



“Re gatela pele” “ We moving forward” “ On gaan Verontoe”

ANNUAL REPORT 2018/2019 FINANCIAL YEAR



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LIST OF ABBREVIATIONS AND DEFINITIONS

ACIP	Accelerated Com. Infrastructure Programme
AMP	Asset Management Plan
BDS	Blue Drop System
CRC	Current Replacement Cost
CRR	Cumulative Risk Ratio
CRU	Community Residential Units
DRC	Depreciated Replacement Cost
DWQ	Drinking Water Quality
DWS	Department of Water and Sanitation
EIA	Environmental Impact Assessment
EMS	Environmental Management Services
EPHP	Enhanced People's Housing Process
EPWP	Expanded Public Works Programme
GAMAP	General Accepted Municipal Accounting Practice
GDIP	Green Drop Improvement Plan
GDPR	Regional Gross Domestic Product
GDS	Green Drop System
HIV	Human Immunodeficiency Virus
IAMP	Immovable Asset Management Programme
IDP	Integrated Development Plan
ILI	Infrastructure Leakage Index
ISP	Internal Strategic Perspective
LED	Local Economic Development
MIG	Municipal Infrastructure Grant
MI	Mega Litre
MI/a	Mega Litre per Annum
MTEF	Medium-Term Expenditure Framework
NGO	Non-governmental organization
NRW	Non-Revenue Water
NWRS	National Water Resource Strategy
PDA	Previously Disadvantage Area
RDP	Reconstruction and Development Programme
RSA	Republic of South Africa
RUL	Remaining Useful Life
SANS	South African National Standard
SCADA	Supervisory Control and Data Acquisition
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
VAT	Value Added Tax
WDM	Water Demand Management

CHAPTER 1

COMPONENT A: MAYORAL FOREWORD



Hon Mayor: Cllr Rene Losper

This annual report has been prepared with line with the provisions of various pieces of legislation name: the National Treasury circular No 63 (New Annual format and Content) and it is submitted in compliance with various pieces of Legislation such as Section 46 (1) of the Municipal Systems Act No 32 of 2000 and section 121 (1) and 127(2) of Local Government: Municipal Finance Management Act No 56 of 2003 (here referred to MFMA).

“Every municipality and every municipal entity must for each financial year prepare an annual report in accordance with this chapter. The council of a municipality must within nine months after the end of the financial year deal with the annual report of the municipality and of any municipal entity under the municipality’s sole or shared control in accordance with section 129” This report reflects the key strategic and key service delivery related projects and programmes undertaken by the Municipality during the review period, and aims to highlight the overall performance of Kgatelopele. This includes the projects undertaken in terms of Municipal Integrated Development Plan adopted by Council in June 2018.

We will continue to work closely with our communities so that they are informed about work of council. This will also provide an opportunity to know their daily challenges and be in a position to make the necessary planning to overcome those challenges timeously. We are committed to improve where we fall short and to serve our communities with pride in order to provide efficient and effective basic services.

The Municipality has a functional audit committee and its objectives are to advice in addressing any shortfalls regarding governance, financial management, risk management and predetermined objectives. In addition, a full complement of Senior Managers has been

appointed with the aim to advance the objective and mandate of the institution. This will enable us to identify and address all risks in order to improve and create a financial viable institution.

The Municipality remained liquid enough to meet its obligations of service delivery, personnel and others. There is poor payment culture within our municipality, and for we need a revenue enhancement strategy so as to ensure that our collection rate is improved. What have been of concern are the audit findings of the Auditor General. We have improved in last findings, though we are not entirely excited about the audit outcomes. The action plan has been developed to turn the situation around. It is clear that there is some work that must be done regarding the control environment and addressing issues of the past financial years that have a recurring effect in terms of the audit findings. Lastly, there has been a major improvement on compliance matters and internal controls, we also played a positive role in Audit.

It is important and critical that the community, stakeholders and interest groups to understand the purpose and the role of the annual report.

The Purpose of an Annual Report is to:

- I. Provide a record of municipal activities during a specific financial year
- II. Report on performance (SDBIP) for a specific financial year
- III. Promote accountability to the local community for the decisions made throughout the year

The Priority issues identified by the municipality through IDP processes are based on the Council and community assessment. The most pressing challenges and demands facing the Municipality, are aligned with an analysis of the institutional capacity to address the major challenges. It is the responsibility of politicians, to ensure the institution performs to the best of its ability in addressing the backlog of all services. We will do this because it is a mandate enshrined in the constitution of the Republic of South Africa.

We are compelled to achieve the above irrespective of the limited resources at our disposal. Finally we need to work together with all our stakeholders in our quest to improve the quality of life and make Kgatelopele a community centered institution.

“LET US ALL JOIN HANDS AND MAKE THIS MUNICIPALITY WORK FOR THE BETTERMENT OFF ALL”

**I thank you
Hon Mayor: Cllr Rene Losper**

MUNICIPAL MANAGER'S OVERVIEW



Kgatelopele Local Municipality has continued to provide quality basic services to its residents and in the process ensuring sound financial management and accountability. This has been critical in the implementation of developmental strategies that contribute to economic growth and development within the municipal jurisdiction. As the custodian for provision of basic services, we have realised an improved turnaround time through vigorous customer care.

During this period significant efforts were employed in ensuring council stability through the election of the New Mayor and configuration of section 79 & 80 council committees as per Municipal Structures Act No 117 of 1998. This enabled the municipality to become responsive, accountable, efficient and effective to improving service deliverables. The following key strategies were implemented as part of our turnaround strategy:

- Provided sufficient water supply to all households connected to the network
- Ensured regular maintenance to households connected to the municipal electrical infrastructure
- Improved sewer maintenance, with the realisation of a registered project awaiting funding in order to reticulate all households not connected to the network
- Daily refuse removal conducted with the growing challenge of the current landfill site not licenced and nearing capacity. This gave birth to a project "Construction of New Landfill site".
- Council approved a reviewed Spatial Development Framework & Land Use Management Scheme for Kgatelopele Local Municipality in line with the Spatial Planning and Land Use Management Act No 16 of 2013 (SPLUMA)

The Municipality submitted Annual Financial Statements (AFS) and Annual Performance Report (APR) on time as per legislation on the 31 August 2019 to the Auditor-General of South Africa (AGSA). With noting, the municipality is currently on a repetitive disclaimer of audit opinion. The issues of the municipality being in a disclaimer in the two previous financial years is of a great concern. For the past two financial years (2016/2017 & 2017/2018) results indicated mainly the poor quality of accountability, this repetitive disclaimer audit opinion is attributed to five major areas:

1. Assets Management & Project Management
2. Bank Reconciliation and Cash Management
3. Effective Leadership and governance
4. Financial and performance management
5. Provision of all relevant documentation to AGSA when requested

No significant challenges were experienced in the operations of supply chain management. Irregular expenditure to the amount of R83 461 689 is noted primarily emanating to the appointment process of service providers and attachment of relevant documentation. Inadequate capacity of Bid Committee members and SCM officials. The municipality is in the process of addressing & clearing of Unauthorised (R41 231 164), Irregular, Fruitless & Wasteful (R5 140 395) Expenditure through legislative processes. Management has ensured

full compliance to bidding processes. Revenue collection has proven to be a major challenge primarily because of the instability in employment opportunities. The anticipated revenue and accountability thereof need intervention to enable maximum revenue collection.

We have noted and currently mitigating the following top institutional priority risks without necessarily implying that other risks falling outside the tolerance level need not attention:

- Material misstatements in the Annual Financial Statements
- Late payments of creditors
- Incorrect billing increasing the loss of revenue
- Municipality may not continue after disruption or disaster
- Insufficient adherence to Occupational Health and Safety Act & Inadequate Fire and Rescue Service
- Inadequate implementation of Performance Management System for employees other than Senior Managers
- Projects may not be completed as stipulated in Municipal Integrated Development Plan (IDP)
- Delays in handling of community complains

All in the employment of the municipality should integrate risk management into their day-to-day responsibilities in order to address the identified critical risks and actions plans to improve the effectiveness of the controls in the institution. Furthermore, Management should take responsibility, as they are ultimately accountable for the effectiveness of the agency's operational risk management efforts. Successful risk management requires that the foundation, components and arrangements within which risk management is undertaken, are institutionalised within the organisation and adhered to by the entire workforce, including managerial and non-managerial staff.

The municipality for the past three financial years has been receiving additional allocation from Municipal Infrastructure Grant (MIG) for best performer in the Province. However, the subdivision of the landfill site on the land earmarked belongs to the National Department of Public Works. Vigorous communication will continue with the department to fast-track the transfer of the land to the municipality. The delay has an impact on the possible forfeiture of the MIG allocation for the development of the landfill site. In addition, lapsing of the Environmental Impact Assessment (EIA) approval which is due to lapse in March 2020, will mean that the EIA process will be restarted with financial implications previously incurred.

Given the challenges I am confident about the direction that the municipality is heading in. We have conducted extensive consultations because we firmly believe in the notion that the municipality belongs to all its residents, and that each concern deserves an ear. We must have an administrative men and women who are prepared and ready to serve the course of the revolution. Today is better than yesterday and I have no doubt that tomorrow will be even better than today. The municipality is just an agent of change and the people are their own liberators. We urge them to rise up and defend the revolution, hold us accountable and strive for a better future

It is our pleasure to submit to the Provincial Legislature, the broader stakeholders and leadership, the Annual Report of Kgatelopele Local Municipality for the 2018/19 financial year.

Thanks
Monde Alistair January
Municipal Manager
Head Administration
Accounting Officer
30 June 2019

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1.2.1 DEMOGRAPHIC PROFILE

Kgatelopele Local Municipality falls under ZF Mgcawu District Municipality. The municipality is bordered by Ga-Segonyana LM on the north, on the west it is Tsantsabane LM, east it is Dikgatlong LM and south it is It Siyancuma LM. The municipal area is divided into 4 wards and has 2 towns which are Daniëlskuil and Lime Acres. The administrative town of the municipality is Daniëlskuil. Kgatelopele Local Municipality consist of Daniëlskuil, Kuilville, Tlhakalatlou, Lime Acres and the surrounding farms. The municipality's name Kgatelopele, is a Setswana name which means moving forward. The municipality is situated 154 km west of Kimberley and 91 km to Kuruman.

The Kgatelopele Local Municipality has a total population of 20691, 52.5% of the population being male, while 47.5% are female as per census Statistics for 2016. The population growth rate has been 3.49% between 2011 and 2016. The municipality has 6206 households, with 3.49% of households being female-headed (Stats SA, Census, 2011 and 2016). The average household size is 3.5

The majority of people residing in the municipal area are Black Africans, followed by Coloured people. The two least represented racial groups are Whites and Indian/Asians. The most commonly spoken language is Afrikaans at 58%, followed by Setswana at 33%

1.2.2 Age groups

The majority of people residing in the Kgatelopele Local Municipality are children of 0 – 4 years old, followed by those in the 15 – 34 years old group and from this group we have a total number of 5202 persons aged 20 years + who have completed their Grade 12 and this indicated that more programmes or projects need to be more responsive to the needs of children and young people. The population of the municipality resembles that of most developing nations, where there are high birth rates, slow growth rates and a population with a short life expectancy.

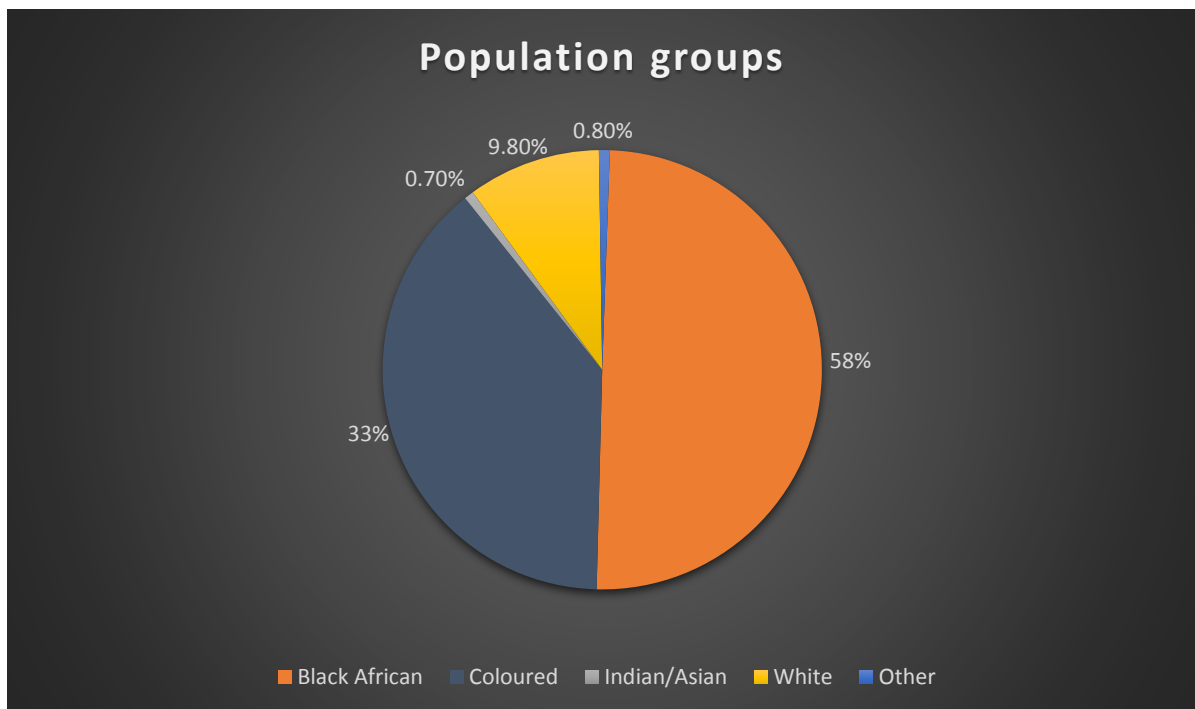


Figure 1: Population pyramid

1.3. Socio economic analysis

1.3.1. Education levels

The majority of people in the municipal area has some secondary education and has completed their secondary schooling. There are those that have no schooling, some primary and others completed primary schooling and this means that these people did not receive their senior certificate, which limits their chances of getting a decent job or employment opportunities. The numbers of those who completed secondary school and got a higher education is high, so there is a large capacitated workforce to contribute to the economy of the municipality or the region.

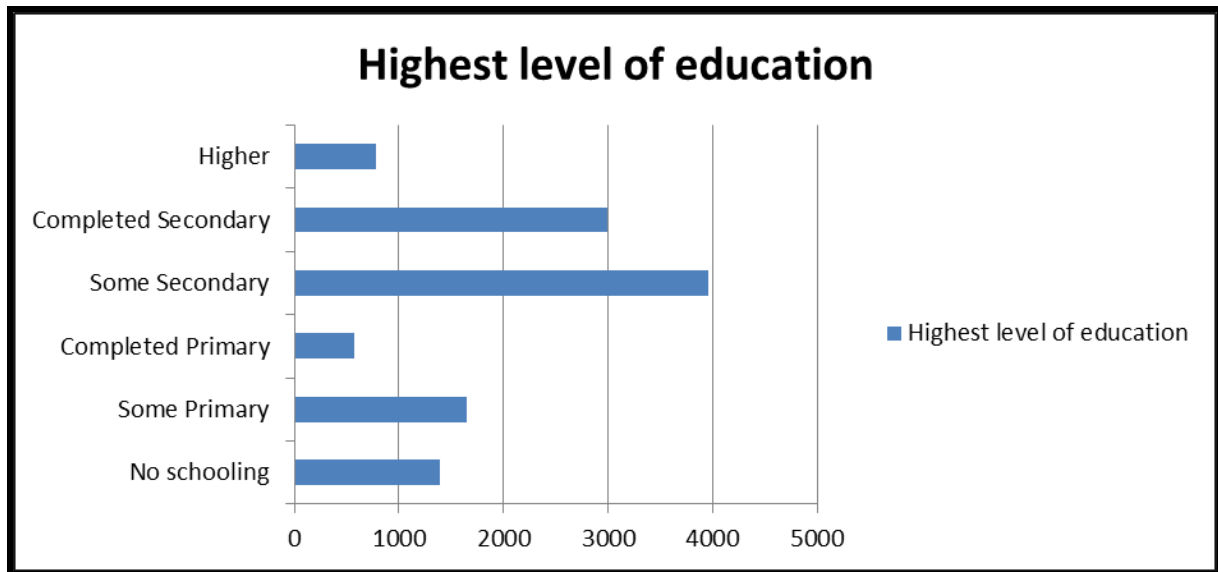


Figure 2: Highest level of education

1.3.2 Employment levels

The number of those economically active is slightly greater than those not economically active, hence the dependency ratio of 50.6% which is very high. Stats SA (2016) indicates that the unemployment rate is at 22.3% while 29.1% of the total unemployed people are young people. There is need to address the challenges of those not employed particularly the youth.

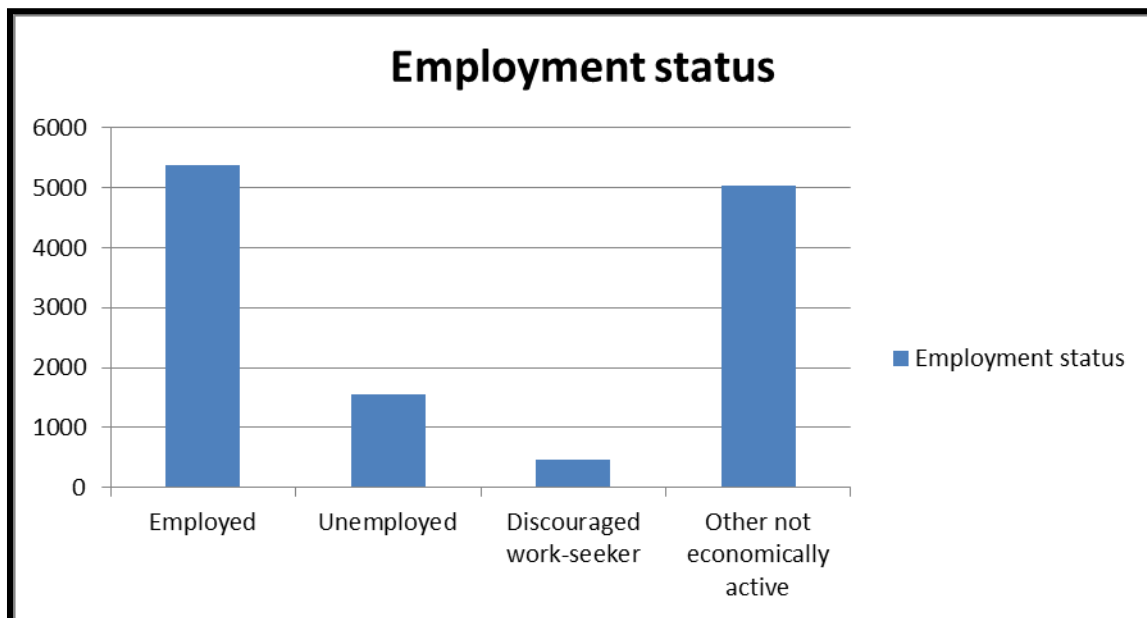


Figure 3: Employment status

1.3.3. Income distribution

The income distribution of the municipality shows a very interesting pattern given the education levels in the municipality. A large number of people in the municipal area receive income above the poverty line (large capacitated workforce). It is of great concern from a municipal perspective for those who have no income at all. This income group may most likely be highly depended on government grants and are thus not able to spend money in the municipal area or pay their rates.

