailed as follows: \_\_\_\_ resignations, \_\_\_\_ deceased, \_\_\_\_ retirements and \_\_\_\_ dismissal.

#### 4.2.4 Employment Equity Statistics

This reflects the following target groups i.e. staff employed in *the three highest levels of management* in compliance with the Municipality's approved Employment Equity Plan (2019/2020)

Occupational Levels	Male (TBC)				Female (TBC)				TOTAL (TBC)
	A	C	I	W	A	C	I	W	
Legislators									
Top Management									
Senior Management Targets									
Senior Management Targets Met – June 2019									
Professionally Qualified and Experienced Specialists and Mid Management									
Professionally Qualified and Experienced Specialists and Mid Management met – June 2019									
Skilled Technical and Academically Qualified Workers									
Skilled Technical and Academically Qualified Workers Target met – June 2019									

Despite notable successes, the scarcity of skills challenge remains. More specifically it is noted that:

- Compliance has been achieved in respect of the fact that the number of people from employer equity target groups employed in the 3 highest levels of the organogram are in compliance with a municipal approved Employment Equity Plan.
- Despite this it must be noted that the recruitment of staff was suspended during the last quarter due to COVID-19 restrictions which required a change of policy to allow for remote sitting. Notwithstanding, the Demand Manager was appointed and Senqu was able to complete the recruitment process for Senior Managers by 30 June 2020 as required and these were then subject to ratification by Council for final appointment.

- Despite having been able to fill vacancies, it must always be remembered that Senqu LM is a rural based municipality and salary structures are attached to the grade of the Municipality. The Task Job Evaluation System allows for flexibility and equivalent qualifications as per qualification recognition. By recognizing this, we promote and ensure inclusivity and fairness by providing a greater scope of opportunity to be part of an appropriate job pool. As a rural municipality in particular, we acknowledge that there exists a combination of experience and appropriate qualifications that would allow applicants to function in posts should they be appointed thereto. Many suitable criterion exist that will create opportunities to best fill vacancies and this is 100% in line with accepted Job Evaluation criteria - acknowledging essential and preferred requirements. It must be acknowledged that rural type municipalities struggle on a national level to attract/fill critical posts. While this is a reality and acknowledged nationally, it must always be taken into account and acknowledged when issues and difficulties arise in attempting to make appointments.
- There is an under-representation within the category of the disabled, but this issue must be understood within its particular context. This situation is to a large extent due to factors beyond one's control. In many instances efforts to recruit and select the right candidates are hampered by the fact that those applying for a post, may not meet the Employment Equity criteria/are not from the designated /targeted groups within the labour market. In these instances, there is little one can do aside from marketing to these groups and attempting to recruit by using more attractive remuneration packages; and
- It is well known and accepted that the geographical location and the rural nature of the municipality often in itself presents a challenge, in terms of influencing whether candidates will apply to the organization and whether the organization and/or the geographical location will meet their specific needs or not.

## **COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE**

### **4.3 INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT**

The management and control of the Municipal Workforce is governed and defined by the Labour Relations Act; the Basic Conditions of Employment Act; the Employment Equity Act; the Municipal Finance Management Act; the Internal Disciplinary Policy and Procedures; the Performance Management Policy and many related policies, procedures and legislation. In order to ensure that these are implemented correctly and to ensure that management and staff have the required level of commitment, stakeholders are involved in the compilation of these policies and relevant staff are well trained on these in order to ensure that they can be effectively applied.

All staff joining Senqu Municipality are taken through an appropriate induction. Accordingly, all staff, management and Councilors receive a Code of Conduct and undergo suitable induction training (on and off the job --- i.e. as a general and task induction). Under normal circumstances, policies and procedures are reviewed annually in order to ensure that they are managed and remain applicable to the current context at all times. The COVID – 19 pandemic during the current year has prevented this from occurring.

At all times it remains the intention of the organization to create a personnel administration that is administered and managed in a manner that is: fair, efficient, effective and transparent. Management in turn are required to manage and support staff appropriately and according to legislative prescripts. In this manner a supportive management and administrative structure is created, which enables successful outcomes and performance optimization at every level.

## 4.4 POLICIES

### 4.4.1 Human Resource Plans that have been developed and/or reviewed 2019/2020:

HUMAN RESOURCES POLICIES AND PLANS				
	Name of Policy	Completed %	Reviewed %	Date adopted by Council or comment on failure to adopt
1	COVID-19 Policy	100	New policy	March 2020

#### NOTE:

- During this financial year COVID – 19 impacted dramatically on the operations of the municipality and this extended to the development, review and updating of Human Resources and Finance related policies. Under these circumstances most policies could not be reviewed as planned and the only policy approved was the COVID - 19 Policy/Plan.
- Policy review recommendations were submitted to management for approval. This represents future planned dates for review, taking the COVID – 19 current context into account. Planned dates will have to be reviewed and implemented once COVID - 19 lockdown levels are relaxed, and targets will roll over into the 2020-2021 financial year.

**Human Resource Plans that have been developed and/or reviewed 2018/2019:**

HUMAN RESOURCES POLICIES AND PLANS				
Name of Policy		Completed %	Reviewed %	Date adopted by Council or comment on failure to adopt
1	Bursary	100	100	23 August 2018
2	Occupational Health & Safety	100	100	23 August 2018
3	Recruitment, Selection & Appointments	100		23 August 2018
4	Remuneration Policy	100	100	23 August 2018
5	Termination of employment	100	100	23 August 2018

**4.4.2 Organization – wide Policies and Plans that have been developed and/or reviewed 2018/2019 and 2019/2020:**

POLICIES (ORGANIZATION WIDE)				
Newly Developed	Revised	Consultation Top Management LLF (through circular for comment or at LLF meetings)	Dates Ratified by Council By	Policies Implemented (Yes or No)
No	Supply Chain Management	Yes	29 May 2019	Yes
No	Debt Collection and Credit Control	Yes	29 May 2019	Yes
No	Cash Management Banking and Investment Policy	Yes	29 May 2019	Yes
No	Borrowing Funding & Reserve	Yes	29 May 2019	Yes
No	Virement Policy	Yes	29 May 2019	Yes
No	IT Disaster Recovery Plan	Yes	July 2019	Yes
No	IT Strategic Plan	Yes	July 2019	Yes
No	Performance Management Policy	Yes	October 2018	Yes

**NOTE:**

- During 2019/2020 COVID – 19 impacted dramatically on the operations of the municipality and this extended to the development, review and updating of Human Resources and Finance related policies. Under these circumstances most policies could not be reviewed as planned and the only policy approved was the COVID - 19 Policy/Plan.
- In any instance where a policy/plan is approved, extensive consultation processes are undertaken & reviewed policies are presented to top management and the Local Labour Forum (LLF) and workshops are conducted with staff & councillors – ensuring inclusivity and awareness at all levels.
- The current Performance Management Policy is compliant with the Performance Regulations and the MSA. There were no additional changes or amendments to legislation that supported or warranted review of said policy.

## 4.5 INJURIES, SICKNESS AND SUSPENSIONS

The tables below reflect the statistics for both the current and the previous financial year i.e. 2019/2020 and 2018/2019 reflecting sick leave related statistics:

### 4.5.1 Current Financial Year Sick Leave related costs: 2019/2020

Number of Days and Costs of Sick Leave (Excluding IOD) 2019/2020 (TBC)						
Salary Band	Total Sick Leave Days	Proportion of sick leave without medical certificate %	Number Employees using sick leave	Total number of employees in post	Average sick leave per employee Days	Estimated cost  R '000
Levels 1-3						
levels 4-8						
Levels 9-12						
Levels 13-15						
Levels 16 – 25						
MM and s56						

**NOTE:** Calculations are made against the lowest earnings on each level, multiplied by the total sick leave days and reflected as a total i.e. the total estimated cost.

#### 4.5.2 Previous financial year Sick Leave related costs: 2018/2019

Number of Days and Costs of Sick Leave (Excluding IOD) 2018/2019						
Salary Band	Total Sick Leave Days	Proportion of sick leave without medical certificate %	Number Employees using sick leave	Total number of employees in post	Average sick leave per employee Days	Estimated cost (TBC) R '000
Levels 1-3	419	0	45	112	9	
levels 4-8	307	0	47	67	6	
Levels 9-12	323	0	36	58	8	
Levels 13-15	78	0	10	14	7	
Levels 16 – 25	123	0	12	13	10	
MM and s56	31	0	6	6	5	

#### 4.5.3 Comment on Injury and Sick Leave

Although sick leave patterns may not appear excessive, they must be monitored closely as a matter of course and emerging patterns must be handled correctly.

All instances of Sick Leave must be applied strictly in accordance with the policy and all paperwork relating to Sick Leave must be completed prior or after the illness (depending on its nature). As per the prescriptions of policy, a doctor's certificate is not required for a period less than 3 days unless there is a history of sick leave having been taken (i.e. sick leave that has been taken twice in a continuous 8-week period). If this is the case a doctor's certificate is required. A certificate is also required if patterned behaviour begins to emerge and management may then justifiably request a sick leave certificate, should this become evident. For any period, greater than 2 consecutive days, a sick leave certificate is also required.

Injury on Duty (IOD's) are required to be reported and managed strictly in accordance with the Occupational Health and Safety Policy in which the procedure is clearly stated. In instances where injuries / sick leave extends for long periods or are in question, the organization reserves the right to have the injury/aspect of sick leave examined by a doctor of choice.

**NOTE:** If it becomes apparent that an employee is likely to be off for an extended period of time, or medically boarded, the Pension Fund is required to be notified within 6 months of this "potential disability". Failure to do so could result in non-approval of future disability claims and liability from the municipality. It is suggested that notification conservatively begin at 3 months.



### Suspensions and Cases of Financial Misconduct:

Number and Period of Suspensions 2019/2020 (TBC)				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalized	Date Finalized

### Cases of Misconduct (TBC)

Position	Nature of Alleged Misconduct and Rand Value of any loss to the municipality	Disciplinary Action taken	Date Finalized
TBC			
Middle manager	Contravention of the SCM regulations by appointing a service provider without following the SCM processes	Matter referred to the disciplinary board and the board recommended a full investigation	On -going
Junior official	Contravention of the SCM regulations by appointing a service provider without following the SCM processes	Contravention of the SCM regulations by appointing a service provider without following the SCM processes	On -going

## 4.6 PERFORMANCE REPORTING AND REWARDS

### 4.6.1 Performance Management Context and Guiding Principles

The Performance Management Framework, Policy and Procedure was updated, revised and aligned to the Competency Framework within the 2018/2019 period. As already detailed, this was not completed during the 2019/2020 period. It is important to note that the Competency Framework has replaced Regulation 26(8) of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers (Government Notice No. 805) as published in the Government Gazette No. 29089 of 1 August 2006. In terms of this, **any person appointed as a senior manager is now required to possess all the specific leadership and management related competencies as set out within this framework.** This clearly impacts on recruitment and as such, when appointing any such manager, the suitability for any such position must incorporate assessment of the applicants' proven ability within all of these specified areas. Training and

development should also take these competencies into account and inform all training required to close any such competency gaps.

In order to comply with the prescriptions of the Competency Framework, these competencies have been incorporated into Senqu Municipality's current policy. As this policy is translated into operational targets and performance targets for individuals to whom the policy applies (as part of the policy "roll-out"), the specific performance targets that relate to Leading Competencies and Core Competencies are now included within the Employee Scorecards (to whom these apply i.e. to the s56 Directors and middle managers). This is also detailed within the Employee Performance Management System and related policy.

As per legislative prescriptions, all municipalities are legally required to develop a performance management system that will enhance the organisations levels of efficiency and effectiveness, account for the use of municipal resources and clearly indicate the achievement of outcomes. That being said and **in terms of the Systems Act** it was understood and accepted that **municipalities were required to develop and utilize systems that were best suited to their environment, circumstances and available resources**. It is under these conditions and with this express understanding, that Senqu Municipality developed its PMS Framework and Policy (revised continuously since 2011 and most recently in June 2017 and October 2018).

The reviewed and updated Performance Management Policy was approved by Council in October 2018. This policy is now split into 2 groups. Group 1 is applicable to s56 employees and identified middle managers from Task Levels 15 and above. Group 2 is applicable to all staff not deemed to be middle management i.e. from TASK Levels 14 and below. It also accommodates the performance management of interns, service providers and the appropriate performance assessment of all parties. In order to ensure compliance with the latest legislation the policy has also been written to accommodate the new Competency Framework Regulations.

The Performance Management Framework and System must not simply be followed in order to achieve required levels of compliance (in terms of legislative prescripts). This framework and system is in effect a management tool, that is designed to assist and facilitate the manner in which performance objectives and targets are met throughout the organization. It is in all instances an "enabler" of improved performance. The existence of a framework and system of this nature facilitates a process whereby service delivery objectives can be successfully achieved overall, in a specific, realistic and planned manner. Current circumstances, available resources and current challenges must always be taken into account.

The Performance Management System exists in order to provide the organisation with the framework and tools necessary to ensure the development of a performance management culture throughout. As a management tool, the performance management system, enables the organization to achieve its strategic objectives which are aligned to the IDP and institutional scorecard – facilitating effective and efficient service delivery.

“Performance Management” is not an isolated event. It represents a “means to an end” in the efforts undertaken to achieve a state and culture of performance optimization throughout the organization. In order to achieve this, it is recognized that performance management must be regarded as an integrated approach that combines the manner in which both **individual employee performance** and **institutional performance** is managed and reported on, in accordance with the relevant legislative prescripts. It is further acknowledged that the one cannot be successfully achieved in the absence of the other.

Note:

- The “roll –out of the current system is in progress. As with any such system it is imperative that the timing of the roll-out ensures successful completion and desired outcomes;
- Over the years and despite the fact that the system has not been rolled out to a level lower than middle management, the basic management principles have been followed within the day-to-day work environment. Line managers at all levels are required to ensure that staff are appropriately managed; that targets are understood; that staff performance and performance that fails to meet the required standard is suitably addressed (through performance counselling and discipline where appropriate and required); and reporting and record keeping is taking place and is certainly improving;
- In this way a culture of performance management is being instilled within the organization over time;
- Staff on all levels (Councillors; s56 Directors’; Middle Managers and staff reporting to these levels have all already received formal training on the Performance Management System, on the way forward and on the manner in which Performance Management will be rolled out and their role and function within this process; and
- Through these practices, the roll – outs planned over the next three years will have greater impact and opportunities for success.

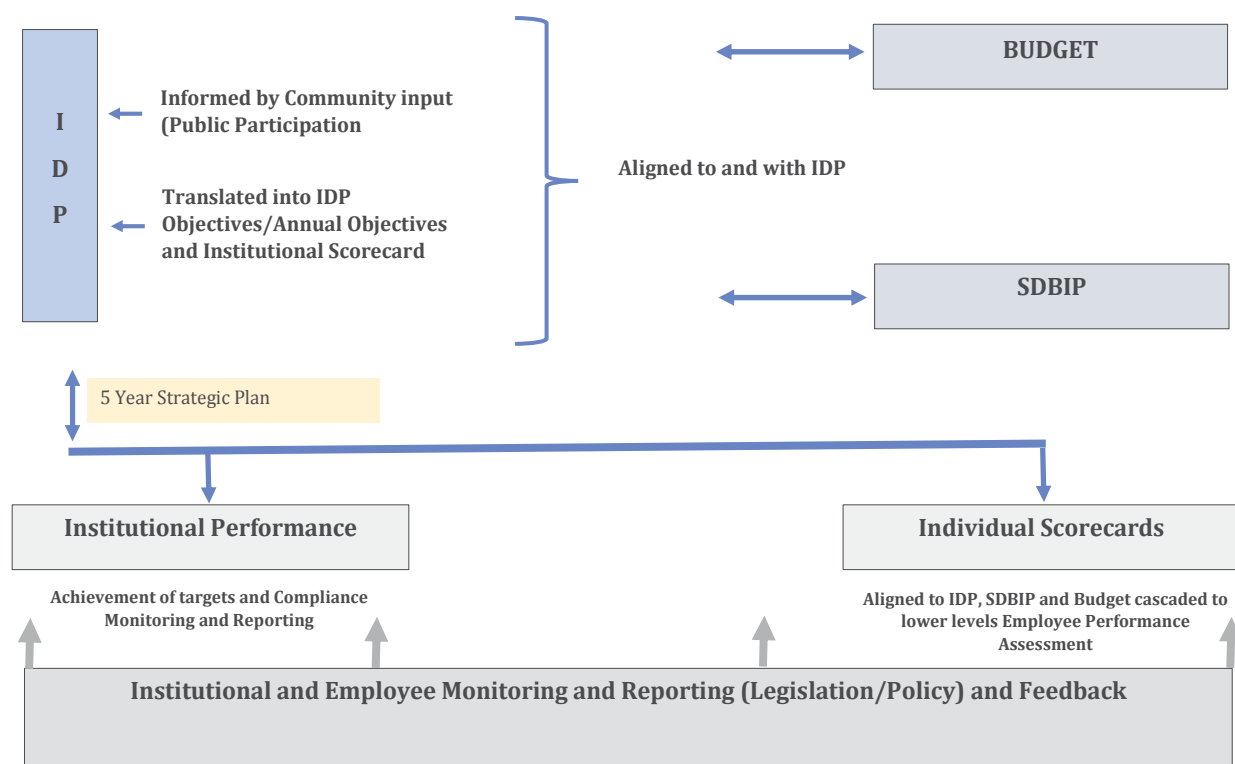
#### **4.6.2      Performance Management System Framework**

The Performance Management Framework and System relies very heavily on the importance of the setting of performance targets – at both the Individual Employee level and at the Institutional level. There is interdependency at every level, and it is critical that the system and its many and related tools, and targets reflect accurately the performance results and needs at any single period of time.

#### 4.6.3 Relationship between the Performance Management System and targets and issue of alignment

The relationship between the performance management system and process and the performance targets is explained diagrammatically below:

**Figure: Integration of Institutional and Employee Performance Management and alignment of objectives and targets with IDP and Budget**



As per the **figure above**:

- The Five (5) year Integrated Development Plan (IDP) is developed with community input;
- The IDP (as a 5-year strategic plan) is translated into an Annual Plan or Institutional Scorecard;
- It is critically important that there is alignment between the IDP, the Institutional Scorecard, the Budget and the SDBIP. It is also critically important that there is alignment between the SDBIP and the Performance Scorecards of all staff;
- The SDBIP and the integrated PMS provide the vital link between the mayor, council (executive) and the administration and facilitates the process of holding management accountable for its performance. The SDBIP and the PMS are management implementation and monitoring tools which assist the mayor, the councillors, municipal manager, senior managers and the community in evaluating the performance of the

council. A properly formulated SDBIP and PMS will ensure that the appropriate information is circulated, assessed and reported on internally and externally for purposes of monitoring;

- Directorate performance scorecards reflect the strategic objectives which are incorporated and aligned to the IDP, Budget and SDBIP. Competency Framework Standards are also included within the s56 Director's scorecards and those of middle management;
- The SDBIP represents a "contract" between the administration, council and the community. It expresses the goals and objectives set by the council as quantifiable outcomes that are to be achieved by the end of the financial year in question. Service delivery performance is measured in terms of the SDBIP targets and the degree to which operational plans have been achieved. As per a "cascade type approach", the Departmental SDBIP's will inform the Performance Scorecards of each manager and staff member and at every level, the operational targets and objectives will be cascaded and aligned to the strategic plan; and
- Despite the split between the PMS Policy required by levels and explained further below, the performance management concepts remain the same and all required targets (from as per the SDBIP and competency framework) are cascaded to all levels to a greater or lesser degree as dictated in terms of the prescriptions of each policy.

#### Current scenario and Way Forward (context provided)

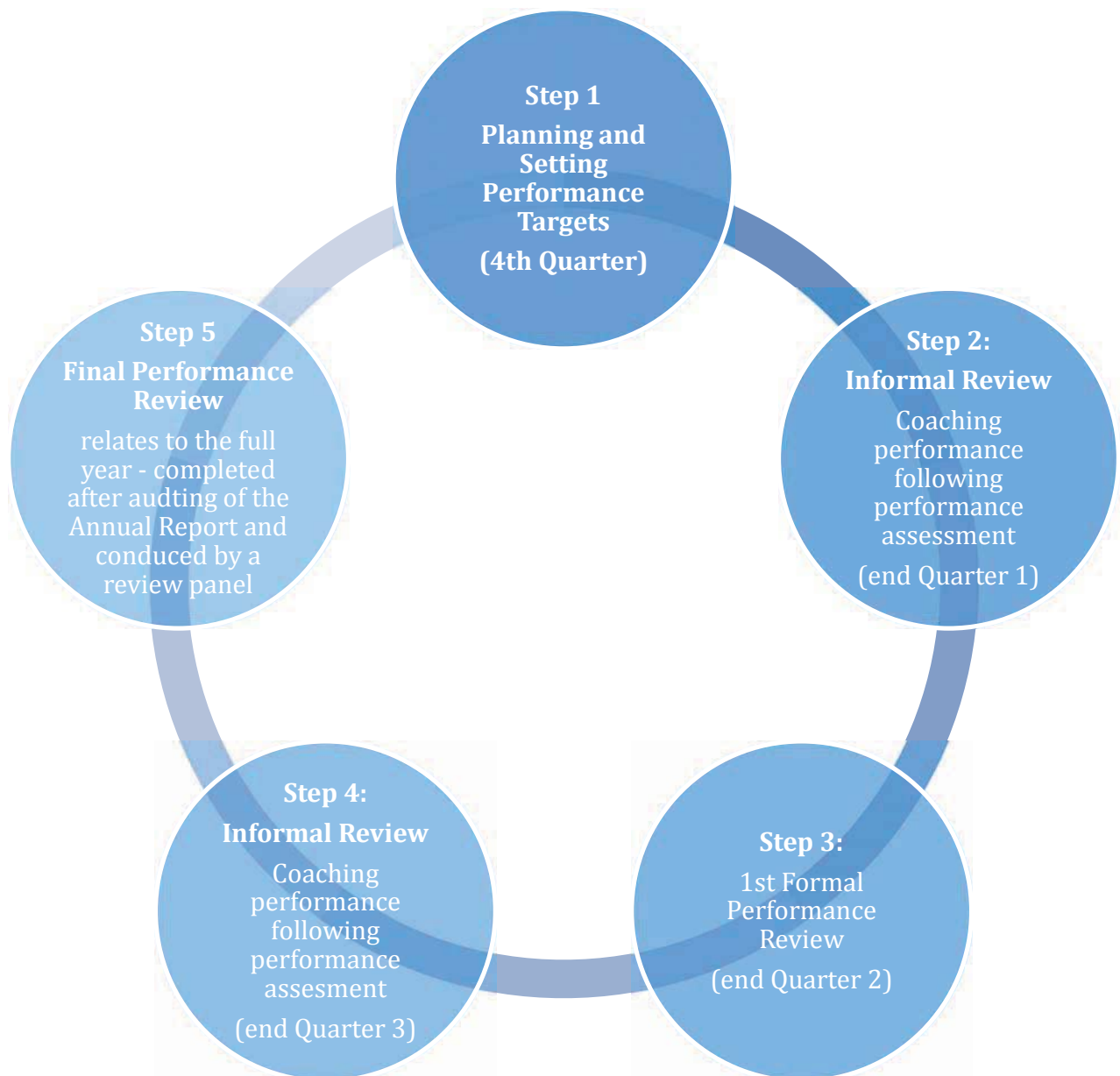
- During 2017/2018 the Performance Management System was applicable only to the level of s56 Directors and middle managers. In terms of policy in its current state it was therefor only applicable to Group 1 only i.e. applicable down to TASK level 15. Moving forward and as from 2019/2020 it was the intention that the system would be cascaded down to lower levels i.e. from TASK levels 14 to TASK levels 12. In effecting this change during 2019/2020, it was recognized that a Group 2 policy be developed and aligned to the needs of the lower levels and appropriate assessment of their performance as follows:
  - As already indicated, what was once a single policy had now been split into two policies in order to accommodate both Groups of Staff to whom it would be applicable and to ensure that these policies would be able to be practically applied.
  - The first half of the policy would be applicable to Group 1 i.e. to all staff at the level of the Municipal Manager, s56 Directors' and those staff considered to be at the Middle Management level (i.e. those staff reporting directly to s56 Directors) and generally considered to be at a TASK Level that is not lower than a level 15. When assessing performance of directors and middle management at these levels, all assessment processes and criteria as detailed within policy are to be adhered to as prescribed;
  - This policy also incorporated Institutional Performance Management and performance assessment of service providers, as these functions and responsibilities apply at these levels of management and staff;

- The policy for Group 2 would be applicable to all remaining staff (from TASK Level 14 and below). It would also include the performance management and assessment of any interns;
- It must be noted that the split into these two PMS Policy Groups, was necessitated by the practical application of the policy at these different levels. It was recognized that the same criteria could not be practically applied at each level, especially as these objectives become significantly more operational at the lower levels;
- It was the intention for this policy to be rolled out (budget permitting and in terms of what is practically possible) over a reasonable period of time. During 2018/2019 it was rolled out down to TASK level 12. TASK levels 14 – 12 have now been accommodated – although this has been at the beginning stages and impacted on negatively in 2019/2020 by COVID – 19 in terms of coaching and practical application, not to mention fine-tuning scorecards to be utilized;
- Future planning will accommodate a more achievable roll-out process;
- Different Scorecards have been created for different group, i.e. Group 1 (Senior Staff); Group 2 (levels 14 to 12) and from levels 11 and below. In this manner, the practicalities of the work situation and ability to report and gather required evidence was accommodated;
- The Dispute Resolution Mechanism has been accommodated more thoroughly and is detailed specifically for staff at all three designated levels;
- Rating calculators and applicable bonus structures relating to Middle Management and other staff below Middle Management (according to all designated levels) have been specified in the new policy in order to accommodate the phasing in of performance management and related rewards (as and when applicable); and
- Following performance assessments and reporting (conducted individually and institutionally, as per the PMS Framework and Policy), the extent to which targets were met and more specifically the IDP targets and Competency targets are met, were ascertained as per standard policy practices. Appropriate action was taken as and when required – in order to facilitate the achievement of targets.

**NOTE:** Both the Employee and Institutional Performance Management System will be detailed separately and in the case of the Employee Performance Management process –the issue of rewards also will be covered.

#### 4.6.4 Employee Performance Management (Assessment and Management)

The Employee Performance Management System operates within a cycle which extends from 1 July – 30 June annually – divided into quarterly activities as depicted below:



a. **Steps in The Performance Management Cycle (as depicted in the diagram above)**

- **1<sup>st</sup> Quarter (July to September): Informal Review** occurs between manager and direct report. Discussion, agreement and development of Personal Plan (scorecard); development of Personal Development Plan (PDP) and SDBIP Reporting is required to occur.



- **2<sup>nd</sup> Quarter (October to December): Formal review/assessment** between manager and direct report. Assessment on PDP and SDBIP Reporting culminating in s72 formal performance assessment report.
- **3<sup>rd</sup> Quarter (January to March): Informal Review** between manager and direct report. Discussion and agreement regarding achievement of performance regarding Personal Plan; Personal Development Plan (PDP) and SDBIP Reporting.
- **4<sup>th</sup> Quarter (April to June): Final formal review** with panel (occurring after AG audit of s46 and approved Annual Report).

Annually, the following steps are taken:

### **Step 1: Fourth Quarter (Planning for the next cycle)**

- Scorecards (**Personal Plans**) for staff are developed. These Scorecards differ for Groups 1 and Groups 2 and are prescribed as per policy. All targets are written strictly in accordance with the manner in which targets are required to be written (ie. In accordance with the SMART principle). It is very important that every effort is made to ensure that there is alignment at every level i.e. between scorecards, the SDBIP, Budget and IDP;
- Manager/line supervisor (depending on the group) and subordinate discuss and agree on targets;
- Areas for development are identified and reflected in a Personal Development Plan (PDP) or customized action plan that is signed by both parties in order to show commitment to achievement. This reflects the training and development needs that must take place in order to ensure that the subordinate is able to meet the required targets; and
- The Municipal Manager and s56 Directors and Middle Manager's sign annual performance agreements, applicable for this period.

**NOTE:** Changes specific to Groups 1 and 2 of the Policy will be implemented moving forward as indicated in 4.2.1 as the "roll out" processes continues. All prescriptions are adhered to.

### **Step 2: First Quarter Informal Review (Coaching and Reinforcement)**

- At the end of this quarter the manager/line supervisor (depending on group) and subordinate meet to discuss actual performance against required performance. Achievements are commended, and appropriate Action Plans developed in order to address any highlighted performance issues; and
- Action Plans are monitored so that appropriate action occurs, and targets are met.

### **Step 3: Second Quarter Formal Review/Assessment**

- Manager/line supervisor and subordinate meet to discuss the formal assessment and the rating of actual performance against expected performance for all performance indicators.



(The manner of ratings follows below). Agreement is reached on ratings and commitment (action plans) to required action to ensure that required targets are achieved.

- Institutional Performance Targets, including Directorate individual targets, are formally assessed through the s72 performance report in quarter 2.

### Third Quarter: Informal Review (Coaching and Reinforcement)

- At the end of this quarter the manager/line supervisor and subordinate meet to discuss actual performance against required performance;
- Achievements are commended, and appropriate Action Plans developed in order to address any highlighted performance issues; and
- Action Plans are monitored so that appropriate action occurs.

### Fourth Quarter: Final Formal Review (Formal Panel Assessment)

- This assessment occurs after the auditing of the s46 / Annual Report. This is necessitated in order to be able to verify (from an external source) the achievement of targets/the extent to which targets have been achieved.
- Assessment of performance for all performance indicators is undertaken and in this instance, assessment is undertaken by a panel, constituted according to the Framework and detailed below;
- As detailed within the Framework and Policy and amendments to the two groups as indicated in 4.2.1, differences will ultimately be observed in the final assessment (panel constitution and process).

### Note:

- Two informal assessment occur twice a year - after the first and the third quarter; and
- Two formal assessments occur twice a year – relating to the second and fourth quarters. The 2<sup>nd</sup> quarter is formalized through the s72 performance report and the 4<sup>th</sup> Quarter assessment (which reflects an annual assessment) may only occur after the Auditor General has audited the s46 / Annual Report; and
- Portfolios' of Evidence are kept by all applicable participants to this process - the Municipal Manager, the Directors and other identified Managers and staff, in order to allow them to validate claims of performance.

### b. Developing Personal Plans and Scorecards for employees

When developing scorecards (**Personal Plans**), it is critically important to ensure that the prescriptions for each policy group are adhered to as follows:

### Group 1: Municipal Manager, s56 Directors and middle managers

- Each scorecard for the Municipal Manager, s56 Directors and Middle Manager's is compiled of **Key Performance Areas** (that make up 80% of the scorecard weighting) and **Leadership and Core Competencies** (that make up 20% of the scorecard weighting). Each area of assessment shall be weighted and shall contribute a specific part to the total score. The KPA's will total 100 points and the Leadership and Core Competencies will total 100 points, despite their total weightings of 80% and 20% respectively.
- Senqu Municipality has adopted the **five National Key Performance Indicators** as contained within the 5-year Local Government Strategic Agenda as their Key Performance Areas (KPAs') within the organisational performance scorecard;
- Accordingly, the following Key Performance Areas (KPA's) apply:
  - **Basic Service Delivery** (all service delivery related activities and functions);
  - **Local Economic Development** (relating to all activities and functions that promote economic development and alleviate poverty);
  - **Governance and Public Participation** (relating to organizational and administrative governance and all aspects of public participation);
  - **Municipal Transformation and Organisational Development** (this relates to the manner in which the institution is capacitated to conduct its affairs with required levels of conformance); and
  - **Municipal Financial Viability and Management** (ensuring strict adherence to the MFMA and standard accounting and financial management practices).
  - In the case of the Municipal Manager, the s56 Directors and middle managers, the scorecards are populated with the Key Performance Areas that are appropriate to the positions' themselves. The amount of emphasis that a National KPA would carry within this particular Directorate /Department/Division and the position itself is key to the degree of its use. Under these circumstances, certain scorecards/performance plans will be populated with all five (5) of the national key indicators and some may only consist of three (3) or four (4) of the five National Key Performance Indicators. The weightings may vary/ differ, depending entirely on the responsibilities of the position itself.
- Performance Agreements and current scorecards/Personal Plans are concluded annually for the Municipal Manager; s56 Directors' and middle managers'; and
- In terms of policy there are additional differences in the manner in which performance scorecards/personal plans are structured for different levels within and between policies as follows:

- These consist of **Key Performance Areas** that are appropriate to the positions' themselves (accounting for 80% of the weighting) and relate to the National Key Performance Indicators;
- The Municipal Manager and s56 Directors will have scorecards that include "**Leadership and Core Competencies**" that make up 20% of the scorecard weighting);
- By comparison, the Middle Managers' from the same group, will have scorecards that have the 20% weighting made up of only three (3) Compulsory Core Management Competencies.
- The competencies that now appear in the **Competency Framework Structure** are detailed in the table that follows– defined as Leading Competencies and Core Competencies:

## Leadership and Core Competencies

LEADING COMPETENCIES	
<b>Strategic Direction and Leadership</b> “Provide and direct a vision for the institution and inspire and deploy others to deliver on the strategic mandate”.	<ul style="list-style-type: none"> <li>• Impact and Influence</li> <li>• Institutional Performance and Management</li> <li>• Strategic Planning and Management</li> <li>• Organisational Awareness</li> </ul>
<b>People Management</b> “Effectively manage, inspire and encourage people, respect diversity, optimise talent and build and nurture relationships in order to achieve institutional objectives”.	<ul style="list-style-type: none"> <li>• Human Capital Planning and Development</li> <li>• Diversity Management</li> <li>• Employee Relations Management</li> <li>• Negotiation and Dispute Management</li> </ul>
<b>Programme and Project Management</b> “Able to understand programme and project management methodology; plan, manage, monitor and evaluate specific activities in order to deliver on set objectives”.	<ul style="list-style-type: none"> <li>• Programme and Project Planning and Implementation</li> <li>• Service Delivery Management</li> <li>• Programme and Project Monitoring and Evaluation</li> </ul>
<b>Financial Management</b> “Able to compile, plan and manage budgets, control cash flow, institute financial risk management and administer procurement processes in accordance with recognised financial practices. Further to ensure that all financial transactions are managed in an ethical manner”.	<ul style="list-style-type: none"> <li>• Budget Planning and Execution</li> <li>• Financial Strategy and Delivery</li> <li>• Financial Reporting and Monitoring</li> </ul>
<b>Change Leadership</b> “Able to direct and initiate institutional transformation on all levels in order to successfully drive and implement new initiatives and delivery professional and quality services to the community”.	<ul style="list-style-type: none"> <li>• Change Vision and Strategy</li> <li>• Process Design and Improvement</li> <li>• Change Impact Monitoring and Evaluation</li> </ul>
<b>Governance Leadership</b> “Able to promote, direct and apply professionalism in managing risk and compliance requirements and apply a thorough understanding of governance practices and obligations. Further, able to direct the conceptualisation of relevant policies and enhance cooperative governance relationships”.	<ul style="list-style-type: none"> <li>• Policy Formulation</li> <li>• Risk and Compliance Management</li> <li>• Cooperative Governance</li> </ul>

CORE COMPETENCIES
Moral Competence
Planning and Organising
Analysis and Innovation
Knowledge and Information Management
Communication
Results and Quality Focus

### Group 2 - Other staff (TASK levels 14 and below)

- All remaining staff will have **generic type scorecards**;
- Each Scorecard is made up of 100 points;
- There are two (2) parts to each scorecard  
Part 1: Technical Competencies (applicable to three (3) areas of specific technical competence) and contributes to 80 points overall; and  
Part 2: Standardized Behavioural and Performance Targets. This comprises the same generic targets for all staff in this group viz. Time Keeping, Absenteeism, Meeting Deadlines, Customer Focus, Health and Safety, Discipline, Administration and Communication. These contribute to a full 20 points of the scorecard);
- Performance targets become more operationally based at each lower level and accordingly the performance targets must be written differently and more operationally at these levels. This will become effective at the time that the PMS is applicable to them and will be signed annually.

### c. Rating of Employee Performance (differences in Groups 1 and 2)

The rating of an employee's level of performance, whether in the category of s56 Director, as a middle manager or general staff member, requires that ratings occur in terms of the rating calculator reflected within the stated and currently applicable policy (Group 1 and 2 differ as indicated).

### Group 1 Rating Assessments

Within the current year the Rating Calculator Assessment Tool has been aligned to the levels attached to the Competency Framework i.e. Basic (Level 1 and 2), Competent, Advanced and Superior Performance (as reflected in the table below):

## Rating Calculator Assessment Tool

LEVEL	TERMINOLOGY	DESCRIPTION
5	Outstanding performance "SUPERIOR"	Performance <b>far exceeds the standard expected</b> of an employee at this level. The appraisal indicates that the employee has <b>achieved above the fully effective results against <u>all</u> performance criteria and indicators as specified in the Performance Agreement and Performance Plan</b> and maintained this in all areas of responsibility throughout the year.
4	Performance significantly above expectations "ADVANCED"	Performance <b>is significantly higher than the standard expected in the job</b> . The appraisal indicates that the employee <b>has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year</b> .
3	Fully effective "COMPETENT"	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the employee has <b>fully achieved effective results against all significant performance criteria and indicators as specified in the Performance Agreement and Performance Plan</b> .
2	Performance not fully effective "BASIC LEVEL 2"	Performance is <b>below the standard required for the job in key areas</b> . Performance meets some of the standards expected for the job. The review / assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the Performance Agreement and Performance Plan.
1	Unacceptable performance "BASIC LEVEL 1"	Performance <b>does not meet the standard expected for the job</b> . The review / assessment indicate that the employee has achieved <b>below fully effective results against almost all of the performance criteria and indicators as specified in the Performance Agreement and Performance Plan</b> . The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.

Performance is rated in accordance with this scale for each target. In addition to the level descriptors above, the following factors and descriptions must also be considered when assigning achievement levels and related ratings:

ACHIEVEMENT LEVELS	DESCRIPTION
<b>Basic</b>	Applies basic concepts, methods, and understanding of local government operations, but requires supervision and development intervention
<b>Competent</b>	Develops and applies more progressive concepts, methods and understanding. Plans and guides the work of others and executes progressive analyses.
<b>Advanced</b>	Develops and applies complex concepts, methods and understanding. Effectively directs and leads a group and executes in-depth analyses.
<b>Superior</b>	Has a comprehensive understanding of local government operations, critical in shaping strategic direction and change, develops and applies comprehensive concepts and methods.

**Note:** To ensure consistent application of these level descriptors, attention to the wording of the descriptors must be taken into account. Allowances for extenuating circumstances and actions out of the norm/over what was required, must be taken into account. This may be used to justify a change in rating, or effectively to accommodate the target being considered to have been achieved – **with a variance**.

**Example:**

- If 4 meetings were required **per quarter** and 4 took place but two of these were held in the same quarter (timings out but justified) – this would be considered to have **been met – with a variance** (which is then explained).

In these instances, the reason for the variance and the remedial action taken must be justified accordingly. A degree of flexibility when determining the applicable rating – providing it can be warranted/justified must be allowed. These factors must be considered during the auditing process as if not applied this can be challenged

**NOTE:**

- **When assessing an individual’s performance external factors may be considered** as the employee is able to use initiative in order to ensure that the job gets done. **Targets may then be met “with a variance”** and extenuating circumstances will be taken into account.
- **When it comes to institutional performance this does not apply** and targets are either rated as **“achieved” or “not achieved”**.

As per the previous Regulations, assessment of actions taken must also take the following issues into account:

Duration of Task	Was the target achieved within the projected timeframe?
Level of Complexity	<ul style="list-style-type: none"> <li>• What problem-solving techniques occurred?</li> <li>• What innovative action was taken?</li> <li>• What level of operation/complexity occurred?</li> </ul>
Cost	<ul style="list-style-type: none"> <li>• To what extent were costs maintained within budget?</li> <li>• Was the budget exceeded?</li> <li>• Were savings apparent?</li> </ul>
Constraints	<ul style="list-style-type: none"> <li>• What constraints were expected:</li> <li>• Did these occur?</li> <li>• To what extent did this affect the desired outcome?</li> <li>• What actions /especially proactive where taken to resolve the issue?</li> </ul>

**NOTE:**

**d. Assessment and Rating for Group 1 (the Municipal Manager, s56 Directors and Middle Managers)**

- During the **first “formal” review (December)**, the “Manager” will assess the subordinate’s performance by using the rating scale of 1 to 5 and the reasons for variances. Similarly, the subordinate will conduct a self- assessment. When meeting, both parties will attempt to reach agreement on the ratings. Where no agreement is reached as to the final score, the decision will be made by the next higher level of authority (as per the dispute resolution mechanism). The results of the assessment will guide the manager and subordinate to take appropriate steps to improve performance ongoing (through the development of action plans); and
- During the **final review assessment (formal panel assessment)** for the period 1 July to 30 June), performance will also be rated according to these level descriptors **although it will be rated by the relevant performance assessment panel and consolidated ratings will be translated into appropriately weighted scores by the Performance Management Facilitator.** Variances are taken into account and examined/motivated appropriately.

**NOTE:**

- KPA’s are assessed **by the panel**, as stipulated, but leading and core competencies are assessed only by the incumbent, the relevant Director/Municipal Manager and the Performance Management Facilitator; and
- No final assessment should take place prior to the Annual Report being approved. At this point all the performance information has been audited and considered to be a true



reflection of reality. Only verified evidence of claims of performance are considered to be true and can be taken into account.

- Assessments are based on the degree to which a performance indicator has been met. Failure to produce adequate evidence will result in the lowest rating being awarded i.e. a rating of the number “1”.

### Group 2 Rating Assessments

Staff will be rated according to performance on a set of stipulated targets (generic and technical issues) as stipulated within the approved policy. A different rating scale as applicable and is detailed below:

### Group 2 Rating Calculator

LEVEL	TERMINOLOGY	DESCRIPTION
5	Outstanding performance <b>"SUPERIOR"</b>	Performance exceeds targets in 80% of indicators.
4	Performance significantly above expectations <b>"ADVANCED"</b>	Performance is higher than the standard expected in terms of the target. Consider action over and above what is expected/use of initiative.
3	Fully effective <b>"COMPETENT"</b>	Performance fully meets the standard required by the targets.
2	Performance not fully effective <b>"BASIC LEVEL 2"</b>	Performance is <b>below the standard.</b>
1	Unacceptable performance <b>"BASIC LEVEL 1"</b>	Performance <b>does not meet the standard expected for the job.</b>

When assessing performance, the following issues must be taken into account:

Duration of Task	Was the target achieved within the projected timeframe?
Level of Complexity	<ul style="list-style-type: none"> <li>• What problem-solving techniques occurred?</li> <li>• What innovative action was taken?</li> <li>• What level of operation/complexity occurred?</li> </ul>
Cost	<ul style="list-style-type: none"> <li>• To what extent were costs maintained within budget?</li> <li>• Was the budget exceeded?</li> <li>• Were savings apparent?</li> </ul>
Constraints	<ul style="list-style-type: none"> <li>• What constraints were expected?</li> <li>• Did these occur?</li> <li>• To what extent did this affect the desired outcome?</li> <li>• What actions /especially proactive where taken to resolve the issue?</li> </ul>

In the first assessment review, the immediate manager and related subordinates will discuss assessments and validate all assessments made via a suitably prepared Portfolio of Evidence. A rating will be agreed. During the final assessment an assessment panel will determine the final rating and thus score. Spot checks will be conducted by the PMS Facilitator. The relevant Head of Department/Director will sign off on the final outcome.

#### e. Scoring of Employees Performance (Groups 1 and 2)

**Note:** Rating and Scoring are two distinct and different processes.

The **rating** is used to determine the actual score from the total possible score for each output.

In the case of Group 1, each performance scorecard is made up of 200 points. 100 points for the KPA's which are then weighted as a total of 80% and 100 points allocated to the Leading and Core Competencies (only Leading Competencies applicable for Middle managers) which are then weighted as 20%. This is adjusted to finally reflect the 80:20 = 100% scorecard value, that is referred to later when scoring.

It is the responsibility of the PMS Facilitator to translate these ratings into the final weighted scores.

### Note: Terminology Consistency

- It is noted that there are occasions where for all intents and purposes targets are met, but with a justifiable variance. No longer may the term “partially met” be used – it is required that the reason for the variance/deviation be explained and motivated, together with any remedial action that may have been taken to address it, i.e. **“Target met with a variance** in that ..... (Insert what had occurred) and the following remedial action was taken to remedy the situation.....;.
- The extent of the remedial / pro-active action required and taken may impact on the fact that a **target will be regarded as having been met with “a variance”**.

In the case of Group 2 panellist ratings added and consolidated to determine the final score out of 100. The panel is used to address bias!

### **f. Self-Scoring**

The principle of self-scoring has been used throughout the performance management system and policy. Issues have been raised historically regarding the fact that incumbents engage in “self-scoring” when assessing performance. This issue continues to be raised and argued by the Audit Unit and Committee and is cause for concern as it is clearly impeding progress and adding unnecessarily to operational costs as workshops and meetings on this manner are required together with numerous reports to justify this action and practice. This practice has been justified using reference to “best practice principles”, legal opinion, Auditor General sanction through the Auditor General’s Report (incorporating Performance Management review), practical “show and tell” illustrating that the use of self-scores has no material impact on final outcomes and the fact that this practice is recommended for “buy in” and commitment from staff, and the fact that this practice has been sanctioned by Council.

The internal audit has in the past made an interpretation/argument against this practice and makes reference to section 28 (3) of the Regulations which states that performance feedback is required to be based on the employer's assessment of the employee's performance. They state quite categorically that no self-scoring should occur and suggest that bias will become a major issue with incumbents scoring themselves far too high – thus skewing the final rating and outcome. This has been disproved through practical examples. At this point the motivation behind this ongoing issue is questioned and one can also assume that this might be occurring due to misinterpretation and lack of experience within this field. It is a situation that must be put to rest once and for all.

Research will show that self-scoring is used widely in both the private and public sector and is considered to be best practice in so far as individual performance assessment is concerned. The “beauty” of a panel interview is the fact that each party’s score is taken into account/consolidated. Scores **should not differ dramatically** if the ratings are understood and applied correctly – attempting to obtain high levels of objectivity based on facts (hence

the Portfolio of Evidence – POE). The very fact that a self-rating/score is required to be justified by the employee based on the evidence in the POE, will mean that the rating will most likely be more accurate and conservative. Panel members (who the background knowledge and insight into related issues don't always have that they score on) will be able to ask questions for insight and clarity and this will allow them to make a better-informed rating.

The overriding issue is that the Performance Management Policy has been approved (and thus the process of self-scoring) and in fact the Municipal Systems Act (MSA) allows for this. This has been incorporated within Senqu Local Municipalities performance agreements for all participating staff and in terms of current policy, this has been applied to the letter. Under these circumstances there is no formal reason why this practice should not continue as it has done in the past.

