



NKANGALA DISTRICT MUNICIPALITY (22 DECEMBER 2021)

2020/2021

ANNUAL REPORT

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REVISED ANNUAL REPORT TEMPLATE

The purpose of this revised Annual Report template is to address the need expressed by a number of Municipalities for assistance in the preparation and development of improved content and quality of Municipal Annual Reports. This template provides an update to the MFMA Circular No. 11, issued in January 2005.

This template gives effect to the legal framework requirement, concepts and principals espoused in the White Paper on Local Government and Improving Government Performance. It reflects the ethos of public accountability. The content gives effect to information required for better monitoring and evaluation of government programmes in support of policy decision making. The template provides an improved overview of Municipal affairs by combining the performance report data required under Municipal Systems Act Section 46 with annual report data referred to in that Act and in the MFMA.

The revised template makes its contribution by forging linkages with the Integrated Development Plan, Service Delivery and Budget Implementation Plan, Budget Reforms, In-year Reports, Annual Financial Statements and Performance Management information in Municipalities. This coverage and coherence is achieved by the use of interlocking processes and formats.

The revised template relates to the Medium Term Strategic Framework particularly through the IDP strategic objectives; cross cutting nature of services offered by different spheres of government, Municipal service outcome indicators; and the contextual material as set out in Chapters 3, 4 & 5. It also provides information on good management practice in Chapter 4; risk management in Chapter 2; and Supply Chain Management in Chapter 5; and addresses the Auditor-General's Report, dealing with Financial and Performance Management arrangements in Chapter 6. This opens up greater possibilities for financial and non-financial comparisons between Municipalities and improved value for money.

The revised template provides information on probity, including: anti-corruption strategies; disclosure of financial interests by officials and councillors; disclosure of grants by external parties, disclosure of loans and grants by Municipalities. The appendices talk to greater detail including disaggregated information on Municipal wards, among others. Notes are included throughout the format to assist the compiler to understand the various information requirements.

We wish to express our gratitude to the members of the Annual Report Reference Group, consisting of national, provincial and Municipal officials for their inputs and support throughout the development of this document.

MFMA Implementation Unit, National Treasury.

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

1.1 COMPONENT A: MAYOR’S FOREWORD

1.1.1 MAYOR’S FOREWORD

The 2020/2021 Annual Report of Nkangala District Municipality (NDM) is submitted in compliance with the Local Government Municipal System’s Act of 2000 Section 46; the Local Government Municipal Finance Management Act (MFMA) Section 121 and 127 (2) ; as well as the National Treasury Regulations.

During the period under review, the NDM key strategic and service delivery, projects and programmes along with work done to speed up service delivery are reflected in this report. This Annual Report covers the achievements together with challenges faced by the District Municipality based on pre-determined objectives and priorities outlined in the Integrated Development Plan (IDP) in a quest to ensure that all citizens and communities receive quality basic services.

A. VISION AND MISSION STATEMENT

NDM’s vision of ***improved quality of life for all*** remains our guiding focal point, as an institution, through our mission of being ***committed to the improvement of the physical, socio-economic and institutional environment in order to address the triple challenges through sustainable development and service excellence, which*** is our *modus operandi*.

Nkangala District is committed to achieve the vision and mission cited above, through the attainment of strategic goals that include the following imperatives:

- The repositioning of Nkangala region as a centre for service excellence
- Integrated development planning and proper co-ordination and integration of development objectives in the District;
- Spatial transformation and sustainable human settlements;
- Inclusive economic growth and decent employment for a skilled workforce; functional efficient infrastructure network to facilitate growth;
- Encouraging and supporting the effective performance and functioning of the six (6) Constituent Local Municipalities in the District;
- Enhancing environmental sustainability and protecting natural resources;
- Ensuring fair and just allocation and distribution of resources within the District;
- Building a capable state, financially sustainable and developmental governance system;
- Improving education, training and innovation, promoting health care for all;
- Promoting vibrant rural communities and an inclusive rural economy with food security;
- Promoting Nation Building and Social Cohesion through participatory Democracy.

The highlights and successes detailed in this Annual Report includes the following:

- Ensuring access to basic services for all resident communities in Nkangala District;
- Developing and sustaining the spatial natural and built environments;

- Addressing challenges of poverty, unemployment and social inequality;
- Ensuring sound financial management and viability of Local Municipalities; and
- Entrenching a culture of public participation in Municipal planning, budgeting and decision-making process.

B. KEY POLICY DEVELOPMENTS:

The District Development Model (DDM) is the new integrated District based approach, as an initiative from the Presidency that is aimed at coordinating delivery of services using the “One Plan” by placing districts as centres for coordination. DDM seeks to bring together different spheres of government at local, provincial and national levels including state entities, private sector, traditional authorities, community-based organisations, non-governmental organisations, multi-disciplinary teams to work collaboratively and deliver impact oriented service delivery. During the period under review, Council has adopted the draft Nkangala District Development Model with its structures, namely the DDM Council and the Technical Team.

The DDM is strategically aligned to the NDP (National Development Plan), the Mpumalanga Vision 2030 and the strategies included in the IDP, especially with focus on impact and outcomes achieved.

C. KEY SERVICE DELIVERY IMPROVEMENTS:

Highlights and Successes

In the period under review the following are part of the successes that are included in the Annual Report;

- Eradication of water backlogs (2 951 households) that were below the RDOP level from 2016 to date, which is a decrease of 3,64% per annum;
- Commencement of bulk storage and water supply projects in the District to eradicate bulk water supply challenges;
- Eradication of sanitation backlogs (4 051 households) that were below the RDP level from 2016 to date, which is a decrease of 1,14% per annum;
- Eradication of solid waste removal backlogs (18 917 households) that were below the RDP level from 2016 to date, which is a decrease of 3.06% per annum;
- Phase 1 of the Additions to Nokaneng Fire Station in Dr. JS Moroka Local Municipality;
- Building of Garage at NDM Civic Centre (Extension to NDM Offices);
- The establishment of a cemetery on Portion 1 of the farm Grootstuikboschkop 124 JT in Dullstroom at the value of R 1000 000.00. The project was a roll over project from the previous 2019/2020 financial year;
- The District managed to do two (2) Township Establishments to formalise informal settlements located respectively in Dr JS Moroka Local Municipality and Thembisile Hani Local Municipality;
- NDM managed to train 30 youths of Nkangala District on Safety and Security SETA Learnership Programme. 30 learners managed to successfully complete their theory training;
- From July 2020 to end June 2021, the municipality managed to create 417 work opportunities through the various departments (PED, Corporate Services and Technical Services) wherein 21 projects that were implemented from the municipal budget;
- The Financial & Non-financial support program in the financial year, 2020/2021 resulted in the support of 47 SMMEs amounting to **R7,674,358,25**.

D. PUBLIC PARTICIPATION, IDP AND BUDGET PROGRAMME:

The IDP and Budget programme was undertaken to interact with local communities and government departments, social partners and other stakeholders. Nkangala District Municipality has swiftly moved to ensure that electronic and social media platforms are constantly utilised to communicate and consult within the District. During the last Community outreach meeting, proceedings were conducted through Radio Interviews and interaction on WhatsApp, Facebook and Twitter to gather inputs of communities became the “new normal” created by the impact of Covid-19 Pandemic outbreak.

E. CONCLUSION:

The Municipality has obtained Clean Audit Opinion during the 2019/2020 and 2020/2021 financial year. In conclusion, as a District we remain resolute and committed to working with our communities, our social partners (Private Sector) and all stakeholders, including the Provincial and National spheres of government in expanding access to services as well as delivering infrastructure projects that will create jobs and attract investment to the District.

Nkangala District is indeed on track towards improving the quality of life for all our citizens.

CLLR T.S MASILELA
EXECUTIVE MAYOR

1.2 COMPONENT B: EXECUTIVE SUMMARY

1.2.1 MUNICIPAL MANAGER'S OVERVIEW

Municipalities are required by Section 121 of the Municipal Finance Management Act No. 56 of 2003 to prepare an annual report for each financial year and that the Council of the Municipality must, within nine months after the end of the financial year concerned, deal with the annual report of the Municipality and the annual report of any Municipal entities under the Municipality's sole or shared control.

The purpose of the annual report is to:

- a) Provide a record of the activities of the Municipality or Municipal entity during the financial year to which the report relates.
- b) Provide a report on performance against the budget of the Municipality or Municipal entity for the financial year.
- c) Promote accountability to the local community for the decisions made throughout the year by the Municipality or Municipal entity.

Nkangala District Municipality (NDM) as a category C Municipality has a constitutional mandate to support Local Municipalities. In the financial year 2019/2020 Nkangala District Municipality supported Local Municipalities as follows:

FINANCIAL OVERVIEW

Note: see the attached Annual Financial statements as attached "Annexure A" and chapter five for financial overview.

The financial objective of the district municipality is to secure sound and sustainable management of the financial affairs of the district municipality and to assist the six local municipalities to be financially viable.

Critical functional areas for the district municipality amongst others include improvement of audit outcomes, effective financial management, fully functional internal audit units and audit committees, high vacancy rate in key positions, declining growth in the Regional Services Council Replacement Grant, increase in operational expenditure, which negatively impacts on the allocations to local municipalities.

Issue 3 of the IDP relates to financial viability and includes projects that contributed to the financial viability of the district and local municipalities.

The District was a pilot site from 1 July 2015 for the new mSCOA regulations and successfully implemented the mSCOA for the 2020/21 financial year. 2020/21 are the sixth year of implementation of mSCOA. It has indeed been challenging as the mSCOA chart has been changing with every new version release of the mSCOA by National Treasury. The District has finalised and prepared the annual financial statements for 2020/21 on version 6.4 from 6.3 of mSCOA for the 2019/20 financial year.

Indeed the whole of the financial year brought along very difficult times due to COVID 19 Disaster declaration by the Honourable President of South-Africa. The District had to reprioritise funds through the budget processes to enable the District to respond to the challenges around COVID 19.

REVIEW OF OPERATING RESULTS

The 2020/21 budget of the Nkangala District Municipality was approved by Council on the 27 May 2020 under item DM-ND 349/05/2020. The roll over budget was approved 20 August 2020 under DM-ND 56/08/2020. An adjustment budget was approved on the 24 February 2021 under item DM-ND 257/02/2021. Herewith is commentary on the financial results.

A) REVENUE

The total revenue of the district increased with 1.07% from R409,710 million (2019/20) to R414,079 million (2020/21) and indicate a positive outcome over the R437,423 million budgeted for the 2020/21 financial year.

Revenue from exchange transactions decreased from R41,116 million (2019/20) to R21,266 million (2020/21), whilst the revenue from non-exchange transactions increased from R368,593 million (2019/20) to R392,812 million (2020/21) of which the major portions is from government grants and subsidies. The district is highly dependent on the RSC Replacement Grant that shows a deterioration growth rate year on year, however indicative allocations published in Division of Revenue Act (DORA) point to a very small increase in the RSC Levy Replacement Grant,

The outlook for the next financial year is that the total revenue will increase compared to the year under review.

TRANSFERS AND SUBSIDIES

Transfers and subsidies increased by 6.94 % from R365,959 million (2019/20) to R391,374 million (2020/21). Transfers and Subsidies include conditional and non-conditional grants, donations or subsidies to the District and amongst others include the RSC Levy Replacement grant, the Equitable Share, Municipal System Improvement Grant, Finance Management Grant and the Expanded Public Works Programme Incentive Grant. All conditional grants have been spent 95.03% and has been recognised as revenue in 2020/21. According to the accounting policies only the portion that has been expensed and meets the conditions of the conditional grant is recognized as revenue.

INTEREST, DIVIDENDS AND RENT ON LAND

The District earned interest, which decreased by 48.96% from R40,431 million (2019/20) to R20,634 million (2020/21). This decrease is attributed to the improved implementation of projects to local municipalities under expenditure: transfers and subsidies paid and left more surplus cash for investment and the increase in interest rates on call deposits. 87.62% realised of budgeted amount for 2020/21 and the variance is due to that more interest revenue was received than anticipated during the budget process.

FINES, PENALTIES AND FORFEITS

Revenue from Fines, Penalties and Forfeits decrease by 60.91% from R1,839 million (2019/20) to R0,719 million (2020/21). 189.27% of budgeted amount realised for 2020/21 due to the adhoc nature of the imposing of fines and penalties.

SALE OF GOODS

Sale of goods decreased by 100% from R0,214 million (2019/20) to R0 million (2020/21) and consists mainly the selling of tender documents. 0% realised for 2020/21 due to decreased selling of tender documents as they are also now available free of charge electronically.

OPERATIONAL REVENUE

Operational revenue increased by 38.28% from R0,427 million (2019/20) to R0,591 million (2020/21). 127.09% of budgeted amount realised for 2020/21 due to more operational revenue received than anticipated

RENTAL FROM FIXED ASSETS

Rental from fixed assets decreased by 7.15% from R0,044 million (2019/20) to R0,041 million (2020/21) and flows from the lease agreement with Vodacom. 100% realised as more fixed assets were rented out in 2020/21 than anticipated.

LICENCES AND PERMITS

Revenue from licences and permits has decreased with 9.47% from R0,794 million in the (2019/20) to R0,719 million that was realised in the (2020/21) financial year. 60.41% of budgeted amount realised for 2020/21 due to the new function that are rendered by the District and various according to the number of applications received and the effect of COVID 19 on businesses.

B) EXPENDITURE

The total expenditure decreased with 6.66% from R479,134 million (2019/20) to R447,231 million (2020/21) compared to the budgeted operating expenditure of R535,299 million 2020/21. Transfers and subsidies to local municipalities are the main driver of the expenditure of the District.

TRANSFERS & SUBSIDIES

This expenditure relates to expenditure on infrastructure and operational projects for local municipalities within the District's jurisdictional area.

Actual grants and subsidies paid for 2020/21 represent 34.28% (41.11% 2019/20) of the total expenditure and decreased by 22.18% from R196,943 million (2019/20) to R153,256 million (2020/21). The actual transfers and subsidies are 67.74% of the budgeted amount of R226,251 million (2020/21) due to the delays in appointments due to COVID 19, projects that are completed from the 2019/20 financial year and transferred from Inventory – Work in progress.

EMPLOYEE RELATED COST

Actual employee related costs increased by 6.68% from R159,124 million (2019/20) to R169,761 million (2020/21) due to the drive to appoint staff in all vacancies and salary increases applied. Actual employee related costs are 98.26 % of the budgeted employee related cost, which is due to the few vacancies which have not been filled in the year under review.

OPERATIONAL COST

The actual expenditure of operational costs decreased by 8.15% from R40,333 million (2019/20) to R37,048 million (2020/21). Actual operational costs are 84.82% of the budgeted operational cost. Due to non-responsive tenders and operational projects that were not fully completed.

CONTRACTED SERVICES

Contracted services increased by 12.70% from R44,190 million (2019/20) to R49,801 million (2020/21). Actual contracted services are 96.76% of the budgeted operational cost, due decrease in allocated contracts for the year.

REMUNERATION OF COUNCILLORS

Payments made to councillors are in terms of the legislation on remuneration of public office bearers. Actual councillor allowance costs decreased by 0.83 % from R14,798 million (2019/20) to R14,676 million (2020/21). Actual councillor allowance costs are 92.48% of the budgeted remuneration of councillors, due to the % increase that realised on the determination of upper limits.

DEPRECIATION/ AMORTISATION

Depreciation/amortisation is charged on Property, Plant & Equipment/intangibles at rates determined in the accounting policies and asset useful lives are reviewed annually.

Actual depreciation/amortisation costs increased by 2.77% from R15,158 million (2019/20) to R15,577 million (2020/21). Actual depreciation/amortisation costs are 89.50% of the budgeted depreciation/amortisation cost, and is dependent on the acquisition of new assets for the District.

INVENTORY CONSUMED

Actual inventory consumed costs decreased by 25.82% from R6,283 million (2019/20) to R4,661 million (2020/21). Actual inventory consumed costs are 90.89% of the budgeted amount, due to the less than anticipated inventory consumed.

INTEREST, DIVIDEND AND RENT ON LAND PAID

The District only realised interest paid on the annuity loan with DBSA and Financial leases for office equipment.

Actual interest costs decreased by 40.19 % from R0,143 million (2019/20) to R0,085 million (2020/21), the decline is due to the redemption of loans and finance leases. Actual interest costs are 56.93% the budgeted amount due to less finance leases taken than anticipated.

GAINS AND LOSSES

The District only realised a small loss on the disposal of fixed and intangible assets, whilst an actuarial gain was realised for both 2019/20 and 2020/21, which decrease from R2,930 million (2019/20) compared to the loss of R2.021 million (2020/21) financial year. The budget variance is due to the unknown nature of actuarial valuations.

OPERATING LEASES

Actual operating leases costs increased by 9.48 % from R2,162 million (2019/20) to R2,366 million (2020/21). Actual inventory consumed costs are 91.60% of the budgeted amount, due to the two additional leases taken out.

SURPLUS/DEFICIT

The district realised a deficit of R66,494 million 2019/20 compared to the deficit of R35,173 million 2020/21 as a result of the impact of COVID on the expenditure.

C) FINANCIAL POSITION

The Statement of Financial position represents the financial strength of the district by a comparison of assets over liabilities.

The total assets of the district decreased by 4.25% from R685,176 million (2019/20) to R656,024 million (2020/21). The contributing factors of this decrease can mainly be attributed to decrease of trade and other receivables and decrease in cash and cash equivalents.

Total liabilities increased by 8.59% from R70,134 million (2019/20) to R76,156 million (2020/21), which is mainly due to the increase in accruals, post-retirement benefits and provisions for long services.

D) KEY RATIOS

CURRENT RATIO

This ratio represents the ability of the district to pay short term obligations within the next 12 months.

	Current assets	Current Liabilities	
	R million	R million	Ratio
2019/20	486,281	52,846	9.20:1
2020/21	379,075	52,941	7.16:1

ACID TEST

A stringent indicator that determines whether a company/institution has enough short-term assets to cover its immediate liabilities without considering inventory. Institutions with ratios of less than 1 cannot pay their current liabilities and should be looked at with extreme caution.

	Current assets – Inventory R million	Current Liabilities R million	Ratio
2019/20	431,201	52,846	8.16:1
2020/21	301,898	52,941	5.70:1

SOLVENCY RATIO

This represents the ability of the district to pay both its long term and short term obligations.

	Total Assets R million	Total Liabilities R million	Ratio
2019/20	685,171	70,134	9.77:1
2020/21	656,006	76,156	8.61:1

OTHER RATIOS

Ratio	30 Jun 2021	30 Jun 2020
Employee related cost and Councillor remuneration / Total expenditure	41.24	36.30
Actual transfers and subsidies paid / Total expenditure	34.27	41.10
Actual transfers and subsidies paid / Total revenue	37.01	48.07

E) CREDIT RATING

The NDM final credit rating report completed by Global Credit Rating Co. in November 2019.

The credit ratings of municipalities are based on South African national scales. The highest grade in the long-term assessment is “zaAAA” and scales down from there to zaBBB – the lowest. Within each of the levels a “+” or “-” sign indicates further relative strength or weakness. An “A” indicates relative strength and capacity to repay liabilities. The best short-term grades range from zaA1+ down to zaA1-. In view of the country’s downgraded status the District was also downgraded as expected and overall I am satisfied with the grading given to the district.

NDM CREDIT RATING NOVEMBER 2019

In summary, NDM credit rating analysis is as follows as a per credit rating report issued by Global Credit Rating Co.:

Rating class	Rating scale	Rating	Rating outlook
Long term	National	A(ZA)	Stable
Short term	National	A1(ZA)	Stable
Long term	International	BB-	Stable

NDM CURRENT RATINGS NOVEMBER 2019

Summary rating rationale:

Nkangala District Municipality's ("Nkangala", or, NDM, "the District") ratings are underpinned by its strong financial profile, supported by its net ungeared position and substantial cash holdings. Constraining the ratings somewhat is the District's operating structure, which is over-reliant on grant income funding, with no internally generated revenue ("IGR") to support project implementation.

Nkangala's economy is underpinned by coal mining and primary industries, whose productivity has remained constrained over several years. Consequently, the district's GDP growth has lagged national statistics. The closure of several mines has resulted in an uptick in unemployment in the district to 38%, compared to the 29% national average. Despite some improvement in certain socio-economic indicators, Nkangala has broadly been lagging national metrics over the review period. The District is seeking ways to bolster economic diversification and growth, with agricultural production in particular likely to benefit from mining operations releasing land, but meaningful improvement will only be achieved in the longer term.

GCR considers the district operating structure to be an inherent rating weakness. This is because Nkangala is entirely reliant on grant funding, with negligible internally generated revenue. Conversely, the bulk of its operating costs have been increasing faster than inflation. This has been most evidenced in the rapid progression in staff costs to account for 38.1% of expenditure in FY19, compared to 24.8% in FY15. The escalation in operating costs have seen an inversion in the overall expenditure profile since FY15. Specifically, operating expenditure now accounts for 64% of total annual spend, squeezing out capital implementation, whereas historically capex accounted for approximately 65% of total annual expenditure. As increases to grant income are likely to remain low amidst the weaker national fiscal position, this trend is likely to continue.

Factors that could trigger a rating action:

Positive factors: NDM's ratings are at the upper limit for district municipalities and thus further progression is unlikely unless there is a major change in the operating structure of district municipalities.

Negative factors: A reduction in government support, either through lower grant funding or in terms of perceived operational support would negatively impact the ratings. The ratings could also be downgraded if the current trend of rapid expenditure growth and slow income persists, resulting in an erosion of NDM's liquidity profile.

International scale: The rating is directly linked to the South African sovereign rating, and any movement in the sovereign rating would likely have an impact on NDM's international scale rating.

The District is satisfied with the credit rating under the prevailing circumstances.

No rating was done for 2020 due to cost constraints.

CONCLUSION

The Municipality has obtained Clean Audit Opinion during the 2019/2020 and 2020/2021 financial year. The Municipality needs to improve on its spending, so that expenditure can be 100% in 2021/2022, which will allow the Municipality to realise its objectives within its administrative and financial capacity.

ACKNOWLEDGEMENT

I would like to extend my appreciation to the Municipal Council, Honourable Executive Mayor, Mayoral Committee, Audit and Performance Committee, Risk Management, Anti-Fraud and Anti-Corruption Committee, MPAC and section 79 committee for their advice, strategic direction and thought Leadership during the financial year.

COVID 19

Since the outbreak of Covid 19 pandemic which ravaged the whole country early in 2020, and the declaration of State of Disaster in terms of the Disaster Management Act, new way of operating in government came into being. This included working from home, holding meetings and other council business virtually among others.

As Nkangala District Municipality, we were also not spared from the pandemic. In the financial year under review, the Nkangala District Municipality recorded 36 positive cases of COVID-19 infections and no death cases resulting from Covid-19 infections. In each Covid-19 positive case the affected offices were cleaned and disinfected while those who came into contact with the infected individuals were traced and made to quarantine themselves. Employees who tested positive for Covid 19 were isolated in line with the Covid 19 protocols. Media statements were issued to inform Councillors, Municipal employees (and the members of public in general) about the Covid-19 infections. The Municipality has developed a standard operating procedure for Covid 19 and further conducted a risk assessment as measures to combat the further spread of the pandemic. The precautionary measures put in place by the municipality are revised from time to time in line with the various lockdown levels and regulations.

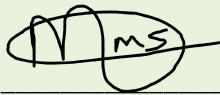
In response to the pandemic, our Risk Management Unit facilitated the process of identifying COVID-19 Risks through risk assessment workshops and one on one interview with relevant stakeholders during the month of June 2021. The following Five (5) COVID-19 Risks were identified and action plans to address the said risks were also developed by management:

TABLE 1.1 COVID-19 RISKS IDENTIFIED

No	Category	Risks/Threats to the Achievement of the Objective
CR1	People	Possible Infection
CR2	People	Poor Organizational Performance
CR3	Projects	Failure to reduce services delivery backlogs
CR4	Information and communication	Disruption in the availability of systems
CR5	Governance	Irregular, fruitless and wasteful expenditure

Over and above, the Nkangala District Municipality assisted the six local municipalities in dealing with Covid-19 challenges by donating PPE's.

In conclusion, I must take the opportunity to appreciate the support, commitment, hardwork and co-operation of General Managers, Managers, Divisional Managers with Unit Heads and the general administrative staff without which we would not have achieved our targets.



MM SKOSANA

MUNICIPAL MANAGER

MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENT OVERVIEW

1.2.2 COUNCIL'S VISION, MISSION AND GOALS

THE VISION:

"Improved quality of life for all."

THE MISSION:

The NDM is committed to the improvement of the physical, socio-economic and institutional environment in order to address triple challenges through sustainable development and service excellence.

PRINCIPLES AND VALUES OF COUNCIL:

- To be responsive to the needs of citizens and Partner-Local Municipalities;
- To be transparent, accountable and participative in our dealings with each other and our partners;
- To cultivate a work ethic focused on performance, achievement and results;
- To promote and pursue key national, provincial and local development goals;
- To ensure a representative organisation;
- To be democratic in the pursuance of our objectives;
- To show mutual respect, trust and ensure high levels of co-operation and discipline in our dealing with one another;
- To promote and pursue key national, provincial and local development goals as enriched in vision 2030;
- To be inclusive and caring organisation;
- To be democratic, transparent, accountable and participative in pursuance of our objectives.

NDM DEVELOPMENTAL DISTRICT-WIDE OUTCOMES:

In order to realise our Vision, Nkangala District Municipality in 2020/2021 financial year has worked according to the developed goals referred to as District-wide Outcomes. They allowed us to track our tangible progress towards the Developmental Vision while providing focus areas to work towards and to further assist in achieving the vision 2030 of National Development Plan:

- Integrated Sustainable Human Settlements and improved quality of household life;
- Efficient, competitive and responsive economic infrastructure network;
- Decent employment through inclusive economic growth;
- Inculcate and improve financial sustainability and management;
- Responsive, accountable, effective, efficient and sound Governance System;
- Skilled and capable workforce supportive of inclusive growth;
- Vibrant, equitable and sustainable rural communities and food security;
- Protection and enhancement of environmental assets and natural resources.

1.2.3 POWER AND FUNCTIONS OF NKANGALA DISTRICT MUNICIPALITY ARE AS FOLLOWS:

TABLE 1.2 DIVISION OF FUNCTIONS AND POWERS BETWEEN THE NDM AND LOCAL MUNICIPALITIES

POWERS AND FUNCTIONS		NKANGALA/LOCAL MUNICIPALITIES					
(a)	Integrated development planning for the District Municipality as a whole, including a framework for integrated development plans of all Municipalities in the areas of the District Municipality	Nkangala					
(b)	Potable water supply systems.	VKLM	DrJSLM	EMALLM	ELM	STLM	THLM
(c)	Bulk supply of electricity, which includes the purposes of such supply e.g., the transmission, distribution and, where applicable, the generation of electricity	VKLM	DrJSLM	EMALLM	ELM	STLM	THLM
(d)	Domestic waste-water and sewage disposal systems	VKLM	DrJSLM	EMALLM	ELM	STLM	THLM
(e)	Solid waste disposal sites	VKLM	DrJSLM	EMALLM	ELM	STLM	THLM
(f)	Municipal roads which form an integral part of a road transport system for the area of the District Municipality as a whole	VKLM	DrJSLM	EMALLM	ELM	STLM	Nkangal a
(g)	Regulation of passenger transport services	Nkangala					
(h)	Municipal airports serving the area of the District Municipality as a whole	Nkangala		EMALLM		STLM	
(i)	Municipal environmental health services	Nkangala					
(j)	Firefighting services	VKLM	Nkangal a	EMALLM	ELM	STLM	Nkangala

(k)	The establishment, conduct and control of fresh produce markets and abattoirs serving the area of a major proportion of the Municipalities in the District	Nkangala	DrJSLM	EMALLM	ELM	Nkangala	
(l)	The establishment, conduct and control of cemeteries and crematoria serving the area of a major proportion of the Municipalities in the District	VKLM	DrJSLM	EMALLM	ELM	STLM	THLM
(m)	Promotion of local tourism for the area of the District Municipality	Nkangala					
(n)	Municipal public works relating to any of the above functions or any other functions assigned to the District Municipality	VKLM	DrJSLM	EMALLM	ELM	STLM	THLM
(o)	The receipt allocation and, if applicable, the distribution of grants made to the District Municipality	Nkangala					
(p)	The imposition and collection of taxes, levies and duties as related to the above functions or as may be assigned to the District Municipality in terms of national legislation.	Nkangala					

1.2.4 BRIEF SOCIO-ECONOMIC OVERVIEW

It is important to clearly understand the development context within which the District operates, to effectively plan and deliver services to the residents of NDM. This chapter provides an overview of the NDM's demographics, the needs of its population as well as anticipated changes or trends in these areas during the rest of the term of office. The District reflects on substantial information from recent reports and research conducted including the 2011 national Census conducted by StatsSA. Information on level of development therein is elucidated through statistics from the Census 2011; other Data Enhancing Agencies like HIS Global Insight and varying Sector Departments are detailed in the relevant sections throughout this chapter.

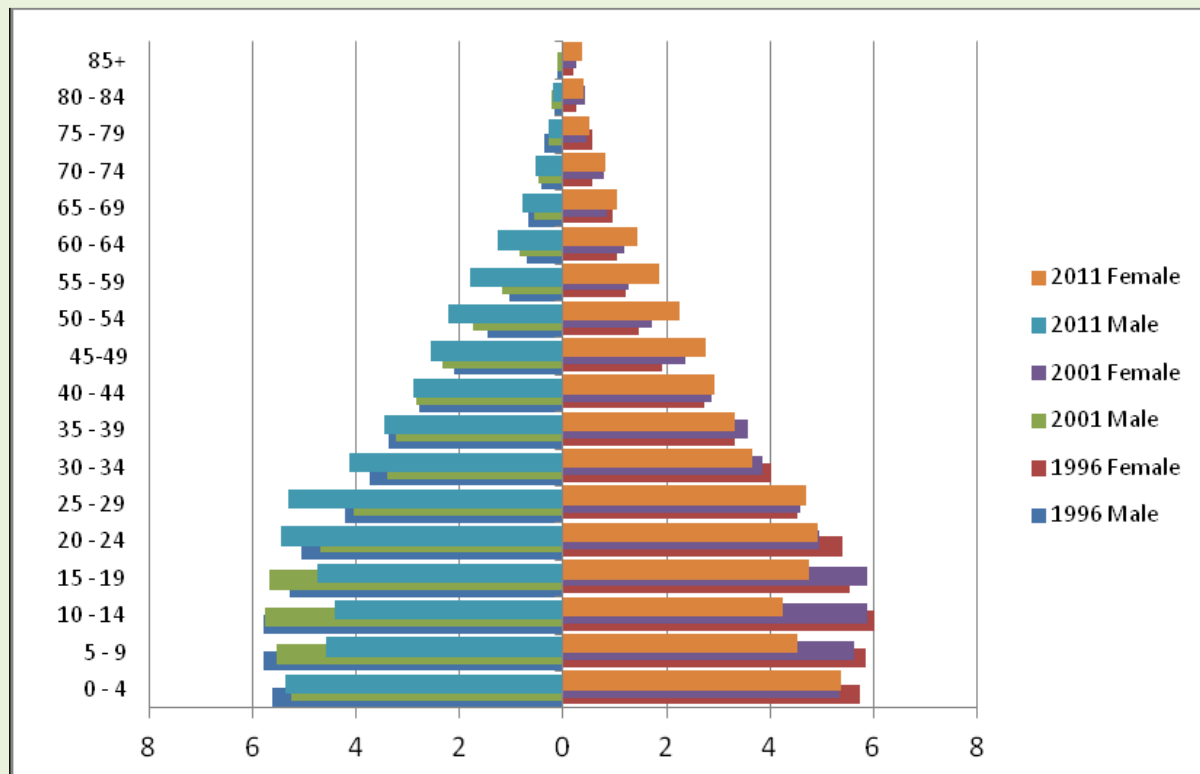
1.2.5 DISTRICT GEOGRAPHY

The Nkangala District Municipality (DC31) is one of the three (3) District Municipalities in Mpumalanga Province. The headquarters of Nkangala District Municipality are in Middelburg (Steve Tshwete Local Municipality). The District is composed of six (6) Local Municipalities: namely; Victor Khanye Local Municipality (MP 311), Emalahleni Local Municipality (MP 312) Steve Tshwete Local Municipality (MP 313), Emakhazeni Local Municipality (MP 314), Thembisile Hani Local Municipality (MP 315) and Dr J S Moroka Local Municipality (MP 316) (see figure 7). The area of the District covers a total area of approximately 16,892 square kilometres.

DEMOGRAPHICS

The current Total Population of NDM as depicted in the **Table** below according to the Census 2011 is 1 308 129 constituting approximately 32.38% of Mpumalanga's population. The population growth rate of the District was 2.50% between the period 2001 and 2011. Steve Tshwete Local Municipality recorded the largest growth rate of 60% in the District between the same periods, which is equivalent to the annual rate of 6%. The black population formed the bulk of the District's population with 90.9 %, followed by the White population with 7.8 %, and the Indian and Coloured constituting the remaining 1.3%. The majority of the population in the District resides in Emalahleni Local Municipality (MP312), which accounts for 35.4% of the population of the District and 11.9% of the Provincial population. Emakhazeni Local Municipality has the smallest population in the District, with only 3.6% of the District's population and 0.9% of the Provincial population living there.

DISTRIBUTION OF POPULATION BY AGE AND SEX, NKANGALA – 1996, 2001 AND 2011



Source: Statistics South Africa – Census 2011

TABLE 1.3 NDM POPULATION, HOUSEHOLD SIZE AND POPULATION GROWTH RATES BETWEEN 2001 & 2011

Category	Persons (2001)		Households (2001)		Population Growth rate 1996-2001	Persons (2011)		Households (2011)		Population Growth rate 2001-2011
	Actual	%	Actual	%		Actual	%	Actual	%	
Mpumalanga	3 365 554	-	830 984	-	1.49	4 039 939	-	1 075 488	-	1.83
NKANGALA	1 018 422	100	256 818	100	1.13	1 308 129	100	356 911	100	2.50
Dr JS Moroka	243 313	23.8	54 339	21.2	1.14	249 705	19.1	64 971	18.2	2.92
Emakhazeni	43 007	4.2	10 937	4.3	3.16	47 216	3.6	13 722	3.8	3.58
Emalahleni	276 413	27.1	82 298	32.1	1.07	395 466	30.2	119 874	33.6	4.76
Steve Tshwete	142 772	14.0	37 115	14.5	3.01	229 831	17.6	62 162	17.4	0.93
Thembisile Hani	256 583	25.2	58 137	22.6	1.22	310 458	23.7	83 874	23.5	1.91
Victor Khanye	56 335	5.5	13 992	5.5	-1.27	75 452	5.8	19 838	5.6	0.26

Source: Statsa-Census 2011

1.3 NATURAL RESOURCE

The economy of the District is more reliant on its natural resources. Natural resources make a significant and direct contribution to the District economy in the following sectors/industries, commonly referred to as a 'resource based economy':

- Mining and energy generation: coal deposits;
- Mining, energy generation, agriculture, industry, domestic consumption: water reserves, also for distribution outside the District;
- Agriculture, forestry: land capacity and geographical features, climate;
- Tourism: conservation areas and ecosystems, natural features.

1.4 FINANCIAL SERVICES

The financial objective of the Municipality is to secure sound and sustainable management of financial affairs of the Municipality and to assist the six (06) Local Municipalities to be financially viable. Note: see executive summary: Annual Financial Statement and Chapter 5.

1.5 INTRODUCTION

The financial objective of the Municipality is to secure sound and sustainable management of the financial affairs of the Municipality and to assist the six (06) local municipalities to be financially viable. Critical functional areas for the District Municipality amongst others include improvement of Audit Outcomes, effective financial management, fully functional internal audit units and Audit Committees, high vacancy rate in key positions, declining growth in the Regional Services Council Replacement Grant, increase in operational expenditure, which negatively impacts on the allocations to local municipalities.

REVIEW OF OPERATING RESULTS

The 2020/21 budget of the Nkangala District Municipality was approved by Council on the 27 May 2020 under item DM-ND 349/05/2020. The roll over budget was approved 20 August 2020 under DM-ND 56/08/2020. An adjustment budget was approved on the 24 February 2021 under item DM-ND 257/02/2021. Herewith is commentary on the financial results.

REVENUE

The total revenue of the district increased with 1.07% from R409,710 million (2019/20) to R414,079 million (2020/21) and indicate a positive outcome over the R437,423 million budgeted for the 2020/21 financial year.

Revenue from exchange transactions decreased from R41,116 million (2019/20) to R21,266 million (2020/21), whilst the revenue from non-exchange transactions increased from R368,593 million (2019/20) to R392,812 million (2020/21) of which the major portions is from government grants and subsidies. The district is highly dependent on the RSC Replacement Grant that shows a deterioration growth rate year on year, however indicative allocations published in Division of Revenue Act (DORA) point to a very small increase in the RSC Levy Replacement Grant,

The outlook for the next financial year is that the total revenue will increase compared to the year under review.

TRANSFERS AND SUBSIDIES

Transfers and subsidies increased by 6.94 % from R365,959 million (2019/20) to R391,374 million (2020/21). Transfers and Subsidies include conditional and non-conditional grants, donations or subsidies to the District and amongst others include the RSC Levy Replacement grant, the Equitable Share, Municipal System Improvement Grant, Finance Management Grant and the Expanded Public Works Programme Incentive Grant. All conditional grants have been spent 95.03% and has been

recognised as revenue in 2020/21. According to the accounting policies only the portion that has been expensed and meets the conditions of the conditional grant is recognized as revenue.

INTEREST, DIVIDENDS AND RENT ON LAND

The District earned interest, which decreased by 48.96% from R40,431 million (2019/20) to R20,634 million (2020/21). This decrease is attributed to the improved implementation of projects to local municipalities under expenditure: transfers and subsidies paid and left more surplus cash for investment and the increase in interest rates on call deposits. 87.62% realised of budgeted amount for 2020/21 and the variance is due to that more interest revenue was received than anticipated during the budget process.

FINES, PENALTIES AND FORFEITS

Revenue from Fines, Penalties and Forfeits decrease by 60.91% from R1,839 million (2019/20) to R0,719 million (2020/21). 189.27% of budgeted amount realised for 2020/21 due to the adhoc nature of the imposing of fines and penalties.

SALE OF GOODS

Sale of goods decreased by 100% from R0,214 million (2019/20) to R0 million (2020/21) and consists mainly the selling of tender documents. 0% realised for 2020/21 due to decreased selling of tender documents as they are also now available free of charge electronically.

OPERATIONAL REVENUE

Operational revenue increased by 38.28% from R0,427 million (2019/20) to R0,591 million (2020/21). 127.09% of budgeted amount realised for 2020/21 due to more operational revenue received than anticipated

RENTAL FROM FIXED ASSETS

Rental from fixed assets decreased by 7.15% from R0,044 million (2019/20) to R0,041 million (2020/21) and flows from the lease agreement with Vodacom. 100% realised as more fixed assets were rented out in 2020/21 than anticipated.

LICENCES AND PERMITS

Revenue from licences and permits has decreased with 9.47% from R0,794 million in the (2019/20) to R0,719 million that was realised in the (2020/21) financial year. 60.41% of budgeted amount realised for 2020/21 due to the new function that are rendered by the District and various according to the number of applications received and the effect of COVID 19 on businesses.

EXPENDITURE

The total expenditure decreased with 6.66% from R479,134 million (2019/20) to R447,231 million (2020/21) compared to the budgeted operating expenditure of R535,299 million 2020/21. Transfers and subsidies to local municipalities are the main driver of the expenditure of the District.

TRANSFERS & SUBSIDIES

This expenditure relates to expenditure on infrastructure and operational projects for local municipalities within the District's jurisdictional area.

Actual grants and subsidies paid for 2020/21 represent 34.28% (41.11% 2019/20) of the total expenditure and decreased by 22.18% from R196,943 million (2019/20) to R153,256 million (2020/21). The actual transfers and subsidies are 67.74% of the budgeted amount of R226,251 million (2020/21) due to the delays in appointments due to COVID 19, projects that are completed from the 2019/20 financial year and transferred from Inventory – Work in progress.

EMPLOYEE RELATED COST

Actual employee related costs increased by 6.68% from R159,124 million (2019/20) to R169,761 million (2020/21) due to the drive to appoint staff in all vacancies and salary increases applied. Actual employee related costs are 98.26 % of the budgeted employee related cost, which is due to the few vacancies which have not been filled in the year under review.

OPERATIONAL COST

The actual expenditure of operational costs decreased by 8.15% from R40,333 million (2019/20) to R37,048 million (2020/21). Actual operational costs are 84.82% of the budgeted operational cost. Due to non-responsive tenders and operational projects that were not fully completed.

CONTRACTED SERVICES

Contracted services increased by 12.70% from R44,190 million (2019/20) to R49,801 million (2020/21). Actual contracted services are 96.76% of the budgeted operational cost, due decrease in allocated contracts for the year.

REMUNERATION OF COUNCILLORS

Payments made to councillors are in terms of the legislation on remuneration of public office bearers. Actual councillor allowance costs decreased by 0.83 % from R14,798 million (2019/20) to R14,676 million (2020/21). Actual councillor allowance costs are 92.48% of the budgeted remuneration of councillors, due to the % increase that realised on the determination of upper limits.

DEPRECIATION/ AMORTISATION

Depreciation/amortisation is charged on Property, Plant & Equipment/intangibles at rates determined in the accounting policies and asset useful lives are reviewed annually.

Actual depreciation/amortisation costs increased by 2.77% from R15,158 million (2019/20) to R15,577 million (2020/21). Actual depreciation/amortisation costs are 89.50% of the budgeted depreciation/amortisation cost, and is dependent on the acquisition of new assets for the District.

INVENTORY CONSUMED

Actual inventory consumed costs decreased by 25.82% from R6,283 million (2019/20) to R4,661 million (2020/21). Actual inventory consumed costs are 90.89% of the budgeted amount, due to the less than anticipated inventory consumed.

INTEREST, DIVIDEND AND RENT ON LAND PAID

The District only realised interest paid on the annuity loan with DBSA and Financial leases for office equipment.

Actual interest costs decreased by 40.19 % from R0,143 million (2019/20) to R0,085 million (2020/21), the decline is due to the redemption of loans and finance leases. Actual interest costs are 56.93% the budgeted amount due to less finance leases taken than anticipated.

GAINS AND LOSSES

The District only realised a small loss on the disposal of fixed and intangible assets, whilst an actuarial gain was realised for both 2019/20 and 2020/21, which decrease from R2,930 million (2019/20) compared to the loss of R2.021 million (2020/21) financial year. The budget variance is due to the unknown nature of actuarial valuations.

OPERATING LEASES

Actual operating leases costs increased by 9.48 % from R2,162 million (2019/20) to R2,366 million (2020/21). Actual inventory consumed costs are 91.60% of the budgeted amount, due to the two additional leases taken out.

SURPLUS/DEFICIT

The district realised a deficit of R66,494 million 2019/20 compared to the deficit of R35,173 million 2020/21 as a result of the impact of COVID on the expenditure.

FINANCIAL POSITION

The Statement of Financial position represents the financial strength of the district by a comparison of assets over liabilities.

The total assets of the district decreased by 4.25% from R685,176 million (2019/20) to R656,024 million (2020/21). The contributing factors of this decrease can mainly be attributed to decrease of trade and other receivables and decrease in cash and cash equivalents.

Total liabilities increased by 8.59% from R70,134 million (2019/20) to R76,156 million (2020/21), which is mainly due to the increase in accruals, post-retirement benefits and provisions for long services.

KEY RATIOS

CURRENT RATIO

This ratio represents the ability of the district to pay short term obligations within the next 12 months.

	Current assets	Current Liabilities	
	R million	R million	Ratio
2019/20	486,281	52,846	9.20:1
2020/21	379,075	52,941	7.16:1

ACID TEST

A stringent indicator that determines whether a company/institution has enough short-term assets to cover its immediate liabilities without considering inventory. Institutions with ratios of less than 1 cannot pay their current liabilities and should be looked at with extreme caution.

	Current assets – Inventory	Current Liabilities	
	R million	R million	Ratio
2019/20	431,201	52,846	8.16:1
2020/21	301,898	52,941	5.70:1

SOLVENCY RATIO

This represents the ability of the district to pay both its long term and short term obligations.

	Total Assets	Total Liabilities	
	R million	R million	Ratio
2019/20	685,171	70,134	9.77:1
2020/21	656,006	76,156	8.61:1

OTHER RATIOS

Ratio	30 Jun 2021	30 Jun 2020
Employee related cost and Councillor remuneration / Total expenditure	41.24	36.30
Actual transfers and subsidies paid / Total expenditure	34.27	41.10
Actual transfers and subsidies paid / Total revenue	37.01	48.07

1.6. ORGANISATIONAL DEVELOPMENT PERFORMANCE

In terms of Section 67 of the Municipal Systems Act No. 32 of 2000 as amended. A Municipality, in accordance with applicable law and subject to any applicable collective agreement, must develop and adopt appropriate systems and procedures, consistent with any uniform standards prescribed in terms of section 72(1)C to ensure fair, efficient, effective and transparent personnel administration including the following:

- Recruitment;
- Selection;
- Appointment of persons as staff members;
- Service conditions of staff;
- Supervision and management of staff;
- Monitoring, measuring and evaluation of performance of staff;
- Grievance procedures;
- Disciplinary procedures;
- Investigation of allegation of misconduct and complaints against staff;
- Dismissal and retrenchment of staff; and
- Any other matter prescribed by the regulations in terms of section 72.

The effective and efficient functioning of the District Municipality is through skilled human capital, the implementation of sound human resources practices and strengthened Performance Management Systems that encourage and support Local Municipalities in the delivering on their mandate. Associated with this is a focus on organisational design and capacity building to enable Municipalities respond their challenges. In this manner corporate governance, transparency and accountability is improved.

The Human Resources Development (HRD) unit deals with the following:

- Training of individual employees after he/she is first hired;
- Providing opportunities for employees to learn new skills;
- Distributing resources that are beneficial for the employee's tasks; and
- Any other developmental activities.

HRD related issues in the Municipality are in compliance with the regulations and guidelines by the Minister as contemplated in Section 72 (1) (C) of the Local Government: Municipal Systems Act 32 of 2000 as amended.