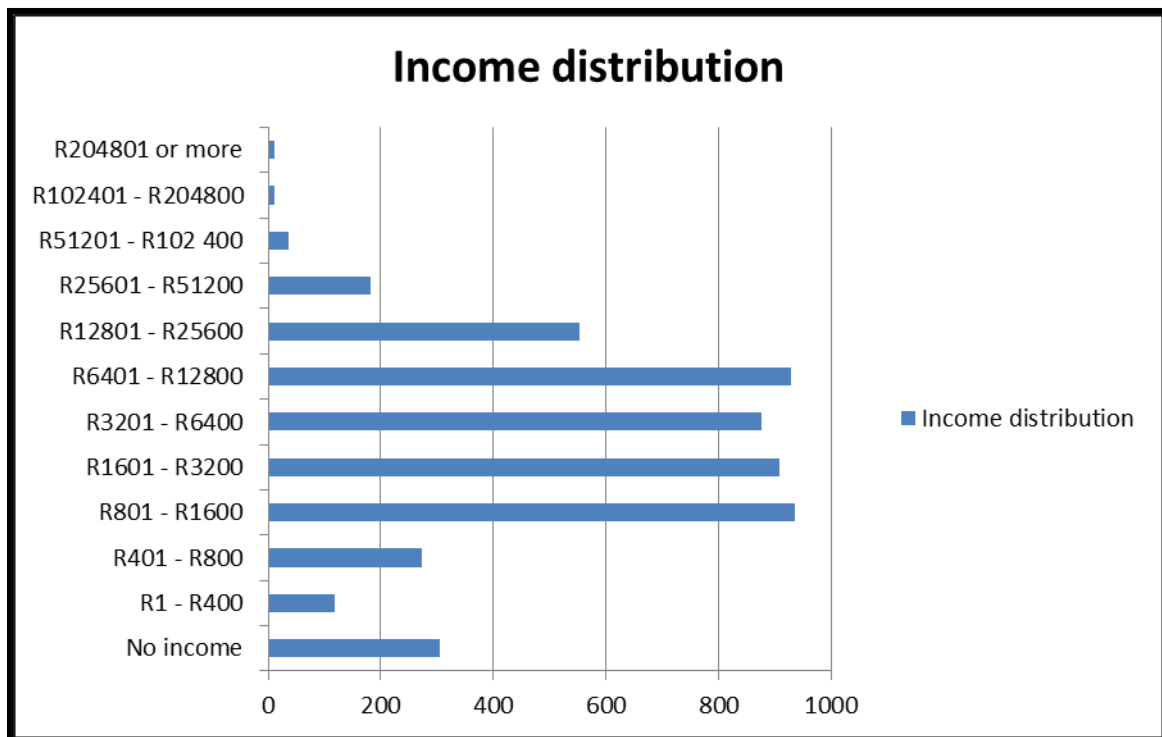


Figure 4: Income distribution

1.3.4 Social infrastructure

“Historically, the institutions which were most valued by society - such as institutions of learning, worship, exchange, markets and universities - served as the key structuring elements of settlements. The siting of these, in turn, formed the basis for the locational choices of other.” (Redbook, 2000:6).

The residents have access to the following facilities:

Ward	Educational	Health service	Recreational/community facility	Safety
1	Primary school	-	-	-
2	High school	-	-	-
3	High school and primary	Clinic	Club, swimming pool	Police station
4	3 primary school	clinic	Recreational club and swimming pool	Police station

Access to schools, government facilities/services is at the heart of settlements that perform well. These facilities give residents options and do not restrict how they live. The facilities or services offered contribute to the human development of the residents. It is clear that there are limited options for the residents, as there is not a diverse range of social services/facilities that are available to them to use.

1.3.5 Environmental analysis

1.3.5.1 Geology and soils

There are two different surface geology types in Kgatelopele Local Municipality. These are sedimentary rocks and/or soil (Karoo sediments), folded sedimentary and volcanic rocks (ZF Mgcawu District, 2008). The mineral types that are found in this municipal area include limestone and asbestos. Red, massive or weakly structured soils with high base status (association of well drained Lixisols, Cambisols, Luvisols); red, yellow and greyish excessively drained sandy soils (Arenosols). These soils are also very prone to wind erosion.

Soils with minimal development, usually shallow on hard or weathering rock, with or without intermittent diverse soils (association of Leptosols, Regosols, Calsisols and Durisols. In addition one or more of Cambisols and Luvisols may be present (dominant soil type) rocks with limited soils (association of Leptosols, Regosols, Durisols, Calsisols and Plinthosols). This soil type, which is found in the area, is prone to sand erosion.

1.3.5.2. Climate

The area is known for its hot days and cold nights. During summer time it is hot while in winter the nights are very cold. The rainfall in the area is relatively low making it a relatively dry place.

1.3.5.3. Biomes

This municipal area has a Savanna type of biome. The Savanna Biome is the Centre of wildlife tourism and meat production (game, cattle and goats) in South Africa.

1.3.5.4. Vegetation types

Vegetation types

Vegetation type	Coverage of the municipal area
Ghaap Plateau Vaalbosveld	66.78%
Kuruman Mountain Bushveld	20.57%
Kuruman Thornveld	6.79%
Olifantshoek Plains Thornveld	3.65%
Southern Kalahari Mekkacha	0.17%
Southern Kalahari Salt Pans	2.03%

“The Ghaap plateau is a higher lying, pre-Karoo surface with its main physiographic element being the surface of dolomite that gives the form to the plateau”

1.3.5.5. Threatened terrestrial ecosystem

Critically endangered	None
Endangered	None
Vulnerable	None

No land-based protected area in the municipal area.

1.3.5.6. Groundwater

“Groundwater utilization is important in the area and constitutes the only source of water over much of the rural areas within the Environmental Management Framework area. As a result of the low rainfall over the area, the groundwater is mainly used for rural domestic water supplies, stock watering and water supplies to inland towns. Recharge of groundwater is limited and only small quantities can be abstracted on sustainable basis. Aquifer characteristics (borehole yields and storage of ground water) are also typically unfavorable because of the hard-geological formation underlying most of the municipal area” (Siyanda EMF, 2012: 24).

1.3.5.7. Heritage and assets

Daniëlskuil boasts many different historical sites. For an informative historical day trip, make your way to Wonderwerk Cave just 40km outside Daniëlskuil where proof of human existence dating back 800 000 years can be discovered and explored. Archaeological research at this massive cave site has revealed and proved an immensely long record of human and environmental history, spanning hundreds of thousands of years. This mystical cave, as well as its surroundings, forms a conservation area with several distinctive features of the gorgeous Kuruman Hills. The site is open to the public and includes an interpretative center nearby the cave. Other historical sites include the Vermeulen grave, Dutch Reformed Church, Old Town Hall and many more. Daniëlskuil boasts rather warm summers, beautiful landscapes and superb amenities. It's a rather tranquil town where the people have formed a united community, and boasts an abundance of beauty as well as a rich cultural heritage (Stats SA Municipal Profile, 2016).

1.3.5.8. Environmental threats

Major existing environmental problems	Location	Magnitude of problem	Causes	Possible sustainable solutions
Poor appearance of Public Open Spaces and Road Reserves	All wards	Some sidewalks are unusable.	Shortage of staff and equipment to clean the public open spaces.	Establishment of Wards Environmental forums to be fast tracked. Continuous of Environmental awareness campaigns in all wards
Lack of an Environmental Awareness Policy	All wards	Serious, since the by-laws should be informed by the policy	No guidelines to say how the by-law will be implemented	Development of environmental awareness policy. Request for assistance from the district and province

				environmental sections on the development of a policy and training of officials and local people on environmental awareness.
Waste Landfill site not licensed	Daniëlskuil	Illegal dumping since landfill not licensed and not operated according to legislation	Application of the EIA was submitted to the Department of Environment and Nature Conservation	To receive the EIA approval from the Department of Environment and Nature Conservation
Littering	All wards	Negative impact on the aesthetic appearance of the municipal area.	Lack of public awareness and ownership of public properties	Conduct awareness. Have Imbizo's with the community and youth on the importance of a clean and safe environment.
Need for a new Dumping Site. Closure of existing dumping site	Daniëlskuil	With the projected growth, due to the mining developments the current sites will not be able to carry the capacity	Population and economic growth	The Municipality has conducted site determination process for new land fill site, we also conducted EIA for closure and rehabilitation of old landfill site and EIA for new landfill site.

Environmental challenges for Kgatelopele Local Municipality, are also associated with the fact that the region has a rich mineral deposit, which is a main economic driver for the municipal area. The large areas of un-rehabilitated or poorly rehabilitated mining activities have a significant negative effect on the scenic environment in the region.

The Northern Cape Environmental Implementation Plan identifies various key environmental issues and the ones of concern for the municipal area is the over-exploitation of natural

resources, dust pollution, development in the high conservation vegetation areas and illegal hunting.

1.3.6. Climate change

Climate change represents a change in climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability over comparable time periods. In many parts of South Africa, especially in the Northern Cape, variability in climatic conditions is already resulting in wide ranging impacts, specifically on water resources and agriculture. Water is a limiting resource for development in the Northern Cape and a change in water supply could have major implications in most sectors of the economy, especially in the agricultural sector (ZFM DM EMF). “As the rate of climate change accelerates it is expected that the ZFM District Municipality will experience a change in temperature (increase in summer and autumn) and rainfall regimes (reduction and more severe in winter). It is expected that extreme dry years will be more frequent in this area. This will lead to:

- increased droughts and flooding and water availability
- Change in biodiversity pattern and
- impacts on health, tourism, agriculture and food security” (ZFM DM SDF).

1.3.7 Landfill Site

The current landfill site is being utilized for Daniëlskuil and Lime Acres communities and is nearing its capacity. Tenders were invited in 2011, to develop a new landfill site and the process of an EIA study has been completed and this new landfill site will be 20km away from the old landfill site. The process of construction did resume in the financial year 2015/16 and the relevant regulating department i.e. Department of Environmental Nature Conservation (DENC) did provide a record of decision (ROD)

1.3.7.1 Tenure status

The rental market seems to be doing well in the municipal area, as the majority of people are renting, followed by those who have fully paid for their homes and are now the rightful owner. There are also those who are residing rent free; those are most probably residing in the mining houses’ accommodation.

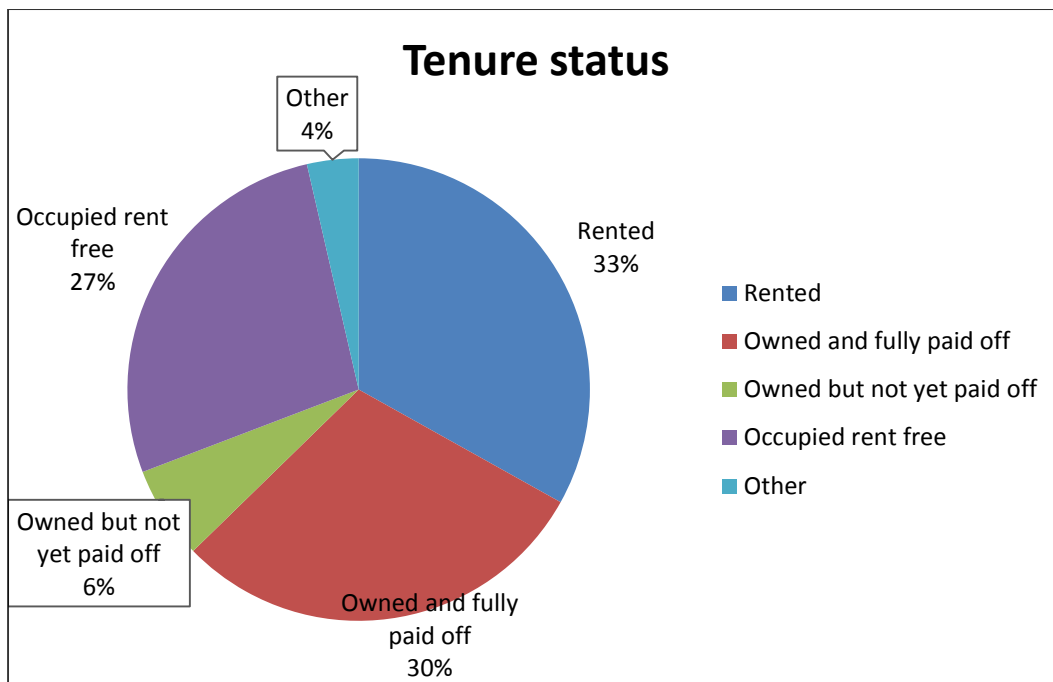


Figure 5: Tenure status

1.3.8. Local economic development (LED)

In order to have economic development in an area, one requires a credible Local Economic Development Strategy, a valid LED compound in the Integrated Development Plan, a budget and systems and structures that are credible and based on the local comparative realities. Due to the LED Strategy of the Municipality being outdated, realizing the aforementioned proved to be difficult and it is on this basis that the municipality had requested the Department of Economic Development and Tourism to assist with the development of the Kgatelopele Local Economic Development Strategy. The intent of the strategy is to guide the municipality to realise economic development and unlocking opportunities for the growth of the area. The review of the strategy thus commenced in March 2018.

The following methodology was proposed for the review of the LED Strategy:

- Step One: Inception
- Step Two: LED Institutional Assessment and Communication
- Step Three: Competitive Assessment
- Step Four: LED Opportunity Analysis
- Step Five: LED Framework Development
- Step Six: LED Strategy Development
- Step Seven: Municipal Institutional Platform
- Step Eight Implementation Plan
- Step Nine: Anchor Project Feasibility Studies

At the end of the 2018/19 financial year, we had completed Stage six of the review with the rest of the stages to be completed in the new financial year.

1.4 SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

1.4.1 Water

Section 27(1)(b) of the Bill of Rights provides that ‘everyone has the right to have access to sufficient water’, and section 27(2) obliges the state to take reasonable legislative and other measures, within its available resources, to achieve the progressive realization” of everyone’s right of access to sufficient water” (Basic Sanitation Guideline in South Africa, 2011: 20).

A Water Services Authority (WSA) refers to a municipality’s responsibility to ensure access to water services. WSAs derive their authority from the Municipal Structures Act. The water service authority is the Kgatelopele Local Municipality.

Chapter 4 of the National Development Plan (NDP) envisages a South Africa that recognizes the importance of secure and equitable access to water and sanitation as catalysts for socioeconomic development. In line with this vision, over the medium term, the Municipality seeks to focus on developing and investing in water infrastructure, improving planning in and regulation of the water sector, and monitoring and protecting Danielskuil’s water resources as the main source of supply in the area.

In a bid to ensure that all residents have access to clean water, the Municipality takes water samples from specific 19 sampling points to an accredited laboratory for a water quality assurance assessment according to the provisions of the South African National Standard (SANS) 241-1:2015. This part of SANS 241 specifies the acceptable quality of drinking water, defined in terms of microbiological, physical, aesthetic and chemical determinants. Water that complies with this part of SANS 241 is deemed to present an acceptable health risk for lifetime consumption. Kgatelopele Local Municipality has been found to be efficient and compliant with this National Standard from which the Municipality was awarded the prestigious Blue Drop status with 99.9% compliance in 2014, making the Municipality the top performer in the province, with regards to the provision of drinkable water.

Municipal Category	Municipality	Water		
		Access to improved water (%)	Access to piped water (%)	Water Interruptions longer than 2 days (%)
	Kgatelopele Local Municipality	99.4	98.8	31.7

The state of basic service delivery in South Africa: In-depth analysis of the Community Survey 2016 data, Report 03-01-22 (**Figure 6**)

1.4.2 Electricity

3524 households are connected to electricity and a total number of 3289 households have been registered for prepaid meters and 235 conventional meters for use of electricity as a source of energy for lighting this initiative was introduced in order to test its feasibility.

Municipal Category	Municipality	Electricity	
		Access to electricity (%)	Electrical Interruptions (%)
	Kgatelopele Local Municipality	96.0	71.5

The state of basic service delivery in South Africa: In-depth analysis of the Community Survey 2016 data, Report 03-01-22 (Figure 7)

Figure 6: Energy for lighting

1.4.3 Sanitation

There is a Free Basic Sanitation (FBSan) policy in South Africa, and Municipalities are mandated to implement this policy and ensure every household has access to basic sanitation, as per the Constitution, Water Services Act and Municipal Systems Act. Local government is mandated to provide water and sanitation services. Access to adequate sanitation is fundamental to personal dignity and security, social and psychological well-being, public health, poverty reduction, gender equality, economic development and environmental sustainability. Poor sanitation promotes the spread of preventable diseases like diarrhea and cholera, places stress on the weakened immune system of HIV positive people and has a major impact on the quality of life of people living with AIDS. According to the World Health Organization (WHO), improved sanitation reduces diarrhea death rates by a third, encourages children, particularly girls, to stay in school, and has persuasive economic benefits (Basic Sanitation in South Africa 2011: 13).

The Municipality strives to eradicate the challenges related to the access of basic sanitation services to the community of Kgatelopele, which are primarily influenced by the aged existing infrastructure as well as the dolomitic nature of the Municipality's majority of land.

Municipal Category	Municipality	Sanitation	
		Access to improved sanitation (%)	Sharing Toilet (%)
	Kgatelopele LM	96.7	16.4

The state of basic service delivery in South Africa: In-depth analysis of the Community Survey 2016 data, Report 03-01-22 **(Figure 8)**

1.4.4 Storm water

Stormwater is rainwater or melted snow that runs off streets, lawns and other sites. In natural systems, the bulk (typically 85% to 90%) of rainfall is returned to the atmosphere through evapotranspiration and the remainder is filtered and ultimately replenishes aquifers (about 4% or 5%) or flows into streams and rivers either as surface runoff or shallow groundwater flow (8% to 10%). Stormwater should be regarded as a resource and from a planning perspective, it should be integrated into the settlement water cycle and overall infrastructure master planning also as a growth development strategy.