When interpreting the Regulations, the prescriptions of the MSA are clear ---- the Municipality may and has chosen a policy that suits its situation and circumstances. This is perfectly in order and a Council Resolution to accommodate and allow self-scoring was passed. In addition, the performance agreements entered into for the year in question relate to the current policy and approved process. In terms of this any changes to the policy at this point would be considered to be in breach of the said contract and performance agreement that was signed with the s56 Directors, the Municipal Manager and Managers reporting to the s56 Directors. It would also be contrary to a Council Resolution which is ignored would be considered to be an act on non-compliance – that would most certainly raise an audit query. The failure to allow self-scores at this point would be an act on non-compliance and would open the organization up to serious issues relating to misconduct and non-compliance.

**It must be noted that best practice nationally and internationally finds employees self - scoring** as with any transparent process. The employee would look quite bad if they simply used this exercise to give themselves the highest possible score. Scoring (completed by whichever member of the panel) is directly based on supporting evidence contained within the Portfolio of Evidence. The employee is given the opportunity to state their case based on the evidence, and the panel members may resolve queries directly with the employee. Issues requiring clarity are clarified and if there are mitigating or extenuating circumstances these can be clearly explained and justified, or not - these factors are incorporated into the regulations referred to. This process is as transparent as can be and avoids panel members basing their rating/score on a **lack of understanding and/or insight** about the context that presents itself. This situation would be even more dangerous and has the ability to throw the credibility of the process into question.

Each member of the rating panel is briefed on how the rating scale works and notwithstanding this it is noted that when rating, differences in ratings may occur between different panellists. Most often ratings are close but there are occasions where these differ across the entire spectrum (from 2 – 5 for example). This is **not a pure science** and we strive to be as objective as is humanly possible. Rightly or wrongly, each panellist has an individual

score. All parties are warned that their scores can be challenged, so as to encourage them to rate carefully. Reality shows that the panellists do rate differently amongst each other in terms of score but in most cases, scores are not too far apart.

#### g. Performance Bonuses

##### **Group 1: Performance Bonuses applicable to Municipal Manager and s56 Directors**

- In order for the Municipal Manager, s56 Directors and Middle Managers to qualify for a performance bonus, the ratings of all panellists are required to be consolidated and changed into averaged scores (representative of the entire panel) **for all KPA related targets**; and
- **Leading Competency scores** are evaluated according to ratings provided by the incumbent, immediate supervisor/manager/audit committee member and the performance management expert who are deemed as being most appropriate to rate these areas – measuring aspects of leadership. Total ratings and scores per incumbent are consolidated by the Performance Management Facilitator appointed for this purpose.

**Figure: Assessment panel constitution for the Municipal Manager and s56 Managers**

Assessment Panel of the Municipal Manager (MM)	Assessment Panel of S56 Directors accountable to the Municipal Manager (MM)
Mayor	MM
Chairperson of the audit committee or Audit Committee Member	Chairperson of the audit committee or Audit Committee Member
Mayor or Municipal Manager from another municipality	Municipal Manager from another municipality
Ward committee member nominated by Mayor	Portfolio Councillor or Exco Member as nominated by the Mayor
Exco Member as nominated by the Mayor	Governance and Compliance Manager
Governance and Compliance Manager	PMS Facilitator
PMS Facilitator	

- The Municipal Manager and s56 Directors are required to prepare and present a Portfolio of Evidence – substantiating claims of performance for each and every Performance Indicator for KPA's, Leading Competencies and CMC's. This, together with the audit of the Annual Report will validate /authenticate claims of performance – necessary in order to justify/verify the final consolidated score and any applicable bonus. Bonuses are awarded according to the following sliding scale – achieved by doubling the **final total score out of 100** - as adjusted down in 80:20 ratio to reflect out of 100 from 200. This 80:20 adjusted figure out of 100, is then doubled to reflect a figure out of 200- so that it can apply strictly in accordance with the rating scale.

The sliding scale for bonuses applicable to s56 Managers is reflected as follows:

Score / 200	% Bonus for s56 Managers
130 (65%)	5 % of total annual remuneration package
134	6 % of total annual remuneration package
138	7 % of total annual remuneration package
142	8 % of total annual remuneration package
146	9 % of total annual remuneration package
150	10 % of total annual remuneration package
154	11 % of total annual remuneration package
158	12 % of total annual remuneration package
162	13 % of total annual remuneration package
166+ (83% +)	14 % of total annual remuneration package

As per the Performance Regulations, the Municipal Manager and s56 Directors will be able to qualify for performance bonuses according to the following ratings (reflected in the table below):

- A score of 130% to 149% is awarded a performance bonus ranging from 5 – 9%, and
- A score of 150 and above is awarded a performance bonus ranging from 10% - 14%.

Merit awards applicable to the Municipal Manager and s56 Directors (budget permitting)

- Merit awards for the Municipal Manager and s56 Directors' are determined by assessing performance against required targets. Once performance criteria have been established, performance targets are reviewed regularly. At the end of the financial year, actual performance is compared against the agreed performance targets to determine the magnitude of the merit award. The merit award is calculated as a percentage of the **total annual remuneration package** of the employee, as indicated in the table hereunder.

Score / 200	Merit Award for s56 Managers
130 to 141 (65% - 70%)	1% of total <b>annual remuneration</b> package
142 to 149 (71% - 74%)	2% of total <b>annual remuneration</b> package
150 to 161 (75% - 80%)	3% of total <b>annual remuneration</b> package
162 to 165 (81 - 82%)	4% of total <b>annual remuneration</b> package
166+ (83% +)	5% of total <b>annual remuneration</b> package

### Performance Bonuses applicable to Middle Managers

- Middle Managers are required to prepare and present a Portfolio of Evidence – substantiating claims of performance for each and every Performance Indicator for KPA's at 100 points and Leading Competencies at 100 points but reflected finally as an 80:20 ratio and a final rating out of 100 points taking the weightings into consideration. Bonuses are awarded according to the following sliding scale – achieved by doubling the **score** out of 100 as calculated by the PMS Facilitator, so as to reflect a total out of 200 – applicable to the rating scale;
- In order for Middle Managers to qualify for a performance bonus, the ratings of all panellists are required to be consolidated and changed by the Performance Management into averaged scores (representative of the entire panel) for the KPA's. Leading competencies are evaluated and rated by the incumbent, the immediate supervisor/manager, member of the Audit Committee and the Performance Management Facilitator;
- The assessment panel for middle managers is constituted as follows:

ASSESSMENT PANEL FOR MIDDLE MANAGERS
Director (for relevant Directorate)
Manager (Relevant to Division) being reviewed (self-score and motivation /POE).
PMS Facilitator
Member of the Audit Committee

- All Middle Managers are required to prepare and present a Portfolio of Evidence – substantiating claims of performance for each and every Performance Indicator for KPA's and Leading Core Management Competencies (CMC's). This, together with the audit of the Annual Report will validate /authenticate claims of performance – necessary in order to justify/verify the final consolidated score and any applicable bonus.

- It must be noted that each KPA is individually weighted according to the level of importance and the amount of emphasis that this KPA would carry within this particular Directorate / Department/Division and position. Between positions and Directorates / Departments the weightings may vary/ differ, depending entirely on the responsibilities of the position itself. The only prescription is that , the total number allocated for the weights of the KPA's is 80%. The remainder of the scorecard adds up to 20% and made up of Core Management Competencies (CMC's). there are three (3) compulsory CMC's and one other, that are required to be evaluated in terms of the PMS policy. The consolidated scores reflecting the 100 points per each and 80:20 ratio are determined by the PMS Facilitator out of 100 total points and then doubled out of 200. Bonuses are applicable as per the following sliding scale:

**The sliding scale applicable to Middle Managers' is reflected as follows:**

Score / 200	% Bonus of Middle Manager's Basic Salary
130-133	10 % Middle Manager's Basic Monthly Salary
134-137	20% Middle Manager's Basic Monthly Salary
138-141	30% Middle Manager's Basic Monthly Salary
142-145	40% Middle Manager's Basic Monthly Salary
146-149	50% Middle Manager's Basic Monthly Salary
150-153	60% Middle Manager's Basic Monthly Salary
154-157	70% Middle Manager's Basic Monthly Salary
158-161	80% Middle Manager's Basic Monthly Salary
162-165	90% Middle Manager's Basic Monthly Salary
166	100% Middle Manager's Basic Monthly Salary

**Merit Awards applicable to middle managers (budget permitting)**

- Merit awards for middle managers may be determined by assessing performance against required targets. Once performance criteria have been established, performance targets are reviewed regularly. At the end of the financial year, actual performance is compared against the agreed performance targets to determine the magnitude of the merit increase. The merit increase (budget permitting) is calculated as a percentage of the total annual remuneration package of the employee, as indicated in the table hereunder:



Score / 200	Merit Award for Middle Managers
130 to 141 (65% - 70%)	1% of Basic Monthly Salary package
142 to 149 (71% - 74%)	2% of Basic Monthly Salary package
150 to 161 (75% - 80%)	3% of Basic Monthly Salary package
162 to 165 (81 – 82%)	4% of Basic Monthly Salary package
166+ (83% +)	5% of Basic Monthly Salary package

#### Merit Awards applicable to all other staff (TASK Level 14 and below)

- It is the intention to roll out the award of Performance Bonuses to all other staff providing the required criteria are met. This will be implemented by agreement over time. In accordance with this, all other staff will only be eligible to achieve a merit award providing they qualify to be assessed in this manner and providing they achieve a stipulated rating during the final review that is applicable to the assessment of annual performance and is detailed in the table that follows.
- While this is not a legislated requirement it is important to assess performance throughout the organisation and daily. Using the applicable rating scale of 1 to 5 for achievement on targets as specified in terms of a standardized scorecard, the ratings of all parties to the formal evaluation (the incumbent and the direct supervisor/manager) will be averaged and an average rating for each incumbent will be obtained which will translate to an overall rating that ranges from 1 to 5. A Merit Award Bonus will be applicable in terms of the overall rating that correlates with the scale below – budget permitting:

#### Group 2 Merit Award Bonus Scale

AVERAGE RATING	MERIT AWARD
5	60% of monthly basic package
4	40% of monthly basic package
3	20% of monthly basic package
2	0%
1	0%

## Performance Rewards

- Although the Annual Cycle runs from 1 July – 30 June annually, the final formal assessment only occurs after the final approval of the Annual Report and the auditing of the Annual Financial Statements. After auditing these represent verified documents – all detail provided within these documents being recognized as being credible (having been assessed); and
- In terms of the PMS Policy, a deserving and qualifying employee may receive a performance bonus, providing the terms and conditions of policy are met. Following the outcomes of the ratings and consolidated scores (from the assessment panel) the final score will be considered against the sliding scale relating to performance bonuses.

### **h. Management of Poor Performance**

- Poor performance is required to be managed on-the-job through performance /behavioural assessment and coaching. Performance/behavioural issues will be handled according to the terms /conditions of any fixed term contract of employment and/or in terms of the applicable Disciplinary and Procedure Code.

### **i. Final Reporting: Employee Performance**

- Final reporting in terms of performance assessments of s56 Directors and others takes place through formal record and is contained with the Performance Report that is submitted to Council.

In the case of the Municipal Manager, these results are submitted to the MEC for Eastern Cape Local Government and the National Minister for Local Government.

**NOTE:** Final Performance Assessments are only concluded after the Annual Report has been audited and finally approved. At this point, all statistics and performance claims on which assessments will be based will have been verified. No final assessment is conducted until the annual report is finally approved i.e. after data contained within the Annual Report has been audited and verified. By doing so the credibility is maintained and data is verified. In keeping with this, 2018/2019 Performance Rewards will only be paid out during the next financial year.

The table below reflects the final outcomes of the performance assessed and details statistics regarding those that received an award (detailed by Gender). This can only be completed following the assessment for this period and this in turn can only be conducted following the final draft and approval of the Annual Report.

#### 4.6.5 Institutional Performance Management

The following institutional reporting is required in terms of legislative prescriptions and provides the required information that leads to appropriate action:

Assessment Report	Timeframe	Submitted to	Required by
SDBIP's	Quarterly	Exco	MFMA, Circular 13
Budget Statements	Monthly	Mayor (in consultation with Exco)	S71 & s54 of the MFMA
Organizational Scorecard	Quarterly	Exco	PMS Framework
SDBIP Mid-year budget & Performance Assessment	Annually during January each year	Mayor (in consultation with Exco)	S71 & s54 of the MFMA
Performance Report	Annually	Council	S46 of MSA as amended. Incorporated into Annual Report
Annual Report	Annually	Council	Circular 63 and Chapter 12 of the MFMA

#### 4.6.6 Institutional PMS Progress 2019/2020

The following performance reporting targets were appropriately met, in order to meet all aspects of compliance:

- The draft SDBIP (aligned to the IDP) was developed and tabled to the Mayor 14 days after the budget was tabled.
- The final SDBIP for 2020/2021 was approved by the Mayor on 30 June 2020 and was submitted timeously to National Treasury and to Provincial Treasury;
- Quarterly SDBIP reports were developed and submitted as required;
- As required the s72, s46 and Annual Report for this period were compiled and submitted as required:
  - The Mid-Year Budget and Performance report was tabled to EXCO on 25 January 2020 and approved by Council on 28 January 2020. It is specifically noted that in terms of MFMA, Section 54(1) f, the Mayor must consider the report first and table the report to council by 31 January each year;

- The draft Annual Report of the 2018/2019 financial year was tabled in the Council meeting that was held in January 2020; and
- The Final Annual Report and oversight reports were approved in the Council meeting that was held 26 March 2020 (prior to legislated dates in both instances);
- Improvements are still required regarding the alignment between the IDP, Budget, SDBIP and related documents;
- As in with previous years, despite wanting to use the opportunity in developing the SDBIP and scorecards as a capacitation exercise, SMART targets are not always correctly achieved and relevant staff are required to be additionally workshopped in this regard;
- As in previous years there continues to be an all-round lack of interest and a sense of general apathy from Senior Management within the various Directorates with regard to provision of performance reporting. Moving forward we need to instill a performance culture within day-to-day functioning and to create an understanding that performance management is an effective tool and benefits both the individual and the institution. It must be regarded as so much more than just a matter of compliance;
- The 2017/2022 IDP was developed and approved by Council timeously and in both the previous and current years the IDP was timeously reviewed and submitted to Council. The draft IDP was adopted on 26 March 2020 and the Final IDP adopted by Council on 29 May 2020;
- The IDP Process Plan was developed and approved on the Council meeting that was held On 29 July 2019;
- MPAC and Audit Committee meetings were held during this period (to provide required oversight). Achievements include: the completion of the Internal Quality Assurance Review was completed; reporting quarterly on the Institutional Audit dashboard and quarterly reporting on the Implementation of the Audit Action Plan
- The Mid-Year budget and Performance report was tabled to EXCO on 25 January 2020 and approved by Council on 28 January 2020; and
- The Annual Performance Report (s46) for 2018/2019 financial year was developed and submitted to AG on 31 August 2019;

**NOTE:** Verification of all data reported on occurs through the various auditing processes conducted. No assessment of individuals takes place until the Annual Report has been finally approved i.e. after all data within this report has been audited and verified. In so doing it must be noted that the credibility is maintained, and data verified as required.

#### 4.6.7 Service Provider Reporting

Section 76 b of the MSA states that KPI's should inform the indicators set for every municipal entity and service providers with whom the municipality has entered into a service delivery agreement. Although the Municipality has introduced a performance rating system managed by the Supply Chain Management Unit, the Municipality is also in the process of enhancing the system in order to ensure that it effectively evaluates the performance of the service providers.

The Council and management remain committed to ensuring that all SCM legislation and regulations are complied with in order to ensure that fair and transparent tender processes are followed at all times and to ensure full compliance with the applicable legislation. In support of this, the Municipal SCM Policy has been reviewed and approved by Council as part of the review of all budget related policies.

In order to comply with section 119 of the MFMA all members serving on Bid Specification, Evaluation and Adjudication Committees and all SCM staff are required to attend National Treasury approved training in order to ensure that they meet the prescribed minimum competency levels relating to SCM.

Various other control measures are also being implemented in order to ensure that SCM practices are affected in a fair, equitable and transparent manner. Supply Chain Management continues to be seen as an area of priority for top management.

The new Performance Management Policy makes provision for Service Provider/Vendor performance assessment and reporting. The manner in which this is required to occur is strictly prescribed. To date, while improvements in reporting have occurred it is clear that additional training in this regard is required. Directorates are required to recognize the importance of this reporting and that it is not just in terms of compliance but to ensure effective service delivery on every level and to prevent wasteful, fruitless and irregular expenditure.

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

Senqu Municipality continues to place strong emphasis on the development of a well capacitated workforce. This incorporates all efforts to capacitate all Councillors, management and staff. As reflected within the statistics presented below, Senqu Municipality has demonstrated both in the current and preceding years the extent of its commitment to fulfilling all planned training as reflected within the Workplace Skills Plan (WSP). The WSP itself was informed to a large extent by the results of the skills audit, requirements in terms of the IDP objectives and determining the gaps and the developmental needs of Councillors, management and employees.

The WSP was compiled for the 2019-2020 period and was adopted by Council (having been ratified by SAMWU and IMATU). The SDF was appointed, the WSP developed, approved and successfully implemented. The WSP together with all the supporting documents was submitted to LGSETA by 29 May 2020. In this instance and due to COVID – 19 and the subsequent lockdown, it must be noted that the LGSETA gave a blanket extension for these submissions to be submitted by 30 May 2020. This year 's WSP was designed to close the gaps identified through the Job Evaluation process held 30th April 2019 and receipt was acknowledged by LGSETA. Reports on the implementation of the WSP are compiled and submitted to the LGSETA.

Notwithstanding the successful development of the WSP and its implementation, one has to acknowledge the very real limitations in respect of financial resources. Accordingly, notwithstanding the fact that training and development takes place, it must be acknowledged that this will never be considered to be sufficient in terms of current need.

The training function is centralized, and all related expenditure is authorised by the Director of Corporate Services.

#### 4.7 SKILLS DEVELOPMENT AND TRAINING

##### 4.7.1 Comment on Skills Development Expenditure 2019/2020

The institutional training budget:	
Actual expenditure	
Variance:	

TRAINING EXPENDITURE PER DEPARTMENT 2019/2020	
<b>Municipal Manager's Department</b>	
Budgeted amount	
Amount spent	
Variance:	
<b>Internal Auditing Section</b>	
Budgeted amount	
Amount spent	
Variance:	
<b>Corporate Services Department</b>	
Budgeted amount	
Amount spent	
Variance:	
<b>Legislators</b>	
Budgeted amount	
Amount spent	
Variance:	
<b>Planning and Development Department</b>	
Budgeted amount	
Amount spent	
Variance:	
<b>Finance Department</b>	
Budgeted amount	
Amount spent	
Variance:	
<b>Traffic Section</b>	
Budgeted amount	
Amount spent	
Variance:	

<b>TRAINING EXPENDITURE PER DEPARTMENT 2019/2020</b>	
<b>Community Services Department</b>	
Budgeted amount	
Amount spent	
Variance	
<b>Technical Services Department</b>	
Budgeted amount	
Amount spent	
Variance	

**4.7.2 Areas of training priority (as reflected in the IDP) for 2019/2020 are reflected as follows:**

- National Diploma: Payroll
- National Diploma: IT
- Higher Certificate in Public Administration
- National Diploma: Local Government Law and Administration
- SAMTRAC Training
- Labour Law
- TLB Operator and Excavator Renewals of Licences
- BA Honours: Public Administration
- B Com Financial Management
- Facilities Management
- Local Economic Development Learnership
- Occupational Health and Safety Training
- Financial Management Training
- Social Media and Networking for efficient Public Relations
- Supply Chain Management Training
- Finance for Non- Financial Managers training
- Public Sector Forum Training
- Hazardous and Waste Management Training
- CPMD Programme
- Basic Records and Archives Training
- Facilities Management Training
- Performance Management Training
- OHVS Electrical Training
- Leadership in Municipal Governance Programme
- Brush Cutting Training
- Handling and Disposal of Waste Training
- Customer Care Training
- Veld Management Training



- 6<sup>th</sup> Biennial SAMEA Conference
- Basic Archives and Records Management
- Moderators Training
- SCoA for Budget Managers
- Effective Report Writing
- Intermediate Records and Archives
- Employment Equity Planning and Reporting
- Contract Management Training
- NEBOSH Training
- Report Writing
- Rules and Ethics Training
- Veld Management
- Electrical Trade Test
- Management and Leadership Training
- Media and Stakeholder Engagement Training
- Construction Contract Management
- Municipal Public Accounts Committee Training
- ND: Financial Management
- Introduction to SAMTRAC
- ADT Training
- Grader License Renewal
- TLB Renewals
- Excavator Renewals
- Basic Fire Fighter and First Aid Level 1 Training
- Office Management
- Training of Training Committees

### **Overall summary of training conducted**

In terms of the actual training that took place during this period it must be noted that:

- The planned training applicable to 69 training initiatives did not occur and only 49 out of the 69 planned training initiatives were implemented. This was directly attributed to the COVID – 19 situation and restrictions;
- During the COVID period it must be noted that:
  - The Internal Audit Unit staff completed an online training course
  - During quarter 1 it is acknowledged that a variance of at least 11 less training initiatives were implemented versus the milestones planned for the quarter;
  - During Quarter 2 it is noted that a variance of 1 less training initiatives against the target milestone occurred;
  - During quarter 3, eight (8) training interventions were implemented; and
  - In Quarter 4, no training interventions occurred.

- 1 training initiative was implemented in respect of Councillor training and in this regard, four (4) councillors were trained on Municipal Governance;
- Six (6) training interventions were conducted for community members and this related to construction related skills;
- Internship and learnership opportunities were created. It is noted that the 3-year internship/learnership period falls within the 2019/2020 period under review. As such, the “status quo” remains;
- 4 FMG interns were appointed employed during the 2018/2019 financial year \* placed in Finance, Internal Audit and DTPS. Internships and Learnerships opportunities are created in three (3)- 18-month cycles respectively. The 3-year period falls within the 2019/2020 period under review the as a result the status quo remains;
- 2 Reports were submitted to National Treasury on staff who meet Minimum Competency levels. Within the finance division, all of the financial officials (with the exception of one official - the Acquisition Manager) meet the competencies as prescribed.
- Internships opportunities are created every 3 years and the current cycle is still running. Learnership opportunities were however created and all Departments benefited from these appointments. The current interns were enrolled for said competencies during 2018/2019;
- 4 FMG interns were employed during the 2019/2020 financial year. They are to be found in the departments of: Finance, Internal Audit and DTPS; and
- Despite the impact of COVID-19 it must be noted that 68,00% of the budget was actually spent on implementing the WSP during the year under review.

#### 4.7.3 Skills Matrix (TBC)

**Note:** The reason behind more senior managers and professionals doing learnerships than was planned was due to the fact that top

SKILLS MATRIX 2019/2020 (TBC)														
Management Level	Gender	Number of Employee in post as at 30 June 2019.	Learnerships			Skills Programme and other Short Courses			Other Forms of Training			Total		
			Actual End of Year June 2019	Actual End of Year June 2020	Year 2019/2020 Target	Actual End of Year June 2019	Actual End of Year June 2020	Year 2019/2020 Target	Actual End of Year June 2019	Actual End of Year June 2020	Year 2019/2020 Target	Actual End of Year June 2019	Actual End of Year June 2020	Year 2019/2020 Target
MM and s56	Female													
	Male													
Councillors	Female													
	Male													
Senior Managers	Female													
	Male													
Technicians	Female													
	Male													
Professionals	Female													
	Male													
Sub Total	Female													
	Male													
<b>Total</b>														

\*Register with professional Associate Body e.g. CA (SA)

management took a decision that all middle managers should do CPMD as they are members of the Specifications and Evaluations Committee.

#### 4.7.4 Financial Competency Development Report 2019/2020

FINANCIAL COMPETENCY DEVELOPMENT REPORT 2019/2020* TBC						
Description	A Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated total A & B	Consolidated Competency Assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated Total Number of Officials whose Performance Agreements Comply with Regulation 16 (Regulation 14(4)(f))	Consolidated Total Number of Officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting Officer						
Chief Financial Officer						
Senior Managers						
Any other Financial Officials						
SCM Officials						
Heads of SCM Management Units						
SCM Senior Managers						
<b>Total</b>						

**Note:** The National Treasury template focuses on the financial officials and senior managers/directors only. The information that has been populated in the template this financial year reflects reporting as per the treasury template.

#### **4.7.5      Comment on the Financial Competency Regulations**

On 15 June 2007, National Treasury published the Municipal Regulations on Minimum Competency Levels in Government (Gazette No. 29976). These Regulations went on to prescribe the higher education qualifications, work related experience and Financial and Supply Chain Management (SCM) competency areas that were required to be met by all officials of South African municipalities/municipal entities who exercise financial management responsibilities.

The Certificate Programme in Municipal Finance Development was required to be obtained by the following officials to whom the competency level prescriptions apply nationally within local authorities:

- Accounting Officers – Municipal Managers;
- Chief Financial Officer's (CFO's);
- Senior Managers – Executive Directors;
- Heads of Supply Chain Management (SCM) Units – Directors: SCM;
- Managers of Supply Chain Management Units – Assistant Directors: SCM.
- SCM Officials; and
- Any other financial officials

As of 2018/2019 it must be noted that all senior managers were declared competent.

By way of summary it is stated within two reports submitted to the National Treasury - Quarter 2 on 12 December 2018 and in Quarter 4 June 2019, that all the current participants in the MFMP (Municipal Manager, CFO and 4 Directors and 16 Finance Officials ) have completed the programme and all the staff members who are required to have the competencies will have so within the prescribed timeframes. Overall the reviews are positive regarding the current provider. In terms of the 16 Middle Managers who are required to complete this programme, it must be noted that: Manager: PMU has not yet completed this and Manager: Acquisitions, Contract Management and Vendor performance in the process of completing the 2019/2020 CPMD programme. In terms of Financial officials, finance officials other than the 16 required, are in the process of completing this during the 2019/2020 period (CPMD programme).

##### **a. Staff Training conducted 2019/2020**

Quarter 1	..... employees
Quarter 2	..... employees
Quarter 3	..... employees
Quarter 4	..... employees

**b. Councillor training was conducted as follows:**

Quarter 1: .... Councillors  
Quarter 2: .... Councillors  
Quarter 3: ..... Councillors  
Quarter 4: ... Councillors

**c. Community Training Initiatives 2019/2020**

- Despite training initiatives in the past, it must be noted that the targets for 2019/2020 could not be met. The Municipality did not have sufficient budget to include training initiatives for communities. In addition, it is noted that the Discretionary Grant from LGSETA had not been approved by LGSETA during 2019/2020 period. Reliance had in the past been placed on funding received from third parties (external sources). Moving forward, this target will be removed as Senqu Local Municipality does not have control over external funding (LGSETA), nor do they have sufficient budget to include training initiatives for communities; and
- During 2019/2020 six (6) training interventions were conducted for community members and this related to construction related skills.

**4.7.6 Training Committee**

The Training Committee met regularly (quarterly) to discuss and decide/approve training related issues. As a consultative forum this committee was comprised of the following representatives:

- Skills Development Facilitator
- Portfolio Head of Corporate Services (Chairperson)
- Director Corporate Services
- Manager: Human Resource, Labour Relations & Legal Services
- IDP Manager
- Manager: Community Services
- Manager: PMU
- HR Officer
- Electrician
- Manager: Revenue
- Manager: Roads
- Manager: Governance & Compliance
- Manager: DTPS
- Manager: Admin and Buildings
- Manager: Waste

- Manager: IGR
- SAMWU Representative (90%)
- IMATU Representation (10%)
- Personal Assistant in Community Service
- Manager: Communications and Political Affairs
- SPU Officer
- Internal Auditor
- IT Manager
- Labour Relations Officer

As required, the Workplace Skills Plan was compiled for the 2019/2020 financial year. This was adopted by Council (after having been signed off by Union).

As required and as in past years the Skills Development Facilitator (SDF) was appointed; the Workplace Skills Plan (WSP) was developed and approved; the training was implemented in terms of the WSP and as detailed, progress was made in a number of significant areas.

#### 4.7.7 Skills Development Expenditure (cont.)

SKILLS DEVELOPMENT EXPENDITURE (2019/2020) (TBC)										
MANAGEMENT LEVEL	GENDER	EMPLOYEE NO. AS AT THE BEGINNING OF THE FINANCIAL YEAR	LEARNERSHIPS		SKILLS PROGRAMMES AND OTHER SHORT COURSES		OTHER FORMS OF TRAINING		TOTAL	
		NO.	ORIGINAL BUDGET	ACTUAL	ORIGINAL BUDGET	ACTUAL	ORIGINAL BUDGET	ACTUAL	ORIGINAL BUDGET	ACTUAL
MM	Male									
MM'S Office managers	Male									
	Female									
MM'S Office Professionals	Male									
	Female									
MM'S Office Clerks	Male									
	Females									
MM's Office interns	Male									
	Female									
Legislators	Male									
	Female									



**SKILLS DEVELOPMENT EXPENDITURE (2019/2020) (Cont.) (TBC)**

MANAGEMENT LEVEL	GENDER	EMPLOYEE NO. AS AT THE BEGINNING OF THE FINANCIAL YEAR	LEARNERSHIPS		SKILLS PROGRAMMES AND OTHER SHORT COURSES		OTHER FORMS OF TRAINING		TOTAL	
		NO.	ORIGINA L BUDGET	ACTUAL	ORIGINA L BUDGET	ACTUAL	ORIGINA L BUDGET	ACTUAL	ORIGINA L BUDGET	ACTUAL
Director: Corporate services	Male									
Corporate service s Manager	Male									
	Female									
Corporate services Professionals	Female									
	Males									
Corporate Services clerks	Male									
	Female									
Corporate services elementary workers/general workers	Males									
	Female									
Remaining was for unemployed	Males									
	Female									
Director Technical Services	Male									

[Skills Development Expenditure \(cont.\)](#)

**SKILLS DEVELOPMENT EXPENDITURE (2019/2020) (Cont.) (TBC)**

MANAGEMENT LEVEL	GENDER	EMPLOYEE NO. AS AT THE BEGINNING OF THE FINANCIAL YEAR	LEARNERSHIPS		SKILLS PROGRAMMES AND OTHER SHORT COURSES		OTHER FORMS OF TRAINING		TOTAL	
		NO.	ORIGINAL BUDGET	ACTUAL	ORIGINAL BUDGET	ACTUAL	ORIGINAL BUDGET	ACTUAL	ORIGINAL BUDGET	ACTUAL
Technical Services technicians	Male									
	Female									
Technical Services clerks	Males									
	Female									
Technical services machine operators and drivers	Males									
	Female									
Director Development and Planning	Female									
IPME Managers	Males									
	Female									
IPME Professionals	Males									
	Female									
IPME clerks	Males									
	Female									

[Skills Development Expenditure \(cont.\)](#)

**SKILLS DEVELOPMENT EXPENDITURE (2019/2020) (Cont.) (TBC)**

MANAGEMENT LEVEL	GENDER	EMPLOYEE NO. AS AT THE BEGINNING OF THE FINANCIAL YEAR	LEARNERSHIPS		SKILLS PROGRAMMES AND OTHER SHORT COURSES		OTHER FORMS OF TRAINING		TOTAL	
		NO.	ORIGINAL BUDGET	ACTUAL	ORIGINAL BUDGET	ACTUAL	ORIGINAL BUDGET	ACTUAL	ORIGINAL BUDGET	ACTUAL
Director Community Services	Males									
	Female									
Community Services Manager	Female									
	Male									
Community Services Professionals	Male									
	Female									
Community Services Clerks	Male									
	Female									
Community Services Elementary Workers	Female									
	Male									

Skills Development Expenditure (cont.)

SKILLS DEVELOPMENT EXPENDITURE (2019/2020) (Cont.) (TBC)										
MANAGEMENT LEVEL	GENDER	EMPLOYEE NO. AS AT THE BEGINNING OF THE FINANCIAL YEAR	LEARNERSHIPS		SKILLS PROGRAMMES AND OTHER SHORT COURSES		OTHER FORMS OF TRAINING		TOTAL	
		NO.	ORIGINAL BUDGET	ACTUAL	ORIGINAL BUDGET	ACTUAL	ORIGINAL BUDGET	ACTUAL	ORIGINAL BUDGET	ACTUAL
Director Finance	Males									
Finance Managers	Male									
	Female									
Finance Professionals	Males									
	Females									
Finance clerks	Males									
	Females									
Finance Trainees	Male									
	Female									

## COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

### INTRODUCTION TO WORKFORCE EXPENDITURE

Senqu Municipality is required to manage all resources in the most effective manner and this includes the financial management thereof (i.e. workforce expenditure). In an effort to institute and maintain effective controls (thereby minimizing opportunities to overspend), strict adherence to policy and procedure is required. To this end, no appointments may be made without the appropriate approval and ensuring that the budget is allocated correctly.

Accordingly:

- Budgets are strictly controlled and over and/or under expenditure is reported on regularly (via monthly reporting);
- Staff appointments are made strictly in accordance with the relevant legislation and/or policy agreements; and
- Staffing issues rely on forward planning and ensuring that the correct appointments to the relevant post are made.

### 4.8 EMPLOYEE EXPENDITURE

#### 4.8.1 Trends on total personnel expenditure (2018 - 2020)

FINANCIAL YEARS	TOTAL APPROVED OPERATING BUDGET	PERSONNEL EXPENDITURE (SALARY AND SALARY RELATED)	PERCENTAGE OF EXPENDITURE
2018 - 2019	241 188 480	99 063 258	41.07%
2019 - 2020	253 748 685	106 279 937	41.88%

\* 2019 – 2020 represents unaudited figures

#### a. Comment on Workforce Expenditure

The 2019/2020 period was characterized by an increase in personnel expenditure when compared with the previous period (2018/2019) i.e. 41.07% to 41.88%.

#### 4.8.2 Disclosures of Financial Interest (Refer Appendix J)

Reference is made to Appendix J which details all information as required.

## DISCLAIMER

The information provided within this report and chapter is reliant on the information provided by the various Directorates. Difficulties in validating data continues to be experienced and as such, the accuracy of all information provided cannot be assured. In addition, this information is currently unaudited and will be updated as the audited information becomes available. The Auditor General is currently completing the Annual Audit for Senqu Municipality (delayed through COVID) and this will determine any changes to existing information.

Notwithstanding and overall, it is the responsibility of all Directorates to provide the required information which is then required to be collated and submitted within the correct format. 2019/2020 has been an extremely difficult year in attempting to obtain required inputs and significantly little has been received.

Staff within certain directorates appear to believe that it is the responsibility of the collators and the co - ordinators' to provide all required information. This is unacceptable as the report is that of Senqu Municipality (with each directorate taking full responsibility for information relating to their specific directorate). Content and the accuracy thereof is not the responsibility of the collators' and the coordinators' – their role is simply to obtain, collate, align and restructure information provided and not to verify this in any way. In addition, it is the technical responsibility of all relevant directorate staff to provide inputs regarding performance and issues within their own directorates. They are required to take responsibility for any inputs provided as they are aware on a functional level as to what information is applicable / relevant. Under these circumstances the collators and the coordinators cannot be held accountable for the quality/accuracy/absence of information provided or the lack thereof. The collators have been assured of the fact that the evidence and statistics provided are accurate in every sense and as such they are accepted as fact, notwithstanding any misgivings.

The information is thus being presented with the full knowledge that certain of the detail provided might not reflect the required levels of accuracy. It is further noted that every effort has been made to align reporting to the information contained within other strategic and reporting documents. Notwithstanding, it must be noted that at times the manner in which the information is presented in these other documents may not exactly correspond with the detail contained within this report especially as additional detail is provided. Under these circumstances the collator is reliant on the information provided by the departments and is not able to validate this.

In instances where information is found to be lacking or inadequate you are hereby advised that the coordinator of this report has only been able to work with the information provided to them – and as much as they have attempted to validate this where possible they cannot be held accountable – for the reasons reflected above.

# CHAPTER 5

**FINANCIAL  
PERFORMANCE  
2019/2020**



# Chapter 5:

## FINANCIAL PERFORMANCE

### 5.1 INTRODUCTION TO FINANCIAL PERFORMANCE

As the global economic uncertainty and rising costs places inflationary pressure on the municipality, due care is exercised in order to ensure that effective financial management is maintained. In this regard, every effort is made to ensure that systems and procedures are in place so as to ensure that there are sound fiscal controls and an environment that promotes effective financial management and minimizes fruitless and wasteful expenditure. In addition, the municipality takes appropriate steps to ensure that operations are properly controlled – thereby maintaining efficient and effective service delivery to our consumers.

The 2019/2020 financial year has been particularly successful for Senqu Municipality in so far as financial management and proven financial sustainability is concerned. To verify this statement, it must be noted that Senqu Local Municipality has been awarded a clean audit opinion for the past six (6) years in succession and Senqu Local Municipality has been ranked by Ratings Africa as the number one (1) financial performer of local authorities within the Eastern Cape. We currently await the outcome of the 2019/2020 audit which is currently under way.

It must be noted that Senqu Local Municipality was chosen to be the pilot site for the implementation of mSCOA – which was applied nationally during 2016 as a matter of compliance. All aspects relating to mSCOA preparation are being incorporated within Senqu Municipality and its operating systems – ensuring that the financial and support systems integrate with mSCOA requirements and performance reporting.

The OPCA project (Operations Project Clean Audit) has progressed exceptionally well and the challenge moving forward is to ensure that this achievement is maintained.

With the introduction of GRAP, information has become more readily available and this allows information to be presented correctly in most instances. That being said, difficulties are experienced in respect of information required for property, plant and equipment, inventory, external valuations of employee benefits and tip site provisions.

Regular reporting and reporting of compliant and useful information is required from each directorate and should be regarded as mandatory – which it is. This information is critical for all other reporting and should be readily available at all times.

While specific detail on all aspects of finance are provided within the schedules attached, a simple set of standard practices are required in order to ensure that required information is provided in a useful manner.

## **5.2 STANDARD PRACTICES TO FACILITATE ACCURATE INFORMATION PROVISION**

- 5.2.1 It is required that there is compliance regarding all reporting and in particular regarding the predetermined objectives - ensuring that they are written in accordance with the SMART principles.
- 5.2.2 Issues identified in terms of the Audit Action Plan are required to be addressed and appropriate “follow ups” conducted.
- 5.2.3 The Internal Audit and Audit Committee are required to work together in order to review the Strategic and Annual Performance Plans – ensuring that these are correctly addressed, and that appropriate and valuable reporting occurs.
- 5.2.4 The quality of quarterly and monthly reports is to be assessed and suitable and timeous action taken to rectify issues identified (financial, pre-determined targets or otherwise). Oversight from managers and the Internal Audit/Audit Committee is required; and
- 5.2.5 Zero tolerance will be implemented in respect of unauthorised, irregular, fruitless and/or wasteful expenditure and in respect of the potential qualification, due to the failure to detail and report on predetermined objectives and National Treasury views on non-priority spending.

## **5.3 FINANCIAL INDICATORS**

The following dashboard information and tables indicate the municipality’s performance in terms of National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and Section 43 of the MSA. These key performance indicators are linked to the National Key Performance Areas.

As an overall assessment, the following indicators are highlighted:

FINANCIAL INDICATORS	2018/2019	2019/2020 unaudited
Capital charges to Operating Expenditure	25%	15.3%
Liquidity: times	7.56	8.66
Outstanding debtors to Annual Revenue	5%	7%
Creditors to cash	2%	3%
IDP REGULATION FINANCIAL VIABILITY FIGURES		
Debt Coverage	160%	351%
Outstanding Service Debtors	79%	92%
Cost Coverage	17,4 Months	17,7 months

## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

### 5.4 INTRODUCTION TO FINANCIAL STATEMENTS

Statements of Financial Performance are reflected in the tables that follow.

Note: Reference is made to **Appendix K** in which “Statements of Revenue Collection Performance by Vote and by Source” are included.

This component provides an overview of financial performance of the municipality and focuses on its financial health.

**5.4.1 Statements of Financial Performance – 2019/2020 in comparison with previous financial year 2018/2019 Actuals**

SENQU LOCAL MUNICIPALITY			
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDING 30 JUNE 2020			
		2020	2019
		R	R
	Notes	(Actual)	(Actual)
<b>REVENUE</b>			
<b>REVENUE FROM NON-EXCHANGE TRANSACTIONS</b>		<b>219 504 599</b>	<b>227 296 561</b>
<b>Taxation Revenue</b>		<b>12 242 412</b>	<b>13 438 943</b>
Property Rates	20	12 242 412	13 438 943
<b>Transfer Revenue</b>		<b>203 168 849</b>	<b>192 350 510</b>
Transfers and Subsidies - Capital	21	44 850 723	46 990 687
Transfers and Subsidies - Operating	21	158 318 126	145 359 823
Public Contributions and Donations - Capital		-	-
<b>Other Revenue</b>		<b>4 093 338</b>	<b>21 507 109</b>
Actuarial Gains	17	2 832 480	3 706 873
Fines, Penalties and Forfeits	22	287 163	136 750
Insurance Receipts		338 011	301 554
Gain on Fair Value Adjustments of Investment Property	8	516 000	16 784 000
Gain on Disposal of Capitalised Restoration Cost (PPE)	11	119 684	577 932
<b>REVENUE FROM EXCHANGE TRANSACTIONS</b>		<b>76 383 638</b>	<b>72 564 144</b>
<b>Operating Activities</b>		<b>76 383 638</b>	<b>72 564 144</b>
Service Charges	23	51 235 916	44 536 971
Rental from Fixed Assets	24	782 559	837 234
Interest Earned - external investments	25	21 294 387	21 702 912
Interest Earned - outstanding debtors	26	3 339 808	2 375 747
Licences and Permits		971 983	1 243 088
Agency Services		906 255	1 053 937
Sales of Goods and Rendering of Services	27	245 881	299 925
Operational Revenue	28	606 849	520 146
<b>TOTAL REVENUE</b>		<b>298 888 237</b>	<b>299 866 521</b>

**5.4.1 Statements of Financial Performance – 2019/2020 in comparison with previous financial year 2018/2019 Actuals – continued from previous page**

SENQU LOCAL MUNICIPALITY			
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDING 30 JUNE 2020			
		2020	2019
		R	R
	Notes	(Actual)	(Restated)
<b>EXPENDITURE</b>			
Employee related costs	28	93 582 730	86 819 589
Remuneration of Councillors	29	12 697 206	12 243 669
Debt Impairment	30	10 435 621	8 762 807
Depreciation and Amortisation	31	18 349 193	18 341 145
Impairment Loss	32	508 873	138 605
Actuarial Losses	17	5 594	226 510
Finance Charges	33	2 395 969	2 694 014
Bulk Purchases	34	35 072 720	33 393 649
Contracted services	35	18 753 108	28 881 267
Transfers and Subsidies	36	37 397	550 000
Operating Leases	37	74 339	107 809
Operational Cost	38	34 821 964	38 008 122
Loss on Disposal of Fixed and Intangible Assets	39	356 088	437 414
<b>TOTAL EXPENDITURE</b>		<b>227 090 802</b>	<b>230 604 607</b>
<b>NET SURPLUS FOR THE YEAR</b>		<b>71 797 435</b>	<b>69 261 914</b>

During the financial year 2019/2020 Senqu Municipality achieved an operating surplus of R 71 797 435. Actual results as compared with planned budget outcomes can be observed in the table that follows, with explanations provided for material variances.

**5.4.2 Statements of Financial Performance: Budget Comparisons Operating Revenue**

<b>SENQU LOCAL MUNICIPALITY</b> <b>STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS</b> <b>STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDING 30 JUNE 2020</b> <b>COMPARISON OF ACTUAL FIGURES TO FINAL BUDGET</b>				
	<b>2020</b> <b>R</b> <b>(Actual)</b>	<b>2020</b> <b>R</b> <b>(Final Budget)</b>	<b>2020</b> <b>R</b> <b>(Variance)</b>	
<b>REVENUE BY SOURCE</b>				
Property rates	12 242 412	8 535 639	3 706 773	43%
Service charges	51 235 916	50 557 965	677 951	1%
Rental of facilities and equipment	782 559	116 487	666 072	572%
Interest earned - external investments	21 294 387	18 000 000	3 294 387	18%
Interest earned - outstanding debtors	3 339 808	2 401 960	937 848	39%
Fines	287 163	166 674	120 489	72%
Licences and permits	971 983	1 188 529	(216 546)	-18%
Agency services	906 255	999 262	(93 007)	-9%
Transfers and Subsidies - Operating	158 318 126	157 720 250	597 876	0%
Other revenue	4 658 905	1 856 517	2 802 388	151%
<b>TOTAL OPERATING REVENUE</b>	<b>254 037 514</b>	<b>241 543 283</b>	<b>12 494 231</b>	
<b>EXPENDITURE BY TYPE</b>				
Employee related costs	93 582 730	90 986 380	2 596 350	3%
Remuneration of councillors	12 697 206	13 521 583	(824 377)	-6%
Debt impairment	10 435 621	7 500 000	2 935 621	39%
Depreciation & asset impairment	18 858 066	21 058 412	(2 200 346)	-10%
Finance charges	2 395 969	3 132 760	(736 791)	-24%
Bulk purchases	35 072 720	36 750 000	(1 677 280)	-5%
	-	15 267 488	(15 267 488)	-
Other Material				100%
Contracted services	18 753 108	33 723 945	(14 970 837)	-44%
Transfers and Subsidies	37 397	608 737	(571 340)	-94%
Other expenditure	34 901 896	31 199 381	3 702 515	12%
Loss on disposal of PPE	356 088	-	356 088	100%
<b>TOTAL OPERATING EXPENDITURE</b>	<b>227 090 802</b>	<b>253 748 685</b>	<b>(26 657 883)</b>	

#### 5.4.2 Statements of Financial Performance: Budget Comparisons Operating Expenditure (continued)

**NOTE:** Operating Revenue shows an increased variance of R 12 494 231 as compared to the estimated Operating Revenue at financial year end. This can be attributed to the higher than expected property rates revenue that was realized due to numerous factors that included: a completeness of rates project, improved budgetary controls resulting in cash savings and money taken to investments, resulting in more interest income. It is further noted that the figure for “other revenue” was greater than anticipated due to the actuarial gains that had not been budgeted for, in addition to the increases in the fair value of investment properties.

**Note:** The operating expenditure came in at a variance of R 26 657 883. This may be directly attributable to a Cost Containment Strategy that was implemented, which reduced expenditure across the categories of expenses.

#### 5.4.3 Expenditure Authorised in Terms of Section 32 of the MFMA

##### a. **Unauthorised Expenditure**

During the 2019-2020 financial year, no unauthorised expenditure was incurred by Senqu Local Municipality.