1.7 AUDITOR GENERAL REPORT

Nkangala District Municipality obtained Clean audit Opinion for 2020/2021 financial year. The table below reflects the Audit outcome of the Municipality in previous financial years and the year under review:

TABLE 1.4 AUDIT OUTCOME

Financial Year	Audit Outcome	No. Of Issues Raised
2012/2013	Unqualified	73
2013/2014	Unqualified	55
2014/2015	Clean Audit	20
2015/2016	Clean Audit	18
2016/2017	Clean Audit	12
2017/2018	Unqualified	40
2018/2019	Clean Audit	06
2019/2020	Clean Audit	14
2020/2021	Clean Audit	09

1.8 STATUTORY ANNUAL REPORT PROCESS

The NDM Council streamlined its Annual Report process in accordance with the MFMA Circular 63. This is to ensure that the Annual Report as contemplated in terms of Section 127 of the MFMA is produced as soon as possible after year end, namely, August in order to enhance oversight functions of Council. This further provides the NDM Council opportunity to take corrective decisions earlier where it is required so as to improve service delivery and accountability. The following table reflects the statutory annual report processes followed by the NDM:

TABLE 1.5 ANNUAL REPORT PROCESS

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July 2021
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year Annual Report to Internal Audit and Auditor-General	August 2021
5	Audit committee considers draft Annual Report of Municipality	

6	Mayor tables the unaudited Annual Report.	
7	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	August 2021
8	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
9	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September – November 2021
10	Municipalities receive and start to address the Auditor General's comments	December 2021
11	Executive Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	December 2021
12	Audited Annual Report is made public and representation is invited	
13	Oversight Committee (MPAC) assesses Annual Report	
14	Council adopts Oversight report	FEBRUARY 2022
15	Oversight report is made public	
16	Oversight report is submitted to relevant provincial councils	

CHAPTER 2 – GOVERNANCE

2.1 COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1.1. INTRODUCTION TO GOVERNANCE

The Nkangala District Municipality Council (NDM) consists of both members elected in accordance with Subsections (2) and (3) of Section 157 of the Constitution of Republic of South Africa (Act 108 of 1996). The NDM comprises a total number of 59 Councillors, which are 24 directly elected and 35 who have been appointed by Local Municipal Councils within the District as per the pieces of legislation cited above.

The NDM Council is an Executive Mayoral System which allows it to elect an Executive Mayor. The Executive Mayor in turn appointed a Mayoral Committee in terms of Section 60 (1) (a) of the Local Government Municipal Structures Act 117 of 1998, which states that: If the Council has more than nine (9) members, its Executive Mayor must appoint a Mayoral Committee from among the Councillors to assist the Executive Mayor. Each member of the Mayoral Committee has been delegated specific responsibilities by the Executive Mayor in terms of Section 60 of the Local Government Municipal Structures Act 117 of 1998. On occasions when the Executive Mayor has multi programmes to run, she can delegates any of her powers to the respective members of the Mayoral Committee, in terms of Section 60 (1) (c) MSA 117 of 1998.

The Council also has a Speaker who chairs meetings of Council. To ensure effective execution of its Constitutional mandate, the NDM Council has established Oversight Committees in terms of Section 79 of the Structures Act, Risk Management Committee and Audit Committee in terms of Section 166 of the Local Government Municipal Finance Management Act.

2.1.2. GOVERNANCE STRUCTURE

The Nkangala District Municipal Council (NDM) derives its mandate to govern from Section 151 (3) of the Constitution of Republic of South Africa, (Act 108 of 1996) which says, the Municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to national and provincial legislation, as provided for in the Constitution.

The overall strategic mandate of NDM Council as derived from section 152 of the Constitution of the Republic, Act 108 of 1996, which gives the object of local government to be:

- To provide democratic and accountable government for local communities;
- To ensure the provision of services to communities in a sustainable manner;
- To promote social and economic development;
- To promote a safe and healthy environment; and
- To encourage the involvement of communities and community organizations in matters of local government.

2.1.3. POLITICAL GOVERNANCE STRUCTURE

The executive and legislative authority of Nkangala District Municipality (NDM) is vested in its Municipal Council chaired by the Speaker. The responsibilities of the speaker amongst others are:

- To presides at the meetings of the Council;
- To ensure that Council meets as per the approved year planner and maintain order during meetings;
- To ensure that councillors comply with the Code of Conduct set out in Schedule 1 to the Local Government: Municipal Systems Act 32 of 2000; and,
- To ensure that council meetings and those of committees are conducted in accordance with the NDM Standing Rules and Orders and the annually approved year planner.

Local Government: Municipal Structure Act of 1998, Section 18 (2) states that a municipal council must meet at least quarterly. However, the Nkangala Municipal Council resolved to hold 10 council meetings in the terms 2020/2021 year planner to consider reports from the Mayoral Committee.

The Council in terms of the section 55 of the Local Government Municipal Structures Act appointed the Executive Mayor of the NDM. The Executive Mayor is the political head of the Municipality. The Executive Mayor must:

- identify the need of the Municipality;
- review and evaluate those needs in order of priority;
- identify the needs of the Municipality;
- review and evaluate those needs in order of priority;
- recommend to the Municipal Council strategies, programmes and services to address priority needs through the integrated development plan, and the estimates of revenue and expenditure, taking into account any applicable national and provincial development plans; and,
- Recommend or determine the best way, including partnership and other approaches, to deliver those strategies, programmes and services to the maximum benefit of the community.

The Executive Mayor in performing the duties of office must:

- identify and develop criteria in terms of which progress in the implementation of the strategies, programmes and services referred to in subsection (2) (c) can be evaluated, including key performance indicators which are specific to the Municipality and common to local government in general;
- evaluate progress against the key performance indicators;
- review the performance of the Municipality in order to improve-
 - (i) the economy, efficiency and effectiveness of the Municipality;
 - (ii) the efficiency of credit control and revenue and debt collection services; and
 - (iii) the implementation of the Municipality's by-laws;
- monitor the management of the Municipality's administration in accordance with the directions of the Municipal Council;
- oversee the provision of services to communities in the Municipality in a sustainable manner;

- perform such duties and exercise such powers as the Council may delegate to the Executive Mayor in terms of section 59 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000); [Para. (f) amended by s. 16 (a) of Act 51 of 2002.]
- annually report on the involvement of communities and community organisations in the affairs of the Municipality; and
- ensure that regard is given to public views and report on the effect of consultation on the decisions of the Council.

NDM council established and determined functions of six (6) committees in terms of Section 80 of the Local Government Municipal Structures Act 117 of 1998, to assist the Executive Mayor in discharging her duties. The Executive Mayor appointed chairpersons of these Mayoral Committees. These committees deal with matters delegated to them and report to the Executive Mayor as per the NDM delegation framework. The following are the Mayoral Committees which are aligned to functions delegated to the Executive Mayor:

- Infrastructure and Service Delivery, Water, Sanitation, Electricity, Roads and Maintenance;
- Corporate Services, Human Resources Management and Development, Performance Corporate Governance, Communication, Public Participation and Traditional Affairs;
- Roads and Public Safety; Social Services, Disaster Management, Youth and Women, Disabled, Sports ,Arts and Culture, Health and Education;
- Rural Development, Agriculture, Town planning, Human Settlement and Transport;
- Finance, Internal audit and Risk Management; and
- LED, Expanded Public Works Programme and Tourism

In line with Section 79 of the Local Government: Structures Act 117 of 1998, the NDM council also established the following council committees referred as Section 79 Oversight Committees, to assist council to oversee the work of the Mayoral Committee and Management:

TABLE 2.1 COMMITTEES

No.	Committee	Functions
1	Infrastructure and Service Delivery, Water, Sanitation, Electricity, Roads and Maintenance	To advise Council on infrastructure development and service delivery issues
2	Development, Planning, Human Settlement, Public Safety and Transport	To advise Council on roads, transport and public safety issues
3	Finance Services	To advise Council on financial issues
4	Corporate Services, Corporate Governance, Communication, Public Participation and Traditional Affairs	To advise Council on administration and human resources issues
5	Local Economic Development, Rural Development, Agriculture and Tourism	To advise Council on local economic development issues

6	Social Services, Disaster Management, Youth, Women, The Disabled, Sport, Art and Culture, Health and Education	To advise Council on social, youth and women development matters, issues of disability, sport, Health, Arts and Culture
7	Rules and Ethics	To advise Council on the interpretation of any decision made in terms of Council's Standing Rules and Orders and the interpretation and application of the Code of Conduct applicable to Councillors
8	Municipal Public Accounts Committee (MPAC)	To advise council on a number of financial and non-financial related activities executed by the Mayoral Committee and compliance with municipal legislation

For the period under review it can be reported that the oversight committees were functional executed their responsibilities as required. Meetings of committees were held in line with the municipality's approved year plan. The Committees exercised oversight to ensure that all Council resolutions in their respective department were implemented.

The Municipal Public Accounts Committee (MPAC) is a committee of the Municipal Council established in terms of Section 79 of the Local Government Municipal Structures Act (Act 117 of 1998) to act instead of Council as an overseer of the executive and management and act as protectors of morality on behalf of the residents. This in line with principle of separation of powers, and also the object of Local Government expressed in Sections 95 and 152 of the Constitution of the Republic of South Africa of 1996 respectively and the Local Government: Municipal Finance Management Act, 2003 which also requires a certain of oversight by the Municipality over the executive authority. The Nkangala District Municipality established the MPAC and adopted its terms of reference in September 2016. The composition of the MPAC represents the political demographics of the Municipality as required by Section 160 (8) of the Constitution.

The primary function of the MPAC is to exercises oversight over the executive functionaries of Council and to ensure good governance in the Municipality. To achieve this, the MPAC interrogates information, documents and reports produced by the executive functionaries of Council, conduct public hearings to solicit and consider views and inputs from members of the public with regard to the performance of the Municipality and develop an oversight report with recommendations to Council. The Nkangala District Municipality has adopted terms of reference of the MPAC, which outlines in details powers and functions of this committee. The terms of reference are reviewable annually.

For the 2019/20 Financial Year the MPAC executed its mandate in terms of the approved work plan. It should however be noted that some of the MPAC activities which were meant for the second stanza of the 2019/20 Financial Year were affected by the Covid-19 pandemic regulations. They included the MPAC District Forum, the 2nd Joint Section 79 Oversight Committee meeting, the 2nd Project Site visits and Benchmarking exercise. The following were the activities the MPAC could deliver in the year under review:

- (1) Undertook Project Site Visits as part of its oversight responsibilities;
- (2) Interrogated and probed the Annual Report and produced an Oversight Report that was adopted by Council;

- (3) Interrogated and probed quarterly and mid-year performance assessment reports from the Mayoral Committee including Financial Reports;
- (4) Interrogated and probed the 2020/21 IDP and Budget Review Processes;
- (5) Tracked implementation of MPAC recommendations, Action Plan on 2018/19 Auditor-General Findings and those of the Audit Committee;
- (6) Developed its 2020/2021 Financial Year Work Plan, which is subsequently adopted by Council;
- (7) Investigated and finalised the unauthorised, irregular, fruitless, and wasteful expenditure, which was adopted by council.

Furthermore, the Council appointed an Audit Committee in terms of Section 166 of the Local Government: Municipal Finance Management Act (Act No 56 of 2003) that provides independent advice to Municipal Council, its executive and administration on financial management and performance related matters. Linked to the Audit Committee, Council appointed a Risk Committee to advise Council on all risk related matters. The MPAC was impressed by the good work done by this committee and recommended for the council to formally comment the committee. The table below depict the MPAC recommendation as adopted by Council:

TABLE 2.2 MUNICIPAL PUBLIC ACCOUNT COMMITTEE RECOMMENDATIONS

Date of Committee	Municipal Public Account Committee recommendations on Oversight Report during 2020/2021	Recommendations adopted (enter Yes) If not adopted (provide explanation)
23 June 2021	THAT Council consider the Oversight Report on the 2019/2020 Annual Report.	The Recommendations were adopted by council on the 23 rd of March 2021.
	THAT Council, having fully considered the 2019/2020 Annual Report of the Nkangala District Municipality and representations from other role players thereon, and subject to and due regard to the observations and suggestions contained in this MPAC Report resolves, to approve the Annual report without reservations.	The Recommendations were adopted by council on the 23 rd of March 2021
	THAT the 2019/20 Oversight Report with all its annexures be submitted to the Auditor General, the Provincial Treasury and the Mpumalanga Provincial Department of Cooperative Governance and Traditional Affairs.	The Recommendations were adopted by council on the 23 rd of March 2021
	THAT the 2019/20 Oversight Report of the Nkangala District Municipality be made public in terms of 129(3) of the MFMA and be submitted to the Mpumalanga Legislature in terms of Section 132(2) of the MFMA.	The Recommendations were adopted by council on the 23 rd of March 2021
	THAT recommendations relating to the General findings of the MPAC on the 2019/2020 Annual Report be implemented and progress report be given to council on quarterly basis.	The Recommendations were adopted by council on the 23 rd of March 2021

The table below depicts the 2020/2021 political leadership of the Municipality and their responsibilities:

TABLE 2.3 2020/2021 POLITICAL LEADERSHIP

PICTURE	POLITICAL STUCTURE	FUNCTIONS
	EXECUTIVE MAYOR Cllr. TS Masilela	<p>Provide general political guidance over the fiscal and financial affairs of the Municipality as per MFMA 56 of 2003. Manages the drafting of the IDP as per the MSA 32 of 2000 as amended and performs duty. As per delegation by Council and as per Section 49 of the Municipal Structures Act (No. 117 of 1998).</p>
	SPEAKER OF COUNCIL Cllr. SL Ndinisa	<p>Presides at meetings of the Council. Performs the duties and exercises the powers delegated in terms of section 59 of the MSA as amended and section 37 of the Municipal Structures Act (No. 117 of 1998).</p>





COUNCIL WHIP
Cllr K J BOSHOMANE

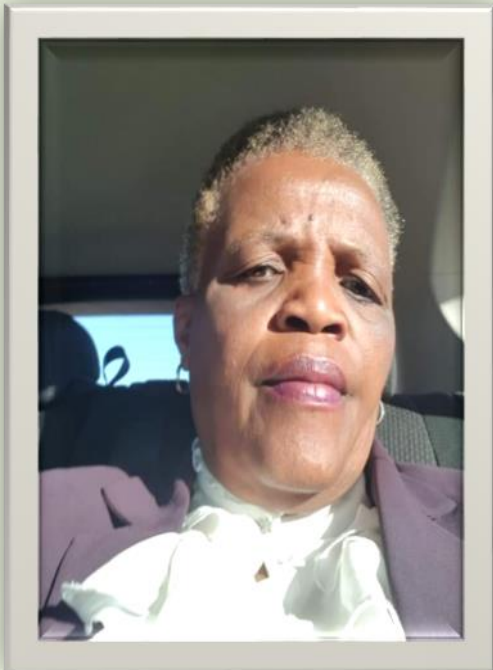
Performs duties as per Council resolution DM458/06/2017: on Council Whip: Institutionalization



CLLR Dikgale
Member of the Mayoral Committee – Infrastructure, Service Delivery, Water Sanitation Electricity Roads and Maintenance (MMC)-

To advise the Executive Mayor on infrastructure development and service delivery issues that include water, sanitation, electricity, roads and maintenance. Plays an oversight role on the performance of the Department of Technical Services

	<p>Cllr. E V Makhabane</p> <p>Member of the Mayoral Committee – Social Service, Disaster Management, Youth, Women, the Disabled, Sport, Arts and Culture, Health & Education (MMC)</p>	<p>To advise the Executive Mayor on Social Services, Disaster Management, Youth, Environment, Transversal, Sports, Arts and Culture, Health and Education. Plays an oversight role on the performance of the Department Social Services</p>
	<p>Cllr. GT Mthimunye</p> <p>Member of the Mayoral Committee Finance, Internal Audit and Risk Management (MMC)</p>	<p>To advise the Executive Mayor on financial and budget related issues. Plays an oversight role on the performance of the Department of Finance.</p>



Cllr. CL MARABA

Member of the Mayoral Committee – Corporate Governance, Communication, Public Participation and Traditional Affairs (MMC)


To advise the Executive Mayor on Administration, HR, and HRD issues, Legal Services, Occupational Health and Safety issues. Plays an oversight role on the performance of the Department of Corporate Services



Cllr. L MAHLANGU

Member of the Mayoral Committee – Municipal Planning , Land, Human Settlement and Transport .(MMC)

To advise the Executive Mayor on Rural Development, Agriculture, Public Safety and Transport issues. Plays an oversight role on the performance of the Departments of Planning.

	<p>Cllr. KT Pookgoadi Member of the Mayoral Committee – Local Economic Development, Tourism, Rural Development and Agriculture (MMC)</p>	<p>To advise the Executive Mayor on Local Economic Development, EPWP, and Tourism issues. Plays an oversight role on the performance of the Department of LED.</p>
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2.1.4. DECEASED NDM COUNCILLORS


NDM lost one of the Mayoral Committee members, Cllr RC Mahlobogoane in November 2020. The late councillor was replaced by Cllr L Mahlangu who was officially appointed as MMC — Municipal Planning, Land, Human Settlement and Transport. (MMC) with effect from 04 March 2021. The replacement resulted in the reshuffling of the Mayoral Committee as per the table above.

All the NDM Councillors are listed in **Appendix A**. Hence, **Appendix B** set out committees in which Councillors are serving, and committee purposes. Nkangala District Municipality has a total of 57 Councillors, 22 are directly elected and 35 appointed on proportional basis out of the 57 Councillors.

2.1.5. ADMINISTRATIVE GOVERNANCE STRUCTURE



The Accounting Officer or the Municipal Manager is the Administrative head of the institution. As head of administration, the Municipal Manager is, subject to the policy directions of Municipal Council, responsible and accountable for the formation and development of an economical, effective, efficient and accountable administration. The administration is equipped to carry out the task of implementing the Municipality's integrated development plan and the monitoring of progress with implementation of the plan. Further, the Municipal Manager is responsible for the appointment of staff other than those


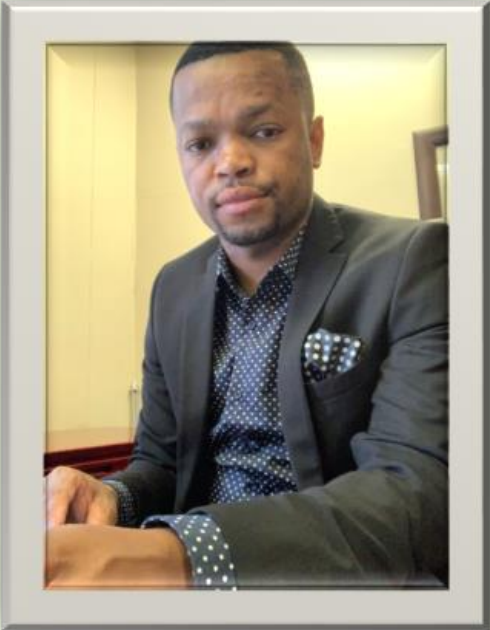
referred to in section 56 (a) of the Local government: Municipal Systems Act 32 of 2000, subject to the Employment Equity Act, 55 of 1998.

	<p><u>SENIOR MANAGEMENT STRUCTURE</u></p>	<p>Function</p> <p>The Head of Administration and the Accounting Officer. Responsible for all administrative responsibilities as per chapter 8 and section 55 of the MFMA and MSA¹ respectively. Reports to the Executive Mayor and Council. Ensures that the annual budget of Council is spent according to the legislative stipulations. Advises the Executive Mayor and Council at all times.</p>
<p>MUNICIPAL MANAGER</p> <p>Ms. MM Skosana</p>		

As the administrative head of the Municipality, the Municipal Manager is responsible for advising the political structures and political office bearers of the Municipality and, to manage communication between administration, political structures and political office bearers.

The Municipal Manager is responsible and accountable for all income and expenditure of the Municipality, all assets and discharge of all liabilities of the Municipality; proper and diligent compliance with the Local Government: Municipal Finance Management Act, (Act No. 56 of 2003), according to Section 55 (2) (a-c) of the Local Government: Municipal Systems Act, (Act No. 32 of 2000).

	<p>Chief Financial Officer: Ms. AL Stander</p>	<p>Delegated to oversee the Council's annual budget, its preparation, adoption and its implementation. Reports to the National and Provincial Treasury according to the MFMA. Manages staff in the department. Advises the Accounting Officer on such matters and reports to the Accounting Officer.</p>
	<p>General Manager: Planning and Economic Development Mr. AT Matjiya</p>	<p>Responsible for strategic planning; facilitation of local economic development initiatives; monitor expanded public works programme; development and monitoring integrated transport planning; coordination of spatial planning and land use management; and trade and investment.</p>

	<p>General Manager: Social Services</p> <p>Dr. T Matoane-Nkabinde</p>	<p>Delegated to head the Social Services department and oversee all its programmes, viz. Community Services, Disaster Management, Environmental Pollution Control and Municipal Health Services. Advises the Accounting Officer on such matters and reports to the Accounting Officer.</p>
	<p>General Manager: Technical Services</p> <p>Mr. DJD Mahlangu</p>	<p>Delegated to head the Technical Services department and oversee all its programmes, viz. water, electricity roads and project management section. Advises the Accounting Officer on such matters and reports to the Accounting Officer.</p>

	<p>General Manager: Corporate Services</p> <p>Ms. N N Ngwenya</p>	<p>Delegated to head Corporate Services. Responsible for related issues of, amongst others, HR recruitment, development in accordance with the legislation governing Local Government. Develops and monitor the implementation of HR policies and adherence thereto. Keeps records for the entire Municipality and ensure that Council Committees are established and are functional.</p>
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2.2 COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.2.1. INTERGOVERNMENTAL RELATIONS

Section 41 of the Constitution of the Republic of South Africa, 1996 provides the principles of co-operative government and intergovernmental relations for all spheres of government and all organs of state within each sphere. These principles of co-operative government are further given effect by the Intergovernmental Relations Framework Act (No.13 of 2005) which provides a framework for the three spheres and all organs of state within those governments to facilitate co-ordination in the implementation of policy and legislation. The Act also provides for different intergovernmental structures and guides in terms of their establishment, their composition, their roles and meetings.

The Nkangala District Municipality as in compliance to the aforementioned pieces of legislation participates in various intergovernmental forums established by the different government spheres and organs of state. In compliance with Section 24 of the Intergovernmental Framework Act, the NDM furthermore established different District intergovernmental forums to promote co-operative governance and facilitate intergovernmental relations between the NDM and its six (6) Local Municipalities. These District Intergovernmental Forums assist the NDM to realise the Constitutional mandate of District Municipalities, which include among others the following:

- (a) redistribute resources within a District according to need;
- (b) assist and capacitate Local Municipalities to enable them to provide and sustain the provision of services in their areas; and

- (c) Promote economic development in the District.

The District Intergovernmental Forums have yielded positive spin offs to both the NDM and its Local Municipalities. The table below depicts the intergovernmental relations forums in which the NDM participate.

TABLE 2.4 INTERGOVERNMENTAL RELATIONS FORUM

Forum	Composition	Role	Status
Mayors Forum	All Executive Mayors of the 6 Local Municipalities in the District, and the Executive Mayor of the NDM serves as the Chairperson of the forum	Deals with all developmental issues in the District relating to IDPs, Budget, Policy development and accountability	Four meetings were held as follows : i. 21/08/2020 ii. 25/11/2020 iii. 19/02/2021 iv. 21/04/2021
Municipal Managers' Forum	All Municipal Managers from the Local Municipality and the Municipal Manager of the NDM serves as the Chairperson	Provides technical support to the Mayors' Forum	Four meetings were held as follows : i. 14/08/2020 ii. 06/11/2020 iii. 12/02/2021 iv. 18/05/2021
IDP/PMS Forum	Executive Mayors both of the NDM and its 6 Local Municipalities, NDM Mayoral Committee members, Representatives of political parties in the NDM Council, Municipal Managers of all NDM Municipalities and their senior officials, Sector Departments, Traditional Leaders, Councillors, Ward Committee Chairpersons, Business and Labour, members of the Civil society. The Forum is chaired by the Executive Mayor of	To provide a platform for stakeholders to engage on IDP/PMS issues from planning to implementation as well as monitoring and review	Two meetings were held as follows : I. 20/04/2021 II. 29/06/2021

Forum	Composition	Role	Status
	NDM		
LED Forum	Mayors of the District and Local Municipalities; Heads responsible for Planning and Economic Development in the District; Sector departments at provincial and national level responsible for economic development matters; Councillors responsible for LED	To advise District on economic development matters as well as fostering partnerships with governmental and non-governmental structures	Two meetings were held as follows : i. 30/09/2020 ii. 04/05/2021
Finance Forum	MMC's Finance of NDM and LM's CFO's NDM and LM's Rep from Provincial Treasury Rep from SALGA Rep from Provincial COGTA	To share knowledge amongst NDM and LM's on relevant Financial Management issues To capacitate and assist LM's MMC to fulfil their oversight in the various LM's To share challenges to 4be escalated to MM Forum, PT, SALGA and COGTA	Four meetings were held as follows : i. 17/09/ 2020 ii. 01/12/2020 iii. 21/05/2021 iv. 15 /06/2021
District Speakers' Forum	The Forum comprises all Speakers' of Councils of Municipalities with the NDM	The forum is meant to coordinate all public participation activities and creating mass based awareness on the government social cluster services	Three meetings were held as follows : i. September 2020 ii. February 2021 iii. May 2021.
District Municipal Public Accounts Forum	Council resolved to establish the District MPAC Forum in terms of council resolution DM-ND430/06/2018.	To be clarified through the Terms of Reference	Though some local MPACs could attend District MPAC meetings, no formal District MPAC Forum could be held in the period under review.

IN ADDITION TO THE ABOVE NDM ASSOCIATES WITH NATIONAL AND PROVINCIAL GOVERNANCE STRUCTURES AS FOLLOWS:

TABLE 2.5 GOVERNANCE STRUCTURES

Governance Structures	Purpose of the Governance Structures
Minister-Technical Working Group (MINTECH-WGII)	It is a Governance Structure where the DEA Air Quality Management Sub directorate, the Provincial Environmental Management Departments and Metropolitan and District Municipalities meet and engage on Air Quality Management issues.
Nkangala Implementation Task Team (ITT) Meeting	It is the forum where Nkangala District Municipality meet with DEA, Local Municipalities, DARDLEA and none governmental organizations to discuss Air quality issues.
Disaster Management Advisory Forum	It is to give the platform to different stakeholders an opportunity to interact on issues related to disaster management as required by Section 51 of the Disaster Management act 57 of 2002
Air Quality Officers Forum (AQOF) Meeting.	The purpose of this meeting is to give effect to the National Environment Management: Air Quality Act. This Forum serves as a platform where matters relating to air quality are discussed and resolved. Issues are also resolved via special Task Teams that are formed at the AQOF.
Integrated Environmental Management (IEM) Meeting.	This forum meeting is attended by the NKDM and local authorities to discuss issues of waste management services and sector development plans implementation e.g. IWMPs, Environmental Management Policy (EMP), State of Environment Report (SOER) and Climate Change Response Strategy.

2.3 COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.3.1. PUBLIC ACCOUNTABILITY AND PARTICIPATION

Section 152 of the Constitution of the Republic of South Africa, 1996 among others enlists the object of local government to include provision of democratic and accountable government for local communities and to encourage the involvement of communities and community organisations in the matters of local government. Similarly Chapter 4 of the Local Government: Municipal Systems Act, (Act 32 of 2000) which is dedicated to Community Participation provides how a Municipality can develop a culture of community participation, mechanisms, processes and procedures for community participation, communication to local community, documents to be made public, and Municipal website. Accountability is a key requirement of good governance. In line with these legislative directives, the NDM has adopted a Public Participation Policy and Communication Policy which outline strategies, mechanisms and procedures for community participation and communication. This is to ensure that the NDM is transparent in executing its activities and accountable to the public. Public participation strategies of the Municipality include:

- (a) **Opening Council meetings and that of its committees to public as required by Section 180 (6) of the Constitution**
For the period under review all Council meetings and those of its committees were published to the public and opened to members of the public. Though members of the public did attend those meetings, this is an area which the NDM should work on to enhance representation of various stakeholders.
- (b) **Mayoral outreach meetings**
The Mayoral outreach meetings formed the bedrock of the Municipality's consultation with communities on issues of development in the District, particularly the IDP and Budgets.
- (c) **Making Municipal documents public**
All Municipal documents including policies were made public in line with Section 21 of the Systems Act.
- (d) **Municipal website**
Municipal reports, policy documents and any other documents that must be placed on the website in terms of Municipal Finance Management Act (MFMA) 2003, section 75 for public consumption.

2.3.2. PUBLIC MEETINGS

The information below depicts the public participation meetings that were held in the year under review:

Mayoral Outreach Meetings

In the Spirit of Cooperative and Accountable Governance, the NDM has institutionalised a Community Outreach Programme that aims at improving communication, interaction and accountability between the District, the Local Municipalities and the Community at large on issues of service delivery and development.

The advent of Covid 19 and its proclamation as a national disaster by the state president of the Republic His Excellency Cyril Matamela Ramaphosa in March 2020 has had devastating impact on the livelihood of the majority of our people, especially the poor and the marginalised sectors of our community. We cannot over emphasise the economic turmoil the pandemic has had on the functionality of municipalities as drivers of service delivery. Amidst the Covid 19 challenges the municipality managed with great success to convene all public outreaches as planned through radio interviews as access to the public was restricted to combat the further spread of the pandemic.

Outreaches have been conducted twice in the 2020/2021 Financial Year in August/September and February /March respectively to table projects that have been approved and budgeted for by the District, and assimilate developmental issues for the subsequent Financial Year .

The main objectives of the Mayoral Outreaches are:

- To promote participatory democracy and public education on government's service delivery programs which involves both local government and sector departments
- To involve communities in the compilation and Reviewal of the IDP so as to achieve expected outcomes on service delivery;
- To provide a two-way communication process which involves presentation of service delivery report and inputs by community members through radio interviews
- To amend the IDP and subsequent budget.

Sector Departments are also given an opportunity to present their reports and communities engage with the reports as presented in the form of questions. It should be noted that the participation of sector apartment in the outreaches is inadequate and a source of grave concern as many do not respond as expected.

2.3.3. KEY ISSUES RAISED BY COMMUNITIES DURING THE OUTREACH MEETING HELD BY NKANGALA DISTRICT MUNICIPALITY ARE AS FOLLOWS:

The key issues raised which affect municipalities were as follows:

- More high mast and street lights
- Storm water drainage and improved roads
- Infrastructure maintenance
- Township establishments/more residential stands
- Service delivery in farms/establishment of AgriVillages
- Job creation initiatives and employment of local residents
- Water shortages in Thembeisile Hani & Dr. JS Moroka LM'S

The key issues raised for Sector Departments:

- Clinics operating on 24 hours and adequate ambulance services.
- Maintenance of national roads
- Requests for RDP houses and concerns on transparency in the allocation process
- More police visibility
- Access to FET Colleges and availability of bursaries

TABLE 2.6 THE PUBLIC PARTICIPATION MEETINGS HELD IN 2019/2020 FINANCIAL YEAR

Nature and purpose of meeting	Date of events and Municipality	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
IDP Community Outreach Meetings	Emalahleni 08/09/20	None, attendance was virtual	meeting was virtual & they also led briefing sessions with LMs	None, attendance was virtual	Infrastructure maintenance : continuing as per budget availability	19/03/21 Virtual meeting
IDP Community Outreach Meetings	Thembeisile Hani 11/09/20	None, attendance was virtual	meeting was virtual & they also led briefing sessions with LMs	None, attendance was virtual	Not enough roads, storm water drainage & reliable water provision due to insufficient	12/03/21 Virtual meeting

					budgets	
	Steve Tshwete 11/09/20	None, attendance was virtual	meeting was virtual & they also led briefing sessions with LMs	None, attendance was virtual	Currently 2 x AgriVillages established & the demand is till huge, Job creation ongoing	19/03/21 Virtual meeting
IDP Community Outreach Meetings	Emakhazeni 22/09/20	None, attendance was virtual	meeting was virtual & they also led briefing sessions with LMs	None, attendance was virtual	Township establishment underway, inadequate roads infrastructure	18/03/21 Virtual meeting
	Victor Khanye 22/09/20	None, attendance was virtual	meeting was virtual & they also led briefing sessions with LMs	None, attendance was virtual	FET College referred to Education Dept. & job creation ongoing	15/05/21 Virtual meeting
IDP Community Outreach Meetings	Dr JS Moroka 15/09/20	None, attendance was virtual	meeting was virtual & they also led briefing sessions with LMs	None, attendance was virtual	Inadequate water supply partially addressed, job creation ongoing, road, storm water drainage, community halls	11/03/21 Virtual meeting

2.3.4. IDP PARTICIPATION AND ALIGNMENT

The District has institutionalised its community and stakeholder participation and consultation mechanisms. For 2020/2021 the IDP/ PMS forum were fully functional and three (3) meetings were held.

TABLE 2.7 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the Municipality have impact, outcome, input, output indicators?	yes
Does the IDP have priorities, objectives, KPIs, development strategies?	yes
Does the IDP have multi-year targets?	yes
Are the above aligned and can they calculate into a score?	yes
Does the budget align directly to the KPIs in the strategic plan?	yes
Do the IDP KPIs align to the section 57 Managers	yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	yes
Were the indicators communicated to the public?	yes
Were the four quarter aligned reports submitted within stipulated time frames?	yes
* Section 26 of Municipal Systems Act 2000	

2.4 COMPONENT D: CORPORATE GOVERNANCE

2.4.1. RISK MANAGEMENT

The District recognises risk management as one of the cornerstones of sound and responsible Municipal governance. Apart from complying with Section 62 (1) (c) (i) of the MFMA that requires the Accounting Officer of a Municipality to maintain effective, efficient and transparent system of finance, risk management and internal control.

Led by the Chief Risk Officer, the Risk Management Unit is responsible for overseeing, guiding, facilitating and monitoring various system of governance, risk management, ethics, fraud and corruption in the Municipality.

The Risk Management, Anti-Fraud and Anti-Corruption Committee, comprising of independent external member and senior management continued to provide oversight over the entire system of governance, risk Management, compliance, internal control, ethics, fraud and corruption in the Municipality.

Key among the responsibilities of the unit is to facilitate, develop, monitor and report on the Municipality's strategic risk profile. Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) were key enablers of risk identification and assessment. Nine (9) strategic risks for 2020/2021 financial year were identified for Nkangala District Municipality, which covers all strategic goals and objectives of the Municipality. The risk universe such as top-ten Country Risk as per the Institute of Risk Management South Africa's Risk report, Auditor General of South Africa and Internal Audit Reports were also taken to account. Risk treatment strategies were developed and implemented by management. Strategic risk profile incorporated the following top-five risks with progress report as at 30 June 2021.

TABLE 2.8 STRATEGIC RISK PROFILE:

No	Risk No	Risks/ Threats to Achieving Objective or Planned Output	Root Cause/ Contributing Factors	Future Action/ Treatment Plan	Progress to date
01	SR1	Inadequate organizational performance	1. Low staff morale due to the low grading of the municipality.	Benchmarking and standardisation of salaries.	Not Achieved The benchmarking report has been finalised and Job Evaluation has been completed. Meeting with the task team has been scheduled for 06 July 2021.
			2. The non-standardization of benefits and the application of the policy (Travel allowance and PMS)	Implementation of the Benchmarking process (Travel allowance and PMS.)	Achieved
			3. Non-compliance with the PMS policy (1-3)	Signing of Performance agreements (Level 1-3).	Achieved
02	SR3	Lack of Business Continuity	1. Systems Failure	Regular back-ups and back –up tests.	Achieved
			2. Business Continuity plan not comprehensive	Maintain ICT service standards.	Achieved

No	Risk No	Risks/ Threats to Achieving Objective or Planned Output	Root Cause/ Contributing Factors	Future Action/ Treatment Plan	Progress to date
			enough to address pandemic	Development and Implementation of the BCP.	Achieved
			3. Inadequate Back-up	Maintenance of Municipal infrastructure.	Achieved
			4. Ineffective maintenance of infrastructure	Maintenance of the UPS and generator.	Achieved
			5. Load shedding		
03	SR4	Inadequate support to SMME's, Cooperatives and informal traders	1. Non functionality of LED forums	Monitoring the functionality of LED forums at Local Municipalities.	Achieved
			2. Inability to access funding and non-financial support	Facilitate access to National and Provincial grants for SMME's and Cooperatives.	Achieved
			3. Inability to access private sector market	Host open day procurement shows with private sectors.	Achieved
			4. Low skills base of local entrepreneurs	Facilitate coaching and mentoring programmes for SMME's.	Achieved
04	SR8	Mushrooming of Informal settlements and housing backlogs	1. Unavailability of Municipal owned land in urban areas for human settlement.	Conduct land survey for the approved township.	Achieved
			2. Ineffective	Conduct workshops with local municipalities in terms of access to funding to procure private owned	Achieved

No	Risk No	Risks/ Threats to Achieving Objective or Planned Output	Root Cause/ Contributing Factors	Future Action/ Treatment Plan	Progress to date
			IGR structures to coordinate human settlement initiatives.	land.	
				Include issues of housing in the District Spatial Working groups.	Achieved
05	SR9	Inadequate reduction of service delivery backlogs	1.Decreased water resources 2. Limited Financial resources 3.Aging bulk water infrastructure leading to water loss at local municipalities 4.Lack of master plan at local municipalities (Water sanitation Road and Electricity) 5Vandilising theft and unauthorized access to infrastructure assets of local municipalities (bohole ls vels)	Augmentation of current supply through ground water supply. Accept the risk and report to Council. Advising the Local Municipalities through the technical forum to prioritize bulk water infrastructure in their capital budgets (MIG and/ or WSIG). Advise Local Municipalities to provide security to infrastructure assets upon completion of projects.	Achieved Achieved Achieved Achieved

2.4.2. ANTI CORRUPTION AND FRAUD

Nkangala District Municipality subscribes to the principles of good corporate governance, which require conducting business in an honest and transparent fashion. The Municipality is also committed to fight fraudulent behaviour at all levels within the District. The Municipality has taken a stance that management of unethical behaviour, fraud and corruption risk is the responsibility of everyone in the Municipality.

To improve governance in the Municipality, the District has identified and focused on critical areas that require significant improvement to enhance governance controls in relation to fraud and corruption and the integrity of employees and other stakeholders doing business with the Municipality i.e. review of policies and strategies; fraud and corruption risk management; awareness and training; improvement of governance structures; partnerships with other public institutions and conflict of interest management and consequence management mechanisms.

Ethics, Fraud and Corruption Risks for 2020/21 financial year were identified, assessed and evaluated by the Municipality. Eleven (11) Ethics, Fraud and Corruption Risks for 2020/2021 financial year were identified and mitigation strategies were also developed, implemented and monitored during the financial year. The risk profile incorporated the top-five ethics, fraud and corruption risks and their progress report as at 30 June 2021.

TABLE 2.9 ETHICS, FRAUD AND CORRUPTION RISKS PROFILE:

The municipality has established Anti-Fraud and Anti-Corruption Hotline for employees, members of public and external stakeholders to report allegations of unethical behaviours, fraud and corruption. The hotline is managed independently by an independent service provider. Whistle Blowing Policy; Fraud and Corruption Policy; Fraud and Corruption Strategy were also reviewed for 2020/2021 Financial year implementation.

Below are table indicate number and progress of reported incidents from the Anti-Fraud and Anti-Corruption Hotline as at 30 June 2021.

Details	Number
Under investigation	4
Resolved cases	16
Total cases as at 30 June 2021	20

2.4.3. SUPPLY CHAIN MANAGEMENT

The District has established a fully effective, functional and Centralised Supply Chain Management Unit (SCM).

A. AMENDMENT AND OR REVIEW OF THE SCM POLICY

The NDM Policies were reviewed and approved through the council resolution number DM-ND 323/05/2020

B. COMPLIANCE AND REPORTING

Twelve (12) monthly deviation reports were submitted in terms of the SCM policy for the procurement of goods and services.

Four (4) quarterly reports and annual report were submitted in terms of the SCM policy.

The Municipality has shown an improvement with regards to the total amount of Expenditure made on deviations. The previous year's deviations came to a total of R 3 911 261 .84 for the 2019/2020 financial year compared to this financial year, made a total spend of R 594 997,87.

The Bid Committees have improved with regards to their commitment towards the attendance and performance of the bid committee meetings in the form of the average number of days it takes from the advertisement of tenders to the Bid consideration days. When compared to the last financial year , in the 2019/2020 financial year the annual average days came to a total of 31.98, while with the 2020/2021 the average days were 23,03 in total.

The Bid Committees have been established and are functional in accordance with the SCM Policies. In order to ensure that bid committees perform adequately and make informed decisions with regards to the SCM requirements, they are trained annually on bid committee prescripts. The committees were trained in October 2020.

An SCM District Forum was established in the financial year of 2019/2020. This forum was recommended for establishment in order to assist the District's local municipalities in improving their performance and work towards the achievement of a clean audit. The forum has been successful thus far but had a challenge with regards to attendance on the third and fourth quarter of the financial year. The reasons stated for the lack of attendance was the AG that completed its audit in April and thereafter there were project that were still behind regarding procurement and advertisement and the SCM managers had to attend to them therefore not being able to attend the forum.

At the beginning of the third quarter, the e-tender portal by National Treasury utilised to advertise tenders experienced technical problems and stopped working. Therefore as a municipality, we utilised the municipality's website to advertise all of our competitive bids.

2.4.4. BY –LAWS

TABLE 2.10 BY-LAWS GAZETTED DURING 2020/2021

NO	DESCRIPTION	PUBLIC PARTICIPATION CONDUCTED PRIOR TO ADOPTION OF BY-LAWS (YES/NO) AND DATE THEREOF	DATES OF PUBLIC PARTICIPATION	DATE OF PUBLICATION	GAZETTE NOTICE NO.
EMAKHAZENI LOCAL MUNICIPALITY					
1	Assessment Rates 2020/21	Yes	02 April 2020	17 July 2020	Notice 3173
2	Emakhazeni Municipality Management & Control of Informal Settlement by-law	Yes	02 April 2020	17 July 2020	Notice 3173
3	Emakhazeni Assessment tariff rates	Yes	02 April 2020	17 July 2020	Notice 3173
4	Emakhazeni Land Use Scheme	Yes	02 April 2020	17 July 2020	Notice 3173
EMALAHLENI LOCAL MUNICIPALITY					
5	Property Rates	Yes	26 March 2020	31 July 2020	Notice 3178
6	Levying Property Rates	Yes	26 March 2020	31 July 2020	Notice 3178
7	Prevention of Public Nuisances By-Law	Yes	19 August 2020	25 December 2020	Notice 3221
8	Business Trading By-Law	Yes	19 August 2020	25 December 2020	Notice 3221
9	Business Trading By-Law Reviewed	Yes	19 August 2020	21 May 2021	Notice 3264
10	Prevention of Public Nuisances By-Law Reviewed	Yes	19 August 2020	28 May 2021	Notice 3265

11	Electricity By-Law	Yes	26 November 2020	11 June 2021	Notice 3269
Dr. JS MOROKA LOCAL MUNICIPALITY					
12	Property Rates	Yes	31 March 2020	31 July 2020	Notice 3178
13	Tariff & Basic Services	Yes	31 March 2020	31 July 2020	Notice 3178
14	Credit Control by-law	Yes	31 March 2020	31 July 2020	Notice 3178
15	Tariff Structure	Yes	31 March 2020	31 July 2020	Notice 3178
VICTOR KHANYE LOCAL MUNICIPALITY					
16	Tariff by law	Yes	26 March 2020	31 July 2020	Notice 3178
17	Credit Control & Debt Collection by law	Yes	26 March 2020	31 July 2020	Notice 3178
18	Resolution on levying of property	Yes	26 March 2020	31 July 2020	Notice 3178
19	Municipal Property Rates	Yes	26 March 2020	31 July 2020	Notice 3178
THEMBSILIE HANI LOCAL MUNICIPALITY					
19	THLM Land Use Scheme	Yes	26 March 2020	31 July 2020	Notice 3178
20	Property Rates By-Law	Yes	26 March 2020	31 July 2020	Notice 3178
21	Indigent By-Law	Yes	26 March 2020	21 May 2021	Notice 3264
22	Credit Control and Debt Collection By-Law	Yes	26 March 2020	21 May 2021	Notice 3264
23	Tariff By-Laws	Yes	26 March 2020	28 May 2021	Notice 3265
24	Property Rates By-Laws	Yes	26 March 2020	28 May 2021	Notice 3265
DISTRICT WIDE					
25	Air Quality	Yes	29 July 2020	9 October	Notice

	Management			2020	3197
26	Nkangala Economic Development Agency	Yes	24 June 2020	21 May 2021	Notice 3264
27	Nkangala District Municipality Planning Tribunal	Yes	31 March 2021	11 June 2021	Notice 3269
*Note: See MSA Section 13. T 2.9.1					

2.4.5. WEBSITES

TABLE 2.11 MUNICIPAL WEBSITE: CONTENT AND CURRENCY OF MATERIAL

Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	June 2020
All current budget-related policies	Yes	June 2020
The Annual Report (2019/2020)	Yes	May 2021
All 2020/2021 Performance Agreements required in terms of Section 57(1)(b) of the Municipal Systems Act	yes	July 2020
IDP 2020/2021	Yes	June 2020
2020/2021 Service Delivery and Budget Implementation plan	Yes	June 2020
All information statement containing a list of assets over a prescribed value that have been disposed of in terms of Section 14(2) or (4) during 2019/2020	Yes	July 2021
All quarterly reports tabled to Council in terms of Section 52 (d) of 2020/2021	Yes	Quarterly
<i>Note: MFMA s75 sets out the information that a Municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and Municipal developments.</i>		

2.4.6. PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The satisfaction survey was conducted in 2018/2019 financial year. The findings of the survey reveal that the level of satisfaction on services has improved by 16.9% in the NDM, compared to 2016/17. This is due to the efforts by the NDM to provide continuous service delivery support to its Local Municipalities. Fortitudes are still essential for the NDM to improve the levels of satisfaction in the aspects of communication, which is rated 38.6%, road construction and maintenance, rated 42% and biodiversity which is rated 24.2%.

TABLE 2.12 SATISFACTION SURVEYS UNDERTAKEN DURING: 2018/2019 FINANCIAL YEAR

Subject matter of survey	Survey method	Survey date 2018/19	Survey results indicating satisfaction or better (%)* 2016/17	Survey results indicating satisfaction or better (%)* 2018/19
Overall satisfaction with:				
Municipal Service Delivery	Quantitative	2018/2019	28.3%	45.2%
Satisfaction with:				
(a) Refuse Collection	Quantitative	2018/2019	32.7%	51.8%
(b) Road Maintenance	Quantitative	2018/2019	18.3%	42.0%
(c) Electricity Supply	Quantitative	2018/2019	33.1%	50.0%
(d) Water Supply	Quantitative	2018/2019	26.0%	56.0%
(e) Information supplied by Municipality to the public	Quantitative	2018/2019	29.0%	38.6%
(f) Opportunities for consultation on Municipal affairs	Quantitative	2018/2019	-	-
(g) Environmental Management	Quantitative	2018/2019	34%	41.4%
(h) Fire rescue Services	Quantitative	2018/2019	52%	57.2%
(h) Biodiversity	Quantitative	2018/2019	21%	24.2%
<i>* The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory</i>				

The municipality will undertake new Community Satisfaction survey in 2022/2023 so that an assessment can be made to see whether there are changes in the trends that were found in

2018/2019. These surveys are very costly and it will not be possible to undertake them every year. However it is important to mention that the district municipality engages with communities on other platforms such as Mayoral Outreaches as well as IDP/Budget Processes to gauge level of satisfaction with service delivery issues.

CHAPTER 3 – SERVICE DELIVERY (PERFORMANCE REPORT PART I)

3.1 INTRODUCTION

Nkangala District Municipality (NDM) is a category C Municipality that has executive and legislative authority in the area of Nkangala which includes more than one (1) Local Municipality for which the District Council is responsible. NDM is not directly responsible for basic services implementation. Basic services in NDM are primarily rendered by the Local Municipalities. These include water, sanitation, electricity, road and storm water and community services. However, it supports all the Local Municipalities in the Nkangala District jurisdiction. Therefore, Technical Services Department manages the implementation of infrastructure capital projects in compliance with the Expanded Public Works Programme (EPWP) guidelines.