The Municipality currently doesn't have a Stormwater Master Plan in place which would've been a strategic document that outlines long-, medium- and short-term plans covering expansion, operations and maintenance, costings, possible funding sources, land, servitudes as well as staffing requirements in order to ensure the implementation and management of operation and maintenance plans. The fact that the locality is underlain by dolomite is also an exacerbating factor that requires for such a plan to be in place to further as well as the Dolomite Risk Management Strategy to manage the risks involved with dolomite towards the existing residential areas particularly in Ward 1, 2 and 3 which are largely affected by stormwater challenges.

In terms of drainage laws which are largely related to the management of stormwater, there are typically three rules that are generally applicable where the drainage of surface runoff is concerned. This includes:

- The "common enemy" concept; (Which is water or stormwater)
- Natural flow; and (this is governed by the natural landscape of topography of the area)
- Reasonable use.

Storm water runoff is considered a common enemy and each property owner may fight it off or control it by retention, diversion, repulsion or altered transmission. The focus of the common enemy rule has two focal points:

The need to make improvements to property, with the acknowledgement that some damage results from even minor improvements; and

The principle of granting each landowner as much freedom as possible to deal with his land essentially as he sees fit.

In light of the above, the aspect of storm water is a critical aspect of infrastructure that still needs to be addressed within the jurisdiction of the Municipality. Under the year in review, the Municipality has been able to conduct assessments and further prioritize areas of extreme stormwater challenges in order to initiate of process of deriving business plans for funding for the 2019/20 financial year as well as adopting a long-term vision through the Integrated Infrastructure Master Plan process.

1.4.5 Waste management

Disposing waste in an environmental friendly manner is very important for the municipality, as conservation of the environment is one of its strategic objectives. The last Quarter of the financial year the municipality introduced in-house refuse. The municipality uses a landfill site for this purpose. This function is very important as it is not just about making the municipal area aesthetically pleasing but maintaining the dignity of the natural environment. This places a responsibility on the municipality to conduct awareness campaigns and educational workshops to those who use their own dumping site. This is essential so that they are educated that some materials should not be dumped such as medical waste and batteries which can be toxic for the environment.

The municipality is also doing well in this area, as weekly refuse removal is at 100%. The municipality needs to pay attention to those using their own refuse dump and those that have no rubbish disposal, as they might be disposing waste in a manner that is not in line with sustainable development. The current landfill site which is being utilized for Daniëlskuil and Lime Acres communities is near its full capacity. The Municipality has undertaken a number of activities for the cleaning campaign in trying to ensure that there is a collection of waste and the eradication of heaps that are laying around the area of Tlhakatlou, Kuilsville, Maranteng as well as in the Landbou Erwe and this initiative transpired to be a success and the municipality will then take the responsibility in ensuring that they continue with such programmes.

Municipal Category	Municipality	Refuse Removal
		Access to refuse removal (%)
	Kgatelopele Local Municipality	94.2

The state of basic service delivery in South Africa: In-depth analysis of the Community Survey 2016 data, Report 03-01-22 **(Figure 9)**

1.5. SERVICE DELIVERY OVERVIEW

1.5.1 WATER AND SANITATION

The constitution of the Republic of South Africa, Chapter 7 under objects of local government assigns the responsibility of ensuring access to water services to municipalities. Furthermore, the Water Services Act entrust the local municipality with provision of affordable, efficient, effective on-going water services to local communities.

- I. **Functions of the Water and Sanitation unit:** are to provide affordable, efficient, effective and on- going water and sanitation services in a sustainable manner, water provision for informal settlements, ensuring that the quality of potable water provided to Kgatelopele residents is of an acceptable standard, reduction of water losses, implementation of water conservation and water demand management projects, maintenance and refurbishment of water and sanitation infrastructure. Water supply, our water supply is underground pump water.

- II. **Sanitation/Sewer services:** The sewerage work is currently an oxidation pond system and had reached its capacity. The Municipality currently has the upgrading of the Oxidation ponds project which is underway and it will assist with increasing the capacity and better control on sanitation and sewer services. There are currently 8 sewerage pump stations in the sewerage system and about 200-500 households not connected to the central system. These households are serviced through sewer trucks and this is posing health hazard to the community and resulting in high cost on overtime & vehicles maintenance.

1.5.2 HUMAN SETTLEMENT

The housing section of the Kgatelopele Local Municipality is entrusted with overseeing the facilitation of integrated human settlements, management of informal settlements and ensuring security of tenure by facilitating issuing of Title Deeds and identification of suitable land parcels for human settlement. However, state subsidy/social housing programmes and projects are managed in conjunction with the district municipality, as it is the one that is accredited.

The following housing programmes are currently being prioritised by the Kgatelopele Local Municipality:

- Sustainable Human Settlements;
- Provision of essential services;
- Social Housing;
- Rural Development; and
- Housing consumer education programs

- **Recent and current projects**

A high-level countrywide report by the Council for Geoscience identified Daniëlskuil as a dolomite risk area. It further recommended that all new development in Daniëlskuil should be subjected to dolomite stability investigation. The National Home Builders Registration Council (NHBRC) also put stringent requirements regarding the construction of houses in Daniëlskuil. It is against this backdrop that, between 2015 and 2018, the main human settlement related funding from the Department of Co-operative Governance; Human Settlements & Traditional Affairs (CoGHSTA) were for dolomite stability investigations covering six sites with a combined area of 622.62 hectares. Of this extent, 81.62 hectares were covered during the 2016/17 financial year while 541 hectares were covered during the 2017/18 financial year. The purpose of these studies was to establishment allowable development type on each land parcel for human settlement development, especially the much-needed low-cost or state subsidy housing.

The 2018/19 site-specific investigations did not yield positive results as most of the land was found to be dolomitic with dolomite category D4, which is not suitable for state subsidy housing development in terms of SANS 1936-3. The pockets of dolomite category D3 would be developable subject to precautionary measures in addition to those pertaining to the prevention of concentrated ingress of water into the ground. In terms of the settlement development feasibility reports, the development of dolomite category D3 proved to be very expensive and demanding; thus, not viable considering the human and financial resources constraint.

In the wake of this, three more sites were identified for further dolomite stability investigations. However, only one site owned by the National Government, with an extent of 252.7 hectares was found to be non-dolomitic. The municipality together with the CoGHSTA and Housing Development Agency are engaging the Department of Public Works for the realise of the non-dolomitic site. Furthermore, the municipality has also benefited from the Mining Towns: Human Settlement Development Grant to the tune of R 20 966 000.00. These funds will cover the acquisition of land, provision of temporary shelter and services, and other incidental matters.

- **Housing consumer education and land applications**

As part of the accreditation, the district is mandated to conduct Housing Consumer Education to all the state subsidy beneficiaries on a quarterly basis. However, only two housing consumer education sessions were held during the 2017/18 financial year. As outlined above, this unit is also responsible for sustainable human settlement planning and ensuring security of tenure, which encompasses the assessment of applications for stands, and making appropriate recommendations to Council for allocation. Sixty (60) applications were received during the

period under review with forty-five (45) being for residential purpose and the rest for business and religious purposes.

- **National Housing Needs register database**

The National Housing Needs Register (NHNR) initiative was introduced by the National Department of Human Settlements as a new approach to the management of housing needs registers (commonly known as waiting lists), and more specifically, the way in which housing opportunities created by the organs of the State are to be allocated. It is designed to measure the actual housing need, as well as serve as a source of information to be used in the process of the allocation of housing opportunities that have been created. Even though relevant officials from Kgatelopele Municipality have attended NHNR training, it is only the district municipality that is accredited to capture NHNR questionnaires in the system. Therefore, the role of Kgatelopele is to distribute NHNR forms to clients and handover completed forms to the district for capturing. In terms of the National Housing Needs Register database, the number of people that have registered their need for housing in Kgatelopele is sitting at 3619.

1.5.3 Town Planning

The Town Planning Unit is responsible for the management of the key performance areas associated with the spatial planning and land use management aspect of development planning and control. The Unit is the custodian of the following tools: Spatial Planning and Land Use Management By-law, 2015

- Land Use Management By-law, 2019;
- Land Use Scheme, 2019;
- Spatial Development Framework, 2019;
- Manual for the Land Use Scheme and Application Procedures for Land Use Control Applications, 2019
- Advertising Signs By-law, 2017; and
- Dolomite Risk Management Policy, 2016.

1.5.3.1. Compliance with SPLUMA

As required by Section 35(1) of the Spatial Planning and Land Use Management Act (Act No. 16 of 2013), the municipality has a functional Municipal Planning Tribunal in the form of a joint structure

with the Kai! Garib Local Municipality, Tsantsabane Local Municipality and !Kheis Local Municipality while the ZF Mgcawu District Municipality provides administrative assistance. Its meetings take place in Upington at the offices of the District Municipality subject to receipt of applications. While it is not mandatory, the Municipality also appointed the Town Planning Official as the Authorised Official to consider Category-B applications in line with Section 35(2) of SPLUMA. The Municipality also has a Land Use Management By-law adopted and gazetted in March 2019.

Furthermore, the Municipality adopted a Spatial Development Framework and Land Use Scheme on 27 March 2019 and implementation commenced on 01 July 2019. Kgatelopele Municipality has a plenary Council as defined under Section 7(c) of Municipal Structures Act (Act No. 117 of 1998 as amended), thus, the whole Council would ordinarily serve as the Appeals Authority. However, Council has, on 27 March 2019, delegated the Technical and Commonage Committee to serve as an Appeal Authority from 01 July 2019. Thus, the Municipality can

1.5.3.2. Land use and development applications

The Municipality received eleven (11) land use and development applications during the 2018/19 financial year. Furthermore, there were numerous pre-application consultations by property owners. The disparity between the number of applications received and consultations attended to is a huge concern, as it might be one of the main reasons for illegal land use and development prevalence within the municipality.

1.5.3.3. Dissemination of zoning information

Thirty-eight (38) zoning certificates were issued during the 2018/19 financial year at R 109.88 per copy while three (3) zoning maps were issued at the same cost per copy

1.5.3.4. Building Plans

The town planning unit is also responsible for providing land use related recommendations regarding the approval of building plans based on the provisions of the land use scheme. Thus, twenty-nine (29) building plans were assessed during the period under review and eighteen (18) were recommended for approval.

1.5.3.5. Outdoor advertising applications

This function is regulated by the Advertising Signs by-law, published on the provincial gazette on 17 April 2017. No outdoor advertising applications were received during the period under review.

Town planning and human settlement planning challenges

- Non-submission of land use and development applications by property owners.
- Increase in illegal land usage and informal settlement, which the Municipality tries to mitigate by issuing contravention notices and levying of transgression fees. The newly adopted Land Use Scheme and Application Manual provide guidance on how to address contraventions.
- The dolomitic condition of the municipality is proving to be a huge setback to the Municipality's developmental vision as it is determining factor on how and where development should take place in space. Thus, more efforts and funds need to be channeled towards dolomite management and the identification of land that is suitable for sustainable human settlement. It is also of paramount importance for the Municipality to undertake dolomite stability investigations in the built-up areas to ensure effective dolomite risk management.
- The absence of a Housing Officer is also affecting the effectiveness of efforts currently put towards development control and housing provision.

1.6 ORGANISATIONAL DEVELOPMENT OVERVIEW

The municipality is made up of the following key departmental sections

1.6.1 Mayor's Office

National Key Performance Area: Good governance

Strategic Objective: To ensure an accountable, efficient and effective Council operation responsive to community needs.

Operational Objective

Council: To ensure good and accountable governance, that promotes the objects of local government as enshrined in the RSA Constitution, Chapter 7, and Section 152.

Portfolio Committees: To ensure effective and efficient Council operation and enable oversight role of Council.

Ward Committees: To ensure effective community participation in the affairs of local government so as to deepen democracy

1.6.2 Municipal Managers Office

Guided by all National KPA'S of Local Government:

1. Good Governance & Community Participation
2. Financial Viability
3. Institutional Transformation
4. Basic Services and Infrastructure Development
5. Local Economic Development

Strategic Objective: To ensure a credible, efficient, effective and economical institution. Based on good ethical conduct and responsive to community needs.

Operational Objective

- **Risk Management:** Is to be responsible for enterprise risk management and fraud prevention management within the Kgatelopele Municipality. This entails development of policies, strategy & processes, development of fraud prevention, facilitating and advising on risk management issues. While promoting a culture of risk management amongst managers.
- **Internal Auditing:** To provide independent, objective assurance and consulting services design to add value and improve Kgatelopele Municipality operations. Driven by the following values honesty: integrity, professionalism, accountability, objectivity and empathy, while ensuring good governance.
- **Integrated Development Plan:** To ensure formulation/development of a credible and realistic IDP that is informed by community needs.
- **Performance Management System:** To ensure the implementation of performance management system and promote a performance orientated organizational culture.
- **Communication & Media Relation:** To enhance & promote the role of the municipality and its operations in its area of jurisdiction in ways that contribute to the process of deepening democracy by: promoting awareness of economic opportunities, improve the culture of service delivery in the public service, build & promote partnership through public participation and communicate policies & information.

- **Council Secretariat:** To ensure efficient and effective operation of Council, and the record keeping thereof.
- **Local Economic Development:** To promote a conducive environment for enterprise support and development, and foster partnership that contribute to economic development

1.6.3 BUDGET & TREASURY SERVICES (FINANCE)

National KPA: Financial Viability

Strategic Objective: To ensure an effective and efficient financial management of the municipality to meet its financial obligations.

Operational Objective

- **Supply Chain Management:** To ensure efficient, effective and economical supply chain management services.
- **Expenditure:** To implement and manage budget control.
- **Income:** Render and implement municipal accounts accurately and timeously and the effective implementation of customer care and the credit control policy.
- **Budget & Treasury:** Fully compliance to treasury guidelines and timeously reporting.
- **Assets Management:** Management of assets including the safeguarding and maintenance. Internal control of asset and liabilities register. Management, accounting and information system that accounts for proper assets management of the municipality.

1.6.4 CORPORATE SERVICES

National KPA: Institutional Transformation

Strategic Objective: This section is mainly internally focused with the primary aim of enhanced and efficient administrative system.

Operational Objectives:

- **Human Resource:** Promote organizational cohesion. Effective human resource development and performance development and employment equity.
- **Administration:** Key systems, processes and structures to support governance and operational efficiency.

- **Housing:** To provide sustainable human settlement suitable for human habitation.
- **Land:** Development of erven as informed by the Spatial Development Framework.
- **Library Services:** Sufficient library service delivered to the community.
- **Traffic Services:** Efficient traffic service regarding vehicle registration, learner's licenses and law enforcement.
- **Information Technology:** Improved organizational stability and sustainability.

1.6.5 TECHNICAL SERVICES

National KPA: Provision of Basic Services

Strategic Objective: To ensure the provision of sustainable basic services to our communities consisting of water, wastewater, roads, storm water, recreational facilities and related services.

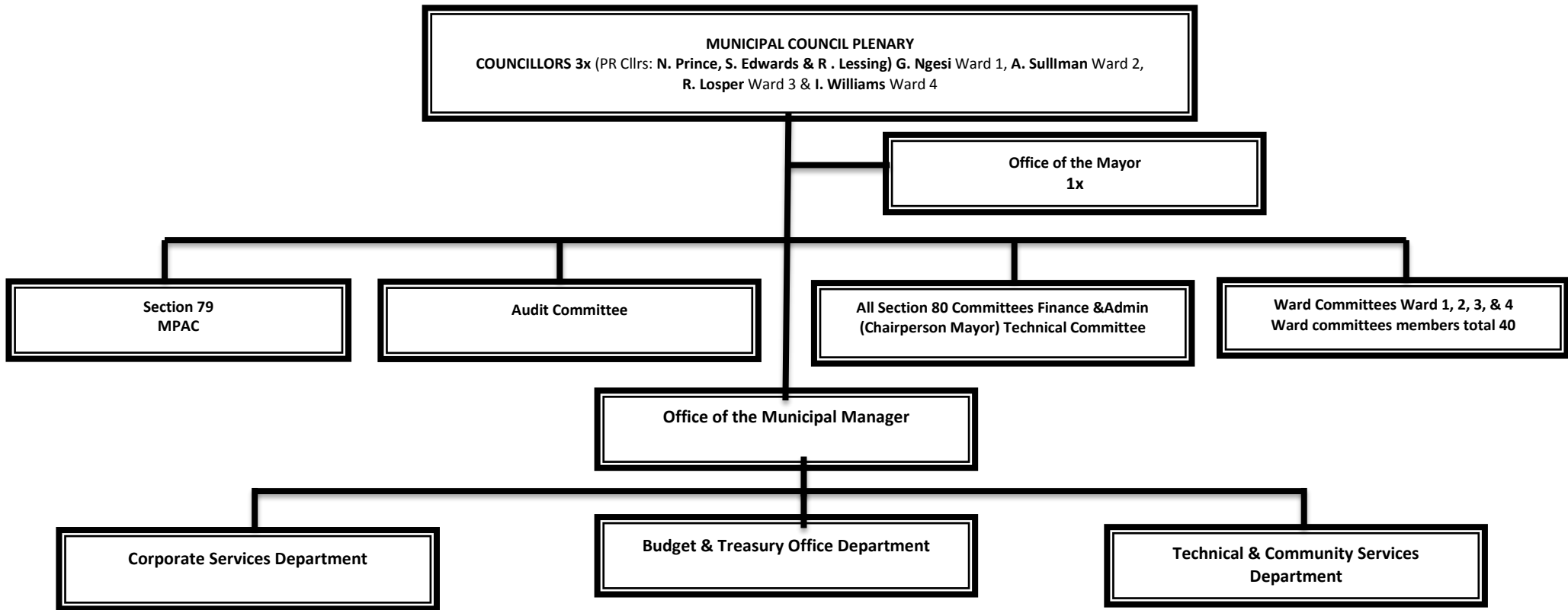
Operational Objective:

- **Electricity:** To provide all planned "households "with electricity energy connection and promote use of other alternative energy.
- **Water & Sewer:** Address the provision and maintenance of municipal services such as water and sewerage removal.
- **Roads & Storm water:** Address the provision and maintenance of municipal services such as roads and storm water.
- **Parks & Cemetery:** Address the provision and maintenance of parks and cemeteries.
- **Waste Removal:** to ensure efficient and effective waste removal