#### **BUDGET COMPARISON BY VOTE - UNAUTHORISED EXPENDITURE CURRENT YEAR - OPERATING**

Unauthorised expenditure - Operating	2019 (Actual)	2019 (Final Budget)	2019 (Unauthorised)
	R	R	R
Executive & Council	27,513,037	30,851,461	-
Planning & Development	17,140,673	20,457,589	-
Corporate Services	27,929,839	36,490,900	-
Budget & Treasury	28,693,599	32,719,065	-
Road Transport	24,777,507	26,166,203	-
Waste Water Management	4,067,256	4,538,989	-
Community & Social Services	10,791,155	11,071,668	-
Sport & Recreation	2,008,679	2,161,249	-
Public Safety	646,877	830,283	-
Electricity	51,633,742	54,998,699	-
Waste Management	33,012,211	33,462,580	-
<b>Total</b>	<b>228 214 575</b>	<b>253 748 685</b>	

## BUDGET COMPARISON BY VOTE - UNAUTHORISED EXPENDITURE CURRENT YEAR (CAPITAL)

Unauthorised expenditure - Capital	2020 (Actual)	2020 (Final Budget)	2020 (Unauthorised)
	R	R	R
Executive & Council	-	176,800	-
Planning & Development	13,000	245,896	-
Corporate Services	8,853,026	11,807,704	-
Budget & Treasury	14,100	2,180,036	-
Road Transport	19,714,422	28,466,550	-
Community & Social Services	105,209	955,000	-
Sport & Recreation	590,375	1,260,600	-
Public Safety	1,730,340	2,081,000	-
Electricity	3,758,667	7,209,138	-
Waste Management	9,033,343	18,059,112	-
<b>Total</b>	<b>48 812 481</b>	<b>72 441 836</b>	

Note: No Unauthorised Capital Expenditure was incurred for the year under review

### b. Expenditure Authorised in Terms of Section 32 of the MFMA

#### Fruitless & Wasteful Expenditure

Fruitless and Wasteful expenditure for the financial year (2019/2020) amounted to R 80 026 and R 74 326 was incurred during the previous financial year. An increase was therefore noted between the previous financial year as compared with the current year.

INCIDENT	DISCIPLINARY STEPS/ CRIMINAL PROCEEDINGS	2020	2019
Penalties paid – Dept. Transport	None	5 700	74 692
Interest paid to Auditor- General	None	-	9 568
Interest paid to Auditor- General – Recovered	None	-	(9 568)
<b>TOTAL</b>		<b>5 700</b>	<b>74 692</b>



### Irregular Expenditure

Irregular expenditure increased from R 14 235 461 to R 25 203 143 during the 2019/2020 financial year. This occurred due to deviations from supply chain management regulations and non-compliance with the BBBEE Act. Management has subsequently identified that an award was made to a contractor that was not in compliance with the BBBEE Act. The amount reflected as irregular expenditure represents the expenditure paid to date. This has resulted in the figure for irregular expenditure increasing during the 2019/2020 financial year.

IRREGULAR EXPENDITURE CONSISTS OUT OF THE FOLLOWING	2020	2019
Deviations from Supply Chain Regulations and Policies - Disciplinary processes have not been initiated.	127 831	R 27 444
Non-compliance with the BBBEE Act	10 839 851	R 14 208 016
<b>Total</b>	<b>10 967 682</b>	<b>R 14 235 461</b>

## 5.5 GRANTS

SENQU LOCAL MUNICIPALITY APPENDIX E (UNAUDITED) DISCLOSURE OF TRANSFERS AND SUBSIDIES FOR THE YEAR ENDING 30 JUNE 2020						
	OPENING BALANCE	GRANTS RECEIVED	INTEREST ON INVESTMENTS	TRANSFERRED TO REVENUE (OPERATING)	TRANSFERRED TO REVENUE (CAPITAL)	CLOSING BALANCE
	R	R	R	R	R	R
<b>NATIONAL GOVERNMENT</b>						
Equitable Share	-	149,935,000	-	149,935,000	-	-
Municipal Finance Management	-	1,700,000	-	1,700,000	-	-
Municipal Infrastructure Grant	-	44,985,000	-	2,249,250	42,735,750	-
NDPG (Neighbourhood Development Partnership Grant)	2,010,056	-	-	-	-	2,010,056
Integrated National Electrification Grant	523,077	3,200,000	-	317,246	2,114,974	1,290,857
EPWP (Expanded Public Works Program)	-	2,384,000	-	2,384,000	-	-
Municipal Disaster Relief Grant	-	477,000	-	232,630	-	244,370
<b>Total</b>	<b>2 533 133</b>	<b>202 681 000</b>	<b>-</b>	<b>156 818 126</b>	<b>44 850 724</b>	<b>3 545 283</b>
<b>PROVINCIAL GOVERNMENT</b>						
Prov. Gov - Housing (Hillside)	232,652	-	-	-	-	232 652
Herschel People's Housing	10,523,185	-	571 258	-	-	11 094 443
Libraries	-	1 500 000	-	1 500 000	-	-
Greenest Municipality	-	200 000	-	-	-	200 000
<b>Total</b>	<b>10 755 838</b>	<b>1 700 000</b>	<b>571 258</b>	<b>1 500 000</b>	<b>-</b>	<b>11 527 096</b>
<b>ALL SPHERES GOVERNMENT</b>	<b>13 288 971</b>	<b>204 381 000</b>	<b>571 258</b>	<b>158 318 126</b>	<b>44 850 724</b>	<b>15 072 379</b>

### **5.5.1 Comments regarding Grant Funding**

- It is noted that the dispute issues experienced within the Herschel Housing Project prevented work from continuing and progressing as planned.

## **5.6 ASSET MANAGEMENT**

### **5.6.1 Introduction to Asset Management**

The Municipal Finance Management Act No. 56 of 2003 clearly states in Section 62[1][a] that the Accounting Officer of a Municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure that the resources of the municipality are used effectively, efficiently and economically.

It is acknowledged that an Accounting Officer of a municipality is responsible for the management, safeguarding and maintenance of assets and liabilities and must for this purpose, take all reasonable steps to ensure that the municipality has and implements the following:

- Maintains a management, accounting and information system that accounts for the assets and liabilities of the municipality;
- Ensures that assets and liabilities are valued in accordance with the standards of Generally Recognised Accounting Practice; and
- Maintains a system of internal control of assets and liabilities, including an Asset and Liabilities Register.

### **5.6.2 Roles & Responsibilities**

#### **a. Role of the Municipal Manager**

As the Accounting Officer of the municipality, the Municipal Manager is regarded as the principal custodian of the entire municipality's fixed assets. Accordingly, the Municipal Manager is responsible for ensuring that the Fixed Asset Management Policy is scrupulously applied and adhered to. The Municipal Manager may in terms of section 79 of the Municipal Finance Management Act, No 56 of 2003 delegate this responsibility.

#### **b. Role of the Senior Managers**

##### **Chief Financial Officer**

The Chief Financial Officer shall be the Fixed Asset Registrar of the municipality and is required to ensure that a complete, accurate and up-to-date computerized fixed asset register is maintained. No amendments, deletions, additions or transfers between

departments to the Fixed Asset Register shall be made other than by the Chief Financial Officer, or by an official acting under the written instruction of the Chief Financial Officer.

**The Chief Financial Officer shall:**

- Ensure implementation of the Asset Management and Insurance Policy;
- Ensure the verification of all assets in possession of council annually, as at 30 June each year, within the last three months of that specific financial year;
- Keep a complete and balanced record (assets register) of all assets in possession of the council; and
- Report in writing on all asset losses to the council.

**Other Senior Managers**

- The responsibility for the physical control of assets rests with the relevant Head of Department to whom the responsibility was delegated in terms of section 79 of the Municipal Finance Management Act, No 56 of 2003;
- Each Head of Department shall ensure that assets entrusted to him / her are adequately maintained, properly used and insured and ensure that section 78 of the Municipal Finance Management Act, no 56 of 2003, is adhered to;
- The Chief Financial Officer must approve any transfer of assets between departments after arrangements between the relevant heads of departments are made;
- Upon the resignation / retirement of an employee, the applicable Head of Department must inform the Chief Financial Officer and Corporate Service Department in writing that the inventory and asset items entrusted to that employee, to execute his / her duties are in good order and returned. When necessary, the applicable Head of Department must inform the Corporate Services Department of any losses and the value of such losses. The ultimate responsibility of any losses lies with the relevant Head of Department.

The Municipalities Asset Management Policy was adopted by council on 28 May 2017 as part of the budget related policies.

Although capacity within the municipality's asset management section is limited due to the size of the municipality, capacitation programmes have been identified and increased internal control over assets is observed. This clearly shows the commitment from management to ensure that capacity is improved.

Additions during the financial year for capital assets amounted to R **43 812 482** which include the following categories of assets as reflected in the following table. Note: This does not include intangible assets (not included in the table below).

### 5.6.3 Capital Assets 2019/2020

30 June 2020	Additions R
<b>Land and Buildings</b>	<b>8 853 026</b>
Land	-
Buildings	8 853 026
<b>Infrastructure</b>	<b>30 079 339</b>
Roads	15 690 705
Storm water	3 041 432
Solid Waste	8 925 248
Electricity	2 421 953
<b>Community Assets</b>	<b>2 425 923</b>
Sports Fields	-
Node Development	590 375
Parks & Gardens	1 730 340
Cemetery	105 209
Other	-
<b>Other Assets</b>	<b>2 454 194</b>
Motor Vehicles	-
Plant & Equipment	2 427 094
Office Equipment	-
Furniture & Fittings	27 100
Loose Equipment	-
Computer Equipment	-
<b>Total</b>	<b>43 812 482</b>

5.6.4 Table: Schedule A9 Asset Management Summary Sheet

		2018/2019	Current Year 2019/20			2019/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/2020	Budget Year +1 2020/2021	Budget Year +2 2021/2022
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5							
Infrastructure - Road transport		123 690	152 605	141 826	141 826	152 489	162 357	187 804
Infrastructure - Electricity		32 506	37 946	37 027	37 027	38 244	41 308	43 506
Infrastructure - Water		-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-
Infrastructure - Other		63 481	87 704	82 406	82 406	111 247	130 481	170 188
Infrastructure		219 677	278 255	261 259	261 259	301 970	334 145	401 498
Community		53 122	63 931	55 184	55 184	63 972	75 432	76 313
Heritage assets		-	-	-	-	-	-	-
Investment properties		45 607	33 375	45 607	45 607	45 607	45 607	45 607
Other assets		83 957	114 891	95 169	95 169	97 168	101 028	100 046
Agricultural Assets		-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-
Intangibles		265	548	232	232	197	158	114
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	<b>457 079</b>	<b>542 700</b>	<b>511 610</b>	<b>511 610</b>	<b>566 969</b>	<b>609 498</b>	<b>671 440</b>

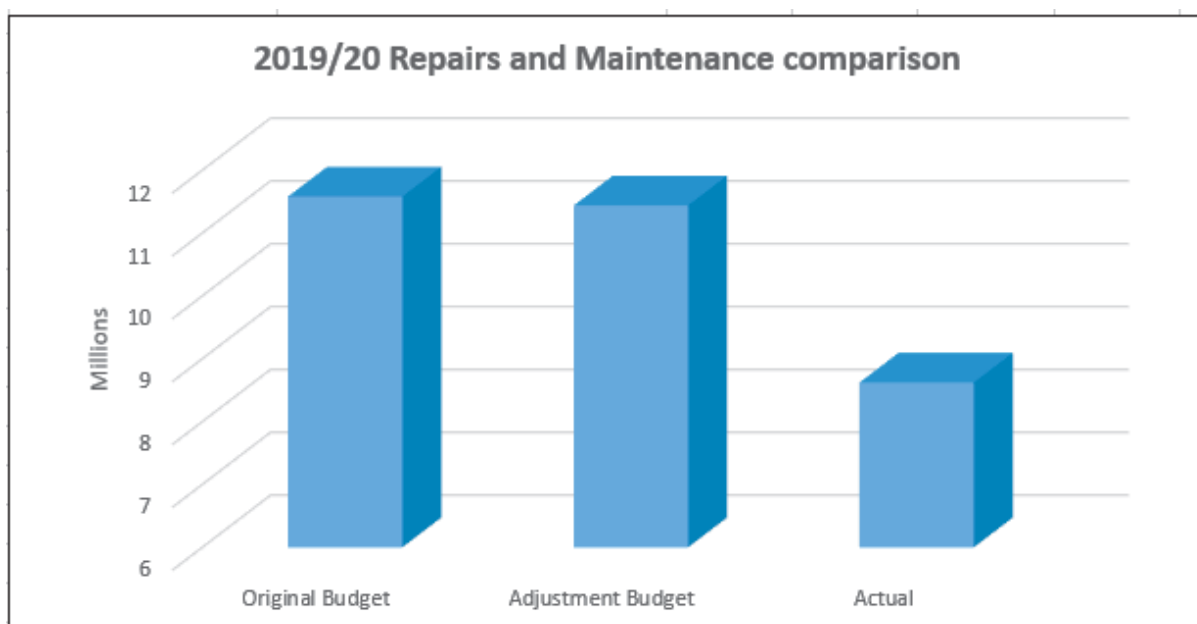
### 5.6.5 Repairs & Maintenance (2019/2020)

Repairs and Maintenance Expenditure Year June 2020				
Repairs and Maintenance Expenditure	Original Budget	Adjustment Budget	Actual	Budget variance %
Totals	R11 579 000	R11 438 000	R8 621 121	-25 % Variance – Adjusted Budget vs. Actual Exp. R/M

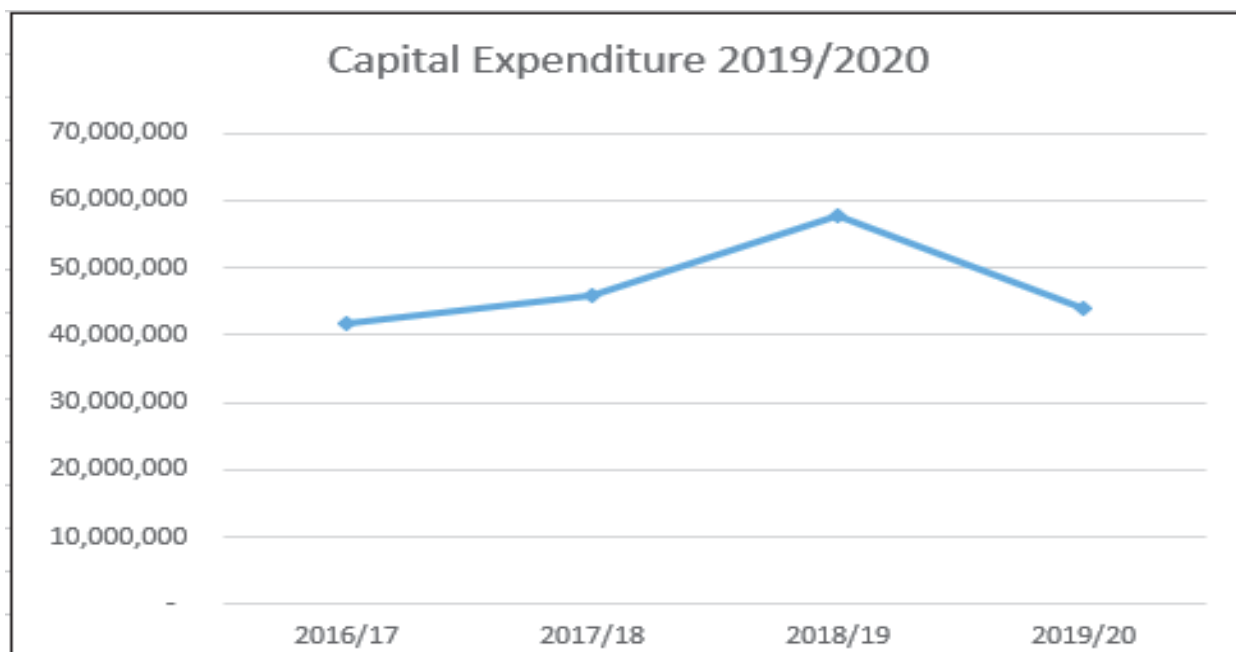
#### a. Comments on Repairs and Maintenance:

- During the Adjustment Budget process, the original amount for repairs and maintenance was increased from R 11 579 000 to R 11 438 000 (R 231 000 decrease); and
- The Adjustment Budget was subsequently underspent by 25% due to planned maintenance not occurring as planned in the adjustment budget phase, with actual expenditure amounting to R8 621 121. In the last quarter all activities was halted due to the pandemic lockdown. Reference is made to the graph below for a comparison of basis for the table above.

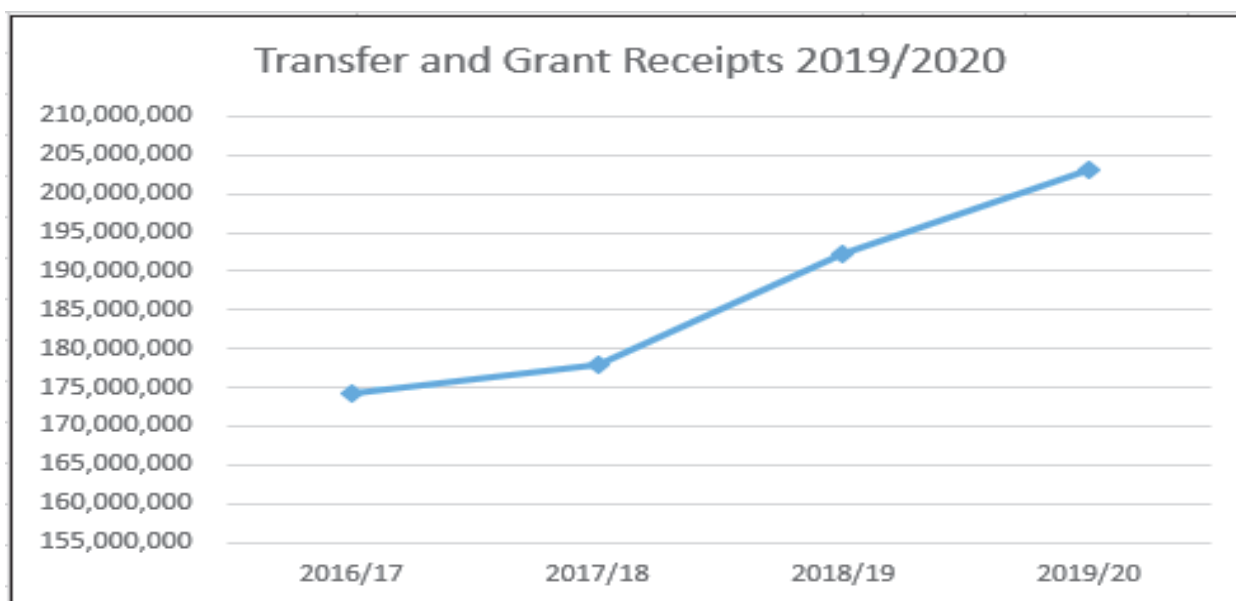
#### Repairs and Maintenance Comparisong 2019/2020



## 5.7 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS



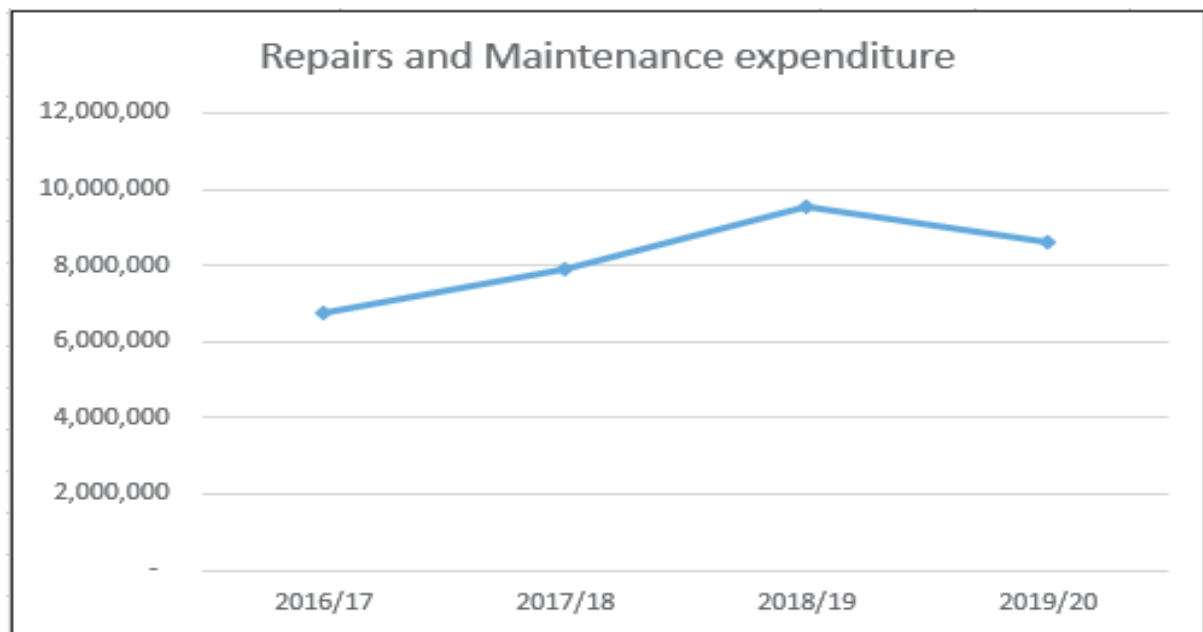
The Graph above shows the movement of Capital Expenditure from the financial year 2014-2015 to the financial year 2019-2020.



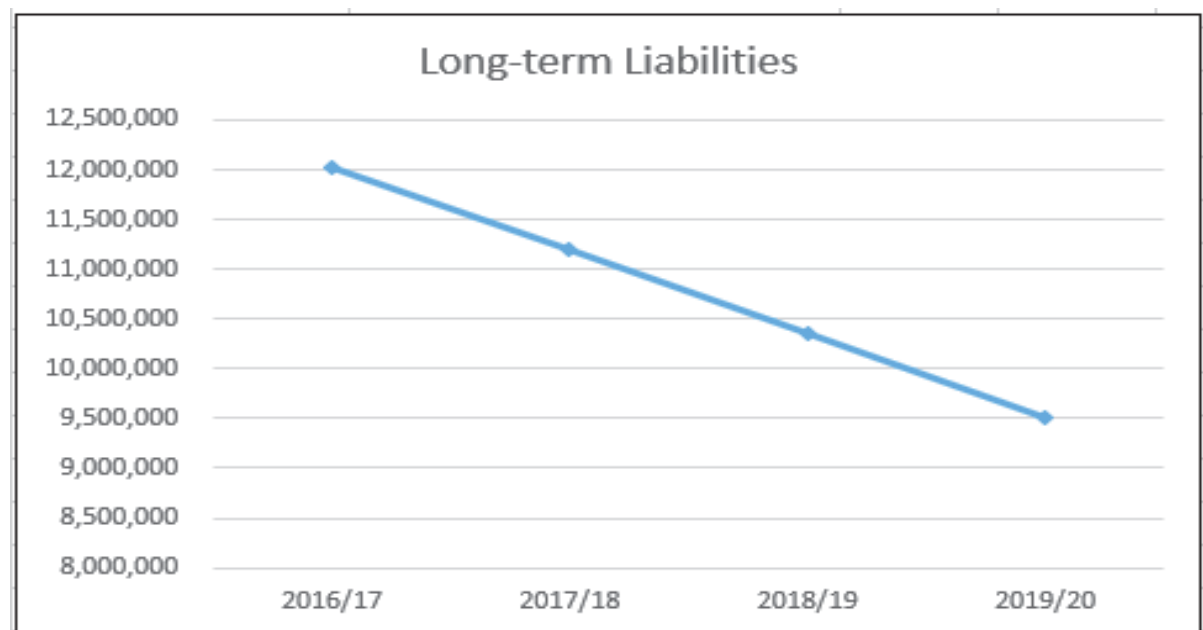
The Graph above shows the estimated increase of total grant receipts for Senqu Municipality over the MTREF.

The Graph below show the movement of expenditure for repairs and maintenance from the financial year 2014-2015 to the financial year 2019-2020.





#### Long Term Liabilities 2019 /2020



Long term liabilities are expected to decrease within the future financial period as initial loans are redeemed and no additional loans are expected to be undertaken.

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

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

In this regard it must be noted that:

- Capital expenditure relates mainly to construction projects that will have lasting value over many years; and
- Capital expenditure is funded from grants and the municipality's Capital Replacement Reserve.

5.8.1 Table : Senqu Municipality's Capital Acquisition Programme

Description R thousand	Ref 1	2016/ 2017	2017/ 2018	2018/ 2019	Current Year 2019/2020			2019/2022 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Actual 2018/ 2019	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/ 2021	Budget Year +1 2021/ 2022	Budget Year +2 2022/2023
<b>Infrastructure</b>		<b>27 204</b>	<b>33 384</b>	46,812	40,109	34,292	34,292	40,085	26,757	63,588
Infrastructure - Road transport		19 644	24 190	22,450	29,629	26,529	26,529	9,469	1,498	18,538
Roads, Pavements & Bridges		17 189	24 190	-	-	-	-	878	23,067	-
Storm water		2 455	-	-	-	-	-	-	-	-
Infrastructure - Electricity Generation		7 220	6 175	7,734	4,900	5,573	5,573	2,288	4,194	3,403
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		2 987	2 987	-	-	-	-	-	-	-
Infrastructure - Water		4 233	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	3 018	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		340	-	-	-	-	-	-	-	-
Waste Management		340	-	16,628	5,580	2,190	2,190	28,329	20,186	18,580
Transportation	2	-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other	3	-	-	-	-	-	-	-	-	-

5.8.1 Table : Senqu Municipality's Capital Acquisition Programme (cont.)

Description	Ref	2016/2017	2017/2018	2018/2019	Current Year 2019/2020			2019/2022 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Actual 2018/2019	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/2020	Budget Year +1 2020/2021	Budget Year +2 2021/2022
<b>Community</b>		<b>5 957</b>	<b>11 496</b>	<b>4,608</b>	<b>2,973</b>	<b>3,097</b>	<b>3,097</b>	<b>10,082</b>	<b>8,962</b>	<b>3,440</b>
Parks & gardens		70	555	-	-	-	-	-	-	-
Sportsfields & stadia		1 626	7 600	223	216	211	211	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	1 608	366	-	155	155	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	3,718	1,931	2,081	2,081	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses	7	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		4 232	337	183	826	650	650	10,082	8,962	3,440
Social rental housing	8	-	-	-	-	-	-	-	-	-
Other		30	1 396	118	-	-	-	-	-	-

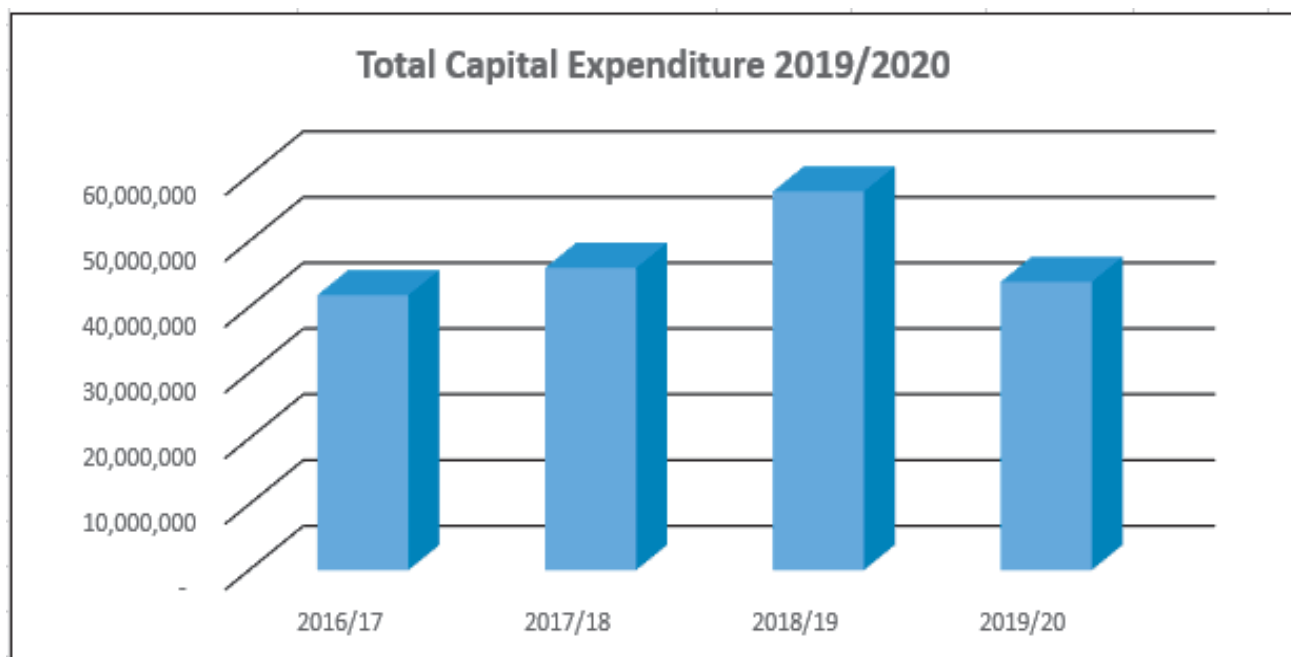
5.8.1 Table : Senqu Municipality's Capital Acquisition Programme (cont.)

Description R thousand	Ref 1	2016/2017	2017/ 2018	2018/ 2019	Current Year 2019/2020			2019/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Actual 2018/19	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/2020	Budget Year +1 2020/2021	Budget Year +2 2021/2022
<b>Other assets</b>	10	<b>12 714</b>	<b>3 124</b>	<b>2 608</b>	<b>4 947</b>	<b>5 130</b>	<b>5 130</b>	<b>15 400</b>	<b>6 380</b>	<b>-</b>
General vehicles		1 325	425	-	1 700	1 500	1 500	1 700	-	-
Specialised vehicles		612	-	-	-	858	858	-	-	-
Plant & equipment		329	304	53	230	196	196	300	241	252
Computers - hardware/equipment		1,143	487	1,260	1,057	1,057	1,057	3,370	458	479
Furniture and other office equipment		1 140	5 102	885	5 118	4 789	4 789	6 674	1 180	1 253
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		1,823	251	3,703	4,000	250	250	672	4,781	-
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		265	3,028	251	-	-	-	-	-	-
<b>Intangibles</b>		<b>247</b>	<b>32</b>	<b>49</b>	<b>69</b>	<b>89</b>	<b>89</b>	<b>88</b>	<b>92</b>	<b>96</b>
Computers - software & programming		247	32	49	69	89	89	88	92	96
Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	1	<b>42,071</b>	<b>45,981</b>	<b>57,623</b>	<b>53,555</b>	<b>43,769</b>	<b>43,769</b>	<b>61,271</b>	<b>42,470</b>	<b>69,108</b>

## 5.9 CAPITAL EXPENDITURE

The following graph indicates the Capital Expenditure over the next three (3) years (2017/2018 – 2019/2020)

### Total Capital Expenditure 2019/2020



## 5.10 SOURCES OF FINANCE

The table below shows the sources of finances to be used for Capital Acquisitions for Senqu Municipality. It must be noted that the municipality mainly uses the MIG Grant Funding and its Capital Replacement Reserves to fund capital acquisitions:

CAPITAL EXPENDITURE	ORIGINAL BUDGET 2020 R	BUDGET ADJUSTMENTS 2020 R	FINAL BUDGET 2020 R	ACTUAL OUTCOME 2020 R	BUDGET VARIANCE 2020 R	RESTATED OUTCOME 2019 R
<b>CAPITAL EXPENDITURE (FUNDING SOURCES)</b>						
National Government	39 760 750	7 223 000	46 983 750	44 850 724	(2 133 026)	44 382 012
Provincial Government	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	<b>39 760 750</b>	<b>7 223 000</b>	<b>46 983 750</b>	<b>44 850 724</b>	<b>(2 133 026)</b>	<b>44 382 012</b>
Internally generated funds	45 989 657	(20 531 571)	25 458 086	(1 038 243)	(26 496 329)	12 899 539
Total Capital Funding	<b>85 750 407</b>	<b>(13 308 571)</b>	<b>72 441 836</b>	<b>43 812 481</b>	<b>(28 629 355)</b>	<b>57 281 551</b>

## 5.11 CAPITAL SPENDING ON PROJECTS

The following table details the infrastructure assets and related progress through expenditure on these assets, during the financial year 2019 /2020.

INFRASTRUCTURE ASSETS 2019/2020	EXPENDITURE 2019/2020
Old age home offices - Phase 2	10,180,979.38
Herschel - Solid Landfill Site	103,296.86
Rossouw - Solid Landfill Site	121,930.82
Rhodes - Solid Landfill Site	121,930.82
Barkly East Solid Waste Site	8,781,189.76
Kwezi Naledi - Node	678,931.02
Boyce Nondala paved roads	12,044,279.35
Roads between Esilindini & Frans	4,646,067.10
Lady Grey Animal Pound	1,989,890.77
Barkly East Cemetery	120,990.02
6km Access Roads Ward 1 - Walaza, Ndofela	4,778,022.35
Sterkspruit Landfill Site	128,728.72
Old Sterkspruit SWS	1,006,958.62
Senqu Electrification of wards	2,450,554.34
Installation of meters	297,065.94
EPWP SideWalks Boyce Nondala - Ward 16	73,589.45
<b>TOTAL</b>	<b>47,524,405.32</b>



## **COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS**

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

Having displayed excellent financial management and investment practices, it must be noted that the municipality is currently experiencing an extremely favourable cash flow and finds itself in a position to meet its long- and short-term commitments in a timely manner. It must be noted that the Council of the municipality is regarded as the trustee of the public revenue that it collects, and it therefore has an obligation to the community to ensure that the municipality's cash resources are effectively and efficiently managed. Under these circumstances, the Council has a responsibility to invest these public revenues knowledgeably and judiciously and must be able to account fully to the community in respect of these investments. The overall responsibility of investments lies with the Municipal Manager. However, it must be noted that the day-to-day handling of investments remains the responsibility of the Chief Financial Officer or his/her delegates.

As part of the Cash Management Programme, the Chief Financial Officer prepares an annual estimate of the municipality's cash flow divided into calendar months and updates these estimates on a monthly basis. These estimates shall indicate when and for what periods and amounts surplus revenues may be invested; when and for what amounts investments will have to be liquidated and when (if applicable), either long-term or short-term debt must be incurred.

## 5.13 CASH FLOW

The table that follows will detail comparisons regarding Senqu Municipalities Cash Flow for 2019/2020 financial year:

<b>SENQU LOCAL MUNICIPALITY</b> <b>STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS</b> <b>CASH FLOW STATEMENT FOR THE YEAR ENDING 30 JUNE 2020</b>				
COMPARISON OF ACTUAL FIGURES TO FINAL BUDGET	2020 R (Actual)	2020 R (Final Budget)	2020 R (Variance)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Property rates	9,122,054	7,255,293	1,866,761	26%
Service charges	38,568,081	42,974,270	(4,406,189)	-10%
Other revenue	4,138,701	6,351,662	(2,212,961)	-35%
Government - operating	158,445,250	157,720,250	725,000	0%
Government - capital	45,935,750	46,983,750	(1,048,000)	-2%
Interest	21,294,387	18,000,000	3,294,387	18%
Refund on VAT returns - VAT 201s	5,938,057	-	5,938,057	100%
<b>Payments</b>				
Suppliers and Employees	(199,610,583)	(219,790,436)	20,179,853	-9%
Finance charges	(830,859)	(3,132,760)	2,301,901	-73%
Transfers and Grants	(37,397)	(608,737)	571,340	-94%
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>82 963 441</b>	<b>55 753 293</b>	<b>27 210 149</b>	

5.13 CASH FLOW Cont. from previous page

<b>SENQU LOCAL MUNICIPALITY</b> <b>STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS</b> <b>CASH FLOW STATEMENT FOR THE YEAR ENDING 30 JUNE 2020</b>				
<b>COMPARISON OF ACTUAL FIGURES TO FINAL BUDGET</b>	<b>2020 R (Actual)</b>	<b>2020 R (Final Budget)</b>	<b>2020 R (Variance)</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Receipts</b>				
Proceeds on disposal of PPE	-	-	-	0%
<b>Payments</b>				
Capital assets	(43 812 482)	(72 441 836)	28 629 354	-40%
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(43 812 482)</b>	<b>(72 441 836)</b>	<b>28 629 354</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Receipts</b>				
Increase in consumer deposits	35 605	94 664	(59 059)	-62%
<b>Payments</b>				
Repayment of borrowing	(854 514)	(854 848)	334	0%
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(818 909)</b>	<b>(760 184)</b>	<b>(58 725)</b>	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>38 332 051</b>	<b>(17 448 727)</b>	<b>55 780 778</b>	
Cash and Cash Equivalents at the beginning of the year	313 095 400	313 095 400	0	0%
Cash and Cash Equivalents at the end of the year	351 427 451	295 646 672	55 780 778	19%

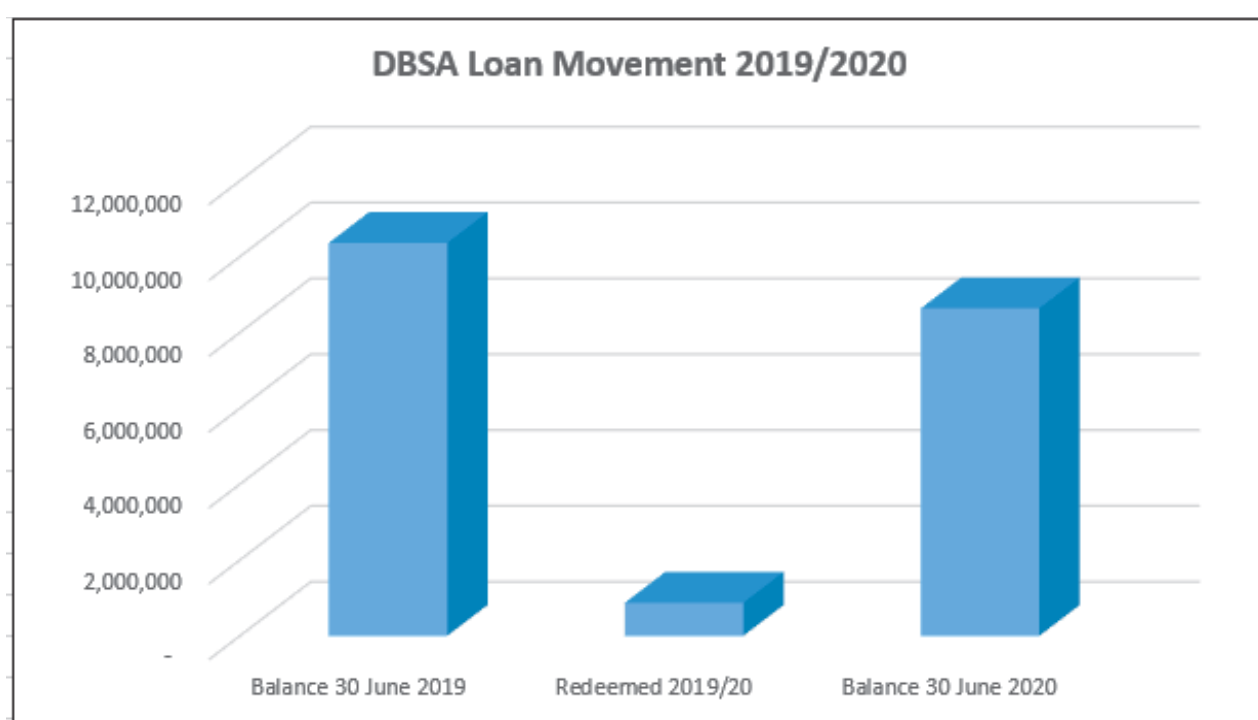
## 5.14 BORROWING FROM INVESTMENTS

### 5.14.1 Introduction to Borrowing and Investments

The Municipality currently has two (2) long term borrowing commitments and both are payable to the Development Bank of South Africa.

One loan relates to the extension of the Senqu Municipality office building and the second loan relates to the purchase of electrical infrastructure, in order to reduce electricity losses and improve service delivery.

**Table: DBSA LOAN MOVEMENTS 2019/2020**



## 5.15 PUBLIC PRIVATE PARTNERSHIPS

### 5.15.1 Public Private Partnerships

Note: Council has not entered into any private public partnerships during this financial year.

## **COMPONENT D: OTHER FINANCIAL MATTERS**

### **5.16 SUPPLY CHAIN MANAGEMENT**

#### **5.16.1 Introduction to Supply Chain Management**

The Council and management remain committed to ensuring that there is compliance with all SCM legislation and regulations in order to ensure that fair and transparent tender processes are followed at all times and to ensure full compliance with the applicable legislation. In support of this, the Municipal SCM Policy has been reviewed and approved by council during the previous financial year as part of the review of all budget related policies.

In order to comply with section 119 of the MFMA all members serving on Bid Specification, Evaluation and Adjudication Committees and all SCM staff are attending National Treasury approved training in order to ensure that they meet the prescribed minimum competency levels relating to supply chain management (SCM).

Various other control measures are also being implemented in order to ensure that SCM practices are effected in a fair, equitable and transparent manner. Supply Chain Management continues to be seen as an area of priority for top management.

### **5.17 GRAP COMPLIANCE**

#### **5.17.1 Introduction to GRAP Compliance**

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the rules by which municipalities are required to maintain their financial accounts. The Municipality is currently in full compliance with all provisions of GRAP.

The financial statements have been prepared using an accrual basis of accounting and are in accordance with historical cost convention, unless otherwise specified.

The financial statements have been prepared in accordance with the Municipal Finance Management Act (MFMA) and effective standards of Generally Recognised Accounting Practices (GRAP), including any interpretations and directives issued by the Accounting Standards Board (ASB). This has occurred in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

The Municipality resolved to adopt the following GRAP standards, which have been issued, but are not required to be in effect until 1 April 2021:

STANDARD	DESCRIPTION	EFFECTIVE DATE
GRAP 12 (2017)	Inventories	1 April 2018
GRAP 16 (2017)	Investment Property	1 April 2018
GRAP 17 (2017)	Property, Plant and Equipment	1 April 2018
GRAP 21 (2017)	Impairment of non-cash-generating assets	1 April 2018
GRAP 26 (2017)	Impairment of cash-generating assets	1 April 2018
GRAP 27 (2107)	Agriculture	1 April 2018
GRAP 31 (2017)	Intangible Assets	1 April 2018
GRAP 103 (2017)	Heritage Assets	1 April 2018

## **DISCLAIMER**

The information provided within this report is reliant on the information provided by the various Directorates. Difficulties in validating data continues to be experienced and as such, the accuracy of all information provided cannot be assured. The organization is currently being audited by the Auditor General and it is only upon receipt of these results that information required to change will be amended based on audited data.

It is the responsibility of all Directorates to provide the required information which is then required to be collated and submitted within the correct format. While it is acknowledged that certain directorates have attempted to provide this information as requested, many have not complied or submitted extremely late – perhaps due to recent issues that have surfaced in respect of certain contracts. Despite this, all parties are still within the employ of Senqu Municipality and are thus bound to provide required information and not to impede progress – especially in an area such as this, which has compliance responsibilities.

This report is that of Senqu Municipality (with each directorate taking full responsibility for information relating to their specific directorate). Content and the accuracy thereof is not the responsibility of the collators' and the coordinators' – their role is simply to obtain, collate, align and restructure information provided and not to verify this in any way. In addition, it is the technical responsibility of all relevant directorate staff to provide inputs regarding performance and issues within their own directorates. They are required to take responsibility for any inputs provided as they are aware on a functional level as to what information is applicable / relevant. Under these circumstances the collators and the coordinators cannot be held accountable for the quality/accuracy/absence of information provided or the lack thereof.

The information within this chapter is being presented with the full knowledge that certain of the detail provided might not reflect the required levels of accuracy. It is further noted that every effort has been made to align reporting to the information contained within other strategic and reporting documents.

In instances where information is found to be lacking or inadequate you are hereby advised that the coordinator of this report has only been able to work with the information provided to them – and as much as they have attempted to validate this where possible they cannot be held accountable – for the reasons reflected above.

# CHAPTER 6

SENQU MUNICIPALITY ANNUAL REPORT 2019/2020

**AUDIT  
COMMITTEE  
FINDINGS  
2019/2020**



## CHAPTER 6:

This chapter will detail the following audit related information:

- Report of the Auditor General to the Eastern Cape Provincial Legislature and the Council of Senqu Municipality (Reference is made to Chapter 1 section 1.5 (Auditor General's Report) 2019/2020
- Component A: Audit Committee Report on Service Delivery 2018/2019
- Component B: Audit Committee Report on Service Delivery 2019/2020
- Component C: Report of the Audit Committee to the Council of the Senqu Municipality for the year ended 30 June 2020

## **Report of the auditor-general to Eastern Cape Provincial Legislature and Council on Senqu Local Municipality**

### **Report on the audit of the financial statements**

**TO BE PROVIDED FROM AUDITOR GENERAL AFTER FINALIZING THE AUDIT**

## COMPONENT A: AUDIT COMMITTEE REPORT ON SERVICE DELIVERY 2018/2019

### 6.1 AUDIT COMMITTEE REPORT ON SERVICE DELIVERY YEAR 2018/2019

#### Audit Committee on Service Delivery: June 2019 (Previous Financial Year)

During the Financial Year, 2018/2019, Senqu Municipality achieved a clean audit report with emphasis of matter. The response to the issues raised and the required remedial action is reflected in the report below:

AUDIT COMMITTEE REPORT SERVICE DELIVERY: 30 JUNE 2019		
#	Non-Compliance Issues: Emphasis of Matter	Remedial Action Taken
1	The municipality does not have a permit or license for all of the landfill sites currently in use and could be liable for a penalty in terms of section 24 (g) of the Environmental Conservation Act, 1997.	<b>Recommended:</b>  <b>Analysis of all Landfill Sites and obtaining permits</b>  <ol style="list-style-type: none"><li>1. An analysis is to be formally conducted regarding the status of each individual landfill site in order to establish whether all aspects of compliance have been met.</li><li>2. A register of the status of all Landfill sites is to be compiled and submitted to Council for information.</li><li>3. Where non-compliance is found a consultant is required to be appointed through the supply chain process in order to assist the municipality in obtaining the permit for the landfill site.</li><li>4. Progress reporting from the service provider is to be strictly monitored in order to ensure that compliance is achieved in all areas by 1 September 2018.</li></ol>

AUDIT COMMITTEE REPORT SERVICE DELIVERY: 30 JUNE 2019 (cont.)			
#	Non-Compliance Emphasis of Matter	Issues:	Remedial Action Taken
2	<b>Material losses</b>  As disclosed in note 44.4 to the financial statements, the municipality incurred distribution losses relating to electricity totalling R1,9 million (2016: R1,6 million). The amount disclosed for material losses is above the acceptable range.		<b>Recommended:</b>  <b>Investigative and practical intervention</b>  1. Workshops/discussions are held regarding methodology to minimize Electricity related distribution losses.  2. An Action Plan is developed, approved and implemented.  3. Distribution losses are monitored and measured and reported on monthly while ensuring that appropriate action will be taken in order to minimize losses.