The Technical Services Department focuses, inter alia, on the following areas:

- i. Issue 12 – Water & Sanitation
- ii. Issue 13 – Electricity Supply
- iii. Issue 14 – Roads & Storm water

3.2. COMPONENT A: BASIC SERVICES

This component includes water; wastewater (sanitation); electricity and waste management.

TABLE 3.1 BASIC SERVICE DELIVERY IN SOUTH AFRICA, MPUMALANGA AND DISTRICTS

Indicator	National		Mpumalanga	Gert Sibande	Nkangala	Ehlanzeni
	Level	2014/15 target				
Households with formal housing (%)	72.4%	-	79.8%	70.0%	74.7%	90.0%
Formal housing backlog	3 711 528		203 480	84 772	76 957	41 752
Households with hygienic toilets (%)	69.1%	100%	54.1%	75.7%	44.0%	42.9%
Sanitation backlog	4 156 325	-	462 029	68 774	116 563	239 189
Households with water at/above	78.8%	100%	77.1%	84.5%	86.0%	67.8%

RDP level (%)						
Water backlog	2 847 569	-	230 978	43 995	29 148	135 101
Households with electrical connections (%)	80.2%	92%	82.3%	81.0%	74.0%	81.3%
Electricity backlog	2 659 153	-	178 115	53 860	54 266	78 464
Households with formal refuse removal (%)	61.0%	75%	45.9%	59.9%	42%	34.6%
Formal refuse removal backlog	5 247 071	-	544 327	113 581	119 206	274 091
Infrastructure index	0.69	-	0.65	0.70	0.66	0.60

SOURCE: STATS SA-2011

The table above depicts the basic service delivery on national, provincial and district level. Nkangala District Municipality is the second of the 3 Districts in the Province with all the indicators in terms of access to services and backlogs, with the exception of electricity connections.

3.2.1 WATER PROVISION

The NDM has made significant investments in Water and Sanitation infrastructure in the District during the past few years.

Households with hygienic toilets: Nkangala showed a slight decrease in the percentage of households with hygienic toilets from 49.5% in 1996 to 44% in 2012. Nkangala registered 44% of households with hygienic toilets that are higher than the provincial percentage (34%). This is lower than the 2014 national target of 100%. In 2012, the lowest percentages of households with hygienic toilets were recorded in Thembisile (5%), Dr JS Moroka (10%) and Emakhazeni (57%), whereas the highest percentages were registered in Emalahleni (77%), Victor Khanye (63%) and Steve Tshwete (80%). Households without hygienic toilets in the District were recorded at 116 563 making it 26% of the provincial backlogs in 2012. Emakhazeni recorded the lowest backlog in the District with 3 927 households without sanitation while Thembisile had the highest in the District with 44 764 households.

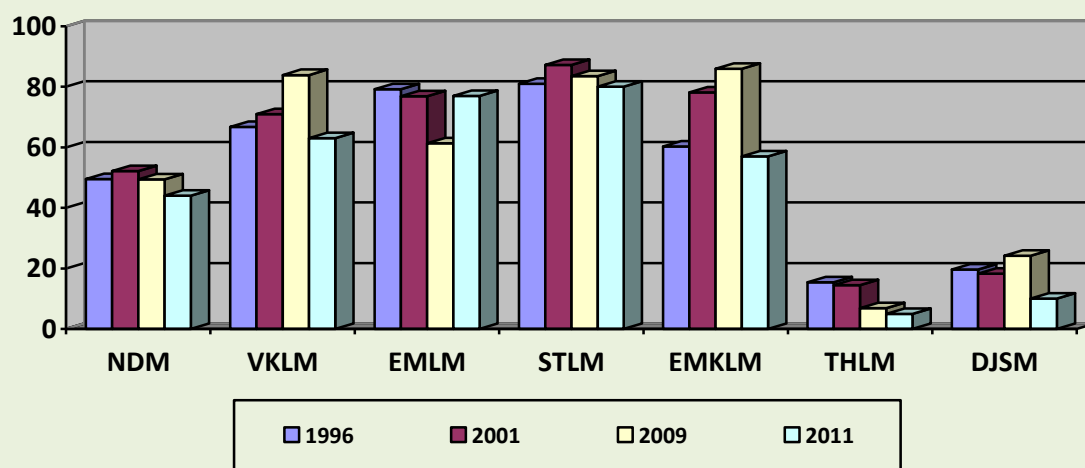


FIGURE 3.1: PERCENTAGE OF HOUSEHOLDS WITH HYGIENIC TOILETS IN NKANGALA AND ITS LOCAL MUNICIPALITIES, 1996 – 2011

Households with piped water at/above RDP level: Figure 3.1 shows the percentage of households with piped water at/above RDP-level in Nkangala and its Local Municipalities. The households in Nkangala showed an improvement in access of piped water at/above RDP - level from 81.9% in 1996 to 86% in 2011, thus represents an increase of 4.1 percentage points. Nkangala recorded a percentage above the provincial average of piped water at or above RDP-level at 83% during the period under review. Among six Local Municipalities in Nkangala, Emalahleni (95.0%) registered the highest percentage of households with piped water at/above RDP level followed by Steve Tshwete and Thembisile (89.0%) whereas Dr JS Moroka (72.0%) recorded the lowest percentage. Households without piped water at or above RDP-level in Nkangala were recorded at 29 148 households in 2011 and contributed 25% to the provincial backlog of 114 666 households. Victor Kanye recorded the lowest backlog with 2 140 and Dr JS Moroka had the highest backlog of 13 350 households without water.

Figure 3.3 Percentage of households with piped water at/above RDP level in Nkangala and its Local Municipalities, 1996 - 2011

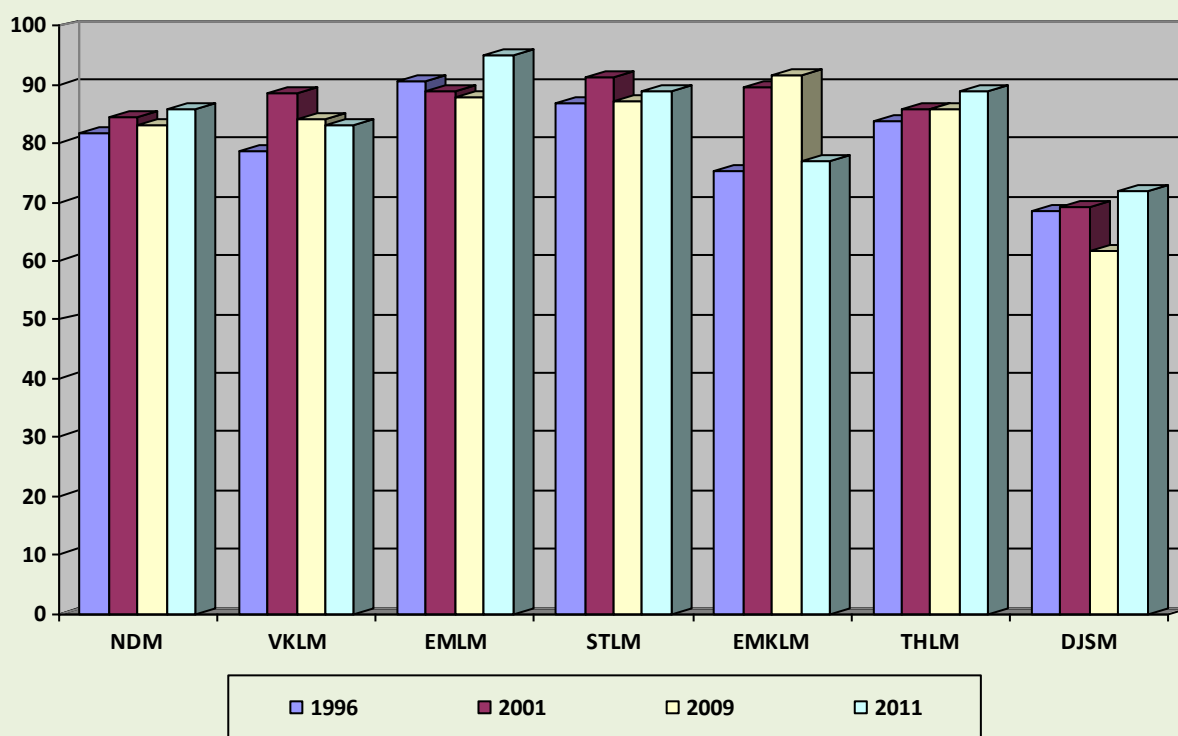


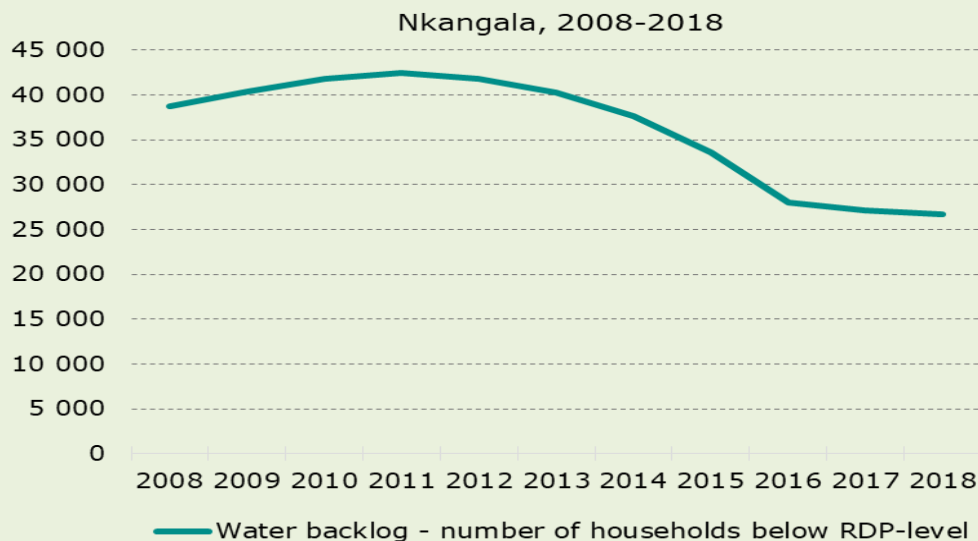
TABLE 3.2 WATER USE BY SECTOR

Water Service Delivery Levels		
Households		
Description	Year 2019/2020	Year 2020/2021
	Actual No.	Actual No.
Piped Water Inside Dwelling	163 225	163 225
Piped Water Inside Yard (but not in dwelling)	203 227	203 227
Communal Piped Water: Less than 200m from Dwelling (At RDP Level)	40 944	40 944
Communal Piped Water: More than 200m from Dwelling (Below RDP Level)	15 713	15 713
No Formal Piped Water	11 016	11 016
Total Households (Nkangala District Municipality)	434 124	434 124

SOURCE: NDM IDP:

The Municipality with the highest number of households with piped water inside the dwelling is Emalahleni Local Municipality with 76 549 or a share of 46.90% of the households with piped water inside the dwelling within Nkangala District Municipality. The Municipality with the lowest number of households with piped water inside the dwelling is Emakhazeni Local Municipality with a total of 6 929 or a share of 4.25% of the total households with piped water inside the dwelling.

Water Backlogs – Number of Households below RDP Level (Source: IHS Markit Regional Explorer):



When looking at the water backlogs (number of households below RDP-level) over time, it can be seen that in 2008 the number of households below the RDP-level were 38 700 within Nkangala District Municipality, and this decreased annually at -3.64% per annum to 26 700 in 2018.

TABLE 3.4 STATUS OF BULK WATER SUPPLY (SOURCE – LOCAL MUNICIPALITIES):

Municipality	Sources	Total Measured Supply (MI/ Day)	Total Demand (MI/ Day)	Shortfall or Surplus (MI/ Day)
Victor Khanye	Rand Water (Bloemendal, Modder Bee and Delmas WTW)	23.13	30.0	- 6.87
Emalahleni	Witbank WTW, Package Plant, Anglo, Glencore, Rietspruit WTW and Ga-Nala WTW	130.0	167.0	- 37.0
Steve Tshwete	Vaalbank WTW, Kruger WTW, Hendrina WTW and Presidentsrus	68.0	49.18	+ 8.82
Emakhazeni	Elandsfontein River (Machadodorp Town), Belfast Dam, Elandsfontein River (Waterval Boven) and Crocodile River (Dullstroom)	11.9	10.6	+ 0.4

Thembisile Hani	Rand Water, City of Tshwane, Dr. JS Moroka and Bundu Weir WTW	42.3	74.1	- 31.8
Dr. J.S. Moroka	Kameelrivier WTW (82%) and Boreholes (16%)	32.0	64.76	- 32.78
Nkangala DM	-----	307.33	395.64	- 88.31

Notes: Extremely high water losses are experienced in the district, especially in the jurisdiction of Dr. JS Moroka, Emalahleni and Thembisile Hani Local Municipalities due to ageing bulk water infrastructure, and inadequate operations and maintenance. Emalahleni has a high volume of informal settlements which have an estimated demand of approximately 49 Ml/ Day.

The greatest challenge that the NDM faces is in terms of the availability of water resources, as well as the distribution and management of water services in the areas under traditional leadership. In terms of access to water for drinking (2016 Community Survey), most households (82.9%) have access to piped (tap) water. It is evident that 82.3% of households within Thembisile only have access to piped (tap) water in the yard. Below is an update of the level of access provided in the IHS Markit Regional explorer, 2019.

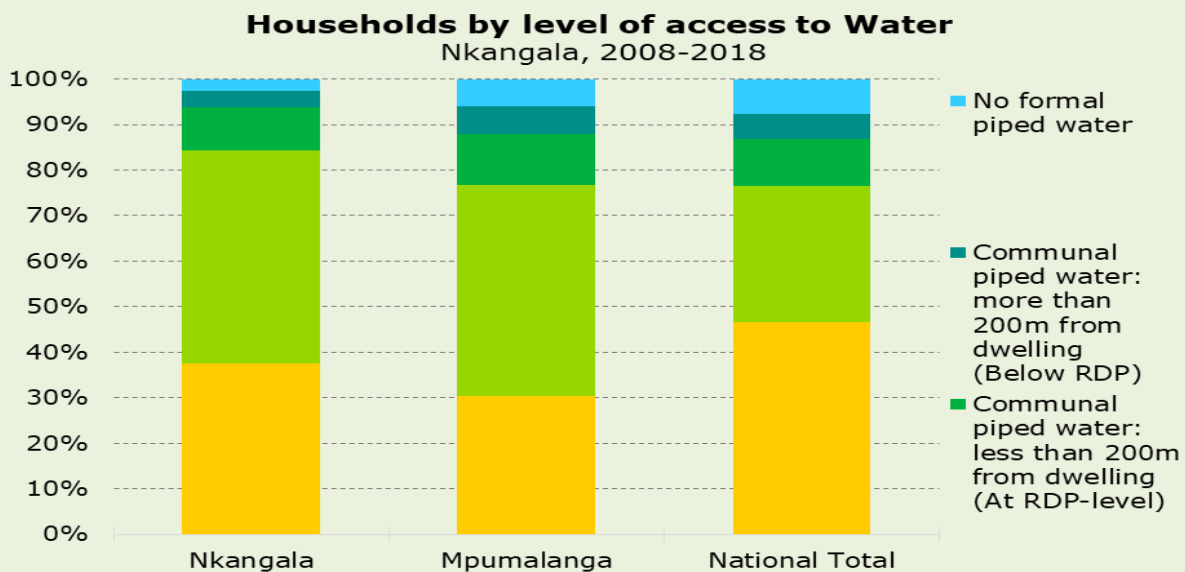


TABLE 3.5 CAPITAL EXPENDITURE YEAR 2020/ 2021 – WATER PROJECTS:

Project No.	Project Description	Budget (R)	Expenditure (R)	% Exp.	Variance (R)	% Var.
34397	Supply, Delivery and Registration	R	R	100%	R 0.20	0%

Project No.	Project Description	Budget (R)	Expenditure (R)	% Exp.	Variance (R)	% Var.
	of Three Water Tankers in Dr. J.S. Moroka Local Municipality	3 604 344.00	3 604 343.80			
150372	Provision of Water through Water Tankers in Dr. J.S. Moroka Local Municipality	R 2 067 000.00	R 2 065 820.00	100%	R 1 180.00	0%
57490	Madubaduba and Moripe Gardens Bulk Water Supply in Dr. J.S. Moroka Local Municipality	R 13 887 827.00	R 13 887 825.56	100%	R 1.44	0%
121666	Installation of Siyathuthuka Water Reticulation in Emakhazeni Local Municipality	R 6 051 404.00	R 6 051 404.00	100%	R 0.00	0%
149736	Refurbishment of Bulk Water Valves in Emalahleni Local Municipality	R 7 748 982.00	R 2 422 054.32	31%	R 5 326 927.68	69%
57518	Refurbishment of Boreholes and Elevated Steel Tank in Victor Khanye Local Municipality, Phase 2	R 1 000 000.00	R 1 000 000.00	100%	R 0.00	0%
150362	Loskop Regional Bulk Water Supply Scheme for Thembisile Hani Local Municipality	R 24 162 760.00	R 3 247 001.43	13%	R 20 915 758.57	87%
149931	Rand Water Intervention Program	R 4 347 826.00	R 4 347 695.63	100%	R 130.37	0%
--	Totals	R 62 870 143.00	R 36 626 144.74	58%	R 26 243 998.26	42%

Detail	2019/ 2020	2020/ 2021
Water Project Expenditure	R 27 534 859.86	R 36 626 144.74

3.2.2 WASTE WATER (SANITATION) PROVISION

In Mpumalanga Province, all the category B Municipalities have been authorised for the Water Services Authority (WSA) function. However, some of the Local Municipalities within the Nkangala region do not have sufficient capacity to perform their WSA functions. The delivery of basic services is essential in improving the quality of life and sustainable development for communities. For a household to be considered to have adequate access to sanitation, the household should have proper, affordable, hygienic and accessible sanitation. The Nkangala District Municipality (NDM) is performing

its required and expected role in building capacity at local level and ensuring adequate sector planning and co-ordination. The NDM has made significant investments in Water and Sanitation infrastructure in the District during the past few years.

Sanitation can be divided into specific types of sanitation to which a household has access. We use the following categories:

No toilet - No access to any of the toilet systems.

- Bucket system - A top structure with a seat over a bucket. The bucket is periodically removed and the contents disposed of. (Note: this system is widely used but poses health risks to the collectors. Most authorities are actively attempting to discontinue the use of these buckets in their local regions).
- Pit toilet - A top structure over a pit.
- Ventilation improved pit - A pit toilet but with a fly screen and vented by a pipe. Depending on soil conditions, the pit may be lined.
- Flush toilet - Waste is flushed into an enclosed tank, thus preventing the waste to flow into the surrounding environment. The tanks need to be emptied or the contents pumped elsewhere.

Nkangala District Municipality has a total number of 239 000 flush toilets (54.96% of total households), 77 500 Ventilation Improved Pit (VIP) (17.85% of total households) and 108 000 (24.95%) of total households pit toilets, and this is depicted below.

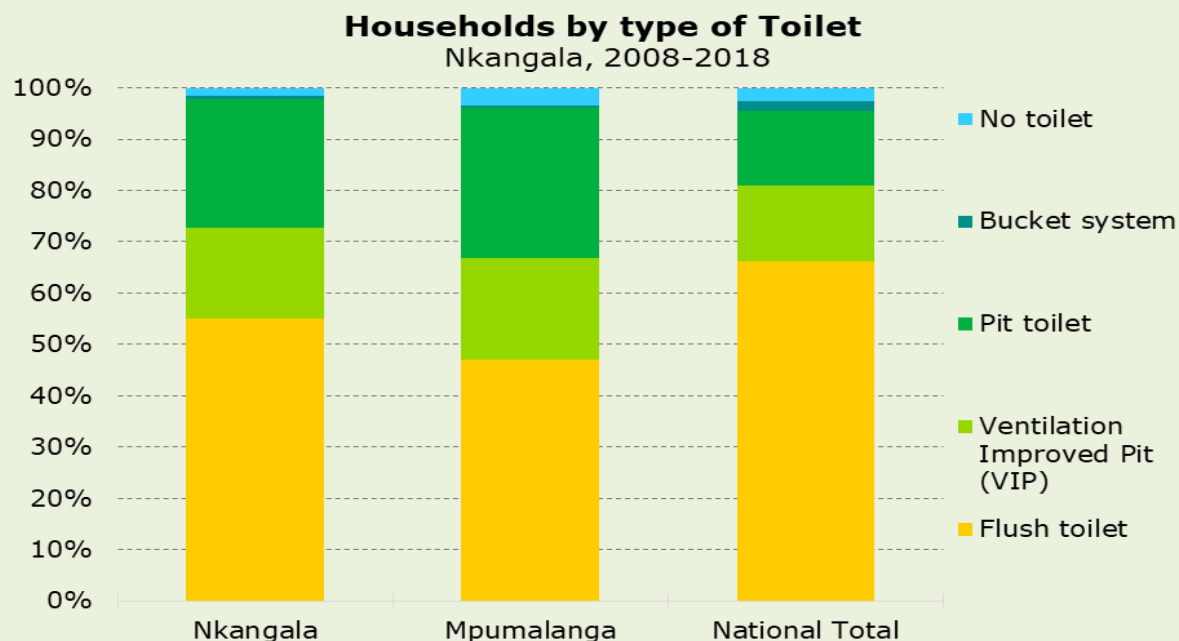


TABLE 3.6: WASTE WATER PROVISION

Sanitation Service Delivery Levels	Year 2019/ 2020	Year 2020/ 2021
*Households	434 124	434 124
Description	Year 2019/ 2020	Year 2020/ 2021
	Actual No.	Actual No.
Flush Toilets (connected to sewerage)	238 614	238 614
Ventilation Improved Pits (VIP's)	77 487	77 487
Pit Toilets	108 335	108 335
Bucket Systems	2 876	2 876
No Toilets	6 811	6 811
Total Households (Nkangala District Municipality)	434 124	434 124

TABLE: 3.7: HOUSEHOLDS BY TYPE OF SANITATION:

Municipality	Flush Toilets	Ventilation Improved Pits (VIP's)	Pit Toilets	Bucket System	No Toilets	Total
Dr. JS Moroka	8 760	31 318	26 487	153	720	67 438
Emakhazeni	12 299	383	1 584	91	841	15 198
Emalahleni	108 800	8 674	29 420	408	2 098	149 400
Steve Tshwete	75 253	5 753	4 182	1 254	1 046	87 489
Thembisile Hani	10 365	31 003	45 409	652	1 769	89 198
Victor Khanye	25 137	356	1 252	319	338	25 402
Total for Nkangala	238 614	77 487	108 335	2 876	6 811	434 124

The municipality within Nkangala with the highest number of flush toilets is Emalahleni Local Municipality with 108 800 HH or a share of 45.60% of the flush toilets within Nkangala. The municipality with the lowest number of flush toilets is Dr JS Moroka Local Municipality with a total of 8 760 HH or a share of 3.67% of the total flush toilets within Nkangala District Municipality.

TABLE 3.8: ACCESS TO SANITATION

Financial Year	Proportion of Households with Access to Sanitation
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2015/ 2016	240 348
2016 /2017	242 658
2017/ 2018	247 511
2018/ 2019	266 207
2019/ 2020	200 481
2020/ 2021	204 145

TABLE 3.9: CAPITAL EXPENDITURE YEAR 2020/ 2021 - SANITATION PROJECTS:

Project No.	Project Description	Budget (R)	Expenditure (R)	% Exp.	Variance (R)	% Var.
121663	Installation of Siyathuthuka Sewer Reticulation in Emakhazeni Local Municipality	R 6 086 914.00	R 6 086 914.00	100%	R 0.00	0%
121662	Construction of Low Flush Toilets in Steve Tshwete Local Municipality	R 333 333.00	R 320 610.60	96%	R 12 722.40	4%
149743	Upgrading and Refurbishment of Delmas Waste Water Treatment Works in Victor Khanye Local Municipality	R 10 155 328.00	R 10 145 737.04	100%	R 9 590.96	0%
69518	Desludging of VIP Toilets and Septic Tanks in Dr. J.S. Moroka Local Municipality	R 908 726.00	R 583 250.00	64%	R 325 476.00	36%
69517	Desludging of VIP Toilets and Septic Tanks in Emalahleni Local Municipality	R 2 000 000.00	R 1 959 840.59	98%	R 48 159.41	2%
149931	Rand Water Sanitation Intervention Program	R 4 347 826.00	R 4 347 695.63	100%	R 130.37	0%
--	Totals	R 23 832 127.00	R 23 446 047.86	98%	R 396 079.14	2%

TABLE 3.10: OVERALL PROJECT EXPENDITURE

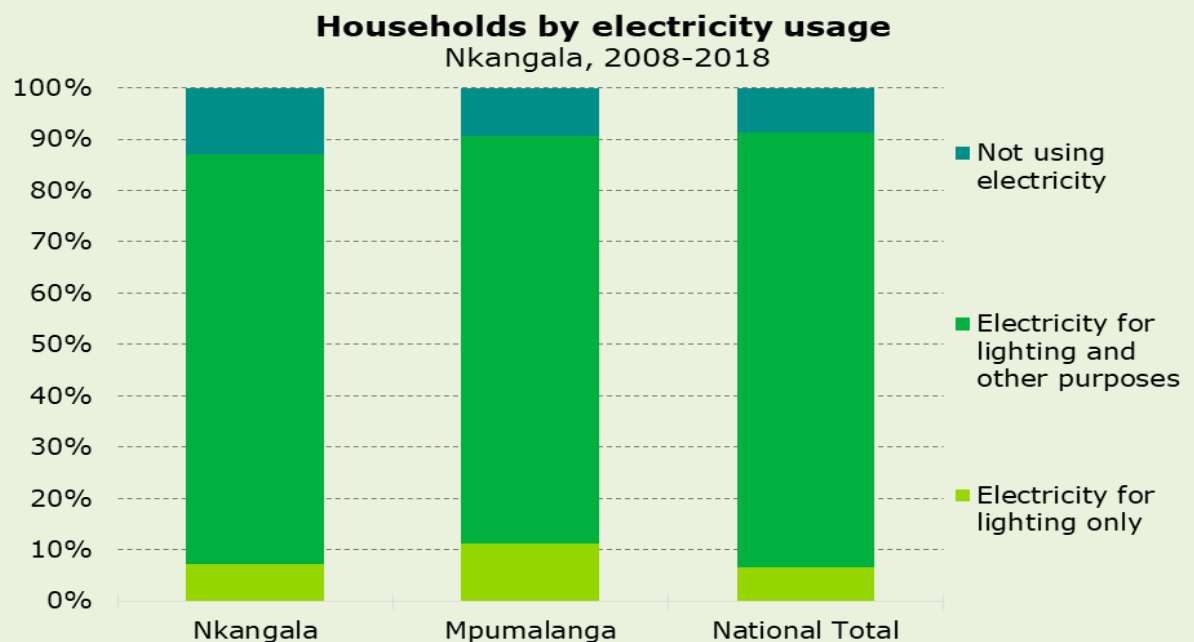
Detail	2019/ 2020	2020/ 2021
Sanitation projects expenditure	R 30 673 594.85	23 819 404.58

3.2.3 ELECTRICITY

In Nkangala District Municipality, four (4) of our Local Municipalities, namely: Steve Tshwete, Emalaheni, Victor Khanye and Emakhazeni have been authorized for the electricity supply function, but the two (2) western Highveld Municipalities Thembisile Hani and Dr JS Moroka Local Municipalities are serviced by Eskom. The Nkangala District Municipality (NDM) performs its required and expected role in building capacity at local level and ensuring adequate sector planning, co-ordination and support.

Households are distributed into 3 electricity usage categories: Households using electricity for cooking, Households using electricity for heating, households using electricity for lighting. Household using solar power are included as part of households with an electrical connection. This time series categorises households in a region according to their access to electricity (electrical connection).

Below is a chart depicting the households by type of electricity connection (Source: IHS Markit Regional Explorer):



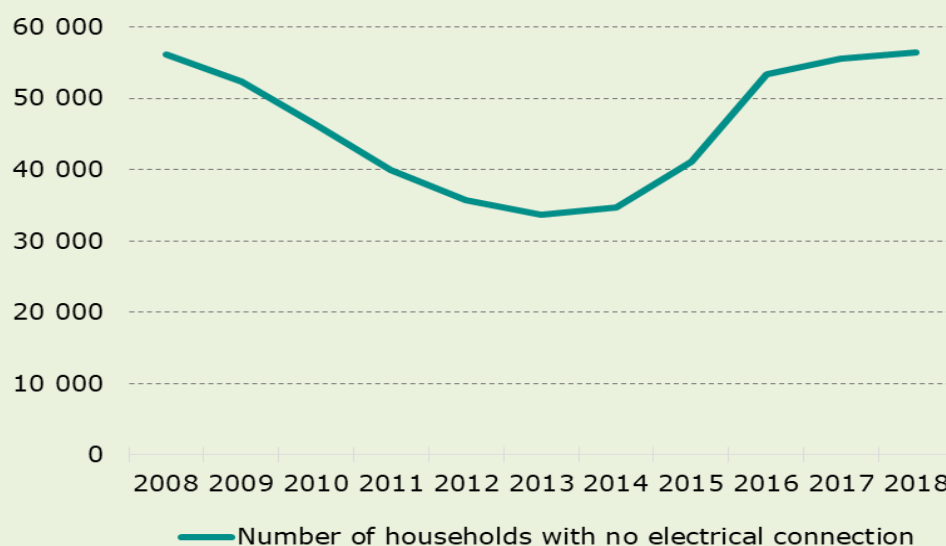
Nkangala District Municipality had a total number of 31 400 (7.25%) households with electricity for lighting only, a total of 346 000 (79.74%) households had electricity for lighting and other purposes and a total number of 56 500 (13.02%) households did not use electricity.

TABLE 3.12: HOUSEHOLDS BY TYPE OF ELECTRICAL CONNECTION (SOURCE: IHS MARKIT REGIONAL EXPLORER):

Local Municipality	Electricity for Lighting Only	Electricity for Lighting and other Purposes	Not Using Electricity	Total
Dr. JS Moroka	9 904	56 055	1 479	67 438
Emakhazeni	5 353	7 625	2 219	15 198
Emalahleni	3 361	106 422	39 618	149 400
Steve Tshwete	4 018	76 350	7 121	87 489
Thembisile Hani	5 217	80 066	3 915	89 198
Victor Khanye	3 603	19 647	2 152	25 402
Total for Nkangala	31 455	346 165	56 504	434 124

The Municipality within Nkangala with the highest number of households with electricity for lighting and other purposes is Emalahleni Local Municipality with 106 422 or a share of 30.74% of the households with electricity for lighting and other purposes within Nkangala District Municipality. The Municipality with the lowest number of households with electricity for lighting and other purposes is Emakhazeni Local Municipality with a total of 7 625 or a share of 2.20% of the total households with electricity for lighting and other purposes within Nkangala District Municipality.

Electricity Connection – Number of Households with no Electrical Connection (Source: IHS Markit Regional Explorer):



When looking at the number of households with no electrical connection over time, it can be seen that in 2008 the households without an electrical connection in Nkangala District Municipality was 56 100, this increased annually at 0.07% per annum to 56 500 in 2018. The total number of households within Nkangala District Municipality increased at an average annual rate of 3.06% from 2008 to 2018, which

is higher than the annual increase of 2.13% in the number of households in South Africa. With high in-migration into a region, the number of households increases, putting additional strain on household infrastructure. In the short to medium term, this can result in an increase in the number of households not living in a formal dwelling, as the provision of household infrastructure usually takes time to deliver.

TABLE 3.13: CAPITAL EXPENDITURE YEAR 2020/ 2021 - ELECTRICITY PROJECTS:

Project No.	Project Description	Budget (R)	Expenditure (R)	% Exp.	Variance (R)	% Var.
119984	Installation of High Mast Lights in Dr JS Moroka Local Municipality	R 906 687.00	R 906 687.00	100%	R 0.00	0%
	Total	R 906 687.00	R 906 687.20	100%	R 0.00	0%

TABLE 3.14: ELECTRICITY PROJECTS EXPENDITURE

Detail	2019/ 2020	2020/ 2021
Electricity projects expenditure	R 1 152 400.00	R 906 687.20

3.2.4 WASTE MANAGEMENT

The mandate of a District Municipality in respect of waste management is covered in section 84 (e) of the Local Government: Structures Act 117 of 1998, and it provides as follows, “*solid waste disposal sites in so far as it relates to the determination of the waste disposal strategy, the regulation of the waste disposal, the establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one Local Municipality in the District*”. The NDM provided support as per the below table.

TABLE 3.15: CAPITAL EXPENDITURE YEAR 2020/2021: WASTE DISPOSAL

Not applicable

3.2.5 FREE BASIC SERVICES AND INDIGENT SUPPORT

Communities within the jurisdiction of the NDM receive Free Basic Services (FBS) from their **respective** Local Municipalities as per their adopted indigent policy.

3.3 COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and wastewater (storm water drainage).

3.3.1. ROAD AND STORM WATER

The NDM does not have as a core function the responsibility of Municipal Roads in its jurisdiction and therefore does not have roads assets or infrastructure, but upgrade and implemented as per the requested from Local Municipalities. For 2020/2021 financial year, design processes and construction of various roads in the district were conducted, off which some of the roads and Stormwater projects are multi-year projects, notwithstanding procurement of roads and Stormwater machinery and equipment.

However, the NDM is currently busy with a Rural Roads and Assets Management System assessment for the District, which will guide Local Municipalities on the prioritization of road network development and maintenance. The maintenance of roads and Stormwater infrastructures is necessary in order to facilitate economic growth, social development, promote traffic safety, improve traffic flow and alleviate/ minimize the extent of the damage that is normally caused by heavy rain especially in the summer and spring season. Maintenance of surfaced roads is done through internal municipal resource by patching of potholes and manual booming. A network of stone pitched, concrete and earth channels are mostly situated in Mbibane and Mdotjana unit area since the areas are sloppy while Mathanjana unit area is mostly flat; soil types within each magisterial unit take precedence. These infrastructures are maintained through municipal general workers who still need to be beefed up. Training and skills transfers are required to effectively maintain the municipal roads and Stormwater infrastructure.

TABLE 3.16: LOCAL MUNICIPALITY

Local Municipality	Total Km's of Roads that Require Surfacing	Total Km's of Roads that Require Potholes Patching
Dr. JS Moroka	2 510 km's	210 km's
Emakhazeni	510 km's	398 km's
Emalahleni	557 km's	430 km's
Steve Tshwete	168 km's	130 km's
Thembisile Hani	2 474 km's	213 km's
Victor Khanye	210 km's	80 km's
Total	6 539 km's	1 461 km's

ROAD NETWORK LENGTH FROM DESKTOP SURVEY:

TABLE 3.17: GRAVEL ROAD INFRASTRUCTURE

				Kilometres
Year	Total Gravel Roads	New Gravel Roads Constructed (km)	Gravel Roads Upgraded to Surfacing	Gravel Roads Graded/ Maintained
2012 /2013	0	0	11 599 (11.5 km's)	40 533.6 (40.5 km's)
2013/ 2014	0	0	13 399 (13.4 km's)	57 438 (57.44 km's)
2014/ 2015	0	5 780 (5.780 km)	5 780 (5.78 km's)	12 563 (12.563 km's)
2015/ 2016	5 835.34 km's	0	12 750 (12.75 km's)	0
2016/ 2017	0	0	10 650 (10.65 km's)	0
2017/ 2018	0	0	0	0
2018/ 2019	0	0	0	0
2019/ 2020	0	0	0	0
2020/ 2021	6 539.00 km's	0	6 800 (6.8 km's)	0

TABLE 3.18: SURFACED ROAD INFRASTRUCTURE

	Total Surfaced Roads	New Surfaced Roads	Existing Surfaced Roads Re-Surfaced	Existing Surfaced Roads Re-Sheeted	Surfaced Roads Maintained Kilometres
2012/ 2013	0	0	1.8km	0	0
2013/ 2014	0	0	0	4.4km	0
2014/ 2015	0	0.8km	3.38km	0	0
2015/ 2016	2.27km	0	0	0	0
2016/ 2017	9.15km	9.15km	0	0	0
2017/ 2018	8.71km	8.71km	0	0	0
2018/ 2019	0	0	0	0	Only design processes of the roads and Stormwater projects were completed.
2019/ 2020	2.96 km's	4.21 km's	0	0	0
2020/ 2021	7.5 km's	7.5 km's	0	0	0

TABLE 3.19: COST OF CONSTRUCTION/ MAINTENANCE

Year	Gravel			Tar		
	New	Gravel – Tar	Maintained	New	Re-worked	Maintained
2012/ 2013	0		22 000 000.00	0		8 500 000.00
2013/ 2014	0	35 500 000.00	39 340 581	0		2 300 000.00
2014/ 2015	0	3 131 389.68	15 876 480.00	0	22 338 284.33	0.00
2015/ 2016	0	25 342 504.19	0	0	0	0
2016/ 2017	0	77 238 508.49	0	0	0	0
2017/ 2018	0	27 581 598.35	0	0	0	0
2018/ 2019	0	0	0	0	0	0
2019/ 2020	0	0	0	0	22 206 402.97	0
2020/ 2021	0	0	0	0	42 026 960.00	0

Note: Operation and maintenance is the competency of our Local Municipalities.

TABLE 3.20: CAPITAL EXPENDITURE YEAR 2019/ 2020 – ROADS AND STORM WATER PROJECTS:

Project No.	Project Description	Budget (R)	Expenditure (R)	% Ex p.	Variance (R)	% Var.
57508	Mabuyeni Stormwater Drainage Systems in Dr. J.S. Moroka Local Municipality	R 1 500 000.00	R 1 381 700.00	92 %	R 118 300 .00	8%
57504	Construction of Ga-Morwe to Mthambothini Vehicle Bridge in Dr. J.S. Moroka Local Municipality	R 16 121 101.00	R 14 417 475.06	89 %	R 1 703 625.94	11 %
107256	Construction of Internal Roads (Botleng) in Victor Khanye Local Municipality	R 1 496 970.00	R 1 496 969.44	100 %	R 0.56	0%
57528	Construction of Somaphepha Road in Steve Tshwete Local Municipality	R 12 866 734.00	R 12 517 578.43	97 %	R 349 155 .57	3%
57527	Construction of Tokologo (Ezinyokeni) Road in Steve Tshwete Local Municipality	R 17 888 511.00	R 15 403 784.87	86 %	R 2 484 726.13	14 %
149737	Construction of Empumelelweni Bus and Taxi Road in Emalahleni Local Municipality	R 5 937 0	R 2 967 2	50 %	R 2 969 7	50 %

Project No.	Project Description	Budget (R)	Expenditure (R)	% Exp.	Variance (R)	% Var.
		00.00	98.73		01.27	
149734	Refurbishment of Street Town Roads In Emalahleni Local Municipality	R 4 000 000.00	R 829 400.25	21 %	R 3 170 599.75	79 %
57531	Construction of Ward 4 Stormwater in Thembisile Hani Local Municipality	R 3 436 570.00	R 2 861 481.28	83 %	R 575 088.72	17 %
150365	Supply, Delivery and Registration of Three Motor Graders in Thembisile Hani Local Municipality	R 14 053 356.00	R 14 053 345.44	100 %	R 0.56	0%
150366	Supply, Delivery and Registration of One 30 Ton Stepdeck Trailer in Thembisile Hani Local Municipality	R 610 000.00	R 0.00	0%	R 610 000.00	100%
57523	Supply, Delivery and Registration of Three Tractor-Loader-Backhoes (TLB's) in in Thembisile Hani Local Municipality	R 4 770 374.00	R 4 770 374.00	100 %	R 0.00	0%
150367	Supply, Delivery and Registration of One Jet Patcher Truck in in Thembisile Hani Local Municipality	R 6 133 651.00	R 0.00	0%	R 6 133 651.00	100%
150368	Supply, Delivery and Registration of Two 14-Seater Mini-Buses in in Thembisile Hani Local Municipality	R 1 559 230.00	R 1 559 230.00	100 %	R 0.00	0%
150369	Supply, Delivery and Registration of One 2 000 Litre Diesel Bowser in Thembisile Hani Local Municipality	R 83 824.00	R 0.00	0%	R 83 824.00	100%
150 363	Supply and Delivery of One 20 Ton Excavator in Thembisile Hani Local Municipality	R 2 450 781.00	R 2 450 781.00	100 %	R 0.00	0%
150364	Supply and Delivery of One Pneumatic Grid Roller in Thembisile Hani Local Municipality	R 1 205 667.00	R 1 205 666.96	100 %	R 0.04	0%
7302/14	Rural Road Asset Management System (RRAMS)	R 2 198 000.00	R 2 197 999.98	100 %	R 0.02	0%
--	Total	R 96 311 769.00	R 78 113 085.44	81 %	R 18 198 673.00	19 %

TABLE 3.21: OVERALL EXPENDITURE

Detail	2019/ 2020 (R)	2020/ 2021 (R)
Roads and Stormwater Project Expenditure	R 78 970 921.91	R 78 113 085.44

TABLE 3.22: SERVICE OBJECTIVES AND INDICATORS

Service Objectives	Outline Service Targets	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021
Service Indicators (i)	(ii)	Actual	Actual	Actual	Actual
Support Local Municipalities in developing Roads infrastructure	13 Km of Municipal roads developed	8.75km	21km	11km	7.5km

3.3.2. TRANSPORT

Transport planning unit is responsible for all activities related to transportation planning within the Nkangala District Municipality. The District is assisting all the six Local Municipalities in the development of transport planning strategic plans such as Integrated Transport Plans (ITP), Public Transport by- laws to ensure that local municipalities fulfil their transport related functions.

The Nkangala District has planned two district transport forums for 2020/2021 financial year. However, only one district transport forum was held in October 2020.

The second district transport forum was not held due to Covid- 19 regulations which prohibits large gatherings and the preferred mechanism to hold meeting is physical meetings. Virtual meetings were impossible due to the fact that these stakeholders do not have the capacity to hold meetings that require data and gadgets. This is because 98% of the Transport Stakeholders are in the Taxi Industry as represented by various Taxi Associations. As it is widely known that there is always ongoing feuds around competition for taxi routes, it is also risky to proceed with the transport forum due to these reasons. The matters around taxi routes disputes also attracted the intervention of the relevant Member of Executive Council responsible for transport matters in the Mpumalanga Province.

More importantly, it was assessed that there is a high risk of holding physical meetings due to the ongoing taxi feuds in the district. These issues requires the Provincial Regulatory Entity and the local municipalities to deal with the conflicts. A decision was taken for the transport forum to be put on hold until the conflicts are resolved. It is also important to mention that Nkangala District Municipality is currently implementing District Development Model (DDM) and as such transport related matters will be integrated in the DDM structures.

The following have been achieved in the financial year 2020/2021:

- I. The following project was funded and implemented by the National Department of Transport.
 - Integrated Public Transport Network Plan for Nkangala District Municipality.
- II. The following projects were started in the 2019/2020 financial year but due other challenges and Covid 19 pandemic it was not possible to complete on time. However, the project was successfully completed in the 2020/2021 financial year.
 - Public Transport by-law for Dr JS Moroka Local Municipality ;
 - Integrated Transport Plan for Thembisile Hani Local Municipality.

3.4 COMPONENT C: PLANNING AND DEVELOPMENT

This component includes planning; and local economic development.

3.4.1. PLANNING DEVELOPMENT

This include all activities related to the formulation, monitoring, implementation, evaluation and review of strategic plans for the entire District. It also includes assistance to Local Municipality with processing of application to local land use planning and development. Amongst others the following are the key deliverables of development planning:

- To coordinate the planning, adoption and review of the District Integrated Development Plan (IDP).
- To develop, manage and regulate the built and natural environment through the implementation and review of the land use management system, the implementation of statutory planning legislation and maintenance of planning procedures in order to ensure a sustainable built environment for the District.
- To lead, manage and direct sustainable urban growth and spatial transformation through the preparation and implementation of short, medium and long term spatial plans.

TABLE 3.23: THE ACHIEVEMENTS FOR 2020/2021:

	2018/2019			2019/2020			2020/2021		
Type of Application	Received	Approved	Received	Approved	Received	Pending	Received	Approved	Pending
Discretionary Use	9	1	9	1	9	8	22	9	13
Subdivision	6	2	6	2	6	4	8	4	4
Rezoning	18	8	18	8	18	10	27	14	13
Township Establishment	7	1	7	1	7	2	13	8	5
Consolidation	3	1	3	1	3	2	11	4	7
Exemptions	13	11	13	11	13	2	7	3	4
Total	56	24	56	24	56	28	88	42	46

TABLE 3.24: PROJECT EXPENDITURE YEAR 2020/2021 DEVELOPMENT PLANNING PROGRAMME

Expenditure Year 2020/2021 PED Services			
Projects	Budget (R)	Project Expenditure Budget (R)	Variance (%)
DR JS MOROKA LOCAL MUNICIPALITY			
State Land Release on Various Properties within Dr. JS Moroka LM: Singlethorn 653 JR (Portion 4 of Enkeldoorn 217 JR), Remainder of Enkeldoornoog 219 JR, Portion of portion 15 Leeuwfontein 228 JS	R 1 207 500, 00	R1 087 000.00	R120,500.00
Township Establishment/ Formalisation 2020/21 Financial Year Portion 30 and 32 of the Farm Valschfontein No. 33-JS	R1 649 000.00	R1 649 000.00	R0.00
Land Surveying & Pegging	R250 000.00	R250 000.00	R0.00

Moripe Industrial Precinct on Portion 7 of the Farm Kameelrivier No. 160-Jr			
Public Transport and Non- Motorised Transport by-laws for Dr JS Moroka Local Municipality	R 345 655.00	R 172.827.50	R172 827,95
THEMBISILE HANI LOCAL MUNICIPALITY			
State Land Release on Various within Thembisile Hani LM State Land Release for Portion 2 of the Farm Leeuwfontein 188 JR, Portion 2 and 3 of Rooifontein 171 JR, Portion 1 of the farm Pankoppen 36 JR	R 1 207 500, 00	R1 087 000.00	R120,500.00
Township Establishment Thembisile Hani Local Municipality on the Remainder of Portion 5 of Vlaklaagte 221 JR, Portion 1 of Hartebeesfontein 224 JR and the Remainder of Portion 8 & 1 of the Farm Gemsbokfontein (Formalisation of Informal Settlements)	R1 649 000.00	R1 649 000.00	R0.00
Surveying and pegging of Township Situated on the Remaining Extent of Portion 7 of the Farm Zusterhoek 246-JR	R600 000.00	R600 000.00	R0.00
Integrated Transport Plan for Thembisile Hani Local Municipality	R 1000.000.00	R 1000.000.00	R0.00
EMAKHAZENI LOCAL MUNICIPALITY			
Land Surveying & Pegging of Remainder of Ptn 1 of The Farm Groot-suikerboschkop 124-Jt (Sakhelwe Extension 3)	R375 000.00	R375 000.00	R0.00
Opening of township register in eMkhazeni Local Municipality	R 600 000.00	R 600 000.00	R0.00
Cemeteries Establishment on Portion 1 of the farm Groot-suikerboschkop 124 JT in Dullstroom	R1 000 000	R1 000 000.00	R0.00
STEVE TSHWETE			
Rezoning of ERF 5854, EXT 18, Middelburg	R852 000.00	R852 500.00	R0.00
DISTRICT WIDE PROJECT			
34377 - Job creation EPWP SASSETA Learnership	R4 594 440.80	R2 889 985.20	R1,704,455.60

Programme			
Financial and Non-Financial Support of SMMEs, Cooperatives and Informal Traders	R7,788,293.00	R7,588,017.22	R200,275,78
Enterprise implementation of GIS	R5 179 500	R5 179 500	R0.00

3.4.2. LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

Local Economic Development (LED) seeks to create a conducive business environment to ensure that there is economic development in the District and in particular in the identified sectors such as mining, agriculture, manufacturing and tourism, which drive the economy of the district. LED further assist economically to deal with challenges in local areas through collaboration between different stakeholders including the community, private sector and other government entities. The diverse initiatives of LED include, inter alia, supporting Small, Medium and Micro Enterprises (SMMEs), cooperatives and informal traders as well as the quest to attract investment. LED is also critical in addressing the socio-economic challenges of poverty, inequality and unemployment by building up the economic capacity of local areas through utilization of local resources to improve quality of life for all the citizens of the district.