Reviewed Organisational Structure

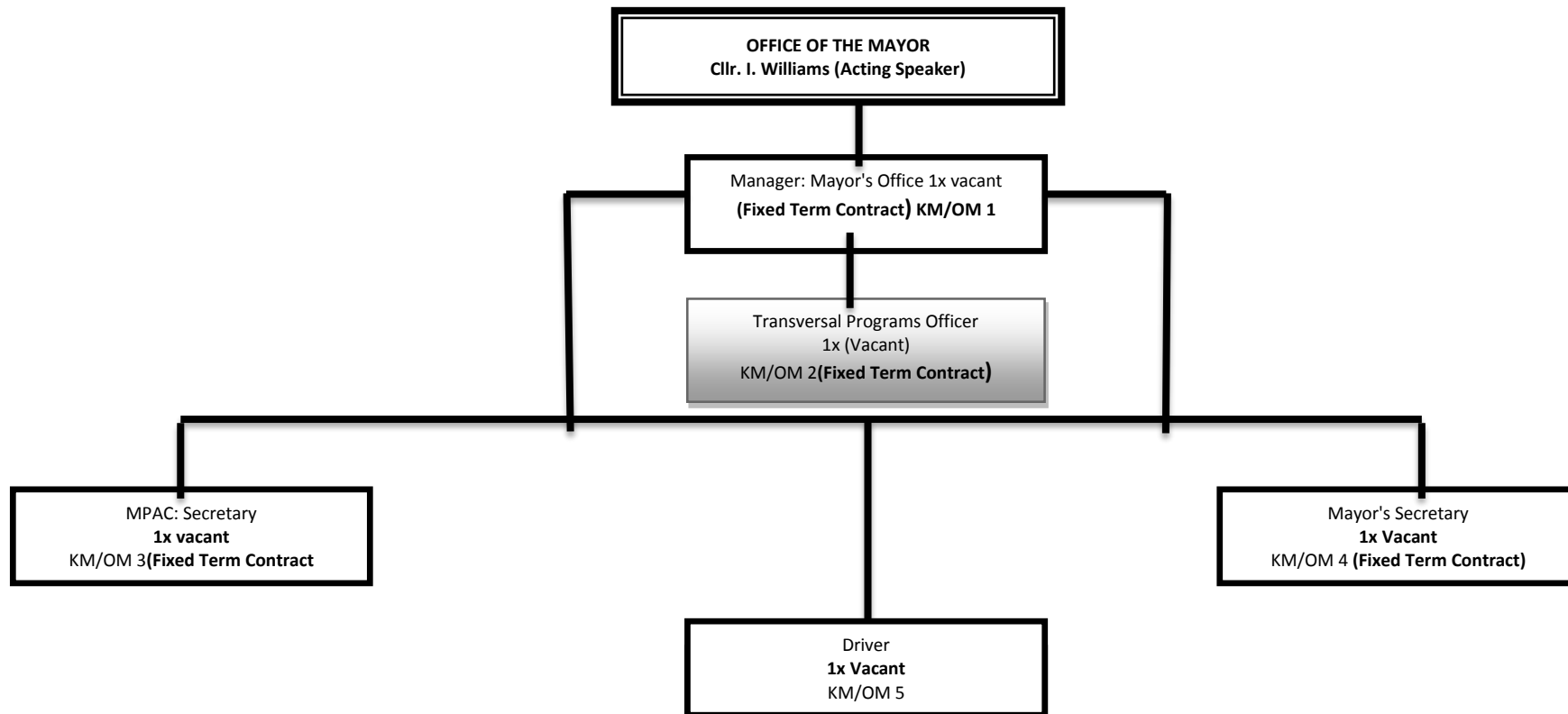
KGATELOPELE MUNICIPALITY COUNCIL

Vision: Kgatelopele Local Municipality aims to improve the quality of life of all its residents. **Mission** Kgatelopele Local Municipality will strive to promote sustainable development by the: Provision of quality services, Conservation of the environment, Stable and effective administration, Promotion of socio-economic development and promoting social cohesion. **Values of the municipality:** The values of the municipality are in line with the basic values and principles governing public administration as envisioned in section 195 of the Constitution of the Republic of South Africa: a high standard of professional ethics must be promoted and maintained, efficient, economic and effective use of resources must be promoted, public administration must be development oriented, services must be provided impartially, fairly, equitably and without bias, people's needs must be responded to, and the public must be encouraged to participate in policy making, public administration must be accountable, transparency must be fostered by providing the public with timely, accessible and accurate information, good human-resource management and career development practices, to maximize human potential, must be cultivated, public administration must be broadly, representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation. **Municipal slogan** "Re gatela pele" "ons gaan vorentoe" "we moving forward"



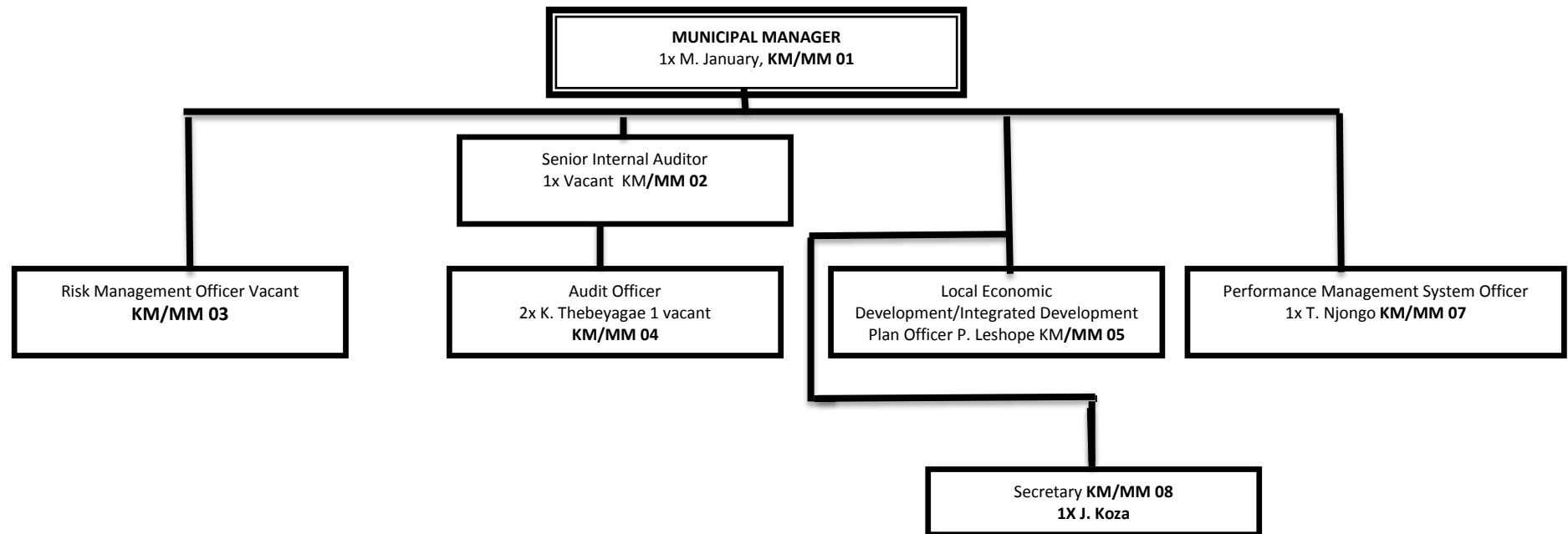
OFFICE OF THE MAYOR

The Mayor is the Political head of the Municipal Council and chairs all Council meetings. Since the Municipal Council is a Plenary type the Mayor serves on a fulltime basis. Besides being the Political head of the Council the Mayor's Office is responsible for certain administrative functions of which the Manager in the Mayor's Office is the head. Other areas that are covered in the Office include: Transversal issues like Youth Development, HIV/AIDS, People with Disability, Children Rights, Gender Issues and elderly issues and also coordination of the MPAC Secretariat.



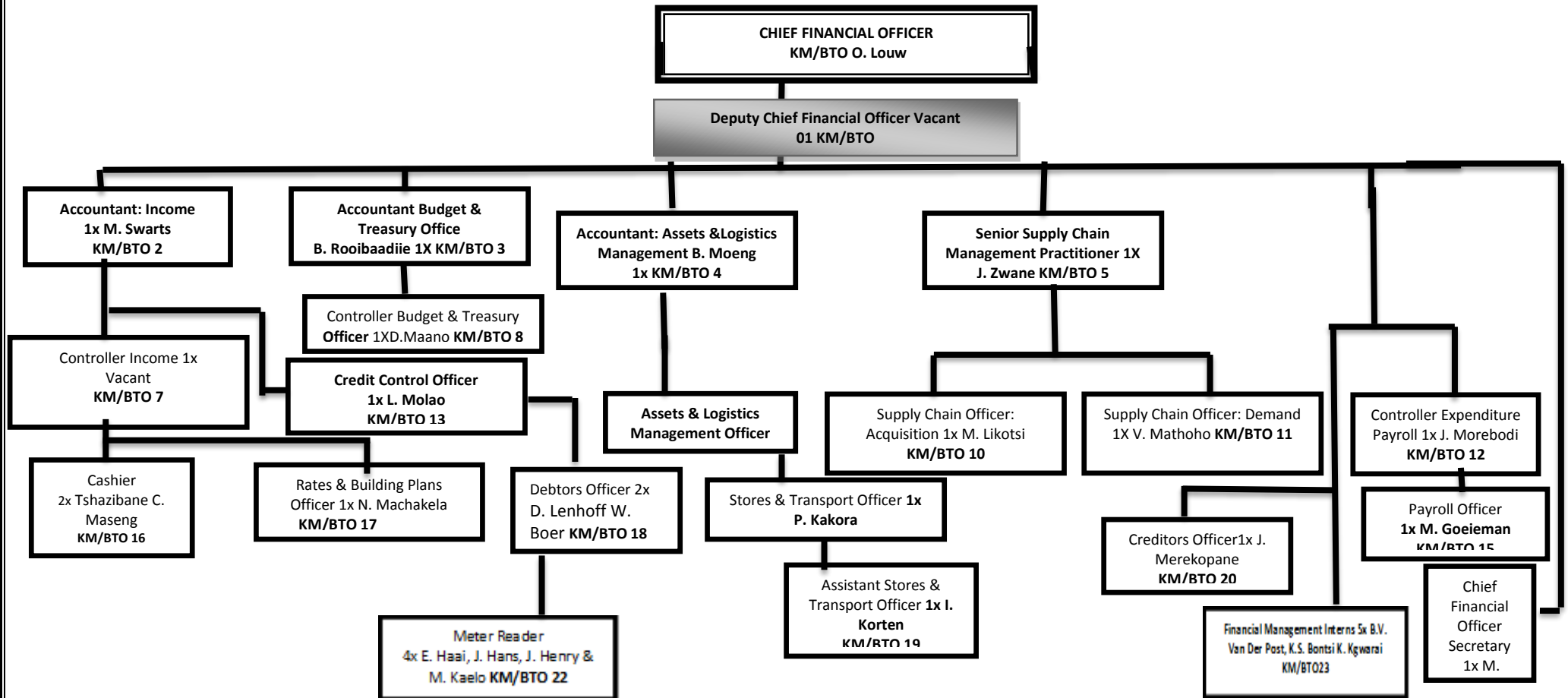
OFFICE OF THE MUNICIPAL MANAGER

The Municipal Manager Mr. Monde January is the head of Administration, and is the accounting officer. He is responsible for the day to day running of the municipality. The Municipal Manager is further responsible for making sure that, the Council objectives gets achieved as well as making sure that the municipality functions optimally. The Municipal Manager is responsible for overseeing; internal audit, risk management, compliance, council secretariat, LED, IDP, PMS, communication and marketing, which falls under his Department. The Municipal Manager works closely with the Managers who are responsible for the various Departments whose Manager are directly accountable to him.



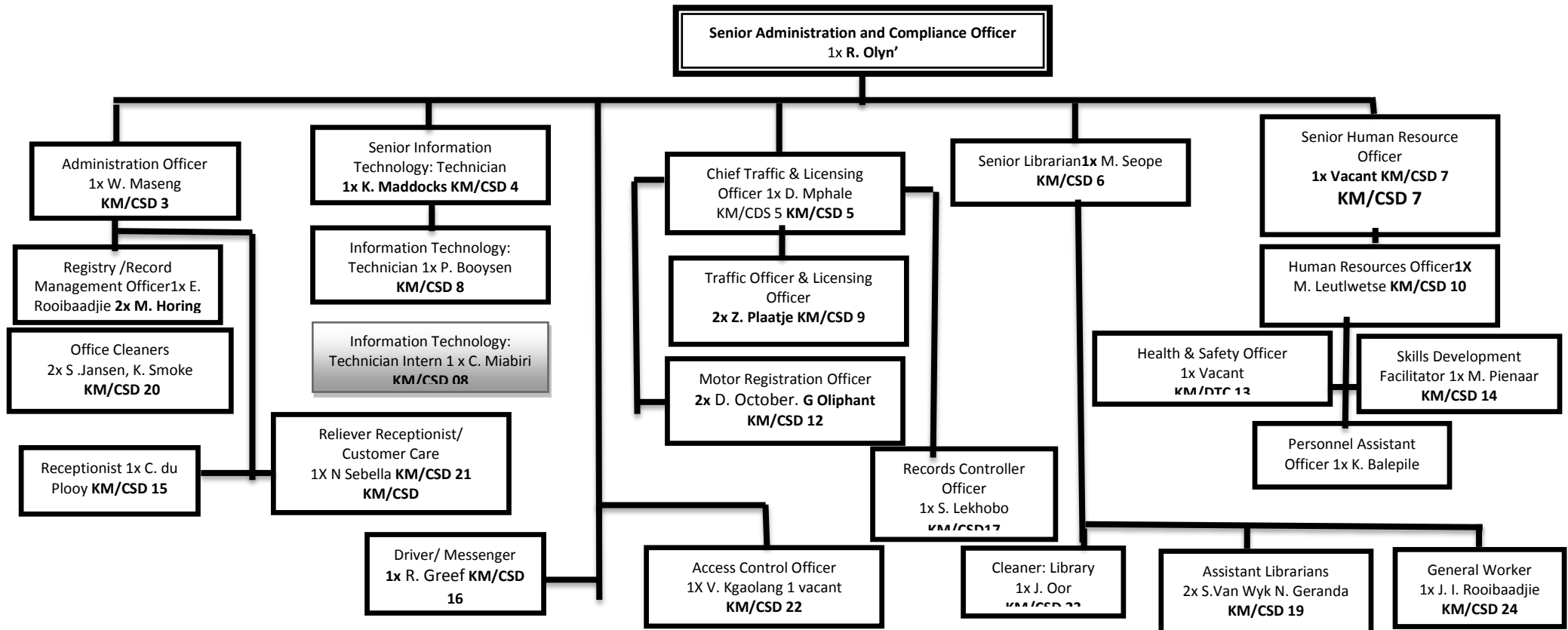
BUDGET & TREASURY OFFICE DEPARTMENT

This Department is responsible for the financial management of the municipality, putting systems in place for proper financial management and managing the inflow and outflow of money in the municipality. The Department is responsible for the following: Financial systems, Budget and treasury, Revenue/Income, Expenditure, Supply Chain Management and Assets Management, Stores and Fleet management