The performance and annual financial statements were presented fairly, in all material respects, the financial position of the Senqu Municipality as at 30 June 2019 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the MFMA and DORA.

## COMPONENT B: AUDIT COMMITTEES REPORT ON AUDITOR GENERAL'S OPINION ON SERVICE DELIVERY 2019/2020

### 6.2 AUDIT COMMITTEE REPORT ON SERVICE DELIVERY YEAR 2019/2020

During the Financial Year 2019/2020, Senqu Municipality achieved a clean audit report with emphasis of matter. The response to the issues raised and the required remedial action is reflected in the report below:

TO BE PROVIDED

AUDIT COMMITTEE REPORT SERVICE DELIVERY: 30 JUNE 2020		
#	Non-Compliance Issues: Emphasis of Matter	Remedial Action Taken

The performance and annual financial statements were presented fairly, in all material respects, the financial position of the Senqu Municipality as at 30 June 2020 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the MFMA and DORA.

## **COMPONENT C: REPORT OF THE AUDIT COMMITTEE TO THE COUNCIL OF THE SENQU MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2020**

### **REPORT OF THE AUDIT COMMITTEE TO THE COUNCIL OF THE SENQU MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2020**

TO BE PROVIDED

#### **DISCLAIMER**

The information provided within this report is reliant on the information provided by the various Directorates and in this chapter from the Auditor General and the Audit Committee Chairperson.

The collators are dependent on submissions received and have accepted these in good faith.

We are currently awaiting the Auditor General's Report and additional information that will enable us to complete this section correctly. Delays with the final audit report have been experienced as a direct impact of COVID – 19 which has impacted on timeframes throughout.

In instances where information is found to be lacking or inadequate you are hereby advised that the coordinator of this report has only been able to work with the information provided to them – and as much as they have attempted to validate this where possible they cannot be held accountable. Any issues of non-compliance must be taken up with MPAC following investigation and addressed formally.

# **GLOSSARY AND APPENDIXES INCLUSIVE OF SERVICE PROVIDER REPORTING**

**SENQU  
MUNICIPALITY  
ANNUAL  
REPORT  
2019/2020**

## GLOSSARY

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



## GLOSSARY CONT.

<b>Financial Statements</b>	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
<b>General Key Performance Indicators</b>	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and reducing jobs
<b>Inputs</b>	All the resources that contribute to the production and delivery of outputs. Inputs are “what we use to do the work”. They include finances, personnel, equipment and buildings.
<b>Integrated Development Plan (IDP)</b>	Sets out municipal goals and development plans
<b>National Key Performance Areas</b>	<ul style="list-style-type: none"> <li>▪ Service delivery &amp; Infrastructure</li> <li>▪ Economic development</li> <li>▪ Municipal transformation and institutional development</li> <li>▪ Financial viability &amp; management</li> <li>▪ Good governance &amp; community participation</li> </ul>
<b>Outcomes</b>	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution’s strategic goals and objectives set out in its plans. Outcomes are “what we wish to achieve”.
<b>Outputs</b>	The final products, or goods and services produced for delivery. Outputs may be defined as “what we produce or deliver”. An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunisation, or a service such as processing an application) that contributes to the achievement of a Key Result Area.

## GLOSSARY CONT.

<b>Performance Indicator</b>	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered.
<b>Performance Information</b>	Generic terms for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards</b>	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timelines, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
<b>Performance Targets</b>	The level of performance that municipalities and its employees strive to achieve. Performance targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
<b>Service Delivery Budget Implementation Plan</b>	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
<b>Vote</b>	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines "vote" as</p> <ul style="list-style-type: none"> <li>a) One of the main segments into which a budget of the municipality is divided for the appropriation of money for the different departments or functional areas of the municipality, and</li> <li>b) That which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.</li> </ul>

## APPENDIX A

COUNCILLORS, COMMITTEES AND COUNCIL ATTENDANCE					
COUNCIL MEMBERS	FULL TIME/ PART TIME	COMMITTEES ALLOCATED	*WARD AND/OR PARTY REPRESENTED	% COUNCIL MEETINGS ATTENDANCE	% APOLOGIES FOR NON-ATTENDANCE
N. P Mposelwa – Mayor	Full Time	EXCO	Party Representative	77.77	22.22
I. Mosisidi	Part Time	Rules and Ethics	Ward Councillor- Ward 17	100	0
A.P. Kwinana	Part Time	MPAC	Party Representative	100	0
N. January	Part Time	Corporate Services	Party Representative	100	0
G.N. Mbonyana	Part Time	Corporate Services	Party Representative	66.66	33.33
N.R. Lose	Part Time	Financial Services	Party Representative	88.88	11.11
V.V. Stokhwe	Full Time	Speaker	Party Representative	100	0
P Jeje	Part Time	MPAC	Ward Councillor – Ward 01	100	0
J. Mposelwa	Part Time	Technical Services	Ward Councillor – Ward 02	88.88	11.11
M.A. Mshasha	Part Time	Development & Planning Services	Ward Councillor – Ward 16	88.88	11.11
S.M Ntlwatini	Part Time	Financial Services	Ward Councillor – Ward 03	88.88	11.11
Mqakelana	Part Time	Community Services	Ward councillor – Ward 04		0
K.S Mpiti-Xhelesha	Part Time	Financial Services	Ward councillor – Ward 08	77.77	22.22
J.D Somsila	Part Time	Community Services	Ward Councillor – Ward 09	88.88	11.11
M.H Rorwana	Part Time	MPAC	Ward Councillor – Ward 11	100	0
N. Nyongwana	Part Time	Development & Planning Services	Ward Councillor – Ward 12	100	0
Z.S Khoba	Part Time	Financial Services	Ward Councillor – Ward 13	100	0
T.M Dumzela	Part Time	Technical Services	Ward Councillor – Ward 14	100	0
N.C Mraji	Part Time	Community Services	Ward Councillor – Ward 06	88.88	11.11

**APPENDIX A (CONT.)**

<b>COUNCILLORS, COMMITTEES AND COUNCIL ATTENDANCE</b>					
<b>COUNCIL MEMBERS</b>	<b>FULL TIME/ PART TIME</b>	<b>COMMITTEES ALLOCATED</b>	<b>*WARD AND/OR PARTY REPRESENTED</b>	<b>% COUNCIL MEETINGS ATTENDANCE</b>	<b>% APOLOGIES FOR NON-ATTENDANCE</b>
M. N Gojo	Part Time	DTPS	Ward Councillor – Ward 07	100	0
M. Phuza	Part Time	Technical Services	Ward Councillor – Ward 15	77.77	22.22
X.G Magcai	Part Time	Technical Services	Party Representative DA	100	0
S. Mfisa	Part Time	Corporate Services	Ward Councillor – Ward 10	66.66	33.33
B. Moeletsi	Part Time		Party Representative EFF		55.55
P. M Mnisi	Part Time	Corporate Services	Party Representative SCA	88.88	11.11
M.N Mgojo	Part Time	EXCO	Party Representative SCA	100	0%
B.S Maqala	Part Time		Party Representative SCA	66.66	33.33
S.S. Ndzongana	Part Time	EXCO	Ward Councillor – Ward 05	77.77	22.22
M.C Kibe	Part Time	Technical Services & Strategic	Party Representative SCA	77.77	22.22
M.T.N Sehloho	Part Time	DTPS	Party Representative SCA	55.55	44.44
N.M Phama	Part Time	Rules and Ethics	Party Representative SCA	100	0
A.W Mkanagala	Part Time	Rules and Ethics	Party Representative SCA		16.66
M. Ndoda	Part Time		Party Representative SCA	83.33	16.66 Replaced Cllr Maqungu from Jan 2017
N.Y Monakali	Part time	Corporate Services	Party Representative DA	100	0

# COMMITTEES & COMMITTEE PURPOSES

COMMITTEES (OTHER THAN MAYORAL /EXECUTIVE COMMITTEE) AND PURPOSE OF COMMITTEES	
Municipal Committees	Purpose of Committee
Audit Committee	Administrative Oversight
Municipal Public accounts committee	Oversight
Local Labour Forum	Labour related Issues
Training Committee	Training and Employment Equity Issues
Bid Committees	Bid/Specification/Tender Adjudication
Performance Management Evaluation	Assessment of Performance
Mandate Committee	To carry out and discuss all the mandatory issues of the Council
Remuneration Committee	To carry out and discuss all the remuneration issues of the Council
Strategic and Governance Committee	To carry out and discuss all the Strategic issues of the Council
Ethics Committee	To carry out and discuss all the ethical issues of the Council
Corporate and Support Services Committee	To discuss, recommend and dealing with council related business.
Community Services Committee	To discuss, recommend and dealing with council related business.
Technical Services Committee	To discuss, recommend and dealing with council related business.
Budget & Treasury Committee	To discuss, recommend and dealing with council related business.
Development and Planning Committee	To discuss, recommend and dealing with council related business.
Occupation Health and Safety Committee	To carry out and discuss all the Occupational and Health issues of the Council
Employment Equity Committee	To carry out and discuss all the Employment Equity issues of the Council

## THIRD TIER ADMINISTRATIVE STRUCTURE

THIRD TIER STRUCTURE	
Directorate	Director/Manager (state title and name)
Financial Services	Chief Financial Officer: Mr K. Fourie (Acting)
Technical Services	Director: Mr R Crozier
Development and Planning Services	Director: Ms P L Bushula
Community Services	Director: Ms C L N Gologolo
Corporate Services	Director: Mr T E Wonga

## FUNCTIONS OF MUNICIPALITY/ ENTITY

MUNICIPAL / ENTITY FUNCTIONS		
Municipal Functions	Function Applicable to Municipality Yes/No	Function applicable to Entity Yes/No
<b>Constitution Schedule 4, Part B functions</b>		
Air Pollution	No	N/A
Building Regulations	Yes	N/A
Child care facilities	No	N/A
Electricity and gas reticulation	Yes	N/A
Firefighting services	No	N/A
Local tourism	Yes	N/A
Municipal airports	No	N/A
Municipal Planning	Yes	N/A
Municipal Health Services	No	N/A
Municipal Public Transport	No	N/A
Municipal Public Works only in respect of the needs of municipalities to administer functions specifically assigned to them under this Constitution or any other law	Yes	N/A
Pontoons, ferries , jetties, piers & harbours, excluding the regulation of international & national shipping & matters related thereto	No	N/A
Storm water management systems in built-up areas	Yes	N/A
Trading regulations	Yes	N/A
Water and sanitation services limited to potable water supply systems and domestics waste water and sewage disposal systems	Yes	N/A
Beaches and amusement facilities	No	N/A
Billboards and the display of advertisements in public area	Yes	N/A

## APPENDIX D (CONT.)

MUNICIPAL / ENTITY FUNCTIONS		
Municipal Functions	Function Applicable to Municipality Yes/No	Function applicable to Entity Yes/No
<b>Constitution Schedule 4, Part B functions</b>		
Cemeteries, funeral parlours and crematoria	Yes	N/A
Cleansing	Yes	N/A
Control of public nuisances	Yes	N/A
Control of undertakings that sell liquor to the public	Yes	N/A
Facilities for the accommodation, care and burial of animals	Yes	N/A
Fencing and fences	Yes	N/A
Licensing of dogs	Yes	N/A
Licencing and control of undertakings that sell food to the public	Yes	N/A
Local amenities	Yes	N/A
Local sport facilities	Yes	N/A
Markets	Yes	N/A
Municipal abattoirs	No	N/A
Municipal parks and recreation	Yes	N/A
Municipal roads	Yes	N/A
Noise pollution	No	N/A
Pounds	Yes	N/A
Public places	Yes	N/A
Refuse removal, refuse dumps and solid waste disposal	Yes	N/A
Street trading	Yes	N/A
Street lighting	Yes	N/A
Traffic & Parking	Yes	N/A



## APPENDIX E

### WARD REPORTING

PUBLIC MEETINGS						
NAME AND PURPOSE OF MEETING	DATE OF MEETING	NUMBER OF PARTICIPATING COUNCILLORS /WARD MEMBERS	NO. OF PARTICIPATING MUNICIPAL OFFICIALS / ADMINISTRATORS	NUMBER OF COMMUNITY ATTENDING	ISSUES ADDRESSED (YES /NO )	DATES AND MANNER OF FEEDBACK GIVEN TO THE COMMUNITY
Mayoral Outreach (Public Consultation)	<b>Second Quarter:</b>	All Ward and PR Councillors Mayor Speaker	*6 Officials			Ward Committee meetings and feedback via Municipal Outreaches as indicated
	<b>20 November 2019</b> (Wards 1,2,3,6 and 7 at Makalakaleni Community Hall in Ward 2.			191	Yes	
	<b>19 November 2019</b> (Wards 11,13 and 14) at Lady Grey Town Hall.			211	Yes	
	<b>10 December 2019</b> (Wards 15 and 16) at Nkululeko Hall, Barkly East.			89	Yes	
	<b>11 December 2019</b> (Ward 10) at Bhunga Hall, Sterkspruit.			42	Yes	
	<b>19 November 2019</b> (Wards 8,9,12 and 17) at Bhunga Hall, Sterkspruit.			96	Yes	
	<b>20 November 2019</b> (Wards 4, 5, and 15) at the Hillside Community Hall.			87	Yes	
	<b>21 November 2019</b> (part of Ward 5) at Rossouw Community Hall.			54	Yes	

**APPENDIX E - WARD REPORTING (CONT.)**

<b>PUBLIC MEETINGS</b>						
<b>NAME AND PURPOSE OF MEETING</b>	<b>DATE OF MEETING</b>	<b>NUMBER OF PARTICIPATING COUNCILLORS /WARD MEMBERS</b>	<b>NO. OF PARTICIPATING MUNICIPAL OFFICIALS / ADMINISTRATORS</b>	<b>NUMBER OF COMMUNITY ATTENDING</b>	<b>ISSUES ADDRESSED (YES /NO )</b>	<b>DATES AND MANNER OF FEEDBACK GIVEN TO THE COMMUNITY</b>
IDP Representative and Public Participatory Forum Meetings	20 August 2019 20 December 2019 3 March 2020	22 participants 30 Participants 21 Participants	4 Officials 4 Officials 4 Officials	54 67 41	Yes Yes Yes	Ward Committee meetings and Public Participation Initiatives as indicated
Ward Committee meeting	8 August 2019 – 16 September 2019  4 October 2019 – 12 December 2019 (17 meetings)  Quarter 3: 3-10 February 2020; Wards 1 to 10 and 17 Ward Committees.	All Ward Councillors and Ward Committees in Quarters 1 to 3 (with exception of Wards 14,15 and 16 in Quarter 3.  Quarter 4 no meetings due to COVID 19.	1 Official	11	Yes	Ward Committee meetings as specified
Mayoral Budget Speech	29 May 2020	Innovative alternatives to meet the target due to COVID – 19. Quarter 4: Mayor undertook public participation via the local radio stations and budget speech was incorporated.	TBA	TBA	TBA	TBA

## APPENDIX F

### WARD INFORMATION

PROJECTS APPROVED AND IN PROGRESS			R' 000
NATIONAL PROJECT REFERENCE NO.	PROJECT NAME	EXPENDITURE 2019/2020	BALANCE AVAILABLE ON MIG APPROVAL
		TBA	TBA

## APPENDIX F WARD INFORMATION (CONT.)

[illegible]

## APPENDIX G

### RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 2019/2020

DATE OF THE MEETING	RECOMMENDATIONS	ADOPTED (ENTER YES) IF NOT, PROVIDE EXPLANATION
26 August 2019	The Chairperson requested that a meeting be arranged for AC and AGSA without management by the internal audit unit.	Yes
18 November 2019	The AC requested with regards to the communication channels, that there be some agreed escalation to the AC Chairperson in terms of findings which were material, and which could affect the audit report.	Yes
24 February 2020	The AC requested for the Minutes of the Risk Management Committee (RMC) to be provided to them moving forward.	Yes
18 May 2020	The AC requested that the mSCOA Implementation be provided by the CFO to the AC by Friday, 26 October 2019.	Yes

## APPENDIX H

### LONG-TERM CONTRACTS & PUBLIC PRIVATE PARTNERSHIPS

LONG TERM CONTRACTS (20 LARGEST CONTRACTS ENTERED INTO DURING YEAR 0)					
R'000					
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry Date of Contract	Project Manager	Contract Value
TELKOM ISDN PRA Rental	Installation and Rental of Telkom ISDN 30 PRA Service	10-Nov-13	10-Nov-16	Director Corporate Service	R 91 610

PUBLIC PRIVATE PARTNERSHIPS ENTERED INTO DURING YEAR 0					
R'000					
Name of and Description of the Project	Name of the Partner(s)	Initiation Date	Expiry Date	Project Manager	Value 20.. /20..
No PPP were entered into by council					

## APPENDIX I



### MUNICIPAL ENTITY / SERVICE PROVIDERS STRATEGIC PERFORMANCE MANAGEMENT AND MONITORING REPORT: CONSOLIDATED BIDS AWARDED FOR THE PERIOD 2019 /2020

**MUNICIPAL ENTITY / SERVICE PROVIDERS STRATEGIC PERFORMANCE  
MANAGEMENT AND MONITORING REPORT: 2019 /2020**

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Service provider means a person or institution or any combination of persons and institutions which provide a municipal service.

- External service provider means an external mechanism referred to in section 76(b) which provides a municipal service for a municipality.
- Service delivery agreement means an agreement between a municipality and an institution or person mentioned in section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality
- Section 121(b) of the MFMA and Section 46 of the MSA further state that a municipality should include the following related to service providers in its annual report:
  - The performance of each service provider
  - a Comparison of the performance with targets set for and performances in the previous financial year; and
  - measures taken to improve performance.

The purpose of this section is to provide information related to the performance of external service providers.



**SCM STATISTICAL AND COMPLIANCE/ADMINISTRATIVE REPORTING: 2019/2020**

<b>Total number of times that the Bid Committee met during 2019/2020</b>			
<b>Specifications Committee (16 Meetings)</b>		<b>Evaluation Committee (18 meetings)</b>	<b>Adjudication Committee (14 Meetings)</b>
1	31 July 2019	1 July 2019	01 July 2019
2	21 August 2019	1 August 2019	01 August 2019
3	04 October 2019	22 August 2019	29 August 2019
4	17 October 2019	04 September 2019	27 September 2019
5	24 October 2019	09 September 2019	17 October 2019
6	29 October 2019	08 October 2019	04 November 2019
7	11 November 2019	12 October 2019	02 December 2019
8	18 November 2019	23 October 2019	17 December 2019
9	14 January 2020	21 November 2019	23 January 2020
10	17 January 2020	02 December 2019	28 February 2020
11	03 February 2020	10 January 2020	21 April 2020
12	16 March 2020	17 February 2020	20 May 2020
13	20 March 2020	16 March 2020	15 June 2020
14	11 May 2020	20-23 March 2020	29 June 2020
15	29 May 2020	8 May 2020	
16	17 June 2020	19 June 2020	
17		23-25 June 2020	
18		29 June 2020	
<b>Bids Approved /awarded/Turnaround Time</b>			
Total number of Tenders considered: 67			
Total number of Tenders approved: 28			
Average time taken from tender advertisement to award of a tender: 90 Days: 3 Months			

## SCM BID COMMITTEES 2019 /2020

Various BID Committee Members 2019 /2020		
Bid Specification Committee Members	Bid Evaluation Committee Members	Bid Adjudication Committee Members
T Van Zyl (Chairperson)	A Gushmani (Chairperson)	K Fourie (Chairperson)
Z Ngcuka (SCM Practitioner)	B Tsotso (SCM Practitioner)	N Sbukwana (SCM Official)
N Languza-Mtwebana (Secretary-SCM)	N Languza-Mtwebana (Secretary-SCM)	P Bushula
B Viedge	X Mninzalwa	T Wonga
L Tobben	D Oertel	L Gologolo
M Theron	N Nkopane (For Infrastructure Projects)	R Crozier
T van Rensburg	Z Koyana	
M Ramarou	S Mbekushe	
N Nkopane	U Sobudula	
M Salmani	P Oliphant	
T Van Rensburg	M Nolan (Observer)	
M Nolan (Observer)		

**Consolidated Service Providers Performance Report 2019 /2020 (1 July 2019 until 30 June 2020)**

LEGEND		
Total number of projects assessed	18	
Fully Achieved/Targets Met – Excellent performance	17	94.44%
Targets Met with a Variance – Good Achievement	0	0.00%
Not yet met/not fully achieved	0	0,00%
Not achieved	1	5,56%
Not Assessed	Adjudication Stage	Not provided

#	NOTICE NO.	NAME OF THE SERVICE PROVIDER	DESCRIPTION	CONTRACT VALUE	DATE OF SPECIFICATION	DATE OF EVALUATION	DATE OF ADJUDICATION	OVERALL TARGET FOR CURRENT PERIOD	PROGRESS/ ACHIEVEMENT OF TARGETS	LEVEL OF SERVICES	REASON FOR VARIANCE ON TARGET	ACTION TO REMEDY VARIANCE	TIMEFRAMES TO CORRECT VARIANCE
1	30/2018-2019	Mnadi Civils JV C.U.A Holdings (Pty) Ltd	Renovation of Kwezi Naledi Node	R906 686.45	19 Mar 19	28 May 19	01 Aug 19	Target not met	Project not completed.	Tender Document	Extension of time due to lack of capacity by contractor	Application for extension of time	
2	43/2018-2019	Mokhejane Trading Enterprise	Purchase and delivery of consumables	Vat Inclusive Rates tendered	15 April 19	31 May 19	01 Aug 19	100%	Service Provider appointed on 01 August 2019	Service Level Agreement	No Variance	n/a	n/a

#	NOTICE NO.	NAME OF THE SERVICE PROVIDER	DESCRIPTION	CONTRACT VALUE	DATE OF SPECIFICATION	DATE OF EVALUATION	DATE OF ADJUDICATION	OVERALL TARGET FOR CURRENT PERIOD	PROGRESS/ ACHIEVEMENT OF TARGETS	LEVEL OF SERVICES	REASON FOR VARIANCE ON TARGET	ACTION TO REMEDY VARIANCE	TIMEFRAMES TO CORRECT VARIANCE
3	44/2018-2019	Amended Recline and Projects	Tools and Equipment	Vat Inclusive Rates tendered	15 April 19	01 Aug 19	28 Aug 19	100%	Service Provider appointed on 28 August 2019	Service Level Agreement	No Variance	n/a	n/a
4	55/2018-2019	Ebusha Trading (Pty)Ltd	Purchase and delivery of cold mix cold asphalt	Vat Inclusive Rates tendered	14-15 May 19	1 July 19	1 Aug 19	100%	Service Provider appointed on 01 August 2019	Service Level Agreement	No Variance	n/a	n/a
5	58/2018-2019	Breedenet	Provision of VPN Line Rental for 3 years	R 486 228.00	14-15 May 19	1 July 19	01 Aug 19	100%	Service Provider appointed on 01 August 2019	Service Level Agreement	No Variance	n/a	n/a
6	61/2018-2019	Free State Transformers (Pty) Ltd	Refurbishment of transformers	R 3 331 442.82	14-15 May 19	1 Aug 19	28 Aug 19	100%	Service Provider appointed on 28 August 2019	Service Level Agreement	No Variance	n/a	n/a
7	71/2018-2019	NCC Network & Computing Consultants	Network Security	R 407 836.00	14-15 May 19	1 Aug 19	28 Aug 19	100%	Service Provider appointed on 28 August 2019	Service Level Agreement	No Variance	n/a	n/a

#	NOTICE NO.	NAME OF THE SERVICE PROVIDER	DESCRIPTION	CONTRACT VALUE	DATE OF SPECIFICATION	DATE OF EVALUATION	DATE OF ADJUDICATION	OVERALL TARGET FOR CURRENT PERIOD	PROGRESS/ ACHIEVEMENT OF TARGETS	LEVEL OF SERVICES	REASON FOR VARIANCE ON TARGET	ACTION TO REMEDY VARIANCE	TIMEFRAMES TO CORRECT VARIANCE
8	12/2019-2020	Best OYXL (Pty) Ltd	Purchase and delivery of cleaning materials for 3 years	Vat Inclusive Rates tendered	17 Jan 20	20-23 Mar 20	21 April 20	100%	Service Provider appointed on	Service Level Agreement	No Variance	n/a	n/a
9	48/2019-2020	Lateral Unison Insurance Brokers	Short-term insurance	R 1 786 486.00	29 May 20	23-25 June 20	29 June 20	100%	Service Provider appointed on 29 June 2020	Level Agreement	No Variance	n/a	n/a
10	56/2018-2019	Mink-Line Consulting	HR Management Support	Vat Inclusive Rates tendered	14-15 May 19	22 Aug 19	29 Aug 19	100%	Service Provider appointed on 29 August 2019	Service Level Agreement	No Variance	n/a	n/a
11	63/2019-2020	Izwe Lakowethu Trading	Supply and delivery of Paraffin and Candles	Vat Inclusive Rates tendered	14-15 May 19	9 Sep 19	27 Sept 19	100%	Service Provider appointed on 27 September 2019	Service Level Agreement	No Variance	n/a	n/a
12	90/2019-2020	Lethululo Trading Enterprise	Purchase and delivery of black refuse bags	Vat Inclusive Rates tendered	31 July 19	08 Oct 19	17 Oct 19	100%	Service Provider appointed on 17 October 2019	Service Level Agreement	No Variance	n/a	n/a

#	NOTICE NO.	NAME OF THE SERVICE PROVIDER	DESCRIPTION	CONTRACT VALUE	DATE OF SPECIFICATION	DATE OF EVALUATION	DATE OF ADJUDICATION	OVERALL TARGET FOR CURRENT PERIOD	PROGRESS/ACHIEVEMENT OF TARGETS	LEVEL OF SERVICES	REASON FOR VARIANCE ON TARGET	ACTION TO REMEDY VARIANCE	TIMEFRAMES TO CORRECT VARIANCE
13	92/2019-2020	Opto East Coast (Pty) Ltd	Calibration and maintenance of weighbridge LG and BE	Vat Inclusive Rates tendered	21 Aug 19	8 Oct 19	17 Oct 19	100%	Service Provider appointed on 17 October 2019	Service Level Agreement	No Variance	n/a	n/a
14	100/2019-2020	Umlhlab Consulting	Senqu Municipality Housing Sector Plan	Vat Inclusive Rates tendered	21 Aug 19	23 Oct 19	04 Nov 19	100%	Service Provider appointed on 04 November 2019	Service Level Agreement	No Variance	n/a	n/a
15	101/2019-2020	Ilizwe Town and Regional Planners	BE local spatial development	R 207 000.00	21 Aug 19	23 Oct 19	04 Nov 19	100%	Service Provider appointed on 04 November 2019	Service Level Agreement	No Variance	n/a	n/a

#	NOTICE NO.	NAME OF THE SERVICE PROVIDER	DESCRIPTION	CONTRACT VALUE	DATE OF SPECIFICATION	DATE OF EVALUATION	DATE OF ADJUDICATION	OVERALL TARGET FOR CURRENT PERIOD	PROGRESS/ACHIEVEMENT OF TARGETS	LEVEL OF SERVICES	REASON FOR VARIANCE ON TARGET	ACTION TO REMEDY VARIANCE	TIMEFRAMES TO CORRECT VARIANCE
16	126/2018-2019	Munacon/Siyanda Business Solutions	Preparation of Annual Financial Statements	R 3 806 218.00	20 Mar 20	19 June 20	29 June 20	100%	Service Provider appointed on 29 June 2020	Service Level Agreement	No Variance	n/a	n/a
17	129/2019-2020	MTN (Pty) Ltd	Configuration, Maintenance and Support of an Integrated Telephone System	R 1 494 657.00	29 Oct 19	17 Feb 20	28 Feb 20	100%	Service Provider appointed on 25 February 2020	Service Level Agreement	No Variance	n/a	n/a
18	136/2019-2020	Masiqhame Trading	Electrification of 303 rural households' connection	R 1 494 657.00	18 Nov 19	10 Jan 20	23 Jan 20	100%	Service Provider appointed on 23 January 2020	Service Level Agreement	No Variance	n/a	n/a

## Management of Service Provider

The Manager: Acquisition, Contract Management and Vendor Performance manages monitors and reports on the issues related to scope of functioning within the Acquisition, Inventory, Contract Management and Vendor Performance, the reporting is further not just limited to the performance of contracts, deviations and all other related aspects are covered as deemed appropriate. These reports are tabled to the Mayor and the Council that is monitored by the Manager: Acquisition, Contract Management and Vendor Performance.

## Extension of contract of Contracts

There are 10 non-infrastructure contracts that will expire within 6 months of the end of the financial year under review i.e., 30 June 2020. Delays were attributed to the Covid 19 lockdown regulations, applications for extension of time will be made.

Notice No	Name of Service Provider	Description of goods/services	Contract Value	Term of Contract	Start Date	End Date
Transversal tender	Sebata Municipal Solutions	Accounting support system	Different rates for.	3 years	01/07/2017	01/07/2020
69/2017	Utilities World (Pty) Ltd	Supply of prepaid vending system	R 348,840.00	3 years	01/10/2017	30/09/2020
72/2017	Amended Recline Trading and Projects	Provision of protective clothing	Different rates	3 years	01/10/2017	30/09/2020
73/2017	DFR Engineers	Consultant for electrification households at wards	R 1,740,423.03	3 years	15/08/2017	15/08/2020
176/2018/2019	Umhlaba Consulting	SPLUMA - Appointment of a professional team to develop a local spatial development framework for Lady Grey	R 222,000.00	6 months	17/01/2019	17/07/2019
43/2018/2019	Mokhejane Trading Enterprise	Purchase and delivery of consumables	Tender rates	1 year	01/08/2019	01/08/2020



Notice No.	Name of Service Provider	Description of goods/services	Contract Value	Term of Contract	Start Date	End Date
90/2019/2020	Lethululo Trading Enterprise	Purchase and delivery of black refuse bags	Different rates	1 year	04/11/2019	04/11/2020
100/2019/2020	Umhlaba Consulting	Senqu Municipality Housing Sector Plan	R 275,896.50	6 months	20/12/2019	20/06/2020
101/2019/2020	Ilizwe Town and Regional Planners	BE local spatial development	R 207,000.00	6 months	04/11/2019	04/05/2020
136/2019/2020	Masiqhame Trading	Electrification of 303 rural households' connection	R 3,512,301.45	1 year	05/02/2020	04/07/2020

### **Deviations up to the value of R 200 000**

Regulation 36(1) of the Municipal Supply Chain Management Regulations, 2005, allows the accounting officer to disperse with the official procurement processes.

<b>Date</b>	<b>Supplier</b>	<b>Amount</b>	<b>Department</b>	<b>Comment/Reason for deviation</b>
05/07/2019	Leadership Academy	R 22 584.60	Corporate Services  (Internal Audit Unit)	SCM Regulation 36(1)(a)(ii). The Internal Audit Unit affiliate with the Institute of Internal Auditors of South Africa (IIA(SA)) and they are required to maintain CPD hours with IIA(SA) to ensure that they are competent when performing their duties as required by their professional body. The IIA(SA) performs some of its accredited trainings through Leadership Academy.
29/08/2019	Tiso Blackstar (Times Media)	R 25 012.50	Corporate Services	SCM Regulation 36(1)(a)(v). Regulation requirement on appointment of Senior Managers: Local Government: Municipal System Act: Regulation: Appointment and conditions of employment of senior managers: Section 11(2) which states that a vacant senior manager post must be advertised at least in a newspaper circulating nationally.
30/09/2019	Tiso Blackstar (Daily Dispatch)	R 10 453.50	Corporate Services	SCM Regulation 36(1)(a)(v). The Recruitment & Selection Policy, section 6.1.3 requires that posts at middle management level to be advertised externally, published at least in a newspaper as provided for in Section 21(1) of the Municipal Systems Act. Furthermore, positions at middle management level (IT Manager) are advertised provincially to attract more suitable candidates.
04/10/2019	Institute of Municipal Finance Officer (CIGFARO)	R 8 524.00	DTPS	SCM Regulation 36(1)(a)(v). The CIGFARO conference is an annual conference that is organized for the purpose of good governance within municipalities.
04/10/2019	Institute of Municipal Finance Officer (CIGFARO)	R 17 048.00	MM's Office	SCM Regulation 36(1)(a)(v). The CIGFARO conference is an annual conference that is organized for the purpose of good governance within municipalities.
17/01/2020	Arena Holdings (Daily Dispatch)	R 4 802.40	Corporate Services	SCM Regulation 36(1)(a)(v). The Recruitment & Selection Policy, section 6.1.3 requires that posts at middle management level to be advertised externally, published at least in a newspaper as provided for in Section 21(1) of the Municipal Systems Act. Furthermore, positions at middle management level (Demand Manager) are advertised provincially to attract more suitable candidates.

Date	Supplier	Amount	Department	Comment/Reason for deviation
18/02/2020	Bleed Holiday Show	R 27 503.40	DTPS (Tourism)	SCM Regulation 36(1)(a)(v).Bleed Holiday Show (Interactive Trading 498 cc) are organizers of the caravan show, they are the only company/ service provider authorized to sell stands and supply furniture for the stands at the above-mentioned event. This is the even that the Senqu Tourism attends for self-drive within the tourism sector.
26/03/2020	LA FM	R 25 650.00	MM's Office (Communication)	<p>SCM Regulation 36(1)(a)(v). Regulation Gazette No. 11063 (dated 25/03/2020) requirement: Paragraph 6.3.2(a) states that Municipalities and Institutions of Traditional Leadership are directed to prepare and roll out awareness campaigns on COVID-19, using available media platforms (print, radio and special media), to the public within their areas of jurisdiction.</p> <p>The following two radio stations cover the areas within the Senqu Local Municipality jurisdiction; therefore, it was impracticable to obtain three quotation as there are only two radio stations.</p> <ol style="list-style-type: none"> <li>1) LA FM (Covers most of the villages in Sterkspruit and Lady Grey)</li> <li>2) Ekhephini Community Radio (Covers some of the villages in Sterkspruit, i.e. Phelandaba, Rockcliff, etc; Barkly East and Rhodes.</li> </ol>
30/04/2020	Saziso Trading CC	R 50 000.00	Corporate Services Department	<p>SCM Regulation 36(1)(a)(i)</p> <p>The Municipality procured masks as per the directive of the National Department of Health which required all South Africans (which includes the municipal Employees and Councillors) to wear masks as of 01 May 2020, as one of the measures to curb the spread of COVID-19.</p>
04/10/2019	Institute of Municipal Finance Officer (CIGFARO)	R 8 524.00	DTPS	SCM Regulation 36(1)(a)(v). The CIGFARO conference is an annual conference that is organized for the purpose of good governance within municipalities.
04/10/2019	Institute of Municipal Finance Officer (CIGFARO)	R 17 048.00	MM's Office	SCM Regulation 36(1)(a)(v). The CIGFARO conference is an annual conference that is organized for the purpose of good governance within municipalities.

Date	Supplier	Amount	Department	Comment/Reason for deviation
17/01/2020	Arena Holdings (Daily Dispatch)	R 4 802.40	Corporate Services	SCM Regulation 36(1)(a)(v). The Recruitment & Selection Policy, section 6.1.3 requires that posts at middle management level to be advertised externally, published at least in a newspaper as provided for in Section 21(1) of the Municipal Systems Act. Furthermore, positions at middle management level (Demand Manager) are advertised provincially to attract more suitable candidates.
14/05/2020	Ekhephini Community Radio	R 25 600.00	MM's Office (Communication)	SCM Regulation 36(1)(a)(v). Government Gazette No. 43291 (dated 07/05/2020) requirement.  <u>Deviation for IDP</u>  Paragraph 6.7.3 and 6.7.4(a)(i) states as follows:
18/05/2020	LA FM	R 25 650.00	MM's Office (Communication)	6.7.3: All meetings of council, tribunals, and entities, must be done using media platforms, such as teleconferencing and videoconferencing.  6.7.4(a)(i) Furthermore, municipalities and municipal entities are directed to: Convene meetings of council and committees of council to consider:  i) Any council-related business, including the adoption of IDP's
09/06/2020	Aliwal Sound Service t/a Media Market	R 53 475.00	Corporate Services Department	SCM Regulation 36(1)(a)(i). Municipalities in terms of the Occupational Health and Safety Act, The COVID-19 Direction on Health and Safety (Regulation 10(8) of National Disaster Regulations) are required to purchase all PPE's and make these available upon the return of employees in the workplace.  The municipality has tried to procure PPE's using National Treasury Circular and has not yield any results due to scarcity of PPE's.  Therefore, it was requested to procure available PPE's from the supplier listed in Circular 102.

**Unauthorised, Irregular, Fruitless and Wasteful Expenditure on procurement up to the value of R 200 000**

No	Date of discovery	Date Reported to Accounting Officer	Transaction details				Type of Prohibited Expenditure	Status
			Date of Payment	Payment Number	Amount	Description of Incident		General comments
1.	01/11/2019	08/11/2019	28/11/2019	15004609	R 8 524.00	It was in contravention of regulation 44 of the Municipal Supply chain management Regulations. Payment was made to a service provider who had a director that is in service of the state.	Irregular Expenditure	Name of supplier: Institute of Municipal Finance Officers (CIGFARO)
2.	01/11/2019	08/11/2019	28/11/2019	15004609	R 17 048.00	It was in contravention of regulation 44 of the Municipal Supply chain management Regulations. Payment was made to a service provider who had a director that is in service of the state.	Irregular Expenditure	Name of supplier: Institute of Municipal Finance Officers (CIGFARO)
3.	12/12/2019	08/01/2020	12/12/2019	15004704	R 38 913.78	The contract entered into by the municipality for cash collection services had come to an end, thereafter, cash collection service continued with the same service provider without taking section 33 & 116 of the MFMA into consideration.	Irregular Expenditure	Name of supplier: G4S Cash Solutions (Pty) Ltd
4.	13/02/2020	13/03/2020	13/02/2020	15005107	R 42 563.20	The contract entered into by the municipality for cash collection services had come to an end, thereafter, cash collection service continued with the same service provider without taking section 33 & 116 of the MFMA into consideration.	Irregular Expenditure	Name of supplier: G4S Cash Solutions (Pty) Ltd

No	Date of discovery	Date Reported to Accounting Officer	Transaction details				Type of Prohibited Expenditure	Status
			Date of Payment	Payment Number	Amount	Description of Incident		General comments
5.	13/03/2020	06/04/2020	13/03/2020	15005376	R 21 281.59	The contract entered into by the municipality for cash collection services had come to an end, thereafter, cash collection service continued with the same service provider without taking section 33 & 116 of the MFMA into consideration.	Irregular Expenditure	Name of supplier: G4S Cash Solutions (Pty) Ltd
6.	16/03/2020	09/04/2020	16/03/2020	105981 – Service Invoice	R 5 700.10	Penalties were charged due to late payment of the renewal license disk for the municipal vehicle	Fruitless & Wasteful Expenditure	Name of supplier: National Road Traffic (RTMC)

- The contract register is managed, monitored and reported on. The contract register is broken down into Non-Infrastructure Register (containing operational projects) and the Infrastructure Register (containing PMU/Technical projects)
- The Supply Chain Management (SCM) process flow has improved, and the scheduling of meetings has resulted in improvements in the SCM turnaround time (improvements are required ongoing). It is noted that certain Directorates have indicated their progress in terms of achieving targets that were hampered by “red tape” and or slow SCM processes. It is noted that:
- Improvements are required to be made in terms of the management of service providers. It appears that Directorates are not co - operating and are still not ensuring that the required level of commitment is being given to managing service providers/contractors /consultants appointed within their directorates. These reports are being received by SCM from directorates and/ or project managers in terms of service providers and vendors. This however remains an area that requires attention. It must be remembered that this function is critical – not only for operational reasons but due to legislative prescriptions.
- It is not the sole responsibility of the Supply Chain (SCM) Manager responsible for the management of service providers and or the SCM Unit to provide this reporting – SCM staff are there to assist in collation and consolidating reporting data received from Directorates. The performance management function of these service providers remains the responsibility of the relevant line managers /project managers in the various Directorates as part of their day to day operational and management function. This is an area that requires much

attention. Failure to comply may lead to an audit query and an audit qualification which may have far reaching consequences overall.

- It must be ensured moving forward that Directorates manage service providers /contractor's/ consultant performances and that good quality monitoring and reporting occurs, and assessments occur in terms of the performance system incorporated into the reviewed performance management policy framework as approved in October 2018 – failing which, consequence management will be instituted, and the necessary compliance notices will be issued, and the disciplinary action will be taken where required.
- A system to manage and rate service providers is incorporated in the revised Performance Management Policy / Framework policy as approved in October 2018. The challenges around application and implementation do still exist in that all stakeholders within Directorates /Departments managing service providers / projects are not managing monitoring and measuring service providers as required and only once full participation is received in the application and implementation will said system be considered to be a more accurate representation of performance. Directorates are currently managing certain performance protocols are followed prior to processing an invoice. The performance of service providers will for some time remain an ongoing challenge.
- Directorates /project managers are legislatively duty bound to manage and report on the performance of their service providers as appointed. They are required manage their appointed service providers within their directorates.
- Reporting received from directorates and or project managers (submitted to Supply Chain Management – SCM) must be at the required level as this not only a critical function – for operational reasons only but is legislatively bound.

### **Procedure in place to manage and rate service providers**

- The post of Manager (contract management & vendor performance) housed within SCM Unit is there to specifically manage and support in all aspects of risk functionality relating to monitoring of service providers performance by coordinating all efforts and processes required to support the formulation of same into the SCM Risk Management Plan and the programme for the Supply Chain Management.
- Directors or appointed Project Managers of Service Providers are required to report monthly to the SCM unit against predetermined and specific measurable targets and outcomes. These may be different in the case of external funding. In this manner it will be ensured that all service providers deliver on services in a manner that meets all required standards.
- All Directors or appointed Project Managers must confirm the required levels of reporting with the SCM unit.
- No service provider payment can be made without the acknowledgement that the required outcomes were achieved; and
- Service provider reporting is to be consolidated and reported on quarterly and used to input into the Annual Report, s46 Report and the s72 Report

The performance of a vendor is evaluated by each user department that received the goods/service before payment of the invoice through the vendor performance evaluation form.

On monthly basis details from the evaluation forms are recorded in a spreadsheet that is consolidated into a quarterly report, which is submitted to the standing committee in the month following the end of the quarter. Thereafter, four quarterly reports are consolidated and submitted for the annual report purposes.

A system to manage and rate service providers has now been incorporated in the revised Performance management policy / framework. Currently the SCM Manager in conjunction with relevant Directorates ensures that certain performance protocols are followed before an invoice is processed. The performance of service providers will for some time remain an ongoing challenge.

#### DISCLAIMER

The information provided within this report is reliant on the information provided by the various Directorates. The accuracy of all information provided cannot be assured. In instances where information is found to be lacking or inadequate you are hereby advised that the co – ordinators that consolidated this report have only been able to work with the information provided to them.

**XIM -CVS 31 October 2020**



## DISCLOSURES OF FINANCIAL INTERESTS

DISCLOSURES OF FINANCIAL INTEREST (Disclosed in the AFS )		
PERIOD 1 July 2019 to 30 June 2020		
Position	Name	Description of financial interest Nil or provide details
Mayor	Cllr N.P. Mposelwa	Nil
Member/s of Exco	G.N. Mboyana	Nil
	V.V. Stokhwe	Nil
	S.S. Ndzongana	Nil
	T.M. Dumzela	Nil
	P.M. Mnisi	Nil
Councillors	A.P. Kwinana	Nil
	N. January	Nil
	N.R. Lose	Nil
	P. Jeje	Nil
	J. Mposelwa	1. Renting shop since 2016 (Thubalethu General Dealer). 2. Selling groceries
	S.M. Ntlwatini	Nil
	M.V. Bonelwa	Nil
	N.C. Mraji	Nil
	M.Gojo	Nil
	K.S. Mpiti-Xhelesha	Nil
	J.D. Somsila	Nil
	S. Mfisa	1. Monthly donation of R7000.00 from Nomonde
	M.H. Rorwana	Nil

## DISCLOSURES OF FINANCIAL INTERESTS (CONT.)

DISCLOSURES OF FINANCIAL INTEREST (Disclosed in the AFS ) PERIOD 1 July 2019 to 30 June 2020		
Position	Name	Description of financial interest Nil or provide details
<b>Councillors</b>	N. Nyongwana	Nil
	Z. Khoba	1. Shares at Group Two Construction
	M. Phuza	1. Shares at Ilanga Libalele Communications 50% shares. 2. Presenter at Ekhephini Community Radio Station
	M.A. Mshasha	1. Remuneration from Methodist Church
	I. Mosisidi	Nil
	X.G. Magcai	Nil
	N.Y. Monakali	1. Director at The Younger Generation / Zwelitsha Development and SAMRO
	N. Ndawule	Nil
	M.N. Mgojo	Nil
	B.S. Maqala	Nil
	K.P. Maqungu	Nil
	M.C. Kibe	Nil
	M.T.N. Sehlolo	Nil
	N.M. Phama	Nil
	N. Mpoloki	Nil
	M. Ndoda	Nil
	A. W. Mkangala	Nil
<b>Municipal Manager</b>	M. M. Yawa	1. Director at Joe Gqabi Development Agency. 2. Remuneration from the ICE during non-election period and election period.
<b>Director: Technical Services</b>	R. Crozier	1. Shareholder Basfour
<b>Director: Community Services</b>	L. Gologolo	1. Shares: SASOL, Vodacom & MTN 2. Other F/I: Ruutos Hair Products
<b>Director: DTPS</b>	P Bushula	1. Husband owns White Tree Trading and 1/3 ownership in Sechaba SA Africa
<b>Director: Corporate Services</b>	T. Wonga	Nil
<b>Chief Financial Officer:</b>	K. Fourie	Nil

## APPENDIX K

### REVENUE COLLECTION PERFORMANCE BY VOTE 2019 /2020

The Table below shows the comparisons between actual and budgeted revenue for the financial year 2019/2020 and previous financial years with the Original and Adjusted Budget:

	ORIGINAL BUDGET 2020	BUDGET ADJUSTMENTS 2020	FINAL BUDGET 2020	ACTUAL OUTCOME 2020	BUDGET VARIANCE 2020	RESTATE OUTCOME 2019
<b>REVENUE</b>						
<b>Governance and administration</b>	<b>120,531,472</b>	<b>1,977,000</b>	<b>122,508,472</b>	<b>130,109,651</b>	<b>7,601,179</b>	<b>139,775,413</b>
Executive and council	7,254,000	-	7,254,000	7,308,519	54,519	7,031,659
Finance and administration	113,277,472	1,977,000	115,254,472	122,801,132	7,546,660	132,743,754
Internal audit	-	-	-	-	-	-
<b>Community and public safety</b>	<b>4,288,588</b>	<b>(1,059)</b>	<b>4,287,529</b>	<b>2,636,611</b>	<b>(1,650,918)</b>	<b>2,304,117</b>
Community and social services	1,638,878	-	1,638,878	1,870,819	231,941	1,593,721
Sport and recreation	8,480	-	8,480	1,081	(7,399)	9,196
Public safety	2,641,230	(1,059)	2,640,171	764,711	(1,875,460)	701,200
Housing	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>41,041,324</b>	<b>6,500,000</b>	<b>47,541,324</b>	<b>49,933,523</b>	<b>2,392,199</b>	<b>49,344,508</b>
Planning and development	2,094,889	-	2,094,889	2,380,367	285,478	2,034,825
Road transport	38,946,435	6,500,000	45,446,435	47,553,156	2,106,721	47,309,683
<b>Trading services</b>	<b>113,663,787</b>	<b>523,000</b>	<b>114,186,787</b>	<b>116,206,583</b>	<b>2,019,796</b>	<b>108,440,120</b>
Energy sources	73,925,295	523,000	74,448,295	75,427,377	979,082	69,095,372
Waste management	39,738,42	-	39,738,492	40,779,206	1,040,714	39,344,748
<b>Other</b>	<b>2,921</b>	<b>-</b>	<b>2,921</b>	<b>1,869</b>	<b>(1,052)</b>	<b>2,363</b>
<b>Total Revenue - Standard</b>	<b>279 528 092</b>	<b>8 998 941</b>	<b>288 527 033</b>	<b>298 888 237</b>	<b>10 361 204</b>	<b>299 866 521</b>

## APPENDIX K (I)

### REVENUE COLLECTION BY SOURCE 2019 /2020

A Revenue by Source Analysis with explanations regarding material variances can be seen on the table below.