Section 153 of the Constitution stipulates the following developmental duties of all Municipalities:

- A Municipality must structure and manage its administration, budgeting and planning processes to give priority to the needs of the community, and to promote social and economic development.
- A Municipality must participate in national and provincial developmental programmes.

Nkangala District Municipality is the main economic hub in the Mpumalanga province. Investment attraction is a critical driving force for economic growth and development. Most advanced economies have experienced high level of capital accumulation or investment as a pre-cursor to their development. Investment is an underlying factor for increasing the productive capacity, providing job opportunities, reducing poverty & inequality and improving quality of life of people.

2020/21 SUPPORT OF NKANGALA REGIONAL TOURISM ORGANISATION (RTO)

In the financial year 2020/21, Nkangala District Municipality has continued with its endeavours to support the Regional Tourism Organisation (RTO) in the district. In this regard, NDM has appointed a Professional Service Provider to develop a Portal for the RTO to assist in the marketing of Nkangala as a preferred destination of choice. The Service Provider has to date completed a Draft portal for the RTO which will be completed in the new financial year of 2021/22.

EXPANDED PUBLIC WORKS PROGRAMME (ACHIEVEMENTS FOR 2020 /2021)

In the 2020/2021, the Department managed to train 30 youths of Nkangala District on Safety and Security SETA Learnership Programme. Thirty (30) learners managed to successfully complete their theory training and are currently busy with practical training in various sites as follows:

- Sasol Plant (Secunda)
- Optimum Mine (Middelburg)

- Gosa Mine (Ogies)
- Cape Gate (Vanderbijlpark)
- BIDVest Protea Coin Head Office (Centurion)

From July 2020 to end June 2021, the municipality managed to create 375 work opportunities through the various departments (PED, Corporate Services and Technical Services) wherein 19 projects that were implemented from the municipal budget.

3.4.3. 2020/2021 IMPLEMENTATION OF MINING AND BIG INDUSTRIES RESOLUTIONS AND THE NKANGALA ECONOMIC RECOVERY PLAN

Nkangala Mining Multi-stakeholder Forum

Mining in the Nkangala District is often the focal point when it comes to economic opportunities (employment and participation in the value chain through procurement) and the scarcity thereof sometimes results in mines being almost unable to operate safely and in an uninterrupted manner. Dissatisfaction with service delivery sometimes leads to conflict between host communities and mining operations. Based on this realization, the Nkangala district Municipality hosted a Mining and Big Business Summit from the 17th to 18th May 2018. This was a platform whereby all relevant stakeholders and social partners were invited for a round table discussions, and out of this summit recommendations and resolutions were adopted relating to the mining and big industries sector. The NDM was tasked with coordinating stakeholders in the sector to implement resolutions of the summit. The summary of progress made on the implementation of the resolutions during the year under review are as follows:

Resolution	Status
That the issue of radius of serviced community by mines and industries be eliminated to include the whole district and its local municipalities	The new mining charter identifies the district as the local serviced community. Mining houses have been directed to target their community development services and economic opportunities to the entire district.
That mining sector and industries should identify and avail opportunities for small businesses and cooperatives	Through the various stakeholder engagements, the district has continued to advocate for the provision of business opportunities for SMMEs and cooperatives. Mining companies have been directed to establish enterprise development programmes to facilitate the participation of small businesses in their value chain.
Ensure that there is alignment between IDP's and SLP's and both DMR and District should lead and coordinate the process	<p>The mining companies participate in the DDM technical team of the NDM, the Mining multi-stakeholder forum and the LED forums. The NDM cooperates with the Minerals Council to monitor the activities of mining companies in the district. According to the IDPs of local municipalities thirty-three mines signed SLPs with LMs. The SLPs cover a five-year cycle from 2019 to 2023. As follows:</p> <p>Emalahleni: Seventeen (17) mines submitted SLPs to the total value of R344 million. Projects include housing developments, SMME development, water infrastructure, roads, tourism, education, skills development etc.</p> <p>Emakhazeni: Seven (7) mines submitted SLPs to the total value of R 26 million. The projects cover municipal roads construction,</p>

Resolution	Status
	<p>hospital upgrading, and support for LED projects.</p> <p>Steve Tshwete: Eight (8) mines submitted SLPs valued at R 104 million. SLP projects include refurbishment of healthcare and education facilities, construction of factories, waste management, skills development, enterprise development and low-cost housing development.</p> <p>Victor Khanye: Only Exxaro submitted two projects on their SLP to the total value of R9.6 million. The projects involve developing an enterprise development centre for SMMEs and supporting them to participate in the mining supply value chain; and the resuscitation of municipal water and borehole infrastructure in Botleng.</p>
That strategic engagement be held between District municipality and DMR to institutionalise the engagement between mining companies and government	The district has been engaging the Department of Minerals and Energy to collaborate in setting up platforms to enhance engagement and consultations between government and mining companies. The DMRE will form part of the Nkangala Multistakeholder forum.
That there should be transparency in the ownership and control of mines operating in the district to ensure compliance with mining charter requirements	The NDM has developed a comprehensive database of mining companies operating in the district. Through this, the district aims to ensure that mining companies comply with the requirements of the mining charter.
That an oversight structure be established to deal with the resolutions of the mining summit	The Nkangala District Municipality has with the collaboration of the Minerals Council established a Multi-Stakeholder Platform (The Platform) made up of government representatives, key players from all economic sectors in the Nkangala District including mining operations and business chambers, traditional authorities (where applicable) and legitimate community-based stakeholders.
That an intergovernmental structure facilitated by NDM be developed to facilitate public infrastructure provision (roads, water, electricity, refuse) to ensure that infrastructure drives economic development	The NDM has established a District Development Model (DDM) structure. This includes work streams focusing on the following work streams: Governance, Finance and ICT, Research and Development, Spatial Planning, Environmental and Disaster Management, Social Services, Basic Services, and Infrastructure Development; and Economic Growth and Job Creation. These work streams are made up of technical and political structures, the technical structure meets monthly to deliberate on issues that affect the various work streams and report to the political structure. Through these DMM structures the district aims to coordinate all relevant organizations to accelerate the provision of economic infrastructure in the district.
That land parcels owned by MEGA and other state entities be identified and utilised for community economic development	The district has engaged Eskom, The Mpumalanga Economic Growth Agency (MEGA), Local municipalities, and the Department of Public Works and Infrastructure (DPWI) to avail land for community development purposes.
That an engagement of Eskom	Various engagements have been held with Eskom to provide

Resolution	Status
Power Generation value be explored to look at economic opportunities for communities	opportunities for local companies. This was also extended to mining houses and companies contracted to Eskom. Eskom has established Enterprise Development offices to facilitate access of local communities to opportunities.
That electricity supply partnerships be developed between Eskom, NERSA and municipalities	The DMRE has approved municipalities to participate in electricity generation. Since this declaration the NDM has been receiving queries from private companies proposing alternative energy generation projects.
Speed up establishment of Nkangala Economic Development Agency (NEDA)	The municipality has accelerated the establishment of NEDA. NEDA was officially launched to stakeholders and communities on 11 March 2021.
That in the next round of SLP Reviews, that focus should be on bulk infrastructure provision including roads	The SLPs submitted by the mines to local municipalities include projects aimed at the provision of bulk infrastructure including roads.

3.4.4. 2020/2021 NKANGALA ECONOMIC DEVELOPMENT AGENCY (NEDA)

The diversity of the South African economy continues to present opportunities for inward investment due to various locational comparative and competitiveness advantages that the country enjoys in abundance. However, municipalities have not adequately leveraged these advantages to attract investment and grow the economy, partly due to institutional restrictions which limits the capacity of municipalities to effectively facilitate investments and economic development initiatives. It is based on this realization that the Nkangala District Municipality (NDM) will in the next financial year establish NEDA to facilitate economic growth and create employment opportunities in the district. The model of establishing economic development agencies has achieved reasonably high success internationally and to a limited extent in South Africa too. However, for it to have significant impact, it is necessary to be sustainable and effectively aligned to prevailing national, provincial, and local initiatives, programmes, and interventions but with a real clarity of purpose and function.

NEDA is a municipal entity of the Nkangala District Municipality established in terms of the Local Government Municipal Systems Act, (Act 32 of 2000, as amended) ("MSA"). NEDA will be established as a juristic person and a municipal entity under the sole control and ownership of the district; the district will exercise its constitutional rights over NEDA subject to National, Provincial and Municipal legislations. In terms of institutional arrangements NEDA will be a component of the NDM and will operate from the offices of the Municipality. A shared services model will be adopted where the NEDA staff will be allocated office space within the district offices as stipulated by the requirements of NEDA. The strategic objectives of NEDA are to:

- Attract major investments into the Nkangala District Municipality.
- Position Nkangala District as a destination of choice for investments.
- Initiate and implement high impact projects that will create jobs and generate inclusive economic growth.
- Ensure the participation of residents, with more bias toward previously disadvantaged individuals, in strategic and high impact businesses.
- Initiate major manufacturing commercial entities to benefit locally produced raw materials such as minerals, agricultural goods, etc.
- To maximize on the mining opportunities that prevail within the Municipality.

The NDM followed a strategic and systematic approach towards the establishment of NEDA, with the view to facilitate and accelerate inclusive economic growth within the district. NEDA is targeted to generate investment from both domestic and foreign investors for the district, which would have a direct impact on economic growth and development, as well as increase the employment creation potential of the district economy. Over the past five (5) years the NDM has been engaged in processes towards the establishment of NEDA. In developing the overall project concept and implementation plan for the establishment of NEDA, the NDM embarked on a laborious process of engagements and consultations with communities and key stakeholders to ensure that NEDA efficiently and accurately complies with legislative requirements and successfully delivers on its mandate. A wealth of knowledge and advice has been received from the stakeholders and has helped to enrich the process. As part of the consultation process the NDM engaged the following stakeholders:

- National Department of Cooperative Governance and Traditional Affairs
- National Treasury
- NDM local Municipalities
- Mpumalanga Department of Cooperative Governance and Traditional Affairs
- Provincial Treasury
- South African Local Government Association (SALGA)
- Companies and Intellectual Property Commission (CIPC)
- Mpumalanga Department of Economic Development and Tourism
- NDM stakeholders and communities

After these extensive consultation processes, the Nkangala District Council on the 29th of January 2020 approved the establishment of NEDA and authorized the Municipal Manager to finalize all the remaining administrative processes towards establishment of the agency. Based on these Council Resolutions, the NDM completed preparatory work towards the formal establishment of NEDA and the entity was officially launched as the official agency for economic development for the Nkangala district on 11 March 2021. The Nkangala District Municipality has appointed six (6) non-executive directors to serve on the interim board of NEDA, for a period of 12 months, starting from 01 March 2021 to 28 February 2022. The duties of the Directors will be to guide NEDA in terms of obligations stipulated in the relevant legislation, applicable agreements, and establishment documents. The interim directors will set a strategic direction and ensure good corporate governance of NEDA. The roles and duties of the individual directors shall consist of the duties as contemplated in Section 93H of the MSA.

The interim board is mainly responsible for amongst other things reviewing and setting policies of NEDA, determining and approving the organizational structure, setting and approving the strategic direction, appointing, supervising and appraising the CEO, approving annual business plans and budgets, stakeholder relationships and evaluating its own and the overall performance of NEDA, reviewing and approving the Annual Financial Statements, as well as ensuring that the dictates of the Municipal Finance Management Act are observed. The interim Board is also encumbered to provide regular reports to the Executive Mayor and to Council about the operations of NEDA. The appointed members of the NEDA interim board are:

- a) Mr. P Makaba- Chairperson
- b) Mr M D Xulu
- c) Ms. TS Mohapi
- d) Mr. V Mahlangu
- e) Mr IE Pilane
- f) Ms. SP Maphumulo

The Service Delivery Agreement between the NDM and NEDA, enjoins the Board of NEDA to on an annual basis prepare and submit to the Municipality a business plan in respect of the provision of economic development services. The business plan contains information on the budget and service levels to be achieved by NEDA for the next financial year. NEDA will on behalf of the NDM, be responsible for the management of all economic development services as outlined in the NEDA establishment by-law

and the SDA starting from 01 July 2021. Furthermore, NEDA shall implement detailed economic development plans within the framework of the municipality's Integrated Development Plan and in line with NEDA's approved mandate, Development of trade, investment, and tourism within the district, Design and promote catalytic and strategic investment projects, which also includes nodal development; and manage strategic land and building portfolio within the district.

Through the establishment of NEDA, the NDM and its Local Municipalities aims to help the private sector, SMMEs, cooperatives and informal enterprises by creating an ecosystem that will support their development and improve their contribution to the economy and create sustainable jobs. NEDA will serve as an enabler for economic development within the district, through supporting the township and rural economy, contribute to the transformation of the spatial configuration and lead to the industrialization of the Nkangala district. Under the leadership of the interim board, NEDA will strive to successfully implement its mandate of promoting investment and developing local economic development projects in priority sectors of the district economy.

TABLE 3.25: ECONOMIC ACTIVITY BY SECTOR

Sector	2017/2018 Regionalised (%)	2018/2019 Regionalised (%)	2019/2020 Regionalised (%)	2020/2021 Regionalised (%)
Agriculture, forestry and fishing	1.8	2.8	1.9	12,4%
Mining and quarrying	41.2	41.1	41.4	-7,6%
Manufacturing	11.8	13.2	11.2	-11,7%
Wholesale and retail trade	10.7	11.9	10.1	-8,7%
Finance, property, etc.	10.1	10.7	10.1	-3.5%
Government, community and social services	11.6	12.5	11.1	0,6%
Infrastructure services	2.7	2.8	2.4	-19,3%
Total	24.8	23.2	16.7	-7,1% average
Global Insight/ Markit 2020/2021				

The above scenarios indicate that only the Agricultural sector has been able to weather the storm during the middle of the Covid-19 period. It should be remembered that from March 2020, there was national lockdown and this affected a number of sectors. The reason why the Agricultural sector was resilient is that food continue to be provided and sold during lockdown period. The rest of the sectors have faced decline in 2020/2021. However, there are prospects for improvement in 2021/2022 because the economy in general opened up.

TABLE 3.26: ECONOMIC EMPLOYMENT BY SECTOR

Sector	Year 2017/2018 (%)	Year 2018/2019 (%)	Year 2019/2020 (%)	Year 2020/2021 (%)
Agric, forestry and fishing	4.4	4.6	4.2	4,1%
Mining and quarrying	13.7	14.4	16.8	17,2%
Manufacturing	8.3	8.5	7.9	7,8%
Wholesale and retail trade	18.0	18.4	18.1	18,7%
Finance, property, etc.	12.3	12.8	11.8	12,2%
Govt, community and social services	17.4	16.7	15.0	15%
Infrastructure services	9.4	8.7	8.5	8%
Total	12.8	12.5	10.7	11,8% average
StatsSA and Global Insight/Market				

It can be deduced from the above table that although there were people who stayed at home during the lockdown period that commenced end of March 2020, there was gradual opening of the economy. Most of the sectors although they experienced negative growth, the employment levels were maintained going towards the end of 2020 as businesses implemented Covid-19 protocols and workers returned to work. The only noticeable trend is that most industries are no longer employing new workers, as they prefer dealing with what they already have. The outlook for future is however very promising.

TABLE 3.27: PROJECT EXPENDITURE YEAR 2020/2021 LOCAL ECONOMIC DEVELOPMENT PROGRAMME

Expenditure Year 2019/2020 Economic Development Services			
Projects	Budget (R)	Expenditure (R)	Variance (%)
Support to SMMEs, Co Operatives and Informal Traders	7 224 948	7 224 748	0%
Support of LTOs and RTO in Nkangala District Municipality	353 913,00	238 441,66	33%
Job creation SASSETA LEARNERSHIP	R4 594 440.80	R2 889 985.20	37%
Development and establishment of NEDA	879 004.00	686 527.56	192 476.44

TABLE 3.28: JOB CREATION THROUGH EPWP EXPANDED PUBLIC WORKS PROJECTS

Details	EPWP Projects No.	Jobs created through EPWP Projects
2012/13	16	229
2013/14	40	839
2014/15	34	553
2015/16	15	439
2016/17	30	692
2017/18	13	361
2018/19	12	185
2019/20	23	418
2020/21	19	375
*Expanded Public Works Programme numbers includes work opportunities created in the year under review excluding full time equivalents from Municipal projects		

The following are the projects that contributed to the 375 work opportunities:

Project No.	Project Description	Department	Total Days Employed	WO Created	FTEs.
7014/16	Routine Horticultural and Gardening	Corporate	1543	6	6,7086956521739
51665/17	Rendering of Cleaning Services at NDM, THLM, Dr JS Fire Stations	Corporate	4821	22	20,960869565217
297/16	Rendering of Security Services at NDM, THLM, Dr JS Fire Stations	Corporate	8651	38	37,61304347826
None	Rendering of Office and Building Maintenance at NDM	Corporate	783	3	3,4043478260869
51667	NDM – EPWP Data Capturer Project	PED	408	2	1,7739130434782
34377	EPWP Job Creation SASSETA Learnership Programme	PED	4574	60	19,886956521739
57504	Construction of Ga-Morwe to Mthambothini	Technical	3143	24	13,665217391304

Project No.	Project Description	Department	Total Days Employed	WO Created	FTEs.
	vehicle bridge				
57527	Construction of Tokologo road (Ezinyokeni)	Technical	5073	64	22,05652173913
57490	Moripe Gardens and Madubaduba water supply phase 1 in Dr JS Moroka LM	Technical	1259	21	5,4739130434782
57508	Construction of Mabuyeni Stormwater drainage system in Dr JS MLM	Technical	157	10	0,6826086956521
149743	Refurbishment and upgrading of the Delmas waste water treatment works	Technical	485	9	2,1086956521739
57531	Construction of Stormwater drainage system in Ward 04 at THLM	Technical	966	10	4,2
57528	Construction of link road in Somaphepha village	Technical	361	8	1,5695652173913
119984	Supply and installation of highmast lights in Dr JS Moroka LM	Technical	54	8	0,2347826086956
107256	Construction of internal roads in Botleng VKLM	Technical	291	11	1,2652173913043
54383	Construction of Nokaneng Satellite Fire Station Phase 1	Technical	341	11	1,4826086956521
121666	Installation of Siyathuthuka sewer reticulation in Emakhazeni LM	Technical	784	21	3,4086956521739
121663	Installation of Siyathuthuka water reticulation in Emakhazeni LM	Technical	1294	31	5,6260869565217
2019/01	NDM- Internship	Various	3803	16	16,534782608695

Project No.	Project Description	Department	Total Days Employed	WO Created	FTEs.
	Programme				
TOTAL			38791	375	168,6565217

3.5 COMPONENT D: COMMUNITY AND SOCIAL SERVICES

3.5.1. LIBRARY

The mission of Nkangala District Municipality library is to facilitate access to information resources, to promote the necessary conditions for their effective use, and to support the overarching objective of achieving “an improved quality of life through balanced, sustainable development and service excellence” in a performance-based environment. The main objective of the library is to encourage the culture of reading for knowledge, self-education and life-long education.

The NDM Library consists of books, CD's, periodicals and reference materials. There are 63 books that were purchased during the 2020/2021 financial year. All the new books have been catalogued and classified according to the Dewey Decimal Classification system (DDC). All new employees were registered on the library system. According to library usage statistics; at least 480 books have been circulated during the 2020/2021 financial year. There has been an increase in the usage of the library due to the high number of staff registering to study, compelling the library to acquire more academic books. There are 5 books that were donated to the NDM library by one of the employees.

The library is currently subscribed to Lexis Nexis. This is an online research database package consisting of National legislation, local government legislation, IR network, case law (labour), current law, environmental law, property law, employment law journal, constitutional and administrative law, labour (public sector) and procurement. The library is currently implementing Electronic books on the Electronic Document Management System (EDMS). All NDM employees will be able to view the books on the system (read only, no download option). The library plays a very critical role in providing users with information that is relevant to the employees information needs.

3.5.2. CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The Constitution of the Republic of South Africa, 1996 give a set of broad objectives that each Municipality must strive to achieve within its financial and administrative capacity, amongst them is to promote social and economic development.

Nkangala District Municipality in the IDP under issue 8 welfare indicates the challenges faced by the vulnerable persons in our communities, which includes the elderly and children. It integrates the needs of

marginalised groups while striving for better integration of services across sectors and stakeholders ensuring that all parties take responsibility and ownership of relevant community programmes and projects. Through the coordination provided by SPU Inter-sectoral, planning enhances service delivery:

- Children's Rights;
- People with Disabilities;
- HIV/AIDS Response;
- The Older Person Right's ; and
- Women Empowerment and Gender Development.

3.5.3. CHILDREN'S MONTH

Nkangala District Municipality hence has incorporated its IDP and other strategies in line with the NDP. After a successful launching of the NDM Children Council representative of all local municipalities it was resolved that, they would take part in various activities. Theme: '**Let us all protect children during COVID-19 and beyond**'.

Four Children's Rights Programme were held in this regard;

School shoes donation, Children on Environment and Covid-19 Awareness 14 May 2021 in Thembisile Hani Local Municipality, Children on Menstrual Hygiene 28 May 2021 in Steve Tshwete Local Municipality, Children on Environment and Covid -19 Awareness on 08 – 09 June 2021 in Victor Khanye Local Municipality and in closing of the Children Month our Child Ambassador from Dr JS Moroka participated on the virtual interaction on rural online learning in the context of COVID 19 in South Africa with the Nelson Mandela Fund on the 20 June 2021.

3.5.4. PEOPLE WITH DISABILITY RIGHTS

South Africa commemorates National Disability Rights Awareness Month annually between 03rd November and 03rd December. Moreover, the 03rd December is declared as the International Day of Persons with Disabilities: For the financial year 20/21 the theme these activities took place under the theme: ***Together Building South Africa Inclusive of Disability Rights***. Subsequently four Persons with Disabilities' Dialogues were held. These covered the following discussion topics; HIV & Health, Drugs and substance Abuse, Hearing aid and assisting devices, artificial legs, and the Provincial Disability Parliament.

The Department also hosted six empowerment and capacity building programmes for persons with disabilities and these covered the following;

Autism and bipolar disability which was held on the 13th November 2020 and the Basic sign language interpretation on the 20th November 2020 respectively. Furthermore, NDM in collaboration with the National Youth Development Agency (NYDA) conducted four Business Skill Development programs to encourage disabled persons to improve there are lives and to advance skills development in order to empower them to be able start businesses and maintain sustainable livelihoods and those were held on the (18th May 2021 EMAL, 20th May 2021 STLM, 22th May 2021 DRJSM, 26th May 2021 THLM).

3.5.5. HIV/AIDS RESPONSE

Covid-19 has brought about challenges for the vulnerable communities especially with regard to dealing with non-communicable diseases campaigns such as high blood pressure, diabetes, chronic kidney diseases that are high risk for persons with disabilities and the need to be give support and care. Intensifying HIV/AIDS testing services (HTS) in communities continues to be encouraged with the aim of ensuring that the first time clients observing the 90 90 90 principle such as students, farm workers and men. Innovations have also been introduced to include more of the hard to reach population through the self-screening, there is the ccmtdd central chronic medical dispensing and distribution, adherence clubs, clinics have introduced fast lanes also dispensing through community based organizations. The District has reached communities in the six local municipalities in response to the area of demand through 32 awareness campaigns conducted.

3.5.6. WOMEN EMPOWERMENT AND GENDER DEVELOPMENT

Further to the President Cyril Ramaphosa announcement of the national lockdown in South Africa from 26 March 2020 due the national scourge of the Covid-19 pandemic. Thus, Women's Month 2020 comes at a time when the country is faced with these Covid-19 challenges and the consequent national lockdown levels as per National Disaster Act declarations as well as Covid-19 protocols. Unfortunately for the country, during this time there has been a rapid and sharp increase in Gender Based Violence and Femicide (GBVF), prompting the President make it a national priority, the second pandemic as it came to be referred, and a call for all South African's to fight against GBVF. It is against this background that six (06) programmes were conducted and those took place in the following dates; 14 August 2020, 20 & 21 August 2020, 24 – 27 August , 23 August 2020 & 03 September 2020 focusing on Women and law matters information-sharing and capacity building workshops. Innovations such as Virtual Platforms and Local Radio Stations were used to reach many local municipalities across the District with the objective to ensure that Women's Month programmes should reach all ages and genders to tackle the unfinished business of empowering women through this new, ground-breaking, multi-generational campaign also looking at law matters pertaining to reduce Gender Based Violence and Femicide. The theme in this regard was; Towards: "Generation Equality: Realizing Women's Rights for an Equal Future".

3.5.7. GENDER BASED VIOLENCE (GBV) AWARENESS CAMPAIGN

President Cyril Ramaphosa pronounced and declared a state of emergency on the response to Gender Based Violence and Femicide in South Africa committing government to fight such crimes. To this regard, the National Strategic Plan on Gender Based Violence and Femicide was adopted and serves as guide for initiatives and interventions in the fight against GBVF and the plan is premised on the six pillars namely;

Pillar 1 – Accountable, coordination and Leadership

Pillar 2 – Prevention and rebuilding social cohesion

Pillar 3 – Justice, safety and protection

Pillar 4 – Response, care, support and healing

Pillar 5 – Economic power

Pillar 6 – Research and information management

The escalation of GBVF in communities is being addressed through, dialogues, marches and prayer sessions on violence against women and children in order to find appropriate solutions to alienate the problem of violence towards women and children. Fifteen (15) programme were conducted as follows; 09th October 2020 & 09th December 2020 DRJSM, 26th November EMAL, 12th December 2020 THLM, 15th – 18th February 2021 EMAL, 01st – 04th March 2021 STLM, 02nd, 08th & 11th March 2021 EMAL, 23rd April 2021 EMAL, 12th May 2021 STLM, 04th June 2021 DJSM.

3.5.8. MEN SECTOR

To advance the presidential call on collective action in the response to Gender Based Violence and Femicide (GBVF) in South Africa, men and boys are considered as a critical sector that saw men coming forward and taking action against GBVF on various platforms including social media and organising marches to speak against GBVF with civil society organisations such as # Not in my Man, Khuluma Ndoda, National Shelter Movement and many activists in the effort to take measures to curb the increased epidemic of GBVF in the country.

With Covid-19 pandemic still looming the traditional forms of community outreach have meant that more creative forms of human interaction through six (06) programmes conducted: NDM GBV Champion live stream on Gender Basic Violence Dialogue #Ingawe Lento 09th July 2020 Livestreaming, Men & Boys united towards eradicating Genders Based Violence awareness 21st July 2020 Microsoft Teams, Men's Parliament convention Dialogue on the Gender Basic Violence, 20th September 2020 & 26th April 2021 Zoom Meeting, Gender Based Dialogue, 01st June 2021 Victor Khanye Local Municipality (VKLM), 10th June 2021 Emalahleni Local Municipality (EMAL), 26th April 2021 Microsoft Teams, 01st June 2021 VKLM, 10th June 2021 EMAL.

3.5.9. OLDER PERSON RIGHT'S

Annually, during October month we commemorate Older Persons and Active Ageing. Older Persons Month is also used to recognise the contributions of older persons and to address issues that specifically affect them. Active Aging Week on the other hand highlights the capabilities of older persons as fully participating members of society and encourages them to participate in various suitable exercises. The establishment of the South African Older Persons Forum (SAOPF) has ensured that Older Persons attain a national platform in which challenges confronting them are addressed. NDM in collaboration with LM's, SAPS, DoJ conducted three (03) programmes on the rights of older persons on crime prevention awareness campaign; 16th October 2020, Dr. J.S Moroka Local Municipality (DRJSM), 29th October 2020 VKLM, 30th October 2020 Thembisi Hani Local Municipality (THLM). In addition three (03) programmes Older Person Dialogue on COVID 19 Health Protocol were conducted respectively with the aim to enhance and improve quality of life for older person; 22nd June 2021 Steve Tshwete Local Municipality (STLM), 23rd & 24th June 2021.

3.5.10. MANDELA MONTH COMMUNITY PROGRAMME

In 2020 Nelson Mandela International Day enjoyed its 10 years of global support and solidarity since it was launched in 2009. This year the Nelson Mandela Foundation has launched a new Mandela Day strategy, titled: **Mandela Day: The Next Chapter, to mark the *Tenth Anniversary of the Initiative***. It is therefore against this background that as NDM, during the national state of disaster and the consequent national lockdown levels that we used the Mandela Month to reach out to the vulnerable groups and communities of NDM. Especially so because June and July 2020 were for South Africa the Covid-19 peak period with excessively cold weather across the country. NDMs Mandela Month Outreach therefore included the distribution of food parcels, sanitising packages, cleaning materials that were donations from the Department of Water and Sanitation and blankets. The donations were distributed to the following nine (09) Victim Support Centres and Vulnerable groups centres; 20th July 2020 STLM, 20th July 2020 VKLM, 22nd July 2021 EMAL, 23rd July 2020 DRJSM, 24th July 2020 & 01st , 02nd & 09th September 2020 THLM and 15th September 2020.

3.5.11. YOUTH DEVELOPMENT

South Africa's concept of youth development is greatly influenced by the historical conditions that have shaped the country, and its democratic goals. As such, contemporary policy and strategy documents dealing with youth development in South Africa are based on the principles of social and economic inclusion of the youth, rooted in deliberate empowerment to create active youth citizenship socially, politically and economically. Youth development is the cornerstone of South Africa's future, an important aspect of governments' developmental mandate.

3.5.12. CAREER EXPO

Education is classified as a key to success, it is for this reason that all stakeholders both government and private sector be at the centre of advancing the education agenda and support it as a vehicle to drive transformation and respond adequately to triple socio-economic challenges. Nkangala District Municipality continues to support local municipalities in successfully conducting career expo's given that local municipalities have a direct interaction with communities. The 2020/21 career expos were held in partnership with local municipalities. The career expos were well attended, with the private sector also providing support by sharing information on the available career paths and internship opportunities. The career expos were held in three fold; class by class basis, mass interaction and through virtual platform.

3.5.13. BUSARIES

Nkangala District municipality has identified as part of its social responsibility within its communities to establish the District Mayoral Bursary with the aim to uplift the previously disadvantaged communities and provide financial support to the needy students who want to pursue the career in the opportunities identified as the scarce skills in the district. We have received 118 applicants for the 2020 academic year

The objective of the mayoral bursary includes the following

- To contribute to the achievement of the objectives of the skills development act.
- To address the employment equity targets in the relevant regulations and legislations by including the previously disadvantaged group in the relevant scarce skills
- To fight poverty and enhancing development by giving the financial support to the needy students/learners to pursue the career in the rare skills within the district.

The 2021 intake has funded 23 Existing students, 10 new students, totalling to 33 students benefitting in the 2020 academic year.

TABLE 3.29: STUDENTS INTAKE

Name of the Municipality	2018/19	2019/2020	2020/2021
eMalahleni Local Municipality	15	11	07
Victor Khanye Local Municipality	01	06	05
Thembisile-Hani Local Municipality	08	07	06
Dr JS Moroka Local Municipality	09	08	06
Steve Tshwete Local Municipality	14	10	05
Emakhazeni Local Municipality	07	06	04
Total	54	48	33

3.5.14. TEENAGE PREGNANCY CAMPAIGN

Teenage pregnancy undermines government's effort to educate the nation in preparation for the wellbeing of society and its future, hence its contribution to the high rate of school drop outs. Teenage pregnancy is risky and dangerous to teenagers and their unborn child; there is a great chance that STI, STD, and HIV/AIDS can be transmitted to the teen mother or the unborn child.

The dialogues and awareness campaigns on teenage pregnancy are spearheaded by a whole range of factors which have a negative if not dangerous impact on a life of an ordinary teenage, hence the initiative of collecting learner pregnancy statistics on quarterly basis which informs the teenage pregnancy awareness or campaign if not dialogue to mitigate and educate teenagers about dangers of engaging into unprotected sexually activities at an early age. This is to ensure that the all learners are given information as learner's blame lack information for the teenage pregnancy.

Nkangala District Municipality held fifteen (17) teenage pregnancy awareness campaigns across the district working with local municipalities, namely; Dr JS Moroka, Thembisile Hani, and eMalahleni respectively. The number of teenage pregnancy awareness campaigns are in tandem with the improved rate of teenage school dropouts and teenage pregnancy amongst girls within Nkangala District.

3.5.15. DRUGS AND SUBSTANCE ABUSE AWARENESS CAMPAIGN IN PARTNERSHIP WITH SANCA

The cost and consequences of alcoholism and drug dependence place an enormous burden on our society. As the nation's number one health problem, drug addiction strains the economy, the health care system, the criminal justice system, and threatens job security, public safety, marital and family life.

Drug and Substance addiction is across all societal boundaries a challenge, which is increasingly recognized as detrimental to our social fibre that needs to be curbed and addressed, with awareness campaigns being important towards this objective. Drugs and substance abuse among the youth has severe effects on our communities and families and have many potential health effects for the users, such as increased risk of injury and death due to either violence or accidents; increased probability of engaging in unsafe sexual activities subsequently increasing the chances of teenage pregnancy and transmittable diseases. Substance and Drug abuse also increase the risk of suicidal behaviour and psychiatric disorders, increasing criminal activities by the drug users. Nkangala District Municipality conducted nineteen (19) drugs and substance abuse campaigns across the District.

3.5.16. YOUTH SUMMIT AND YOUTH ENTREPRENEURIAL WORKSHOP

Nkangala District Municipality is a mining and energy sector based economy, the District Municipality is encircled by mineral wealth, which is not directly benefiting the youth of Nkangala as desired. The lack of skills, employment and access to business opportunities for the youth remains a national issue; therefore the District Municipality has a responsibility to engage all relevant local stakeholders in an attempt to find amicable response to the issues highlighted. Skills development and youth empowerment in South Africa is governed under the Skills Development Act 97 of 1998 and National Youth Development Agency Act 54 of 2008 respectively.

The Youth Summit was convened against the backdrop of the prevalent challenge of lack of relevant skills that are consistent with the economic dictates of Nkangala district and the need to align local SMME's with the available entrepreneurial opportunities within the district. The Summit targeted youth in business to address the lack the necessary entrepreneurial skills and the out of school unskilled youth in an attempt to address the skills gap and access to business opportunities for youth. The Summit received presentations from, NYDA, SEDA, SACCI, MEC of Finance, Economics and Tourism, Seriti Coal in which the delegates interacted with, with a view of contributing towards the development of the Integrated Youth Development Strategy of Nkangala District Municipality and mapping out actions for implementation.

YOUTH SUMMIT RESOLUTIONS

- Youth Set-asides across all the provincial departments to enable meaningful youth participation in the economy. Coordination to be done in partnership with the Youth Directorate in the Office of the Premier.
- Youth Managers should form part of the decision-making structures in the Municipalities.
- SACCI should closely monitor the Special purpose vehicle programs in local municipalities in order to empower the youth owned SMME's
- Improve Access to SEDA programs through coordination in partnership with Local Municipalities.
- Improve access to NYDA services in order to assist disadvantaged groups particularly women

- and people living with disabilities.
- Youth development unit to facilitate a seminar in partnership with SACCI on the GIG economy and other related economic models that stands to benefit the youth of this District.
- NEDA should incorporate youth unit in terms of developments and programs relating to youth development, employment and entrepreneurial opportunities to benefit the youth section.

3.5.17. MAYORAL ACADEMIC AWARDS

The Nkangala district municipality in partnership with Department of Education hosted their 9th Mayoral academic awards ceremony. The Mayoral academic award ceremony is an event meant to encourage learners in school to do best in their academic work, but also the event present an opportunity for learners to receive tools of trade which will be used for their second leg of academic journey such as laptops, tablets and printers. The Mayoral academic awards ceremony is an annual event which does not only acknowledge learners but teachers and circuits as well for their exceptional work in producing excellence, the 2021 Mayoral academic award ceremony for the 2020 academic year took place on 4th of March 2021 at the Mayor's Parlour at Nkangala District Municipality.

The Nkangala district municipality staged this august event of awarding learners who did exceptionally well in the 2020 under the difficult learning conditions imposed by Covid-19.

The Mayoral academic award ceremony was attended by delegation from the following sectors: department of education, other sector department the media house, religious and traditional leaders, Mayors from local municipalities, Municipal Managers, Paul Mthimunya foundation, Diale Maphothoma & Associates, Sanlam, Standard Bank. The Girls House, Sanlam, South32, Glencore, officials of NDM and local municipalities, NDM councillors, learners, educators and parents. Awardees were given laptops, certificates, trophies and price monies ranging from R5000 and R10000. Nkangala District Municipality was awarded for being the joint number one (1) in matric pass rate alongside Bohlabele at 74,6%.

3.6 COMPONENT E: ENVIRONMENTAL PROTECTION

3.6.1. INTRODUCTION TO ENVIRONMENTAL PROTECTION

Environment is the surroundings in which a person, an animal or plant lives or operates in. Environmental management is management of interaction and impacts on the environment to avoid harm on human health and natural environment. For instance, people should avoid water pollution which affects fish and will end up affecting people who eat fish that come from contaminated water. Section 24 of the Constitution of the Republic of South Africa enshrines “environmental right” and this is where all environmental legislations comes from. In short, state, organ of state, private institution and individuals should ensure that their activities are not affecting other people or the biophysical environment. There are many sections of environmental management that are found at different spheres of government like water, biodiversity, waste management, air quality management, land and other environmental factors.

The function of this section focuses on air quality management. The National Environmental Management Air Quality Act gives the Metros and District Municipalities the function of atmospheric emission licensing, regulation of controlled emitters, air quality planning, air quality compliance monitoring and enforcement. Some of these functions are done jointly with other spheres of government like the local, provincial and national government. Nkangala District is carrying it functions in terms of the NEMAQA for 2004. These functions are primarily atmospheric emission licensing, air quality planning and compliance monitoring and enforcement of air quality matters.

3.6.2. NKANGALA AIR QUALITY MANAGEMENT PLAN AND THE HIGHVELD PRIORITY AREA AIR QUALITY MANAGEMENT PLAN

Nkangala District Municipality is working in collaboration with the Department of Environmental Affairs Forestry and Fisheries (DEFF) and other affected organs of state in the implementation of the HPA AQMP. In the past year the DEFF tasked the district municipalities and the metropolitan in the Highveld Priority Area (HPA) to form Implementation Task Teams (ITTs) in the implementation of the HPA AQMP.

The NDM; three affect local municipalities which are Steve Tshwete, Emalahleni and Victor Khanye, private entities and Non-Governmental Organizations (NGOs) cooperatively are implementing the HPA AQMP. The ITT Meetings are held every quarter.

TABLE 3.30:

NO	DATE OF THE MEETING	MEETING VENUES
1	26 August 2020	Microsoft Teams
2	20 October 2020	Microsoft Teams
3	30 March 2021	Microsoft Teams
4	24 May 2021	Microsoft Teams

- The NDM presents on its Atmospheric Emission Licensing (AEL) function, compliance

enforcement inspection of the companies to their AELs and human resource capacity in air quality management;

- Industries and mines present their pollution reduction strategies, point source monitoring data, Fall-Out Dust Monitoring Results, ambient air monitoring results and their goals in emissions reduction;
- The DEA in collaboration with South African Weather Services (SAWS) present the ambient air quality monitoring results in the area and
- The NGOs participate in the meetings and presents their projects on efforts to improve ambient air quality.

3.6.3. NKANGALA DISTRICT AIR QUALITY MANAGEMENT FORUM

Nkangala District Municipality compiled its first Air Quality Management Plan (AQMP) in 2015. This was done as per requirement of the NEMAQA of 2004. The AQMP is currently under review. This plan outlines the background, status quo and planning on air quality in the District. Three Local Municipalities in the District are found in the Highveld Priority Area, which was declared in terms of Section 18 of the NEMAQA in 2007 by the then minister of environmental affairs. These Municipalities are Steve Tshwete, Emalahleni and Victor Khanye Local Municipalities. Jointly the local provincial and national environmental departments Nkangala District is implementing the Highveld Priority Area Air Quality Management Plan (HPA AQMP). This means that there is poor ambient air quality in the Highveld. Poor air quality was accumulatively caused by power generation, mining, industries, agricultural activities, veld fires, domestic use of coal for space heating and cooking, vehicle emissions and other activities that contribute to poor air quality.

TABLE 3.31 NKANGALA DISTRICT AIR QUALITY MANAGEMENT FORUM

NO	DATE	VENUE	PARTICIPATING AUTHORITY
1	13 August 2020	Microsoft Teams	NDM,DARDLEA and all LM
2	09 December 2021	Microsoft Teams	NDM,DARDLEA and all LM
3	18 March 2021	Microsoft Teams	NDM,DARDLEA and all LM
4	08 June 2021	Microsoft Teams	NDM,DARDLEA and all LM

3.6.4. POLLUTION CONTROL

A. COMPLIANCE AND ENFORCEMENT STRATEGIC INSPECTIONS

Facilities that are issued with Atmospheric Emission Licences (AELs) are inspected from time to time to monitor their compliance with the conditions of the AELs. Some of the inspections are done for the purpose of pre-licensing of the AEL. Pre-licensing inspections serves the purpose to confirm that the activities that are applied for are the activities that are being conducted on the ground thirty (30) facilities was inspected during 2020/2021 financial year.

MHS AND ENVIRONMENTAL MANAGEMENT AWARENESS CAMPAIGNS

Section 24 of the Constitution of the Republic of South Africa enshrines “environmental right” and this is where all environmental legislations comes from. In short state, organ of state, private institution and individuals should ensure that their activities are not affecting other people or the biophysical environment. There are many sections of environmental management that are found at different spheres of government like water, biodiversity, waste management, air quality management, land and other environmental factors. Environmental awareness is part the activity within the unit.

During 2020/2021 financial year MHS and Environmental awareness campaigns were done to make people aware and educate them on environmental issues like waste management, air pollution, water pollution and climate change also health. People were taught ways of waste minimisation and recycling and discouraged on illegal dumping of waste in open spaces as is problematic throughout the District, also focusing on the issue of environmental health. Forty one (41) awareness campaigns were conducted within the district in all local municipality focusing on different environmental aspects

B. ATMOSPHERIC EMISSION LICENSING AND ENVIRONMENTAL MANAGEMENT AWARENESS CAMPAIGNS

Environmental awareness campaigns are done to make people aware and educate them on environmental issues like waste management, air pollution, water pollution and climate change. People are taught ways of waste minimisation and recycling. Illegal dumping of waste in open spaces is problematic throughout the District. In these campaigns, illegal dumping spots are cleaned and adopted for some use like establishing a car wash or a park.

C. IMPLEMENTATION OF THE NEMA: ENVIRONMENTAL IMPACT ASSESSMENT (EIA) REGULATIONS 2010

The NDM participates as an interested and affected party in the Implementation of the NEMA: Environmental Impact Assessment (EIA) Regulations 2010 (as amended) otherwise called the Environmental Authorization. Hence, the NDM participated in the following Environmental Authorization throughout the District.

The purpose of commenting on development proposals is to ensure that negative impacts are minimized and positive impacts are maximized. These developments are for mining, development of shopping complexes, residential complexes and other developments.

3.7 COMPONENT F: HEALTH

In the context of Nkangala District Municipality, health refers to Municipal and Environmental Health Services.

3.7.1. HEALTH

In accordance with Section 84 (e) and (i) of the Local Government: Structures Act 117 of 1998 deals with planning and operation of the regional solid waste disposal sites and Municipal Health Services respectively as part of the mandate of a District Municipalities. The National Health Act 61 of 2003 describe Municipal Health Services (MHS) as including: - Water Quality Monitoring, Food Control, Waste Management, Health Surveillance of Premises, Surveillance and Prevention of Contagious Diseases, Vector Control, Environmental Pollution Control, Disposal of the Dead and Chemical Safety. Hence, a number of the above-mentioned elements of MHS involve a lot of pollution control.

3.7.2. IMPLEMENTATION OF MUNICIPAL HEALTH SERVICES

National Health Act 61 of 2003, Section 32(1) determines that every metropolitan and District Municipality must render appropriate and effective Municipal Health Services in its respective area of jurisdiction. Hence, the NDM conducts MHS and receives monthly MHS Reports from the six Local Municipalities and report quarterly to Council and Mpumalanga Department of Health. Some of MHS functions indicated on the SDBIP are as follows.

TABLE 3.37: MUNICIPAL HEALTH SERVICES FOR 2020/2021

KPA	Year 2018/2019	Year 2020/2021
Water Quality Monitoring	3651 water samples collected	3598 water samples collected
Food control and safety	6854 food premises inspected	6082 food premises inspected
Surveillance of Premises (Mortuaries)	352 funeral undertakers/ mortuaries inspected that includes exhumations	395 funeral undertakers/ mortuaries inspected that includes exhumations
Surveillance of Premises Crèche's and ECD	830 crèches and ECDs inspected	986 crèches and ECDs inspected
Surveillance of premises- Schools	555 schools inspected	511 schools inspected
Surveillance of premises- Old Age homes and disable centres	191 old age homes and disable centres inspected	194 old age homes and disable centres inspected
Surveillance of premises- Accommodation facilities hotels, guesthouses	246 accommodation facilities inspected	297 accommodation facilities inspected

3.7.3. MUNICIPAL HEALTH SERVICES TRAINING

Nkangala District Municipality (NDM) Municipal Health Services (MHS) conducted training to business managers, owners or facility staff and other stakeholders around the District from July 2020 to June 2021

TABLE 3.38: MUNICIPAL HEALTH SERVICES

KPA	Year 2019/20	Year 2020/2021
MHS training conducted for facility owners and communities	62 MHS training	MHS training 58

3.7.4. MUNICIPAL HEALTH SERVICES JOINT OPERATIONS

Nkangala District Municipality (NDM) Municipal Health Services (MHS) conducted joint operation with Sector Departments and Local Municipalities as part of compliance from July 2020 to June 2021

TABLE 3.39:

KPA	Year 2019/20	Year 2020/2021
MHS joint operation conducted within communities and facilities	62 MHS joint operation	53 MHS joint operation

3.7.5. PREVENTION AND CONTROL OF COMMUNICABLE DISEASES

TABLE 3.40:

KPI	Activities	Remarks
Education and awareness	Educating of public on covid19 and the six LMs by EHPs.Awareness at malls, schools, taxi ranks, roadblocks, and construction sites	All awareness were successful
Surveillance of premises	56 Inspection of sector departments offices (Home Affairs, Labour, Justice and Education on the wearing of masks and social distancing, education and awareness on COVID19	The offices are decontaminated when there are cases be reported
Monitoring of ATMs and banks for covid19 compliance	Inspection of 86 ATMs for compliance with sanitising for compliance	EHPs conducted the inspection, and some private ATMs were not complying but the companies were contacted to address the issue. 24 complied
	449 Monitoring of health facilities clinics, private doctors, hospitals for compliance in terms of sanitising, wearing of masks	Ensure safe disposal of health care risk waste. 102 did not comply with social distancing

	and keeping of social distance	
	395 Monitoring of funeral undertakers and services whether they comply with sanitising, wearing of masks, social distancing and keeping the number at 100	Some families difficult to handle due to cultural differences.
MHS Training	58 Training of funeral undertakers, traditional leaders, Educators, and food premises managers on COVID19.	All the training were successful
Food vehicles	105 Inspection of food transporting vehicles at CBDs for compliance, wearing of masks and sanitising and checking CoAs for such vehicles	36 food vehicles have been inspected and given verbal warning on non-compliance
Food safety	6082 Inspection of food premises for sanitising of trolley and customers, social distancing, wearing of masks and keeping the minimum number of customers in the food premises.	Food premise overcrowding and no social distancing from public. Education on Covid 19 given

One of Environmental Health function is to prevent and control the spread of communicable diseases. South Africa experienced a first case of Novel Coronavirus19 on the 01st March 2020. The country moved from different levels and moved back to level four since the cases increased due to third wave as at 27th June 2021.