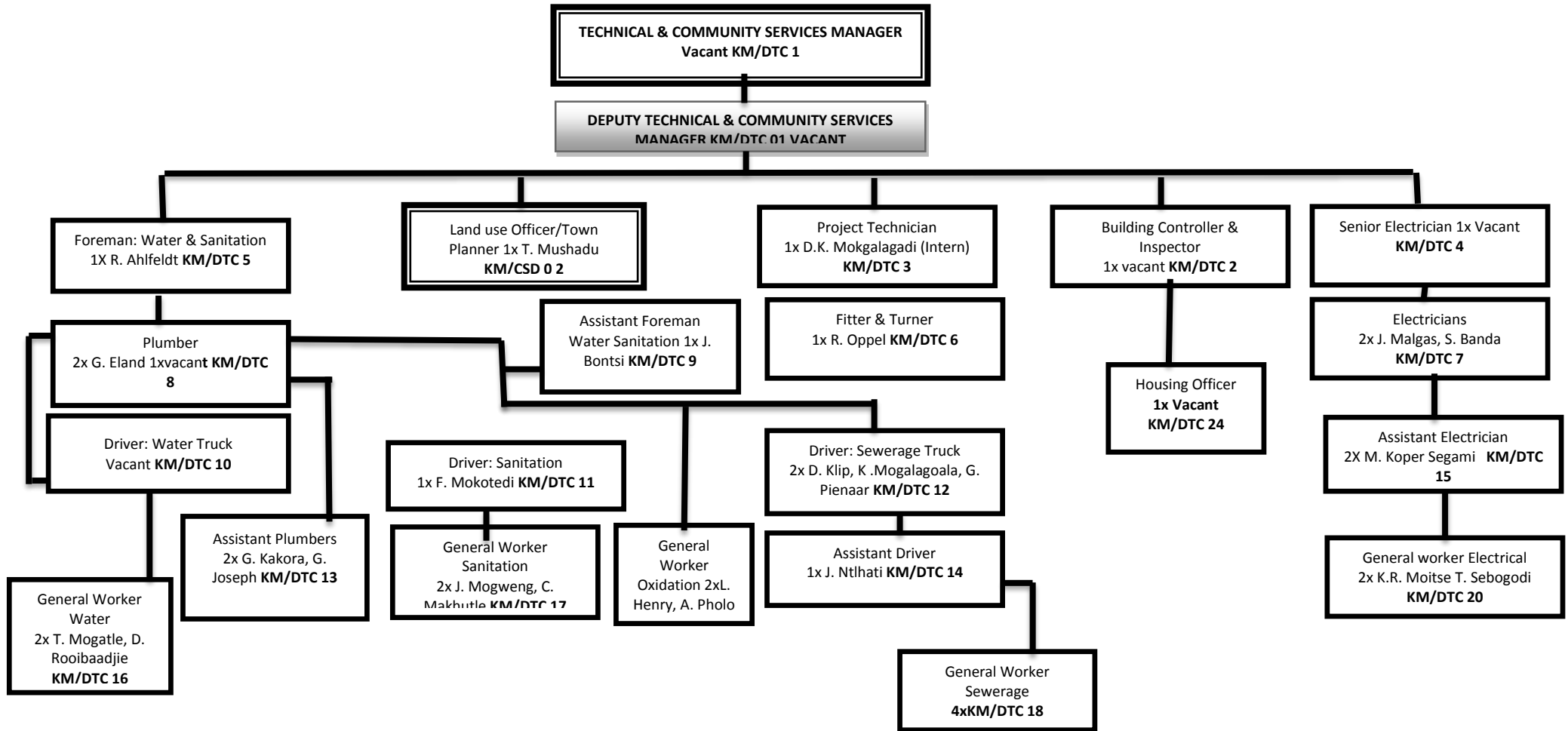
CORPORATE SERVICES DEPARTMENT

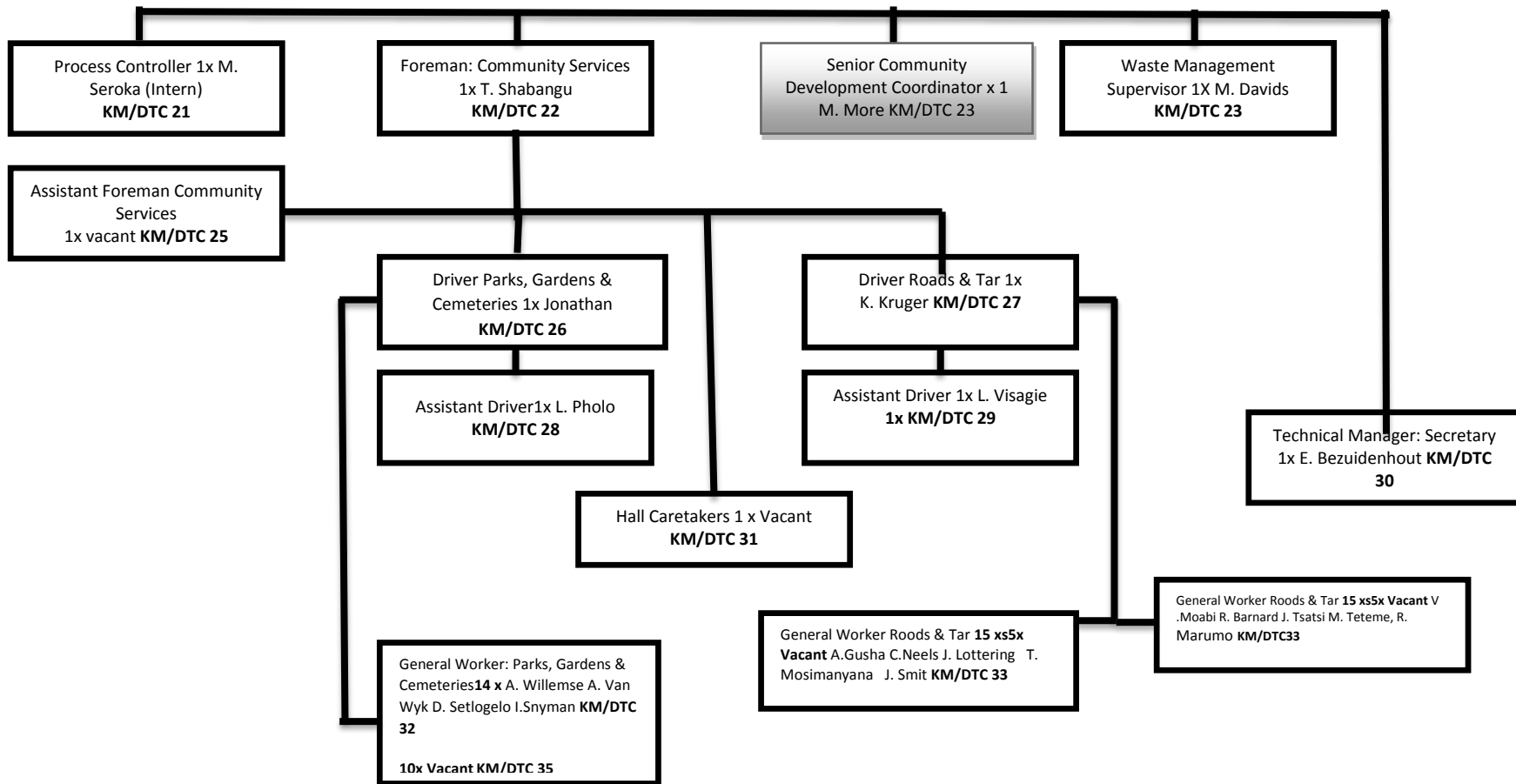
This Department is responsible for the administration of the municipality. Key responsibilities are: Traffic services, Library services, Human resources and Skills Development, Municipal building/facilities, Legal matters, Compiling and management of all contracts, Town Planning, Land Use Management and the SDF, Sale of erven and the transfer of properties and Information and Communication Technology



TECHNICAL & COMMUNITY SERVICE DEPARTMENT (TECHNICAL SERVICE UNIT OR SECTION)

This Department's main functions are to see to it that residents have basic services. The unit is responsible for: Basic Service delivery, Maintenance of all infrastructures, MIG Projects, Waste management and Coordinating the building of houses.





CHAPTER 2: GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

The municipality has a political and administrative component, the section below will give an analysis of the two and how they operate in making sure that the developmental mandate is achieved.

The Municipal Elections took place on 03 August 2016 where different political organizations elected its representatives to contest into the elections for the next 5 years, and different organizations did part take and the outcome of the elections came out different whereby the then regime (ANC) which led Kgatelopele Council for the past years lost to its contestants known as Democratic Alliance (DA) in collusion with the newly formed political organization known as Kgatelopele Community Forum (KCF) and the new regime was then inaugurated into office to take over the Municipal Council for a Period of five (5) years.

The Municipality is currently running the political structures of the Municipality in collusion between Democratic Alliance (DA) and Kgatelopele Community Forum (KCF).

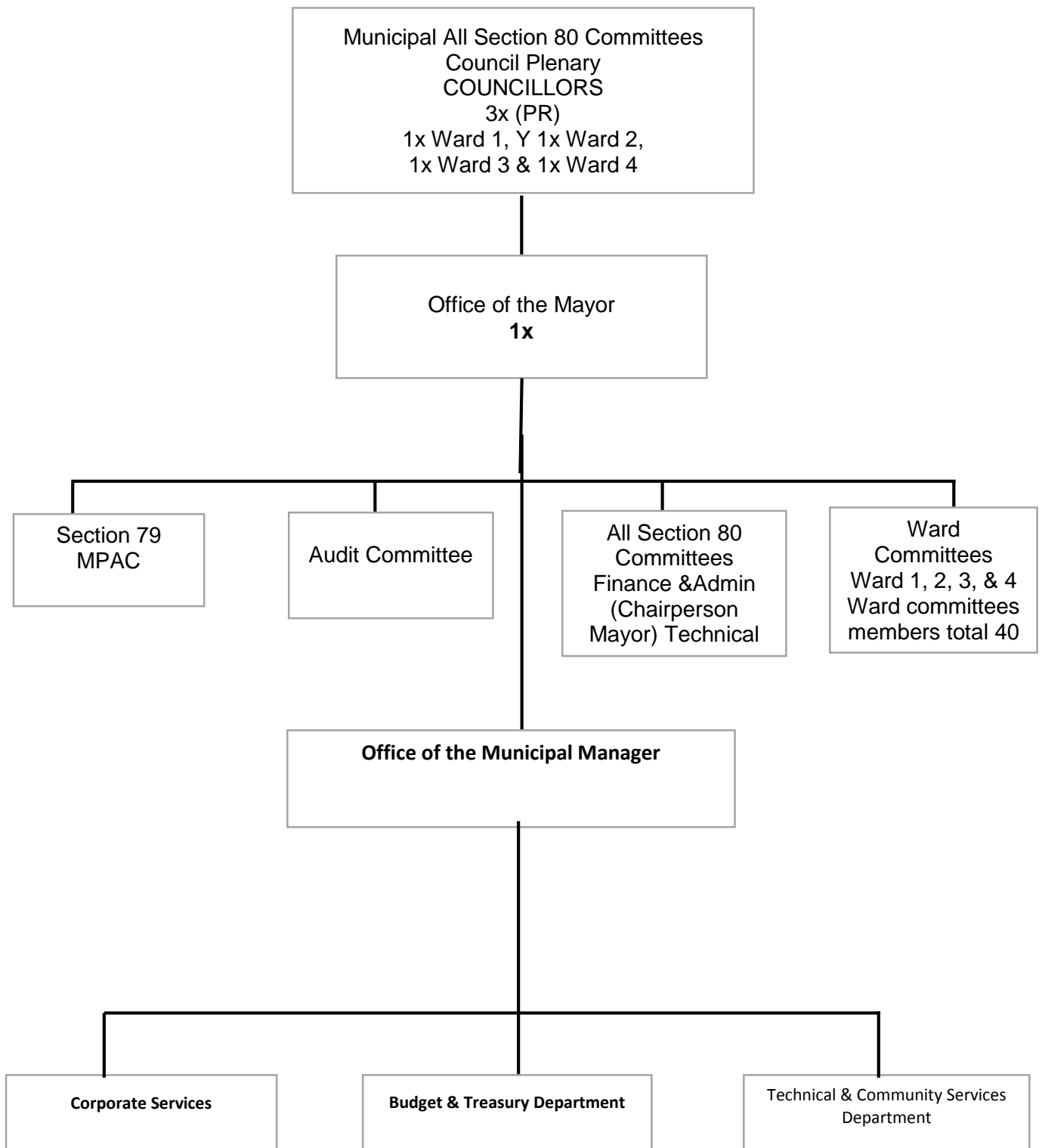
2.1 Political composition of Council

The municipality is led by a Council, which performs both legislative and executive function. The Council is led by the Hon. Mayor Cllr R. Losper.

The municipal council composition is as follows:

Councilor	Political party	Ward/PR
Cllr R. Losper (Mayor)	ANC	Ward 3
Cllr N Prince	KCF	PR
Cllr R. Lessing	ANC	PR
Cllr I Williams	ANC	Ward 4
Cllr S. Edwards	DA	PR
Cllr E Sulliman	DA	Ward 2
Cllr G Ngesi	KCF	Ward 1

Kgatelopele Municipality Council



2.2 COUNCIL MEETINGS

The following reflect the number of Council meetings that took place in the year 2017/18:

- (04) Normal Council Meetings
- (08) Special Council Meetings

Meeting	Dates	Meetings Held	Name of Council Member	Number of Council Meeting Attended
Normal Council Meetings	24 October 2018	4	Cllr R Losper (Mayor)	4
	23 January 2019		Cllr I Williams	4
	10 April 2019		Cllr R Lessing	4
	19 June 2019		Cllr G Ngesi	4
			Cllr N Prince	3
			Cllr E Sulliman	3
			Cllr S Edwards	3
Special Council Meeting	10 July 2018	8	Cllr R Losper (Mayor)	8
	24 July 2018		Cllr I Williams	8
	28 August 2018		Cllr R Lessing	8
	30 November 2018		Cllr G Ngesi	8
	29 January 2019		Cllr N Prince	7
	14 February 2019		Cllr E Sulliman	7
	27 March 2019		Cllr S Edwards	8
	24 May 2019			

2.3 Portfolio Committees / Section 79 & 80 Committees

Council has also established committees to ensure its effectiveness in terms of Section 79 and 80 of the Municipal Structures Act 1998.

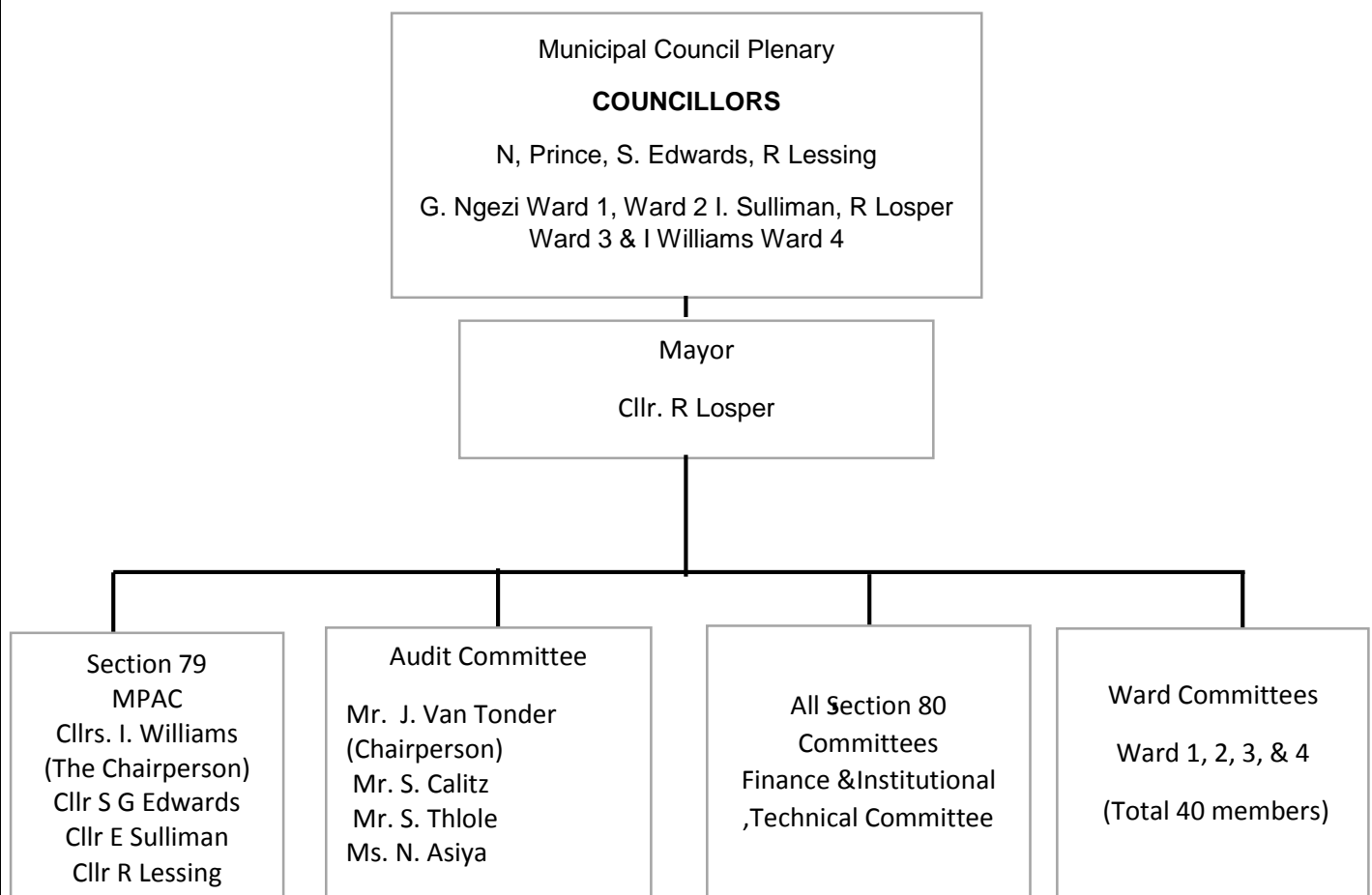
- Finance Committee
- Institutional Committee
- Technical Committee
- Audit, Risk and Performance Committee
- MPAC

Number of Council Committee

Council Committee	Scheduled meetings	Meetings held	Members	Number of meeting attended
Financial Committee	20 September 2018 26 March 2019	02	Mayor Cllr. R Losper (Chairperson) Cllr. N Prince Cllr E Sulliman Cllr R Lessing	2/2 2/2 2/2 2/2
Audit Committee	20 August 2018 23 October 2018 26 November 2018 22 February 2019 17 April 2019	05	Mr. J. Van Tonder (Chairperson) Mr. S. Calitz Mr. S. Thlole Miss. N Asiya	5/5 2/5 4/5 1/1
Technical Committee	31 August 2018 10 December 2018	02	Cllr. R Lessing (Chairperson) Cllr. G Ngesi Cllr E Sulliman Cllr S Edwards Cllr N .Prince	2/2 2/2 2/2 2/2 2/2
Institutional Committee	26 March 2019	01	Cllr. N .Prince (Chairperson) Cllr. G Ngesi Cllr E Sulliman Cllr S Edwards	1/1 1/1 1/1 1/1
MPAC	21 September 2018 07 Mach 2019	02	Cllr. I Williams (Chairperson) Cllr E Sulliman Cllr S Edwards	2/2 2/2 2/2

2.4 POLITICAL DECISION-TAKING

Council is a plenary, which means it is the ultimate decision-making body. Committees are established to make the work of Council effective and efficient in terms of Section 79 & 80 of the Municipal Structures Act of 1998. The following structure is representative of Council.



2.5 ADMINISTRATIVE GOVERNANCE

The administration is headed by the municipal manager Mr. Monde January, who is the accounting officer. He is responsible for the day to day running of the municipality. The municipal manager is further responsible for making sure that, the Council objectives are achieved as well as making sure that the municipality functions optimally. The Municipal Manager is responsible for overseeing; Internal Audit, Risk Management, LED, IDP and PMS. The Municipal Manager works closely with the directors who are responsible for the various directorate listed below:

2.5.1 Technical, Infrastructure and Community Service Directorate

This directorate's main functions are to see to it that residents have basic services. The Unit headed by the Technical and Community Services Manager Mr. Thulaganyo Barnett. The unit is responsible for:

- Basic Services
- Management & Maintenance of all infrastructure
- MIG Projects
- Coordinating the building of houses
- Library services
- Housing administrator
- Traffic services
- Town Planning, Land Use Management and the SDF
- Waste management

2.5.2 Financial Management Directorate

This directorate is responsible for the financial management of the municipality, putting systems in place for proper financial management and managing the inflow and outflow of money in the municipality. This Unit has been headed by Chief Financial Officer Ms. Ophelia Louw. The Unit is responsible for the following:

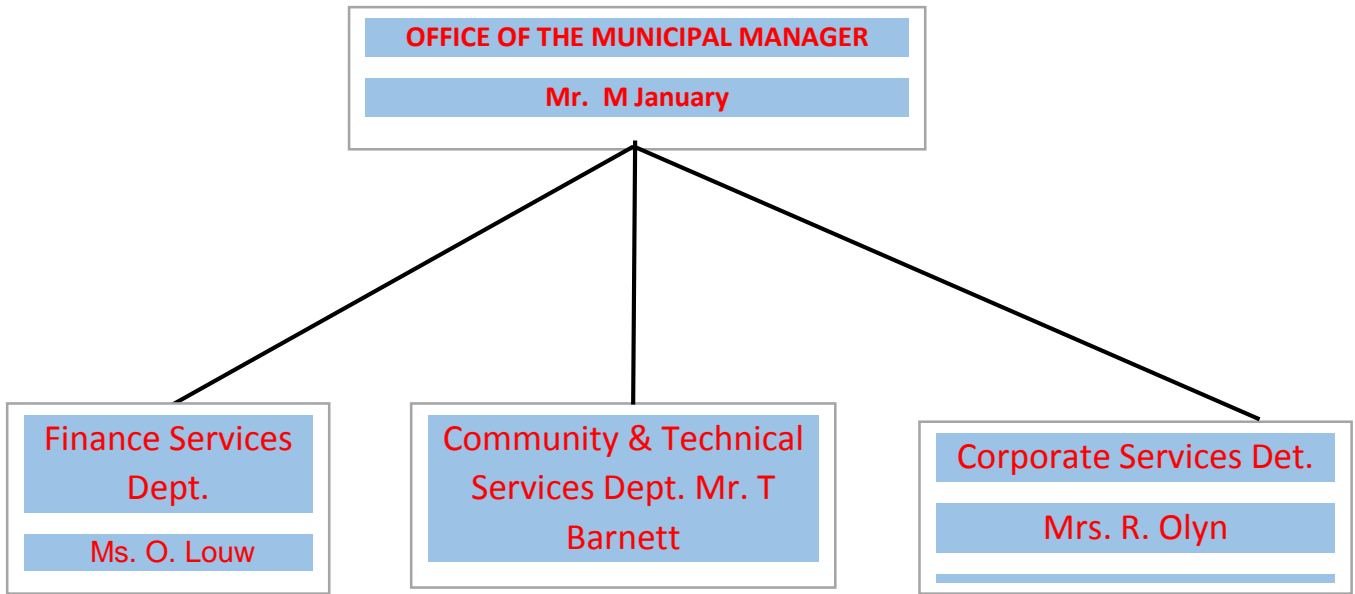
- Financial systems
- Budget and treasury
- Revenue/Income
- Expenditure
- Assets Management

2.5.3 Corporate services Directorate

This directorate is responsible for the administration of the municipality. The Unit is led by the Senior Admin, Compliance, Legal and Head of Corporate Ms. Refilwe Olyn, The Unit is responsible for the following:

- Human resources
- Legal matters
- Compiling of all contracts.
- Information and Communication Technology
- Fleet management
- Administration and Registry
- Communications and Customer Care

ADMINISTRATIVE TOP LEVEL STRUCTURE



COMPONENT B: INTERGOVERNMENTAL RELATIONS

There is a need to coordinate and integrate activities of government in delivering services to the communities and that forms the basis why intergovernmental relation is crucial. The need for the three spheres of government to work together is a Constitutional obligations reconfirmed by various pieces of legislations.