	ORIGINAL BUDGET 2020 R	BUDGET ADJUSTMENTS 2020 R	FINAL BUDGET 2020 R	ACTUAL OUTCOME 2020 R	BUDGET VARIANCE 2020 R	RESTATED OUTCOME 2019 R
<b>REVENUE BY SOURCE</b>						
Property rates	8,535,639	-	8,535,639	12,242,412	3,706,773	13,438,943
Service charges	50,557,965	-	50,557,965	51,235,916	677,951	44,536,970
Rental of facilities and equipment	116,487	-	116,487	782,559	666,072	837,234
Interest earned - external investments	16,500,000	1,500,000	18,000,000	21,294,387	3,294,387	21,702,912
Interest earned - outstanding debtors	2,401,960	-	2,401,960	3,339,808	937,848	2,375,747
Fines	167,733	(1,059)	166,674	287,163	120,489	136,750
Licences and permits	1,188,529	-	1,188,529	971,983	(216,546)	1,243,087
Agency services	999,262	-	999,262	906,255	(93,007)	1,053,937
Transfers recognised - operational	157,443,250	277,000	157,720,250	158,318,126	597,876	145,359,823
Other revenue	1,856,517	-	1,856,517	4,658,905	2,802,388	22,190,431
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>239 767 342</b>	<b>1 775 941</b>	<b>241 543 283</b>	<b>254 037 514</b>	<b>12 494 231</b>	<b>252 875 834</b>

## APPENDIX L

### CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG 2019 /2020

CONDITIONAL GRANTS	2020 R	2019 R	2018 R	2017 R
National : Municipal Finance Management (MFMA)	1 700 000	1 700 000	1 700 000	1 625 000
National: Municipal Systems Improvement Grant	-	-	-	-
National: Expanded Public Works Program	2 384 000	2 796 000	1 536 000	1 497 000
National: Dept. Sport (Youth Development - Sport Fields)	-	-	-	-
Integrated National Electrification Grant	3 200 000	5 983 000	552 894	3 000 000
Alien Vegetation	-	-	-	-
Vuna Awards	-	-	-	-
Libraries	1 500 000	1 500 000	1 500 000	1 500 000
<b>Total Government Grants and Subsidies</b>	<b>477 000</b>	<b>1 700 000</b>	<b>1 700 000</b>	<b>1 625 000</b>

Conditional Grants for the financial year are listed above and shows amounts for conditions met transferred to revenue.

## APPENDIX M – M (I) AND M(II)

### CAPITAL EXPENDITURE – NEW ASSETS PROGRAMME / CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME 2019/2020

Description		2016/17	2017/18	2018/19	2019/20	Current Year 2019/20			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Ref 1	Audited Outcome	Audited Outcome	Audited Outcome	Actual 2019/20	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Infrastructure</b>		<b>27 204</b>	<b>33 384</b>	46,812	40,109	34,292	34,292	40,085	26,757	63,588	<b>27 204</b>
Infrastructure - Road transport		19 644	24 190	22,450	29,629	26,529	26,529	9,469	1,498	18,538	19 644
Roads, Pavements & Bridges		17 189	24 190	-	-	-	-	878	23,067	-	17 189
Storm water		2 455	-	-	-	-	-	-	-	-	2 455
Infrastructure - Electricity		7 220	6 175	7,734	4,900	5,573	5,573	2,288	4,194	3,403	7 220
Generation		-	-	-	-	-	-	-	-	-	-
Transmission & Reticulation		2 987	2 987	-	-	-	-	-	-	-	2 987
Street Lighting		4 233	-	-	-	-	-	-	-	-	4 233
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-
Reticulation		-	3 018	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		340	-	-	-	-	-	-	-	-	340
Waste Management		340	-	16,628	5,580	2,190	2,190	28,329	20,186	18,580	340
Transportation	2	-	-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-	-
Other	3	-	-	-	-	-	-	-	-	-	-

CAPITAL EXPENDITURE – NEW ASSETS PROGRAMME / CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME 2018/2019 cont. from previous page.

Description	Ref 1	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	Current Year 2019/2020			2019/2020 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Actual 2019/20	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Community</b>		<b>5 957</b>	<b>11 496</b>	<b>4,608</b>	<b>2,973</b>	<b>3,097</b>	<b>3,097</b>	<b>10,082</b>	<b>8,962</b>	<b>3,440</b>	<b>5 957</b>
Parks & gardens		70	555	-	-	-	-	-	-	-	70
Sportsfields & stadia		1 626	7 600	223	216	211	211	-	-	-	1 626
Swimming pools		-	-	-	-	-	-	-	-	-	-
Community halls		-	1 608	366	-	155	155	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	3,718	1,931	2,081	2,081	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-	-
Buses	7	-	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-	-
Cemeteries		4 232	337	183	826	650	650	10,082	8,962	3,440	4 232
Social rental housing	8	-	-	-	-	-	-	-	-	-	-
Other		30	1 396	118	-	-	-	-	-	-	30

**CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME / CAPITAL EXPENDITURE - UPGRADE/RENEWAL PROGRAMME 2019/2020** cont. from  
previous page

Description	Ref	2016/ 2017	2017/ 2018	2018/ 2019	Current Year 2019/ 2020			2019/2020 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Actual 2017/ 2018	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/ 2021	Budget Year +1 2021/ 2022	Budget Year +2 2022 /2023
<b>R thousand</b>										
<b><u>Other assets</u></b>		<b>12 714</b>	<b>3 124</b>	<b>2 608</b>	<b>4 947</b>	<b>5 130</b>	<b>5 130</b>	<b>15 400</b>	<b>6 380</b>	<b>-</b>
General vehicles		1 325	425	-	1 700	1 500	1 500	1 700	-	-
Specialised vehicles	10	612	-	-	-	858	858	-	-	-
Plant & equipment		329	304	53	230	196	196	300	241	252
Computers - hardware/equipment		1,143	487	1,260	1,057	1,057	1,057	3,370	458	479
Furniture and other office equipment		1 140	5 102	885	5 118	4 789	4 789	6 674	1 180	1 253
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		1,823	251	3,703	4,000	250	250	672	4,781	-
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		265	3,028	251	-	-	-	-	-	-
<b><u>Intangibles</u></b>		<b>247</b>	<b>32</b>	<b>49</b>	<b>69</b>	<b>89</b>	<b>89</b>	<b>88</b>	<b>92</b>	<b>96</b>
Computers - software & programming		247	32	49	69	89	89	88	92	96
Other (list sub-class)		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	<b>1</b>	<b>42,071</b>	<b>45,981</b>	<b>57,623</b>	<b>53,555</b>	<b>43,769</b>	<b>43,769</b>	<b>61,271</b>	<b>42,470</b>	<b>69,108</b>

This table contains a complete Capital Programme for all Municipal Capital Acquisitions including both New and Renewal assets. Sources of funding for each asset are also shown and this funding is cash backed and provision is being made for these types of capital purchases in the municipalities Capital Replacement Reserve.



**CAPITAL PROGRAMME BY PROJECT YEAR 2019/2020\* UNAUDITED**

Capital Additions for the financial year 2019/2020 reflected below. The following tables show these additions per category and per vote and are being classified as Infrastructure Assets, Loose Assets and Land & Buildings.

CAPITAL 2019/2020	R
Old Age Home Offices- Phase 2	10,180,979.38
Herschel – Solid Landfill Site	103,296.86
Rossouw Solid Landfill Site	121,930.82
Rhodes Solid Landfill Site	121,930.82
Barkly east Solid Landfill Site	8,781,189.76
Kwezi-Naledi – Node	678,931.02
Boyce Nondala paved roads	12,044,279.35
Roads between Esilindini & Frans	4,646,067.10
Lady Grey Animal Pound	1,989,890.77
Barkly East Cemetery	120,990.02
5 Km Access Roads ward 1 – Walaza, Ndofela	4,778,022.35
Sterkspruit Landfill Site	128,728.72
Old Sterkspruit SWS	1,006,958.62
Senqu Electrification of Wards	2,450,554.34
Installation of Meters	297,065.94
EPWP Sidewalks Boyce Nondala – Ward 16	73,589.45
TOTAL	47,524,405.32

**CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 2019/2020\***  
**UNAUDITED**

DESCRIPTION	2019/2020
<b>R thousand</b>	<b>Actual 2019/2020</b>
<b>Infrastructure</b>	<b>30 079 339</b>
Roads, Pavements & Bridges	15 690 705
Storm water	3 041 432
Transmission & Reticulation	2 421 953
Waste Management	8 925 248
<b>Community</b>	<b>4 698 376.01</b>
Parks & gardens	1 730 340
Sports fields & stadia	590 375
Cemeteries	105 209
Other	-
<b>Other assets</b>	<b>2 454 194</b>
General vehicles	-
Plant & equipment	2 427 094
Computers - hardware/equipment	-
Furniture and other office equipment	27 100
Other Buildings	8 853 026
Security sheds and Access control	-
<b>Intangibles</b>	<b>0</b>
Computers - software & programming	0
<b>Total Capital Expenditure</b>	<b>43 812 482</b>

## SERVICE CONNECTION BACKLOGS AT SCHOOLS &amp; CLINICS

WARD 1	
Mbobo J.S.S	Cracks on walls Water Supply Administration Block Poor Playing Fields Damaged Toilets No Hall
Bikizana J.S.S.	Toilets, Water, Sports Ground One block is a mud Structure and Access Roads
Walaza J.S.S.	Admin Block not in good condition Toilets are falling apart No Sport Grounds, No Furniture
Ndofela J.S.S.	Mud structure Toilets, Access Roads, Fencing Water Supply, Playing Ground, Admin block
Nxasana S.P.S.	Admin block, Sanitation, Grade R class is falling apart, Sports field. Erection of Security fence Renovations of all classes, Furniture
Governors Drift	Mud structure, Admin block, Fencing Water Supply, Access Roads,
WARD 2	
Qhoboshane, Qhemerha, Telle Junction, Kwa Gcina, Storomo, ST Teresa	Access Roads, Water Supply, Sanitation, Admin Block, Furniture, Fencing, Laboratory, Library

## SERVICE CONNECTION BACKLOGS AT SCHOOLS &amp; CLINICS (CONT.)

WARD 3	
Ndingishe J.S.S.	5 Additional Classrooms, Access Roads, Water Supply, Admin Block, Library, Laboratories, School Grounds, Fencing
Tlokweng S.S.S.	Toilets for Teachers, Admin Block, Library, Laboratory.
Mahedi J.S.S.	4 Additional classrooms, Administration Block
Hohobeng J.S.S. and Mmusong	Cracked walls, roof blown away, major renovations, water supply, Toilets, Network Coverage.
Tlhakong S.P.S.	Water Supply, Sanitation, Administration Block, Sport Grounds, 3 classrooms blown away.
Ekra J.S.S	5 Additional Classrooms, Administration Block, Water Supply, Toilets, Sports field.
Musong J.S.S	Major Renovations, Water Supply, Sanitation, Administration Block, An access Road, Network Coverage.
MPoki S.P.S	Water Supply, Access Roads, No Network Coverage.
WARD 4	
Bongiwe, Buyani, Cebano, Blikana, Jonas Goduka, Hillside, Lufefe, Mkunyazo, Mthabisa, Ndungunya, Ntlangano, Mxokozeli, Penhoek, Vusisizwe.	Water, 1 2 Schools 8 Schools need Toilets 8 schools need access roads All 14 need sports fields 5 schools need to be upgraded in terms of electricity 11 schools need fencing

## SERVICE CONNECTION BACKLOGS AT SCHOOLS &amp; CLINICS (CONT.)

WARD 5	
Makhumsha, Mabele, Kwabo, Sivumelene, Bebeza, Nomlengana, Dangershoek.	Mud Structures Water Supply Toilets Fencing Sports fields Network Coverage No compliance Certificate issued to those Schools with electricity
WARD 6	
Hoita, Majuba, Malgas, Mapolo, Thembaletu, Umlamli, Zingxengele, Bongoletu, Monwabisi, Phelandaba.	Renovations of existing buildings. Playgrounds Water Supply Fencing Access Roads Libraries Laboratories Administration Block
WARD 7	
Nyathela S.S.S	Mud Structure Fencing Sanitation Shortage of Classrooms
Tsakana S.P.S.	5 Classrooms needs Renovations Sanitation Water Supply Sports fields Fencing
Thaba Lesoba	Access Roads Fencing Renovations of 5 Classes Sanitation Water Supply Sports fields

## SERVICE CONNECTION BACKLOGS AT SCHOOLS &amp; CLINICS (CONT.)

WARD 7 (cont.)	
St Michaels	Mud Structures Weak Electricity Fencing, Toilets, Water Supply Sports Fields
Mbolekwa S.P.S	Mud Structures Administration Block Sanitation, Water Supply Sports Fields
Egugwini J.S.S.	Toilets and Fencing
Macacuma S.P.S.	Sports Fields Fencing and Toilets Minor Renovations Water Supply
WARD 9	
Amaqwathu JSS	Administration Block
Luvumelwano S.S.	Administration Block 10 Classrooms
Voyizana SPS	Renovations of 13 Classrooms Administration Block
Ngquba JSS	Admin Block 4 Classrooms to be added Renovations of 5 Classrooms
Joveleni S.P.S	Addition of 3 Classrooms
Sunduza J.S.S	Addition of 3 Toilets
	<b>Common Challenges For Ward 9</b> <ul style="list-style-type: none"> <li>- Water Supply</li> <li>- Sanitation</li> <li>- Fencing</li> <li>- Access Roads</li> <li>- Sports Fields</li> <li>- Library, Laboratory</li> <li>- Upgrading of Electricity</li> </ul>

## SERVICE CONNECTION BACKLOGS AT SCHOOLS &amp; CLINICS (CONT.)

WARD 10	
Bensonvaile JSS	Major Renovations Admin Block Library Laboratory Sanitation Fence Sporting Facilities Access Road
Ekuzoleni JSS	6 New Classrooms Minor Renovations Admin Block Library Laboratory Sanitation Fence Sporting Facilities Access Road
Ngongodoville SPS	3 New Classrooms Major Renovations (building in the stat of collapsing) Admin Block Library Laboratory Sanitation Fence Sporting Facilities Access Road
Nkululeko SSS	6 New Classrooms Major Renovations Admin Block Library Laboratory Sanitation Fence Sporting Facilities Access Road

## SERVICE CONNECTION BACKLOGS AT SCHOOLS &amp; CLINICS (CONT.)

WARD 10 (cont.)	
Nomzamo (Sterkspruit) JSS	15 New Classrooms Minor Renovations Admin Block Library Laboratory Sanitation Fence Sporting Facilities
Sterkspruit Community	10 New Classrooms Minor Renovations Admin Block Library Laboratory Sanitation Fence Sporting Facilities Access Road
Sterkspruit SSS	25 New Classrooms (Declared that the building cannot be renovated) Admin Block Library Laboratory Sanitation Fence Sporting Facilities Access Road
Tapoleng JSS	6 New Classrooms Minor Renovations Admin Block Library Laboratory Sanitation Fence Sporting Facilities Access Road



## SERVICE CONNECTION BACKLOGS AT SCHOOLS &amp; CLINICS (CONT.)

WARD 10 (cont.)	
Tienbank JSS	5 New Classrooms Major Renovations Admin Block Library Laboratory Sanitation Fence Sporting Facilities Access Road
WARD 11	
SCHOOL	CHALLENGES
Herschel Village JSS	Danger Zone School Electricity wires fallen out of ceiling Renovation Struck by disaster & nothing has happened since No fence Trees damaging school with roots
Ezintatyaneni SP	Administration Block Sanitation Fence Electricity (upgrade) Mud Structure (2) No play grounds
Dibinkonzo JSS	Sanitation Fence Administration Block and Renovations Mud Structure Sport field
Mehlomakhulu SSS	Fence Water & Sanitation Renovations & Administration Block Sports Field Furniture for Learners
St Marys	Water & Sanitation Access Road Sport Ground School Hall

## SERVICE CONNECTION BACKLOGS AT SCHOOLS &amp; CLINICS (CONT.)

WARD 10 (cont.)	
Hlanjwa SPS	Administration Block Sport Ground Sanitation Access Roads Mud Structure (2) Fence
Meyi JSS	Mud Structure Sanitation Fence Weak & Faulty Electricity – disaster
Magumbu SPS	Sanitation Fence 5 Classrooms cracked all sides Administration Block Weak & Faulty Electricity – disaster Sport Grounds Access road
Ebenezer Nyathi SSS	Sanitation –State of collapse Fencing 2 block (community built) one strongly needs renovation Water Admin Block 3 classroom 1 lab
Bamboesspruit JSS	Renovations (Whole school) Fencing Sanitation Admin Block Cracked Walls to be fixed Access Roads Sport Grounds Furniture Leaking Roof 2 Classrooms Paving Staffing Erection of a Stoep

## SERVICE CONNECTION BACKLOGS AT SCHOOLS &amp; CLINICS (CONT.)

WARD 12 (cont.)	
Entsimekweni JSS	Minor Renovations Flooring Fencing Access Road Sanitation
Nyaniso SPS	Flooring Fencing Water School Grounds
Manxeba JSS	3 Classrooms Water Fence School Grounds to be constructed Furniture
Mncunubeni JSS	5 Classrooms Sanitation & Water Fence Access Road Sport Ground
Jozana's Nek JSS	Water Playground Access Road Renovation of Ceiling in 4 classrooms Furniture
Jozana's Hoek	Major renovations in 8 classrooms & office Security Fence Play Grounds Access Road Sanitations
Magwiji JSS	6 Classrooms Water & Sanitation Playgrounds Fencing Access Road Furniture
Mrobongwana SPS	Water & Sanitation Playground Access Road Admin Block Furniture

**APPENDIX P SERVICE**

**CONNECTION BACKLOGS AT SCHOOLS & CLINICS (CONT.)**

<b>WARD 12 (cont.)</b>	
Hlomendlini JSS	Water & Sanitation Fence Play ground Furniture
MZOMHLE SSS	Water & Sanitation Access Roads Furniture Playgrounds Administration Block
<b>WARD 13</b>	
Khiba JSS	6 Prefect classes 4 Mud Structures Flooring Water & Sanitation Fencing Furniture Electricity Admin Block
Skisazana JSS	Major renovations Flooring Water & Sanitation Roofing Admin Block Fencing Access Road
Lungisani SPS	Access Road Water Fencing Sport Ground
Mbonisweni SPS	Fencing Access Road
Witterbergen SPS	Sport Ground Fencing Access Road Attention to be paid to a query next to school
Diphana SPS	Mud Structure Sanitation Fence Admin Block Access Road

## SERVICE CONNECTION BACKLOGS AT SCHOOLS &amp; CLINICS (CONT.)

WARD 13 (cont.)	
Witterbergen JSS	Principal's Office Fencing Sanitation Access Roads Sport Field Roofing
Zava SPS	Flooring Sanitation Prevention of soil erosion
Nkopane JSS	Fencing Major Renovations Water & Sanitation Sport Field
Nompumelelo SSS	Fencing Mud Structure Water & Sanitation Sport Ground Access Road
Mdlokovana JSS	Mud Structures Sporting Facilities Sanitation Fencing
WARD 14:	
Rossouw was promised a school 3 years ago	Farm schools need attention
WARD 15	
Mzondeki SPS	No Buildings Water & Sanitation Access Road Play Grounds Fence
Sizamulwazi SPS	Sport Grounds 5 Classrooms
Sijorha SPS	No Buildings Water & Sanitation Access Road Play Grounds Fence

## SERVICE CONNECTION BACKLOGS AT SCHOOLS &amp; CLINICS (CONT.)

WARD 15 (cont.)	
Luyolo SPS	No Proper Buildings Water & Sanitation Admin Block Access Road Play Grounds
Sakakude JSS	No Buildings Water & Sanitation Access Road Electricity Ceiling Fence
Impumelelo SSS	No Buildings Water & Sanitation Access Road Play Grounds Fence Electricity
Wartrail	Water & Sanitation Play Grounds
Malikhanye SSS	Sport Grounds Furniture Minor Renovations Fencing
Rhodes PS	School is Prefab Structure Toilets
Moshoeshoe's Ford	Structure falling apart School on Private Property
Barkly East DRC P.S	2 Classrooms Science Class Admin Block Grader R Classroom Toilets Kitchen Office Plot Ground to build school in Fairview

## APPENDIX R

DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY: 2019/2020				
All Organisation or Person in receipt of Loans*/Grants* provided	Nature of Project	Conditions attached to funding	Value 2019/2020 R'000	Total Amount committed over previous and future years
GRANTS PAID	Grants in Aid		R 0	

SENQU MUNICIPALITY  
SECTION 46 PERFORMANCE REPORT 2019-2020  
(Pre determined IDP /SDBIP Targets)

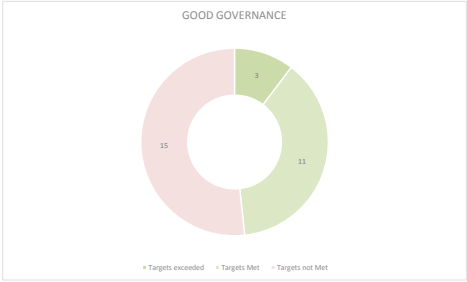
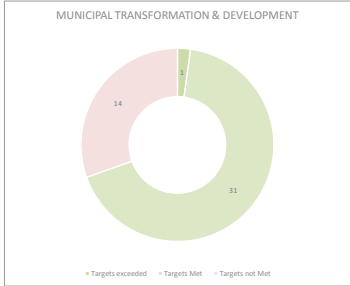
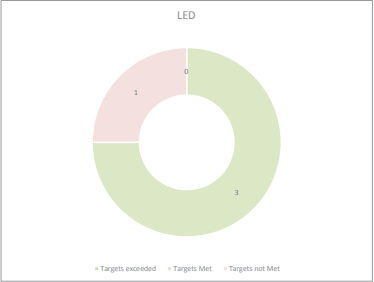
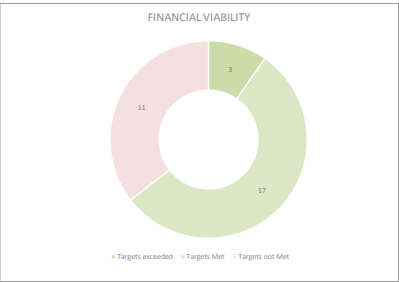
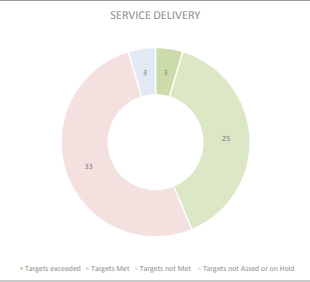




LEGEND:

Target exceeded
Target Met
Target not Met
Targets on Not Assessed/on Hold

KPA	Total Number of KPI's Per KPA AREA	Number KPI's Exceeding Target	% KPI 'S Exceeding Target	Number KPI's Meeting Target	% KPI 'S Meeting Target	Number of KPI's Not Achieved	% of KPI's Not Achieved	Number Targets Not Assessed and or on Hold	Percentage Targets on Not Assessed and or on Hold
Service Delivery	64	3	4.69%	25	39.06%	33	51.56%	3	4.69%
LED	4		0.00%	3	75.00%	1	25.00%		0.00%
Financial Viability	31	3	18.00%	17	54.84%	11	35.48%		0.00%
Municipal Transformation & Development	46	1	2.17%	31	67.39%	14	30.43%		0.00%
Good Governance & Public Participation	29	3	10.34%	11	37.93%	15	51.72%		0.00%
TOTAL	174	10	5.75%	87	50.00%	74	42.53%	3	1.72%



KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT											
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020	
To ensure that the traffic sector operates efficiently and effectively	T04FFC - BS001	BS001.01	Report on Number of Vehicles Registered by 30 June 2020	12 Monthly Reports were submitted in 2018/2019	CFO / E Nails System / Face values/Manager Revenue	Vehicles successfully registered to rightful owners	12 Reports on Number of Vehicles Registered by 30 June 2019	Target met - 12 reports on number of vehicles registered were submitted. A total of 797 vehicles were registered in 2018/2019.	12 Reports on Number of Vehicles actually registered.	Target Met - 12 Reports on Number of Vehicles actually registered. A total of 511 vehicles were registered in 2019/2020. * Noted that the way the target is crafted it is considered met and notwithstanding the annual target was met - no vehicles were registered in quarter 4	* Noted that the way the target is crafted i.e 12 Reports on Number of Vehicles actually registered it is considered "met"
		BS001.02	Report on Number of Vehicles Licensed by 30 June 2020	12 Monthly Reports were submitted in 2018/2019	CFO / E Nails System / Face values/Manager Revenue	Vehicles successfully licensed	12 Reports on Number of Vehicles Licensed by 30 June 2019.	Target met - 12 reports on number of vehicles Licensed A total of 10710 vehicles were Licensed in 2018/2019.	12 Reports on Number of Vehicles actually Licensed.	Target Met - 12 Reports on Number of Vehicles actually Licensed. A total of 7452 vehicles were Licensed in 2019/2020. * Noted that notwithstanding the target was met no vehicles could be licensed in quarter 4	
		BS001.03	Report on Number of people tested on Learners Licence by 30 June 2020	12 Monthly Reports were submitted in 2018/2019	Community Services/ Registered Traffic Officers / E Nails / Face Values	People legally tested for Learners' Licence	12 Reports on number of people tested for Learners' Licence	Target met - 12 Reports on number of people tested for Learners' Licence were submitted. A total of 635 people were tested for Learner's Licence in 2018/2019.	12 Reports on number of people tested for Learners' Licence.	Target Met - 12 Reports on number of people tested for Learners' Licence. *No people were tested for Learners Licence with effect 27 March 2020 until 30 June 2020 as result of Covid - 19 - a total of 495 people were tested for Learner's Licence in 2019/2020.	

KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS	
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure that the traffic section operates effectively and efficiently	TRAFFIC - BS201	BS201.04	Report on Number of people tested on Drivers Licence by 30 June 2020	12 Monthly Reports were submitted in 2018/2019	Director Community Services/ Registered Traffic Officers / E Natis / Face Values	People legally tested for Drivers' Licence	12 Reports on number of people tested for Drivers' Licences	Target met - 12 Reports on number of people tested for Driver's Licence were submitted. A total of 2558 people were tested for Driver's Licence in 2018/2019.	12 Reports on number of people tested for Drivers' Licences.	Target Met - 12 Reports on number of people tested for Drivers' Licences. "No people were tested for Learners Licence with effect 27 March 2020 until 30 June 2020, as result of Covid - 19 - a total of 2451 people were tested for Driver's Licence in 2019/2020.		
		BS201.05	Report on Number of Vehicles tested for Roadworthiness in Barkly East Testing Station by 30 June 2020	12 Monthly Reports were submitted in 2018/2019	Director / Certified Testing Station / E Natis / Examiners	Roadworthy Testing of Vehicles in Barkly East	12 Reports on number of Vehicles tested for Roadworthiness in Barkly East	Target met - 12 Reports on number of vehicles tested for Roadworthiness were submitted "Notwithstanding the target of reports were met - No vehicles were tested for Roadworthiness in 2018/2019.	12 Reports on number of Vehicles tested for Roadworthiness in Barkly East.	Target Not Met - 12 Reports were submitted indicating that No vehicles have been tested for Roadworthiness in the current year under review.	Insufficient budget - The Roadworthy division in Barkly East does not meet compliance criteria and does not have all the required resources to function - this testing station / division roadworthy system has not been functional for the 3 past financial years "since 2017/2018. No vehicles have been tested for Roadworthiness in the prior financial year and in the current year under review - Covid - 19 has exacerbated the current status	A analysis / review report of the management and functionality of such test station is required - contributing factors of poor lack of management, budgeting and planning, lack resources, human capital and maintenance at said test division to be investigated and reported on.
		BS201.06	Report on Number of Road Offense Tickets issued within Senqa Municipality to road users by 30 June 2020	12 Monthly Reports were submitted in 2018/2019	Director Community Services/ Ticket Bookers/ Traffic Patrol Officers/ Speed Equipment	Road Offense Traffic Issued	12 Reports on Number of Road Offense Tickets issued	Target met. 12 Reports on number of road tickets issued were submitted. A total of 63 traffic fines were issued in 2018/2019.	12 Reports on Number of Road Offense Tickets issued.	Target met - 12 Reports on Number of Road Offense Tickets issued. A total of 268 traffic fines were issued in 2019/2020.		"Noted a great increase in traffic fines issued from the prior financial year " 76 in quarter 1, 115 in quarter 2, 55 in quarter 3 and 22 in quarter 4 - increase of a 195 offences which equates an increase of 409.52%
		BS201.07	Construction of a DLTC in Sterkspruit by June 2022.	Consultant appointed in 2018/2019	Director Community Services/Chief Traffic Officer/ Budget R 250 000	DLTC constructed in Sterkspruit	Development of the business plan for the construction of the DLTC in Sterkspruit.	Target not met	Appointment of consultant.	Target not met - Consultant not appointed.	COVID 19 epidemic restricted movement of bidders and municipal readiness with compliance of COVID 19 regulations were not in place. Site not re-zoned before appointment of a PSP	Site to be re-zoned before appointment of a PSP - DTPS to assist with the re-zoning of the site. The project is a multi year project.

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STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To provide sustainable infrastructure development by building and maintaining access roads, bridges and storm water	ROADS, BRIDGES AND TRANSPORT INFRASTRUCTURE: RS002	RS01.02.01	Maintenance of Roads in identified Wards as per the Council Approved Maintenance Schedule	Maintenance of Roads in Wards, 1,2,3,4, 5, 6, 7, 8, 14 and 15 of Sengu Municipality and Pothole Repairs in Ward 8,10,14 and 16	Director Technical/ R / Manager Roads	Maintained road infrastructure	12 Reports as per the approved Maintenance Plan on a total of 14600m of Roads in Wards, 1,2,3,4,5,6,7,9,11,12,14,15, and 17, Potholes in ward 8 (570) and 16 (1000) of Sengu Municipality and Maintenance of Stormwater Channels in Ward 12 and 17.	Target not Met - 12 Reports were met these were tabled however the target as per the approved Maintenance Plan could not be achieved - Roads Maintenance W 1: Target: 700m, Achieved: 5,26 km, variance of 4560m, W 2: Target: 700m, Achieved: 22,37 km, variance of 21670m, W 3: Target: 700m, Achieved: 10,83 km, variance of 10130m, W 4: Target: 700m, Achieved: 2,22 km, variance of 1520m, W 5: Target: 1870m, Achieved: 20,47 km, variance of 18600m, W 6: Target: 470m, Achieved: 10,17 km, variance of 9700m, W 7: Target: 700m, Achieved: 4,77 km, variance of 4070m, W 8: Target: 700m, Achieved: 4,10 km, variance of 4560m .  Ward 14: Target: 2450m, Achieved 9,470 km, variance of 7020m W 15: Target: 3100m, Achieved: 3,91 km, variance of 810m.	12 Reports as per the approved Maintenance Plan on a total of (37 296m) of Roads in Wards: 1, 2, 8, 9, 10, 11, 12, 13, 14, 15, 16 & 17	Target Met - 12 Reports as per the approved Maintenance Plan - 147064 meters of maintenance were done and 7036 potholes fixed. Ward 1 - 0 meter(s), Ward 2 - 9 meter(s), Ward 3 - 3270 meters, ward 8 - 16790 meters, ward 9 - 4990,15 meters, ward 10 - 13990,80 meters, ward 11 - 16730 meters, ward 12 - 5070 meters, ward 13 - 20080 meters, ward 14 - 3160 meters, ward 15 - 10260 meters, ward 16 - 38347 meters, ward 17 - 7340 meters.	There roads were in a very bad state due to rains and over regravelling which took place over years in these areas. There were critical unplanned maintenance services required and rendered during year under review specifically during the Covid Period * these critical areas were identified by the Political Arm Mayor and as a result these additional wards were added . This as result contributed to an over achievement of the target.	The municipality is in the process of increasing its maintenance budget and this will result in more sustainable methods being used to maintain roads and other municipal assets . There will be Investment in extending road maintenance programmes that falls within Municipal scope. Contingency plans will be put in place to manage unforeseen critical maintenance of Roads.

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To provide sustainable infrastructure development by building and maintaining access roads, bridges and storm water	ROADS, BRIDGES AND TRANSPORT INFRASTRUCTURE- BSD02	BSD 02.02	Construction of 6 km Paved Roads with stormwater control (Ph 1) in Boysi Nondala	Appointment of the contractor in 2018/2019	Director Technical/ R16138750 / PMU Manager	4 kilometres of Paved Roads Constructed in Boysi Nondala	Construction of 2 km of Paved Road (Ph 1) in Boysi Nondala.	Target met	Construction of 4 km of Paved Road (Ph 1) in Boysi Nondala.	Target placed on hold. 4 kilometres of paved road with stormwaters control was done.	Projects on litigation <u>will be placed on hold</u> until litigation is finalised. It must be noted that there was a deviation on the project which made it to be 7.1 kilometres instead of 6 that was initially planned. Recommended that SCM put in Formal controls to exercise the management of the appointment of SAMME's Formal Agreements must be entered into at the outset of the projects prior to work being carried out (parties are to be aware of all the conditions associated with the work) so as to prevent a crisis situation (labour unrest and work stoppages and the like).	The project will resume immediately when the litigation is finalised.
		BSD 02.03	Construction of 6 kms access road with 1.5 storm water control W1 by June 2019	Appointment of the contractor in 2018/2019	Director Technical/ R 4 230 000 / PMU Manager	6km of gravel roads with 1.5 storm-water control constructed in Ward 1 (Walaza, Thozama, Bkizana & Magabudula)	Appointment of contractor. Site establishment and 6 km road bed preparation and 1km of road wearing course (dependant on construction programme).	Target not met	Construction of 6 kms access road with 1.5 storm water control (Walaza, Thozama, Bkizana & Magabudula) Improved access to services	Target met. 6km of gravel roads with 1.5 storm-water control was constructed.		A Practical completion certificate granted on 12 December 2019.
		BSD 02.04	Construction of 7.01 kms access road with storm water control W2 by June 2021	Appointment of the contractor in 2018/2019	Director Technical/ R 360 000 / PMU Manager	3 kms of gravel road with storm-water control constructed in Ward 2 (Gcina, Makalalale, Skonono & Sijora)	Construction of 0.28 km interlock paved roads and 0.22 km of gravel road.	Target met	Advertise for the contractor, appointment of the contractor and site establishment.	Target not met - Contractor not appointed	The project was advertised with incorrect Kilometres - delays attributed to COVID 19 pandemic restricted movement of bidders and municipal readiness with compliance of COVID 19 regulations which was not in place at the time.	

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							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To provide sustainable infrastructure development by building and maintaining access roads, bridges and storm water	ROADS, BRIDGES AND TRANSPORT INFRASTRUCTURE - BSD02	BSD 02.05	Construction of 6 kms of a New Gravel Road with 1,5 of stormwater channels between Esilindini and Frans by 30 June 2019	Appointment of the contractor in 2018/2019	Director Technical/ R 5 350 000 / PMU Manager	6 km gravel roads with storm-water control constructed in Esilindini - Frans	Appointment of contractor. Site establishment, 6km road bed preparation and 3 km of road wearing course	Target Met	Construction of 6 kms of a New Gravel Road with 1,5 of stormwater channels	Target not met. 5,5 kms of a Gravel Road with 1,5 of stormwater channels was constructed.	Target not met - Project delays due to Demarcation boundary confusions.	The project will be completed in the next financial year as and when the lockdown levels are lifted to allow for construction projects.
		BSD 02.06	Renew Transwiler Bridge by 30 June 2021.	New indicator	Director Technical/ R 120 000 / PMU Manager	Bridge Constructed	Construction of 0.7 km interlock paved roads and 1.3 km of gravel road with 3.34 kms stormwater control.	Target Met	Appointment of consultant.	Target not met - Consultant was not appointed.	The tender specifications could not be finalized when the specification sat on 16 March 2020 and 20 March 2020 this as result of the absence/unavailability of the PMU Manager. Delegations are not managed in PMU Unit. The end user department was not sure of what needed to be done. Further delays attributed to COVID 19 pandemic restricting the movement of bidders and municipal readiness with compliance of COVID 19 regulations which was not in place at the time.	Appointment of a contractor will be done in quarter 1 of 2020-2021 financial year. Delegations are managed in PMU Unit. Proper project planning needs to occur within PMU Unit a Gap! needs analysis to be undertaken. SCM interventions training on SCM processes inclusive of tender processes (procedures - all parties and staff / End user department

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							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To provide sustainable infrastructure development by building and maintaining access roads, bridges and storm water	ROADS BRIDGES AND TRANSPORT INFRASTRUCTURE- BSD02	BSD 02.07	Construction of 6 km access road with storm water control W7 by June 2020	Tender under litigation in 2018/2019	Director Technical/ R / PMU Manager	6 km access roads with stormwater control constructed	4 quarterly progress report on litigation.	Target met 4 progress reports on litigation achieved (the target was met in terms of of the way the target was crafted/structured)	Construction 2km of gravel roads with 1.5 storm-water control	This target placed on hold. 0 kilometers were constructed.	The Project was placed hold /suspended in quarter "2"- December 2019 due to litigation processes.	Projects on litigation <u>will be placed on hold</u> until litigation is finalised. Recommended that SCM put in Formal controls to exercise the management of the appointment of SIME's, Formal Agreement/s must be entered into at the outset of the projects - prior to work being carried out (parties are to be aware of all the conditions associated with the work)so as to prevent a crisis situation. Labour unrest and work stoppages and the like.
		BSD 02.08	Paving of streets and Stormwater control in New rest W8 (6 Km) by June 2022	New indicator	Director Technical/ R 250 000 / PMU Manager	Paved Roads Constructed in New Rest	1,4 km paved sidewalks constructed in Barkly East by 30 June 2019 "Noted target in the prior year was for Barkly East	Target met. A total of 1,4 km paved sidewalks was constructed by 12 March 2019.	Appointment of the consultant.	Target not met - Consultant was not appointed.	The tender specifications could not be finalized when the specification sat on 16 March 2020 and 20 March 2020 this as result of the absence of " the PMU Manager who was deemed to be on sick Leave. Delegations are not managed in PMU Unit. The project was not deemed to form part of essential services - procurement was further limited to only essential service i.e. water, sanitation and cemetery projects.	The appointment of a consultant will be done in quarter 1 of 2020-2021 financial year.
		BSD02.09	Construction of 180 accesses to properties in Tienbank by June 2021	Appointment of the contractor in 2018/2019	Director Technical/ R 450 000 / PMU Manager	180 accesses to properties constructed in Tienbank	Appointment of contractor (Management Contract)	Target not met	Appointment of the contractor	Target not met - Contractor was not appointed.	Non responsive bidders. The rejection the bid specifications. The bid validity period expired and conflict of interest not declared. The project was not deemed to form part of essential services - procurement was further limited to only essential service	The appointment of a contractor will be done in quarter 1 of 2020-2021 financial year.



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To ensure effective management and maintenance of indoor recreational community facilities	INDOOR RECREATIONAL COMMUNITY FACILITIES - BS003	BS003-01	Renovate Barkly East Town Hall by 30 June 2020.	Appointment of the contractor in 2018/2019	Director Technical/ R 3500000 / PMU Manager	Facility renovated	Appoint of a contractor and Site establishment.	Target not met	Renovations and Completion of the Barkly East Town Hall.	Target not met - The scope of work was identified and finalised for costing.	The scope of work that was identified exceeded the available budget and the project could not be implemented and planned for the next financial year	This project requires Proper project planning in order to budget correctly scope of work that needs to occur. Staff involved with project implementation and management require training assistance with project planning and budgeting - this project will roll over to the 2020/2021 financial year so as to accommodate proper planning and budgeting for the scope of work related to said project.
		BS003-02	Report on Repairs and maintenance of Community Halls in Towns	2018/2019 Maintenance	Director Community Services/Manager Amenities/ Maintenance budget: R 393 201,65	Halls maintained and Repaired	12 Reports on 7 Halls Maintained and Repaired	Target met	12 Reports on 7 Halls Maintained and Repaired	Target not Met. 12 Reports were submitted and 5 out 7 halls were maintained. In quarter 1 LADY GREY TOWN HALL: maintenance carried out - Repair all structural cracks with linels - cracks patched - Urine pot replaced - Painting of walls - Installation of a double burglar door. NKULULEKO HALL: maintenance carried out - Repair of fence and gate replaced. In quarter 2 maintenance conducted at BUNGA HALL - Fence repaired - walls painted- Replacement of light bulbs - KHWEZI/ NALEDI HALL - Replace and paint cornices - walls painted in the toilets, store room and change rooms.	Variance of 2 halls - Budgetary constraints were identified in quarter 3 and as result of extenuating circumstances i.e. related Covid 19 lockdown the planned maintenance of halls could not be completed.	Proper project planning and budgeting needs to occur - extenuating circumstances relating to Covid 19 lockdown
		BS003-03	Report on the Repairs and maintenance of Community Halls in Rural Areas	2018/2019 Maintenance	Director Community Services/Manager Amenities/ Maintenance budget: R 553 728,68	Halls maintained and Repaired	12 Reports on 13 Halls Maintained and Repaired	Target met	12 Reports on 13 Halls Maintained and Repaired	Target not Met. 12 reports were submitted and only 6 of the 13 halls were Maintained and Repaired as per maintenance plan.	Variance of 7 halls due to insufficient budget and Covid 19 lockdown "Quarter 1: Variance of 1 hall - the Herschel community hall was not able to be maintained due to fire damage. "Quarter 2: TIENBANK HALL: Additional unforeseen emergency maintenance work was carried out at Tienbank Hall not included in the Maintenance plan." Quarter 3 and 4 No maintenance carried out	Proper project planning and budgeting needs to occur - extenuating circumstances relating to Covid 19 lockdown

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							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure effective management and maintenance of indoor recreational community facilities	INDOOR RECREATIONAL COMMUNITY FACILITIES - BSD03	BSD03.04	Report on Cleaning of Community Halls in Town	2018/2019 Cleaning Reports	Director Community Services/Manager Amenities	Halls Cleaned	12 Reports on 13 Halls Maintained and Repaired	Target met	12 reports on all 7 Halls Cleaned Weekly	Target Met "12 reports achieved on 7 identified halls to be Maintained and Repaired as per the maintenance plan"		Notwithstanding the target "as per the indicator - it must be noted that during the 4th Quarter the weekly Cleaning of Bhunga Hall, Lady Grey Town Hall, Khwes' Naledi Hall, Barkly East Town Hall, Nkululeko, and Transwailger was not conducted due to Covid 19 lockdown -
		BSD.03.05	Community Hall - Ward 9	The community Hall was completed in 2018/2019 financial year, however there was minor work that still needed to be done.	Director Technical Services/PMU/ R 155 000	Community Hall Constructed	Plumbing and Practical Completion Certificate by quarter 1 - Construction and Completion of Ward 9 Community Hall by 30 September 2019	Target met - Completed on 23 October 2018. Plumbing was done and the practical certificate was issued on 23 October 2019	Repairing of fascia boards, Repairing of ridge.	Target Not Met - no repairs were done in 2019/2020 financial year.	"The project snags list is outstanding - Delays since November 2019 with implementation of the "project "snags" identified this exacerbated by construction shut down in December 2019 and Covid-19 lockdown restriction "27 March 2020 its construction projects being halted.	The "snags" identified have since completion of the project "October 2019 not been done - The project Management, monitoring and reporting to be addressed - projects are not being managed, monitored and reported on effectively - project snags identified are not rectified immediately . Covid 19 restrictions did further restrict construction project. Snags, to be addressed when Covid 19 Levels are relaxed and it is required that all related construction work be completed to the snags identified and that related project reporting occurs.
		BSD.03.06	Upgrade of MPCC in Slerkspruit	New indicator	Director Technical Services/PMU/ R 150 000	MPCC upgraded	Not a target in 2018/2019 Financial Year	Not a target in 2018/2019 Financial Year	Appointment of Consultant.	Target not Met - Consultant not appointed.	Consultant not appointed. Covid-19 lockdown restrictions further prevented consultations with stakeholders in various Sector Departments. Various government departments are accommodated in the MPCC.	Appointment will be made during quarter 1 of 2020-2021 financial year.