The role of EHPs in the control of COVID19 is:

- To participate in Outbreak Response Team at Provincial, District and local level.
- To investigate the suspected cases and contact tracing.
- To ensure safe water supply.
- To facilitate and monitor decontamination and disinfection of affected homes
- To ensure effective waste management of health care risk waste.
- To conduct health education and awareness on public hygiene measures.

In order to control the spread of the virus Nkangala District procured personal protective equipment for all the employees and ensured that employees are educated on COVID19 by MHS and Safety Officer. NDM established District Command Council (DCC) and also participated on all Local Joint Operation Committee (LJOC) and Local Command Council (LCC) to prevent and control the virus. It must be indicated that the DCC and LCC is sitting weekly and the LJOC on weekly basis.

Environmental Health Practitioners activities in all the six LMs during the lockdown are as follows:

TABLE 3.41: NKANGALA DISTRICT COVID 19 STATISTICS AS AT 30 JUNE 2021

Sub-district	Cumulative Cases	Number of Isolated active cases	Number of recovered	Number of deaths
Dr JS Moroka LM	1788	197	1551	40
Emakhazeni LM	1291	106	1161	24
Emalahleni LM	14151	879	13053	219
Steve Tshwete LM	9246	644	8458	144
Thembisile Hani LM	2700	320	2325	55
Victor Khanye	1237	102	1121	14
Total	30413	2248	27669	496

3.8 COMPONENT G: SECURITY AND SAFETY

This component includes fire; disaster management,

3.8.1. FIRE SERVICES

Table 3.42: Incidents reported in 2020/2021:

Local Municipality	Type of Incident	2019/2020 Total number of calls	2020/21 Total number of calls
Thembisile LM	Motor Vehicle Accidents [MVA]	80	86
	Pedestrian Vehicle Accidents [PVA]	6	6
	Grass/Veld fires	94	101
	Other fires [structural; electric; vehicle etc.]	401 including disinfecting of schools building facilities due to Covid-19	102
Dr JS Moroka LM	Motor Vehicle Accidents [MVA]	73	134
	Pedestrian Vehicle Accidents [PVA]	8	3
	Grass/Veld fires	23	38
	Other fires [structural; electric; vehicle etc.]	44	117
Dr JS Moroka	Died on Accident Scene	14	36

Thembisile LM	Died on Accident Scene	33	54
Other services rendered by the fire department	Awareness Campaigns	51	249
	Fire extinguisher training	52	204
	Flammable certificates	08	28
	Hydrant inspections	02	6
	Drowning rescue	1	11
	Review of Business Plans	27	97
	Safety talks	119	269
	Special services	201	55
Dr JS Moroka	Awareness Campaigns		118

3.8.2. DISASTER MANAGEMENT

Emergency Services is reflected as Issue 11 in the NDM Integrated Development Plan and cater for both the Disaster Management as determined by the Disaster Management Act 2000.

The Nkangala Disaster Management Centre has been operating for 24 hours for the year under review. A full complement of eight (8) control room operators have been appointed. One of the infrastructural requirements necessary to enable the District Disaster Management Centre to operate optimally as outlined in the National Disaster Management Framework of 2005 is a 24-hour central communication for reporting, managing and coordinating response to events and disasters. The Centre also serves to disseminate early warning information in attempt to prevent disasters from occurring. The Emergency Number is **013 249 2800**.

3.8.3. CONSOLIDATED CALLS WITHIN THE DISTRICT

TABLE 3.43:

Local municipality	Type of Incident	Total no. of calls
Thembisile LM	Motor Vehicle Accidents (MVA)	61
	Pedestrian vehicle accident (PVA)	00
	Grass/Veld fires	190
	Other fires (structural; electric; vehicle etc.)	78
	Special services	35
Dr. JS Moroka LM	Motor Vehicle Accidents (MVA)	88
	Pedestrian vehicle accident	03
	Grass/Veld fires	72
	Other fires (structural; electric; vehicle etc.)	106
	Special services	16

Local municipality	Type of Incident	Total no. of calls
Steve Tshwete LM	Motor Vehicle Accidents (MVA)	867
	Pedestrian vehicle accident	54
	Grass/Veld fires	337
	Other fires (structural; electric; vehicle etc.)	176
	Special services	59
eMalahleni LM	Motor Vehicle Accidents (MVA)	275
	Pedestrian vehicle accident	21
	Grass/Veld fires	63
	Other fires (structural; electric; vehicle etc.)	132
	Risk assessment	08
	Awareness campaign	00
Victor Khanye LM	Motor Vehicle Accidents (MVA)	118
	Pedestrian vehicle accident	01
	Grass/Veld fires	152
	Other fires (structural; electric; vehicle etc.)	71
	Special services	29
Emakhazeni LM	Motor Vehicle Accidents (MVA)	185
	Pedestrian vehicle accident	01
	Grass/Veld fires	00
	Other fires (structural; electric; vehicle etc.)	13
	Awareness campaign	12

3.8.4. CONSOLIDATED CALLS WITHIN THE DISTRICT

3.8.5. MAJOR INCIDENTS

TABLE 3.43:

Date	Municipality	Type of incident and damages	Intervention provided
23 January 2021 - 03 March 2021	Steve Tshwete LM	<ul style="list-style-type: none"> The mud houses that is soaked in water at Mahlathini All low water bridges crossing areas, especially Botshabelo and Presidentsrus, Parts of Mhluzi and other extensions, local flooding of residential areas due to insufficient drainage. Kwazamokuhle local flooding Emahlathini, Marikana, Vaalbank, Evergreen and Uitkyk informal settlement mud houses that soaked in water. 	Reports of damages on roads infrastructure submitted to COOGTA and later declared as a disaster.
23 January 2021- 03 March 2021	Emalahleni	<ul style="list-style-type: none"> Several roads damages due to continuous rainfall. 	Reports of damages on roads infrastructure submitted to COOGTA and later declared as a disaster.
23 January 2021- 03 March 2021	Thembisile	<ul style="list-style-type: none"> One mudhouse at Kwagafontein A stand no.1697 partially collapsed-ward 29 Ward- 18: one mudhouse Ward 24: 5 houses damaged Ward 10: 2 mudhouses Road infrastructure damages 	<p>One Tarpaulin to cover the roof of affected house at ward 29.</p> <p>Some damages were repaired by households.</p> <p>Reports of damages on roads infrastructure submitted to COOGTA and later declared as a disaster.</p>
23 January 2021- 03 March 2021	Emakhazeni LM	<ul style="list-style-type: none"> Access road severely damaged at Welgenoden Farm Flooding on Siyathuthuka road Water entered into two houses 	Reports of damages on roads infrastructure submitted to COOGTA and later declared as a disaster.

Date	Municipality	Type of incident and damages	Intervention provided
		at Siyathuthuka <ul style="list-style-type: none"> Eight (05) houses were damaged by the continuous rainfall. 	Water was removed using a sewer truck to suck them out of the houses. The following relief were further provided: 15 x Mattresses 54 x Blankets 4 x Tarpaulins 6 x Gel stoves
23 January 2021- 03 March 2021	Dr JS Moroka	<ul style="list-style-type: none"> Water enter some houses Road damages especially gravel roads 	Reports of damages on roads infrastructure submitted to COOGTA and later declared as a disaster.
23 January 2021- 03 March 2021	Victor Khanye	<ul style="list-style-type: none"> Road damages especially gravel roads 	Reports of damages on roads infrastructure submitted to COOGTA and later declared as a disaster.

3.8.6. DECLARED DISASTER

- **The tropical storm Eloise and summer seasonal rains:** was declared a National Disaster by the South African government due to the damages caused by the heavy rains and windstorms in late January 2021 until early March 2021.
- **COVID-19 pandemic:** The South African government has declared of the National State of Disaster due to pandemic COVID-19 in line with section 27(1) of the Disaster Management Act 57 of 2002 (Act 57 of 2002) on the 15th of March 2020. NDM is responsible for coordinating response to this pandemic within the district.

3.8.7. EMERGENCY EVACUATION DRILL AND CAPACITY BUILDING

Covid-19 Disaster Risk Reduction Awareness Campaigns

Twenty-six (26) disaster risk reduction awareness campaigns took place as follows:

TABLE 3.44: RISK REDUCTION AWARENESS

First quarter		
Municipality	Date	Venue
Steve Tshwete	15 July 2020	Allendale Secondary School
		Middelburg Mine Primary School
	06 August 2020	Provincial Traffic building
eMalahleni	29 August 2020	N4 Balmoral off-ramp
	30 August 2020	Lynnville
	31 August 2020	Midway hotel
Second quarter		
Thembisile Hani	20 October 2020	Kwaggafontein Community Hall
	21 October 2020	Kwaggafontein Community Hall
Emakhazeni	28 October 2020	eNtokozweni Community Hall
	29 October 2020	eNtokozweni Community Hall
Steve Tshwete	04 November 2020	Blinkpan Primary School
Thembisile Hani	18 November 2020	Kwaggafontein Mall
	19 November 2020	Kwaggafontein Mall
Emakhazeni	24 November 2020	Belfast Post Office
	25 November 2020	Belfast Post Office
Steve Tshwete	10 December 2020	Emalining (Ongesiens)
Thembisile Hani	14 December 2020	KwaMhlanga Complex Post Office
Third quarter		
Dr. JS Moroka	11 February 2021	Vaalbank
Steve Tshwete	03 March 2021	Iraq Taxi Rank
Dr. JS Moroka	30 March 2021	Vaalbank Fire Station
Fourth quarter		
Steve Tshwete	07 April 2021	Kwazamokuhle Ext.2
	23 April 2021	Mineralia
eMalahleni	30 April 2021	Vosman Community Hall
Dr. JS Moroka	05 May 2021	Moroka Fire station

	08 June 2021	Seabe Tribal Council
Victor Khanye	18 June 2021	Mafa Max Motloun Secondary School

Stakeholders participated in the above mentioned awareness campaigns include the following:

- Disaster Management officials both from the district and local municipalities;
- Municipal Health Services;
- Fire and Rescue Services;
- South African Police Service;
- Department of Health
- Department of Social Development

South African Social Security Agency

3.8.8. Disaster Management Advisory Forum

The Disaster Management Act 57 of 2002, section 51 (1) indicates that metropolitan or district may establish a municipal Disaster Management Advisory Forum (DMAF). According to indicated provision and content of the Act, NDM has established the DMAF which is active and sits on the quarterly basis. In the financial year under review, DMAF was held as follows:

TABLE 3.45: DMAF

Quarter	Date
1st (July- September 2020)	8th of September 2020
2nd (October- December 2020)	10 th of November 2020
3rd (January – March 2021)	9 th of February 2021
4th (April –June 2021)	23 rd of June 2021

In addition to the **District Disaster Management Advisory Forum** established further two structures to assist in coordinating response to the Covid 19 pandemic namely:

- **District Command Centre (DCC):** This is an administrative structure that meets bi-weekly on Wednesdays to coordinate administrative response and prepare a report to the Provincial Command Centre (PCC).
- **District Command Council (DCC):** This is a political structure chaired by the district Executive Mayor where all municipalities and sector departments reports.

NDM Moral Regeneration Movement reached out to all local municipalities in the District and for the financial year under review, the focus was on schools outreach working with the established structures in respective local municipalities.

TABLE 3.46 (D): MORAL REGENERATION MOVEMENT WITH LMS

Activity	Project Description And Programs	Date	Venue
Moral Regeneration	Moral Regeneration Movement	20 October 2020	Steve Tshwete LM

Movement	outreach to School		(Bonkfontein School)
Moral Regeneration Movement	Moral Regeneration Movement hosted with Local MRM Structures	22 September 2020	eMakhazeni LM
Moral Regeneration Movement	Moral Regeneration Movement outreach to School	23 September 2020	Steve Tshwete LM
Moral Regeneration Movement	Moral Regeneration Movement outreach to School	28 January 2021	Victor Khanye LM

TABLE 3.47 (E): NDM MORAL REGENERATION MOVEMENT

Activity	Project Description And Programs	Date	Venue
NDM Moral Regeneration Movement	NDM Moral Regeneration Movement outreach Consultative prayer workshop with Schools	8 December 2020	NDM (Council Chamber)

3.9 COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

3.9.1. EXECUTIVE COUNCIL

Nkangala District Municipality has got four high offices namely, the office of the Executive Mayor, Office of the Speaker, Office of the Council Whip and Office of the Municipal Manager. The office of the Executive Mayor is responsible for the Mayoral Committee members whilst the office of the Speaker is responsible for (amongst others) ensuring that the Council business is conducted in an orderly manner. On the other hand, the office of the Council Whip ensures that all Councillors including the members of the Mayoral Committee attend Council, Mayoral and other Council committees they are delegated to serve on. The office of the Municipal Manager is responsible for the general administration and the NDM staffs well-being, which includes the provision of a job description for each post, attach remuneration and other conditions of service to each post as may be determined in accordance with any applicable labour legislation and establish a process or mechanism to regularly evaluate the staff establishment and, if necessary, review the staff establishment and the remuneration and the conditions of service.

3.9.2. INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES MR A MASEKO ICT

The Information and Communications Technology (ICT) Division has the mandate to deliver services, and support and maintenance of ICT infrastructure for the Nkangala District Municipality for the afore-mentioned to realise its goals and objectives. Summarily, ICT serves as a vehicle and an enabler for service delivery:

- NDM has reviewed the Municipal Corporate Governance of ICT Framework Policy and the aforementioned implementation imperatives are being implemented continuously.
- The Nkangala District Municipality ICT Forum is functional and sits biannually to recommend and advise the local municipalities that are within the Nkangala region.

- ICT Steering Committee for Nkangala District Municipality has been formed and is fully functional as part of ICT Governance requirements. Its main function is to appraise Council on the governance of ICT.
- Furthermore, NDM fully complies with the relevant legislations such as ECT (Electronic and Communications Transactions Act) and MISS (Minimum Information Security Standards).
- The Disaster Recovery Plan requirements are fully met with the establishment of the Disaster Recovery Remote Site.
- NDM has also deployed IP Telephony through the installation of the VoIP (Voice over Internet Protocol) system.

ACHIEVEMENTS

In the Financial Year 2020/21 the Information and Communication Technology unit implemented, enhanced, and/or developed the following systems:

- Notwithstanding the provision of laptops for the management of Nkangala District Municipality, the entire Council, which comprise sixty Councillors, was provided with Tablets as tools of trade.
- Data provision for the above-mentioned has been upgraded to 30GB per which is in alignment with upper limits thus allowing top up.
- An Electronic Document Management System has been deployed for records management and as replacement for SmartGov.
- Both the Fire Stations, KwaMhlanga and Dr. J.S. Moroka, are connected to main office via the Multiprotocol Label Switching (MPLS) Network.
- Deployment of a Collaboration and Virtual Platform (Microsoft TEAMS).
- Installed an independent Green Energy Power Supply.
- Deployed an MPLS for Dr. JS Moroka Local Municipality whilst improved the Thembisile Hani Local Municipality's MPLS.
- Rolled out full APN connectivity hence all remote users can now access NDM's systems remotely.
- Improved the NDM Website and developed an Intranet, which is now fully functional.
- A Disaster Recovery Plan/Business Continuity Plan has been developed, and in its function, encapsulates all the six local municipalities.

OVERALL PERFORMANCE OF ICT SERVICES:

- ICT managed to implement its mandate by ensuring the municipality improves tremendously in its quest to becoming digitalized in compliance with the Fourth Industrial Revolution imperatives.
- Furthermore, the deployment of the MPLS improved and managed to sustain continuous connectivity between the Main Office and all the other subsidiary offices.
- ICT support also improved in that NDM continues to experience decreased downtime.
- ICT spending has also improved hence have made it possible for the implementation of ICT Governance
- Framework Policy imperatives as promulgated by the Department of Public Service and Administration (DPSA). ICT is also assisting the local municipalities within NDM area of jurisdiction in ICT governance issues.

3.9.3. TRADE AND INVESTMENT PROMOTION WITHIN THE DISTRICT

To promote and expand inward trade and investment, the Nkangala District Municipality actively promotes the district's priority sectors to domestic and foreign investors. The municipality collaborates with industry role players to determine relevant strategies for market linkages and export promotion. The NDM seeks to identify market entry points for SMMEs and cooperatives within the priority sectors. The Trade and Investment office

within the NDM has a mandate to develop and implement targeted programmes and projects to support investment and trade promotion within the district, working in collaboration with government and the private sector. Potential projects were identified through engagements with business chambers, government departments; State owned Enterprises, private companies, SMMEs, and other relevant stakeholders. The primary output of the Trade and investment office is to improve the municipality's ability to attract and retain investments and enhance export capability resulting in economic growth that contributes to business growth, job creation and poverty reduction.

The NDM has developed a pipeline of investment projects that are targeted for the district. The projects are in the following priority sectors: Tourism, mineral beneficiation, manufacturing, trade, energy, property and industrial development and the township economy. The value of the investment pipeline is R410 million and the projects are expected to create 1000 temporary jobs and 220 permanent jobs. Key projects being developed in the district include:

- **Development of a Hotel and Convention Centre** in Middelburg via a private investment. The land for the development has been approved by the municipality and the project is ready for commencement. (The project involves developing a hotel, convention centre and supporting services). The municipality to support the investment through regulatory enablement (fast-tracking of approvals) and ensuring the participation of local SMMEs and Cooperatives in the tourism value chain.
- **Private Hospital in Delmas-** this project involves the development of a private Hospital in Delmas; the proposed development will consist of an eighty (80) beds hospital with supporting facilities. The municipality is assisting this project to access land from the Department of Public Work and Infrastructure, and with grants to develop critical infrastructure from the Department of Trade, Industry and Competition.
- **Fly-Ash beneficiation-** This project involves beneficiating bottom and Fly-Ash waste from Eskom power stations to manufacture aggregate for cement, bricks, ceramic, and roofing tiles, as well as other value-added downstream products. The municipality has collaborated with Eskom to establish a steering committee on developing the Fly-Ash Beneficiation Industry; the task teams focus on the following areas: Accessibility and Reliability of Ash Supply, Business Incubation; Research and Development, The Economies of Scale for Classified Ash, and Support of SMMEs. This platform is expected to implement projects that will fast track the beneficiation of ash in the district
- **Human waste recycling into fertilizer-** the project involves processing the human waste from the municipal sewer system into fertilizer. The municipality has linked the project with local municipalities, to enable the project connect to the sewer systems to extract the waste for processing. This project is expected to support the manufacturing and agricultural sector in the district.
- **Nkangala Trade Market-** the Department of Small Business Development (DSBD) has initiated a programme of establishing trade markets to promote local products. The Department has requested the NDM to facilitate the establishment of the market through securing a municipal property that can host the market.

During the year under review, the NDM collaborated with the following stakeholders to develop SMMEs and cooperatives in the district:

- a) **SADICO-** the NDM supports the initiative by South African Digital Content Organization (SADICO) to recruit and train youth within the district in digital and innovation skills for the fourth industrial revolution. 1000 youth targeted in the district.
- b) **SAMID-** the NDM has signed a MoU with the South African Mini Industries Development to collaborate in supporting SMMEs and cooperatives in the district;
- c) **MEGA & SEFA-** the NDM refers funding applications to MEGA, co-hosts export workshops, and the parties also collaborate on efforts to revitalize the Highveld Industrial Park and other industrial parks in the district.

- d) **SEDA & NYDA-** the NDM is collaborating with SEDA and the NYDA to provide business development services to local residents. The NDM and SEDA signed a memorandum of understanding in 2019.

3.10 COMPONENT J: 2020/2021 ANNUAL PERFORMANCE REPORT

PURPOSE

The purpose of this report is to give feedback regarding the performance of the Nkangala District Municipality as required by the Municipal Systems Act No 32 of 2000, section 41(e) and the Municipal Finance Management Act 56 of 2003, section 52(d). The information included in this report is based on the IDP and Adjustment SDBIP as developed for the financial year 2020/2021. The scorecards were developed to reflect ***cumulative performance***; therefore, the status of indicators is a reflection of the overall performance level achieved year to date.

METHODOLOGY FOLLOWED IN COMPILING THE REPORT

In terms of Section 46 of the Municipal Systems Act 32 of 2000, Municipalities are required to prepare for each financial year an annual performance reporting reflecting-

- (a) the performance of the municipality and of each external service providers during that financial year;
- (b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year and
- (c) Measures taken to improve performance.

According to the provisions of the Municipal Systems Act, 32 of 2000, municipalities must monitor and measure the progress of their performance by preparing quarterly and mid-year performance reports and annual performance report, in terms of Chapter 6 of the MSA, on performance management systems. These quarterly and mid-year reports make up the municipality's annual performance reports (Section 46 report), which are submitted to the Auditor-General, together with the Annual financial statements, for auditing.

This report is based on information received from each department for assessment of performance for the accumulated **annual performance for 2020/2021, ended 30 June 2021**. This is a high-level report based on scores obtained through a process whereby actual information per Key Performance Area (KPA), Strategic Objective, Programme and the aligned Key Performance Indicators are compared to the approved 2020/2021 IDP and Adjustment SDBIP scorecards.

The overall performance for the Nkangala District Municipality is based on the Departmental Performance scorecard which is inclusive of the IDP and Adjustment SDBIP KPI's and Projects applicable to each department in terms of their respective contribution.

The detail pertaining to the Key Performance Indicators (KPIs) are included as individual tables in each section of the department's individual performance. Results are presented in the form of scores as detailed below and were calculated using an automated system and based on the guidelines contained in Regulation 805; Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006.

EXECUTIVE SUMMARY

This report serves as the **Institutional Annual Performance Report** for the **2020/2021** financial year **ended 30 June 2021**. It provides effective and informative feedback on the performance level achieved (accumulative reporting) against the targets as laid out in the IDP and Adjustment SDBIP Scorecards. In the case of under-performance, the

respective concerns or mitigating reasons are highlighted and detail pertaining to the relevant measures taken to address these challenges are included thereto.

The overall performance for the Nkangala District Municipality is based on a composite Performance Scorecard of each Department comprising of all indicators and projects inclusive of the IDP and Adjustment SDBIP.

ACKNOWLEDGEMENT

I would like to extend my appreciation to the Honourable Executive Mayor, Mayoral Committee, MPAC, Section 79, Section 80, Performance Audit Committee (PAC), Risk Management Committee and Councillors for strategic direction and leadership demonstrated during the financial year.

The guidance and vision of the Heads of Departments and other staff are acknowledged with gratitude. A special word of appreciation is extended to all my colleagues for their loyalty and support.

VISION, MISSION, KEY PERFORMANCE AREARS AND ORGANISATIONAL SRETEGIC GOALS

The focus of the Nkangala District Municipality is on shaping the future of the municipality to; as the vision statement reflects, accelerate *“Improved quality of life for all”*.

The **Vision, Mission, Values and Strategic goals** were review and recommended as follows:

Vision	Improved quality of life for all
Mission	The NDM is committed to the improvement of the physical, socio-economic and institutional environment in order to address triple challenges through sustainable development and service excellence.
Values	<ul style="list-style-type: none"> • To promote and pursue key national, Provincial and local development goals as enriched in vision 2030 • To be inclusive and caring organization • To be democratic transparent, accountable and participative in pursuance of our objectives • To be responsive to the needs of citizens and Partner-Local Municipalities • To cultivate a work ethic focused on performance, achievement and results • To be democratic in the pursuance of our objectives • To show mutual respect, trust and ensure high levels of co-operation and discipline in our dealing with one another

Strategic Goals

Strategy is about those broad priorities that are to be pursued in order to achieve the vision and mission. Once the high-level strategic goals are developed.

1. Positioning Nkangala in the Region and Southern Africa (SADC)

2. Enhancing Environmental Sustainability and Protecting Natural Resources
3. Spatial Transformation and Sustainable Human Settlements
4. Promoting Vibrant Rural Communities, an Inclusive Rural Economy and Food Security
5. Inclusive Economic Growth and Decent Employment for a Skilled Workforce
6. Functional, Efficient Economic Infrastructure Network to Facilitate Growth
7. Improving Education, Training and Innovation
8. Promoting Health Care for All
9. Providing Social Protection (Welfare) to the Vulnerable
10. Building Safer, Caring Communities
11. Building a Capable, Financially Sustainable and Developmental Governance System
12. Promoting Nation Building and Social Cohesion through Participative Planning

The strategic goals are aligned to developmental objectives that were developed by the municipality and are depicted in the table below:

The Developmental Objectives:

Strategic Goals	Developmental Objectives
Positioning Nkangala in the Region and Southern Africa (SADC)	Integrated Sustainable Human Settlements and improved quality of household life
Building a Capable, Financially Sustainable and Developmental Governance System	Efficient, competitive and responsive economic infrastructure network
Inclusive Economic Growth and Decent Employment for a Skilled Workforce	Decent employment through inclusive economic growth
Building a Capable, Financially Sustainable and Developmental Governance System	Inculcate and improve financial sustainability and management
Building a Capable, Financially Sustainable and Developmental Governance System	Responsive, accountable, effective, efficient and sound Governance System
Building a Capable, Financially Sustainable and Developmental Governance System	Skilled and capable workforce supportive of inclusive growth
Promoting Vibrant Rural Communities, an Inclusive Rural Economy and Food Security	Vibrant, equitable and sustainable rural communities and food security
Enhancing Environmental Sustainability and Protecting Natural Resources	Protection and enhancement of environmental assets and natural resources

The District Municipality must ensure that it aligns its strategic goals with the National and Provincial goals and priorities. The table underneath reflects the Nkangala strategic goals' alignment to Local Governments Key Performance Areas.

NDM Strategic Goals' Alignment to LG KPA:

Key Performance Areas	Nkangala Strategic Goals
KPA 1: Institutional Development and Transformation	Building a Capable, Financially Sustainable and Developmental Governance System
KPA 2: Good Governance and Public Participation	Promoting Nation Building and Social Cohesion through Participative Planning
KPA 3: Local Economic Development	Promoting Vibrant Rural Communities, an Inclusive Rural Economy and Food Security Inclusive Economic Growth and Decent Employment for a Skilled Workforce
KPA 4: Financial Viability and Financial Management	Building a Capable, Financially Sustainable and Developmental Governance System
KPA 5: Basic Service Delivery and Infrastructure	<ul style="list-style-type: none"> • Functional, Efficient Economic Infrastructure Network to Facilitate Growth • Enhancing Environmental Sustainability and Protecting Natural Resources • Improving Education, Training and Innovation • Promoting Health Care for All • Providing Social Protection (Welfare) to the Vulnerable • Building Safer, Caring Communities
KPA 6: Spatial Rationale	<ul style="list-style-type: none"> • Positioning Nkangala in the Region and Southern Africa (SADC) • Spatial Transformation and Sustainable Human Settlements

The strategic goals and outcomes, their statements/definition as well as alignment to Key Performance Areas, National Development Plan and 2030 Developmental Goals:

The Strategic Goals' Alignment to the NDP & 2030 Developmental Goals

Strategic Goal	Outcome
<ul style="list-style-type: none"> • Functional, Efficient Economic Infrastructure Network to Facilitate Growth • Improving Education, Training and Innovation • Promoting Health Care for All • Providing Social Protection (Welfare) to the Vulnerable • Building Safer, Caring Communities 	Improved quality of life, effective and efficient service delivery
<ul style="list-style-type: none"> • Promoting Vibrant Rural Communities, an Inclusive 	Diversified and sustainable regional

Rural Economy and Food Security <ul style="list-style-type: none"> • Inclusive Economic Growth and Decent Employment for a Skilled Workforce 	economy by 2030
Building a Capable, Financially Sustainable and Developmental Governance System	Financial sustainability
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	Deliver various infrastructure projects for sustainable economic growth and service provision to communities
<ul style="list-style-type: none"> • Positioning Nkangala in the Region and Southern Africa (SADC) • Spatial Transformation and Sustainable Human Settlements 	Integrated economic space and sustainable human settlements by 2030
Building a Capable, Financially Sustainable and Developmental Governance System	Clean Audit results and satisfied and participative communities
Building a Capable, Financially Sustainable and Developmental Governance System	High performing and effective employees

INSTITUTIONAL AND DEPARTMENTAL PERFORMANCE

The following tables represent the Institutional performance by **KPA for both KPI's and Projects** and constitutes all of the KPI's and Projects in the IDP and Adjustment SDBIP Scorecards assessed. This section of the report provides information on the contribution made to **each KPA** to the overall **Annual Performance Institutional Performance** level achieved by the Nkangala District Municipality for the **period ended 30 June 2021**.

Key Performance Indicators (KPI)

Institutional Performance – KPA's (KPI's)	YTD 2019/20	YTD 2020/21
Overall Attainment	88%	81%
KPA 1: Institutional Development and Municipal Transformation	78%	75%
KPA 2: Good Governance and Public Participation	88%	84%
KPA 3: Local Economic Development	90%	50%
KPA 4: Municipal Financial Viability and Management	92%	83%
KPA 5: Service Delivery and Infrastructure Development	90%	83%
KPA 6: Spatial Analysis and Rationale	100%	100%

PROJECTS

Institutional Performance – KPA's (Projects)	YTD 2019/20	YTD 2020/21
Overall Attainment	85%	87%
KPA 1: Institutional Development and Municipal Transformation	N/A	N/A
KPA 2: Good Governance and Public Participation	80%	100%
KPA 3: Local Economic Development	50%	67%
KPA 4: Municipal Financial Viability and Management	80%	100%
KPA 5: Service Delivery and Infrastructure Development	91%	83%
KPA 6: Spatial Analysis and Rationale	100%	100%

The organization is responsible for a **total of 75 KPI's and 76 Projects for this financial year, of which all were assessed**. All the assessed KPI's and Projects contribute to the overall performance level of the combined IDP and adjusted SDBIP Scorecards as reflected in this report. Institutional statistics were as follows:

Comparison of Institutional Performance Levels from 2018/2019 to 2020/2021 Financial Years:

	2018/19			2019/20			2020/21		
Details	Total KPI's Assessed	Targets Achieved	% Target Achieved	Total KPI's Assessed	Targets Achieved	% Target Achieved	Total KPI's Assessed	Targets Achieved	% Target Achieved
KPIs	121	102	84%	85	75	88%	75	61	81%
Projects	89	71	80%	85	72	85%	76	66	87%
Total	210	173	82%	170	147	86%	151	127	84%

The Evaluation criteria are based on a scale of 1-5 and each of aspects (KPIs and projects) will be rated as follows:

5	Outstanding performance	Performance far exceeds the standards expected of an employee at this level. The appraisal indicates that the employee has achieved above fully effective results against all performance criteria and indicators as specified in Performance Agreement/Plan and maintained this in all areas of responsibility.
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved effective results against all significant performance criteria and indicators as specified in the Performance Agreement/ Plan.
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the employee has fully achieved effective results against all significant performance criteria and indicators as specified in the Performance Agreement/Plan.
2	Not fully effective	Performance is below the standard required for the job in key areas. 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/Plan.
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all performance criteria and indicators as specified in the Performance Agreement/Plan. 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.

The following section contains a comprehensive breakdown of the **Key Performance Area (KPA)**

4.1 KPA 1: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

Institutional Development and Transformation KPA consists of 8 KPIs' and 0 projects for 2020/2021 financial year, of which all were eligible for assessment. The current financial year statistics for the above-mentioned KPA are as follows.

Table: Institutional Development and Transformation Statistics

Type	Total KPI's Assessed	Targets Achieved	% Target Achieved	Targets NOT Achieved	% Target NOT Achieved
SDBIP	8	6	75%	2	25%
Projects	0	0	0	0	0
Total	8	6	75%	2	25%

The overall performance achieved for Institutional Development and Transformation is at 75%.

KPA 1: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
Building a Capable, Financially Sustainable and Developmental Governance System	Organisational restructuring and transformation	M_01	Number of individual performance evaluation conducted with all employees 30 June 2021 (Cascading of PMS to all NDM Employees)	1,8	Opex	New	200	193	Not achieved	2 employees retired, 2 delegated to SAMWU as fulltime shop stewards, and other employees were not assessed due to non-submission of performance report and POE files	Consequence Management will be implemented to all employees who have not complied with PMS Policy by 30 September 2021	2	Consolidated Report
	Powers, Duties and Functions	M_02	Number of new/reviewed policies approved by Council by 30 June 2021	1,4	Opex	54 (22 CS, 22 FS, 5 SS, 1 ICT, 1 PED, 1 LEGAL, 1 PMS, 3 IA, 3 RISK)	53	60	Achieved	None	None	3	Approved Policies Report and council resolutions
	Good governance and communication	M_03	Percentage of KPIs and projects attaining organisational targets by 30 June 2021 (Total Organisation)	1,8	Opex	86%	100%	87%	Not achieved	*Two Strategic Risk Mitigation Strategies were not implemented: Benchmarking and standardization of salaries due to the re-evolution jobs process and a letter of good standing not yet obtained. Twelve Operational	*Strategic and operational risks not implemented to be incorporated in the new financial year risk registers by 30 July 2021 *Awaiting outcome from	2	Quarterly Institutional Performance Report

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
										<p>Risk Mitigations were not implemented:</p> <ol style="list-style-type: none"> 1) Project not the procurement Plan not implemented. 2) Performance assessment not conducted on employees 3) Local transport forum not held due to unrest within the taxi industry 4) Four contracts not on contract register <p>internal audit findings implemented: letter of good standing still outstanding the matters is been resolved.</p> <p>Strategic Lekgotla resolution issues not fully implemented</p> <p>PROJECTS:</p>	<p>the Compensation Commission on the letter of good standing</p> <p>*Strategic lekgotla resolutions not implemented are incorporated to 2021 resolutions</p> <p>PROJECTS:</p> <p>*Implementation Readiness Study approval expected by 30 September 2021</p> <p>* The projects were re-advertised and will be closing on 29 July 2021, for implementation to commence after conclusion of the</p>		

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
										*Planning and design work for the Loskop Regional Bulk Water Supply Project was halted by the DWS pending approval of the Implementation Readiness Study (IRS). *Service provider appointed for plant and equipment terminated due to breach of contract * New Identified NDM Site Rezoning delayed at STLM	procurement processes. The expected implementation date is 30 September 2021 *New Identified NDM Site Rezoned by 31 October 2021		
		M_04	Percentage on number of litigation matter reduced by 30 June 2021	1,3	Opex	New	20%	36.36% (4/11X100)	Achieved	None	None	4	Litigation register and report
		M_05	Percentage of Recruitment processes on approved vacant positions finalized within 4 months of the position being advertised	1,2	Opex	95%	95%	95%	Achieved	None	None	3	Quarterly Vacancy Rate Report

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
	Organisational Restructuring and Transformation	M_06	Percentage of findings on health and safety incident implemented by 30 June 2021	1,4	Opex	100%	100%	100%	Achieved	None	None	3	OHS report
	Good governance and communication	M_07	Percentage of employees from previously disadvantaged groups appointed in the three highest levels of management (level 0 to 3) as per the approved EE plan (GKPI) by 30 June 2021	1,3	Opex	86.3%	75%	100%	Achieved	None	None	3	EE Annual Report
Building a Capable, Financially Sustainable and Developmental Governance System	Organisational Restructuring and Transformation	M_08	Percentage of allocated budget spent implementing the workplace skills plan (GKPI) by 30 June 2021	1,5	Opex	99.7%	90%	99.8%	Achieved	None	None	3	Training report (include budget spending report. The budget is 2 Million)

4.2 KPA 2: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Good Governance and Public Participation KPA consists of 25 KPIs' and 4 projects for 2020/2021 financial year, of which all were eligible for assessment. The current financial year statistics for the above-mentioned KPA are as follows.

Table: Good Governance and Public Participation Statistics

Type	Total KPI's Assessed	Targets Achieved	% Target Achieved	Targets NOT Achieved	% Target NOT Achieved
SDBIP	25	21	84%	4	16%
Projects	4	4	100%	0	0%
Total	29	25	86%	4	16%

The overall performance achieved for Good Governance and Public Participation is at 86%.

KPA 2: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
Promoting Nation Building and Social Cohesion through Participative Planning	Good Governance	M_09	Number of MPAC report submitted to council by 30 June 2021	2,1	Opex	4	3	3	Achieved	None	None	3	3 MPAC Reports
		M_10	Maintain clean audit opinion in respect of the 2019/20 Audit Report by 30 April 2021	2,4	Opex	1 (clean audit)	1	1	Achieved	None	None	3	AG's Audit Report
		M_11	Action Plan on issues raised by the Auditor General tabled to Council by 31 May 2021	2,5	Opex	1	1	1	Achieved	None	None	3	Action Plan and Council resolution
		M_12	Percentage of AG Management Letter findings resolved by 30 June 2021 (Total organization)	2,5	Opex	100%	50%	78.6% (11/14*100)	Achieved	None	None	4	Action Plan progress report
		M_13	Final 2021/2022 IDP tabled for approval to Council by the 31st May 2021	2,6	Opex	1	1	1	Achieved	None	None	3	Final IDP Document & Council Resolution
	Good governance and communication	M_14	Tabled annual report to Council by 31 May 2021	2.4	Opex	1	1	1	Achieved	None	None	3	approved Annual Report and council resolution
		M_15	Submission of oversight Report by MPAC to Council by 30 June 2021	2.5	Opex	1	1	1	Achieved	None	None	3	Oversight Report and council resolution

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
		M_16	Final 2021/2022 SDBIP approved by Executive Mayor within 28 days after approval of Budget	2.6	Opex	1	1	1	Achieved	None	None	3	Approved and signed SDBIP
		M_17	Adjusted 2020 /2021, SDBIP approved within 28 days after the approval of the adjusted budget.	2.4	Opex	1	1	1	Achieved	None	None	3	Approved Adjusted SDBIP and Council Resolution
		M_18	Percentage of action plans implemented to address strategic risks identified per quarter (organisation)	2,3	Opex	82%	100%	99%	Not Achieved	The following departments did not achieve their set targets: Corporate Services: Benchmarking and standardization of salaries due to the re-evolution jobs process, and Finance: letter of good standing outstanding.	That the not achieved targets be incorporated in the new financial years register by 30 September 2021	2	Quarterly Strategic Risk report

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
		M_19	Percentage of action plans implemented to address operational risks identified per quarter (Total Organisation)	2,3	Opex	95%	100%	99%	Not Achieved	<p>The following departments did not achieve their set targets:</p> <p>Social Services: Project not the procurement Plan not implemented and Performance assessment not conducted on employees</p> <p>Internal Audit: re-advert of project due to non-responsive of bidders,</p> <p>Corporate Services: Manager not assessed due to non-submission of individual performance</p>	That the not achieved targets be incorporated in the new financial years register by 30 September 2021	2	Quarterly Operational Risk report

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
										report, Planning and Economic Development: Transport forum could not sit due to taxi association strike, Technical Services: projects not implemented according to procurement plan, Executive Mayor's Office: Two employees not assessed, Finance: Inadequate contract management (4 contracts not on contract			

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
										register)			
		M_20	Percentage of action plans implemented to address fraud and corruption risks identified per quarter (Total Organisation)	2,3	Opex	100%	100%	100%	Achieved	None	None	3	Quarterly Fraud and corruption Risk report
		M_21	Developed and approved 2021/2022 risk based audit plan by 30 June 2021	2,2	Opex	1	1	1	Achieved	None	None	3	Approved Risk based audit plan
		M_22	Percentage of internal audit recommendation implemented per quarter (Total organization)	2,2	Opex	95%	100%	98%	Not Achieved	The matter of Letter of good standing is still outstanding; however the matter is receiving the necessary attention	Legal Services submitted a review application to the Compensation Commissioner seeking reassessment of the employee returns. The Compensation is in the process of the said	2	Quarterly IA report

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
											review or reassessment and the outcome is awaited on or before the 31 st July 2021		
		M_23	Developed and approved 2021/2022 strategic risk register by 30 June 2021	2,3	Opex	1	1	1	Achieved	None	None	3	Approved Strategic Risk Register
		M_24	Number of audit committee reports submitted to Council by 30 June 2021	2,2	Opex	4	4	4	Achieved	None	None	3	Quarterly Audit Committee reports and council Resolution
		M_25	Percentage on implementation of council resolutions resolved (total organization) by 30 June 2021	2,1	Opex	4	100%	100%	Achieved	None	None	3	Quarterly report on implementation of Council resolutions
		M_26	Percentage of ICT steering committee recommendations as adopted by council implemented by 30 June 2021.	2,4	Opex	5 (reports)	100%	100%	Achieved	None	None	3	Quarterly report on implementation of ICT Steering Committee Recommendations as adopted by council
Promoting Nation Building and Social Cohesion through		M_27	Number of quarterly District Municipal Manager's Forum meetings held	2,6	Opex	4	4	4	Achieved	None	None	3	Approved Strategic Risk Register

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
Participative Planning		M_28	Number of quarterly District Mayoral Forum meetings held	2,6	Opex	3	4	4	Achieved	None	None	3	Signed Minutes and Attendance Register
		M_29	2021/2022 IDP review draft framework plan approved by 30th June 2021	2,6	Opex	1	1	1	Achieved	None	None	3	Reviewed Framework Plan and Council resolution
		M_30	Strategic Lekgotla report tabled to Council by 28 February 2021	2,6	Opex	1	1	1	Achieved	None	None	3	Strategic Lekgotla report and Council resolution
		M_31	Percentage of 2019/2020 strategic Lekgotla resolutions implemented by 30 December 2020	2,6	Opex	100%	100%	70%	Not Achieved	That a memorandum of understanding must be signed between district, local municipalities, DMR, and mines on social labour plans and community development issues. The District is struggling with DMR to attend meetings	The resolution to be incorporated to the 2021 Lekgotla Resolutions by 30 September 2021	2	Strategic Lekgotla report

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
		M_32	Number of local labour forum (LLF) meetings held by 30 June 2021	2,1	Opex	5	6	8	Achieved	None	None	3	Agenda, Minutes and attendance register
	Communication, Liaison and alignment	M_33	Number of public participation meetings held by 30 June 2021	2,6	Opex	12	12	12	Achieved	None	None	3	Copy of Public participation reports

INFORMATION TECHNOLOGY

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Building a Capable, Financially Sustainable and Developmental Governance System	Installation of MPLS for Dr. JS Moroka LM by 30 June 2021	DR. JS Moroka LM	P_01	Clean Audit results and satisfied and participative communities	Signed SLA (25%)	Monitoring - SLA Meetings (Report and attendance register) (50%)	Monitoring - SLA Meetings (Report and attendance register) (75%)	Monitoring - SLA Meetings (Report and attendance register) (100%)	100%	Achieved	3	None	None	R2,000	R460
	Development and Implementation of DRP/BCP by 30 June 2021	NDM	P_03		Procurement stage: BSC Resolution, Tender advertisement (25%)	Appointment stage: BEC and BAC resolution (60%)	Not applicable	Implementation Stage: project implementation and closure (100%)	100%	Achieved	3	None	None	R5,972	R5,972
	Implementation of ERP systems by 30 June 2021	NDM	P_04		Not applicable	Not applicable	Implementation of ERP Systems (50%)	Integration of NDM Systems (75%)	75%	Achieved	3	None	None	R3,500	R3 754

LEGAL SERVICES

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
	12 By-Laws Gazetted by 30 June 2021	District Wide	P_58	Clean Audit results and satisfied and participative communities	Not applicable	Not applicable	Not applicable	12 By-Laws Gazetted (100%)	27	Achieved	5	None	None	R350	R318

KPA 3: LOCAL ECONOMIC DEVELOPMENT

Local Economic Development KPA consists of 4 KPIs' and 3 projects for 2020/2021 financial year, of which all were eligible for assessment. The current financial year statistics for the above-mentioned KPA are as follows.

Table: Local Economic Development Statistics

Type	Total KPI's Assessed	Targets Achieved	% Target Achieved	Targets Not Achieved	% Target Not Achieved
SDBIP	4	2	50%	2	50%
Projects	3	2	67%	1	33%
Total	7	4	57%	3	43%

The overall performance achieved for Local Economic Development is at 57%.

KPA 3: LOCAL ECONOMIC DEVELOPMENT

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
Inclusive Economic Growth and Decent Employment for a Skilled Workforce	Economic Development and Job Creation	M_34	Number of EPWP Full time equivalent (FTE's) job opportunities provided (GKPI) by 30 June 2021	3,4	Opex	224.7695652 FTE	160 FTE	168,6565217	Achieved	None	None	3	Employment Contracts, PROGRESS reports and monthly attendance registers
		M_35	Number of EPWP work opportunities jobs created (GKPI) by 30 June 2021	3,4	Opex	418 WO	400 WO	375	Not Achieved	Some project in technical services commenced late due to re-advertisement as well as high response from prospective services provider which affect work opportunities	The figures for 2021/2022 will be adjusted down based on the reduced number of projects and budget limitations by 30 September 2021.	2	Employment Contracts, PROGRESS reports and monthly attendance registers
		M_36	Number of SMME's and cooperatives supported with tools and equipment by 30 June 2021	3,4	Opex	15	38	38	Achieved	None	None	3	Delivery notes and proof of receipt.
		M_37	Number of companies owned by people with disabilities benefited from NDM procurement process by 30 June 2021		Opex	03	10	4	Not Achieved	Shortage of companies owned by people with disabilities that are in the NDM database/CSD.	To conduct outreach programme to all the NDM Local Municipalities train on procurement processes and how to register them on the CSD. (companies owned by people with disabilities) by 30 September 2021.	2	Appointment letters

PROJECTS FOR PRIORITY ISSUE 20: ECONOMIC DEVELOPMENT AND JOB CREATION (LOCAL ECONOMIC DEVELOPMENT)

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Promoting Vibrant Rural Communities, an Inclusive Rural Economy and Food Security	Support of regional LTOs & tourism organisation (RTO) by 30 June 2021	District-Wide	P_16	Diversified and sustainable regional economy by 2030	Not applicable	Not applicable	Appointment of Service Provider to develop RTO Portal (25%)	Development of Draft RTO Portal (75%)	75%	Achieved	3	None	None	R354	R238
	38 SMMEs, cooperatives and Informal Traders supported with tools and equipment by 30 June 2021	District-Wide	P_17	Diversified and sustainable regional economy by 2030	Update to all SMME's on project progress (20%)	Finalise procurement of service provider (50)%	15 SMME's supplied with tools and equipment (75%)	23 SMME's supplied with tools and equipment (100%)	100%	Achieved	3	None	None	R7,788	R7,225
	NEDA development and establishment by 30 June 2021)	District-Wide	P_18	Diversified and sustainable regional economy by 2030	Appointment of NEDA interim board and finalization of the board charter. (20%)	Registration of NEDA as a state-owned entity (50%)	Gazetting of NEDA By-law. (75%)	Shareholder compact and service level agreement on shared services between NEDA and the NDM. (100%)	75%	Not Achieved	2	There were delay in signing of the Shareholder compact and service level agreement on shared services, as the document had to serve in the NEDA interim board for approval	The Shareholder compact and service level agreement on shared services to be signed by 30 August 2021	R879	R687

4.4 KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Municipal Financial Viability and Management KPA consists of 12 KPIs' and 4 projects for 2020/2021 financial year, of which all were eligible for assessment. The current financial year statistics for the above-mentioned KPA are as follows.