The Intergovernmental Fiscal Relation Act, of 1997, Section 4, provides that all spheres of government to facilitate coordination in the implementation of policy and legislation in-cooperate with one another in mutual trust and good faith by:

- Fostering friendly relations
- Assisting and supporting one another
- Informing one another of; and consulting one another on matters of common interest
- Coordinating their actions and legislation with one another
- Adhering to agreed procedures; and
- Avoiding legal proceedings against one another

Kgatelopele Local Municipality is instrumental in the process of Intergovernmental relations by participating in various legislated forums i.e. District Intergovernmental Forum and Premiers Intergovernmental Forum, and attendance hereby attested.

2.6 POLITICAL IGR

IGR	Date	Status of Attendance
Political IGR	26 June 2019	Mayor
Political IGR	20 November 2018	Mayor

2.7 TECHNICAL IGR MEETINGS

IGR	Date	Status of Attendance
Technical IGR	21 August 2018	IDP.LED Officer
Technical IGR	13 November 2018	IDP.LED Officer
Technical IGR	20 March 2019	IDP.LED Officer

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.8 WARD COMMITTEES

The Constitution of South Africa affirms the right of public involvement in legislative and development policy. The intention is to allow communities and other non-state sectors another platform with which to engage the State other than through political representatives elected through the ballot. The concept of ward committees is meant to speak to this need. Section 152 (1) of the Constitution enjoins local governments 'to encourage the involvement of communities and community organizations in the matters of local government.' (Republic of South Africa, 1996).

The establishment of ward committees is provided for in Chapter 4 of the Municipal Structures Act of 1998. According to the Act, ward committees should be established in each ward of a Category A or Category B municipality. The Municipal Systems Act of 2000 elaborates further on the issue of community participation in municipal affairs and encourages municipalities' to establish alternative forums where no municipal structures for community participation exist. An important provision of the Act is that these forums are to be representative of the different interests within communities.

2.8.1 Ward committee attendance Dates and Venues

NO	Scheduled Meetings	Dates	Venues	Time
1.	Ward 1 Cllr. Ngesi Tlakalatlou	21 June 2018 24 July 2019 26 August 2019 16 September 2019 21 October 2019 22 November 2019 04 December 2019	Govern Teteme's house Mosinki Links's house Kabelo Moreki's house Joseph Ntete's house Isaac Rooibaadjie's house Donald Wapad's house	17:00
2.	Ward 2 Cllr. Sulliman Landbou Erwe	24 June 2018 29 July 2018 02 Sept 2018 08 October 2018 10 November 2018 17 July 2019 18 August 2019 15 September 2019 13 October 2019 17 November 2019 11 December 2019	Francois Marits house.	17:00
3.	Ward 3 Cllr .Losper Maranteng	18 October 2018 15 November 2018 19 December 2018 09 July 2019 13 August 2019 10 September 2019 08 October 2019 12 November 2019 10 December 2019	Adullam Assemblies church	17:00
4.	Ward 4 Cllr. Williams Lime acers	19 June 2018 23 July 2018 23 August 2018 20 September 2018 14 August 2019 18 September 2019 21 October 2019 20 November 2019	Shalaje hall	17:00

2.9 PUBLIC MEETINGS

Nature and Purpose of meeting	Date	No of Cllrs Participating	No. of officials	Community Members Attendance
IDP Consultative Meeting – Ward 1	16 October 2018	3	8	53
IDP Consultative Meeting - Ward 2	27 September 2019	5	5	19
IDP Consultative Meeting Ward 3	26 September 2019	3	7	40
IDP Consultative Meeting Ward 4	3 October 2019	1	3	36
IDP Consultative Meeting Ward 1	2 May 2019	2	4	49
IDP Consultative Meeting Ward 2	3 April 2019	3	5	30
IDP Consultative Meeting Ward 3	8 April 2019	3	5	60
IDP Consultative Meeting Ward 4	24 April 2019	2	3	19

2.9.1 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	T 2.5.1

COMPONENT D: CORPORATE GOVERNANCE

The national and provincial governments must by agreement assist municipalities in building the capacity of municipalities for efficient, effective and transparent financial management. They must support the efforts of municipalities to identify and resolve their financial problems. National and provincial departments and public entities must:

- In their fiscal and financial relations with the local sphere of government, promote cooperative government in accordance with Chapter 3 of the Constitution
- Promptly meet their financial commitments towards municipalities
- Provide timely information and assistance to municipalities to enable municipalities:
- To plan properly, including in developing and revising their integrated development plans; and
- To prepare their budgets in accordance with processes set out in Chapter 4 of the Local Government Municipal Finance Management Act
- Comply with the Public Finance Management Act, the annual Division of Revenue Act and the Intergovernmental Fiscal Relations Act, 1997

2.10 RISK MANAGEMENT

Section 62 of the Municipal Finance Management Act requires the Accounting Officer to take all reasonable steps to ensure that the Municipality has, and maintains, effective, efficient and transparent systems of financial and risk management, internal control, internal audit as well as the effective, efficient and economical use of the resources of the Municipality.

Risk Management is a logical and systematic process of establishing the context, identifying, analyzing, evaluating, treating, monitoring and communicating risks associated with any activity, function or process, in a way that enables an organization to minimize losses and maximize opportunities.

Strategic and operational risk assessment are done in quarterly basis by Management and departmental officials. The participants for operational risk assessment sessions were senior managers and extended managers and lower official where possible. The focus were on progress to date on mitigation strategies, emerging risk for the institution and the way forward to improve on what has been done

10.10.1. The role/function of Risk Management

The risk management function within the municipal manager environment is a critical component of strategic management. Risk management must be able to influence Strategy in relation to the major risks that the municipality is facing and must be informed by the extent of its risk exposure, be it financial, reputational or operational in nature. With the modern-day economic uncertainties that directly and indirectly impact on the municipality's own business environment, risk management plays a crucial role in the identifying both risks and opportunities that are present and to take a strategic position in minimizing the said risks and maximizing present opportunities for the benefits of the Kgatelopele Local Municipality.

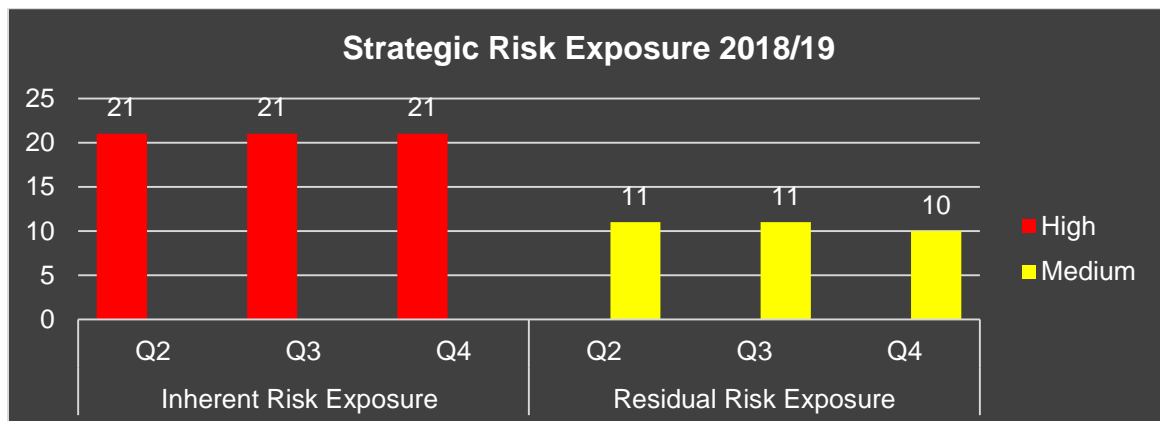
The role of the Risk Management unit is to provide the municipality with the expertise and support for institutionalizing ERM and thereby embedding a risk intelligent culture. During the 2018/19 reporting period, the municipality has a functional Risk Management Unit as well as a functional Audit, Performance and Risk Management Committee which has held 5 meetings during the year. The municipality maintains the following Risk Management Policies and plan:

- Risk Management Policy;
- Risk Management Strategy
- Audit, Performances and Risk Committee Charter;
- Risk Management Implementation Plan;
- Loss, Assets Disposal, Anti-Fraud and Corruption Committee Terms of References.

2.10.2. Risk assessment

It is a fact that municipalities do not operate in a risk-free-environment. The main purpose of the risk assessment is therefore to help the municipality to identify and prioritize risks that will impede attainment of goals and objectives. The municipality maintains a Strategic Risk Register as well as departmental Operational Risk Register. In total, 114 risks have been identified, 14 Strategic level and 86 at Operational level, this includes both IT and Fraud risks from the beginning of 2018/19 FY

Figure 1: Strategic Risk Exposure



As per the risk assessment, Kgatelopele Local Municipality was rated as a Medium risk institution which implies that the risk profile is at a moderate level.

From quarter 2 till quarter 4 strategic risk before controls was rated at an average of 21 which is a high priority, whereas overall risks after controls was rated at an average of 11 in q2 and q3 which is at a moderate level. Q4 has slightly improvement with average of 10, in light of this, the municipality is unlikely to achieve its service delivery objectives. Management needs to ensure actions to improve the management of risk are rigorously monitored and reported to the relevant structures. Even if the controls are not yet tested for effectiveness it is important that the Management monitors the current controls and ensure implementation of the agreed management actions.

Implementation of risk management processes is one of the key tools in ensuring acceleration of service delivery and improvement of quality of lives. With an ongoing support and monitoring, the following benefits are anticipated to be reaped out of implementation of risk management:

- An increased likelihood of achieving the aims, objectives and priorities;
- Prioritizing the allocation of resources;
- Giving an early warning of potential problems;
- Economic, effective and efficient use of resources;
- Fraud prevention;
- Improvement of audit outcomes

Furthermore, at the residual risk exposure, the following are Top ten operational risks and Top ten Strategic risks that were recommended that the Municipality to take note of without necessarily implying that other risks falling outside the tolerance level need not attention:

2.10.3. Monitoring and review

Management has developed risk responses and mitigating action plans. Risk management has been incorporated into all staff and management meetings. The Internal Audit unit perform quarterly review on the implementation of management action plans.

2.10.4. Strategic Risks

Risk no:	Sub directorate	Risk description	Cause	Effect (Impact)	Residual risk (1-25)	Actions to improve management of the risk
1	Risk	Insufficient adherence to Occupational Health and Safety Act.	<p>Negligence.</p> <p>Inadequate protective clothing and equipment</p> <p>Noncompliance to health and safety standards.</p> <p>Lack of OHS implementation plan</p>	<p>Negative impact on productivity</p> <p>Non conducive working environment</p>	13	<p>Training and awareness.</p> <p>Develop OHS Implementation plan</p>
2	IT	Municipality may not continuing after disruption or disaster	<p>No ICT contingency plan.</p> <p>No Disaster Recovery(DR) site</p> <p>Untested Disaster Recovery Plan (DRP)</p>	<p>Interruption of service delivery.</p> <p>Financial and Data loss.</p> <p>System failure.</p>	19	<p>Develop Business Continuity Management (BIA, BCP, Inclusive DRP)</p>

Risk no:	Sub directorate	Risk description	Cause	Effect (Impact)	Residual risk (1-25)	Actions to improve management of the risk
3	IT CYBER	Unavailability of information on the website.	<p>Failure to provide information to the information technology (IT) unit.</p> <p>Poor website management. Non implementation of Promotion of Access to Information Act, 2000</p>	<p>Noncompliance with Legislation and Policies.</p> <p>Poor Service Delivery.</p> <p>Uninformed community</p>	19	Upgrading of Kgatelopele Municipality website.
4	Water and sanitation	Continuous blockage of sewerage lines	<p>Lack of community awareness.</p> <p>Aged infrastructure.</p> <p>Malicious damage by community.</p> <p>Throwing of foreign objects in the sewer system.</p> <p>Shortage of vehicle</p>	<p>Negative impact on the health and safety of the community.</p> <p>Financial loss.</p> <p>Infrastructure damage</p>	13	<p>Resuscitate awareness campaign on the wastage that impacts sewerage systems through the Council/IDP and Ward Committees meetings.</p> <p>Monthly report presented to Management</p> <p>Enforcement of the By-Laws(Waste and Sanitary By-Laws</p>

Risk no:	Sub directorate	Risk description	Cause	Effect (Impact)	Residual risk (1-25)	Actions to improve management of the risk
5	Waste management	Illegal dumping sites.	Lack of by-laws enforcement Inadequate community awareness. Resistance to pay non domestic tariffs.	Harm to municipal image Disease outbreaks Litigations	19	Waste Management awareness campaign Enforcement of Waste Management by-laws Installation of illegal dumping signs Removal of heaps through Mayoral Cleaning Project
6	Waste Management Unit	Undeveloped and non-maintenance of cemeteries.	Limited budget Vandalisation and theft of equipment	Financial loss Harm to Image	25	Implementation Mayoral project for numbering and cleaning of cemeteries. New cemeteries site identified for development. Community Awareness Campaign.

Risk no:	Sub directorate	Risk description	Cause	Effect (Impact)	Residual risk (1-25)	Actions to improve management of the risk
7	Disaster	Inadequate Fire and Rescue Service	Lack of funding to appoint personnel and acquire the needed vehicles and equipment. Lack of implementation of a Disaster Recovery Plan.	inability to respond in the event of a disaster(Poor Service Delivery) Liability claims Death/injuries Damage of properties	19	Develop disaster recovery plan. Budget for disaster center unit and tools of trade. Train current staff in events of disaster Education of public on fire prevention awareness and fire risk mitigation.
8	Revenue	Incorrect billing	Outdated meters. Limited access to some water meters. Improper maintenance of meters. Damaged meters. Lack of monitoring of meter readers. Fraudulent activities	Financial loss. Misstatement of financials	13	Rotation of meter readers Verification of meter reading Replacement of outdated Meters and uplift underground meters. Engage with meter readers to notify Income Accountant and Tech Manager regarding the outdated meters

Risk no:	Sub directorate	Risk description	Cause	Effect (Impact)	Residual risk (1-25)	Actions to improve management of the risk
9	Finance	Inability to fully transact on financial system(SAMRAS)	Inadequate IT infrastructure Insufficient funds Poor performance by the service provider	Negative Audit Outcome Non-compliance with relevant legislation Forfeiture of grants and subsidies	11	On the job training for all users Regular meetings with Service Provider. Financial System under review
10	Customer Care	Delays in handling of community complains	Prolong feedback from relevant Supervisor.	Dissatisfied customer Poor Service delivery Harm to reputation Financial loss	10	Awareness campaign through ward meetings. Enforce controls

2.10.4.1. Operational Risks

Risk no:	Sub directorate	Risk description	Cause	Effect (Impact)	Residual risk (1-25)	Actions to improve management of the risk
1	Risk	Insufficient adherence to Occupational Health and Safety Act.	<p>Negligence.</p> <p>Inadequate protective clothing and equipment</p> <p>Noncompliance to health and safety standards.</p> <p>Lack of OHS implementation plan</p>	<p>Negative impact on productivity</p> <p>Non conducive working environment</p>	13	<p>Training and awareness.</p> <p>Develop OHS Implementation plan</p>
2	IT	Municipality may not continuing after disruption or disaster	<p>No ICT contingency plan.</p> <p>No Disaster Recovery(DR) site</p> <p>Untested Disaster Recovery Plan (DRP)</p>	<p>Interruption of service delivery.</p> <p>Financial and Data loss.</p> <p>System failure.</p>	19	<p>Develop Business Continuity Management (BIA, BCP, Inclusive DRP)</p>

Risk no:	Sub directorate	Risk description	Cause	Effect (Impact)	Residual risk (1-25)	Actions to improve management of the risk
3	IT CYBER	Unavailability of information on the website.	<p>Failure to provide information to the information technology (IT) unit.</p> <p>Poor website management. Non implementation of Promotion of Access to Information Act, 2000</p>	<p>Noncompliance with Legislation and Policies.</p> <p>Poor Service Delivery.</p> <p>Uninformed community</p>	19	Upgrading of Kgatelopele Municipality website.
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8	Revenue	Incorrect billing	Outdated meters. Limited access to some water meters. Improper maintenance of meters. Damaged meters. Lack of monitoring of meter readers. Fraudulent activities	Financial loss. Misstatement of financials	13	Rotation of meter readers Verification of meter reading Replacement of outdated Meters and uplift underground meters. Engage with meter readers to notify Income Accountant and Tech Manager regarding the outdated meters

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10	Customer Care	Delays in handling of community complains	Prolong feedback from relevant Supervisor.	Dissatisfied customer Poor Service delivery Harm to reputation Financial loss	10	Awareness campaign through ward meetings. Enforce controls

2.10.4. Anti-corruption and Fraud Policy

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1) (m)(i) identifies supply chain measures to be enforced to combat fraud and corruption, favoritism and unfair and irregular practices. Section 115(1) of the MFMA states that the Accounting Officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

The Anti-Fraud and Corruption Policy was developed and it outlines the municipality's commitment to the reduction and possible eradication to fraud and misconduct. The policy is established to facilitate the development of controls which will assist in the prevention and detection of fraud and corruption as well as to provide guidelines as to how instances of fraud and corruption could be identified and gives effect to various legislative instruments.