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							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure of effective management, construction and maintenance of cemeteries and proper burials	CEMETERIES AND BURIAL - BSD04	BSD04-01	Report on Number of Burial Plots provided as per request	2018/2019 Reports	Director Community Services/Manager Amenities	Burial Plots provided for burial	12 Reports on number of Burial Plots provided as per request	Target met. A total of 202 burial plots were provided in 2018/2019.	12 Reports on number of Burial Plots provided as per request.	Target met - 12 Reports - A total of 187 burial plots were provided in 2019/2020.		
		BSD04-02	Report on number of cemeteries maintained in Towns	8 Cemeteries maintained in 2018/19	Director Community Services/Manager Amenities/ R 64 122.00	Maintained cemeteries	4 Reports on 8 Cemeteries maintained in each quarter	Target met. 8 cemeteries were maintained during the financial year: Steve Tshwete, Khewazi Naledi, Nkululeko old cemetery, Zola, Rhodes-Zakhele, Barkly East Town, Lady Grey Town, Stekpruut Town Cemetery.	4 Reports on 8 Cemeteries maintained in each quarter	Target met - 8 cemeteries were maintained during the financial year: Steve Tshwete, Khewazi Naledi, Nkululeko old cemetery, Zola, Rhodes-Zakhele, Barkly East Town, Lady Grey Town, Stekpruut Town Cemetery.		
		BSD04-03	Report on number of cemeteries maintained in Rural Areas	10 Cemeteries maintained in 2018/19	Director Community Services/Manager Amenities/ R 1 048 208.73	Maintained cemeteries	4 Reports on 10 Rural cemeteries maintained in each quarter	Target met	4 Reports on 10 Rural cemeteries maintained in each quarter	Target met - 4 Reports on 10 Rural cemeteries maintained in each quarter: Jozana's Nek, Magwiji, Khiba, Blue Gums, Mbobo, Choboshane, Ohimha, Moskeleleg, Upper Bebeza, Lower Bebeza Cemeteries		
		BSD04-04	Construction of New Cemetery in Barkly East by 2021	Appointment of the contractor in 2018/2019	Director Technical R 300 000 / PMU Manager	Provide plots for burials	Land Acquired by June 2019	Target Exceeded by 7 months. The Land acquisition was completed by quarter 2 - 20 November 2018 and application of EIA commenced on 4 February 2019.	Appointment of the contractor.	Target not Met - Contractor not appointed.	COVID 19 pandemic restricted movement of bidders and municipal readiness with compliance of COVID 19 regulations were not in place at the time.	Appointment will be made during quarter 1 of 2020-2021 financial year.

KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To construct, maintain, identify, establish and upgrade existing urban sportsfields.	SPORTS 65205	BS006-01	Report on Sportsfields maintained in 5 Sportsfields	5 Sportsfields maintained in 2018/19	Director Community Services/Manager Amenities R	2 Sportsfield maintained	12 Reports on 5 Sports field Maintained in (W2,W13,W10,W16,W14)	Target met	12 Reports on 5 Sportsfield Maintained in (W2,W13,W10,W14, W15 and W16)	Target not Met --The were on 7 reports submitted.	Variance In quarter 1 Deviation to the planned maintenance plan. The taps not connected to jojo tanks and the jojo tanks were leaking as a result of vandalism. The additional work carried out by the Department is acknowledged as a variation/deviation. Additional maintenance work carried at Naledi sports field and at Patrick Shitane was not in the maintenance plan although deemed necessary as the fascia boards and gutters were in such a poor state and needed to be replaced and painted before the ceiling comics could be replaced.	Formal approval is required to adjust target milestones during mid year adjustment period and these must be formally re planned during the budget adjustment period so as to ensure alignment with SDBIP and adjusted budget - It is noted that by said time " March 2020 the Municipal Offices closed due to Covid 19 National Lockdown. Proper Planning and budgeting is to occur - and a analysis of the condition of halls must be made prior to planning of targets to ensure that deviations are to planned targets are circumvented. Deviations to approved planned maintenance plans and SDBIP targets must be formalised.
		BS006-02	Repair of the Kwezi Naledi Sportsfields Fence	Damaged Fenced	Director Technical Services/PMU Manager R 2000000	building of perimeter fence	Appointment of contractor (Management Contract)	Target not met. The specification committee did not approve specifications due to limited information submitted by the user department project to be re-advertised.	Erection of the Fence in Kwezi Naledi	Target not met. No fence was erected.	Budget was removed due to identification of other critical priorities determined by Council and the project implementation ceased.	Target to be reviewed if planned
		BS006-03	Purchase of Poles & Nets for Sportsfields in Rural Areas	10 set of Poles and nets purchased in 2018/19	Director Community Services/Manager Amenities R 210 600	Poles and Nets purchased	10 set of Poles and nets purchased	Target met	10 set of Poles and nets purchased	Target Met --The milestones in quarter 1 was met and part thereof of in quarter 2 " service provider was appointed on 17 December 2019. By quarter 4 it was identified that there was Insufficient Budget to perform all planned maintenance - budget would sourced during the budget adjustment period " February 2020.	Variance to timeframe Timeframe the Poles and nets were delivered in February 2020. "order number ORD 04271.	Notwithstanding the Annual Target is met, the milestones were met with a variance to timeframes - in cases like this the reporting information must be followed through to the next quarter irrespective if said is not stated as target within such quarter. When crafting planning for targets that may require accounting of goods the timeframes associated with said must be taken into account - as a norm during December months companies do go on shut down and as result this can affect purchasing of certain materials an equipment and can then affect the achievement of quarterly milestones.

KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT											
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020	
To provide library services to all residents	LIBRARY SERVICES - BSD006	BSD06-01	Signing of the SLA by the Municipal Manager and sent to DSRAC by 31 July	SLA signed on July 2018	Director Community Services/Manager Amenities	Compliance with the signed SLA	2018/2019 SLA Signed by the Municipal Manager and sent to the Department of Sports Arts and Culture by 31 July 2018	Target met SLA was signed by the Municipal Manager and sent to DSRAC on 20 July 2018.	2019/2020 SLA Signed between 2 parties	Target Met - The SLA was signed by the Municipal Manager and was sent to DSRAC on 18 June 2019.	Noted the SLA was in this instance signed and sent to DSRAC more than a month and 8 days before it was planned. A proactive approach to third party involvement. Whilst this may only be a signed SLA the relationship between Senqu LM and DSRAC are acknowledged as a link along the value chain i.e. no Library grant funding.
		BSD06-02	Report on the Implementation of Library Services SLA with DSRAC	2018/2019 Reports	Director Community Services/Manager Amenities	Compliance with the signed SLA	4 Quarterly Reports on the Implementation of the SLA.	Target met 4. Report Quarterly to DSRAC on the Implementation of the SLA - submitted 11 January, 10 April and 09 July 2019.	4 Quarterly Reports on the Implementation of the SLA.	Target not Met - 2 Reports were submitted.	Variance of 2 quarters "3 and 4 - these reports were not submitted due to Covid 19 restrictions and lockdown. Libraries were not operating during Q3 and Q4
		BSD06-03	Report on the statistics of books loaned and returned in each library	2018/2019 Reports	Director Community Services/Manager Amenities	Number of books loaned and returned established	4 Quarterly Reports on Statistics of books loan and returned compiled for each library	Target met 4 quarterly Statistical Reports - all Libraries to DRAC on books loaned/returned submitted.	4 Quarterly Reports on Statistics of books loaned and returned compiled for each library	Target not Met - 2 Reports were submitted.	Variance of two quarters "quarter 3 and quarter 4 - these 2 reports were not tabled to the Standing Committee due to Covid 19 restrictions and lockdown - libraries were not operating during quarter 3 and quarter 4

KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To create a healthy and sustainable environment by maintaining and developing public open spaces	PARKS AND PUBLIC OPEN SPACES- BS007	BS007/01	Renovations Kwezi Naledi Node	Appointment of the contractor in 2018/2019	Director Technical Services/PMU Manager / R 1050 000	Node rehabilitation report	Appointment of a contractor and Site establishment	Target not met	Construction and Completion of the Khwezi Naledi Node	Target not met - The planned Construction of the Khwezi Naledi Node was not completed.	Extension of time due to Budgetary constraints of SMME Contractor. by quarter 4.	Target to be reviewed for planned * projects identified to have SMME's must be adequately supported and guided to avoid situations where they under perform on projects due to extension of time as a result of adequate financial capacity.
		BS007/02	Report on the maintenance of parks in Lady Grey and Barkly East	Parks maintained in 2018/19	Director Community Services/Manager Amenities	Park maintained	4 Quarterly Reports on 3 Parks maintained (2 Lady Grey, 1 Barkly East)	Target met	4 Quarterly Reports on 3 Parks maintained (2 Lady Grey, 1 Barkly East)	Target Met. Monthly reports on the maintenance of the parks was done and submitted to the standing committee.		
		BS007/03	Report on the maintenance of public open spaces (Lady Grey, Barkly East, Sterkspruit & Rhodes)	Public Open Spaces maintained in 2019/19	Director Community Services/Manager Amenities	Public Open Spaces maintained	4 Quarterly Reports on 29 public open spaces maintained (12 Lady Grey, 11 Barkly East, 01 Sterkspruit and 05 Rhodes)	Target met	4 Quarterly Reports on 29 public open spaces maintained (12 Lady Grey, 11 Barkly East, 01 Sterkspruit and 05 Rhodes)	Target Met. Monthly reports on the maintenance of public open spaces (Lady Grey, Barkly East, Sterkspruit & Rhodes)was done and submitted to the standing committee.		

KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS	
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		REPORTED VARIANCE
To maintain and control the municipal commonage		BS008-01	Updating of Stock Register	2018/2019 Register	Director Community Services/Manager Amenities	Register updated	Stock Register Quarterly Updated for all Commonages	Target met	Stock Register Quarterly Updated for all Commonages	Target not met - 3 out of 4 stock (75%) Registers were updated - the stock register for quarter 4 could not be done as the stock counting has to occur with owners of stock present.	Variance of 1 quarterly updated stock register in quarter 4 - this could not occur as result Covid 19 lockdown regulations regards gatherings	The target will be monitored during the first quarter of 2020-2021, when municipal services are fully functional.
		BS008-02	Number of Awareness's conducted on Commonage Management	4 Awareness campaigns conducted in 2018/2019	Director Community Services/Manager Amenities	Awareness campaigns on overgrazing conducted	4 Awareness's Held	Target met - 4 awareness campaigns were held on 11 September, 12 December 2018, 28 February and 29 May 2019	4 Awareness's Held	Target not met - 2 out of 4 Awareness Campaign conducted - In quarter 1 - "1 Awareness Campaign conducted on 11 September 2019 and in quarter 2 " 1 Awareness Campaign conducted on 16 October 2019.	Variance of 2 awareness campaigns - The awareness campaign was planned for the 31 March 2020 in Rhodes this was not achieved and the planned awareness campaign in quarter 4 was not achieved - as a result of the restrictions on public gatherings during Covid 19 lockdown.	The awareness campaigns will resume once the Covid 19 regulations are relaxed /amended on public gatherings.
To maintain and effectively operate the pounds		BS008-03	Construction of an Animal Pound in Lady Grey by June 2019	All foundations are complete, earth works for internal roads complete, internal fencing complete. 2018/2019	Director Technical Services/PMU Manager/ R 2081 000	Animal pound constructed	Construction of kraals, Perimeter fence, guard house and loading and off loading bays.	Target not met	Completion of Animal Pound in Lady Grey	Target Met - The project was completed in quarter 1.	Target was completed 3 months ahead of planned date due to additional resources that were available on site. These assisted in accelerating the project completion.	

KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT											
STRATEGY	EDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020	
To effectively manage and reduce waste	WASTE MANAGEMENT – RECYCLING BS1009	BS009-01	Daily cleaning of CBD streets in all 6 towns.	6 Towns cleaned	Director Community Services/Manager Waste/ R 4 566 564,00	Clean Towns	12 Monthly reports on cleaned CBD Streets of all 6 towns.	Target met	12 Monthly reports on cleaned CBD Streets of all 6 towns.	Target Met. 12 Monthly Reports (3 Monthly reports) on the cleaning of CBD streets of all 6 towns were submitted.	
		BS009-02	Collection of Waste in Rural Areas	956,92 tons collected in 2018/2019	Director Community Services/Manager Waste/ R 252 420,12	Rural Solid Waste collection	532 tons collected	Target Exceeded The target was exceeded by 425,02 tons. Total of 957,02 tons of waste was collected in the Rural Areas.	956,92 tons collected	Target Exceeded The target was exceeded by 345,09 tons. Total of 1302,01 tons of waste was collected in the Rural Areas.	<p>Quarter 1: 125,87 more tonnage collected than planned target – as result of cleaning campaigns conducted and the Greenest Municipality Competition extra areas of collection. Quarter 2: 100,77 tons more collected than planned - increase in the generation of waste during the festive season. Influx of waste generation. In Q3 - 102 of tons of waste collected as there was an increase in collection in additional areas of Moleketi Village and part of Tien bank and New Rect. In Q 4 -16,45 tons more than the planned target of waste removed.</p> <p>Demand driven target and becomes difficult to set specific targets as there are often extenuation circumstances associated with waste management / refuse collection is regarded as an essential, non-removal of waste would have devastating consequences on communities due to the spread of other diseases, including from fly and/or rodent infestations. This especially during Covid 19 as waste generation did naturally increase at household levels. While it may have decrease at a business level during Covid 19 it must be considered that during prior quarters there was increase in scheduled collection especially during the festive period.</p>



KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS	
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		REPORTED VARIANCE
To effectively manage and reduce waste	WASTE MANAGEMENT - RECYCLING B52009	B52009.03	Collection of Waste in Towns BE, Herschell, I.G. Rhodes, Rossouw and Sterkspruit	4814.92 tons collected in 2018/2019	Director Community Services Manager Waste/ R 1 399 859,79	Waste Collected	Collection of 4120 tons of Waste to be collected in Towns BE, Herschell, I.G. Rhodes, Rossouw and Sterkspruit	Target Exceeded by 3076,73 tons - Total collection of 7196,73 tons	4814.92 tons collected	Target Exceeded The target was exceeded by 1128,93 tons. Total of 7946.86 tons of waste was collected in Towns	Quarter 1 203,57 more tonnage of waste collected than the planned target collected. Quarter 2 - 540,75 "Over the festive season there was an influx of business waste. Chain stores, retailers were generating lot of waste, as a result their collection schedule was increased to 3 times a week. Quarter 3 - 1959,61 and quarter 4 - 1835,46. tons more collected than planned. There were additional recycling co-ops within the municipality, which were suppose to claim all the recyclable material which ended up in landfill site, minimising the air space in our landfill sites. During Covid - 19 period the recycling Co-ops were under the instruction/direction of DEFF required to stop working as they were Covid compliant " no PPE available and it was not safe for them to operate.	"Demand driven target and becomes difficult to set specific targets as there are often extenuation circumstances associated with waste management / refuse collection is regarded as an essential; note during Covid 19 waste generation will naturally increase at household levels. While it may have decrease at a business level during Covid 19 it must be considered that during prior quarters there was increase in scheduled collection especially during the festive period noted that Retail stores were generating more waste, collection as result the scheduled collection was increased to 3 times a week and there were additional recycling co-ops included.

KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
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To reduce waste through awareness campaigns	WASTE MANAGEMENT - RECYCLING BS209	BS209/04	Waste campaign in schools	2018/2019 the awareness was in Ward 10,14,15 and 16	Director Community Services/ Manager Waste /R 50498	Community waste awareness	2 Campaigns conducted (Q1 Boyce Nodale ward 16 & Steve Tshwete 14) (Q2 ward 10)	Target met	6 Campaigns conducted	Target not Met - 5 planned awareness were done, where 1 was in ward 10, and 2 were in ward 15 and 2 unplanned in ward 9 and 16.	2 Deviations and a Variance of planned Awareness Campaigns in ward 8,13, 14 and 16 could not be done. - "Quarter 1 and quarter 3: Deviation to target milestone - in Q1 - 1 Additional school included - Target of Provincial Thuma Mina campaign - programme Green Deeds for planting of trees, the school was further assisted with waste bins for separation of waste at source. Quarter 3 Awareness conducted in ward 10 but could not be done as planned in ward 13 the Principal of Orangeville Primary School was unwilling to provide alternative dates to planned date.	Improve communication with schools prior to setting of target milestones to dates to ensure that these do not clash with school year activities - Notwithstanding the planned arrangements with schools should they not allow these awareness Campaign to be conducted the Target owners should formally request and report on deviation to target milestones. Due to extenuating circumstances - Covid - 19 pandemic - 27 March 2020 - no further planned awareness awareness campaigns could be done. These can only resume when the legislation is lifted with regard to gatherings.
		BS209/05	Waste awareness Campaigns in budgeted Wards	In 2018/2019 the awareness was done in w 10,13,14,15 and 16	Director Community Services/ Manager Waste /R 39389	Community waste awareness	4 Campaigns conducted (Q1 ward 14) (Q2 ward 11) (Q3 ward 16) (Q4 ward 10)	Target Exceeded	5 Campaigns conducted	Target not Met - 4 Wasted Cpaigns were conducted in Ward 15, Ward 16, Ward 10, and Ward 14. No waste awareness conducted in ward 13.	1 Variance of planned Awareness Campaigns in ward 13 in quarter 4 - due to extenuating circumstances of Covid- 19 pandemic - 27 March 2020 when lockdown restrictions were imposed.	Due to extenuating circumstances - Covid - 19 pandemic - 27 March 2020 - no further planned awareness awareness campaigns could be done. These can only resume when the legislation is lifted with regard to gatherings.
To effectively manage and reduce waste		BS209/06	Development of a Solid Waste Site in Ward 5 - Rossouw by June 2020	EIA Process, 2018/2019	Director Technical Services/ PMU Manager/ Capital budget: R 630 000	Waste Site Developed	Report on EIA Application	Target met - EIA application approved on 5 April 2019. Rtd had been received and project is now ready to go to construction.	Construction and Completion of the Solid Waste Site in Ward 5 - Rossouw	Target not Met - Project was not advertised - contractor not appointed	COVID 19 epidemic restricted movement of bidders and municipal readiness with compliance of COVID 19 regulations were not in place	The target was adjusted during the mid year adjustment period 272 The PSP at that time could not carry out any work pending the approval of Variation Orders. The target milestones for quarter 1 were adjusted to reflect awaiting was RfD from DWS. The project milestones will have to be reviewed and the project will fall carry over rollover into 2020/2021 financial year.

KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS	
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To effectively manage and reduce waste	WASTE MANAGEMENT - RECYCLING BSS09	BSS09407	Development of a Solid Waste Site in Ward 13 - Herschel by 2020	EIA application Process completed in 2018/2019 . RoD received - Project to proceed to construction in 2019/2020.	Director Technical Services/ PMU Manager/ Capital budget: R 850 000	Waste Site Developed Improved Management of Waste Material	Report on EIA Application	Target met	Construction and Completion of the Solid Waste Site in Ward 13 - Herschel	Target not Met - Project was not advertised - Contractor not appointed	Variance - Project not advertised and Contractor not appointed. COVID 19 regulations restricted movement of bidders and municipal readiness was not in place. Herschel was categorised as a Class D waste site "dealing with only general waste. It had become evident that various types of waste will be disposed at the said site and this prompted the application of the license to be changed from Class D to Class B as result of the financial implications this could not be budgeted for and the implementation period had to be reviewed.	The target was adjusted during the mid year adjustment period - The PSP at that time could not carry out any work pending the approval of Variation Orders. The target milestones for quarter 1 were adjusted to reflect awaiting was ROD from DWS it was reported in the prior that the ROD was received. Target owners required to take responsibility for reporting correctness and related targets that may be crafted to carry over into a new financial year. The project milestones will have to be reviewed and the project will carry over /rollover into 2020/2021 financial year.
		BSS09408	Upgrading of the Lady Grey Solid Waste Site	The project is under litigation Contractor experienced cash flow problems during the prior financial year and was not on site due to related issues - notwithstanding the following elements of the project are deemed to be completed - Perimeter fence complete, layer works for cells complete, internal pave roads complete were completed in the prior year 2018/2019	Director Technical Services/ PMU Manager/ Capital budget: R 500 000	Waste Site Upgraded to be NEMA Compliant Improved Management of Waste Material	Construction of cells earthworks, 500 m perimeter fence, 250m paved roads, 500m concrete drains and sorting out facilities	Target not met	Completion of the Lady Grey Solid Waste Site	Target not Met - Completion of the project was not done.	Variance - As a result of the Contractors underperformance the services were terminated. The contractor has taken the matter to arbitration and this process was not finalised by the 30 June 2020. Covid 19 pandemic had additionally contributed to the delay of arbitration proceedings - The proceedings will only continue after the Covid regulations are relaxed an lifted.	Pending outcome of the Arbitration dispute "decision" - Target milestones to be reviewed. The project targets should be removed from the year under review budget until the dispute is finalised.
		BSS09409	Development of Solid Waste Site in Ward 15- Rhodes by 2021	EIA application submitted in 2018/2019 not approved / rejected by DWS "New site Identified. A 5 year extension of time for said solid waste site applied for whilst the application in progress for approval for the new identified solid waste site. New EIA process to be done. The municipality revised design drawings to DWS - awaiting and RoD issue.	Director Technical Services/ PMU Manager/ Capital budget: R 410000	Waste Site Developed Improved Management of Waste Material	Report on EIA Application	Target met Reports were submitted on the EIA application (target met in terms of the way the target was structured)	Application for EIA and advertise for the contractor	Target not Met -The new EIA could not be done.	The initial EIA was rejected as the identified land was in the buffer zone " i.e. within 500m of a settlement. A new site had to be identified and required a further EIA which carried with it additional financial implications which was not budgeted for. This resulted in time delays as the implementation is required to be reviewed.	The VO was planned to be resubmitted to the BAC in the fourth quarter in the correct format. Extenuating circumstances of Covid 19 from end of quarter 3 '20 March 2020 prevented this from - project was deemed to part of essential services component.

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To effectively manage and reduce waste	WASTE MANAGEMENT - RECYCLING B-5209	BS009-10	Upgrading of the Barkly East Solid Waste Site by 2020	Project Planned milestones for 2018/2019 achieved notwithstanding issues of financial constraints on the part of the contractor "perimeter fence complete, layer works for cells complete, internal pave roads complete.	Director Technical Services/ PMU Manager/ Capital budget: R 12582 979	Waste Site Upgraded to be NEMA Compliant Improved Management of Waste Material	Construction of cells earthworks, 500m perimeter fence, 500m concrete drains, 500m gravel roads and sorting out facilities	Target met	Completion of the Barkly East Solid Waste Site	Target Met - The practical completion certificate was issued on the 9th of December 2019		The project is complete however it is noted that the construction was slightly delayed during the 1st quarter into the installation of synthetic membranes "specialist installation company (SMME) did not have a approved cession and the contractor only managed to make payment on the 13th September 2019 which contributed to the delaying the specialist installation company (SMME) with ordering of materials during the early stages of the construction however the project was recovered and was finalised during quarter 2 as planned. Appointment of sub contractors (specialist (SMME's) must form part of tender specifications and conditions. It must be ensured that they have the capacity to deliver on projects appointed.
		BS009-11	Development of Solid Waste Site in Ward 10: Slenkspruit by 2021	EIA Application submitted in the 2018/2019 .	Director Technical Services/ PMU Manager/ Capital budget: R 300 000	Site closed and land rehabilitated for other use Compliance with NEMA	Application for EIA	Target met - EIA Application submitted	Application for EIA and appointment of the contractor	Target is not met. The process of the EIA is still underway.	The initial preferred site was rejected and not deemed not suitable due to housing development adjacent to the site. A second site was chosen and the target milestones were reviewed mid year. The delays are further exacerbated by the COVID 19 pandemic Lockdown - the construction industry closed including DWS & DEDEAT	Construction will continue when construction related work is permitted in terms of the Covid Regulations. Targets will have to be reviewed mad the there will be project roll over.

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To improve the quality of life for residents by increasing the % of households receiving basic refuse collection	WASTE MANAGEMENT (T) - RECYCLING BSD09	BSD09-12	Report on the percentage of households with access to basic level of refuse removal	1 Annual Report on the percentage of households with access to basic level of refuse removal - 27% - In total 5 877 households have refuse removal services of which 1 552 is free basic refuse removal services "noted the baselines was incorrectly stated in the prior FY if included areas outside the services areas	Director Community Services/Manager Solid Waste	Number of people with access to free basic refuse removal Fair level of delivery of services	1 Annual Report on the percentage of households with access to basic level of refuse removal	Target met	1 Annual Report on the percentage of households with access to basic level of refuse removal	Target Met - 1 Annual Report on the percentage of households with access to basic level of refuse removal was tabled to the SC. As per Valuation roll there are 6 713 properties where service charges are required. The municipality provided refuse removal to 5 757 properties 85,75% during the year under review.		
		BSD 09-13	Rehabilitation of old Shereport Solid Waste Site Ward 10	Fencing is 1,245km. Excavations: is 2640 cubic metres. Roads works: 0% of 200 m paved road/have started but none completed yet). Guardhouse 50% - foundations complete, superstructure complete. An extension of time will be granted to the contractor since the matter of unrest was unforeseen.	Director Technical Services/ PMU Manager/ Capital budget: R 2200 000	Site closed and land rehabilitated for other use Compliance with NEMA	1. Appointment of the contractor as Turnkey. 2. Site Establishment . 3. Construction Programme and Cashflow Projections', 1,5kms fence and 3 cells dug	Target not met	Complete development of the bore holes.	Target Met -The development/drilling of the bore holes was completed.		
To effectively manage and reduce waste												

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That all registered indigent households receive free basic electricity and refuse removal	FREE BASIC SERVICES BSD10	BSD10.01	Updating of the Indigent Register	1 Updated Annual Register 2018 /2019 - The indigent verification done through CAAT system on 27/05/2019 and 5705 were approved to receive the free basic service.	CFO/BS section/ R	Approved and updated indigent register Equal delivery of service to the community of Senqu Municipality	1 Updated Annual Register	Target met	1 Updated Annual Register	Target met - The Indigent Register was updated. The indigent verification is done through the CAAT system and 1887 of the 5 757 consumers were approved to receive the free basic services.		
		BSD10.02	Report on the percentage of household earning less than 2 state pension fund per month with access to free basic services	1 Annual Report on the percentage of household earning less than 2 state pension fund per month with access to free basic services - 48% of household earning less than 2 state pension fund per month with access to free basic services in 2018/2019	CFO Manager Revenue/ R	Number of indigent people approved for free basic electricity Equal delivery of service to the community of Senqu Municipality	1 Annual Report on the percentage of household earning less than 2 state pension fund per month with access to free basic services	Target met	1 Annual Report on the percentage of household earning less than 2 state pension fund per month with access to free basic services	Target met - 1 Annual Report was tabled - 31.04 % of our serviced consumers are registered as indigent consumers.		*Senqu LM service 5757 consumers of which 1787 are indigent beneficiaries

KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To reduce Sengu electricity backlogs by assisting Eskom with electrification of rural areas as identified by Council	ELECTRICITY AND STREET LIGHTING BSO11	BSO11-01	Electrification of Rural Area within Sengu Municipality by 30 June 2020.	533 households electrified 2018/19	Director Technical Services/ Electro Technical Controller R 4973 000	Households electrified in rural areas Improved visibility and energy supply in Rural Areas	834 households electrified	Target Not Met - variance of 301 households to planned target in the 2018/2019 FY. Eskom did not supply the meters. As a result the Municipality had to go out to Tender for the Meters.	303 households electrified	Target not met - 0 houses were electrified	Variance of not appointing the Contractor by Q2 and 303 households were not electrified. The delays were exacerbated by the Corona Virus pandemic. The tender was further not advertised on CIDB website as a result the Adjudication committee withdrew the tender.	Request an Roll over application to DoE for funds to complete the project in this Financial Year 2020 /2021 - Target milestones to be reviewed. Noted That this tender put up for advert twice and been withdrawn twice - and as result the Target in prior year was not met "2018 /2019 notice 67/2019" - target planned for quarter 2. In the current year under review "2019/2020" - It was re - advertised notice number 136/2019-2020 Management Staff and bid committees must undergo Training workshops to create awareness and to manage the possible risks associated with continued flaws within tender /SCM processes.
		BSO11-02	Installation of new Pre-Paid Meters throughout the Municipality.	56 Meters were installed in 2018/2019	Director Technical/Electro Technical Controller R 500 000	Reliable Metering System Improved Revenue Collection	60 New Meters installed	Target Not Met	32 New Meters installed.	Target exceeded by 12 meters - 44 New Meters were installed.	Variance in Quarter 3 of 6 meters. "February 2020 - 2 Meters were installed" were requested to be installed - demand driven by requests received "quarter 4 - 12 meters were installed 4 more than the planned target. Quarter 1: 11 Meters installed. Targets exceeded by 3 Meters. This is based on the request of New Customers applying for Electricity and can not be controlled or set as a target. "Quarter 2: Target Exceeded by 11 more meters than planned .	Demand management target and is influenced by public/customer demand for New applications
		BSO11-03	Replacement of existing metres throughout the municipality.	405 Meters were replaced in 2018/2019 "185 meters more than planned target.	Director Technical/Electro Technical Controller R 500 000	Reliable Metering System Improved Revenue Collection	220 Replaced Meters installed	Target Exceeded by 185 meters - Total of 405 meters replaced in the 2018/2019 financial year.	110 Replaced Meters installed.	Target not met - 92 meters were replaced throughout the municipality.	Variance of 18 meters - Priority is given to DoE Project. Transferred Funds to DoE Project.	Proper project planning - Projects will be planned in such a way that they don't overlap.

KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS	
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		REPORTED VARIANCE
To maintain the existing electrical infrastructure through replacement of outdated equipment and installation of new equipment in order to reduce losses and ensure compliance	ELECTRICITY AND STREET LIGHTING (ESD1)	ESD11.04	Repair and Maintenance Transformer in Ward 8, 10, 14 and 16	7 Planned meters refurbished additional transformers refurbished - due to additional budget for repairs and maintenance - Total of 11 during 2018/2019	Director Technical Services/ Electro Technical Controller R433786.33	Minimise electrical outages Electrical power supply stability	7 Transformer(s) maintained	Target Exceeded by 4 Transformers - 11 Transformers maintained.	4 transformers to be sent for refurbishment. 5 transformers to be Reinstalled after refurbishment. Q1 Appointment of the service provider. Reinstall transformer at W 14 (1 transformer).	Target not met - 3 transformers sent for refurbishment - Quarter 2 Transformer 1 in ward "W16 and ward "W10 sent for refurbishment.	Variance and deviations to planned milestones - Reporting does not correspond with planned milestones and substantiating circumstances (deviations not documented). Quarter 1 transformer in W8 was not reinstalled as per the planned target. Transformers outstanding in the previous Financial year 2018-2019 were not received from the supplier by 30 June 2019 for installation and thus target's carried over to the next Financial year 2019-2020 i.e. however not accommodate in the milestones for 2019/2020 thus - W14 transformer sent for refurbishment in the prior year was and to be reinstalled. In Quarter 2: The transformer in W10 was sent for refurbishment. Quarter 3 milestones however 2 Transformers were sent for Refurbishment in W16. Quarter 4 - No transformer was sent for refurbishment as result of Covid 19 restrictions on travelling.	The Division needs to separate reporting inputs into refurbishments and reinstallations. No allowance to accommodate. Incorporate roll over targets into the next financial year targets. Reporting to correspond to the planned milestones and deviations documented. Target rolled over from prior year must be accommodated in the current year under reviews milestones. The deviations are too by forced through extenuating circumstances of the Covid lockdown and, but not taking into account the roll over of targets from prior year - this exasperated by the reliance on outside entities. It should be determined which transformers are beyond their maintenance lifespan and need which need replacement - these should be planned and budgeted for. The Division needs to separate reporting inputs into refurbishments and reinstallations.
		ESD11.05	Replace Street Lights in Ward 10, 13, 14 and 16	217 street lights replaced in 2018/2019	Director Technical Services/ Electro Technical Controller R 560583.87	Working Public lighting Improved visibility and community safety within Senqu Municipality	40 Fittings in W10, 15 Fittings in W13, 40 Fittings in W14 50 Fittings in W16 (Total of 145 street light replaced by 30 June 2019)	Target Exceeded by 72 street lights - 217 street lights replaced in the financial year.	50 Fittings in W10, 5 Fittings in W13, 50 Fittings in W14 and 40 Fittings in W16 (Total of 145 street light replaced by 30 June 2020)	Target not met - 119 streetlights were replaced. Target milestones housed in Quarter 2 (70) and Quarter 4 (70) related to specific wards. By 30 June 2020 a 145 street lights were replaced. In Quarter 2 - 119 street lights replaced - 44 more than planned. In Quarter 4 - No street lights were replaced	Overall variance: 26 - Quarter 1 - No Target Quarter 2 - Target exceeded. Ward 10 Fittings replaced 34, (9 more than planned) Ward 13 Fittings replaced 5, as per planned target. Ward 14 Fittings replaced 41, (16 more than planned), Ward 16 Fittings replaced 39, (19 more than planned). Overall, 44 fittings more than the planned milestones. Quarter 3 21 Fittings replaced at W16. Quarter 4 No street lights were replaced	New specifications for a 3 year Tender process. The target should have been analysed and be planned based on prior years achievement as a guideline - there appears to be reliance on the prior financial year 18/19 where the target was exceeded in that 72 more than planned street lights were replaced. The targets are set in a current year and are specific and as result are required to be achieved as set - proper analysis and planning required prior to setting targets.



KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT											
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020	
To reduce Senqu electricity backlog by assisting Eskom with identification of rural areas as identified by Council.	ELECTRICITY AND STREET LIGHTING (BSD11)	BSD11.06	Monthly Reports to the Department of Energy on Own Grants Allocations	12 Expenditure reports of DoE 2018/2019 Reports	Director Technical Services/ Electro Technical Controller /	Reports Complies on grant expenditure Improved visibility and community safety within Senqu Municipality	12 Expenditure reports on DoE Grants allocated	Target met 12 Expenditure reports on DoE Grants allocated were submitted	12 Expenditure reports of DoE Grand allocated	Target met 12 Expenditure reports on DoE Grants allocated were submitted	
		BSD11.07	Installation of Traffic lights in Sterkspruit	New indicator	Director Technical Services/ Electro Technical Controller R/ 100 000	Traffic lights installed in Sterkspruit Improve the flow of movement of traffic.	Not a target in 2018/2019 Financial Year	Not a target in 2018/2019 Financial Year	Appointment of the Service Provider	Target not met -The contractor was not appointed.	Variance - Contractor was not appointed. Acting Director of Technical services scheduled meeting with the department of Transport which could not be take place due to the Covid-19 lockdown regulations.
		BSD11.08	The percentage of households with access to basic level of electricity	1 Annual Report on the percentage of households with access to basic level of electricity - Eskom provision 25 % of households have access to basic level of electricity Senqu LM provision 45% of household have access to basic level of electricity	Director Technical Services/ Electro Technical Controller	Number of people with access to free basic electricity. Fair level of delivery of services	1 Annual Report on the percentage of households with access to basic level of electricity.	Target met. 25 % of households have access to basic level of electricity that is provided by Eskom and 45% of household have access to basic level of electricity that is provided by Senqu municipality.	1 Annual Report on the percentage of households with access to basic level of electricity.	Target met - 1 Annual Report on the percentage of households with access to basic level of electricity 92% (this is inclusive of the areas that are supplied by Eskom )	

KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To provide office space and parking by building new offices and renovating existing buildings	OFFICE SPACE BSD12	BSD12.01	Renovate 2nd Floor (Old Age Home) and all infrastructure repairs in Main Building in Lady Grey municipal buildings.	Renovation to the first floor. Renovations as per construction programme. Construction (70% - 200m fencing complete, foundation & superstructure of braai area complete, 2500 sq.m of plastering complete, installation of aluminium doors & windows complete, roof repairs complete and internal brickwork complete in 2018/2019).	Director Technical services /PMU Manager/ R 10920 000	Technical Services Offices Renovated. Improved working environment for staff members	1. Appointment of a Contractor (Management Contract)(Turnkey)2. Renovation as per the construction programme	Target met	Completion of the Renovation	Target not met - Construction could not be completed as result changes to the scope of identified work that were required to be included in the project this resulted in financial implications and time delays. Approval of a variation order was required.	Variance is - Delays in the VO process and approval by BAC. Extenuating circumstances Covid 19 lockdown regulations which further effected timelines	The VO will be submitted to the BAC in the fourth quarter in the correct format. The project will roll over into the next financial year 2020/2021 for completion and reporting purposes.
			Renovate Mayoral house	Dilapidated Structure - tenders advertised in 2018/2019 non response. The project will be advertised in the first quarter of 2019/2020 financial year.	Director Technical services /PMU Manager/ R 200 000	Mayoral house renovated. Safe & secure habitat area for the Mayor	Appointment of a Structural Engineer	Target Not met (adversarial circumstances no tenders responded to the advert)	Appointment of the consultant	Target not met - Consultant was not appointed.	Variance/s - The project was halted due to the Mayoral handbook and the relevant associated circular that prohibits Public Office Bearers from occupying Municipal Property. Project could thus not be advertised. GAP analysis required - this was submitted to BSC who provided said to the PMU Unit in Dec 2019.	A formal submission will be made to Council in order to propose that the house be either disposed or used in other permissible ways that are legislated. The project will roll over into the next financial year 2020/2021 for completion / achievement of target milestones and reporting purposes. Appointment of a consultant to perform a Structural analysis for cost effectiveness will be done in quarter 1 of 2020-2021 financial year. Intervention is required in order to manage associated risks - on both PMU Unit and SCM.
			Management of the issuing of business licencing	2018/2019 Quarterly reports on the issuing of business licencing	Director Community Services/ Manager Amenities	Businesses licenced. Improve management of businesses	4 quarterly reports on the issuing of business licencing	Target met	4 quarterly reports on the issuing of business licencing	Target Met. Reports submitted quarterly reports on the issuing of business licences - 20 formal business licenses issued and 35 informal licenses were issued * noted the informal licenses were only issued in quarter 2.		
To ensure that all businesses operating in the Municipality have licences and are operating according to legislation by 2022	LICENSING OF BUSINESSES BSD13	BSD13.01										

KPA 2: LOCAL ECONOMIC DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To promote responsible tourism, arts and heritage through continued support to local initiatives	TOURISM LED01	LED01.01	Implementation of the Senqu marketing strategy derived from the Responsible Tourism Plan	1 Annual Report on the Marketing strategy 2018 /2019 * milestones/targets within said strategy were not all achieved as planned The milestones within the Marketing strategy not structured realistically and in line with it's resources and capacity.	Director Development and Town Planning Services/Manager IPED	4 Quarterly Reports on implementation of the Senqu Marketing strategy Well marketed municipal area	1 Annual Report on implementation of the Senqu Marketing strategy	Target met (1 Annual Report on implementation of the Senqu Marketing strategy submitted as planned) - (Target met in terms of the way the target is structured)	4 Quarterly Reports on implementation of the Senqu Marketing strategy and 1 Senqu marketing strategy	Target Met 1 Annual Report submitted (Target met in terms of the way the target is structured) Tourism awareness session held on the 15 September 2019, the Beeld show was attended. 3 LTDCs held 8 October 2019, 12 December 2019 and 10 March 2020	Notwithstanding the reporting - implementation of the strategy remains a challenge - exacerbated by implementing cost containment measures, lack of financial resources and reliance on third parties and the extenuating circumstances of the Covid-19 lockdown regulations. In Q1 the show was not attended due to cost containment measures. The planned 2nd joint awareness with the District Municipality was postponed in March 2020 due to Covid Lockdown. Attendance at Gateway by stopped by the Acting MM Sloepst did not occur due to their own admin problems. Passion Play was postponed due to Covid 19. The Indaba in Q3 postponed and arranged for through a virtual platform planned by ECPTA on 10 and 11 June 2020 this was however postponed to 24 and 25 July 2020.	Milestones/targets within said strategy were not all achieved as planned - The milestones within the Marketing strategy not structured realistically and in line with it's resources and capacity - insufficient budgetary financial support - There was misunderstanding on how the targets were structured. The target was 4 Quarterly Reports on implementation of the Senqu Marketing strategy which was achieved. The set milestones within the quarters was not met due to a different understanding of the role of the municipality within Tourism by the appointed Acting Municipal Manager. The milestones for the new financial year have been structured differently so that the misunderstanding does not occur again.
		LED02.01	Number of Economic Development Forum held	4 Economic Development Forums held in 2018/2019	Director Development and Town Planning Services/Manager IPED	4 EDF's held Coordinated LED Programmes	4 Economic Development Fora held	Target met EDF meetings were held on 20 September, 3 December 2018, 20 March and 21 June 2019.	4 Economic Development Forum held	Target not met - Quarter 1 - 1 EDF meeting was held on 30 September 2019. * Quarter 2 - 1 EDF meeting was held on 26 November 2019. * Quarter 3 The EDF Meeting scheduled for 28 February 2020 postponed twice - due to lack of availability of Mayor. Awareness campaign was held December 2019.	Variance of 2 meetings. In Quarter 3 the 1 EDF was planned to be in the form of a breakfast meeting with the MEC in Sierikgraaf on 28 February 2020. This was postponed to March 2020 as the Mayor was unable to attend. As result Covid 19 - 27 March 2020 lockdown the target milestones could not be achieved.	Meetings will be held once Covid restrictions and regulations are relaxed and operations are normalised. The municipality will investigate and strategize to find alternatives forms of holding meetings that may be more effective and accessible to all stakeholders.
To promote and attract development in the local economy through implementation of the LED strategy	LED02	LED02.01	Report on number of jobs created through the LED initiatives including capital projects	1 Annual Consolidated Report on number jobs created through LED initiatives including capital projects - An Average of 205 jobs created 2018/2019	Director Development and Town Planning Services/Manager IPED	Number of jobs created improved socio economic conditions of the poor	1 Annual Consolidated Report on number jobs created through LED initiatives including capital projects	Target met - An Average of 205 jobs created 2018/2019	1 Annual Consolidated Report on number jobs created through LED initiatives including capital projects	Target met - 1 Annual Consolidated Report on number jobs created through LED initiatives including capital projects submitted. An Average of 161 jobs were created.		
		LED02.02	Report on number of jobs created through the LED initiatives including capital projects	1 Annual Consolidated Report on number jobs created through LED initiatives including capital projects - An Average of 205 jobs created 2018/2019	Director Development and Town Planning Services/Manager IPED	Number of jobs created improved socio economic conditions of the poor	1 Annual Consolidated Report on number jobs created through LED initiatives including capital projects	Target met - An Average of 205 jobs created 2018/2019	1 Annual Consolidated Report on number jobs created through LED initiatives including capital projects	Target met - 1 Annual Consolidated Report on number jobs created through LED initiatives including capital projects submitted. An Average of 161 jobs were created.		

KPA 2: LOCAL ECONOMIC DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To promote and afford development in the local economy (through implementation of the LED strategy)	LED 02	LED02.03	% of the municipal infrastructure capital projects in excess of R6 million, allocated to SMME's, through sub contracting.	2019/2020 - 27.27% of the 30% planned target was achieved (variance of 2.73% to planned target) in the prior year 18/19 a total of 6.6% of the municipal infrastructure capital budget for the 2018/2019 financial year was allocated to SMME's.	Director Technical Services	Improved work opportunities for SMME's, increase in revenue recycled in local economy	30% of the municipal infrastructure capital budget actually spent, allocated to SMME's through sub-contracting in compliance with circular 77 of the MFMA.	Target not met	30 % of the municipal infrastructure capital projects in excess of R6 million, allocated to SMME's, through sub contracting, "total value of projects over a multi - year period	Target Met - 1 consolidated annual report on 30% of the municipal infrastructure capital projects in excess of R6 million, allocated to SMME's, through sub contracting done. There were two (2) projects which were in excess of R6 million and both were awarded with a 30% clause in their contracts.		

KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure the efficient and effective procurement of goods and services	SUPPLY CHAIN MANAGEMENT (ADMINISTRATION AND REPORTING) - MF/M/01	MF/M/01.01	Development of the Institutional Procurement Plan	Procurement Plan Developed in 2018/19	CFO/Manager Supply Chain/ Departmental Demand Plans	Plan Developed Improved Management of Supply Chain Processes	1 Procurement Plan Developed	Target met	1 Procurement Plan Developed	Target Met. The procurement plan was developed and approved by the Council during the May Council meeting as part of the Budget Approval process.		
		MF/M/01.02	Establishment and monitoring of the tender register for above R200 000 tenders.	2018/2019 - 4 Implementation Report The Contract register established and monitored regularly.	CFO/Manager Supply Chain/ Departmental Demand Plans/	Quarterly Monitoring Reports Improved Management of Supply Chain Processes	Contract Registers and 4 Quarterly Reports	Target met	Contract Registers and 4 Quarterly Reports	Target Met. 4 Implementation Reports. The Contract register established and all contracts are monitored, the register includes the contract amount, start and end dates.		
		MF/M/01.03	Manage and Monitor SLA's that will result in expenditure	2018/2019 4 Monitoring Reports Service Level Agreements are managed and monitored	CFO/Manager Supply Chain/ Departmental Demand Plans	Quarterly Monitoring Reports Improved Management of Supply Chain Processes	4 Monitoring Reports on Contracts and SLA's	Target met	4 Monitoring Reports on Contracts and SLA's	Target Met. 4 Monitoring Reports. Service Level Agreements are managed and monitored		

KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure the efficient and effective procurement of goods and services	SUPPLY CHAIN MANAGEMENT (ADMINISTRATION AND REPORTING) - MFM/01	MFM/01.04	Number of Specifications Meeting held	4 planned meetings and 9 unplanned - 13 Meetings were held in 2018/2019 the additional unplanned meetings were demand driven.	CFO/Manager Supply Chain/ Departmental Demand Plans	Meetings held Improved Management of Supply Chain Processes	4 Meetings held	Target Exceeded by 9 meetings - 13 meetings sat	4 Meetings held	Target Exceeded - 16 Meetings held - 12 more than planned Quarter 1: The target was exceeded with 2 more meetings than the planned target. Quarter 2: The target is exceeded with 3 more meetings, more meetings than the planned target. Quarter 3 - 5 specification meetings held on the 14 January 2020 and 17 January 2020, 13 February 2020 and 16 March 2020 and 20 March 2020. Quarter 4 - 3 Meetings 11 May 2020, 29 May 2020 and 17 June 2020	Variance of 12 Meetings - <u>more than planned target</u> . The increase in meetings was as a result of a number of items that needed to be discussed in the BSC. Quarter 1: The target was exceeded with 2 more meetings than the planned target. Quarter 2: The target is exceeded with 3 more meetings, more meetings than the planned target. Quarter 3: The target was exceeded with 4 more meetings than the planned target. Quarter 4: The target was exceeded with 2 more meetings than the planned target	Noted that notwithstanding the target has been exceeded it would appear that there is demand for more specifications meetings this could be due to the many anomalies that have been are occurring with incorrect submissions of specifications from project owners. Whilst the many more meetings held it would appear that this does not contribute to making this performance efficient. Meetings should be based on the procurement plan.
		MFM/01.05	Number of Evaluation Meetings held	4 planned meetings and 17 unplanned meeting total of 23 Meetings were held in 2018/2019 - demand driven	CFO/Manager Supply Chain/ Departmental Evaluation Reports	Meetings held Improved Management of Supply Chain Processes	4 Meetings held	Target Exceeded by 17 meetings - 21 meetings sat	4 Meetings held	Target Exceeded - 16 Meetings held - 12 more than planned Quarter 1: The target is exceeded with 3 more meetings than the planned target 31 July 2019, 21 August 2019 and 30 September 2019. In Quarter 2: The target is exceeded with 3 more meetings than the planned target. 14 October 2019, 17 October 2019, 24 October 2019 and 29 October 2019. Quarter 3: 4 Evaluation meetings held 10 January 2020, 17 February 2020, 16 March 2020 and 23 March 2020. Quarter 4 - 4 Meetings 8 May 2020, 19 June 2020, 25 June 2020 and 25 June 2020	Variance of 12 Meetings - <u>more than the planned target</u> . The target was exceeded as result of additional unplanned meetings which were demand driven - there were a number of items that needed to be discussed in the BSC.	The target is demand driven and may be challenging to set the baseline of prior years should be used as guide to set realistic standards. Whilst the many more meetings held it would appear that this does not contribute to making this performance efficient.

KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure the efficient and effective procurement of goods and services	SUPPLY CHAIN MANAGEMENT (ADMINISTRATION AND REPORTING) - MFAM001	MFAM0106	Number of adjudication meetings held	4 planned meetings and 8 unplanned meeting total of 12 Meetings were held in 2018/2019	CFO Manager Supply Chain/ Departmental Evaluation Reports	Quarterly Adjudication Reports Improved Management of Supply Chain Processes	4 Meetings held	Target Exceeded by 8 meetings - 12 meetings sat	4 meetings held	Target Exceeded - 14 Meetings held - 10 more than planned. Quarter 1 - 4 Adjudication meetings held. *1 July 2019, *1 August 2019, *29 August 2019 and *27 September 2019. Quarter 2 - 4 adjudication meetings held * 17 October 2019, *4 November 2019, *12 December 2019 and the *17 December 2019. Quarter 3 - 2 meetings held *23 January 2020 and *28 February 2020. Quarter 4 - 4 Meetings held* 21 April 2020, *20 May 2020, *15 June 2020 and* 29 June 2020	Variance of 10 Meetings - <u>more than the planned target</u> . The target was exceeded as result of additional unplanned meetings which were demand driven - there were a number of items that needed to be discussed in the BSC.	The target is demand driven and may be challenging to set the baseline of prior years should be used as guide to set realistic standards. Whilst the many more meetings held it would appear that this does not contribute to making this performance efficient.
To ensure monitoring of Municipal Assets per Department through regular asset checks and reporting	ASSET MANAGEMENT - MFAM02	MFAM0201	Update the Departmental Asset Registers twice a year	2018/2019 Departmental Registers / Reports on Additional Assets purchased per department was submitted.	CFO Manager Supply Chain/ Additions Register	Quarterly Reports on Additions and one Reports on Disposals Improved management of municipal assets	1 Reports on Additional Assets purchased per department	Target met	2 Reports on Additional Assets purchased per department	Target not met - The 2 Reports on Additional Assets purchased per department was not performed as planned.	Variance of 2 reports - Covid National lockdown *27th March 2020. Noted that this target was adjusted mid year to reflect in quarter 2 and quarter 4 - Reports on Additional Assets per Department	Asset Count rescheduled to be completed in July 2020 upon relaxation of the lockdown regulations return of staff to the offices
		MFAM0202	Perform the Annual Asset Count	1 Annual 2018/2019 Asset Count Performed report was submitted.	CFO Manager Supply Chain	Asset Count Report developed improved management of municipal assets	1 Annual Asset Count Performed	Target met	1 Annual Asset Count Performed	Target not met - The 1 Annual Asset Count was not Performed	Variance of 1 Annual Asset Count	Asset Count rescheduled to be completed in July 2020 upon relaxation of the lockdown regulations return of staff to the offices

KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY

STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To annually assess and report on the % of the budget spent, as expressed by the ratios	FINANCIAL MANAGEMENT - MFMV03	MFMV03-01	Report on Financial Viability as expressed by the ratios in the gazette	2018/2019 1 Annual Report on the Ratios (presented and reported on to National Treasury in the s71 reports consolidated)	CFOMANAGER BTO/Financial System All Directors	Report on Ratios: Improved management of municipal financial and other resources	1 Annual Report on the Ratios	Target met	1 Annual Report on the Ratios	Target met - 1 consolidated report on Annual Financial viability ratios as gazetted done Capital charges to Operating Expenditure - 14,1% Liquidity Times 8,49 Outstanding debtors to Annual Revenue 7,34% Creditors to cash 4% Debt Coverage 384% Outstanding Service Debtors 80% Cost Coverage 30 months.		The monthly s71 reports as submitted monthly to National Treasury must be consolidated to show annual ratios. General Target - S10 g
		MFMV03-02	Compile Supplementary valuation roll	Annual Supplementary Valuation Roll compiled in quarter 3 as planned in 2018/2019 . The report for Annual Supplementary tabled and advertised in 2 local news papers, and placed on the notice boards.	CFOManager Revenue/ R 605 212,92	Actual Supplementary Valuation conducted 1 Annual Supplementary valuation roll	1 Annual Supplementary Valuation Roll compiled	Target met	1 Annual Supplementary Valuation Roll compiled	Target met - One supplementary valuation roll compiled in quarter 3 February 2020 - 50 properties were affected during the supplementary roll.		
		MFMV03-03	Report on correct billing of consumers	2018/2019 verified actual correct billing reported" 12 Monthly Reports on 100% Correct billing of consumers with a 2% variance factor were submitted.	CFOManager Revenue 0000 /Financial System/	Number of consumers correctly billed Improved Revenue collection and management of municipal financial resources	12 Monthly Reports on 100% Correct billing of consumers with a 2% variance factor	Target met	12 Monthly Reports on 100% Correct billing of consumers with a 2% variance factor	Target Met - 12 Monthly Reports on 100% Correct billing of consumers with a 2% variance factor		
		MFMV03-04	Report on actual revenue collected	2018/2019 Total Revenue collected - Quarterly Reports on the actual collected revenue were submitted. (95,85%)	CFOM Manager Revenue/ Financial System	Total Planned Revenue collected Improved Revenue collection and management of municipal financial resources	4 Quarterly Reports on the actual collected revenue	Target met	4 Quarterly Reports on the actual collected revenue	Target Met - 4 Quarterly Reports on the actual collected revenue were submitted. The collection rate shows an average of 71% by 30 June 2020.		Noted that the revenue has decreased by 24,85% from 95,85% in the prior to 71% in the current year under review



KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To expand and protect the municipal revenue base by providing accurate bills for services rendered	FINANCIAL MANAGEMENT - MFMA/03	MFMA/03.05	Reporting of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches	2018/2019 4 Quarterly Reports of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches.	CFODirector Development and Town Planning Services/Manager Supply Chain/ Manager Governance and Compliance	4 Quarterly Reports of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches	4 Quarterly Reports of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches	Target met	4 Quarterly Reports of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches	Target met - Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches are managed monitored and reported on quarterly.		Managed, monitored and reported on. In Quarter 1 No payments that constituted irregular expenditure, fruitless & wasteful expenditure. In Quarter 2 - two payments that constituted irregular expenditure and 1 payment that constituted fruitless & wasteful expenditure. In quarter 3 During November 2019, the municipality incurred irregular expenditure amounting to R25 572 and during December 2019, the municipality incurred irregular expenditure amounting to R38 913.78. There was no Fruitless and Wasteful expenditure. There was no Fruitless and Wasteful In quarter 4 no payments that constituted irregular expenditure, fruitless & wasteful expenditure.
		MFMA/03.06	Compilation and submission of Legislatively Compliant AFS	2017/2018 AFS The Annual Financial Statements were compiled and submitted to the Auditor General on the 31 August 2018, (provided Electronically & signed into the register at the office of the AG)	GFO/ All Directors/	Legislatively compliant AFS Improved reporting on public funds	Compilation of 2017/2018 AFS by 31 August 2018	Target met	Compilation of 2018/2019 AFS by 31 August 2019	Target met - The Annual Financial Statements were compiled and submitted to the Auditor General on the 31 August 2019 as agreed ( provided Electronically & signed into the register at the office of the AG)		
		MFMA/03.07	Reviewal of adopted financial policies annually	2018/2019 Reviewed policies Finance policies were reviewed and adopted by council in May 2019	CFOMANAGER Supply Chain/ Manager BTO/ Manager Revenue	Legislatively compliant policies improved management of public funds	Review Policies	Target met	Review Policies	Target met		

KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To annually report on the % of the Municipality's budget actually spent on capital projects identified in a particular financial year in terms of the Municipality's IDP	FINANCIAL MANAGEMENT - MFMD03	MFMD03.08	Report on the % of operational budget actually spent	89% 2018/2019 Operational Budget Actually Spent	CFO/ R000/ Financial System/ All Directors	Monitoring and implementation of the budget improved management of public funds and delivery of services	Report on 100 % Expenditure of the Operational Budget by the end of the financial year	Target not met	Report on 100 % Expenditure of the Operational Budget by the end of the financial year	Target not met - The OPEX expenditure to budget was 89.00% "total budget R253 748 685 of which R227 090 802 was spent.	Variance of 11.00% Underspending was as result the implementation of cost containment measures as per cost containment policy which has resulted in a reduction in operational costs. Under expenditure in categories such as other materials, contracted services and other miscellaneous expenditure. Other than this operation expenditure savings occurred in employee costs on vacant positions not filled when expected and a lower than anticipated demand for bulk purchases of electricity. Some Operational specific projects were affected by the Covid lockdown.	The municipality should ensure that items where saving were made as a result of cost cutting measures that these are adequately budgeted for in future without the elements where savings were realised. Prior to crafting targets baseline information from the prior financial must be considered to ensure that are realistically crafted.
		MFMD03.09	Report on % Capital budget actually spent	69% 2018/2019 Capital Budget Actually Spent	CFO/ R000/ Financial System/ All Directors	Monitoring and implementation of the budget improved management of public funds and delivery of services	Report on 100% Expenditure of the Capital Budget	Target not met	Report on 100% Expenditure of the Capital Budget	Target not met - The CAPEX expenditure to budget was 60.48% "total budget R 72 441 836.00 of which R43 814 673.00 was spent by 30 June 2020.	Variance of 39.52% This can be attributed to the closure of offices and restrictions on construction projects during the Covid lockdown .	The municipality will revise it targets to accommodate the period during which Covid 19 lockdown applied.
		MFMD03.10	Report on % of Conditional grants received actually spent	99% 2018/2019 Conditional Grants Actually Spent	CFO/ R000/ Financial System/ All Directors	Monitoring and implementation of the budget improved management of public funds and delivery of services	12 Reports on 100% Expenditure on Conditional grants received	Target not met	12 Reports on 100% Expenditure on Conditional grants received	Target not Met- Conditional Grant expenditure was 97.04% by 31 March 2020. The total budget of R 44 862 000.00 of which R47 417 219.00 was spent by 30 June 2020.	Variance of 2.96% "on Conditional Grant expenditure	The municipality will revise it targets to accommodate the period during which Covid 19 lockdown applied. Rollover application will be done" delays are as result of the Covid 19 restrictions. " All Grants expenditure was 99.41% " Total Budget R 204 381 000 of which R 203 168 849 was spent.
To ensure good payroll management and implementation	PAYROLL - MFMD04	MFMD04.01	Management of Payment of Salaries	2018/2019 monthly Payroll Reports	CFO/Director Corporate Services/ Manager Supply Chain/ Manager HR/ Financial System / Payroll amendment reports	Report on the payment of salaries improved management of municipal financial	12 Reports on all salaries paid monthly	Target Met	12 Reports on all salaries paid monthly	Target Met - During the Covid lockdown period "affected April May and June 2020 - the affected salary payments for these months were managed remotely and paid as planned calendar. The Solidarity deductions were also effected as resolved by Council and the communication from political parties		During the lockdown the payment salaries were managed remotely and paid as planned calendar. The Solidarity deductions were also effected as resolved by Council and the communication from political parties

KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure compliance with the MFMA and MSA requirements regarding the adjustment budget and annual budget development and submission requirements	BUDGET COMPIATION - MFMV05	MFMV05-01	Compilation of the Annual budget for 2020/2021	MFMA Compliant budget by 31 May 2019. The 2019/2020 Final Budget was tabled and Approved by the Council on the 29th of May 2019 .	CFO/ Financial System/ All Directors /Dora / Legislative Directives /	MFMA Compliant budget Improved Municipal Financial Planning	2019/2020 MFMA Compliant budget by 31 May 2019	Target Met	2020/2021 MFMA Compliant budget by 31 May 2020	Target Met -The draft Budget was tabled to Council on the 26 March 2020. The notice was placed on the website but not on the newspapers due to the National Lockdown. The Final Budget was Approved by the Council through a virtual meeting as result of Covid 19 on the 29 May 2020 .		
		MFMV05-02	Compilation of the Adjustment budget by 28 February 2020	The 2019/2020 Adjustment Budget was tabled and Approved by the Council on the 27th of February 2019 .	CFO/ Financial System/ All Directors / Legislative Directives	MFMA Compliant adjusted budget Improved Municipal Financial Planning	MFMA Compliant 2019/2019 Adjustment budget	Target Met	MFMA Compliant 2019/2020 Adjustment budget	Target Met - The Adjusted Budget was tabled to Council on the 26 February 2020. The notices were placed on the newspapers and website on the 6 March 2020		

KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To develop and submit S.71, S.72 & S.52 reports as per MFMA guidelines and principles	REPORTING - MEMV06	MEMV06-01	Development and submission of the section 71 (1) report (Submission to the Mayor and National Treasury within 10 working days)	12 section 71 reports for 2018/2019	CFO/Manager BTO/ Financial System / Treasury Template / All Directors	Compliance with Treasury Regulations and the MFMA Improved Financial Management and Reporting	12 Monthly reports on Section 71 (1) developed	Target Met	12 Monthly reports on Section 71 (1) developed	Target Met - Reports on development of section 71 (1) reports and submission to the Mayor and National Treasury within 10 working days		
		MEMV06-02	Compilation and tabling of the Mid-Year Budget and Performance Report (s72)	Mid-Year Budget and Performance Report - tabled to EXCO on 25 January 2020 and Council on 28 January 2020 and was approved.	Director Development and Town Planning Services/CFO/Manager Governance and Compliance	Mid-Year Report Compiled Structured and Improved Planning, Monitoring and Evaluation	2018/2019 Mid-Year Budget and Performance Report compiled, tabled by 25 January 2019	Target Met The Mid-Year budget and Performance report was tabled to EXCO on 25 January 2019 and Council on 28 January 2019 and was approved.	2019/2020 Mid-Year Budget and Performance Report compiled, tabled by 25 January 2020	Target Met - The Mid-Year budget and Performance report was tabled to EXCO on 25 January 2020 and approved by Council on 28 January 2020.		
		MEMV06-03	Compilation of the section 52 (d) Reports	2018/2019 Section 52 (d) reports submitted	Director Development and Town Planning Services/CFO/Manager Governance and Compliance	Section 52 (d) Compiled Improved Financial Management and Reporting	3 Section 52 (d) Reports compiled (First Quarter - October 2018, Third Quarter - April 2019, and Fourth Quarter - July 2019)	Target Met	3 Section 52 (d) Reports compiled (First Quarter - October 2019, Third Quarter - April 2020, and Fourth Quarter - July 2020)	Target Met - Section 52 (d) report - tabled to the council meeting in July 2020		

KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY

STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure a continually secure, effective and efficient ICT service through implementation of ICT policies supporting of ICT equipment	IT - MFMA07	MFMA07/01	Review of the IT Disaster recovery plan and IT Strategic plan	Policies were Reviewed in 2018/2019 * IT Disaster recovery plan and IT Strategic plan submitted to the Council in July 2019.	CFDIT Manager/Risk Officer / Software Service Provider inputs	Reviewed IT Governance Framework Secured IT data	Review of the IT Disaster recovery plan and IT Strategic plan	Target met	Review of the IT Disaster recovery plan and IT Strategic plan	Target Met - Disaster Recovery Plan Reviewed - no changes made		
		MFMA07/02	Systems downtime for emails and internet as a result of hardware or network failure (hrs) *Reporting	Systems downtime quarterly reports 3hrs in 2018/2019	CFOManager IT	Server Downtime monitored Improved Management of IT	4 Quarterly Reports on the Systems downtime for emails and internet as a result of hardware or network failure	Target met	4 Quarterly Reports on the Systems downtime for emails and internet as a result of hardware or network failure	Target not Met - Reports submitted.* Quarter 1 no systems downtime. * Quarter 2 October 2019, 4 hours of downtime for the emails and 4 hours for the internet. * November 2019, 5 hours of downtime for emails and no downtime for the internet. * December 2019, 5 hours of downtime for emails no downtime for the internet. * Quarter 3 and * Quarter 4 no systems downtime.	In quarter 2 - October 2019, November 2019 and December 2019 <u>down time</u> was attributed to national the load-shedding schedule. Servers needed to be restarted manually for the systems to become operational. The downtime usually does not exceed 3 hours, however this was exceeded by 1 hour during October 2019 and by 2 hours in December 2019.	The target needs to be reviewed to "reasonability" of the hours attributed to uncontrolled down time. The need to consider the national the load-shedding schedule and or Electrical area faults which are not within the control of the Target ownerholder
		MFMA07/03	Monitoring and Maintenance of the Servers *Reporting	2018/2019 quarterly reports on server maintenance	CFOManager IT	Maintained Servers Improved IT Management	4 Quarterly Reports on the monitoring and maintenance of the server	Target Met	4 Quarterly Reports on the monitoring and maintenance of the server	Target not Met - Monitoring of servers was done however servers were not maintained during the financial year	Servers needed to be restarted manually. The downtime usually does not exceed 3 hours, however this was exceeded by 1 hour during October 2019 and by 2 hours during November 2019 and by 2 hours in December 2019.	The target needs to be reviewed. There is reliance on the IT division to provide the same response as Target number MFMA0702 whilst MFMA0703 may have reliance on Target MFMA0702 they need to be reported on appropriately and separately - MFMA0703 specifically relates to monitoring and maintenance notwithstanding the linkages to MFMA0702
		MFMA07/04	Purchase a New Server	A server purchased in the prior financial year - delivered on 18 February 2019.	CFOManager Supply Chain/Manager ITR/ 343 000.00	Server Purchased Increased volume of storage of municipal information	Purchase 1 Server	Target Met	Purchase 1 Server	Target not met - notwithstanding a tender had been awarded for IT Equipment this excluded the server as planned for as a result the milestone in quarter 3 was not formally amended to .	Deviation - IT Equipment purchased - identified that the Server budgeted for was no longer required as there was a Surplus of servers available in the Municipality (2).	Targets are to be formally amended and deviations recorded - Proper planning and analysis of the availability of IT equipment to be undertaken/servers required. Budget for the server to be allocated to IT equipment requirements.

KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY												
STRATEGY	IDP Programme Number	KPI NUMBERS	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure a continuously secure, effective and efficient ICT services through implementation of ICT policies and plans and upgrading of ICT equipment	IT - MFMA/07	MFMA/07.05	Monitor and Manage the IT Back Up System	2018/2019 Reports on the System monitoring and IT Back Up System .	CFO/Manager IT	Reports Compiled Improved IT Management	4 Quarterly Reports on the Monitoring of IT Back Up System	Target Met	4 Quarterly Reports on the Monitoring of IT Back Up System	Target not Met- Reports on the Monitoring of IT Back Up System were done - the IT Backup system of the municipality is monitored and maintained. "Quarter 1 : There was no backup domain controller downtime." Quarter 2 : October 2019, the back-up domain controller was down for 4 hours. " November 2019, the back-up domain controller was down for 5 hours." Quarter 4 : - The Back Up Software and Licence expired in March 2020, thus resulting no Financial Server Data Backups from the server from April 2020.	Variances in Quarter 2 : October 2019, the back-up domain controller was down for 4 hours. " November 2019, the back-up domain controller was down for 5 hours." Quarter 4 : - The Back Up Software and Licence expired in March 2020, thus resulting no Financial Server Data Backups from the server from April 2020.	The municipality is in the process of purchasing the New Back Up System Software and Licences. This process should be completed by 31 December 2020. The Software and Licensing expiry dates must be KIV and monitored regularly in order to prevent such an occurrence which can have far reaching consequences.
		MFMA/07.06	Conduct IT needs assessments per department and purchase the identified equipment	2018/2019 Needs Assessment - conducted during the fourth quarter of 2017/18 Financial Year - The appointment letter was signed by the CFO on the 26 November 2018.	CFO/Manager IT	Assessment Conducted Improved IT Management	1 Assessment Report and IT equipment purchased	Target Met	1 Assessment Report and IT equipment purchased	Target not met - The Service Provider was appointed but was unable to honour delivery of the goods in time.	Variance - relating to the late advert / appointment of the Service Provider and when the Service Provider was appointed they were unable to honour delivery of the goods as per planned timeframe. Delays in equipment from abroad and externalizing circumstances relating to the Covid-19 lockdown restrictions.	Internal capacity utilized - and a needs Assessment is being undertaken by the newly appointed ICT Manager. The municipality are investigating the service providers ability to honour delivery. Legal opinion has been sought to deal with the termination of the tender awarded and on re-advertisement of said tender.
		MFMA/07.07	IT Steering Committee	4 meetings held in 2018/2019 "IT Steering Committee meetings held quarterly	CFO/Manager IT	Meetings Held Improved IT Management	4 Meetings (1 per quarter)	Target Met	4 Meetings Held	Target not met - "Quarter 1 : IT Steering Committee was held 25 September 2019. "Quarter 3 : IT Steering Committee was held 24th of March 2020 "Quarter 4 : IT Steering Committee was 30th of June 2020	Variance of 1 meeting in "Quarter 2 : The IT Managers resigned and as a result the IT Steering Committee meeting planned for quarter was not held.	A IT Manager appointed and will resume duties on the 2nd of January 2020, this will enable the section to function optimally and ITC meetings will be held- covid 19 lockdown did hamper any additional meetings.

KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To develop, adopt and implement the workplace skills plan (WSP)  To submit the skills plan and annual training report as legislated	SKILLS DEVELOPMENT - MTID01	MTID01-01	Development of the 2020/2021 WSP by 30 April 2020	2018/2019 WSP - submitted 30th April 2019 to LGSETA	Director Corporate/ Manager HR	WSP Developed Improved capacity of employees to carry out their duties	2019/2020 WSP Developed and submitted to LGSETA	Target Met	2020/2021 WSP Developed and submitted to LGSETA	Target Met. The LGSETA gave a blanket extension to 30 May 2020 due to the hard lockdown. The Municipality submitted its WSP on 29 May 2020. This year's WSP is designed to close the gaps identified through the JE process		
		MTID01-02	Report on the number of training initiatives for staff implemented in terms of the Workplace Skills Plan	2018/2019 WSP Implementation Reports - 55 training initiatives were implemented in the 2018/19 financial year.	Director Corporate/ Manager HR/ R 2823371,73	Capacitation of employees Improved capacity of employees to carry out their duties	4 Quarterly Reports on training initiatives implemented for staff(32)	Target Exceeded The annual target is exceeded by 23 training initiatives.	4 Quarterly Reports on training initiatives implemented for staff (69)	Target not met - 49 out of the 69 planned training initiatives training were implemented and during the Covid period "The IA unit staff did a online training course" Quarter 1- Variance of 11 less training initiatives implemented against milestones planned for the quarter "Quarter 2- Variance of 1 less training initiatives against target milestone in quarter 2."Quarter 3 - 8 training interventions implemented. Quarter 4 no training interventions	Variance of 20 training initiatives for staff. All Training was suspended due to COVID-19. We however allowed the IA unit to do an online training	The Target's should be more realistically set based on reporting achievements from prior years - there is not always sufficient budget and there is no control or reliance on external funding from a third party (LGSETA) discretionary LGSETA grants are not always received timely. More innovative ways to stretch the budget to cover / implement more training interventions - implement programmes that could offset save associated costs i.e. on line platform training training via Microsoft zoom platforms or webinars .
		MTID01-03	Report on the number of training initiatives implemented for councillors in terms of the Workplace Skills Plan	2018/2019 - " 2 training initiatives implemented for councillors "radially interviewing skills (media training). Councillors oversight role (Integrated Council Induction Programme Phase 2). Training on Legislative Framework for Councillors.	Director Corporate/ Manager HR/ R 367 455,00	Capacitation of Councillors Well informed and capacitated Political Arm	2 training initiatives implemented for councillors	Target Met	1 training initiatives implemented for councillors	Target Met - 1 training initiative implemented - Four councillors trained on Municipal Governance.		
		MTID01-04	Report on number of training initiatives implemented for communities	2018/2019 The Municipality did not have sufficient budget to include trainings initiatives for communities. The discretionary grant from LGSETA had not been approved by LGSETA during 2018/2019.	Director Corporate/ Manager HR	Capacitation of Communities Skilled and informed communities	1 Annual Report on trainings initiatives implemented for communities	Target not met	1 Annual report on number of training initiative implemented for communities	Target Met - 1 Annual report submitted on Six (6) training interventions conducted on construction related skills		

KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT											
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020	
To develop and implement an effective HR strategy	SKILLS DEVELOPMENT - MTDD01	MTDD01.05	Report on the number of internships opportunities created	4 Internship created in 2018/2019 Internships opportunities created in three (3) year cycles. Learnership opportunities created in identified Directorates/ Departments	Director Corporate/ Manager HR	Experienced young graduates and matriculants Work ready graduates and matriculants	1 Annual Report on internship and learnership opportunities created	Target met	1 Annual Report on internship and learnership opportunities created	Target Met - 1 Annual Report on internship and learnership opportunities created - The 3 year period falls within the 2019/2020 period under review the as a result the status quo remains	
		MTDD01.06	Report on the number of interns appointed in accordance with FMG standards	4 FMG interns "Finance, Internal Audit and DTPS" - appointed in 2018/2019	Director Corporate/ Manager HR	Experienced young graduates Work ready graduates	1 Report on the internships created	Target met	1 Report on the internships created	Target Met - 4 FMG interns were appointed employed during the 18/19 financial year - placed in Finance, Internal Audit and DTPS, Internships and Learnerships opportunities are created in three (3)- 18 month cycles respectively. The 3 year period falls within the 2019/2020 period under review the as a result the status quo remains	
		MTDD01.07	Number of staff who meet Minimum Competency levels (as prescribed by NT)	31 staff members that meet competency requirements 2018/2019 - Two reports submitted to the National Treasury - 1st annually 'quarter 2, by 31 December and in quarter 4 by 30 June.	Director Corporate/ Manager HR	Capacitation of employees Improved capacity of employees to carry out their duties	2 Reports on number of staff who meet Minimum Competency levels (as prescribed by NT)	Target met	2 Reports on staff who meet Minimum Competency levels (as prescribed by NT)	Target Met - 2 Reports submitted to National Treasury on staff who meet Minimum Competency levels - The financial officials with the exception of one official "Acquisition Manager meet the competencies as prescribed. The current interns were during 18/19 enrolled for said competencies.	
To develop, adopt and implement the workplace skills plan (WSP)		MTDD01.08	Report on the % of a municipality's budget actually spent on implementing its workplace skills plan	60% actually spent on implementing workplace skills plan in 2018/2019	CFO/ Director Corporate/ Manager HR	Capacitation of employees Improved capacity of employees to carry out their duties	1 Annual Report on the % of a municipality's budget actually spent on implementing its workplace skills plan	Target met	1 Annual Report on the % of a municipality's budget actually spent on implementing its workplace skills plan	Target Met - Report submitted. 68,00% of the budget was actually spent on implementing the WSP during the year under review.	Noted that there was a regression in budget spent from the prior financial year this as result of Covid 19 lockdown occurring from end quarter 3 '27 March 2020



KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
No of people from employee equity target groups employed in the 3 highest levels of the organogram in compliance with a municipal approved employment equity plan		EMPLOYMENT EQUITY - MTDO2	Report on number of people from employee equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan	67 employees in accordance with the EE targets - Top Management -target met notwithstanding rescission of contracts/sub-judice. Targets exceeded in 2 levels below Top Management target in EE plan 2 (IAM and IAF). Senior Management EE Plan 3 - (TCM, 1CF, 1AM) Senqu LM (TCM, 1AF, 1AM) 1AF appointed in January 2019 a SCM post through restructuring split into 2 positions (separation of duties). Professional qualified and experienced specialist and mid-management. EE Plan target 2 (IAM and 3AF) Senqu LM 3 (3AM, TCM, 3 AF).	Director Corporate/ Manager HR	Reports compiled Balanced Equity in the employment of the municipality	1 Report on no. of people from employee equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan	Target exceeded	1 Report on no. of people from employee equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan	Target Met - All the EE targets as per EE reporting to the Equity Registry /Department of Labour have been met.		Recruitment of staff was suspended during the last quarter due to COVID-19 restrictions which required a change of policy to allow for remote sitting. We however appointed the Demand Manager and completed the recruitment process for Senior Managers by 30 June 2020. Council to ratify the final appointments.
To ensure that the organisational structure of the Municipality is aligned to its present and future staffing needs and requirements		RECRUITMENT, SELECTION AND EMPLOYEE MANAGEMENT - MTDO3	Report on the number of vacancies filled within 3 months of being vacant	2018/2019 Annual Report on the number of vacancies filled within 3 months of being vacant - Variances to timeframes - 4 to 5 months to all vacant positions Contract management & vendor performances filled after 4 months of being vacant, delays experienced with recruitment & selection processes. "General assistant: Refuse filled after 5 months of being vacant" Traffic Officer filled after 5 months.	Director Corporate/ Manager HR/All Directors	Positions filled promptly Effective Human Resource Management	1 Annual Report on the number of vacancies filled within 3 months of being vacant	Target not met	1 Annual Report on the number of vacancies filled within 3 months of being vacant	Target not met - 1 Annual Report on the number of vacancies filled within 3 months of being vacant was submitted.	Variances to timeframes these range between 4 to 5 months to fill vacant positions. The positions of IT Manager and Demand Manager were delayed by the CFO who delayed the approval of the adverts. The previous Director had to intervene through the office of the MM. The reasons advanced by the Directorate were that they needed time to research the qualifications that would be acceptable as equivalent as provided for in the previous JDs. The implementation of the new JDs no longer makes provision for equivalent qualifications.	Senqu LM is a rural based municipality and salary structures are attached to the grade of the Municipality. The Task JE system allows for flexibility and equivalent qualifications as per qualifications recognition - not best practice and goes against all principles of non discrimination within the job market and ensuring inclusivity and fairness. It is of opportunities to be part of an appropriate job pool. This does not recognise the fact that there is a combination of experience and appropriate qualifications and many suitable criterion exists create opportunities to best fill vacancies and is 100% in line with accepted Job evaluation criteria - acknowledging essential and preferred requirements. It must be acknowledged that rural type municipalities struggle on a national level level to attract/ fill critical posts.

KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure effective management of staff and policy and procedure processes through job descriptions, leave management and clock in systems	RECRUITMENT, SELECTION AND EMPLOYEE MANAGEMENT - MT003	MT003-02	Perform Leave Audits	2018/2019 Leave Audits reports	Director Corporate/ Manager HR	Leave Audits Undertaken Improved Leave Management	2 Leave Audits conducted	Target Met	2 Leave Audits conducted	Target Met. The Leave Audit was sent to all Directors and Managers.		The management and auditing of leave was challenging during Covid lockdown as result of staff working from home and on a rotational system .
		MT003-03	Ensure proper management of Leave by all departments	2018/2019 Leave Management reports	Director Corporate/ Manager HR	Leave Management Reports developed Improved Leave Management	2 Leave Audits conducted	Target Met	12 Reports on Leave Management	Target Met - 12 Monthly reports on leave management were submitted.		Leave management has become challenging to manage during Covid lockdown as result of staff working from home and on a rotational system - leave applications were minimised during lockdown.
To ensure the physical and mental well being of employees through the implementation of an employee wellness programme	EMPLOYEE WELLNESS PROGRAMME - MT004	MT004-01	Number of people assisted on EAP	1 Annual Report submitted Employees were exposed to EAP options available to them during the Wellness Day. One employee volunteered to go on EAP during 2018/2019 financial year.	Director Corporate/ Manager HR/ R 633 972,75	Actual Wellness Programmes implemented Improved state of Municipal Employees	1 Annual Report on the number of people assisted on the Employee Assistance Programme	Target Met	1 Annual Report on the number of people assisted on the Employee Assistance Programme	Target Met - 1 Annual Report tabled - One (1) Employee assisted and placed on an EAP assistance Programme.		
		MT004-02	Organise A Municipal Wellness Day	1 Wellness programme conducted in 2018/2019 - 1 Event Held - the Employee Wellness Day was held in Rhodes. A number of Municipal Employees were exposed to EAP interventions such financial planning, health related issues, sport and exercise.	Director Corporate/ Manager HR/ R	Wellness Day Held Improved state of Municipal Employees	1 Event Held	Target Met	1 Event Held	Target Not Met - Gatherings of more than 50 people /social gatherings prohibited in the last quarter due COVID 19.	Covid 19 restrictions on gatherings prohibitions	Virtual meetings will now replace cases where physical meetings cannot be held in order to ensure that participation of other stakeholders is not compromised by prohibitions such Covid 19.

KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
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To ensure that all Serop buildings and staff adhere to and implement OHS legislation	OCCUPATIONAL HEALTH AND SAFETY - MTID05	MTID05-01	Conduct OHS inspections in all workstations	Quarterly Reports on OHS Inspections in all workstations in 2018/2019	Director Corporate/ Manager HR/ 115145.61	Inspections conducted Improved working Environment of Municipal Employees	4 Quarterly Reports on OHS Inspections in all workstations	Target met	4 Quarterly Reports on OHS inspections in all workstations	Target Not Met - 3 Quarterly Reports on 4 OHS inspections were conducted in Lady Grey and not in all workstations in other units as result of Covid 19. Notwithstanding OHS inspections were conducted in all centres during quarter 1 "Quarter 4 inspections were done in Lady Grey. As a result of Covid the OHS officer was unable to go to the other municipal units following the memo that suspended movement of staff across the different team to control the spread of COVID-19 The Steering Committee which is an extension of the OHS further conducted a risk assessment on COVID-19 related risk.	A gap analysis for the various directorates has been completed	
		MTID05-02	Number of OHS Meetings held	4 Meetings were held in 2018/2019 - The OHS meetings were held as follows: 25 September 2018 , 29 November 2018, 26 March 2019 and 26 June 2019.	Director Corporate/ Manager HR	Meetings Held Improved working Environment of Municipal Employees	4 Meetings held 1 meeting per quarter	Target met	4 Meetings held	Target Exceeded - 2 additional meetings held "6 meetings were achieved held "Quarter 2 OHS meeting held on 28 November 2019 - " Quarter 3 1 ordinary Meeting Held on the 17 March 2020, additional meetings took place on the 19, 22,23 and 25 March 2020 this a sresult of Covid 19 Planning and implementation of Covid policies and procedures "Quarter 4 meeting was held on the 7 May 2020	Notwithstanding the annual target was exceeded there was a variance of 1 Meetings in Quarter 1 - The OHS meeting scheduled to sit on 26 September 2019 could not sit as both Unions decided not to participate in any Municipal operations until they had met with TROIKA. The demand for the additional meetings were as of a result of Covid 19	The ordinary OHS meeting held to discuss the OHS issued identified during the inspections. There were however several meetings that sat to discuss the Municipal response to COVID-19 and a Steering Committee which is an extension of the OHS committee was establish to guide the response of the Municipality. The COVID-19 plan and lockdown plans were developed and adopted by Management and Troika.

KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT												
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To ensure a good relationship between management and employees through regular interactions on labour issues	LOCAL LABOUR FORUM - MTID 06	MTID06-01	Number of Local Labour Forum meeting held	12 Meetings were held in 2018/2019. In the prior year The LLF took a resolution that the meetings should sit monthly. This was done to ensure that matters of concern are dealt with expeditiously.	Director Corporate/ Manager HR	Number of meetings held Improved Relations between the Employer and Employees	8 Meetings (Q1 1 Meeting and Q2 1 Meeting Q3 3 Meetings and Q4 3 Meetings)	Target Exceeded by 4 meetings – 12 meetings sat	10 Meetings held	Target Not Met * Quarter 1 - No meetings - Quarter 2 Three meeting were held - 30 October 2019, 28 November 2019 and 17 December 2019 Quarter 3 LLF meeting held on 27 February and the second meeting planned for 26 March 2020 did not sit as result of Covid. LLF members were part of the Slicing Committee that was required to finalise the the COVID-19 lockdown plan by the 26th March 2020. * quarter 4 the LLF meeting was held on the 24 June to consider the draft COVID-19 policy and plan.	Meetings were suspended during the Covid 19 period and as result this impended the target being met - Variance of 5 meetings overall 5 out 10 planned meetings took place *Quarter 1 Variance of 1 meeting. The pre LLF and LLF meetings were scheduled to sit in September 2019. An agenda was circulated to all stakeholders, both unions (SAMWU and IMATU) refused to participate in any Municipal operations until they had met with TRONKA.	Virtual meetings will be used in future in cases where meetings cannot sit conservatively. These operations will however be subject to approval by the Bargaining Council e.g. during part of the lockdown LLF we could not sit as the Bargaining Council was not accepting any referrals.
To ensure that the Municipality implements sound management controls in order to mitigate against unnecessary litigation	LEGAL SERVICES - 07	MTID07-01	Report twice a year on the status of municipal lease agreements	2018/2019 2 half yearly Lease Agreements Reports submitted	Director Corporate/Manager HR	Leasing of Municipal Property Management Improved Management of Lease Agreements	2 half yearly Reports compiled (1 in Q2 and 1 in Q4)	Target Met	2 half yearly Reports compiled	Target Met *(quarter 2 and quarter 4) Reports submitted on Municipal property leases are provided every 6 months (half yearly) to manage revenue and the legal status of occupants. All agreements are in place with the exception of those that have raised legal disputes. A new template which will strengthen compliance was developed and rental rates were revised to reflect market related rates.		
			Report twice a year on the status of municipal legal cases that the municipality is involved in	2018/2019 Reports on the status of Legal cases of the municipality	Director Corporate/ Manager HR/ R 2843000	Reports prepared Minimise the impact litigations of the municipality	2 half yearly Reports on the status of Legal cases the municipality is involved in (1 in Q2 and 1 in Q4)	Target Met	2 half yearly Reports on the status of Legal cases the municipality is involved in	Target Met *(quarter 2 and quarter 4) Reports submitted. A trend of legal cases instituted by or against the Municipality highlights some of the major and landmark cases like Teba that the Municipality has won.		

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To review and implement departmental policies, procedure manuals and by-laws annually	POLICES AND BY-LAWS - MTID 08	MTID08-01	Printing of Municipal By-laws	22 by-laws were promulgated under gazette no 4217 vol 26. The public notice "May 2019 notice 65/2019.	Director Corporate/ Manager Building & Preservations/ R 466 003, 00	Promulgated By Laws Improved management of municipal affairs	Promulgate of 14 Municipal By-Laws.	Target met	Print 22 Municipal By-Laws.	Target Not Met - By-laws were not printed "Quarter 2 - December 2019. "service provider appointed - Gem Print was appointed. Purchase order issued 4 February 2020. Proof of translated by-laws for sign-off was received on the 12 June 2020.	22 By laws not printed - due Covid 19 lockdown	Noted that a service provider was appointed in Quarter 2 - December 2019. "Gem Print.
		MTID08-02	Reviewal of HR policies.	2018/2019 Reviewed Municipal Policies " tabled to Council in July 2019	Director Corporate/ Manager HR	Reviewed Policies Improved management of municipal affairs	Reviewal of finance related HR Policies	Target not met	Reviewal of finance related HR Policies	Target Not Met as a result of Covid 19 lockdown. Operations of the municipality were disturbed Impeded and as a result most policies could not be reviewed as planned. Noted that the only policy approved was the Covid 19 Policy/Plan.	No policies reviewed	Policy Reviewal recommendations were submitted to Management for approval - the planned dates will have to be reviewed once Covid 19 lockdown levels are relaxed and targets will roll over into the 2020-2021 financial year.
To ensure that municipal buildings and assets are maintained and secured	BUILDINGS - MTID 09	MTID09-01	Ensure that all municipal buildings are secured	2018/2019 Reports on Municipal Security Services	Director Corporate/ Manager Administration/ R2003588	Municipal Buildings secured Secured municipal property	Reviewal of finance related HR Policies	Target not met	4 Quarterly Reports on the provision of security services to Municipal Offices.	Target Met " Reports on the provision of security services. The security services are managed and monitored "a physical security services - "Musal Security Services Company," Leinko CC for Alarm Services		
		MTID09-02	Monitor the security cameras of the Municipality	2018/2019 Reports on the status of security cameras.	Manager Administration/ Director Corporate Services	Reports Compiled Improved Security of the Municipality	Monitor the security cameras of the Municipality	Target Met	4 Quarterly Reports on the status of security cameras	Target Met - 4 Quarterly Reports on the status of security cameras. The cameras that currently exist are monitored in-house by the Corporate Services Administration division with Technical support Assistance from the IT division.		Status quo regard the procurement/replacement of identified cameras that are malfunctioning / old and outdated or need to be replaced. Delays in SCM processes due to the national lockdown and the failed attempts/delays with handover between the previous service provider and IT section into Technical support. The function of monitoring/viewing of cameras should be housed in the IT division due to its technical nature and in view that majority of the problems are of a technical nature and are required to be resolved by the IT division rather than Corporate Services Administration personnel dedicated to handle this function.

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To ensure that municipal buildings and assets are maintained and secured	BUILDINGS - MTID 09	MTID0903	Develop a list which includes all municipal properties with title deeds	2018/2019 list of title deed was developed.	Director Corporate/ Manager Administration	List Developed /Improved Management of Municipal Properties	Development of a list of all properties with title deeds	Target met	Development of a list of all properties with title deeds ("by Quarter 2)	Target met		There was a challenge with verifying all properties in the prior financial year it was anticipated that this would be in the current year under review i.e the 2019/2020 financial this was to be achieved with the assistance of Manager Revenue and the Manager Town Planning Services.
		MTID0904	Implementation of the Repairs and Maintenance Plan	2018/2019 Reports on the Implementation of the Repairs and Maintenance Plan	Director Corporate/ Manager Administration/ R 1061740.50	Number of buildings actually repaired /Improved management of municipal assets	4 Reports on Quarterly Implementation of the Repairs and Maintenance Plan	Target not met	4 Reports on Quarterly Implementation of the Repairs and Maintenance Plan	Target not met./Renovations and re-alignment of the damaged Sterkspruit admin office gate was done. New locks at the OMM were installed during the month of July 2019. Blinds fittings to identified offices were completed in July 2019. The renovations to the Barkly East traffic department completed inclusive repair to doors and lights - reported to SC in July 2019 and August 2019 "Quarter 3 Maintenance plan implemented as planned notwithstanding the painting was delayed due to the renovations underway this resulted in the target rolling over to quarter 4.	Variances to planned maintenance plan "Quarter 2 " The boardrooms were painted and consumable stations were filled in the 1st quarter and reported on in quarter 2. The milestone relating to the replacement of outdated cameras moved to quarter 3. Outer 3 painting notwithstanding was completed rolled over to quarter 4 "Quarter 4 The maintenance and the cleaning of office carpets and chairs in Traffic Department and in the Sterkspruit Unit was not done as per the maintenance plan.	Proper planning and budgeting required before target milestones are included. The milestones related to the upgrading cameras to be reviewed as it is budget dependant. Specifications were submitted to BSC during October 2019 these were returned as there is insufficient budget to support said upgrading. Tender specifications will be reviewed and related forward budget planning will be required to fund the replacement.
To ensure that Municipal Information is kept secure and filed and archived according to legislation	RECORDS MANAGEMENT - MTID10	MTID1001	Implementation of Electronic Document Management System	2018/2019 EDMS reports on the Implementation Electronic Document Management System	Director Corporate/ Manager Administration	Electronic Document Management System implemented /Improved management of Council Documents	4 Quarterly on the Implementation Electronic Document Management System (1 per quarter)	Target met	4 Quarterly on the Implementation Electronic Document Management System	Target Met. The reports submitted and the Electronic Document Management System is functional and municipal documents are uploaded on a daily basis. The system enables registry personnel to retrieve documents/correspondence with ease.		

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To ensure that a system of departmental and individual performance management system is implemented	PERFORMANCE MANAGEMENT AND REPORTING - MTID11	MTID11-01	Review of the Performance Management Policy	2018/2019 Reviewed and approved Performance Management Policy * Council meeting of 26 October 2018	Director Development and Town Planning Services/Manager Governance and Compliance/	PMS Policy Reviewed Improved Monitoring and Evaluation within the municipality	Review the policy (O4)by 30 June 2019	Target Exceeded	Review the policy	Target Met. The current Performance Management Policy is compliant with the performance regulations and the MSA and there were no additional changes or amendments to legislation that support or warrant review of said policy.		The policy will be reviewed in the 2020-2021 financial year as per the recommendations of the audit committee and audit general findings if there are any.
		MTID11-02	Signing of Performance Agreements by the Municipal Manager and all Section 56 Managers	Performance agreements signed by the MM and all Directors (6) - submitted to provincial COGTA and uploaded on the website.	Director Development and Town Planning Services/Manager Governance and Compliance/	Signed Agreements Structured and Improved Planning, Monitoring and Evaluation	6 Signed Performance Agreements	Target met	6 Signed Performance Agreements	Target Met. The Performance Agreements were signed by the Municipal Manager (MM) and Directors before 31 July 2019 and were submitted to the EC COGTA and were also loaded on the municipal website.		
		MTID11-03	Signing of Performance agreements by the Managers with their respective Directors	18 Managers - Variance of 1 agreement - 17 Signed performance agreements. The Chief Audit Executive (CAE) post vacant and advertised. Interviews planned to be held during the first quarter of 2019/2020	Director Development and Town Planning Services/Manager Governance and Compliance/	Signed Plans Structured and Improved Planning, Monitoring and Evaluation	18 Signed Performance Agreements	Target Not Met	20 Signed Performance Agreements	Target Met. All managers signed their performance plans with their Directors.		
		MTID11-04	Submission of Correct Sectional Quarterly Performance information for Reviewal purpose within 9 working days after end of the quarter.	19 reports in 2018/2019 variance of 1 - 20 Reports per Directorate * 5 Directorates X 4 quarterly reports (20) * Target added during the adjustment period	Director Development and Town Planning Services/Manager Governance and Compliance/ R 1 660 441	4 Quarterly Performance Reviews conducted for each section Structured and Improved Planning, Monitoring and Evaluation	Not a target in 2018/2019 Financial Year	Not a target in 2018/2019 Financial Year	20 Consolidated Quarterly Reports on the Performance of Sections within Municipal Departments	Target Met - The quarterly performance reports were submitted by the participating Directorates.		While it is acknowledged that the target is met and that performance reporting is received said reporting and related assessments can only be as effective as the quality and detail of performance reporting received. Reporting received from Directorates is not qualitative, not accurate nor detailed and in most cases is often unrelated to the ACTUAL, "this being a compliance factor.
		MTID11-05	Submission of Correct Departmental Quarterly Performance information for Reviewal purpose within 10 working days after end of the quarter.	5 Consolidated Quarterly Reports per Directorate	Director Development and Town Planning Services/Manager Governance and Compliance/ R 1 660 441	4 Quarterly Performance Reviews conducted for each department Structured and Improved Planning, Monitoring and Evaluation	Not a target in 2018/2019 Financial Year	Not a target in 2018/2019 Financial Year	5 Consolidated Quarterly Reports on the Performance of Department within the Municipality	Target Met - Departmental Quarterly Performance information is submitted quarterly for for Reviewal purposes		Compliance notices to be issues to Performance reporting this and related assessments can only be as effective as the quality and detail of performance reporting received. Reporting received from Directorates is not qualitative, not accurate nor detailed and in most cases is often unrelated to the ACTUAL.