Table: Municipal Financial Viability and Management Statistics

Type	Total KPI's Assessed	Targets Achieved	% Target Achieved	Targets Not Achieved	% Target Not Achieved
SDBIP	12	10	83%	2	17%
Projects	4	4	100%	0	0%
Total	16	14	88%	2	12%

The overall performance achieved for Municipal Financial Viability and Management is at 88%.

MMMMM

MMMMM

MMMMM

KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						POE
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	
Building a Capable, Financially Sustainable and Developmental Governance System	Financial Viability	M_38	Percentage of procurement plan implemented per quarter	4,2	Opex	80%	95%	100%	Achieved	None	None	3	Quarterly Procurement plan
		M_39	Submission for approval of MTREF Budget by the 31st May 2021	4,3	Opex	1	1	1	Achieved	None	None	3	Approved MTREF Budget and council resolution
		M_40	Annual Financial Statements (AFS) submitted on or before the 31 October 2020 to Auditor General	4,4	Opex	1	1	1	Achieved	None	None	3	Annual Financial Statements (AFS) and acknowledgment of Auditor General's office
		M_41	Number of quarterly SCM reports submitted to the Executive Mayor	4,1	Opex	4	4	4	Achieved	None	None	3	Quarterly SCM report and acknowledgment of Executive Mayor's office
		M_42	Section 72 (midyear) MFMA report submitted to Executive Mayor within legislative timeframes by 25 January 2021	4,6	Opex	1	1	1	Achieved	None	None	3	Section 72 (midyear) MFMA report and acknowledgment of Executive Mayor's office

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						POE
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	
		M_43	Number of quarterly section 52(d) MFMA reports submitted to Executive Mayor within legislative timeframes per quarter	4,5	Opex	4	4	4	Achieved	None	None	3	Quarterly section 52(d) MFMA report and acknowledgment of Executive Mayor's office
		M_44	Current Ratio expressed as current assets / current liabilities by 30 June 2021 (GKPI)	4,2	Opex	9.28	2:1	7:16	Achieved	None	None	5	As Per AFS
		M_45	Number of monthly section 71 MFMA reports submitted to Executive Mayor within legislative timeframes (10 working days)	4,6	Opex	12	12	12	Achieved	None	None	3	Section 71 MFMA reports and acknowledgment of Executive Mayor's office
		M_46	Percentage spent on rural assets management grant by 30 June 2021	4,3	RAM	100%	100%	100%	Achieved	None	None	3	Expenditure progress report
		M_47	Percentage of transfer and subsidies budget actually spent on projects by 30 June 2021 (local Municipalities projects)	4,7	Opex	94%	90%	82%	Not Achieved	Procurement on four projects was only concluded in May 2021, hence the impact on the expenditure. Also, the Service Provider for	Project for THLM Plant and Equipment re-advertised and closing on the 29 July 2021. For implementation by 30 September 2021	2	Expenditure progress report

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						POE
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	
										the THLM Plant and Equipment defaulted on their contract, which led to them being terminated by NDM.			
		M_48	Percentage of Capital Budget actually spent on capital projects (NDM project) by June 2021	4,7	Opex	80%	90%	80%	Not Achieved	None adherence to procurement plan due to re-advertisment	The project has also been rolled over to by 30 September 2021	2	Expenditure progress report
		M_49	Percentage spent on Financial Management Grant (FMG) by 30 June 2021	4,3	FMG	100%	100%	100%	Achieved	None	None	3	Expenditure progress report

PROJECTS FOR PRIORITY ISSUE 3: FINANCIAL VIABILITY

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Building a Capable, Financially Sustainable and Developmental Governance System	AFS assistance and review by 31 August 2020	NDM	P_05	Clean Audit results and satisfied and participative communities	Appointment of service provider and review AFS by 31 August 2020 (100%)	Not applicable	Not applicable	Not applicable	100%	Achieved	3	None	None	R868	R330
	SCM/Debtors verification system : by 30 June 2021	NDM	P_06	Financial sustainability	Payment and 1 report on debtor and SCM verification System (15%)	Payment and 1 report on debtor and SCM verification System (25%)	Payment and 1 report on debtor and SCM verification System (50%)	Payment and 1 report on debtor and SCM verification System (90%)	96%	Achieved	3	None	None	R1,464	R1,014
	Actuarial valuations by 30 June 2021	NDM	P_08	Clean Audit results and satisfied and participative communities	1 report on actuarial valuations (100%)	1 payment done	Not applicable	Not applicable	100%	Achieved	3	None	None	R046	R009
	Asset review by 30 December 2020	NDM	P_09		1 report on FAR (100%)	Payment done	Not applicable	Not applicable	100%	Achieved	3	None	None	R500	R489

4.5 KPA 5: BASIC SERVICE DELIVERY AND INFRASTRUCTURE

Basic Services Delivery and Infrastructure KPA consists of 24 KPIs' and 53 projects for 2020/2021 financial year, of which all were eligible for assessment. The current financial year statistics for the above-mentioned KPA are as follows.

Table: Basic Services Delivery and Infrastructure Statistics

Type	Total KPI's Assessed	Targets Achieved	% Target Achieved	Targets NOT Achieved	% Target NOT Achieved
SDBIP	24	20	83%	4	17%
Projects	53	44	83%	9	17%
Total	77	64	83%	13	17%

The overall performance achieved for Basic Services Delivery and infrastructure is at 83%.

KPA 5: BASIC SERVICE DELIVERY AND INFRASTRUCTURE

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
Building Safer, Caring Communities	Emergency Service	M_50	Number of disaster risk reduction awareness campaigns conducted as part of the NDM COVID 19 Response by 30 June 2021	5,7	Opex	15	15	26	Achieved	None	None	4	Quarterly Disaster Risk reduction reports (proving Number of DRR awareness campaigns conducted) and attendance register
Promoting Health Care for All	Health	M_51	Number of quarterly DAC meetings held as part of the NDM COVID 19 response by 30 June 2021	5,10	Opex	4	4	4	Achieved	None	None	3	Attendance register and signed minutes
	Health	M_52	Number of HIV/AIDS educational awareness campaigns conducted to capacitate and build communities as part of the NDM COVID 19 Response by 30 June 2021	5,9	Opex	43	10	32	Achieved	None	None	5	Quarterly reports (proving Number of HIV/AIDS awareness campaigns conducted) and attendance register
	Health & Environmental Management	M_53	Number of water samples taken per quarter from the local municipalities, analysed as per the SANS 241 standard (per quarter)	5,8	Opex	3651	3400	3598	Achieved	None	None	3	Quarterly water samples reports and Spread sheets

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
		M_54	Number of food handling and preparation facility inspections conducted in terms of the foodstuffs, cosmetics, disinfectant act (FCDA) per quarter	5,8	Opex	6854	4600	6082	Achieved	None	None	3	Quarterly food handling and preparation facility inspections reports and Spread sheets
		M_55	Number of municipal Health Services and Environmental Management awareness campaigns conducted as part of the NDM COVID 19 Response by 30 June 2021	5,8	Opex	31	32	41	Achieved	None	None	3	Attendance register and reports
	Health	M_56	Number of awareness campaigns on teenage pregnancy undertaken as part of the NDM COVID 19 Response by 30 June 2021	5.1	Opex	12	4	17	Achieved	None	None	5	Attendance register and reports (proving number of awareness campaigns on teenage pregnancy undertaken)
		M_57	Number of campaigns on drug / substance abuse held in partnership with SANCA as part of the NDM COVID 19 response by 30 June 2021	5.1	Opex	10	4	18	Achieved	None	None	5	Attendance register and reports (proving number of campaigns on drug / substance abuse held)
Improving Education, Training and Innovation	Education	M_58	Number of education career expos held by 30 June 2021	1,6	Opex	1	3	8	Achieved	None	None	5	Attendance register and reports (proving of number of Education Career Expos held)

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
		M_59	Mayoral Academic Recognition of NDM Learners held by 31 March 2021	1,6	Opex	1	1	1	Achieved	None	None	3	Attendance register and report
		M_60	Number of existing qualifying learners identified by 31 March 2021	1,6	Opex	21 identified and funded (July to Dec 2020) 19 continue (Jan to June 2020)	19	23	Achieved	None	None	3	Applications forms for qualified learners, Bursary offer letters and Progress report
		M_61	Number of new qualifying learners identified by 31 March 2021	1,6	Opex	30 identified and 21 funded	10	09	Not Achieved	Insufficient budget due to high fees rate at tertiary institution	To increase the bursary budget by 28 February 2022	2	Applications forms for qualified learners, Bursary offer letters and Progress report
		M_62	Youth skill and entrepreneurship development summit held by 30 June 2021	1,6	Opex	New	1	1	Achieved	None	None	3	Attendance Registers and Report.
Enhancing Environmental Sustainability and Protecting Natural Resources	Health & Environmental Management	M_63	Number of compliance audits conducted with respect to Sec 21 listed activities as per the NEMAQA by 30 June 2021	5,6	Opex	27	29	31	Achieved	None	None	3	Quarterly reports (proving Number of Compliance Audits conducted), Individual inspection reports & Attendance Registers

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	Water and Sanitation	M_64	Number of SANITATION projects (as submitted by the LM's) completed in terms of projects schedule by 30 June 2021	5,1	Opex	6	2	2	Achieved	None	None	3	1x Final Green Drop Report 1xSLA with STLM
		M_65	Number of SANITATION projects (as submitted by the LM's) in working progress in terms of projects schedules by 30 June 2021	5,1	Opex	6	5	5	Achieved	None	None	3	1x Quarter 4 report 2xImplementation progress report 2x BEC&BAC resolution
		M_66	Number of WATER projects (as submitted by the LM's) completed in terms of projects schedule by 30 June 2021	5,2	Opex	4	4	4	Achieved	None	None	3	1xFinal Blue Drop Report 1x PDR & DDR approval letter 1x Delivery note 1x Progress report
		M_67	Number of WATER projects (as submitted by the LM's) in working progress in terms of projects schedule by 30 June 2021	5,2	Opex	6	5	4	Not Achieved	Planning and design work for the Loskop Regional Bulk Water Supply Project was halted by the DWS pending approval of the Implementation Readiness Study (IRS).	Now that the Water Use License is in place, the remaining activities to be resolved are the Water Conservation and Demand Management Strategy and the Water Services Development Plan, off which these are expected to be concluded by 30 September 2021.	2	1xFinal IRS Report 1xProgress report 2x BEC&BAC resolution 1xQuarter 4 report

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
	Roads and Storm water	M_68	Number of ROADS AND STORMWATER projects (as submitted by the LM's) completed in terms of project schedules by 30 June 2021	5,4	Opex	7	13	11	Not Achieved	Service Provider for Step Deck and Diesel Bowser terminated on the 31 May 2021 due to breach of contract.	The project was re-advertised and will be closing on 29 July 2021, for implementation to commence after conclusion of the procurement processes. The expected implementation date is 30 September 2021	2	5x Completion certificate 7x Delivery notes 1xQuarter 4 progress report
		M_69	Number of ROADS AND STORMWATER projects (as submitted by the LM's) in working progress in terms of project schedules by 30 June 2021	5,4	Opex	14	5	4	Not Achieved	Service Provider for Plant and Equipment terminated on the 31 May 2021 due to breach of contract.	The project was re-advertised and will be closing on 29 July 2021, for implementation to commence after conclusion of the procurement processes. The expected implementation date is 31 January 2022	2	3xBAC & BEC resolution 2x Progress report
	Municipal Properties and Infrastructure	M_70	Number of MUNICIPAL FACILITIES (NDM) projects completed in terms of the project schedule by 30 June 2021	5,5	Opex	0	2	2	Achieved	None	None	3	2 Completion certificates
	Electricity	Roll over	Number of ELECTRICITY projects (as submitted by the LM's) completed in terms of project schedules by 30 June 2021		Opex	1	1	1	Achieved	None	None	3	1x Completion certificate

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
	Recreational Facilities	Roll over	Number of RECREATIONAL FACILITIES (NDM) projects in working progress in terms of the individual schedules by 30 June 2021		Opex	1	1	1	Achieved	None	None	3	1x BSC resolution
	Project Management	M_72	Number of progress reports on the percentage of households with access to basic levels provided by local municipalities (Water, Sanitation, Electricity and roads) submitted to Council by 30 June 2021	5,2	Opex	1	2	2	Achieved	None	None	3	progress report and council Resolution

PROJECTS FOR PRIORITY ISSUE 8: HEALTH (SOCIAL SERVICES): BASIC SERVICES DELIVERY AND INFRASTRUCTURE

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Promoting Health Care for All	Supply, delivery and installation of a park home for MHS at Victor Khanye LM by 30 June 2021	NDM	P_20	Improved quality of life, effective and efficient service delivery	Specifications developed & Project tender advertised (25%)	Not applicable	BEC, BAC and Service provider appointed (50%)	VKLM MHS park home delivered and installed (100%)	100%	Achieved	3	None	None	R1,400	R710
	Supply, delivery and installation of a park home for MHS at Emakhazeni LM by 30 June 2021	NDM	P_21		Specifications developed & Project tender advertised (25%)	Not applicable	BEC, BAC and Service provider appointed (50%)	Emakhazeni LM MHS Park Home delivered and installed (100%)	100%	Achieved	3	None	None	R1,400	R740
	Upgrading of park home Thembisile Hani MHS Office by 30 September 2020	NDM	P_67 roll over	Improved quality of life, effective and efficient service delivery	park home upgraded in (100%)	Not applicable	Not applicable	Not applicable	100%	Achieved	3	None	None	R100	R42

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
	Completion of Nokaneng MHS Parkhome office and upgrading of Siyabuswa parkhome (DR JS Moroka) by 30 September 2020	NDM	P_68 roll over		Completion of Nokaneng MHS Parkhome office and upgrading of Siyabuswa parkhome (100%)	Not applicable	Not applicable	Not applicable	100%	Achieved	3	None	None	R900	R651
	Installation of carports in Nokaneng MHS Office and Siyabuswa (DR JS Moroka) BY 30 July 2020	NDM	P_69 roll over	Improved quality of life, effective and efficient service delivery	Carports in Nokaneng MHS Office and Siyabuswa MHS Office installed (100%)	Not applicable	Not applicable	Not applicable	100%	Achieved	3	None	None	R123	R063
	Upgrading of carports Emalahleni MHS Office by 30 September 2020	NDM	P_77 roll over		Carport in Emalahleni MHS office upgraded. (100%)	Not applicable	Not applicable	Not applicable	100%	Achieved	3	None	None	R158	R017

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
	Upgrading carports in Thembisile Hani MHS office and by 30 September 2020	NDM	P_78 roll over		Carport in Thembisile Hani MHS office graded. (100%)	Not applicable	Not applicable	Not applicable	100%	Achieved	3	None	None	R035	R021
	Supply and delivery of office furniture for MHS office by 30 June 2021	NDM	P_79 roll over		Specifications developed & Project tender advertised (25%)	Not applicable	BEC, BAC and Service provider appointed (50%)	Office furniture procured: Conference table Melamine Royal Mahogany 3000mm x 1350mm (04); AND Visitors arm chairs for conference table (76) {100%}	100% furniture delivered as per appointment letter	Achieved	3	None	None	R350	R203

PROJECTS FOR PRIORITY ISSUE 11: EMERGENCY SERVICES AND DISASTER MANAGEMENT (SOCIAL SERVICES): BASIC SERVICES DELIVERY AND INFRASTRUCTURE

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Building Safer, Caring Communities	Establishment of the stand-alone District Disaster Management Centre by 30 June 2021	NDM	P_22(A)	Improved quality of life, effective and efficient service delivery	New Identified NDM Site Report approved by NDM council (50%)	New Identified NDM Site Rezoned (100%)	Not applicable	Not applicable	50%	Not Achieved	2	STLM delayed issuing Rezone Certificate due to COVID 19 regulations by Steve Tshwete LM	New Identified NDM Site Rezoned by 31 October 2021	R1,450	R1,073
Building Safer, Caring Communities	Appointment of a Service Provider for the Installation of Two-Way Radio Communication and Channel Rental for a period of Twelve (12) Months	NDM	P_23	Improved quality of life, effective and efficient service delivery	Specifications developed & Project tender advertised (25%)	Not applicable	BEC, BAC & Service provider appointed and Installation of Two-Way Radio Communication (100%)	Not applicable	100%	Achieved	3	None	None	R2,000	R0.00

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
	Supply, Delivery and Registration of Medium Pumper Fire Engine for Emakhazeni Local Municipality LM by 30 June 2021	Emakhazeni	P_24	Improved quality of life, effective and efficient service delivery	Develop specifications, submit tender document to BSC for approval, and advertise project (25%)	Not applicable	BEC, BAC and Service provider appointed (50%)	Delivery and registration of Medium Pumper Fire Engine for Emakhazeni Local Municipality, (Delivery note) (100%)	100%	Achieved	3	None	None	R5,600	R5,499
	Supply, delivery and Registration of Two Off road response vehicles for Emakhazeni LM	Emakhazeni	P_25	Improved quality of life, effective and efficient service delivery	Specifications developed & Project tender advertised (25%)	Not applicable	BEC, BAC and Service provider appointed (50%)	Delivery and registration of two-response vehicle (100%)	100%	Achieved	3	None	None	R2,300	R2,195

PROJECTS FOR PRIORITY ISSUE: FIRE AND RESCUE (SOCIAL SERVICES): BASIC SERVICES DELIVERY AND INFRASTRUCTURE

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Building Safer, Caring Communities	Supply, delivery and Registration of one (01) Fire Engines for NDM Fire and Rescue Services by 30 June 2021	NDM	P_26	Improved quality of life, effective and efficient service delivery	Specifications developed & Project tender advertised (25%)	Not applicable	BEC, BAC and Service provider appointed (50%)	Delivery and registration of one (01) Fire Engines (100%)	100%	Achieved	3	None	None	R5,731	R5,596
	Supply and delivery of Machinery and Equipment for NDM Fire and Rescue Services (2x Portable SCB Compressors; 2x Positive Pressure Pump; 2x Portable Fire Pumps) by 30 June 2021	NDM	P_27		Specifications developed & Project tender advertised (25%)	Not applicable	BEC, BAC and Service provider appointed (50%)	Delivery Services (2x Portable SCB Compressors; 2x Positive Pressure Pump; 2x Portable Fire Pumps) (100%)	25%	Not Achieved	2	Challenges were delays due to Covid-19 regular interruptions that affected advertisement and closing dates The project has also been rolled over to 2020/21 FY	The project has also been rolled over to 2021/22 Financial year. Machinery and Equipment by the 30 October 2021	R774	R0.00
	Supply and delivery of Office Furniture for NDM Fire and Rescue Services (10x Aluminium Chairs;3x	(Nokaneng) Satellite and THLM Fire Station)	P_28		Specifications developed & Project tender advertised (25%)	Not applicable	BEC, BAC and Service provider appointed (50%)	Office Furniture for NDM Fire and Rescue Services Delivered (10x Aluminium Chairs;3x	25%	Not Achieved	2	Non responsiveness of bidders due to requirements that were set	the requirements have since been adjusted and project re-advertised with intention to	R400	R330

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
	Canteen Chairs; 20x Mobile Rectangular Training Tables; 1x Conference Room Table; 10x High Black Leather Chairs; 5x Filling Cabinet) by 30 June 2021							Canteen Chairs; 20x Mobile Rectangular Training Tables; 1x Conference Room Table; 10x High Black Leather Chairs; 5x Filling Cabinet) (100%)					appoint by the end of December 2021. 31 st December 2021		

COMPLETE MUNICIPAL PROPERTIES AND INFRASTRUCTURE (TECHNICAL SERVICES)

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	Additional Infrastructure Nokaneng Fire Station Phase 1 by 30 March 2021	NDM	P_29	Improved quality of life, effective and efficient service delivery	Stage 3: Construction Stage: 65% Construction Progress	Stage 3: Construction Stage: 75% Construction Progress	Stage 3: Construction Stage: 100% Construction Progress	Not Applicable	100% of Stage 3: Construction	Achieved	3	None	None	R9,498	R9,466
	Garage and Office Extension Civic Centre by 30 September 2020 (Roll Over)	NDM	P_70 roll over		Stage 3: Construction Stage: 100% Construction Progress	Not Applicable	Not Applicable	Not Applicable	100% of Stage 3: Construction	Achieved	3	None	None	R 548	R473

WORK IN PROGRESS RECREATIONAL FACILITIES

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	Moloto Community Hall by 30 September 2020 (Roll Over)	Thembisile Hani	P_71 roll over	Improved quality of life, effective and efficient service delivery	Stage 1 – Planning and Design Stage: 100% BSC Resolution	Not Applicable	Not Applicable	Not Applicable	100% of Stage 1 – Planning and Design	Achieved	3	None	None	R264	R264

COMPLETED PROJECTS FOR PRIORITY ISSUE 12: WATER (TECHNICAL SERVICES): BASIC SERVICES DELIVERY AND INFRASTRUCTURE

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	Provision of Water through Water Tankers by 30 June 2021	Dr JS Moroka	P_30	Improved quality of life, effective and efficient service delivery	Stage 1: Planning Stage: (100%) BSC Resolution	Not applicable	Stage 2: Procurement Stage: (100%) Tender Advertisement, BEC & BAC Resolutions, Appointment of Service Providers	Stage 3: Implementation stage: 100% Water delivered through water tankers	100% of Stage 3: Implementation	Achieved	3	None	None	R 2,067	R2,066
	Refurbishment of Boreholes & Elevated Steel Tank in Victor Khanye Local Municipality by 30 December 2020	Victor Khanye	P_31		Stage 1: Planning and Design Stage (40%): Allocation/ Appointment Letter (Consultant), Inception Report Approval Letter	Stage 1: Planning and Design Stage (80%): PDR & DDR Approval Letter	Not Applicable	Not Applicable	80% of Stage 1: Planning and Design Stage	Achieved	3	None	None	R1,000	R1,000
	Supply, Delivery and Registration of Water Tankers for Dr JS Moroka by 30 September 2021 (Roll Over)	Dr JS Moroka	P_72 roll over		Stage 3: Implementation Stage: 100%: Manufacturing , Delivery and Registration	Not Applicable	Not Applicable	Not Applicable	100% of Stage 3: Implementation	Achieved	3	None	None	R 3,604	R3,604

WORK IN PROGRESS PROJECTS FOR PRIORITY ISSUE 12: WATER (TECHNICAL SERVICES): BASIC SERVICES DELIVERY AND INFRASTRUCTURE

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	Loskop Regional Bulk Water Supply (Schedule 6B DWS Grant) by 30 June 2021	Thembisile Hani	P_32	Improve d quality of life, effective and efficient service delivery	Not applicable	Not applicable	Not applicable	Stage 1: Planning and Design Stage (60%): PDR Final IRS report	50% of Stage 1: Planning and Design Stage	Not Achieved	2	Planning and design work for the Loskop Regional Bulk Water Supply Project was halted by the DWS pending approval of the Implementation Readiness Study (IRS).	Now that the Water Use License is in place, the remaining activities to be resolved are the Water Conservation and Demand Management Strategy and the Water Services Development Plan, off which these are expected to be concluded by 30 September 2021.	R24, 163	R3 247

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
	Moripe Gardens & Madubaduba Water Supply by 30 June 2021	Dr J S Moroka	P_33		Stage 3: Construction Stage: 30% Construction Progress	Stage 3: Construction Stage: 40% Construction Progress	Stage 3: Construction Stage: 60% Construction Progress	Stage 3: Construction Stage: 80% Construction Progress	90% of Stage 3: Construction Stage	Achieved	3	None	None	R11,888	R13,888
	Installation of Water Reticulation at Siyathuthuka by 30 June 2021	Emakhazeni	P_34		Stage 1: Planning and Design Stage (60%):PDR approval letter	Stage 1: Planning and Design Stage (80%):DDR approval letter	Stage 1: Planning and Design Stage (100%): BSC resolution	Stage 2: Procurement Stage (75%):Tender advert, BEC and BAC resolution	75% of Stage 2: Procurement Stage	Achieved	3	None	None	R 6,051	R 6,051
	Refurbishment of Bulk Water Valves by 30 June 2021	Emalahleni	P_35		Stage 1: Planning and Design Stage (40%): Allocation/Appointment Letter (Consultant), Inception Report Approval Letter	Stage 1: Planning and Design Stage (80%):PDR & DDR approval letter	Stage 1: Planning and Design Stage (100%): BSC resolution	Stage 2: Procurement Stage (75%):Tender advert, BEC and BAC resolution	75% of Stage 2: Procurement Stage	Achieved	3	None	None	R 7,749	R2,422

COMPLETE PROJECTS FOR PRIORITY ISSUE 12: WATER AND SANITATION: (MUNICIPAL ENGINEER)

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	Blue Drop assistance by 30 June 2021	Emalahleni LM Thembisile Hani LM Dr JS Moroka LM Victor Khanye LM Emakhazeni LM	P_36	Increased access to clean, healthy water and healthy sanitation	Stage 2: Implementation Stage: progress report (25%)	Stage 2: Implementation Stage: progress report (50%)	Stage 2: Implementation Stage: progress report (75%)	Stage 2: Implementation Stage: Final Report (100%)	80% of Stage 2: Implementation	Not achieved	2	Late submission by the local municipality (Emakhazeni LM) to be part and/ or included on the implementation of the project.	Budget provision by 30 September 2022 (2022/23 FY)	R1,063	R779
	Green Drop assistance by 30 June 2021	Emalahleni LM Thembisile Hani LM Dr JS Moroka LM Victor Khanye LM Emakhazeni LM	P_37		Stage 2: Implementation Stage: progress report (25%)	Stage 2: Implementation Stage: progress report (50%)	Stage 2: Implementation Stage: progress report (75%)	Stage 2: Implementation Stage: Final Report (100%)	80% of Stage 2: Implementation	Not achieved	2	Late submission by the local municipality (Emakhazeni LM) to be part and/ or included on the implementation of the project.	Budget provision in the outer financial years.		

WORK IN PROGRESS PROJECTS FOR PRIORITY ISSUE 12: WATER AND SANITATION: (MUNICIPAL ENGINEER)

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	Rand Water Project (Water Treatment Plant Assessment) by 30 June 2021	Emalahleni LM Thembisile Hani LM Dr JS Moroka LM Victor Khanye LM Emakhazeni LM Steve Tshwete LM	P_73 roll over		Stage 1: Planning Stage (100%): Appointment of Service Provider	Stage 2: Implementation Stage: progress report (20%)	Stage 2: Implementation Stage: progress report (30%)	Stage 2: Implementation Stage: progress report (50%)	86% of Stage 2: Implementation	Achieved	4	None	None	R10,000	R8,695
	Rand Water Project – (Waste Water Treatment Works Assessment) by 30 June 2021	Emalahleni LM Thembisile Hani LM Dr JS Moroka LM Victor Khanye LM Emakhazeni LM Steve Tshwete LM	P_74 roll over		Stage 1: Planning Stage (100%): Appointment of Service Provider	Stage 2: Implementation Stage: progress report (20%)	Stage 2: Implementation Stage: progress report (30%)	Stage 2: Implementation Stage: progress report (50%)	86% of Stage 2: Implementation	Achieved	4	None	None		

WORK IN PROGRESS PROJECTS FOR PRIORITY ISSUE 12: SANITATION: (MUNICIPAL ENGINEER)

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	VIP Toilets and Septic Tank Suction Dr JS Moroka by 30 June 2021	Dr JS Moroka	P_38	Improved quality of life, effective and efficient service delivery	Stage 2: Implementation Stage : progress report (15%)(Desludging)	Stage 2: Implementation Stage : progress report (20%)(Desludging)	Stage 2: Implementation Stage : progress report (35%)(Desludging)	Stage 2: Implementation Stage : Final Report (55%)(Desludging)	64% of Stage 2: Implementation	Achieved	3	None	None	R909	R583
	VIP Toilets and Septic Tank Suction Emalahle ni by 30 June 2021 (Roll Over)	Emalahle ni	P_39		Stage 2: Implementation Stage : progress report (15%)(Desludging)	Stage 2: Implementation Stage : progress report (20%)(Desludging)	Stage 2: Implementation Stage : progress report (35%)(Desludging)	Stage 2: Implementation Stage : Final Report (55%)(Desludging)	98% of Stage 2: Implementation	Achieved	4	None	None	R2,000	R1 960

COMPLETED PROJECTS FOR PRIORITY ISSUE 12: SANITATION (TECHNICAL SERVICES): BASIC SERVICES DELIVERY AND INFRASTRUCTURE

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	Construction of Low Flush Toilets in rural areas by 30 June 2021	STLM	P_90	Improved quality of life, effective and efficient service delivery	Not Applicable	Not Applicable	Not Applicable	Stage 1: Planning and Design Stage (100%): Signed Service Level Agreement with LM	100% of Stage 1: Planning and Design	Achieved	3	None	None	R321	R321

WORK IN PROGRESS PROJECTS FOR PRIORITY ISSUE 12: SANITATION (TECHNICAL SERVICES): BASIC SERVICES DELIVERY AND INFRASTRUCTURE

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	Installation of Sewer Reticulation at Siyathuthuka by 30 June 2021	Emakhazeni	P_40	Improved quality of life, effective and efficient service delivery	Stage 1: Planning and Design Stage (60%): PDR Approval Letter	Stage 1: Planning and Design Stage (80%): DDR Approval Letter	Stage 1: Planning and Design Stage (100%): BSC resolution	Stage 2: Procurement Stage (75%): Tender advert, BEC and BAC resolution	75% of Stage 2: Procurement	Achieved	3	None	None	R 6,087	R 6,087
	Upgrading and Refurbishment of Waste Water Treatment Works by 30 June 2021	Victor Khanye	P_41		Stage 1: Planning and Design Stage (40%): Allocation/Appointment Letter (Consultant), Inception Report Approval Letter	Stage 1: Planning and Design Stage (80%): PDR & DDR Approval Letter	Stage 1: Planning and Design Stage (100%): BSC resolution	Stage 2: Procurement Stage (75%): Tender advert, BEC and BAC resolution	75% of Stage 2: Procurement	Achieved	3	None	None	R10,155	R10,146

COMPLETED PROJECTS FOR PRIORITY ISSUE 14: ROADS AND STORM WATER (TECHNICAL SERVICES)

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	Tokologo (Ezinyokeni) Road by 30 June 2021	Steve Tshwete	P_42	Improved quality of life, effective and efficient service delivery	Stage 3: Construction Stage: 65% Construction Progress	Stage 3: Construction Stage: 75% Construction Progress	Stage 3: Construction Stage: 80% Construction Progress	Stage 3: Construction Stage: 100% Construction Progress	100% of Stage 3: Construction	Achieved	3	None	None	R18,250	R15,404
	Somaphepha Road by 31 March 2021	Steve Tshwete	P_45		Stage 3: Construction Stage: 65% Construction Progress	Stage 3: Construction Stage: 75% Construction Progress	Stage 3: Construction Stage: 100% Construction Progress	Not Applicable	100% of Stage 3: Construction	Achieved	3	None	None	R12,518	R12,518

COMPLETED PROJECTS FOR PRIORITY ISSUE 14: ROADS AND STORM WATER (TECHNICAL SERVICES)

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	Construction of Roads Victor Khanye by 31 March 2021	Victor Khanye	P_46	Improved quality of life, effective and efficient service delivery	Stage 3: Construction Stage: 65% Construction Progress	Stage 3: Construction Stage: 75% Construction Progress	Stage 3: Construction Stage: 100% Construction Progress	Not Applicable	100% of Stage 3: Construction	Achieved	3	None	None	R 1,497	R 1,497
	Tractor-Loader-Backhoe (Three) by 30 June 2021	Thembisile Hani	P_47		Stage 1: Planning Stage (100%): BSC Resolution	Stage 2: Procurement Stage (100%): Tender Advert, BEC & BAC Resolution, Appointment of Service Provider	Stage 3: Implementation Stage (70%): Supply, Delivery and Registration	Stage 3: Implementation Stage (100%): Supply, Delivery and Registration of three	100% of Stage 3: Implementation	Achieved	3	None	None	R 4,770	R4,770
	Supply, Delivery and Registration of Motor Graders (Three) 31 March 2021	Thembisile Hani	P_48		Stage 1: Planning Stage (100%): BSC Resolution	Stage 2: Procurement Stage (100%): Tender Advert, BEC & BAC Resolution, Appointment of Service Provider	Stage 3: Implementation Stage (100%): Supply, Delivery and Registration of three	Not Applicable	100% of Stage 3: Implementation	Achieved	3	None	None	R14,053	R14,053
	Supply, Delivery and Registration 30 Ton Stepdeck	Thembisile Hani	P_49		Stage 1: Planning Stage (100%): BSC Resolution	Stage 2: Procurement Stage (100%): Tender advert, BEC	Stage 3: Implementation Stage: 70% Implementation on Stage	Stage 3: Implementation Stage (100%): Supply, Delivery and	100% Stage 1: Planning	Not Achieved	2	Termination of contract due non-	The project was re-advertised and will be closing on 29	R933	R0.00

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
	Trailer by 30 June 2021					& BAC Resolution, Appointment of Service Provider		Registration				performance by the Service Provider for the Supply, Delivery and Registration of Plant and Equipment in THLM.	July 2021 for implementation to commence after conclusion of the procurement processes. Expected delivery by 30 September 2021		
	Supply, Delivery and Registration 14-Seater Mini Buses (Two) by 30 June 2021	Thembisile Hani	P_51		Stage 1: Planning Stage (100%): BSC Resolution	Stage 2: Procurement Stage (100%): Tender Advert, BEC & BAC Resolution, Appointment of Service Provider	Stage 3: Implementation Stage: 70% Implementation on Stage	Stage 3: Implementation on Stage (100%): Supply, Delivery and Registration of two	100% of Stage 3: Implementation	Achieved	3	None	None	R1,559	R1,559
	Supply, Delivery & Registration 2000 Litre Diesel Bowser by 30 June 2021	Thembisile Hani	P_52		Stage 1: Planning Stage (100%): BSC Resolution	Stage 2: Procurement Stage (100%): Tender Advert, BEC & BAC Resolution, Appointment of Service	Stage 3: Implementation Stage: 70% implementation on stage	Stage 3: Implementation on Stage (100%): Supply, Delivery and Registration	100% Stage 1: Planning	Not Achieved	2	The Service Provider for the Diesel Bowser was terminated	The project was re-advertised and will be closing on 29 July 2021 for implementation to commence	R 84	R0.00

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
						Provider						ted on 31 May 2021 due to their breach of contract	after conclusion of the procurement processes. Expected delivery by 30 September 2021		
	Supply and Delivery of 20 Ton Excavator 31 March 2021	Thembisile Hani	P_53		Stage 1: Planning Stage (100%):BSC Resolution	Stage 2: Procurement Stage (100%): Tender Advert, BEC & BAC Resolution, Appointment of Service Provider	Stage 3: Implementation Stage (100%): Supply and Delivery	Not Applicable	100% of Stage 3: Implementation	Achieved	3	None	None	R2,451	R2,451
	Supply and Delivery of Pneumatic Grid Roller 31 March 2021	Thembisile Hani	P_54		Stage 1: Planning Stage (100%):BSC Resolution	Stage 2: Procurement Stage (100%): Tender Advert, BEC & BAC Resolution, Appointment of Service Provider	Stage 3: Implementation Stage (100%): Supply and Delivery	Not Applicable	100% of Stage 3: Implementation	Achieved	3	None	None	R1,205	R1,206
	Stormwater Ward 4 by 30 June 2021	Thembisile Hani	P_75 roll over		Stage 3: Construction Stage: 40% Construction Progress	Stage 3: Construction Stage: 60% Construction Progress	Stage 3: Construction Stage: 80% Construction Progress	Stage 3: Construction Stage: 100% Construction Progress	100% of Stage 3: Construction	Achieved	3	None	None	R2,861	R2,861

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
	Stormwater Phumula by 31 March 2021	Thembisile Hani	P_76 roll over		Stage 3: Construction Stage: 60% Construction Progress	Stage 3: Construction Stage: 80% Construction Progress	Stage 3: Construction Stage: 100% Construction Progress	Not Applicable	100% of Stage 3: Construction	Achieved	3	None	None	R805	R805
	Rural Road Asset Management Systems by 30 June 2021	NDM	P_55		Stage 2: Implementation Stage: progress report (25%)	Stage 2: Implementation Stage: progress report (50%)	Stage 2: Implementation Stage: progress report (75%)	Stage 2: Implementation Stage: Final Report (100%)	100% of Stage 2: Implementation	Achieved	3	None	None	R2,198	R2,198

WORKING IN PROGRESS PROJECTS FOR PRIORITY ISSUE 14: ROADS AND STORM WATER (TECHNICAL SERVICES)

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	Refurbishment of street Town Roads by 30 June 2021	Emalahle ni LM	P_56	Improved quality of life, effective and efficient service delivery	Stage 1: Planning and Design Stage (40%): Allocation/Appointment Letter (Consultant), Inception Report Approval Letter	Stage 1: Planning and Design Stage (80%):PDR & DDR approval letter	Stage 1: Planning and Design Stage (100%): BSC resolution	Stage 2: Procurement Stage (75%):Tender advert, BEC and BAC resolution	75% of Stage 2: Procurement	Achieved	3	None	None	R 4,000	R829
	Empumelelweni Bus & Taxi Road by 30 June 2021	Emalahle ni LM	P_57		Stage 1: Planning and Design Stage (40%): Allocation/Appointment Letter (Consultant), Inception Report Approval Letter	Stage 1: Planning and Design Stage (80%):PDR & DDR approval letter	Stage 1: Planning and Design Stage (100%): BSC resolution	Stage 2: Procurement Stage (75%):Tender advert, BEC and BAC resolution	75% of Stage 2: Procurement	Achieved	3	None	None	R 5,937	R2,967
	Mabuyeni Stormwater Drainage Systems Ward 6 by 30 June 2021	Dr JS Moroka	P_44		Not Applicable	Not Applicable	Stage 2: Procurement Stage: (25%) Tender Advertisment	Stage 2: Procurement Stage: (75%) BEC & BAC Resolutions	75% of Stage 2: Procurement	Achieved	3	None	None	R1,500	R1,382

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
	Ga-Morwe to Mthambothini Vehicle Bridge by 30 June 2021	Dr JS Moroka	P_43		Stage 3: Construction Stage: 35% Construction Progress	Stage 3: Construction Stage: 50% Construction Progress	Stage 3: Construction Stage: 50% Construction Progress	Stage 3: Construction Stage: 60% Construction Progress	65% of Stage 3: Construction	Achieved	3	The contractor is ahead on construction by five percent.	None	R16,121	R14,417
	Supply, Delivery and Registration Jet Patcher Truck by 30 June 2021	Thembisile Hani	P_50		Stage 1: Planning Stage (100%): BSC Resolution	Stage 2: Procurement Stage (100%): Tender Advert, BEC & BAC Resolution, Appointment of Service Provider	Stage 3: Implementation Stage: 50% Implementation Stage	Stage 3: Implementation Stage 80% Implementation Stage	100% of Stage 1: Planning	Not Achieved	2	The Service Provider was terminated due to failing to Supply, deliver and registering the plant (1x Jet Patcher Truck) which was not manufactured and delivered due to contractual default by the Service Provider,	The project was re-advertised and will be closing on 29 July 2021, for implementation to commence after conclusion of the procurement processes. The expected implementation date is 31 January 2022	R6,709	R0.00

COMPLETE PROJECTS FOR PRIORITY ISSUE 13: ELECTRICITY (TECHNICAL SERVICES)

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Functional, Efficient Economic Infrastructure Network to Facilitate Growth	High Mast Lights Dr JS Moroka by 30 September 2020	Dr JS Moroka	P_60 roll over	Improved quality of life, effective and efficient service delivery	Stage 3: Construction Stage: 100% Construction Progress	Not Applicable	Not Applicable	Not Applicable	100% of Stage 3: Implementation	Achieved	3	None	None	R907	R907

4.6 KPA 6: SPATIAL DEVELOPMENT

Spatial Development KPA consists of 2 KPIs' and 12 projects for 2020/2021 financial year, of which all were eligible for assessment. The current financial year statistics for the above-mentioned KPA are as follows.

Table: Spatial Development Statistics

Type	Total KPI's Assessed	Targets Achieved	% Target Achieved	Targets NOT Achieved	% Target NOT Achieved
SDBIP	2	2	100%	0	0%
Projects	12	12	100%	0	0%
Total	14	14	100%	0	0%

The overall performance achieved for Spatial Development is at 100%.

KPA 6: SPATIAL DEVELOPMENT

Strategic Goal	Priority Issue	KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2019/20	2020/2021						
							Annual Target	Actual Performance	Achievements	Challenges	Corrective Action	Score	POE
Spatial Transformation and Sustainable Human Settlements	Spatial restructuring and service provision	M_74	Percentage of compliant applications considered by municipal tribunal/ land use committee with respect land use application within 120 days	6,5	Opex	New	100%	100%	Achieved	None	None	3	Register of application compliant and minutes of municipal tribunal / land use
		M_75	Percentage of applications received and responded with respect to town planning within 21 days	6,5	Opex	New	100%	100%	Achieved	None	None	3	Register of applications received and signed acknowledgment letters

PROJECTS FOR PRIORITY ISSUE 5: SPATIAL RESTRUCTURING AND SERVICE PROVISION (DPW)

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
Positioning Nkangala in the Region and Southern Africa	Township Establishment integrated Human Settlements by 30 June 2021	Dr JS Moroka	P_10	Integrated economic space and sustainable human settlements by 2030	Appointment of service provider (25%)	Inception Report (50%)	Draft application (75%)	Final application (100%)	100%	Achieved	3	None	None	R1,670	R1 649
	Land Surveying for a Township by 30 June 2021	Dr JS Moroka	P_11		Appointment of service provider (25%)	Inception Report (50%)	Draft electronic and hard copies on A1 or A3 of the Topographic & Contour plan (75%)	Final General Plan (100%)	100%	Achieved	3	None	None	R250	R250
Spatial Transformation and Sustainable Human Settlements	Land Surveying Emakhazeni by 30 June 2021	Emakhazeni	P_12	Integrated economic space and sustainable human settlements by 2030	Appointment of service provider (25%)	Inception Report (50%)	Draft electronic and hard copies on A1 or A3 of the Topographic & Contour plan (75%)	Final General Plan (100%)	100%	Achieved	3	None	None	R338	R375
	Opening Township Register Emakhazeni by 30 June 2021	Emakhazeni	P_13		Appointment of service provider (25%)	Inception Report (50%)	Signed application forms (75%)	Township register certificate (100%)	100%	Achieved	3	None	None	R600	R560

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
	Township Establishment Human Settlements by 30 June 2021	Thembisile Hani	P_14	Integrated economic space and sustainable human settlements by 2030	Appointment of service provider (25%)	Inception Report (50%)	Draft application (75%)	Final application (100%)	100%	Achieved	3	None	None	R1,670	R1 649
Spatial Transformation and Sustainable Human Settlements	Land Surveying project by 30 June 2021	Thembisile Hani	P_15		Appointment of service provider (25%)	Inception Report (50%)	Draft electronic and hard copies on A1 or A3 of the Topographic & Contour plan; (75%)	Final General Plan (100%)	100%	Achieved	3	None	None	R600	R600
	Procurement and installation of GIS Hardware Server by 31 March 2021	District wide	P_61 roll over		Not applicable	Not applicable	Procurement and installation of GIS Hardware server (100%)	Not applicable	100%	Achieved	3	None	None	R313	R0.00
	Development of Integrated Transport Plan by 31 March 2021	District wide	P_62 roll over		Not applicable	Draft Integrated Transport Plan (75%)	Final Integrated Transport approved by council (100%)	Not applicable	100%	Achieved	3	None	None	R800	R800
Spatial Transformation and Sustainable Human Settlements	Procurement of GIS Cadastral Data (Land information) by 31	District wide	P_63 roll over	Integrated economic space and sustainable human	Not applicable	Not applicable	Procurement of GIS Cadastral Data (Land information) (100%)	Not applicable	100%	Achieved	3	None	None	R985,050 (R800 + 185)	R0.00

Strategic Goal	Project	Location	System ID	Outcome	2020/2021 Annual Target				2020/2021 Actual Performance	Achievements	Score	Challenges	Corrective Action	Budget R'000	YTD Expenditure R'000
					Quarter 1 Milestone	Quarter 2 Milestone	Quarter 3 Milestone	Quarter 4 Milestone							
	March 2021			settlements by 2030											
	State Land Release Integrated Human Settlement Dr JS by 31 March 2021	Dr JS Moroka	P_64 roll over		Not applicable	Draft state land release application (75%)	Final state land release application submitted to Rural Development (100%)	Not applicable	100%	Achieved	3	None	None	R44	R604
	State land release Integrated Human Settlements THLM by 31 March 2021	Thembisile Hani	P_65 roll over	Integrated economic space and sustainable human settlements by 2030	Not applicable	Draft state land release application (75%)	Final state land release application submitted to Rural Development (100%)	Not applicable	100%	Achieved	3	None	None	R5,250	R604
Spatial Transformation and Sustainable Human Settlements	Cemeteries Establishment in Emakhazeni by 31 March 2021	Emakhazeni	P_66 roll over		Not applicable	Final special studies submitted (environmental, Geotech) (50%)	Flood line delineation and layout plan done (100%)	Not applicable	100%	Achieved	3	None	None	R90	R90

MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE (APPENDIX N)

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

4.1 INTRODUCTION

The Municipality has six (6) departments namely: Corporate Services, Technical Services, and Social Services, Finance Service, Planning & Economic Development and the office of the Municipal Manager.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.2 EMPLOYEES TOTAL, TURNOVER AND VACANCIES

Recruitment and selection of employees is based on the recruitment, selection and appointment policy of the institution and in line with the Employment Equity Plan Numeric Goals. The table below depict institutional vacancy rate:

TABLE 4.1: POSITIONS AND INSTITUTIONAL VACANCIES

Department/Unit	2019/2020 Total Positions	2019/2020 Filled Positions	2019/2020 Vacant	2020/2021 Total Positions	2020/2021 Filled Positions	2020/2021 Vacant
Council	57	57	0	58	57	1
Audit Committee	5	5	0	5	5	0
Neda	0	0	0	6	6	0
Risk Committee	1	1	0	1	1	0
Planning Tribunal	6	6	0	6	6	0
Executive Mayor	5	3	2	8	8	0
Speaker & Council Whip	5	5	0	5	4	1
Municipal Manager	2	2	0	2	2	0
ICT	7	6	1	7	7	0
Risk	3	2	1	3	2	1
Legal	2	2	0	2	2	0

Department/Unit	2019/2020 Total Positions	2019/2020 Filled Positions	2019/2020 Vacant	2020/2021 Total Positions	2020/2021 Filled Positions	2020/2021 Vacant
PMS	4	3	1	5	5	0
Municipal Support	3	2	1	3	2	1
Internal Audit	6	6	0	6	6	0
Finance	37	37	0	37	36	1
Corporate	50	40	10	53	45	8
Technical	12	12	0	12	12	0
Social Services	69	63	6	70	64	6
Fire	74	72	2			
PED	22	16	6	22	19	3
Fire Reservist	12	11	1	12	5	7
Total	177	162	15	406	371	35

TABLE 4.2: MANAGEMENT VACANCY RATE FOR 2020/2021

Designations	2018/2019 *Total Approved Posts No.	2020/2021 *Total Approved Posts No.	2020/2021 *Vacancies (Total time that vacancies exist using fulltime equivalents) No.	2020/2021 *Vacancies (as a proportion of total posts in each category) %
Municipal Manager	01	01	0	0
CFO	01	01	0	0
Other S57 Managers (excluding Finance Posts)	04	04	0	0
Managers	10	10	0	0
Divisional Managers	27	27	6	3.7
Total	43	39	6	3.7

TABLE 4.3: TURN-OVER RATE 2020/2021

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
2013/2014	139	6	4%
2014/2015	184	12	7%
2015/2016	230	9	4%
2016/2017	243	13	5%
2017/2018	371	13	9%
2018/2019	374	22	5.8%
2019/2020	269	08	3.3%
2020/2021	285	17	5.9 %

** Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year*

4.3 COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

Section 67 of the Municipal Systems Act requires the Municipality to develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent personal administration including but not limited to items mentioned from table below. Systems in the Nkangala District includes service conditions of the staff, recruitment and selection, succession and career pathing, promotion and retention of staff, transfer and acting systems and procedures, training and development, remuneration and performance management, affirmative and employment equity.