Legislative instruments include various acts such as the Constitution, Protected Disclosure Act, Prevention and Combating of Corrupt Activities, MFMA, Municipal Systems Act and Schedule 1 and 2 of the Municipal Systems Act. The policy sets out a stance with regard to fraud and corruption as well reinforcing existing legislation aimed at preventing, reacting and reducing the impact of fraud and corruption.

The policy was successfully work shopped with the municipal staff members. All employees were also required to declare under oath their direct and indirect business interests.

The principle is for employees to abide by the principles of local government and foster an environment, where all employees and councilors shall strive for the ultimate eradication of fraud, corruption, theft and maladministration by means of the application of the full spectrum of both pro-active and re-active measures at their disposal. Consistent with such an Act, the municipality has the responsibility to take reasonable steps to ensure that "whistle Blowers" who disclose such information are protected from any reprisals as a result of such disclosure.

2.10.5 Anti-corruption and Fraud Strategy

The primary objective of the strategy is to prevent fraudulent conduct before it occurs by encouraging a culture within the municipality where all employees, members of the public and other stakeholders continuously behave with and promote integrity in their dealings with or on behalf of the municipality. Fraud represents a significant potential risk to the municipality's assets and reputation.

The principle of the strategy is for employees to abide by the principles of local government. The strategy also aims to develop and foster an environment, where all employees and councilors shall strive for the ultimate eradication of fraud, corruption, theft and

maladministration by means of the application of the full spectrum of both pro-active and reactive measures at their disposal. Consistent with such an Act, the municipality has the responsibility to take reasonable steps to ensure that “whistle Blowers” who disclose such information are protected from any reprisals as a result of such disclosure.

2.10.6. Whistle Blowing Policy

The policy included Whistle Blowing Act, as it is designed to make it clear that the Kgatelopele Local Municipality is committed to fighting Fraud and Corruption whether the perpetrators are internal and external. Enforcing whistle blowing act is part of the municipality commitment towards a culture of accountability, transparency, excellence and efficiency the Protected Disclosure Act 26 of 2000 provides protection to employees who make disclosures in good faith.

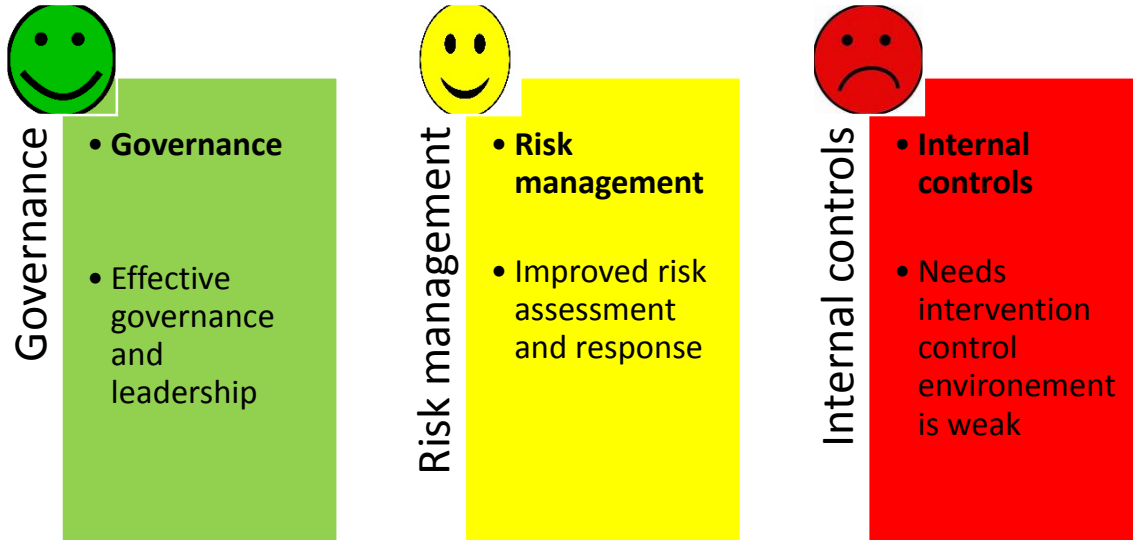
The whistle blowing act further-more aims to provide avenues for staff to raise concerns and receive feedback on any action taken, inform staff on how to take the matter further if they are dissatisfied with the response and re-assure staff they will be protected from abuse and victimization for blowing the whistle in good faith. The policy contains detailed procedures that should be followed when employees, councilors, service providers and members of the public should they wish to report fraud and corruption allegations.

2.10.7. Loss, Assets Disposal, Anti-Fraud and Corruption

Loss, Assets Disposal, Anti-Fraud and Corruption Committee was established in January 2019. The Committee is a body reporting to the Accounting Officer and serving to facilitate the establishment of an efficient system for internal control, assets, irregularity, ethical behaviour, risks, fraud and other types of misconduct involving violations of law. The Committee meetings took place for quarter 3 and 4.

2.11 INTERNAL AUDIT

2.11.1 Executive Summary



Governance

- There is an effective reporting system in place, various units submit monthly reports **and they are discussed at middle management level and further discussed at Senior Management level.**
- Senior Management report on their key performance areas and indicators on a quarterly basis and the reports are distributed to oversight bodies i.e. Audit Performance and Risk Committee and reports are tabled to Council.
- By-Laws and Policy review session was held where Council and Senior Managers deliberated on ways to effect implementation of revenue enhancement strategies.
- The Accounting Officer has complied with the legislated deadline of MFMA Act 56 of 2003 section 126. The Annual Financial Statements and Annual Performance Report for the year ended 30 June 2019 were submitted to Auditor General South Africa as at 31 August 2019.

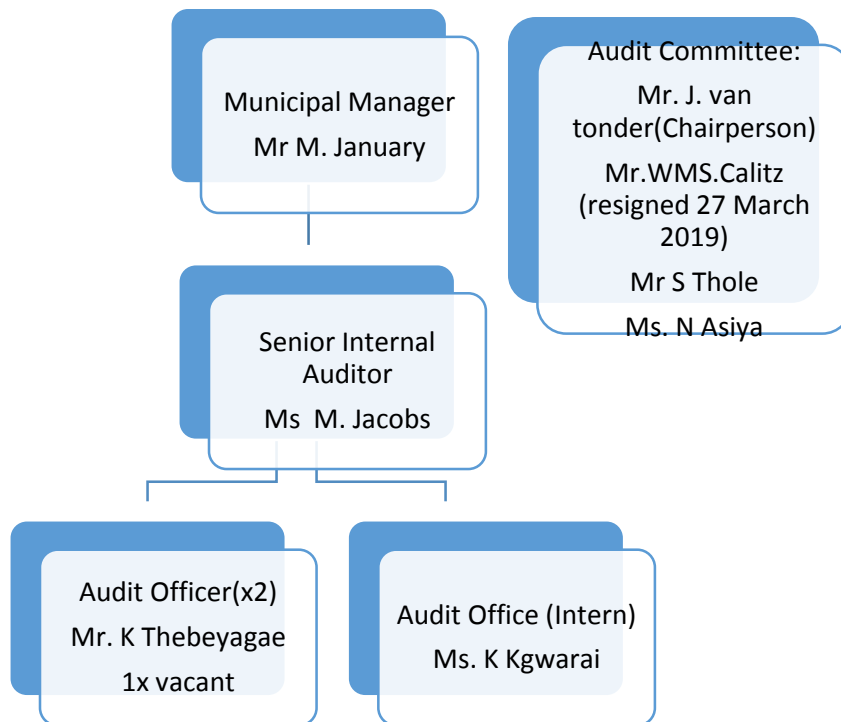
Risk management

- Quarterly risk assessment is conducted and there is effort from management to implement agreed action plans that will mitigate the risks identified.
- The Accounting Officer has approved a risk assessment schedule to enhance adherence by all unit head in the risk assessment process, this will create and enhance risk awareness culture in the organisation.
- Risk tolerance level model was developed and council needs to approve the risk tolerance and risk appetite framework

Internal controls

- Intervention is needed to develop standard operating procedures.
- Monthly reconciliation process checklists and control lists needs to be utilised.
-
- Internal control training needs to be a focal point of development to middle managers to enhance effective positive audit outcome.

2.12.2 INTERNAL AUDIT UNIT STAFF COMPOSITION



The committee took note that the internal audit unit is staffed by a Senior Internal Auditor who executes the role of Chief Audit Executive supported by one Audit Officer and one Intern. As at the 30 June 2019 these staff members were as follows:

Ms. M Jacobs - Senior Internal Auditor (Appointed 01 October 2018)

Mr. K Thebeyagae - Audit Officer

Ms. K Kgwarai - Internal Audit Intern

2.11.3 PORTFOLIO COMMITTEES: AUDIT, PERFORMANCE AND RISK COMMITTEE

Committee Structure and Assessment

The committee complied with the MFMA requirement that committee should consist of at least three members who are independent external members.

Figure 2.11.3.1 Table of members of the audit committee:

Name of member	Date of Appointment	Comment/Comments
Mr. Johan van Tonder	01 July 2017	Chairperson
Mr. S Calitz	01 July 2017	Member (Resigned 08 April 2019)
Mr. S Thole	01 June 2017	Member
Miss N Asiya	27 March 2019	Member

Mr. S Calitz resigned from the committee during effective from 08 April 2019 and Ms. N Asiya was appointed as member of the committee effective from 27 March 2019.

The Chairperson of the Committee should assess the performance of individual committee members, and the Council should evaluate the committee's chairperson, based on several factors. These include;

- Expertise;
- Inquiring attitude;
- Objectivity and Independence;
- Judgement;
- Understanding of the public Sector Business;
- Willingness to devote the time needed to prepare for and participate in committee deliberations;
- Timely Responses; and
- Attendance of meetings.

Overall the chairperson is satisfied that the members have displayed sufficiently thorough behavior and attitude that the expectations set on the in the APRC Charter have been adhered to.

MFMA Section 166 duties to regularly hold meetings.

Internal audit provides secretariat functions to the Audit Performance Risk Committee to ensure that committee complies with its mandate as stipulated in MFMA act 56 of 2003. The committee has complied with the requirement to regularly hold meeting at least four times a year to evaluate the municipality and advice council on matters evaluated.

Figure 2.11.3.2 Table of audit committee meeting attendance

Meeting dates	Member Name	Number of meetings attended	Comments
• 20 August 2018	Mr. Johan van Tonder	5	100% -attended 5 of the 5 meetings scheduled.
• 23 October 2018	Mr. S Thole	4	80% - attended 4 of the 5 meetings scheduled
• 26 November 2018	Mr. S Calitz	2	50%- attended 2 of the 4 meetings scheduled and resigned
• 22 February 2019	Miss. N Asiya	1	100% -attended 1 of the 1 meeting scheduled (appointed 27 Ma
• 17 April 2019			

2.11.4. Evaluation of the Financial Statements

The financial information reviewed during the year indicated that the municipality is under severe financial difficulty and need urgent financial turnaround. The 2018/2019 financial statements were compiled by contracted consultants. The draft annual financial statements were presented in the 30 August 2019 committee meeting. The committee reviewed the draft annual financial statements and noted several mistakes and that it was incomplete. The committee advised the Accounting Officer, the Chief Financial Officer and the Consultants to rectify the mistakes and complete the financial statements. The financial statements were submitted to the Auditor-General by 31 August 2019 thereby adhering to the legislated deadline.

2.11.5 Activities of Internal Audit

The Audit, Performance and Risk committee is satisfied that the internal audit unit performed its activities in accordance with the approved internal audit charter and internal audit operational plan for the financial year and Section 165 as per the MFMA. Quarterly internal audit reports reflecting the progress were adopted at the meetings held during the year and the committee is satisfied with the performance of the internal audit.

The internal audit charter, three year strategic and operational plan were approved by the audit committee at the beginning of the financial year.

The following audit's in terms of the approved risk-based operational plan and special management requests was conducted during the year:

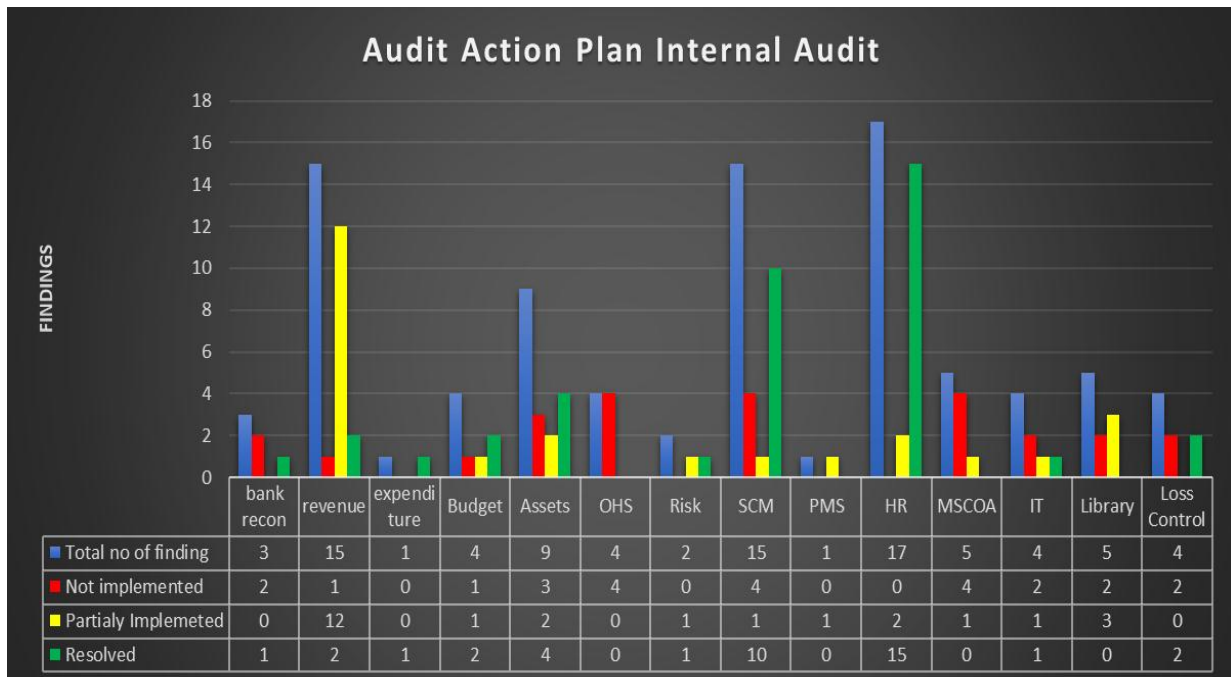
- Records Management
- Information Technology
- Bank Reconciliation
- Grants Management
- Revenue Management
- Asset Management
- Expenditure Management
- Supply Chain and Contract Management
- Loss Control Management
- Mscoa
- Performance management
- Compliance with applicable legislations

- Risk management

2.11.6 Follow up status on management implementation of recommendations made by oversight bodies and assurance providers.

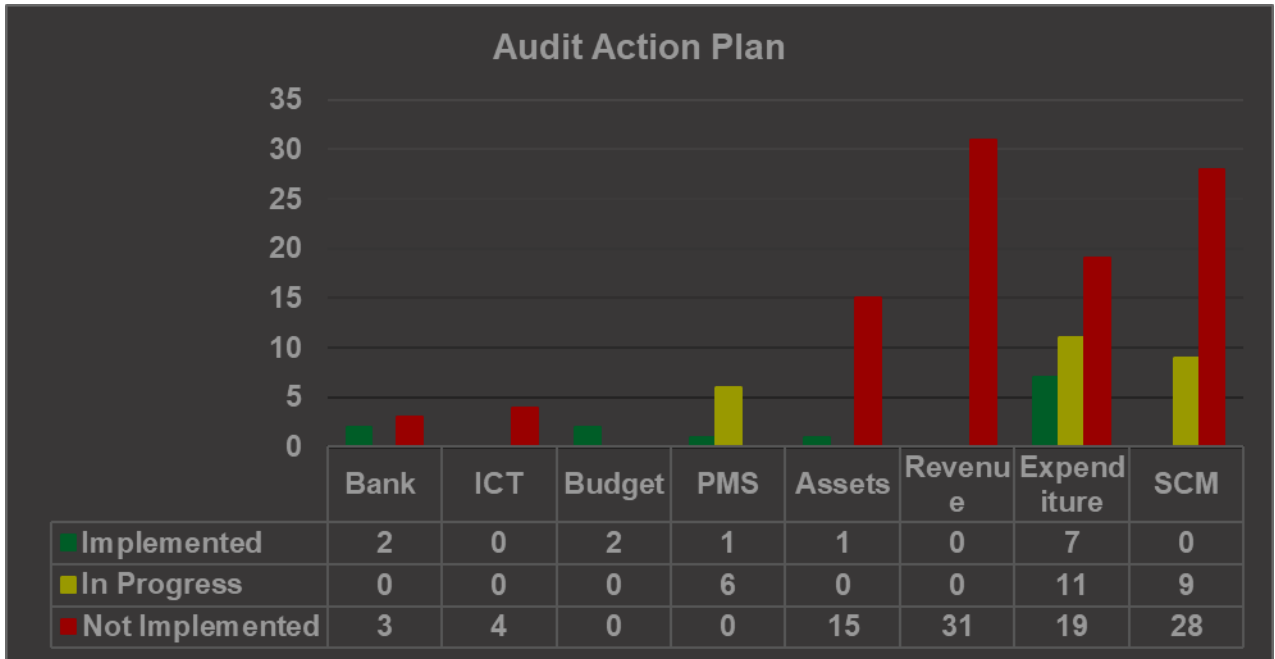
Internal Audit performed reviews of management’s implementation of action plans based on the internal audit findings, Auditor General’s findings and Audit Performance and Risk Committee recommendations. The implementation at year end on internal audit reports were as follow:

Figure 2.11.6.1: Internal Audit Action Plan



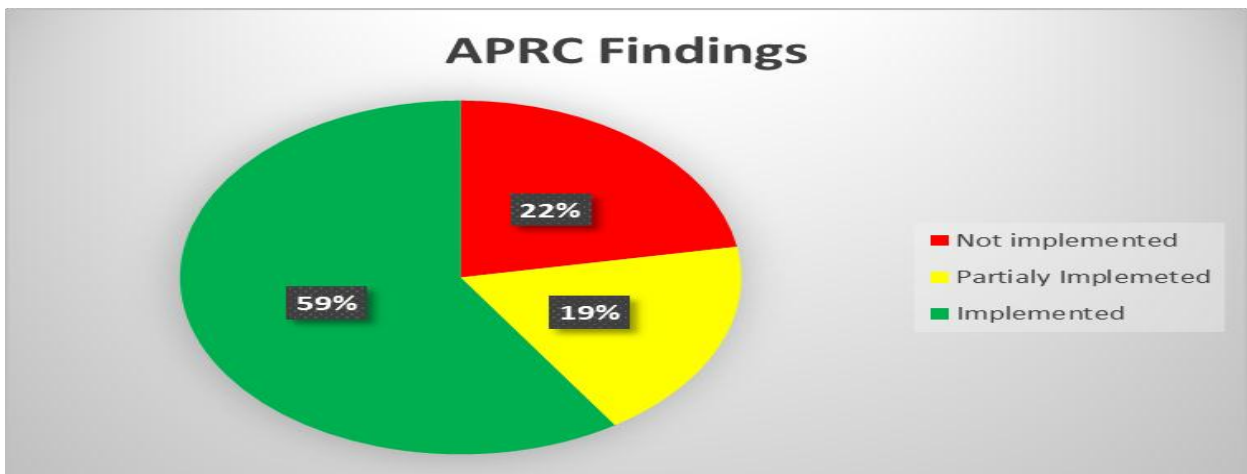
Internal audit issued management with a total of 89 recommendations to improve control environment. 39 of the recommendations were fully implemented, and 25 were partially implemented and 25 of the findings were not implemented.