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To ensure that a system of departmental and individual performance management system is implemented	PERFORMANCE MANAGEMENT AND REPORTING - MTID1	MTID1.06	Compilation of the Annual Performance Report 2018/2019 (s44)	2017/2018 Annual Performance Report - submitted to the Internal Audit Unit for Auditing and to the Audit Committee for review and the Auditor General for Auditing on the legislated date of 31 August 2018.	Director Development and Town Planning Services/Manager Governance and Compliance/	Annual Performance Report compiled Structured and Improved Planning, Monitoring and Evaluation	2017/2018 Annual Performance Report compiled and submitted to AG by 31 August 2018	Target met	2018/2019 Annual Performance Report compiled and submitted to AG by 31 August 2019	Target Met. The Annual Performance Report (s44) for 2018/2019 financial year was developed and submitted to AG on 31 August 2019		
		MTID1.07	Compilation of the Annual Report for 2018/2019	2017/2018 Annual Report - The Draft Annual report was tabled and approved by Council on 26 January 2019. The Final Annual report and oversight was tabled and approved by Council on 27 March 2019.	Director Development and Town Planning Services/Manager Governance and Compliance/	Annual Report compiled Structured and Improved Planning, Monitoring and Evaluation	Annual Report and oversight report for 2017/2018 compiled and approved by 31 March 2019	Target Exceeded	2018/2019 Annual Report compiled and approved by 31 March 2020	Target Met. The draft annual report of 2018/2019 financial year was tabled in the Council meeting that was held in January 2020 and the Final Annual report and oversight report was approved in the Council meeting that was held 26 March 2020.		
		MTID1.08	Development and Tabling of the Service Delivery and Budget Implementation Plan by June 2020	2019/2020 SDBIP - The Draft SDBIP was submitted to Provincial Treasury on 4 April 2019 and to National Treasury on 3 April 2019. The Final SDBIP for 2019/2020 was approved by the Mayor on 27 June 2019 and was submitted to National Treasury on 15 July 2019 and to Provincial Treasury on 17 July 2019.	Director Development and Town Planning Services/Manager Governance and Compliance/	SDBIP Compiled Structured and Improved Planning, Monitoring and Evaluation	SDBIP Compiled and approved by the Mayor within 28 days after the approval of the budget	Target met	2020/2021 SDBIP Compiled and approved by the Mayor within 28 days after the approval of the budget	Target Met. The Draft Annual report tabled to Exco 22 January 2020 and Council 29 January 2020. Final Annual report and oversight report was approved in the Council meeting that was held 26 March 2020.		



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To implement SPLUMA regulations	SPATIAL PLANNING - MTID/2	MTID/2-01	Develop a Local SDF for Lady Grey	Lady Grey 1st draft local SDF developed in 2018/2019 - The LSDF was at public participation stage by the end of the year under review.	Director Development and Town Planning Services/Town Planner/	SDF developed Improved Land Use Management	Local SDF for Lady Grey approved by Council by 30 June 2019	Target not met	Approval prior to year end	Target Met Local SDF for Lady Grey approved by Council by 30 June 2019		
		MTID/2-02	Develop a Local SDF for Barkly East	New Indicator for Barkly East The LSDF for Lady Grey was at public participation stage by the end of the year under review.	Director Development and Town Planning Services/Town Planner/ R 1594834,00	SDF developed Improved Land Use Management	Forum established by 30 June 2019	Target not met	1st draft Barkly East (B.E) SDF	Target Met The service provider was appointed on 4 November 2019, and 1st draft SDF complete by 30 June 2020.		
		MTID/2-03	Establishment of a Senqu Land Development Forum	Terms of reference developed in 2018/2019 - The training did not take place as the DRDLR could not commit to a date for training, the inauguration did not take place as planned.	Director Development and Town Planning Services/Town Planner/	Forum established improved administration of land	Land Invasion Signboards erected and layout plans for Lady Grey, Barkly East and Sterkspruit Council approval by 30 June 2019	Target met	Forum established "Senqu Land Development Forum	Target not met Establishment of a Senqu Land Development Forum was not achieved as Stakeholders from DRPW were either unavailable and or confirmation from all departments for the attendees of the forum meetings were not yet received as a result the endorsement of the committee by Council could not be done.	Variance in quarter 2 - Stakeholders did not meet due to the unavailability of DRPW stakeholders - quarter 3 Endorsement of the committee by Council was not done nor was confirmation from all departments for the attendees of the forum meetings yet received.	An item planned to submitted to the July 2020 council meeting.During planning process and prior to crafting targets outside / third party influence or requirements must be considered as this could ultimately affect the achievement of the targets. The municipality will coordinate the meetings on behalf of DRPW.

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To ensure equitable access to housing for communities	HOUSING - MTD12	MTD12-04	Development of Housing Sector Plan	2013 Housing Sector Plan	Director Development and Town Planning Services/Town Planner/ R392000	HSP developed Improved management of human settlements	Not a target in 2018/2019 Financial Year	Not a target in 2018/2019 Financial Year	Housing Sector Plan developed	Target not Met - The Service provider was appointed 17th December 2019 and the first draft of the Housing Development Plan (HSP) is complete	The Public participation has not yet been done. The planned Public Participation was impeded by Covid 19 lockdown.	Public participation will resume as soon as Covid 19 levels are relaxed and as soon as gatherings are permitted.
To manage urbanisation of existing urban areas	SPATIAL PLANNING - MTD12	MTD12-05	Development of Sterkspruit Congestion Feasibility Study	New Indicator	Director Development and Town Planning Services/Town Planner/ R200 000	Sterkspruit Congestion Feasibility Study Developed Reduced congestion in Sterkspruit	Not a target in 2018/2019 Financial Year	Not a target in 2018/2019 Financial Year	Appointment of Service Provider	Target not Met - The Service provider was not appointed.	Variance "quarter 2 Service Provider not appointed. Awaiting comments from the Department of Transport on the requirements for redirecting (double lanes) traffic in Sterkspruit"	The municipality will follow up on the comments from the Department of Transport. The target needs to be reviewed as it includes Government stakeholders. Noted that when planning targets and prior to crafting targets this criteria should be identified during the planning phases.
To manage urbanisation of existing urban areas	SPATIAL PLANNING - MTD12	MTD12-06	Facilitate the implementation of Housing Development in Songoy by the Provincial Department of Human Settlement.	2018/2019 reports (12) 992 houses were completed. Ward 9, 172 houses were completed and 56 houses were handed over out of the 539 units planned for the financial year. Ward 10, 506 houses completed and handed over. Ward 17, 314 houses completed and handed over.	Director Development and Town Planning Services/Town Planner	Data Base of occupants of the informal settlement developed Improved land ownership	12 Reports on the number of houses already built	Target met	12 Reports on the number of houses already built	Target not Met. "Quarter 1 - 3 monthly reports - July 2019 57 houses were built, August 2019 7 houses were built, September 2019 7 houses were built." Quarter 2 - 3 monthly reports submitted, in October 2019 25 houses were built, November 2019 and December 2019 53 houses were built. Quarter 3 - 3 monthly reports on houses built were submitted. 0 houses were completed in January 2020 and February 2020. 12 houses were completed in March 2020.	Variance Quarter 4 - No houses built - Construction projects were stopped and no reports were developed as a result of Covid 19 Lockdown restrictions	Construction will commence once restrictions on construction projects are lifted.

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To ensure development and adoption of the IDP and budget process plan and IDP as per registered frameworks	INTEGRATED DEVELOPMENT PLANNING - MTID13	MTID13-01	Review of the 2020/2021 IDP by 30 May 2020	2019/2022 IDP - " reviewed draft IDP was developed and submitted to council for approval on the 27th March 2019. Final IDP adopted by Council on 29 May 2019.	Director Development and Town Planning Services/Manager IPED	IDP developed Improved Planning of Municipal Programmes	Annual Review of the 2017/2022 IDP	Target Met *	Annual Review of the 2017/2022 IDP	Target met. Draft IDP adopted on 26 March 2020 IDP and Final IDP adopted by Council on 29 May 2020.		
		MTID13-02	Development of the IDP and Budget Process Plan for 2020/2021 reviewed by 31 August 2019	2019/2022 IDP and Budget Process Plan was adopted by Council in July 2018 " adopted by council 1 month prior to planned date of 31 August 2018	Director Development and Town Planning Services/Manager IPED	Process Plan Developed Improved Planning of Municipal Programmes and timing thereof	Development of the 2019/2020 IDP and Budget Process Plan	Target Met *	Development of the 2020/2021 IDP and Budget Process Plan	Target Met. The IDP process plan was developed and approved on the Council meeting that was held on 29 July 2019.		
To coordinate meetings of the IPFF and IDP and Budget steering committee Meetings	INTEGRATED DEVELOPMENT PLANNING - MTID13	MTID13-03	Number of IDP Representative and Public participation Forum meetings held	2018/2019 Meetings - IPFF meetings held 21 August 2018, 11 September 2018, 4 December 2018 and 28 March 2019.	Director Development and Town Planning Services/Manager IPED/Manager Communications, IGR and Stakeholder Relations	Meetings Held Improved Integrated Planning	4 Meetings Held	Target Met	4 Meetings Held	Target Not Met 3 out of 4 planned meetings held "Quarter 1 IPFF held 20th August 2019 "Quarter 2 IPFF Meeting held 2 December 2019 IPFF held on 3 March 2020 (75% of the target was achieved). The IDP submitted and adopted by Council on 29 May 2020.	Variance of 1 meeting in "Quarter 4 - No meeting took place in quarter 4 as result of covid lockdown restrictions. The IDP was submitted and adopted by Council on 29 May 2020.	Adherence to new Covid 19 regulations have been incorporated into the 2021-22 IDP review process plan. Virtual meetings will now replace face - to - face meetings where necessary.
		MTID13-04	Number of IDP and Budget Steering Committee meetings held	2018/2019 Meetings - 2 out of 4 meetings occurred - mayors schedule and additional extenuating circumstances of Protest action disrupting both political and administrative schedules	Director Development and Town Planning Services/Manager IPED/Manager Communications	Meetings Held Improved Budgeting	4 Meetings Held	Target Not Met 2 out of 4 planned meetings occurred (50% of the target was achieved)	4 Meetings Held	Target Not Met - 3 out of 4 planned meetings held - no meetings in quarter 1 - 22 January and 10 March 2020 and 1 meeting on 20 May 2020 (75% of the target was achieved) Noted that the meeting planned for quarter 1 and 2 did not take place however 2 meetings took place in quarter 3 opposed the 1 meeting planned and 1 in quarter 4	Variance of Meetings - Quarter 1 The meeting was scheduled for the 18th July 2019 and was postponed at the last minute by the Mayor who was attending Mandela day celebrations. The draft was then sent to management and to Exco prior to approval by Council 1 meeting "Quarter 2 Meeting not held as the strategic session was delayed.	Compliance to Calendar of Events must be managed and monitored. Strategic Stakeholders that influence these dates that form part of planned targets must be engaged as to the risks of the Municipality's not achieving planned targets. These individuals must form part of the planning process when the targets are crafted so as to ensure buy in. The target must be reviewed mid year so as to find a solution to meet the target of 4 meetings by quarter 4.

KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To annually report on the % of the municipality's budget actually spent on capital projects identified in the financial year in terms of the Municipality's IDP	DORA REPORTING - 14	MTD14-01	PMU DORA REPORTING to Provincial Council by the 14th of every Month	12 Reports on PMU DoRA Expenditure were submitted for 2018/2019. Reporting is done through an MIG-MIS system.	Director Technical Services/PMU Manager	Monitoring and Implementation of the budget Improved management of public funds and delivery of services	12 Reports on PMU DoRA Expenditure (3 monthly reports per quarter)	Target Met	12 Reports on PMU DoRA Expenditure	Target Met - The reports are now submitted through an MIG - MIS system. "a change that occurred 10 of reporting submissions"		DORA reports are no longer signed and submitted to the province. The reporting is done on the MIG-MIS system.
To ensure that municipal fleet is properly utilised and managed	FLEET MANAGEMENT -15	MTD15-01	General Management of Municipal Fleet	2018/2019 Reports on the Management of the Municipal Fleet	Director Corporate Services/ Manager Administration	Municipal fleet managed improve the management of municipal fleet	4 Quarterly reports on the management of fleet	Target Met	4 quarterly reports on the management of fleet	Target Met - Reports on Fleet Management submitted. "Quarter 1 - 129 vehicle inspections - minor findings - no transgressions. 209 trips authorised " Quarter 2 - 138 Vehicles inspected minor findings - no transgressions. 172 trips booked - 89 authorised 34 vehicles roadworthy - 7 serviced. "Quarter 3 - 17 Vehicles inspected with 1 finding 34 vehicles serviced with incurred maintenance costs 204 trips authorised. "Quarter 4 - 19 vehicles serviced. No trip authorisations as result of Covid 19 lockdown - 49 vehicles allocated and assigned to essential services Directorates -level 3 to 5. Relevant Directorates allocated to monitor said. Deviation to Vehicle Inspections. No fines received - transgressions referred to HR for investigation.		

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To promote and instil good governance practices within Senqunyamunicipality	RISK AND FRAUD PREVENTION (GGP01)	GGP01.01	Report Quarterly on matters of Risk to the Audit Committee	2018/2019 Risk Reports on matters of Risk were submitted to the Internal Auditor for Audit Committee Consideration in	Director Development and Town Planning Services/Manager Governance and Compliance	Risk Register Updated Minimisation of Municipal Risk	4 Reports to the Internal Auditor for Audit Committee Consideration	Target Met	4 Reports to the Internal Auditor for Audit Committee Consideration	Target Met. Quarterly reports on matters of Risk submitted to the Internal Audit for Audit Committee consideration. Report submissions made: "quarter 1- 30 September 2019 "Quarter 2 submission made on the 6 January 2020 "Quarter 3 submission made 13 May 2020" and "Quarter 4 submission made 16 July 2020	Reporting submissions made however deviations to timeframes as result of Covid 19 regulations.	
		GGP01.02	Conduct Fraud Prevention awareness	Fraud Awareness conducted in 2018/2019 "1 Fraud Awareness Events held "8 June 2019. Additionally over above the planned target flyers were distributed during the Senquny Youth Cultural Event and Fraud Prevention Day held this used as an opportunity facilitate and extend fraud awareness. this was done using minimal resources.	Director Development and Town Planning Services/Manager Governance and Compliance R124737	Awareness conducted Improved Fraud Risk within the municipality	1 Fraud Awareness Event (Q3) by 31 March 2019	Target Met	1 Fraud Awareness Event	Target Not Met as planned. The municipality wanted to change the strategy and not use pamphlets to conduct awareness but rather do voice overs through the local radio stations.	The officers closed on "27 March 2020 due to Covid 19 Lockdown before all queries could be received from the various local radio stations within the municipality.	The municipality is in the process of contracting all local radio stations for all communication a purposes. There are plans to conclude this process by 31 December 2020.
		GGP01.03	Develop a Conflict of Interests Declaration Register for staff and Councillors	2018/2019 Conflict of Interests Declaration Register developed	Director Development and Town Planning Services/Manager Governance and Compliance	Register Developed Improved Fraud Risk within the municipality	Development of the Conflict of Interest Register in Q1	Target Met	Development of the Conflict of Interest Register	Target Met. The declaration of interest register for 2019/20 was developed for both Councillors and Employees.		

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure compliance with all legislated deadlines such as the MMA & KSA, mSCOA regulations, IDP and budget dates	COMPLIANCE - GGPR02	GGPR02.01	Report Quarterly on matters of Compliance to the Audit Committee	2018/2019 4 Reports on matters of Compliance submitted to the Internal Auditor for Audit Committee Consideration	Director Development and Planning Services/Manager Governance and Compliance	Departmental Risk Assessments conducted Minimization of Municipal Risk	4 Reports to the Internal Auditor for Audit Committee Consideration	Target Met	4 Reports to the Internal Auditor for Audit Committee Consideration	Target Met. Quarterly Compliance Reports submitted to the Internal Audit for Audit Committee consideration. Report submissions made: "quarter 1 - 26 August 2019" "special AC Meeting - AC Meeting 30 September 2019" "Quarter 2 submission made on the 6 January 2020 for the meeting held 24 February 2020" "Quarter 3 submission made 13 May 2020 for the meeting held 18 May 2020 and "Quarter 4 submission made 21 July 2020 for the meeting held 24 August 2020		Due to Covid lockdown and the state of readiness the AC Meeting Planned for the 20 July 2020 was moved to 24 August 2020.
		GGPR03.01	Coordinate and hold one (1) Ordinary Audit Committee Meeting per quarter	5 Meetings were held in 2018/2019 (4 quarterly ordinary meetings; 1 being a special meeting in Q1). Audit committee meetings were held on 27 August, 22 October 2018, 02 April and 20 June 2019.	MM/CAE/ R	Meetings held Improved Oversight and Governance	4 Meetings (1 per quarter)	Target Met	4 Meetings	Target Met. "Quarter 1: 1 AC Meetings held " AC meeting held on the 26 August 2019. "Quarter 2 AC meeting held on the 18 November 2019. "Quarter 3 AC meeting held on the 24 February 2020. "Quarter 4 AC meeting held on the 18 May 2020 "Virtual meeting		
To ensure quarterly sittings of MPAC and the Audit and Performance Committee and the annual preparation of an annual oversight report	OVERSIGHT - GGPR03	GGPR03.02	Number of Municipal Public Accounts Committee meetings held	4 meetings were held in 2018/2019. MPAC meetings were held on 13 September, 07 December 2018, 21 February and 17 May 2019.	MM/Manager Communications and Political Affairs/R	Number of MPAC meetings held Enhance oversight over Municipal functioning	4 Quarterly MPAC meetings to be held	Target Met	4 Quarterly MPAC meetings to be held	Target Met. "Quarter 1 - MPAC meeting held on the 12 September 2019. "Quarter 2 - MPAC meeting held on 8 October 2019 and 6 December 2019. "Quarter 3 - MPAC meeting held on 19 March 2020.		

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure that Council, Exco and Top Management meetings are held regularly and that resolutions are implemented		OVERSIGHT - GGPR03 GGPR03.03	Number of Council/Exco/ Management resolutions tracked	2018/2019 3 Quarterly Reports on tracked resolutions * Variance of 1 Quarterly Report	Director Corporate/ Manager IGR	Reports compiled Improved implementation of Council Resolutions	4 Quarterly Reports on tracked resolutions (Q1 1 Report on tracked Council Resolutions for Quarter 4) (Q2 1 Report on tracked Council Resolutions for Quarter 1) (Q3 1 Report on tracked Council Resolutions for Quarter 2) (Q4 - 1 Report on tracked Council Resolutions for Quarter 3)	Target Not Met	4 Quarterly Reports on tracked resolutions	Target Not Met - "quarter 2 and "quarter 3 reports not submitted to Exco and Management meetings	Variance "Quarter 1: The resolution register for Council was done but not tabled to Management and Exco meetings; "Quarter 4 The resolution register for Council was done but not tabled to Management and Exco due to Covid 19.	The outstanding quarterly reports on tracked resolutions for "quarter 1 and quarter 4 to be tabled as a late submissions.

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS	
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		REPORTED VARIANCE
To ensure that Council, Exco and Top Management meetings are held regularly and that resolutions are implemented	OVERSIGHT - GGPP03	GGPP03.04	Number of Council meetings held	10 meetings were held in 2018/2019 - Ordinary Council Meetings held: 27 July 2018 , 26 October 2018, 27 January 2019, 26 April 2019 and Special Council Meetings held: 23 August 2018, 18 January 2019, 27 February 2019, 27 March 2019, 29 May 2019 and 19 June 2019	Director Corporate/ Manager IGR/	Meetings Held Improved Oversight of Council and Decision Making	4 Meetings (1 meeting per quarter)	Target Exceeded - by 6 meetings There were 4 Ordinary Council Meetings and 6 Special Council Meetings.	4 Meetings	Target Exceeded - by 2 meetings "Quarter 1 - 2 Council meetings held on the 29 July 2019 and 30 September 2019 "Quarter 2 - 3 Council meetings held on the 6 November 2019, 29 November 2019 and 9 December 2019. "Quarter 4 - 1 Virtual Council Meeting held on 29 May 2020 and a virtual Special Council Meeting held on the 30 June 2020.	1 meeting more than the planned target	
		GGPP03.05	Number of Exco meetings held	11 meetings were held in 2018/2019 - Exco Meetings were held on 25 July 2018 , 28 August 2018 , 25 September 2018 , 24 October 2018 , 28 November 2018, 25 January 2019, 20 February 2019, 15 March 2019, 18 April 2019 , 27 May 2019 and 26 June 2019 Special EXCO on 21 August 2018	Director Corporate/ Manager IGR	Meetings Held Improved Oversight of Council and Decision Making	11 Meetings Q1 3 Meetings Q2 2 Meetings Q3 3 Meetings Q4 3 Meetings	Target Exceeded - by 1 meeting	11 Meetings	Target Not Met "Quarter 1 - EXCO meetings were held on the 24 July 2019, 28 August 2019 and 25 September 2019."Quarter 2 - EXCO meetings were held on the 22 October 2019 and 2 December 2019 "Quarter 3 22 January 2020, 19 February 2020, 17 March 2020 "Quarter 4 - 1 virtual Exco Meeting was held on the 25 June 2020.	Variance of 3 meetings "2 meeting attributed to Covid 19 lock down. Challenges associated with virtual connectivity, communication of all stakeholders technical issues relating to connectivity and data	Future Meetings will be held virtually where they cant sit physically due to closure of offices or any other matter.
		GGPP03.06	Number of Top Management Meetings held	5 Top Management Meetings held in 2018/2019 - meetings were held on 17 July 2018 , 15 August 2018, 18 September 2018, 25 October 2018, 27 November 2018, 6 February 2019, 11 March 2019, 17 April 2019, 6 May 2019, 4 June 2019 and 6 June 2019.	MMManager MM Office	Meetings Held Improved decision making and dissemination of information by Management	10 Top Management Meetings 11 Meetings Q1 3 Meetings Q2 2 Meetings Q3 2 Meetings Q4 3 Meetings	Target Exceeded - by 1 meeting	4 Meetings	Target Exceeded - by 1 meeting "Quarter 1 - Top Management meeting held on the 22 July 2019 "Quarter 2 - Top Management meeting held on 1 October 2019 "Quarter 3 - Top Management Meeting held on the 18 February 2020 "Quarter 4 - Top Management meetings held on the 1 May 2020 and the 10 June 2020.	"Quarter 4: 1 meeting more than the planned target - Meeting 1 May 2020 "public holiday" virtual Top Management meeting in preparation for staff integration post Covid lockdown stages	
		GGPP03.07	Number of Senior Executive Management Meetings held	Not a target in 2018/2019 Financial Year	MMManager MM Office	Meetings Held Improved decision making and dissemination of information by Management	Not a target in 2018/2019 Financial Year	Not a target in 2018/2019 Financial Year	6 Meetings	Target exceeded. SEM held on the 6 August 2019, 14 August 2019 and 3 September 2019 "Quarter 2 SEM held on the 4 October 2019 and 4 November 2019 "Quarter 3 SEM held on the 25 Feb 2020 "Quarter 4 - SEM held on the 8, 16, 20, 28 April 2020 and 4, 18, 21, 28 May 2020 and 10, and 18 June 2020	"10 meetings more than the planned target as result of Covid Lockdown more meetings were required to manage essential services components.	Meetings held weekly to manage and monitor aspects related to the essential services components Virtual Meetings and on site meetings "3 Directors "TSD, DTFS and CSD had comorbilities and were required to work from home and attend these meetings virtually



KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure good governance through the monitoring of the implementation of the OPC&R and Audit action plan	OVERSIGHT - GGPO3	GGPO3-08	Report quarterly on the Institutional Audit Dashboard	4 Quarterly Reports on the Audit Dashboard submitted in 2018/2019	MM/Manager: Strategic	Dashboard complied with Improved Audit Outcome	4 Quarterly Reports on the Audit Dashboard	Target met .	4 Quarterly Reports on the Audit Dashboard	Target Met "Quarter 1: The quarterly Institutional Audit Dashboard report submitted on 25 October 2019 "Quarter 2: The quarterly Institutional Audit Dashboard report submitted on 25 January 2020."Quarter 3: The quarterly Institutional Audit Dashboard report submitted on 24 April 2020 "Quarter 4: The quarterly Institutional Audit Dashboard report submitted on 24 July 2020.		
		GGPO3-09	Conduct IT Security Audit	One IT Security Audit conducted. Service Provider appointed in 2018/2019	MM/CAE/	Report on the IT Security Audit Improved management of IT Security Risks	One (1) IT Security Audit conducted by 30 June 2019	Target met .	IT Security Audit conducted	Target Not Met - IT Security Audit was not done conducted by the 30 June 2020.	Variance is as a result of an Audit Committee resolution"per Mr L. Govender - a meeting was required with the IT team prior to any audit being undertaken).	IT Security audit has subsequently been conducted but could not be tabled in the Audit Committee meeting held on 24 August 2020 due logistical issues with the service provider. It will be tabled in the next Audit Committee in October 2020.
		GGPO3-10	Perform an IA Internal Quality Review in the fourth quarter and present the assessment results to the Senior Management and Audit Committee in the first meeting subsequent to the financial year end.	One (1) IA Internal Quality Review Conducted in 2018/2019 - The report was circulated to Management and tabled to the Audit Committee and Executive Management on 20 June 2019.	MM/CAE/	1 report - IA Internal Quality Assessment results. Conformance with the IA's Quality Assurance and Improved Programme requirement & Improved Governance of the IA unit.	One (1) IA Internal Quality Review Conducted	Target met .	1 IA Internal Quality Assessment Review Conducted	Target Met The Internal Quality assurance review was completed.	The Internal Quality assurance review was completed - planned to be tabled to the the of 20 July 2020 however this meeting was postponed and the Quality assurance review was tabled /reported to the Audit Committee of 24 August 2020.	
		GGPO3-11	Monitor the implementation of the Audit Action Plan	2018/2019 Quarterly Reports on the Implementation of the Audit Action Plan	Director Development and Town Planning Services/Manager: Governance and Compliance	Audit Action Plan Implemented Improved Audit Outcome	4 Quarterly Reports on the Implementation of the Audit Action Plan (1 report per quarter)	Target met .	4 Quarterly Reports on the Implementation of the Audit Action Plan	Target Met. "Quarter 1 - Report on the Implementation of the Audit Action Plan was submitted to IA Unit on 30 September 2019 for Audit Committee consideration. "Quarter 2 - Report on the Implementation of the Audit Action submitted to IAU for Audit Committee consideration on 6 January 2020. "Quarter 3 - Report on the Implementation of the Audit Action submitted to IAU for Audit Committee consideration on 13th May 2020. "Quarter 4 - Report on the Implementation of the Audit Action submitted to IAU for Audit Committee consideration on 21 July 2020		

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure regular interaction with the public through the public participation plan. Initiates and meetings such as BPPE	COMMUNICATIONS, MARKETING, CUSTOMER CARE & PUBLIC PARTICIPATION/GPP04	GGPP04.01	Number of Ward Committee Meetings held	68 Ward Committee Meetings were held.	Director Corporate Services/Manager IGR and Stakeholder Relations/R	Meetings held Improved Public Participation	1 Meeting per Ward in Each Quarter (17 wards)	Target met.	1 Meeting per Ward in Each Quarter (17 wards)	Target not Met "Quarter 1 - Meetings held from 8 August 2019 to 16 September 2019 in the various wards."Quarter 2 - 17 Meetings held and attended from 4 October 2019 to 12 December 2019."Quarter 3 Ward 1-10 and 17 Ward Committee Meetings were held only 14, 15 and 16 did not sit"Quarter 4 No meetings could take place as result of the Covid lockdown restrictions regulations on gatherings	Variances/s "Quarter 1 notwithstanding ward committee meetings were held from 8 August 2019 to 16 September 2019 the reporting does not specify the number of meetings and the wards." quarter 3 Ward 14, 15 and 16 did not sit and in "Quarter 4 No meetings could take place as result of the Covid lockdown restrictions regulations on gatherings	Performance reporting is required to be detailed and qualitative and respond to the specifics of the target set - <u>Reporting in detail required to the number of meetings and indicate the wards.</u> Noted that Ward Committee meetings sit haphazardly and it is difficult to get councillors at agreed times and this was exacerbated by Covid 19 lockdown.
To ensure that the communication strategy is implemented so that the public are kept informed about municipal activities and programmes		GGPP04.02	Implementation of the Communication Plan	2018/2019 The Communication Plan was not sufficiently funded for implementation - Reports on the Implementation not submitted during 2018/2019 financial year.	MMManager Communications and Political Affairs/R	12 Implementation Reports actually compiled and a revised plan Improved capacity in communicating municipal information	4 Quarterly reports on Implementation of the Communication plan (1 per quarter)	Target not met	4 Quarterly reports on Implementation of the Communication plan	Target not met. - The communication plan was not implemented as planned. The quarterly reporting on implementation is not achieved / not tabled to the SC.	Variances/s of reporting "Quarter 1 - one report and has not been tabled to the Standing committee."Quarter 2 one report and has not been tabled to the Standing committee."Quarter 3 Planned milestone - media breakfast and local communications forum not implemented" quarter 4. Covid 19 lockdown restrictions and regulations impeded the implementation of the Communication Plan.	Implementation of the communication Plan is an ongoing challenge - and needs to be addressed - it needs to be identified if this is related to budgetary constraints and lack of resources or if said is related a capacity/performance issue so that this can be dealt with suitably.

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure that the communication strategy is implemented so that the public are kept informed about municipal activities and programmes	COMMUNICATIONS, MARKETING, CUSTOMER CARE & PUBLIC PARTICIPATION: GCPP04	GCPP04.03	Number of Newsletters developed (Internal and External)	3 Internal Newsletters and 3 External Newsletters published and issued developed in 2018/2019 (Newsletters published and issued during quarters 1, 2 & 4. No Newsletters were published & issued during quarter 3).	MMManager Communications and Political Affairs:R	Newsletters developed Improved Communication with Internal and External stakeholders	4 Internal Newsletters and 4 External Newsletters developed	Target not met (3 Internal Newsletters and 3 External Newsletters published and issued)	4 Internal Newsletters and 4 External Newsletters developed	Target not Met - "Quarter 1 - no newsletters published. " Quarter 2 Internal and external news letters were developed and published." Quarter 3 - 1 Internal newsletter developed in March 2020 " Quarter 4 - 1 external newsletter developed.	Variances/ - "Quarter 1: variance of 2 - internal and external news letters were not developed and published. " Quarter 3 variance of 1 external news letter which was not developed." Quarter 4 variance of 1 external news letter was not developed - this was attributed to the Covid lockdown resulting in targets not being met specifically as reported from quarter 4 "(Covid lockdown commenced on the 27 March 2020). The reporting fails to specify where these newsletters were developed if they were in fact published.	Notwithstanding extenuating circumstances relating to the Covid 19 lockdown targets housed in quarter prior to said situation were not achieved - The Target owner should initiate appropriate forward planning (in as far as is reasonably possible to overcome extenuating circumstances unforeseen events etc to ensure that the necessary infrastructure and resources i.e. contributors / information available to carry over for future planned newsletters noted that the targets not met are too housed in quarters prior to Covid lockdown.
		GCPP04.04	Manage and Monitor the Municipal Social Media Sites	2018/2019 Monthly Reports on the performance of municipal social media sites. (3 Monthly Reports per quarter)	MMManager Communications and Political Affairs:R	Pages developed and reports generated	12 Monthly Reports on the performance of municipal social media sites. (3 Monthly Reports per quarter on the performance of municipal social media sites	Target met.	12 Monthly Reports on the performance of municipal social media sites.	Target Met. 12 Monthly Reports on the performance of municipal social media sites. - (3 Monthly Reports per quarter submitted )		

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To promote interactive communication with customers around service delivery issues	COMMUNICATIONS, MARKETING, CUSTOMER CARE & PUBLIC PARTICIPATION: GCPP04	GCPP04.05	Number of Presidential Hotline queries responded to within 7 days	2018/2019 - 12 reports - on the number of resolved issues from the Presidential Hotline 100% achieved within quarters 1, 3 and 4. In quarter 2 96,22% cases relating to JGDM which were handled by Senqu LM	Director Corporate Services/Manager IGR and Communications and Stakeholder RelationsR	Queries resolved Improved Service Delivery	12 Reports on the number of resolved issues from the Presidential Hotline.	Target met .	12 Reports on the number of resolved issues from the Presidential Hotline.	Target not Met "Quarter 1 For two months of the quarter, the Presidential Hotline was on 100% and during September 2019 only 1 call was logged and was attended to "Quarter 2 reports submitted. During the month of October the Presidential Hotline was on 99.06% 1 call logged "Quarter 3 and Quarter 4 no reports on the number of resolved issues from the Presidential Hotline as result of the Covid 19 Lockdown.	Variance of 2 reports "Quarter 3 and quarter 4 reports could not be developed as the office at said time closed as a result of the Covid 19 National Lockdown. Notwithstanding reporting in quarter 1 and 2 the complaints received through the said hotline were of a insignificant number. Noted the reporting does not include response period as to determine.	More innovation needs to be employed during crisis situations like Covid means looking at introducing ways to centralise customer care systems which will improve productivity reduce costs, be more competitive, build the value. A central customer care centre with modern technology "cloud based or an App based system will be investigated. This will ensure that no matter where employees are located - they have access to login and access the information they need within minutes, while at the same time providing them with all the information any given moment in time to manage reporting requirements.
		GCPP04.06	Report on number of Customer Complaints responded to within 7 days	2018/2019: Reports on the number of resolved issues from the Municipal Customer Care Complaints register	Director Corporate Services/Manager IGR and Communications and Stakeholder RelationsR	Queries resolved Improved Service Delivery	12 Reports on the number of resolved issues from the Municipal Customer Care Complaints register	Target met .	12 Reports on the number of resolved issues from the Municipal Customer Care Complaints register	Target Not Met - "Quarter 1 - July 2019 - Complaints regarding Amadawala - the Customer Care Officer visited their offices and they confirmed that the complaints have been responded to and forwarded to PMU office. There were no complaints lodged during the month of August 2019 and September 2019 2 " Quarter 2 Reports were submitted. Complaints lodged in quarter 1 and 2 were resolved within the 7 days. Quarter 3 and quarter 4 reports could not be developed as the office at said time closed as a result of the Covid 19 National Lockdown.	Variance of 2 reports "Quarter 3 and quarter 4 reports could not be developed as the office at said time closed as a result of the Covid 19 National Lockdown.	A central customer care centre with modern technology "cloud based or an App based system will be investigated. This will ensure that no matter where employees are located - they have access to login and access the information they need within minutes, while at the same time providing them with all the information any given moment in time to manage reporting requirements.

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To ensure regular interaction with the public through the public participation plan, Imbizos and meetings, such as IPPF	COMMUNICATIONS, MARKETING, CUSTOMER CARE & PUBLIC PARTICIPATION GGPP04	GGPP04.07	Number of Mayoral Imbizos held	2018/2019 - 2 meetings - Wards clustered together for the Outreach as per the Outreach Programme "Municipal Outreach was held from the 5 November 2018 until the 9 November 2018 and 20 May 2019 until 24 May 2019. .	Director Corporate Services/Manager IGR and Stakeholder Relations R	Informed Communities Improved Public Participation within the Municipality	2 Meetings per ward in 2 quarters	Target met .	2 Meetings per ward in 2 quarters " (quarter 2 and quarter 4)	Target Met - Innovative alternatives were undertaken to meet the target in extenuating circumstances " Quarter 2 - milestone for quarter 2 was achieved all outreach was held in all 17 Wards of the municipality "Quarter 4 alternative mechanism undertaken to reach the community. The Mayor undertook public participation via the local radio stations.	It must be understood that Covid 19 regulations prevented the target from being met in the conventional manner the Municipality used Innovative alternatives to reach the community - there were some costs savings realized to public meetings in 17 wards.	Extenuating circumstances of Covid 19 - as a result of legislation on gatherings restrictions alternative mechanisms were undertaken to manage public participation efforts. The Mayor undertook public participation via the local radio stations.
		GGPP04.08	Number of Integrated public participation forum	2018/2019 - 4 IPPF meetings " (21 August 2018, 4 December 2018 and 28 March 2019).	Director Corporate Services/Manager IGR and stakeholder RelationsR	Information sharing with CDW and the Municipality Improved Public Participation within the Municipality	4 Meetings	Target not met	4 Meetings	Target Not Met - "Quarter 1 - IPPF Meeting held on 20 August 2019 "Quarter 2 - 1 IPPF Meeting held on 2 December 2019 "Quarter 3 - 1 IPPF Meeting held on the 3 March 2020 "Quarter 4 No IPPF meetings could take place due to Covid 19 lock-down.	Variance "Quarter 4 No IPPF meetings could take place due to lock-down as a result of the extenuating circumstances of Covid 19 - the legislation on gatherings restricted any of these meetings from occurring	Alternative mechanism undertaken to manage public participation - during Covid 19 the local radio stations were used to reach various stakeholders and members of the community.
		GGPP04.09	Organise the Mayoral Budget Speech	2018/2019 Budget Speech 31 May 2019 - Lady Grey.	Director Corporate Services/Manager IGR and Stakeholder Relations/Manager Communications and Political Affairs R	Speech Delivered Improved Public Participation within the Municipality	2018/2019 Mayoral Budget Speech	Target met "	2019/2020 Mayoral Budget Speech	Target Met - Innovative alternatives were undertaken to meet the target in extenuating circumstances " Quarter 4 alternative mechanism undertaken to reach the community. The Mayor undertook public participation via the local radio stations and the budget speech was incorporated in said media communication.	Covid 19 regulations prevented the target from being met in the conventional manner the Municipality used Innovative alternatives to reach the community. The Municipality used Innovative alternatives to reach the stakeholders and the community - costs savings were further realized.	Covid 19 regulations prevented the target from being met in the conventional manner the Municipality used Innovative alternatives to reach the community - costs savings were further realized.

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To promote the mainstreaming and upliftment of HIV and AIDS, women and children, youth, people with disabilities and the elderly into municipal Socio-Economic Programmes and Projects	MAINSTREAMING - CGPP05	CGPP05-01	Implementation of the HIV/AIDS Strategy and plan	2018/2019 Implementation Reports	Director Corporate Services/Manager IGR and Stakeholder Relations R	Reports Developed Improved Mainstreaming of HIV/AIDS related issues	12 Monthly Reports	Target not met	12 Monthly Reports	Target Not Met - 8 Monthly Reports/Quarter 1 - Prison visit awareness 19 September 2019 Barkly East Prison. Senqu Youth Council Meeting 13 September 2019. HIV/AIDS Awareness Campaign 30 September 2019 collaboration with DoH. *Quarter 3 HIV/AIDS and TB: Meeting with DOH was held on the 29 January 2020. Purpose was to come up with strategies on how to respond to HIV/AIDS in Senqu. On the 15th January 2020 the SPU visited the Magistrate Nge in Barkly East to discuss challenges and progress. On the 20-22 March 2020 the ECAC had its JGDM mid term review workshop in Queenstown. *Quarter 4 No meetings/activities could take place due to Covid 19 lock-down.	*Quarter 2 Variance - Senqu youth council meeting was not held during the quarter as planned - 66.66% of the indicator was achieved and 33.33% of the indicator was not achieved. *Quarter 4 no reporting and its planned meetings and activities could not take place due to Covid 19 restrictions.	Extenuating circumstances of Covid Stakeholders ongoing Co - ordination, Communication , planning to ensure targets are achieved with the use of limited resources is required to ensure targets are achieved as planned notwithstanding challenges that exist.
		CGPP05-02	Implementation of the SPU Activity Plan	2018/2019 Activity Plan	Director Corporate Services/Manager IGR and Stakeholder RelationsR	Plan Developed and Implemented Improved Mainstreaming of SPU related issues	2 plans developed and approved by council 4 Reports on the Implementation of the SPU Activity Plan	Target not met	2 plans developed and approved by council 4 Reports on the Implementation of the SPU Activity Plan	Target not Met *Quarter 1 - SPU Activity Plan developed and approved by Council. WEE AGM was in Slerkspruit 22 August 2019. Women's Month Celebration Lady Grey 6 September 2019. Disabled Structure Meeting 14 August 2019 in Slerkspruit. Elderly Forum Meeting 5 September 2019. Nelson Mandela Day celebrated at the Old Age Home in Barkly East 19 July 2019. *Quarter 3 Youth Council Meeting 23 March 2020, BUT THE Senqu Woman Business Awards ceremony was not held.	*Quarter 2 Variance Vulnerable group strategy and the transportation of Senqu women to SALGA Commission Provincial LEKGOTLA was achieved as planned due to budget constraints. *Quarter 3 variance - Senqu Woman Business Awards ceremony not held. *Quarter 4 Variance Women Economic Empowerment quarterly meetings , Data Base Collection for Women Projects, Data Base Collection of unemployed women around Senqu LM Area, Training for Women of Senqu, Disabled Structure 4 quarterly meetings, Data base for People with Disability and Project, Training for Disabled people of Senqu, Elderly Structure Quarterly meeting all not achieved as planned.	The Municipality will amend its plans and only include activities that are within its mandate. It will however continue to engage the Sector Departments to ensure that the services are extended to communities.

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
STRATEGY	IDP Programme Number	KPI NUMBER	KEY PERFORMANCE INDICATOR	BASELINE 30 JUNE 2019	INPUT	OUTPUT	PREVIOUS FINANCIAL YEAR 2018/2019		CURRENT FINANCIAL YEAR 2019/2020		REPORTED VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE/ REMEDIAL ACTION/ GENERAL COMMENTS
							ANNUAL TARGET 30 JUNE 2019	ACTUAL 30 JUNE 2019	ANNUAL TARGET 30 JUNE 2020	ACTUAL 30 JUNE 2020		
To promote the mainstreaming and fulfilment of HIV and AIDS, women and children, youth, people with disabilities and the elderly into municipal Socio Economic Programmes and Projects	MAINS TREASURING- GGPP06	GGPP05-03	Number of SPU Structure meetings held (1 quarterly meeting per structure each quarter) Disabled, and Women and children Development	2018/2019 Meeting per structure	Director Corporate Services/Manager IGR and Stakeholder Relations/R	4 Meetings event held per structure Improved Mainstreaming of SPU related issues	3 Meetings Held (1 quarterly meeting per structure)	Target Exceeded	3 Meetings Held (1 quarterly meeting per structure)	Target not Met "Quarter 1 - WEE AGM held in Sterkspruit 22 August 2019; Disabled Structure Meeting 14 August 2019 in Sterkspruit; "Quarter 2 WEE meeting held 9 October 2019 at Kwerf Naledi Hall; Lady Grey Disability Structure Meeting at Barkly East Townhall 6 December 2019; Elderly persons meeting held at Barkly East 30 October 2019; "Quarter 3 Elderly Structure Meeting 12 February 2020 in collaboration with Socdev at Bensonvale College in Sterkspruit; Disability Meeting 12 March 2020 at the Bhunga Hall Sterkspruit; Women Economic Empowerment meeting 4 March 2020 at Sterkspruit.	Variance "Quarter 4 meeting not held due to extenuating circumstances of Covid covid 19 meeting restrictions.	The Municipality has been innovative to use local Radio station to keep the community informed however targets may have to be reviewed where appropriate and other alternatives ways to communicate with specific meeting structures will be investigated so as to ensure that Municipal structures continue to exist , function and meet when required.
		GGPP05-04	4 Local AIDS Council meetings held	2018/2019 Meetings (LAC meetings were held on 13 September, 12 December 2018, 14 February 2019 and 27 June 2019).	Director Corporate Services/Manager IGR and Stakeholder Relations R 48 723	4 Meetings held Improved Mainstreaming of HIV/AIDS related issues	4 Quarterly Meetings (1 quarterly meeting per structure)	Target met .	4 Quarterly Meetings	Target not Met "Quarter 1 - 1 Local Aids Council (LAC) Meeting - Lady Grey 17 September 2019; "Quarter 2 - 1 Local Aids Council (LAC) Meeting - 18 November 2019.	Variance "Quarter 3 meeting planned for 30 March 2020 did not take place "lockdown commenced 27 March 2020 "Quarter 4 meeting not held due to extenuating circumstances of Covid Covid 19 lockdown meeting restrictions.	The Municipality has been innovative to use local Radio station to keep the community informed however targets may have to be reviewed where appropriate and other alternatives ways to communicate with specific meeting structures will be investigated so as to ensure that Municipal structures continue to exist , function and meet when required.
		GGPP05-05	Semqu Mayoral Cup Held	2018/2019 Semqu Mayoral Cup - Mayoral Cup was held from the 15 June 2019 to the 17 June 2019.	Director Corporate Services/Manager IGR and Stakeholder Relations/ Mayoral Tournament & Youth Festival R697 035.00	Event Held Improved Youth Development	2018/2019 Semqu Mayoral Cup Held by 31 May 2019	Target met .	2019/2020 Semqu Mayoral Cup Held by 30 June 2020	Target not Met - The activities and related preparation meetings leading up to the Mayoral cup could not be held due to extenuating circumstances of Covid Covid 19 lockdown restrictions	Variance "Quarter 4 event / activity and related preparation meetings not held achieved due to extenuating circumstances of Covid Covid 19 lockdown restrictions.	The Department is rolling over it to 2020/2021 we might not be possible to implement this because we haven't been allocated adequate budget.

DISCLAIMER: The information provided within this report is reliant on the input reporting / Information (qualitative) provided by the various Directorates/Departments. Difficulties in validating data continue to be experienced. The accuracy of all information provided cannot be assured. Refer to SDBP 2019/2020 COMPONENT 1: COMPONENT J: ORGANISATIONAL PERFORMANCE SCORECARD – predetermined Target as per the IDP: 1 July 2019 – 30 June 2020 \* 5 year IDP. August 2020 \*23 September 2020 inputs required \* XM - S46 - Final Unaudited Version - 31 October 2020 \*Reviewed by IA and AC

\*XMCVSDJ - 27 July 2020 for 31