Human Resources Systems are vehicles to ensure efficient management of the workforce. Gender parity can only be achieved through implementation of affirmative action as required in terms of Employment Equity Act No. 55 of 1998. The Employment Equity Act also requires that employment equity be maintained in human resources management such as, staff placed in either lower or higher positions without proper processes followed, underpayment, unequal remuneration for similar positions at the same level and other related barriers, be eradicated.

4.3.1. POLICIES

Council reviewed and adopted policies in the 19/20 financial, which policies during reviewal some of the stand-alone policies were amalgamated to ensure clustering of policies regulating Human Resources and personnel matters into single policies. A total of 54 Policies and 17 enabling documents were approved:

Council in its sitting on the 26th of May 2021 reviewed 54 policies and adopted six new policies in the 2020/2021 financial Year. During the review process policies which were related were amalgamated and clustered to ensure their easy understanding and application. In addition to the 60 policies approved by council, there are three additions approved on the 23rd of June 2021. A total of 63 Policies and 30 enabling documents were approved by council:

TABLE 4.4: HR POLICIES AND PLANS

No.	TITLE OF POLICY	FILE PLAN NUMBER	COUNCIL RESOLUTION NUMBER
1.	Occupational Health And Safety Policy	4/P	DM –ND 392/05/2021
2.	Smoking Policy	4/P	DM –ND 392/05/2021
3.	Communication Policy	4/P	DM –ND 392/05/2021
4.	Security Management Policy	4/P	DM –ND 392/05/2021
5.	Fleet Management Policy	4/P	DM –ND 392/05/2021
6.	Records Management Policy	4/P	DM –ND 392/05/2021
7.	Library Policy	4/P	DM –ND 392/05/2021
8.	Employment Equity Policy	4/P	DM –ND 392/05/2021
9.	Task Job Evaluation Policy	4/P	DM –ND 392/05/2021
10.	Batho Pele Policy	4/P	DM –ND 392/05/2021
11.	Grievance Policy & Procedure	4/P	DM –ND 392/05/2021
12.	Incapacity & Poor Performance Policy	4/P	DM –ND 392/05/2021
13.	Bereavement Policy	4/P	DM –ND 392/05/2021
14.	Public Participation Policy	4/P	DM –ND 392/05/2021
15.	Leave & Disability Management Policy	4/P	DM –ND 392/05/2021
16.	Skills Development Policy	4/P	DM –ND 392/05/2021
17.	Prevention Of Workplace Harassment & Discrimination Policy	4/P	DM –ND 392/05/2021
18.	Labour Relations Policy	4/P	DM –ND 392/05/2021
19.	Employee Wellness & Support Policy	4/P	DM –ND 392/05/2021
20.	Maintenance & Rental Of Facilities Policy	4/P	DM –ND 392/05/2021
21.	Human Resource Acquisition & Management Policy	4/P	DM –ND 392/05/2021
22.	Employees Benefits & Allowance Policy	4/P	DM –ND 392/05/2021
23.	Performance Management Policy	4/P	DM-ND427/06/2021

4.3.2. INJURIES, SICK AND SUSPENSIONS

TABLE 4.5 NUMBER AND COST OF INJURIES ON DUTY 2020/2021

Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee
	Days	No.	%	Days
Required basic medical attention only	0	0	0	0
Temporary total disablement	41	1	1	41
Permanent disablement	0	0	0	0
Fatal	0	0	0	0
Total	41	1	1	41

2020/2021 DISCIPLINARY ACTION TAKEN:

TABLE 4.6: DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT

Position	Nature of Alleged Misconduct and Rand value of any loss to the Municipality	Disciplinary action taken	Date Finalized
Divisional Manager Public Participation	Occasioned a fruitless and wasteful expenditure to Nkangala District Municipality in an amount in a sum of R39 675.00 [Thirty-Nine Thousand Six-Hundred and Seventy-Five Rand] .	Employee subjected to an internal disciplinary process and acquitted by the Presiding Officer.	16 th February 2021
General Manager Corporate Services	Occasioned an irregular, fruitless and wasteful expenditure in an amount in a sum of R12 382.50 [Twelve Thousand Three Hundred and Eighty Two Rand and Fifty Cents] .	Employee issued with a Final written warning and sanctioned to a 2 ½ unpaid working days.	25 th March 2021
General Manager	Occasioned an unauthorised, irregular, fruitless and wasteful	Employee subjected to an internal disciplinary	Not yet finalised

Position	Nature of Alleged Misconduct and Rand value of any loss to the Municipality	Disciplinary action taken	Date Finalized
Social Services	expenditure in a sum of R254 790.00 [Tow Hundred and Fifty-Four Thousand Seven Hundred and Ninety Rand] .	process and acquitted by the Presiding Officer.	
Divisional Manager SCM	Occasioned an unauthorised, irregular, fruitless and wasteful expenditure in a sum of R254 790.00 [Tow Hundred and Fifty-Four Thousand Seven Hundred and Ninety Rand] .	Employee subjected to an internal disciplinary process and acquitted by the Presiding Officer.	Not yet finalised
Divisional Manager Transversal	Occasioned an unauthorised, irregular, fruitless and wasteful expenditure in a sum of R254 790.00 [Tow Hundred and Fifty-Four Thousand Seven Hundred and Ninety Rand] .	Employee subjected to an internal disciplinary process and acquitted by the Presiding Officer.	Note yet finalised
Contracts Administrator	Occasioned an irregular, fruitless and wasteful expenditure in an amount in a sum of R12 382.50 [Twelve Thousand Three Hundred and Eighty Two Rand and Fifty Cents] .	Employee subjected to an internal disciplinary process and acquitted by the Presiding Officer.	Not yet finalised

4.3.4. PERFORMANCE REWARDS

The need for Municipalities to develop and maintain a Performance Management system was first identified during the drafting and approval of the constitution of the Republic of South Africa in 1996. In terms of section 38 of the Municipal Systems Act of 2000, a Municipality exercises its legislative and executive authority by establishing and implementing a Performance Management system. The Municipal Council resolved in terms of Approved Performance Management System (PMS) Policy to cascade PMS up to level 12.

A Municipality's Performance Management system entails a framework that describes and represents how a Municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including the roles and responsibilities of the different role players.

The council resolved in terms of Council resolution DM-CONF06/08/2021 approved that all the qualifying candidates be remunerated.

In terms of the approved PMS Policy and Local Government Municipal Performance Regulations for Municipal Managers and Managers Directly accountable to Municipal Manager, 2006 states that a performance bonus ranging from five percent (5%) to fourteen percent (14%) of the all-inclusive remuneration package may be paid to an employee in recognition of outstanding performance, subject thereto that, in determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-rating calculator.

The following employees have been assessed for Annual Performance and they qualify for bonus:

CORPORATE SERVICES:

	Incumbent Position	Name and Surname	Period under assessment Annual assessment	FINAL Performance Moderation Committee Review 01 July 2021	Bonus Percentage
1.	General Manager Corporate Services	N Ngwenya	2019/2020	68%	6%
2.	Divisional Manager: HR	J Nhlapho	2019/2020	66%	5%
3.	Library and records officer	S Nkosi	2019/2020	66%	5%
4.	Occupational Health and Safety Officer	R Makulane	2019/2020	66%	5%
5.	Committee Clerk	T Mangwege	2019/2020	65%	5%
6.	Committee Clerk	TC Mazwi	2019/2020	66%	5%
7.	Building Caretaker	JI Thomo	2019/2020	66%	5%
8.	Driver / Messenger	E Raseroka	2019/2020	66%	5%

PED

	Incumbent Position	Name and Surname	Period under assessment Annual assessment	FINAL Performance Moderation Committee Review 01 July 2021	Bonus Percentage
1.	Development control Planner	A Thwala	2019/2020	65%	5%
2.	Development control Planner	K Radebe	2019/2020	65%	5%

TECHNICAL SERVICES DEPARTMENT

	Incumbent Position	Name and Surname	Period under assessment Annual assessment	FINAL Performance Moderation Committee Review 01 July 2021	Bonus Percentage
1.	General Manager TS	DJD Mahlangu	2019/2020	72%	8%
2.	Divisional Manager : Project	L Mohlabane	2019/2020	65%	5%
3.	Divisional Manager: Projects	S Tseka	2019/2020	65%	5%
4.	Engineering Technician	G Malebati	2019/2020	67%	6%
5.	Engineering Technician	T Mahlangu	2019/2020	66%	5%

FINANCIAL SERVICES

	Incumbent Position	Name and Surname	Period under assessment Annual assessment	FINAL Performance Moderation Committee Review 01 July 2021	Bonus Percentage
1.	Chief Financial Officer	A Stander	2019/2020	70%	7%
2.	Manager	Sipho K Mahlangu	2019/2020	69%	7%
3.	Divisional Manager SCM	S Mashaba	2019/2020	65%	5%
4.	Divisional Manager Budget	A Msiza	2019/2020	65%	5%
5.	Accountant: Projects	M Khanye	2019/2020	65%	5%
6.	Accountant: Treasury and Asset Management	N Parbhoo	2019/2020	68%	6%
7.	Accountant: Expenditure	R Mogodi	2019/2020	68%	6%
8.	Accountant: Reporting	T Van Niekerk	2019/2020	66%	5%
9.	Data Capture: Expenditure	T Mphela	2019/2020	75%	10%
10.	Creditors clerk:	B Jele	2019/2020	66%	5%
11.	Chief Accounting Clerk: Creditors	E Prinsloo	2019/2020	69%	7%
12.	Accounting Clerk: Projects	LE Mashiane	2019/2020	66%	5%
13.	Chief Accounting Clerk: Salaries	TC Kwakwa	2019/2020	68%	6%
14.	Senior Accounting Clerk: Assets	Q Skosana	2019/2020	65%	5%
15.	Accounting Clerk: Salaries	C Nchabeleng	2019/2020	68%	6%
16.	SCM clerk	A Motau	2019/2020	69%	7%
17.	Supply chain officer	L Masango	2019/2020	68%	6%
18.	Clerk	PP Mahlangu	2019/2020	65%	5%
19.	Chief Accounting Clerk	NP Maphalala	2019/2020	65%	5%

SOCIAL SERVICES

	Incumbent Position	Name and Surname	Period under assessment Annual assessment	FINAL Performance Moderation Committee Review 01 July 2021	Bonus Percentage
1.	Manager Social Services	MV Mahlangu	2019/2020	70%	7%
2.	Divisional Manager Transversal	OS Mahlangu	2019/2020	79%	12%
3.	Divisional Manager: MHS	L Links	2019/2020	77%	11%
4.	Disaster Management Coordinator	KE Ndabezitha	2019/2020	68%	6%
5.	Coordinator HIV/AIDS, women & children	TF Ndlovu	2019/2020	72%	8%
6.	AEL Officer	N Simelane	2019/2020	69%	7%
7.	AEL Officer	X Motha	2019/2020	74%	9%
8.	Chief Environmental Health Practitioner	N Singh	2019/2020	71%	8%
9.	Environmental Health Practitioner	SF Tyila	2019/2020	69%	7%
10.	Senior Environmental Health Practitioner	GG Mokhabela	2019/2020	69%	7%
11.	Environmental Health Practitioner	C Marx	2019/2020	74%	9%

	Incumbent Position	Name and Surname	Period under assessment Annual assessment	FINAL Performance Moderation Committee Review 01 July 2021	Bonus Percentage
12.	Chief Environmental Health Practitioner	N Joubert	2019/2020	72%	8%
13.	Senior Environmental Health Practitioner	NC Matsebula	2019/2020	65%	5%
14.	Environmental Health Practitioner	BH Mathenjwa	2019/2020	74%	9%
15.	Environmental Health Practitioner	SM Mashile	2019/2020	65%	5%
16.	Environmental Health Practitioner	TM Lentsoane	2019/2020	68%	6%
17.	Environmental Health Practitioner	M Mafodi	2019/2020	69%	7%
18.	Environmental Health Practitioner	ML Moreroa	2019/2020	69%	7%
19.	Chief Environmental Health Practitioner	AS Magampe	2019/2020	71%	8%
20.	Environmental Health Practitioner	LP Mpanza	2019/2020	67%	6%
21.	Environmental Health Practitioner	NC Mkhabela	2019/2020	71%	8%
22.	Environmental Health Practitioner	RL Singo	2019/2020	69%	7%
23.	Environmental Health Practitioner	TMR - Baloyi - Mangena)	2019/2020	67%	6%
24.	Chief Environmental Health Practitioner	YP Segami	2019/2020	75%	10%
25.	Chief Environmental Health Practitioner	JM Tlou	2019/2020	73%	9%
26.	Environmental Health Practitioner	MM Nkwane - Mankopana	2019/2020	65%	5%
27.	Environmental Health Practitioner	KI Molefe	2019/2020	67%	6%
28.	Environmental Health Practitioner	SB Moepi	2019/2020	65%	5%
29.	Environmental Health Practitioner	JM Rakau	2019/2020	65%	5%
30.	Environmental Health Practitioner	MF Gakwa	2019/2020	67%	6%
31.	Environmental Health Practitioner	IT Baloyi	2019/2020	67%	6%

OFFICE OF THE MUNICIPAL MANAGER

	Incumbent Position	Name and Surname	Period under assessment Annual assessment	FINAL Performance Moderation Committee Review 01 July 2021	Bonus Percentage
1.	Municipal Manager	MM Skosana	2019/2020	68%	6%
2.	Senior Legal Advisor	LM Mahlangu	2019/2020	66%	5%
3.	Chief Risk Officer	MP Baloyi	2019/2020	72%	8%
4.	Divisional Manager: PMS	G Mogorosi	2019/2020	69%	7%
5.	PMS Coordinator	D Rakgalakane	2019/2020	68%	6%
6.	Legal Advisor	N Maphanga	2019/2020	65%	5%
7.	Divisional Manager: Information, Communication and Technology	A Maseko	2019/2020	67%	6%
8.	CAE	AD Twala	2019/2020	69%	7%
9.	Senior Internal Audit	K Gwangwa	2019/2020	67%	6%
10.	Internal Auditor	J Morar	2019/2020	68%	6%
11.	Network Administrator	SB Shongwe	2019/2020	67%	6%

	Incumbent Position	Name and Surname	Period under assessment Annual assessment	FINAL Performance Moderation Committee Review 01 July 2021	Bonus Percentage
12.	Senior IT administrator	BS Nkosi	2019/2020	65%	5%
13.	Risk Officer	JN Ralephaleng	2019/2020	65%	5%

4.4 COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.4.1. SKILLS DEVELOPMENT AND TRAINING

Skills development is one of the key issues that are critical in enhancing and empowering human capital within the Municipality. According to the National Development Plan of 2012, South Africa generally experiences a shortage of critical skills in the key sectors of the economy.

The Nkangala District Municipality develops and capacitates its employees and councillors to ensure they are able to provide services to the communities in a more efficient and effective way. Among others the modes of capacity building for staff and councillors is lifelong learning, multi-skilling and retraining to ensure capacitating them on new development in the fields of work and political responsibilities.

The Municipality conducts skills audit annually to inform its Workplace Skills Planning. This is to ensure that The Nkangala District Municipality develops and capacitates its employees and councillors to ensure that they are able to provide services to the communities in a more efficient and effective way. Among others, the modes of capacity building for staff and councillors include lifelong learning, multi-skilling and retraining. These are meant to capacitate both officials and councillor on new development in the fields of work and political responsibilities respectively. To achieve these objectives, the Nkangala District Municipality conducts skills audit on annual basis to inform its Workplace Skills Planning.

THE TABLE BELOW DEPICTS THE SKILLS MATRIX IN THE NDM IN THE PERIOD UNDER REVIEW

TABLE 4.7: SKILLS MATRIX

Management level	Gender	Number of skilled employees required and actual as 2020/2021			
		Learnerships	Skills programmes & other short courses	Other forms of training	Total
MM and s57	Female				
	Male			1	1

Councillors, senior officials and managers	Female	1	1	2	4
	Male	4	3	3	10
Technicians and associate professionals*	Female		3		3
	Male		3		3
Professionals	Female	1	4	4	9
	Male	4	1	3	8
Sub total	Female	2	8	6	16
	Male	8	7	7	22
Total		10	15	13	38

4.5 COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.5.1. INTRODUCTION TO WORKFORCE EXPENDITURE

Employee expenditure is budgeted for in accordance with the approved organogram and each department head is responsible for managing budget relating to workforce expenditure. Skills gap are early identified through a work skills plan approved by Council, which ensures that employees are performing their competency level.

4.5.2. EMPLOYEE EXPENDITURE

Financial Performance 2019/2020					
Name of Project	Year 2019/2020			Year 2019/2020 Variance	
	Original Budget	Adjustment Budget	Actuals	Original Budget	Adjustment Budget
Total Operational Revenue	389,290	404,902	409,682	105.24	101.18
Expenditure					
Employees	152,389	160,295	155,958	102.34	97.29
Repairs and Maintenance	23,771	27,054	22,742	95.67	84.06
Other	284,971	328,801	298,897	104.89	90.91
Total Operational Expenditure	461,131	516,150	477,597	103.57	92.53
Net Operational Expenditure	- 71,841	- 111,248	- 67,915	94.54	61.05
Net Expenditure to be consistent with summary T5.1.2 in Chapter 5. Variance are calculated by dividing the difference between actuals and Original Budget/Adjustment Budget by Actuals					
				T3.25.5	

Note: This information contained in the Annual financial statement

TABLE 4.8: NUMBER OF EMPLOYEES WHOSE SALARIES WERE INCREASED DUE TO THEIR POSITIONS BEING UPGRADED

Beneficiaries	Gender	Total
None	None	None

TABLE 4.9: EMPLOYEES WHOSE SALARY LEVELS EXCEED THE GRADE DETERMINED BY JOB EVALUATION

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reasons for deviation
None	None	None	None	none

4.5.3. DISCLOSURES OF FINANCIAL INTERESTS

Refer to disclosures made by senior managers concerning their financial interests as required by PM Regulations 805 of 2006 are set out in **Appendix H**.

CHAPTER 5 – FINANCIAL PERFORMANCE

5.1 INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

5.2 ACCOUNTING AND REPORTING

The municipality has the necessary financial-related policies approved by Council and these policies are reviewed annually. The implementation of this policies assist in ensuring compliance with the Standards of Generally Recognized Accounting Practices (GRAP).

5.3 COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

5.3.1. FINANCIAL OVERVIEW

The financial objective of the municipality is to secure sound and sustainable management of the financial affairs of the municipality and to assist the six local municipalities to be financially viable.

Critical functional areas for the district municipality amongst others include improvement of audit outcomes, effective financial management, fully functional internal audit units and audit committees, high vacancy rate in key positions, declining growth in the Regional Services Council Replacement Grant, increase in operational expenditure, which negatively impacts on the allocations to local municipalities.

Issue 3 of the IDP relates to financial viability and includes projects that contributed to the financial viability of the district and local municipalities.

The District has been a pilot site for mSCOA regulation and has being continuing to successfully implement mSCOA since the 1 July 2015. It has indeed been challenging as the mSCOA chart has been changing with every new version release of the mSCOA by National Treasury. The municipality has prepared and finalised the annual financial statements on version 6.4 of mSCOA. Items were reclassified in terms of the mSCOA classification regulations.

5.3.2. STATEMENT OF FINANCIAL PERFORMANCE:

Financial Performance 2020/2021 R'000						
Description	2019/20	Year 2020/2021			Year 2020/2021 Variance	
	Actual	Original Budget	Adjustment Budget	Actuals	Original Budget	Adjustment Budget
Operating Cost						
Water	-	-	-	-	-	-
Waste Water (Sanitation)	-	-	-	-	-	-
Electricity	-	-	-	-	-	-
Housing	-	-	-	-	-	-
Component A: Sub Total	-	-	-	-	-	-
Waste Water (Stormwater Drainage)	-	-	-	-	-	-
Roads	-	-	-	-	-	-
Transport	-	-	-	-	-	-
Component B: Sub Total	-	-	-	-	-	-
Planning	157 433	143 308	177 604	128 285	89.52%	72.23%
Local Economic Development	18 341	15 156	17 983	17 191	113.42%	95.60%
Component C: Sub Total	175 774	158 464	195 587	145 476	91.80%	74.38%
Planning (Strategic and Regulatory)	-	-	-	-	-	-
Local Economic Development	-	-	-	-	-	-
Community and Social Services	28 863	32 828	31 563	30 378	92.54%	96.25%
Environmental Protection	1 828	3 032	3 552	3 244	107.00%	91.33%
Health	28 772	30 656	34 357	34 168	111.45%	99.45%
Security and Safety	43 049	46 885	50 820	50 681	108.10%	99.73%
Sports and Recreation	-	-	-	-	-	-
Corporate Policy Offices and Other	(215 671)	(205 590)	(218 003)	(228 774)	111.28%	104.94%
Component D: Sub Total	(113 159)	(92 188)	(97 711)	(110 303)	1.20	1.13
Surplus/ (Deficit) for the year	(62 615)	(66 276)	(97 876)	(35 173)	53.07%	35.94%

5.3.3. GRANTS

Grant Performance 2020/2021 R'000						
Description	2019/20	Year 2020/2021			Year 2020/2021 Variance	
	Actual	Original Budget	Adjustment Budget	Actuals	Original Budget	Adjustment Budget
Operational Transfers and Grants						
National Government	364 405 000	402 697 000	409 639 760	389 176 265	96.64%	95.00%
Local Government Equitable Share	23 791 000	25 748 000	25 748 000	25 748 000	100%	100%
RSC Levy Replacement	332 483 000	341 474 000	346 752 000	346 752 000	102%	100%
Financial Management Grant	1 000 000	1 000 000	1 000 000	1 000 000	100%	100%
EPWP Incentive Grant	2 131 000	1 977 000	1 977 000	1 977 000	100%	100%
Water Service Scheme(DWS)-Loskop	5 000 000	32 498 000	24 162 760	3 699 565	11.38%	15.31%
Water and Sanitation Grant- Rand Water	-	-	10 000 000	9 999 700	#DIV/0!	100.00%
Provincial Government	-	-	-	-	-	-
Insert Description	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-
Insert Description	-	-	-	-	-	-
Other Government Grants	-	-	-	-	-	-
Insert Description	-	-	-	-	-	-
Total Operating Transfers and Grants	364 405 000	402 697 000	409 639 760	389 176 265	96.64%	95.00%
Capital expenditure of Transfers and Grants						
National Government:	2 756 815	2 198 000	2 198 000	2 198 000	100%	100%
Rural Transport Services and Infrastructure	2 756 815	2 198 000	2 198 000	2 198 000	100%	100%
Total Operating and Capital Transfers and Grants	367 161 815	404 895 000	411 837 760	391 374 265	96.66%	95.03%
Variance are calculated by dividing the difference between actuals and original/adjustment budget. The full list of national and provincial grants available on published gazettes (DoRA).						T5.2.1

5.3.4 ASSETS MANAGEMENT

The cost or fair value of an item of property, plant and equipment is recognised as an asset when it is probable that the future economic benefits or service potential associated with the item will flow to the municipality and the cost or fair value of the item can be measured reliably.

Major spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property plant and equipment.

An item of property plant and equipment which qualifies for recognition as an asset are initially be measured at cost. Where an asset is acquired at no cost, or for a nominal cost, its cost is its fair value as at the date of acquisition.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Directly attributable costs include the following:

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2020/2021	
Asset 1	Nokaneng Fire Station
Description	Nokaneng Fire Station
Asset Type	Community Assets: Fire Stations
Key Staff Involved	Dr T Matoane
Future Purpose of the Asset	Emergency Services, Fire and Disaster Management
Asset Value	R9 465 685.00
Asset 2	Fire and Rescue Vehicles NDM
Description	Acquisition of Fire and Rescue Vehicles
Asset Type	Transport Assets
Key Staff Involved	Dr T Matoane
Future Purpose of the Asset	Emergency Services, Fire and Disaster Management
Asset Value	R5 595 635
Asset 3	ERP System Modules
Description	ERP System Modules
Asset Type	Computer Software and Application
Key Staff Involved	Mr A Maseko
Future Purpose of the Asset	Contract Management
Asset Value	R3 753 850
T5.3.2	

REPAIR AND MAINTENANCE EXPENDITURE

Repairs and Maintenance Expenditure: Year 2020/2021 R'000					
Description	Year 2020/2021			Year 2019/2020 Variance	
	Original Budget	Adjustment Budget	Actuals	Original Budget	Adjustment Budget
Repairs and Maintenance Expenditure	21 441	22 377	14 182	66.14%	63.38%
	-	-	-	-	-
Total Operating Transfers and Grants	21 441	22 377	14 182	66.14%	63.38%

5.4.1 FINANCIAL RATIOS BASED ON THE KEY PERFORMANCE INDICATORS

5.4.1.1 CURRENT RATIO

This ratio represents the ability of the municipality to pay short term obligations within the next 12 months.

Current assets
R million

Current Liabilities
R million

Ratio

2019/20	486 281	52 846	9.20:1
2020/21	379 075	52 941	7.16:1

5.4.1.2 ACID TEST

A stringent indicator that determines whether a company/institution has enough short-term assets to cover its immediate liabilities without considering inventory. Institutions with ratios of less than 1 cannot pay their current liabilities and should be looked at with extreme caution.

	Current assets – Inventory R million	Current Liabilities R million	Ratio
2019/20	431 201	52 846	8.16:1
2020/21	301 898	52 941	5.70:1

5.4.1.3 SOLVENCY RATIO

This represents the ability of the municipality to pay both its long term and short term obligations.

	Total Assets R million	Total Liabilities R million	Ratio
2019/20	685 171	70 134	9.77:1
2020/21	656 006	76 156	8.61:1

5.4.1.4 OTHER RATIOS

Ratio (%)	30 Jun 2021	30 Jun 2020
Employee related cost and Councillor remuneration / Total expenditure	41.24	36.30
Actual transfers and subsidies paid / Total expenditure	34.27	41.10
Actual transfers and subsidies paid / Total revenue	37.01	48.07

5.5 CAPITAL EXPENDITURE

Capital/Operating Expenditure: Year 2020/2021 R'000					
Description	Year 2020/2021			Year 2020/2021 Variance	
	Original Budget	Adjustment Budget	Actuals	Original Budget	Adjustment Budget
Capital Expenditure	27 005	34 695	15 080	55.84%	43.46%
Operational Expenditure	497 711	535 299	449 252	90.26%	83.93%
	-	-	-	-	-
Total Expenditure	524 716	569 994	464 332	88.49%	81.46%

5.6 SOURCE OF FINANCE

Source of Funding 2020/2021 R'000						
Description	2019/20	Year 2020/2021			Year 2020/2021 Variance	
	Actual	Original Budget	Adjustment Budget	Actuals	Original Budget	Adjustment Budget
Source of Funding						
External Loans	-	-	-	-	-	-
Public Contribution and Donations	-	-	-	-	-	-
Grants and Subsidies	364 405 000	404 895 000	411 837 760	391 374 265	96.66%	95.03%
Other	14 502 203	26 540 000	25 585 000	22 704 253	85.55%	88.74%
Total	378 907 203	431 435 000	437 422 760	414 078 518	95.98%	94.66%
Percentage of Finance						
External Loans	0.00%	0.00%	0.00%	0.00%	-	-
Public Contribution and Donations	0.00%	0.00%	0.00%	0.00%	-	-
Grants and Subsidies	96.17%	93.85%	94.15%	94.52%	-	-
Other	3.83%	6.15%	5.85%	5.48%	-	-
Total	100.00%	100.00%	100.00%	100.00%	-	-
Capital Expenditure						
Water and Sanitation	-	-	-	-	-	-
Electricity	-	-	-	-	-	-
Housing	-	-	-	-	-	-
Roads and Stormwater	-	-	-	-	-	-
Other	35 221 523	27 005 000	34 695 170	15 079 704	55.84%	43.46%
Total	35 221 523	27 005 000	34 695 170	15 079 704	55.84%	43.46%

5.7 CAPITAL SPENDING ON 5 LAGERST PROJECTS

Capital Spending 2020/2021 R'000					
Name of Project	Year 2020/2021			Year 2020/2021 Variance	
	Original Budget	Adjustment Budget	Actuals	Original Budget	Adjustment Budget
Nokaneng Fire Station	3 500 000	9 498 559.00	9 465 685.19	270.45%	99.65%
Fire and Rescue Vehicles NDM	4 000 000	5 731 294.00	5 595 634.50	139.89%	97.63%
ERP System Modules	3 000 000	3 753 850.00	3 753 850.43	125.13%	100.00%
New Computer Equipment	2 500 000	2 796 150.00	2 590 991.55	103.64%	92.66%
Disaster Management Centre	1 450 000	1 450 000.00	1 073 180.72	74.01%	74.01%
					T5.7.1
*Projects with Highest Capital Expenditure in 2020/2021					
Name A	Nokaneng Fire Station				
Description	Nokaneng Fire Station				
Asset Type	Community Assets: Fire Stations				
Key Staff Involved	Dr T Matoane				
Future Purpose of the Asset	Emergency Services, Fire and Disaster Management				
Asset Value	R9 465 685.00				
Name B	Fire and Rescue Vehicles NDM				
Description	Acquisition of Fire and Rescue Vehicles				
Asset Type	Transport Assets				
Key Staff Involved	Dr T Matoane				
Future Purpose of the Asset	Emergency Services, Fire and Disaster Management				
Asset Value	R5 595 635				
Name C	ERP System Modules				
Description	ERP System Modules				
Asset Type	Computer Software and Application				
Key Staff Involved	Mr A Maseko				
Future Purpose of the Asset	Contract Management				
Asset Value	R3 753 850				
Name D	New Computer Equipment				
Description	New Computer Equipment				
Asset Type	Computer Equipment				
Key Staff Involved	Mr A Maseko				
Future Purpose of the Asset	New Computer Equipment				
Asset Value	R2 590 992				
Name E	Disaster Management Centre				
Description	Disaster Management Centre				
Asset Type	Other Assets: Disaster Management Centre				
Key Staff Involved	Dr T Nkabinde				
Future Purpose of the Asset	Emergency Services, Fire and Disaster Management				
Asset Value	R1 073 181				

5.8 COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

See the attached Annual Financial Statement.

5.9 COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.9.1. CASH FLOW

Cash Flow Outcomes				
Description	2019/20	Budget Year 2020/21		
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	—	—	—	—
Service charges	—	—	—	—
Other revenue	2 213	2 990	2 035	1 354
Government - operating	363 774	402 697	399 640	379 177
Government - capital	55	2 198	12 198	9 453
Interest	10 762	23 550	23 550	6 990
Dividends	—	—	—	—
Payments				
Suppliers and employees	(275 348)	(294 979)	(291 389)	(272 910)
Finance charges	(142)	(239)	(154)	(25)
Transfers and Grants	(176 492)	(185 088)	(226 351)	(166 219)
Movement of VAT Receivable	—	—	—	—
NET CASH FROM/(USED) OPERATING ACTIVITIES	(75 179)	(48 871)	(80 471)	(42 181)
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	—	—	—	—
Decrease (Increase) in non-current debtors	—	—	—	—
Decrease (increase) other non-current receivables	—	—	—	—
Decrease (increase) in non-current investments	—	—	—	—
Payments				
Capital assets	(35 222)	(27 005)	(34 281)	(22 929)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(35 222)	(27 005)	(34 281)	(22 929)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	—	—	—	—
Borrowing long term/refinancing	—	—	—	—
Increase (decrease) in consumer deposits	—	—	—	—
Payments				
Repayment of borrowing	(263)	—	—	—
NET CASH FROM/(USED) FINANCING ACTIVITIES	(263)	—	—	—
NET INCREASE/ (DECREASE) IN CASH HELD	(110 663)	(75 876)	(114 752)	(65 110)
Cash/cash equivalents at beginning:	431 088	339 322	379 237	351 443
Cash/cash equivalents at month/year end:	320 425	263 446	264 485	286 333

Proper cash flow management is a critical element to ensure the municipality meets its obligations. A stable positive cash flow balance relative to the growth of the municipality is a good indication of the municipality financial position and health. Cash flow projections are done on a monthly basis and cash.

Nkangala District Municipality's cash flow is daily monitored by the Finance Services. There is also monthly reporting to the Executive Mayor in the form of section 71 reports and quarterly reports to Council.

5.9.2. PUBLIC PRIVATE PARTNERSHIPS

District does not have Public Private Partnerships.

5.10 COMPONENT D: OTHER FINANCIAL MATTERS

5.10.1. GENERALLY RECOGNISED ACCOUNTING PRACTICES COMPLIANCE

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

The following standards were applicable during the year under review:

Reference	Topic
GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 4	The Effects of Changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 6	Consolidated and Separate Financial Statements
GRAP 7	Investments in Associates
GRAP 8	Interests in Joint Ventures
GRAP 9	Revenue from Exchange Transactions
GRAP 10	Financial Reporting in Hyperinflationary Economies
GRAP 11	Construction Contracts
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events After the Reporting Date
GRAP 16	Investment Property
GRAP 17	Property, Plant and Equipment
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 21	Impairment of non-cash generating assets
GRAP 23	Revenue from non-exchange transactions
GRAP 24	Presentation of budget
GRAP 25	Employee Benefits
GRAP 26	Impairment of cash generating assets
GRAP 27	Agriculture
GRAP 31	Intangible Assets
GRAP 100	Non-current Assets Held for Sale and Discontinued Operations
GRAP 103	Heritage Assets
GRAP 104	Financial Instruments

CREDIT RATING

The NDM final credit rating report completed by Global Credit Rating Co. in November 2019. The credit ratings of municipalities are based on South African national scales. The highest grade in the long-term assessment is “zaAAA” and scales down from there to zaBBB – the

lowest. Within each of the levels a “+” or “-” sign indicates further relative strength or weakness. An “A” indicates relative strength and capacity to repay liabilities. The best short-term grades range from zaA1+ down to zaA1-. In view of the country’s downgraded status the District was also downgraded as expected and overall I am satisfied with the grading given to the district.

NDM CREDIT RATING NOVEMBER 2018

In summary, NDM credit rating analysis is as follows as a per credit rating report issued by Global Credit Rating Co.:

Rating class	Rating scale	Rating	Rating outlook
Long term	National	A(ZA)	Stable
Short term	National	A1(ZA)	Stable
Long term	International	BB-	Stable

NDM CREDIT RATING NOVEMBER 2019

In summary, NDM credit rating analysis is as follows as a per credit rating report issued by Global Credit Rating Co.:

Rating class	Rating scale	Rating	Rating outlook
Long term	National	A(ZA)	Stable
Short term	National	A1(ZA)	Stable
Long term	International	BB-	Stable

NDM CURRENT RATINGS NOVEMBER 2019

Summary rating rationale:

Nkangala District Municipality’s (“Nkangala”, or, NDM, “the District”) ratings are underpinned by its strong financial profile, supported by its net ungeared position and substantial cash holdings. Constraining the ratings somewhat is the District’s operating structure, which is over-reliant on grant income funding, with no internally generated revenue (“IGR”) to support project implementation.

Nkangala’s economy is underpinned by coal mining and primary industries, whose productivity has remained constrained over several years. Consequently, the district’s GDP growth has lagged national statistics. The closure of several mines has resulted in an uptick in unemployment in the district to 38%, compared to the 29% national average. Despite some improvement in certain socio-economic indicators, Nkangala has broadly been lagging national metrics over the review period. The District is seeking ways to bolster economic diversification and growth, with agricultural production in particular likely to benefit from mining operations releasing land, but meaningful improvement will only be achieved in the longer term.

GCR considers the district operating structure to be an inherent rating weakness. This is because Nkangala is entirely reliant on grant funding, with negligible internally generated revenue. Conversely, the bulk of its operating costs have been increasing faster than inflation. This has been most evidenced in the rapid progression in staff costs to account for 38.1% of expenditure in FY19, compared to 24.8% in FY15. The escalation in operating costs have seen an inversion in the overall expenditure profile since FY15. Specifically, operating expenditure now accounts for 64% of total annual spend, squeezing out capital

implementation, whereas historically capex accounted for approximately 65% of total annual expenditure. As increases to grant income are likely to remain low amidst the weaker national fiscal position, this trend is likely to continue.

Factors that could trigger a rating action:

Positive factors: NDM's ratings are at the upper limit for district municipalities and thus further progression is unlikely unless there is a major change in the operating structure of district municipalities.

Negative Factors: A reduction in government support, either through lower grant funding or in terms of perceived operational support would negatively impact the ratings. The ratings could also be downgraded if the current trend of rapid expenditure growth and slow income persists, resulting in an erosion of NDM's liquidity profile.

International Scale: The rating is directly linked to the South African sovereign rating, and any movement in the sovereign rating would likely have an impact on NDM's international scale rating. The District is satisfied with the credit rating under the prevailing circumstances.

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

6.1 INTRODUCTION

Note: The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA S45 states that the results of performance measurement must be audited annually by the Auditor-General.

6.2 COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS

6.2.1. AUDITOR GENERAL REPORTS 2019/2020

TABLE 6.1

FINANCIAL YEAR	AUDIT OUTCOME	No. OF ISSUES RAISED
2013/2014	UNQUALIFIED	55
2014/2015	CLEAN AUDIT	20
2015/2016	CLEAN AUDIT	18
2016/2017	CLEAN AUDIT	12
2017/2018	UNQUALIFIED	40
2018/2019	CLEAN AUDIT	06
2019/2020	CLEAN AUDIT	14
2020/2021	CLEAN AUDIT	09

6.3 COMPONENT B: AUDITOR-GENERAL OPINION 2020/2021

6.3.1. AUDITOR GENERAL REPORT 2020/2021 FINANCIL YEAR

Report of the auditor-general to the Mpumalanga Provincial Legislature and the council on the Nkangala District Municipality

Report of the auditor-general to the Mpumalanga Provincial Legislature and the council on the Nkangala District Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Nkangala District Municipality set out on pages 01 to 101 (Annexure A), which comprise the statement of financial position as at 30 June 2021, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Nkangala District Municipality as at 30 June 2021, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 4 of 2020 (DORA).

Basis for opinion

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

Emphasis of matters

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

Events after the reporting period

7. As disclosed in note 42 to the financial statements, council took a resolution to establish the Nkangala Economic Development Agency, which will have an impact on the reporting of the district in the future.
8. As disclosed in note 42 to the financial statements, the executive mayor, general manager of community development services and the special programme coordinator were arrested by the Middleburg Hawks on allegations of their involvement in irregular procurement. They were arrested along with five services providers and the secretary to the Ndzundza traditional council.

Irregular expenditure

9. As disclosed in note 44 to the financial statements, the municipality incurred irregular expenditure of R449 940, as it did not follow a proper procurement process.

Other matter

10. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

11. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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

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

Report on the audit of the annual performance report

Introduction and scope

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
17. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
18. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priority presented in the municipality's annual performance report for the year ended 30 June 2021:

Development priority	Pages in the annual performance report
KPA 5 – basic services delivery and infrastructure	150 – 181

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

20. I did not identify material findings on the usefulness and reliability of the reported performance information for the following development priority:

KPA 5 – basic services delivery and infrastructure

Other matter

21. I draw attention to the matter below.

Achievement of planned targets

22. Refer to the annual performance report on pages 120 to 186 for information on the achievement of planned targets.

Report on the audit of compliance with legislation

Introduction and scope

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

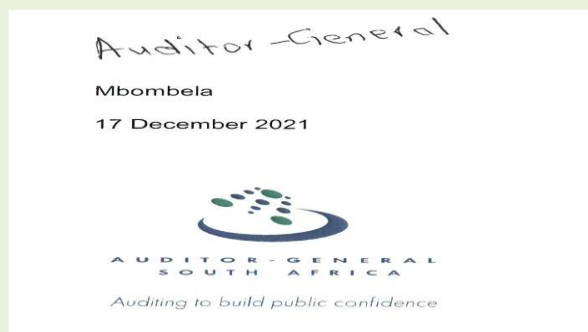
24. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA

Other information

25. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in this auditor's report.
26. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
27. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
28. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

29. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.



Annexure – Auditor-general’s responsibility for the audit

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

Financial statements

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

statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

APPENDICES

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

N o.	Names	May oral 13	Council 14	Finance 11	Social 11	Corp 11	Dev Planning 11	Infrastructure 11	Rules & Ethics 6	LED 11	MPA C10	Total	Total Meetings per Cllr	Percentage Councils meetings attendance	percentage non attendance
1	Masilela, TS	8	12	0	0	0	0	0	0	0	0	27	20	74	26
2	Ndinisa, SL	0	13	0	0	0	0	0	6	0	0	20	19	95	5
3	Boshomane, KJ	0	14	0	0	0	0	0	6	0	0	20	20	100	100
4	Bath, DJ	0	12	10	0	0	0	0	0	0	0	25	22	88	12
5	Bhamje, M	0	14	0	0	10	0	0	0	0	0	25	24	96	4
6	Buda, V	0	11	0	0	0	0	0	0	0	0	14	11	79	21
7	Chembe, D	0	13	0	0	0	0	11	0	0	0	25	24	96	4
8	Cronje,	0	13	0	0	0	0	4	0	0	0	18	17	94	6

N o.	Names	May oral 13	Council 14	Finance 11	Social 11	Corp 11	Dev Planning 11	Infrastructure 11	Rules & Ethics 6	LED 11	MPA C10	Total	Total Meetings per Cllr	Percentage Councils meetings attendance	percentage non attendance
	RE														
9	Dikgale, LJ	13	13	0	0	0	0	11	0	0	0	38	37	97	3
10	Dyason, J	0	12	0	0	0	0	11	0	0	0	25	23	92	8
11	Fakude, DC	0	14	0	0	0	9	0	0	6(6)	0	31	29	94	6
12	Fakude, MT	0	13	11	4(4)	0	0	0	0	0	0	29	28	97	3
13	Khumalo BA	0	4(4)	0	0	0	1(1)	0	0	0	0	5	5	100	100
14	Khumalo, LF	0	7	0	0	0	0	3(4)	0	0	0	18	10	56	44
15	Lamola, BR	0	5	0	0	4(4)	0	0	0	0	0	18	9	50	50
16	Leballo J	0	4(4)	0	1(1)	0	0	0	0	0	0	5	5	100	100
17	Legong, MS	0	10	0	9	0	0	0	0	0	0	25	19	76	24

N o.	Names	May oral 13	Council 14	Finance 11	Social 11	Corp 11	Dev Planning 11	Infrastructure 11	Rules & Ethics 6	LED 11	MPA C10	Total	Total Meetings per Cllr	Percentage Councils meetings attendance	percentage non attendance
18	Legong, TB	0	9	0	0	0	4(4)	0	0	0	0	18	13	72	28
19	Magagula, M	0	12	0	0	9	0	0	5	0	0	31	26	84	16
20	Mahlangu, A	0	13	0	0	0	0	0	0	11	0	25	24	96	4
21	Mahlangu L	6(6)	4(4)	0	0	0	6(6)	0	0	0	0	16	16	100	100
22	Mahlangu, NJ	0	9	0	0	0	2(4)	0	0	0	0	18	11	61	39
23	Maja SR	0	2(4)	1(1)	0	0	0	0	0	0	0	5	3	60	40
24	Makhobane, EN	12	12	0	4(4)	0	7(7)	0	0	0	0	38	35	92	8
25	Makola, LM	0	7	4	10	0	0	0	0	0	0	29	21	72	28
26	Malatjie, LM	0	11	0	0	0	0	0	0	0	0	14	11	79	21
2	Malatjie,	0	10	0	0	0	3(4)	0	0	0	0	18	13	72	28

N o.	Names	May oral 13	Council 14	Finance 11	Social 11	Corp 11	Dev Planning 11	Infrastructure 11	Rules & Ethics 6	LED 11	MPA C10	Total	Total Meetings per Cllr	Percentage Councils meetings attendance	percentage non attendance
7	RJ														
28	Malefane, P	0	10	0	0	4(4)	0	0	6	0	0	24	20	83	17
29	Mampuru DS		8								6	24	14	58	42
30	Maraba, CL	13	13	0	7(7)	4(4)	0	0	0	0	0	38	37	97	3
31	Maseko, DF	0	12	4(4)	0	0	0	0	0	0	0	18	16	89	11
32	Mathabane RS	0	6(8)	0	0	0	0	0	0	0	0	8	6	75	25
33	Mboweni, LM	0	7	3(4)	0	0	0	0	0	0	0	18	10	56	44
34	Mhlanga, MT	0	6	0	3(4)	0	0	0	0	8	0	29	17	59	41
35	Mlange ni, ZB	0	7	0	0	0	0	3(4)	0	0	0	18	10	55	45
36	Mnisi, ST	0	6	0	0	0	0	3(4)	0	0	0	18	9	50	50
3	Mogola,	0	11	0	0	0	8	0	0	0	0	25	19	76	24

N o.	Names	May oral 13	Council 14	Finance 11	Social 11	Corp 11	Dev Planning 11	Infrastructure 11	Rules & Ethics 6	LED 11	MPA C10	Total	Total Meetings per Cllr	Percentage Councils meetings attendance	percentage non attendance
7	SM														
38	Mokoala, VD	0	13	0	4(4)	0	0	0	0	0	0	18	17	94	6
39	Mokolo, ML	0	7	0	0	0	0	0	0	0	6	24	13	54	46
40	Mokwen a, MA	0	5(6)	0	0	0	0	0	0	1(1)		7	6	86	14
41	Morokolo ME	0	9	0	0	0	0	0	0	5(6)	0	20	14	70	30
42	Moseri, PP	0	10	0	0	0	0	0	0	6(6)	0	20	16	80	20
43	Mthimunya, GT	12	12	10	0	0	0	0	0	0	0	38	34	89	11
44	Mtsweni, NS	0	11	0	0	0	0	0	0	0	0	14	11	79	21
45	Ndlovu, R	0	10	3(4)	0	0	0	0	0	0	0	18	13	72	28
46	Ngwenya, TD	0	11	0	0	0	0	0	0	0	0	14	11	79	21
4	Ngweny	0	12	0	0	0	0	0	0	0	9	24	21	88	22

N o.	Names	May oral 13	Council 14	Finance 11	Social 11	Corp 11	Dev Planning 11	Infrastructure 11	Rules & Ethics 6	LED 11	MPA C10	Total	Total Meetings per Cllr	Percentage Councils meetings attendance	percentage non attendance
7	a, XS														
48	Nkosi, NB	0	13	0	0	4(4)	0	0	0	0	0	18	17	94	6
49	Nobela, MT	0	12	0	0	4(4)	2(4)	0	0	0	0	22	18	82	8
50	Pookgo adi, KT	13	14	0	0	2(2)	0	0	0	11	0	40	40	100	100
51	Sebesho E	0	7	0	0	0	0	3(3)	0	0	0	10	10	100	100
52	Shongwe, E	0	7	0	0	0	0	0	0	3(6)	0	20	10	50	50
53	Sibanyoni, JM	0	14	0	0	0	0	0	0	0	10	24	24	100	100
54	Skhosana, DJ	0	14	0	0	0	0	0	0	0	9	24	23	96	4
55	Van Den Berg, EH	0	12	0	0	0	0	0	6	0	0	20	18	90	10
5	Zondo,	0	7	0	3(4)	4(4)	0	0	0	0	0	22	14	64	36

N o.	Names	May oral 13	Council 14	Finance 11	Social 11	Corp 11	Dev Planning 11	Infrastructure 11	Rules & Ethics 6	LED 11	MPA C10	Total	Total Meetings per Cllr	Percentage Councils meetings attendance	percentage non attendance
6	LJN														

RESIGNED AND DECEASED COUNCILLORS

N o.	Names	May oral 13	Council 14	Finance 11	Social 11	Corp 11	Dev Planning 11	Infrastructure 11	Rules & Ethics 6	LED 11	MPA C 10	To	Total Meetings per Cllr	Percentage Councils meetings attendance	percentage non attendance
1	Madileng, WT	0	1	0	0	0	0	0	0	0	0	1	1	100	0
2	Mahlobogoane, R C (Deceased)	5	5	0	0	5	0	0	0	0	0	15	15	100	0
3	Motanyane, TE	0	4(6)	0	0	0	0	0	0	0	1	7	5	71	29
4	Naidu, N	0	5	0	0	0	1(2)	0	0	0	0	7	6	86	14

RESIGNED AND DECEASED COUNCILLORS

N o.	Names	May oral 13	Counc il 14	Financ e 11	Socia l 11	Corp 11	Dev Planning 11	Infrastruct ure 11	Rul es & Eth ics 6	LED 11	MPA C 10	To	Total Meeti ngs per Cllr	Percen tage Counci ls meetin gs attend ance	percen tage non attend ance
5	Nkoane, MR	0	3	0	0(1)	0	0	0	0	0	0	4	3	75	25
6	Shabangu, MM	0	0	1	0	0	0	0	0	0	0	4	1	25	75
7	Tolo, BJ (Deceased)	0	3	0	0	0	0	0	0	0	0	5	3	60	40

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Infrastructure and Service Delivery, Water, Sanitation, Electricity, Roads and Maintenance:	To play an advisory role to the Mayoral Committee
Planning, Agriculture, Public Safety and Transport:	To play an advisory role to the Mayoral Committee
Finance, Internal Audit and Risk:	To play an advisory role to the Mayoral Committee
Corporate Governance, Communication, Public Participation and Traditional Affairs	To play an advisory role to the Mayoral Committee
Local Economic Development, Human Settlement and Tourism, Rural Development & Agriculture:	To play an advisory role to the Mayoral Committee
Social Services, Disaster Management, Youth, Women, The Disabled, Sport, Arts & Culture, Health and Education:	To play an advisory role to the Mayoral Committee
Municipal Public Accounts Committee	Oversight over Executive function
Audit Committee	Oversight of financial reporting and disclosure, review of the work of internal Audit, the Risk Management system and Performance Management System
Budget Steering Committee	Assist the Executive Mayor to perform her responsibility in terms of section 53 of the MFMA with regards to budget processes and related matters

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Manager (State title, name and level of position)
Social Services	Mr VM Mahlangu (Manager)
	Ms SO Mahlangu (Divisional Manager)
	Mr Ramohale (Divisional Manager)
	Mr S Links (Divisional Manager)
	Ms M M Machete (Divisional Manager)
	Mr E J Nkosi (Divisional Manager)
	Ms M Nembilwi (Divisional Manager)
Corporate Services	Mr T A Segoane (Manager)
	Mr NM Motshwene (Divisional Manager)
	Mr M J Nhlapho (Divisional Manager)
	Mr M D Masombuka (Divisional Manager)
	Mr S A Mahlangu (Divisional Manager)
Technical Services	Mr A J Skosana (Manager)
	Mr T L Mohlabane (Divisional Manager)
	Ms SM Tseka (Divisional Manager)
Finance	Mr SK Mahlangu (Manager)
	Mr. AS Msiza (Divisional Manager)
	Ms S A Mashaba (Divisional Manager)
	Mr. MA Ndlovu (Divisional Manager)
Planning and Economic Development	Mr. JP Mangani (Manager)
	Mr. N K Mntungwa (Trade and Investment specialist)
	Ms. PE Hadebe (Divisional Manager)
	Mr VS Kubheka (Divisional Manager)
	Ms FM Maseko (Divisional Manager)
	Mr. T T Mabunda (Divisional Manager)
	Mr A D Twala (CAE)

Office of the Municipal Manager	Ms G D Mogorosi (Divisional Manager)
	Mr. ML Mahlangu (Senior legal Advisor)
	Ms N T Maphanga (Divisional Manager)
	Ms T Lengwato (Municipal Accountant)
	Mr A T Maseko (Divisional Manager)
	Mr M P Baloyi (Chief Risk Officer)
	Mr. E Magagula (Manager in the Office of EM)
	Mr D Mtsweni (Divisional Manager)
	Mr. F Mashele (Municipal Engineer)

APPENDIX D – WARD REPORTING

Ward Name	Number Of Ward Councillors and Elected Ward Committees	Committees Established Yes/No	Number of Monthly Committee Meetings Held During the Year	Number of Monthly Reports Submitted to the Speakers Office	Number of Quarterly Public Ward Meetings Held During the Year
DRJSM	31(Ward Cllrs) & 310(Ward committees)	Yes	31 x 12 = 372	372	124
THLM	32 & 320	Yes	32 x 12 = 384	384	128
STLM	29 & 290	Yes	29 x 12 = 348	348	116
VKLM	9 & 90	Yes	9 x 12 = 108	108	36
EMAK	8 & 80	Yes	8 x 12 = 96	96	32
EMAL	34 & 340	Yes	34 x 12 = 408	408	136

APPENDIX E – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2020/2021

Date of Committee	Audit and Performance Committee recommendations during	Recommendations adopted (enter Yes) If not adopted (provide explanation)
20 July 2020	Supply Chain Management to provide a report to the Audit and Performance Committee regarding lost documents. The report must incorporate mitigating strategies as well as compensating controls	Yes
	Interim Annual Financial to the statements to be resubmitted to the next Audit committee meeting	Yes
	MFMA checklist report to be submitted in the next audit committee meeting	Yes
	Report on the useful life of assets to be submitted in the next Audit Committee meeting	Yes
	The Chief Audit Executive to check changes on standards	Yes
	The Chief Financial Officer need to forward changes on the new draft budget report with changes	Yes
	Item on IT capital projects must be a standing item	Yes
	The Chief Audit Executive and Divisional Manager ICT should assist locals so that they meetings can be held virtually	Yes
	Information security report to be submitted in the next meeting	Yes
	A report on loss control committee be submitted by the Chief Risk Officer in the next Audit committee meeting	Yes
	Municipal manager Should submit a stand-alone item on COVID 19	Yes
	Municipal manager to submit the district module report	Yes
	The General Manager Corporate Services to submit a report on Cost Containment	Yes
02 October 2020	Management to use numbers for targets than percentages for accurate evaluation	Yes
	Divisional Manager PMS to submit data sheets for LED projects in the next meeting	Yes

Date of Committee	Audit and Performance Committee recommendations during	Recommendations adopted (enter Yes) If not adopted (provide explanation)
	The Chief Audit Executive to share dashboard report with Audit Committee	Yes
	The Chief Financial Officer to provide cash flow projections	Yes
	The General Manager : PED to engage the Auditor General on Audit of NEDA	Yes
04 February 2021	Municipal manager should engage with departments who are not cooperating in terms of loading of information on PMS system	Yes
	The Supply chain manager must provide a report regarding lost documents as well compensation controls	Yes
	All attendees must indicate if they are not affected on declaration of interest	Yes
	ICT security report must a standing item on all meetings	Yes
	The Chief Financial Officer to submit AFS preparation plan with clear dates	Yes
01 May 2021	MFMA checklist to be submitted and prove of adherence	Yes

APPENDIX F – ANNUAL REPORT OF THE AUDIT COMMITTEE 2020/2021

We are pleased to submit the report of the Audit Committee for the year ended 30 June 2021.

ANNUAL REPORT OF THE AUDIT AND PERFORMANCE COMMITTEE (REPORT FROM THE CHAIR OF AUDIT AND PERFORMANCE COMMITTEE)

We are pleased to submit the report of the Audit Committee for the year ended 30 June 2021.

1. Background

Nkangala District Municipality and all its local municipalities namely Steve Tshwete Local Municipality, Emakhazeni Local Municipality, Victor Khanye Local Municipality, Thembisile Hani Local Municipality, Dr. JS Moroka Local Municipality and Emalahleni Local Municipality have opted for the shared Audit and performance Committee Services. The Audit and Performance Committee (APC) was established in terms of section 166 of the Municipal Finance Management Act (MFMA), Act 56 of 2003. The Audit and Performance Committee (APC) has adopted its terms of reference.

Statutory requirements

Section 166 of the MFMA stipulates that each municipality must establish an Audit committee.

The Audit committee is an independent advisory body that advises council, political office bearers, accounting officer, and the staff of the municipality on the following

- Internal financial control and internal audit;
- Risk management;
- Accounting policies
- The adequacy, reliability and accuracy of financial reporting and information;
- Performance management;
- Compliance with the MFMA, the Division of Revenue Act (DORA) and any other applicable legislation;
- Performance evaluation
- Any other issues referred to it by the municipality;
- Review annual financial statements to provide authoritative and credible view of the financial position, on overall compliance with MFMA, DORA any other applicable laws.
- Respond to Council on any matter raised by the Auditor- General (AGSA); and
- Carry out such investigation into financial affairs of the municipality as may be prescribed.

2. Attendance of meetings

Name of the member	Ordinary meetings	Performance meetings	Special Reviewal of financial Statements	Special Meetings (NEDA and Record Management and Induction of members)	Total	Attendance
Ms. F Mudau Chairperson Contract ended- 28 February 2021	3	3	1	2	13	9
Mr. L Langalibalele (Member) – Contract ended- 28 February 2021	3	2	1	3	13	9
Mr. M Mathabathe (Member) (Contract expired 30 June 2021)	3	2	1	4	13	11
Ms. SJ Masite (Member)- Designated Chairperson 01 March 2021(contract expired 30 June 2021)	4	4	1	4	13	13
Mr. T Gafane (Member)	2	3	2	2	13	9
Ms. MJ Moloi-Chamane (member) member appointed 01 March 2021	1	-	-	-	13	1
Ms. P Ntuli - (Member) Member appointed 01 March 2021	1	1	1	-	13	3

The following although not members of the Audit and Performance Committee (APC), have standing invitation to Audit and Performance committee meetings:

- The Accounting Officer;
- The Chief Financial Officer;
- The chairperson of the Risk committee
- The Section 56 Managers/Departmental Heads
- Chief Audit Executive
- Chief Risk Officer
- The Auditor- General

- The National Treasury
- Mpumalanga Provincial Treasury
- Mpumalanga Department of Cooperative Governance
- South African Local Government Association (SALGA)
- Internal Audit (Secretariat function)

3. Internal Audit

The internal Audit of Nkangala is in-house and has discharge its mandate in terms of its charter and managed to execute all projects for 2020/21 financial year. The Audit and Performance Committee (APC) would like to commend the Council and management for the dedication in strengthening the Corporate Governance.

The Audit and Performance Committee (APC) is of the opinion that Internal Audit unit is operating effectively to meet its mandate and has considered the risk pertinent to the municipality in its audit plans. Internal Audit further managed to achieve general conformance on all practice Standards.

The following documents were approved by the Audit Committee and performance committee and recommended to Council for adoption

- Internal Audit charter
- Internal Audit methodology
- Three Year Rolling Strategic and Annual Audit Plan
- Combined Assurance framework

The internal function also supported other local municipalities that were experiencing capacity problems. This was evident at Thembisile Hani Local Municipality and Emakhazeni local Municipality, Dr. JS Moroka Local Municipality, Victor Khanye and Emalahleni Local Municipality.

4. Effectiveness of Internal controls

The system of internal control was not entirely effective during the year under review as compliance with prescribed policies and procedures were lacking in certain instances and this was evident with the investigation of irregular expenditure that was conducted by the Council during the year under review.

The following Internal audit reports are among others that were presented to the Audit Committee:

- Audit of quarterly performance information;
- Expenditure Management;
- Supply Chain Management;
- ICT audit;
- Governance;
- Leave management;
- Local Economic development; and
- Leave management
- Budget management
- Follow-up on Internal Audit committee

There has been improvement by management in responding to internal audit reports and this can be attributed to measures that have been implemented by the Accounting officer. Audit and Performance Committee (APC) has also urged management to draw up action plan to address issues raised by the Auditor- General in the management letters and audit report and to ensure that all matters have been raised by the Auditor General are resolved by Management.

5. Risk Management

The municipality has an effective risk unit that consist of two staff members and Risk management, anti-fraud and anti-corruption committee that is chaired by the Chairperson of Risk management, anti-fraud, and anti-corruption.

Four (4) risk committee meetings were held for the year under review

The following policies were reviewed:

- Risk Management strategy
- Risk Management policy
- Whistle blowing policy
- Fraud Prevention Plan
- Fraud Prevention policy
- Risk Management Anti-corruption and Anti-fraud risk charters
- Risk appetite
- Key performance Indicators for the Risk Management committee.

6. Performance Management

Management has cascaded performance up to level five and plans have been put in place to cascade performance to other levels as well.

The Audit committee has reviewed the Annual Performance Information report in the meeting held on the 26 July 2021 and performance department has shown significant improvement

7. Year- end reporting

The Audit and Performance Committee (APC) has reviewed the Annual Performance Information report before the report was submitted to the Auditor-General and the quality of the quarterly reports submitted by management during the year were of acceptable standard.

8. Evaluation of Annual financial statements

The Audit and Performance Committee (APC), on its meeting held on the 27 August 2021 to discuss the draft annual financial statements and unaudited annual report with the Accounting Officer, before submitting to the Auditor General.

The Audit committee wishes to indicate that it performed a review on the financial statements focusing among others:

- Significant financial reporting adjustments and estimates contained in the Annual Financial Statements
- Clarity and completeness of disclosures has been set properly

- Quality and acceptability of and any changes in accounting policies and practice.
- Significant adjustments arising from the audit
- Reasons for major year to year fluctuations

9. Final Auditor General's Report

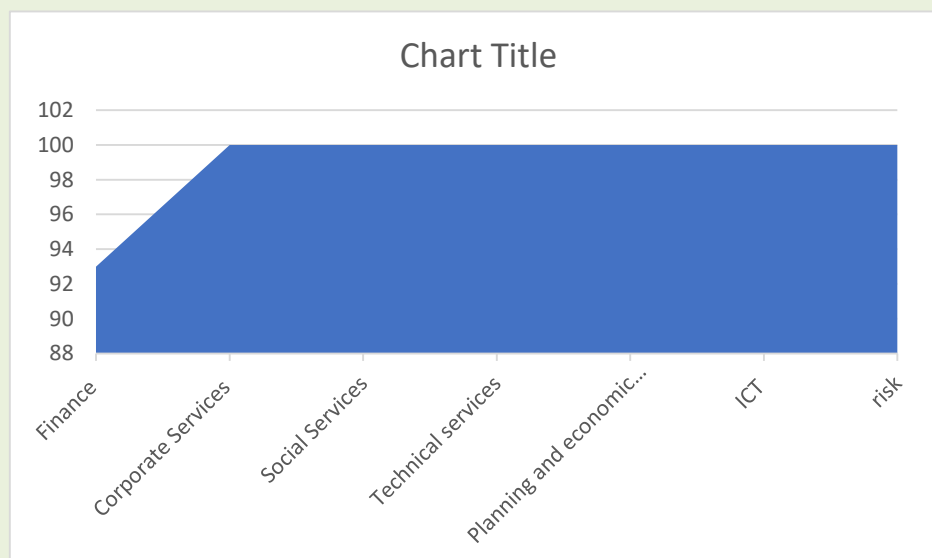
The Audit and Performance Committee (APC) has:

- Further reviewed the audited financial statements to be included in the Annual Report with the Accounting Officer.
- Reviewed the Auditor General Management report and management response thereof
- Reviewed the municipality compliance with legal and regulatory provision and;
- Reviewed significant adjustments resulting from the audit.

The Audit and Performance Committee (APC) concurs and accepts the conclusions of the Auditor- General on the Annual Financial Statements be accepted and read together with the report of the Auditor-General.

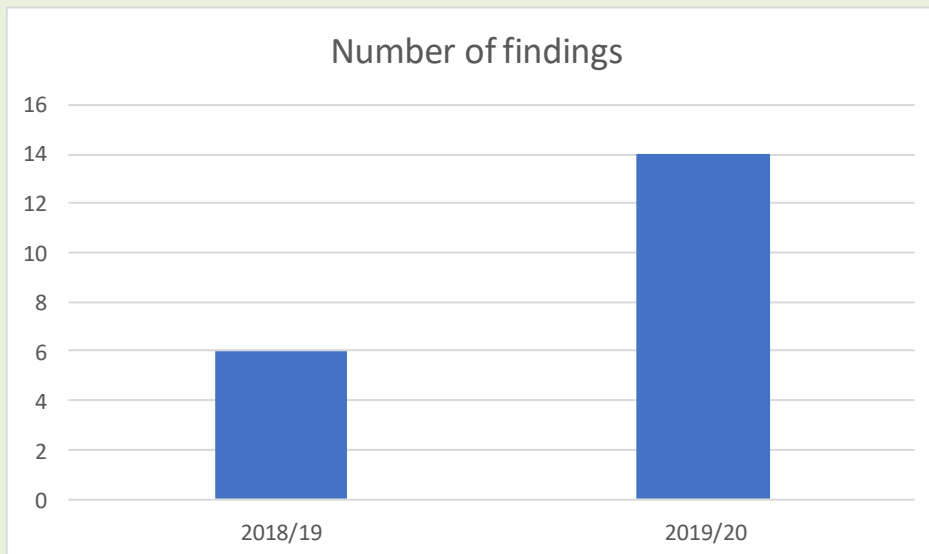
10. Implementation of Internal Audit recommendations

The chairperson of the Audit and Performance Committee would like to express her gratitude to the Top management for implementing Internal Audit recommendations the total implementation per department is as follows.



11. Auditor General Action plan

Nkangala District Municipality Auditor General findings have increased from six (6) findings to fourteen (14) management is working hard to resolve these findings.



Post Subsequent Events

Audit and Performance Committee noted the post subsequent events that led to the arrest of senior officials with the municipality and will be monitoring the situation closely as follow-ups will be made with the Accounting officer.

12. Conclusion

The Audit and Performance Committee (APC) acknowledges the co-operation and assistance by the Nkangala District Municipality for coordinating the activities of the Committee. We also acknowledge the commitment of the Accounting Officer and management of Nkangala District Municipality in strengthening corporate governance and working in maintaining and sustaining the clean audit.

The Audit and Performance Committee (APC) further acknowledge the commitment into good governance as shown by the Honorable Executive mayor Councilor T Masilela and her Council and further express gratitude to the Chief Audit Executive, Mr. AD Twala and his staff for the support and commitment to the work of the Audit and Performance Committee.

The Chairperson of the Audit and performance committee remain confident that all matters that have been raised by the Internal Audit and Auditor General are receiving due consideration and intervention.

We are committed to fully execute our assurance and oversight function to strengthening Corporate Governance and Clean Administration.

Ms. F. Mudau

Chairperson of Audit and Performance committee

APPENDIX G – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interest		
Period 1 July 2019 to 30 June 2020		
Position	Name	Description of Financial interests* (Nil / Or details)
Municipal Manager	Ms. M.M. Skosana	Alurod PTY LTD
Chief Financial Officer	Ms. A.L. Stander	Alre Jewellery And Gifts, Sanlam (shareholder) and Pretorius Trust
Other S57 Officials	Ms. N Ngwenya	Nomah Divine Trading Services
	Mr AM Matjiya	Diphale Development PTY (LTD), R37 Trading and Project , and PKT Civil work construction & project management
	Dr T Matoane	Mathomo-mayo development information education and communication; Temana cleaning and security services; agency for gender research education and advocacy; temans property and investment, gap private colleges, kiddies hot spot, femi fortis
	Mr. D.J.D. Mahlangu	Njabulo Developers (Pty) Ltd
<i>* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A T J</i>		

APPENDIX H: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

See detailed report on the Annual Financial Statement.

APPENDIX I (I): REVENUE COLLECTION PERFORMANCE BY VOTE and sources

See detailed report on the Annual Financial Statement. The District Municipality Does not provide basic services and therefore a detailed performance on revenue collection is not applicable.

APPENDIX I (II): REVENUE COLLECTION PERFORMANCE BY SOURCE

See detailed report on the Annual Financial Statement. The District Municipality Does not provide basic services and therefore a detailed performance on revenue collection is not applicable.

APPENDIX J: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Grant Performance 2020/2021				R'000		
Description	2019/20	Year 2020/2021			Year 2020/2021 Variance	
	Actual	Original Budget	Adjustment Budget	Actuals	Original Budget	Adjustment Budget
Operational Transfers and Grants						
National Government	364 405 000	402 697 000	409 639 760	385 528 056	95.74%	94.11%
Local Government Equitable Share	23 791 000	25 748 000	25 748 000	25 748 000	100%	100%
RSC Levy Replacement	332 483 000	341 474 000	346 752 000	346 752 000	102%	100%
Financial Management Grant	1 000 000	1 000 000	1 000 000	1 000 000	100%	100%
EPWP Incentive Grant	2 131 000	1 977 000	1 977 000	1 977 000	100%	100%
Water Service Scheme(DWS)	5 000 000	32 498 000	24 162 760	3 644 088	11.21%	15.08%
Water and Sanitation Grant- Rand Water	-	-	10 000 000	6 406 969	#DIV/0!	64.07%
Provincial Government	-	-	-	-	-	-
Insert Description	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-
Insert Description	-	-	-	-	-	-
Other Government Grants	-	-	-	-	-	-
Insert Description	-	-	-	-	-	-
Total Operating Transfers and Grants	364 405 000	402 697 000	409 639 760	385 528 056	95.74%	94.11%
Variance are calculated by dividing the difference between actuals and original/adjustment budget. The full list of national and provincial grants available on published gazettes (DoRA).						T5.2.1

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

Capital Expenditure 2020/2021				R'000		
Description	2019/20	Year 2020/2021			Year 2020/2021 Variance	
	Actual	Original Budget	Adjustment Budget	Actuals	Original Budget	Adjustment Budget
Source of Funding						
External Loans	-	-	-	-	-	-
Public Contribution and Donations	-	-	-	-	-	-
Grants and Subsidies	-	-	-	-	-	-
Other	35 221 523	27 005 000	34 280 795	22 929 338	84.91%	66.89%
Total	35 221 523	27 005 000	34 280 795	22 929 338	84.91%	66.89%
Percentage of Finance						
External Loans	0.00%	0.00%	0.00%	0.00%	-	-
Public Contribution and Donations	0.00%	0.00%	0.00%	0.00%	-	-
Grants and Subsidies	0.00%	0.00%	0.00%	0.00%	-	-
Other	100.00%	100.00%	100.00%	100.00%	-	-
Total	100.00%	100.00%	100.00%	100.00%	-	-
Capital Expenditure						
Water and Sanitation	-	-	-	-	-	-
Electricity	-	-	-	-	-	-
Housing	-	-	-	-	-	-
Roads and Stormwater	-	-	-	-	-	-
Other	35 221 523	27 005 000	34 280 795	22 929 338	84.91%	66.89%
Total	35 221 523	27 005 000	34 280 795	22 929 338	84.91%	66.89%

APPENDIX L CAPITAL PROGRAMME BY PROJECT

Not applicable.

APPENDIX M: CAPITAL PROGRAMME BY PROJECT BY WARD

Not applicable.

APPENDIX N: DECLARATION OF LOANS AND GRANTS MADE BY MUNICIPALITY

See detailed report on the Annual Financial Statement.

APPENDIX N – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

This section serves to evaluate the Service Provider's performance in respect of provisions of the contract and the product that the Service Provider delivered for all aspects of the project scope. The Evaluation criteria are based on a scale of 1-5 and each of aspects measured relate to the successful completion of the project. The evaluation score guide on the performance of the service providers is as follows:

5	Excellent	Completion of the project before the scheduled time and within budget
4	Good	Completion of project within time frame and budget
3	Average	Completion of project within time frame but outside the allocated budget or vice versa
2	Below Average	Failure to complete the project
1	Unacceptable	Failure to commence with the project

CORPORATE SERVICES				
COMPANY NAME	2019/2020 ANNUAL SCORE	CONTRACT TASK TITLE	2020/2021 ANNUAL SCORE	PERFORMANCE COMMENTS
Black Protectors Security Services	3.73	Provision of Security Services	3.74	Met Requirements
Crane-Fly Trading	2.82	Repairs and Maintenance of Buildings	3.44	Met Requirements
Jabela Construction	3.67	Repairs and Maintenance of Council Vehicles	3.53	Met Requirements
Semango Motors	3.57	Repairs and Maintenance of Council Vehicles	3.52	Met Requirements
Sethembe Transportation and Projects	3.53	Horticulture and Garden Maintenance	3.43	Met Requirements
Shellard Media	3.25	Support and Maintenance of Audio Visuals	3.06	Met Requirements
Zanocentia/Omarucube JV	3.06	Office Cleaning Services	3.48	Met Requirements
NBC Holdings	2.88	Employee Health and Wellness Services	3.58	Met Requirements
Marota Air-conditioning and Projects	2.42	Repairs and Maintenance of Air conditioners	3.74	Met Requirements
Pooven Chetty	3.56	Installation, deployment, support and maintenance of Electronic Document Management System	3.49	Met Requirements
Mabebe Wellnes	New	Employee Health and Wellness Services	2.78	Unsatisfactory
Milocel (Pty) Ltd	New	Indoor Digital Advertising	2.64	Unsatisfactory
MWG Business Solutions	New	Installation of Cameras at Thembisile Hani and Dr. JS	3.50	Met Requirements

		Moroka Fire Stations		
Ndoko Projects (Pty) Ltd	New	Audio and Visual Servicing	3.28	Met Requirements
Shumela Phanda Investments	New	Maintenance of Smoke and Fire Detectors	3.49	Met Requirements
Ndoko Projects (Pty) Ltd	New	Servicing and Maintenance of UPS Systems	3.94	Met Requirements
Obsidian Holdings	New	Diesel for Generators	3.08	Met Requirements
Ramashu Supply and Services	New	Diesel for Generators	3.15	Met Requirements
Shomboloza (Pty) Ltd	New	Diesel for Generators	3.46	Met Requirements

SOCIAL SERVICES				
COMPANY NAME	2019/2020 ANNUAL SCORE	CONTRACT TASK TITLE	2019/2020 ANNUAL SCORE	PERFORMANCE COMMENTS
Amaroso Projects	3.1	Service and Repairs of Fire Engines	3.50	Met Requirements
Ambross Diligence	New	Supply of Fire Engines	3.56	Met Requirements
Ambross Diligence	New	Supply of Hazmat Vehicles	3.36	Met Requirements
Best and PJ Project and Service	3.12	Supply and Delivery of Disaster Relief Material	3.46	Met Requirements
Bopumu Trading CC	4.00	Repairs and Upgrade	3.12	Met Requirements
Bohlokwas Clothing and Textile	New	Supply and Delivery of Fire Uniform	2.15	Unsatisfactory
Cebinelisa Trading and Projects	3.52	Supply and Delivery of Disaster Relief Material	3.48	Met Requirements
Deaf Federation of South Africa	New	Interpretation Services	3.73	Met Requirements
Evidence Caesar	New	Supply and Delivery of Disaster Relief Material	0.92	Unsatisfactory
Godrich Empire (Pty) Ltd	3.21	Supply and Delivery of Disaster Relief Material	3.24	Met Requirements
Jali FMS (Pty) Ltd	New	Supply of 2 Off-road Motor Vehicles.	3.28	Met Requirements
Lalas Enterprise (Pty) Ltd	3.42	Supply and Delivery of Disaster Relief Material	2.65	Unsatisfactory
Mapale Chicks	New	Supply and Delivery of Firefighting Equipment	1.92	Unsatisfactory
Mapale Chicks	New	Supply and Delivery of Petrol and Diesel	3.89	Met Requirements
Marashea Contractors (Pty) Ltd	3.42	Supply and Delivery of Disaster Relief Material	3.28	Met Requirements
Ndoko Projects	New	Supply and Delivery of Firefighting Equipment	2.33	Unsatisfactory
Omphile Morena (Pty) Ltd	3.26	Installation of Two-Way Radio	2.34	Unsatisfactory
Realeka Again	New	Supply and Delivery of Firefighting Equipment	2.75	Unsatisfactory
Rural Metro Emergency Management	3.42	Feasibility Study	3.31	Met Requirements
Senzazona	3.21	Supply and Delivery of Disaster Relief Material	3.32	Met Requirements
Tebzafrank (Pty) Ltd	3.35	Supply and Delivery of Disaster Relief Material	3.28	Met Requirements
TJ 360 Degrees Projects (Pty) Ltd	3.55	Supply, Delivery and Assembling of Park Home Office	3.08	Met Requirements
Timmut Connect CC	3.50	Disaster Management Center Systems Repairs	3.25	Met Requirements
Zanocentia Holdings (Pty) Ltd	3.34	Supply and Delivery of Disaster Relief Material	3.48	Met Requirements
Zimelo (Pty) Ltd	New	Supply and Delivery of MHS Office	3.38	Met Requirements
Zlatan Civil Contractors	New	Supply Delivery and Installations of Park Homes	1.56	Unsatisfactory
Zonke and TJ Enterprise	New	Supply and Delivery of Firefighting Equipment	1.67	Unsatisfactory

Regen Water Laboratories	3.41	Water Quality Monitoring Analysis	3.20	Met Requirements
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MUNICIPAL MANAGER'S OFFICE				
COMPANY NAME	2019/2020 ANNUAL SCORE	CONTRACT TASK TITLE	2020/2021 ANNUAL SCORE	PERFORMANCE COMMENTS
Raphela Attorneys	New	Professional Legal Services	3.53	Met Requirements
Nkgadima Attorneys	4.06	Professional Legal Services	3.84	Met Requirements
Khumalo Masondo Attorneys	New	Professional Legal Services	3.75	Met Requirements
Maphanga & Essa Attorneys	4.12	Professional Legal Services	3.84	Met Requirements
Kwena Sekoaila Attorneys	New	Professional Legal Services	3.58	Met Requirements
Mkhonto Ngwenya Attorneys	New	Professional Legal Services	3.45	Met Requirements
Noko Maimela Attorneys	New	Professional Legal Services	3.68	Met Requirements
TF Matlakala Attorneys	New	Professional Legal Services	2.53	Unsatisfactory
Innovation Government Software Solution	3.6	Installation Support and Maintenance of PMS and Risk System	3.85	Met Requirements
Timmut Connect CC	3.79	Establishment, Management of Anti-Fraud and Anti-Corruption Hotline	3.70	Met Requirements
BDO PS Advisory Pty (Ltd)	3.96	Panel of Auditors for Co-sourced Audits	2.67	Unsatisfactory
MRL Incorporation	2.27	Panel of Auditors for Co-sourced Audits	2.54	Unsatisfactory
AZA Kopano Incorporated	3.37	Panel of Auditors for Co-sourced Audits	3.12	Met Requirements
Manaka Risk & Advisory	2.93	Panel of Auditors for Co-sourced Audits	3.00	Met Requirements
MNB Accountants Consultants	2.93	Panel of Auditors for Co-sourced Audits	3.15	Met Requirements
KMH Chartered Accountants	3.11	Panel of Auditors for Co-sourced Audits	3.00	Met Requirements
Moore Stephens Accountants	3.59	Panel of Auditors for Co-sourced Audits	2.50	Unsatisfactory
Emahlubi Consultants	New	Supply and Delivery of ICT Gadgets	3.52	Met Requirements
Matupunuka ICT	3.42	Deployment of WAN ICT Infrastructure for Dr. JS Moroka Local Municipality for 36 Months	3.84	Met Requirements
Matupunuka ICT	3.45	Implementation, Support and Maintenance of the VOIP Telephone System for Nkangala District Municipality for a period of 36 months	3.31	Met Requirements
Motau Consulting	New	Enterprise Business Continuity	1.84	Unsatisfactory
Opex Business Solutions	3.58	Data Centre Infrastructure Maintenance of District Wide DRRS for Nkangala District Municipality for 36 Months.	3.57	Met Requirements
Opex Business Solutions	4.19	Supply and Installation of Uninterrupted Power Supply Backup System for Nkangala District Municipality	2.53	Unsatisfactory
VOX	3.5	Acquisition of WAN and Remote Connection (APN) for Nkangala District Municipality	3.34	Met Requirements
Two Step Trading Enterprises	New	Intranet Services	3.29	Met Requirements

FINANCE SERVICE				
COMPANY NAME	2019/2020 ANNUAL SCORE	CONTRACT TASK TITLE	2020/2021 ANNUAL SCORE	PERFORMANCE COMMENTS
Bhekimbusovusi	New	Events Management	1.52	Unsatisfactory
Bhindlwane	New	Advertising Services	1.09	Unsatisfactory
Big Sky Country Trading 109	1.43	Travel and Accommodation Services	2.26	Unsatisfactory
City of Choice	3.03	Travel and Accommodation Services	3.11	Met Requirements
DJ Mabhodo Services	New	Events Management Services	0.60	Unsatisfactory
Dlamini Sedika	New	Events Management Services	2.34	Unsatisfactory
G-Genius VIP	New	Events Management Services	1.50	Unsatisfactory
Whoodoo Media and Advertising	3.28	Media and Advertising Services	1.50	Unsatisfactory
Khabowd Projects	3.00	Travel and Accommodation Services	2.39	Unsatisfactory
Kunene Makopo Risk Solutions	New	Insurance Services	3.76	Met Requirements
Timmut Connect CC	4.31	Maintenance and Support on Contract Management System	2.87	Unsatisfactory
Tlhabane Business Solutions	New	Advertising Services	0.86	Unsatisfactory
Tshedza Tshashu Industries	New	Advertising Services	1.04	Unsatisfactory

TECHNICAL SERVICE				
COMPANY NAME	2019/2020 ANNUAL SCORE	CONTRACT TASK TITLE	2020/2021 ANNUAL SCORE	PERFORMANCE COMMENTS
Agang Consulting Engineers	New	Rural Road Asset Management Services	3.84	Met requirements
ASEDA Consulting Engineers	3.01	Buildings and Recreational Facilities	2.92	Unsatisfactory
Aqua Transport and Plant Hire	New	Desludging of Low Flush Toilets	2.05	Unsatisfactory
Bhekinhlanhla Youth Building CI	New	Mabuyeni Storm Water	1.65	Unsatisfactory
Bakhusele Business Solutions	New	Desludging of Low Flush Toilets: Dr. JS Moroka LM	3.84	Met requirements
Bakhusele Business Solutions	New	Desludging of Low Flush Toilets: Emalahleni LM	3.89	Met Requirements
Atom Group (Pty) Ltd	New	Refurbishment of Street Towns	2.81	Unsatisfactory
CivilChem Engineering	New	Water and Sanitation Management	3.81	Met Requirements
CivilChem Engineering	New	Roads and Storm Water	3.05	Met Requirements
DKPB Construction CC	New	Refurbishment of Bulk Water Valve	3.00	Met Requirements
Dudu Sbusiso Trading	New	Supply and Delivery of Water through Water Tankers	3.00	Met Requirements
Dudu Sbusiso Trading	New	Upgrading of Nokaneng Park Home	3.09	Met Requirements
Endecon Ubuntu	New	Loskop Bulk Water Supply	3.00	Met Requirements

HMP Africa Consultants	2.26	Kriel Extension and Commissioning of Area Ga - Nala	3.00	Met Requirements
Kgadesi Investments	New	Supply and Delivery of Water through Water Tankers	3.00	Met Requirements
Khuluphala Tradings	New	Supply and Delivery of Water through Water Tankers	3.00	Met Requirements
King and Associates Engineering	New	Delmas Waste Water Treatment Works	3.00	Met Requirements
KJM Business Enterprise	New	Additions to Nokaneng Satellite Fire station	3.69	Met Requirements
LTC Holdings	New	Supply and Delivery of Water through Water Tankers	2.85	Unsatisfactory
Madlazabanye Trading (Pty) Ltd	New	Supply and Delivery of Water through Water Tankers	3.00	Met Requirements
Mamolato Construction and Projects	New	Supply and Delivery of Water through Water Tankers	2.77	Unsatisfactory
Maphosa Hekman Trading and Projects	New	Supply and Delivery of Water through Water Tankers	3.00	Met Requirements
Maswana Kobulembu Projects Management	New	Supply and Delivery of Water through Water Tankers	3.00	Met Requirements
Metswedding Consulting Engineers	3.28	Thembisile Hani LM-Construction of Stormwater in ward 4	2.98	Unsatisfactory
Milestone Reflex	New	Installation of Sewer Reticulation - Siyathuthuka	4.04	Excellent
Minangedwa Construction	New	Supply and Delivery of Water through Water Tankers	3.00	Met Requirements
Mlotjwa Masters Trading Enterprises	New	Supply and Delivery of Water through Water Tankers	3.00	Met Requirements
Moba and Associates	New	Refurbishment of Bulk Water Valve	3.95	Met Requirements
Motheo CNS (Pty) Ltd	New	Desludging of Low Flush Toilets: Emalahleni	3.11	Met Requirements
Msunduzwa Trading Enterprises (Pty) Ltd	New	Supply and Delivery of Water through Water Tankers	3.00	Met Requirements
Ngibonga Impilo (Pty) Ltd	New	Supply and Delivery of Water through Water Tankers	3.00	Met Requirements
Ntulilinah Construction	New	Supply and Delivery of Water through Water Tankers	3.00	Met Requirements
Pule Ramasimong Development & Projects	New	Refurbishment of Street Town Roads	2.97	Unsatisfactory
Shwings Construction and Project	3.00	Building Civic Centre	3.00	Met Requirements
Sihle and Wandy Construction	New	Supply and Delivery of Water through Water Tankers	3.00	Met Requirements
SMV/Nomaswazi JV	New	Delmas Waste Water Treatment Works	4.23	Excellent
Sthewukele 77 (Pty) Ltd	New	Construction of Road in Victor Khanye Local Municipality phase 1	5.00	Excellent
Stickson Mopani JV	New	Moripe Gardens and Madubaduba Water Supply Phase 1	3.45	Met Requirements
T4 Reasons Trading Enterprise	New	Desludging of Toilets: Dr. JS Moroka	3.04	Met Requirements
T4 Reasons Trading Enterprise	New	Desludging of Toilets: Emalahleni	3.15	Met Requirements
TCM Developers (Pty) Ltd	New	Desludging of Toilets: Dr. JS Moroka	3.01	Met Requirements
TFM Sekhatlo (Pty) Ltd	New	Supply, Delivery and Registration of Plant and Equipment for Thembisile Hani Local Municipality	2.33	Unsatisfactory
Thembakele Consulting Engineers	New	Siyathuthuka Sewer Reticulation	3.59	Met Requirements
Thembakele Consulting Engineers	New	Siyathuthuka Water Reticulation	3.00	Met Requirements
Tirisano Consulting Engineers	4.25	Dr. JS Moroka LM: Moripe Gardens and Madubaduba Water Supply	3.66	Met Requirements
Tripple Desire Trading and Projects	New	Supply and Delivery of Water through Water Tankers	3.00	Met Requirements
Tshwele Logistics	New	Supply and Delivery of Water through Water Tankers	3.00	Met Requirements
Zeal Engineering Consultants	2.98	Additions to Nokaneng Satellite Fire Station	2.53	Unsatisfactory
Zembeleni Transport & Projects	New	Construction of Ward 4 Stormwater	2.28	Unsatisfactory
Zedek Trading	New	Upgrading of Tokologo Road (Ezinyokeni)	3.97	Met Requirements

PLANNING AND ECONOMIC DEVELOPMENT				
COMPANY NAME	2019/2020 ANNUAL SCORE	CONTRACT TASK TITLE	2020/2021 ANNUAL SCORE	PERFORMANCE COMMENTS
Collins Sebola Financial Service	New	EPWP Job creation SAS-SETA Learnership Programme	2.76	Unsatisfactory
Mahlori Development	New	Township Establishment (formalisation of the Mabhoko village) in Thembisile Hani Local Municipality	3.48	Met Requirements
MM Geomatics	New	Land Surveyors Consulting	4.17	Excellent
Kutu Land Surveyors	New	Land Surveyors Consulting	3.97	Met Requirements
Kwenza Consulting Surveyors	New	Land Surveyors Consulting	3.97	Met Requirements
Mthiyase Planning Consultants	2.97	Cemeteries establishment in Emakhazeni	3.67	Met Requirements
Pfukani Kusile Consulting	3.94	THLM State Land Release	3.96	Met Requirements
Tirisano Consulting Engineers	3.26	Development of an Integrated Transport Plan for Thembisile Hani Local Municipality	2.90	Unsatisfactory
Gap Development Planners	1.74	Township Establishment THLM	1.29	Unsatisfactory

APPENDIX O: ACTION PLAN FOR 2020/2021

See detailed report below:

NO.	PAGE No. on MR	CATEGORY/ KEY AREA	FOCUS AREA (FINDING)	ROOT CAUSE OF NON-COMPLIANCE / INTERNAL CONTROL DEFICIENCIES	ACTION PLANS TO BE TAKEN	ACTIVITIES TO BE UNDERTAKEN TO OPERATIONALISE THE ACTION PLANS	DUE DATE	RESPONSIBLE PERSON	MONITORING MECHANISM / PERSON
1	27	Cash flow statement	Internal Control deficiency	Wrong interpretation of GRAP standard	Cash flow statement was corrected during the audit	Review of assurance providers of final Draft AFS	31-Aug-22	CAE And Divisional Manager Treasury and Assets	CFO
2	29	Change in accounting estimate	Internal Control deficiency	Human oversight and not picked up by oversight committees	Note was corrected during the audit	Review of assurance providers of final Draft AFS	31-Aug-22	CAE And Divisional Manager Treasury and Assets	CFO
3	31	Related party transactions	Internal Control deficiency	Human oversight and not picked up by oversight committees	Note was corrected during the audit	Review of assurance providers of final Draft AFS	31-Aug-22	CAE And Divisional Manager Treasury and Assets	CFO
4	33	Segment reporting	Internal Control deficiency	Human oversight and not picked up by oversight committees	Note was corrected during the audit	Review of assurance providers of final Draft AFS	31-Aug-22	CAE And Divisional Manager Treasury and Assets	CFO
5	35	Expenditure	Internal Control deficiency	Acting letter wrongly dated	Review of all acting letters to dates, names and designations	Monthly review of all acting letters	ongoing	General Manager Corporate Services and CAE	CFO
	37	Expenditure	Internal Control deficiency	Invoices without invoice numbers	Review of all paid invoices and improved checklist	Improved checklist and monthly review of all paid invoices	Check list - 31 Jan 2022 Monthly review of invoices	Divisional Manager Budget and Expenditure	CFO
6	39	Work in progress (WIP)	Internal Control deficiency	Late submission of documents	Clean up of store rooms and disposal of documents	Clean up of store rooms and disposal of documents		General Manager Corporate Services, Divisional Manager Records and Divisional Manager SCM	GM Corporate Services
7	41	Contract register	Internal Control deficiency	Incomplete contract register, missing data	Clean up of contract register	Clean up of contract register, creating a post for contract register officer	31-Aug-22	CFO, GM Corporate, Divisional Manager SCM and Senior legal Advisor	CFO and GM Corporate Services
8	43	Procurement and contract management	Internal Control deficiency	Late submission of documents - Monitoring reports	Improved records management, storeroom clean up and disposal of old documents	Improved records management, storeroom clean up and disposal of old documents		GM Corporate Services, Divisional Manager Records and General Manager Technical Services	GM Corporate Services and GM Technical Services
	45	Procurement and contract management	Internal Control deficiency	Late submission of documents - old tender documents	Improved records management, storeroom clean up and disposal of old documents	Improved records management, storeroom clean up and disposal of old documents		GM Corporate Services, Divisional Manager Records and Divisional Manager SCM	GM Corporate Services
	47	Procurement and contract management	Internal Control deficiency	Late submission of documents - monitoring reports, appointment letters, variation orders and contract amendments	Improved records management, storeroom clean up and disposal of old documents	Improved records management, storeroom clean up and disposal of old documents		GM Corporate Services, Divisional Manager Records, Divisional Manager SCM all GM's and Heads of Units	GM Corporate Services
	49	Procurement and contract management	Internal Control deficiency	Late submission of documents - bid registers	Improved records management, storeroom clean up and disposal of old documents	Improved records management, storeroom clean up and disposal of old documents		GM Corporate Services, Divisional Manager Records, Divisional Manager SCM	GM Corporate Services
	51	Procurement and contract management	Internal Control deficiency	Lack in terms of advertised bids	Tender adverts and tender documents to be signed off by Divisional Manager SCM, Chairperson of Bid Specification Committee and finally approved by MM	Tender adverts and tender documents to be signed off by Divisional Manager SCM, Chairperson of Bid Specification Committee and finally approved by MM	31-Jan-22	Divisional Manager SCM, Chairperson of Bid Specification Committee and MM	MM
9	21	Service Delivery	Internal Control deficiency	Planned targets for conditional grants not achieved - Loskop Dam Project	Improved project monitoring of conditional grants of Loskop Project	Improved project monitoring of conditional grants of Loskop Project	Ongoing	GM Technical Services	MM

VOLUME II: 2020/2021 ANNUAL FINANCIAL STATEMENTS (ANNEXURE A)

Provide the Annual Financial Statements (AFS) to the respective financial year as submitted to the Auditor-General. The completed AFS will be Volume II of the Annual Report.