Figure 2.11.6.2: Audit Action Plan - Auditor General



The status of implementation of the action plan is on average of 28% there were challenges with presenting evidence that will substantiate actions taken to resolve findings.

Figure 2.11.6.3: Audit Performance and Risk Committee recommendations



The committee has through-out the year tracked implementation of recommendations made to both Council and Management. There were a total number of 27 recommendations made, out of 27 recommendations 16 of these recommendations were implemented, 5 partially implemented and 6 not implemented.

2.12. SUPPLY CHAIN MANAGEMENT

2.12.1 IMPLEMENTATION OF SCM PROCESS

Integrated Supply Chain Management aims to add value at each stage of the process, from demand of goods and services to their acquisitions and managing the logistics process.

2.12.2 DEMAND MANAGEMENT

The procurement plan for 2018/2019 has been developed and approved by the Accounting Officer. The goods and services above R200 000.00 (vat inclusive) are procured according to the procurement plan.

2.12.3 BIDS (PROCUREMENT ABOVE R 200 000)

The following tables gives information on all the tender process undergone by the municipality in the 2018/2019 financial year.

REVIEW OF ANNUAL FINANCIAL STATMENT

NO	BIDS RECEIVED	TENDER AWARDED TO	PROJECT BUDGET	AWARDED AMOUNT
01	<ul style="list-style-type: none">• RAKOMA & ASSOCIATES CC• MAKOMOTA INVESTMENT HOLDINGS• ROMALEPE CHARTERED ACCOUNTANTS INC• MAINE MANAGEMENT & CHARTERED ACCOUNTANTS• SHUMBA INC• MNB CHARTERED ACCOUNTANTS• ON TRACK VISION SOLUTIONS• ELVOLVE AUDIT AND ADVISORY GROUP	<ul style="list-style-type: none">• MAINE MANAGEMENT & CHARTERED ACCOUNTANTS		R 199 502.00

COMPILATION OF GRAP COMPLIANT ASSET REGISTER

NO	BIDS RECEIVED	TENDER AWARDED TO	PROJECT BUDGET	AWARDED AMOUNT
02	<ul style="list-style-type: none"> • RAKOMA & ASSOCIATES CC • MAKOMOTA INVESTMENT HOLDINGS • SHUMBA INC • MNB CHARTERED ACCOUNTANTS • ON TRACK VISION SOLUTIONS • SHAI CONSULTING • MORAR INCORPORATED • SMEC SOUTH AFRICA 	SHAI CONSULTING		R 2,903,352.00

PROVISION FOR BANKING SERVICES

NO	BIDS RECIEVED	TENDER AWARDED TO	PROJECT BUDGET	AWARDED AMOUNT
03	<ul style="list-style-type: none"> • ABSA BANK • NEDBANK • STANDARD BANK • FIRST NATIONAL BANK 	FIRST NATIONAL BANK		NO CONTRACT AMOUNT

REFURSHIBMENT OF PUMP STATIONS IN DANIELSKUIL, KUILSVILLE AND TLAKALATLOU

NO	BIDS RECIEVED	TENDER AWARDED TO	PROJECT BUDGET	AWARDED AMOUNT
04	<ul style="list-style-type: none"> • TAANIL CONSTRUCTION (PTY) LTD • GEEZFIX (PTY) LTD • SUBOC CIVIL CONSTRUCTION (PTY) LTD 	ZALISILE INSEBENZI CIVILS & BEST ENOUGH		R 5 ,285, 644.38

	<ul style="list-style-type: none"> ZALISILE INSEBENZI CIVILS & BEST ENOUGH 			
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PROVISION OF SHORT TEM INSURANCE

NO	BIDS RECIEVED	TENDER AWARDED TO	PROJECT BUDGET	AWARDED AMOUNT
05	<ul style="list-style-type: none"> KUNENE MAKOPA RISK SOLUTIONS FEZI AUDITORS AND CONSULTANTS & OPULENTIA JV AAN SOUTH AFRICA (PTY) LTD LATERAL UNISON INSURANCE BROKERS 	<ul style="list-style-type: none"> LATERAL UNISON INSURANCE BROKERS 		R 2, 331, 298.00

MAINTENANCE & REPAIRS TO MUNICIPAL PROPERTY

NO	BIDS RECIEVED	TENDER AWARDED TO	PROJECT BUDGET	AWARDED AMOUNT
06	<ul style="list-style-type: none"> REVAMP HANDYMAN DE-WEE SOLUTIONS LERUO RESOURCES (PTY) LTD 	<ul style="list-style-type: none"> LERUO RESOURCES (PTY) LTD 		R 213, 637.00

**EXPRESSION INTEREST FOR THE PLANNING AND IMPLEMENTATION OF
INTERGRATED MASTER PLAN**

NO	BIDS RECIEVED	TENDER AWARDED TO	PROJECT BUDGET	AWARDED AMOUNT
07	<ul style="list-style-type: none"> • SML PROJECTS • MVD KALAHARI CONSULTING & TOWN PLANNERS • AGANANG CONSULTING ENGINEERS • HOXANNA CONSULTING ENGINEERS 	<ul style="list-style-type: none"> • SML PROJECTS 		NO CONTRACT AMOUNT

REPAIRS AND MAINTENANCE OF MUNICIPAL ROADS INFRASTRUCTURE

NO	BIDS RECIEVED	TENDER AWARDED TO	PROJECT BUDGET	AWARDED AMOUNT
08	<ul style="list-style-type: none"> • MAKHONATSOTLHE TRADING • MOTHEO TECHNICAL AND SERVICES • KGANETSE CONSTRUCTION (PTY) LTD 	<ul style="list-style-type: none"> • MOTHEO TECHNICAL AND SERVICES 		R369, 990.42

LITERES OF SS60% ANISTABLE (DRUMS) AS AND WHEN REQUIRED

NO	BIDS RECIEVED	TENDER AWARDED TO	PROJECT BUDGET	AWARDED AMOUNT
09	<ul style="list-style-type: none"> • DIMAMA & SONS CONSULTING PROJECTS 	<ul style="list-style-type: none"> • DIMAMA & SONS CONSULTING PROJECTS 		R 2128.67

<ul style="list-style-type: none"> • MC DONALD PLANTATION & CIVILS WORKS • DANIEL BROWN • TUMELO & TIDIMALO (PTY) LTD • MAYIHLONE HOLDINGS • S & I EMPLOYMENT SERVICES • RURAL AND URBAN PLANNERS (PTY) LTD • KML 45 (PTY) LTD • JAMILLAH CARDER T/A TO Z LOGISTISTICS • SUPER PATCH SALES & MAKERTING • OBOLOKENG CONSTRUCTION & PROJECTS • ZJ INDUSTRY • REFBEE CONSULTING • DIKGATLONG CONSTRUCTION • BINE ACQUARIAN TRACING • BAROLONG BAKERY &PROJECTS • TOP MATTHEWS CONSTRUCTION • DIPHORORO CONSULTING • BEST ENOUGH TRADING & PROJECTS • SETTLATLATI BUSINESS ENTERPRISES • JUNIOR MULTI CONTRACTS (PTY) LTD 			
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	<ul style="list-style-type: none"> • TANDBRITE (PTY) LTD • SEGAME CONSTRUCTION (PTY) LTD • KUDU PROJECTS • WEIRED INDUSTRIES CC • PATRIOTS SECURITY & PROJECTS CC • MKENKU TRASPOT AND MAINTENANCE PROJECT • DALINDJEBO CONSTRUCTION • THOTA TAU GROUP 			
--	--	--	--	--

INSTALLATION OF CAR TRACKING SYSTEM ON MUNICIPAL VEHICLE

NO	BIDS RECIEVED	TENDER AWARDED TO	PROJECT BUDGET	AWARDED AMOUNT
10	<ul style="list-style-type: none"> • NORTHERN CAPE VEHICLE TRACKING & RECOVERY • NKTT TRADING & LOGISTICS • MACROCOMM TELECOMMUNICATIONS • FLEET TRACK SA (PTY) LTD • NET STAR (PTY) LTD • FLEET HORIZON SOLUTIONS • EAGLE FLEET TRADING (PTY) LTD 	<ul style="list-style-type: none"> • NKTT TRADING & LOGISTICS 		R 329.00

SUPPLY AND DELIVERY OF PERSONAL PROTECTIVE CLOTHING

NO	BIDS RECIEVED	TENDER AWARDED TO	PROJECT BUDGET	AWARDED AMOUNT
11	<ul style="list-style-type: none"> • SCHALKEGEGO • BKO TRADING • NAMOLO GENERAL TRADING • NELSON MOTHUPI WHOLESALE CC • JMC ANG G S ENTERPRISE • TSHIRELETSO SAFETY • SWEET-ORRT LYBRO PTY LTD • KEBORATO TRADING PTY LTD • ISOGO 955 CONTRACTORS PTY LTD • BEST ENOUGH TRADING AND PROJECTS 412 • MMG CONSULTING AND PROJECTS CC T/A BK CLEANING 	<ul style="list-style-type: none"> • BEST ENOUGH TRADING AND PROJECTS 412 		R 571 696.66

2.12.4 IRREGULAR EXPENDITURE

PERIOD	AMOUNT
July 2018 to June 2019	R 31,689,482.69

2.13 CONTRACTS MANAGEMENT

- Contracts Register is updated on a quarterly basis, and finalisation is done at the end of each financial year.

2.14 COMPLIANCE AND REPORTING

CHALLENGES WITHIN THE UNIT

- a) Insufficient supporting documents from the bidders
- b) The unit has been experiencing the issue of service providers who are reluctant to register on the National Treasury's Central Supplier Database (CSD), and also the slow internet when the SCM Unit is helping local suppliers to register on the CSD.
- c) Order printers that are not functioning, recommends the purchase of new order printer.
- Lack of complying with SCM processes by other units and recommends that all procurement should be centralised to the SCM Unit.

Order Processing

To be done at least 3 days so that SCM can be afforded the time and space to attend to other daily office operations such as reports, bookings, sourcing quotations etc. Officials come daily with isolated individual requests with expectation of the SCM officials to stop execution of service to attend to their issues. This clashes with our flow of work and results in pile-ups and disagreements between employees.

RECORDS MANAGEMENT

- All Tender documents and Quotation documents are stored in the lockable filing cabinet.
- The Register has been implemented for all the documents that were issued.

2.15 SCM INFORMATION ON WEBSITE

Reports on SCM and bid invitations were also available on the municipality's official website at www.kgatelopele.gov.za. Challenges were being experienced during the year on the issue of the website being down and as a result not all the information pertaining to SCM was uploaded. The administration is currently looking at resolving the matter by training and capacity building initiatives.

2.16 RISK MANAGEMENT

The following is the main risk as per the risk register:

- Manipulation in terms of sourcing of quotations (Operational Risk)
- No rotation of suppliers in the database (Fraud Risk)
- Theft of petrol due to lack of monitoring (Fraud Risk)
- Unauthorised disclosure of personal or confidential information as a result of poor record management (Fraud Risk)

All the identified risks within the SCM environment are well managed and the risk register is updated on a quarterly basis with sessions attended with risk officer. The use of suppliers registered on the national treasury's database has minimised the risk of supplier rotation.

The Supply Chain Management Unit is continuously improving its process and procedures in order to ensure that Council receives its value for money in terms of Demand and Acquisition management. The Unit is committed to give assurance to the Council that all due processes will be followed and we will adhere to the legislations i.e. MFMA, SCM Regulations, and Kgatelopele Municipality's SCM Policy.

2.17. Municipal By-Laws

Bylaws are a type of law and specifically a type of legislation made by a municipal council rather than the other two spheres of government (i.e. provincial and national government). Bylaws as legislation must be distinguished from common law. Like all legislation bylaws are – made by a legislature (your municipal council) and intended to comprehensively regulate a particular situation (such as, street trading). BYLAWS Local Government Resource Centre © Bylaws_toolbox_what_1.doc Page 7 Bylaws are local in the sense that they – relate to issues in the local community and apply only in the area of jurisdiction of the municipality concerned.

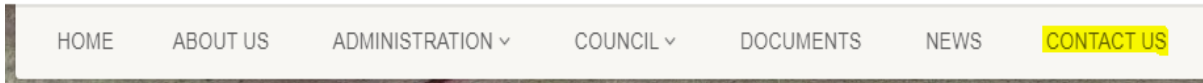
2.18. WEBSITES

Kgatelopele Municipality has a website which is available and accessible to all who has internet access. The website link to access the website is www.kgatelopele.gov.za. All information about Kgatelopele Local Municipality is placed on the municipality website. For enquiries, the tab "CONTACT US" can be clicked on and an email will be sent automatically to the I.T and Administrative department:

2.18. WEBSITES

Kgatelopele Municipality has a website which is available and accessible to all who has internet access. The website link to access the website is www.kgatelopele.gov.za. All information about Kgatelopele Local Municipality is placed on the municipality website. For enquiries, reporting and complaints the tab "CONTACT US" can be clicked on and an email will be sent automatically to the Customer care and Reception department:


See below:



The Contact Us Tab:



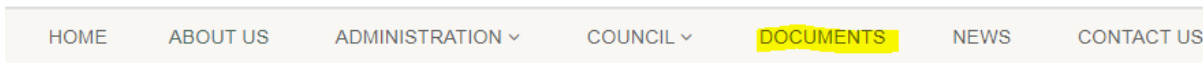
Contact Form

<input type="text" value="Name*"/>	<input type="text" value="Message"/>
<input type="text" value="Email*"/>	
<input type="text" value="Phone"/>	
<input type="checkbox"/> I'm not a robot  reCAPTCHA Privacy - Terms	

SUBMIT NOW!

Thus, the community can enter: His/her name and surname as well as email and contact number. Customer care will respond back and also capture one's enquiries.

All Documents or Reports are found under the tab "DOCUMENT"



All Tender and Bids documents will be placed under Supply Chain Tenders as well as the municipality policies with other options/tabs as well for each department.



DOCUMENTS

POLICIES

SUPPLY CHAIN TENDER

Kgatelopele Local Municipal website is available accessible and to all who has internet access:

- Website: www.kgatelopele.gov.za
- Email: customercare@kgatelopele.gov.za

2.19 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

- Public Satisfaction Municipal survey was not undertaken in the year under review due to the recruitment process of the Customer care officer, the customer care officer appointed on 01 June 2018 last month of financial year 2017/2018.

2.20 ALL MUNICIPAL OVERSIGHT COMMITTEES

Municipal Public Accounts Committee (MPAC) comprise of Councillors

MPAC Members

- Cllr I Williams (Chairperson)
- Cllr S G Edwards
- Cllr E Sulliman
- Cllr R Lessing

Audit Committee – comprised of independent members with certain requisite skills and competence.

Audit Committee Members

- Mr. J. Van Tonder (Chairperson)
- Mr. S. Calitz (Member (Resigned 08 April 2019)
- Mr. S. Thlole
- Ms. N Asiya (Member appointed as member 27 March 2019)

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

COMPONENT A: TECHNICAL INFRASTRUCTURE AND COMMUNITY SERVICES

Status Quo Report and Initiatives from July 2018/2019 June

BASIC SERVICES

3.1 WATER AND SANITATION PROVISION

During the 2018/19 financial year, the performance of the Unit was assessed on the following key performance activities;

- Sewer Blockages (Reticulation lines)
- Water Meters
- Water Quality
- Maintenance of Sewer Pump stations
- Drains

The first Key Performance Indicator in the 2018/19 Municipal Service Delivery and Budget Implementation Plan under the Technical diversion is to ensure the provision of sustainable basic service to our communities with the target of providing clean piped water to formal residential properties which are connected to the municipal water infrastructure network and this target has been achieved and the evidence for this target are monthly lab reports which show compliance in terms of SANS 241-1:2015.

The Water Services Act entrusts the Local Municipality with ensuring the provision of affordable, efficient, effective and on-going water services to local communities. A total number of 3033 households have access to water and sanitation services which are provided by the Municipality. The majority of households (4225) have access to piped water in their house, followed by those who have access to piped water in their yard (1262). 35 Households are still without piped water in their yards and those households in the informal settlements, however mechanisms have been put in place by providing communal taps.

Functions of the Water and Sanitation unit are to provide affordable, efficient, and effective and on- going water and sanitation services in a sustainable manner and ensuring that the quality of potable water provided to Kgatelopele residents is of an acceptable standard. It is also critical that as an Institution, water losses are monitored with the primary objective of implementing water conservation and demand management strategies and ensure maintenance and refurbishment of water and sanitation infrastructure.

3.1.1 Water Supply Source

Water is currently extracted from three boreholes and pumped into two reservoirs situated on the hill towards the Northern most side of Danielskuil. These two reservoirs are commonly described as the Old (3.5 megalitres) and New (4 megalitres) reservoirs and their combined

capacity is 7.5 megalitres. The former is made of concrete and it was constructed in the early nineteen seventies (approximately 50 years old). It was sealed in 1986, and was rehabilitated in 2000 which included the installation of a Geotextile lining. The New Reservoir is made of steel and it was constructed in 2016.

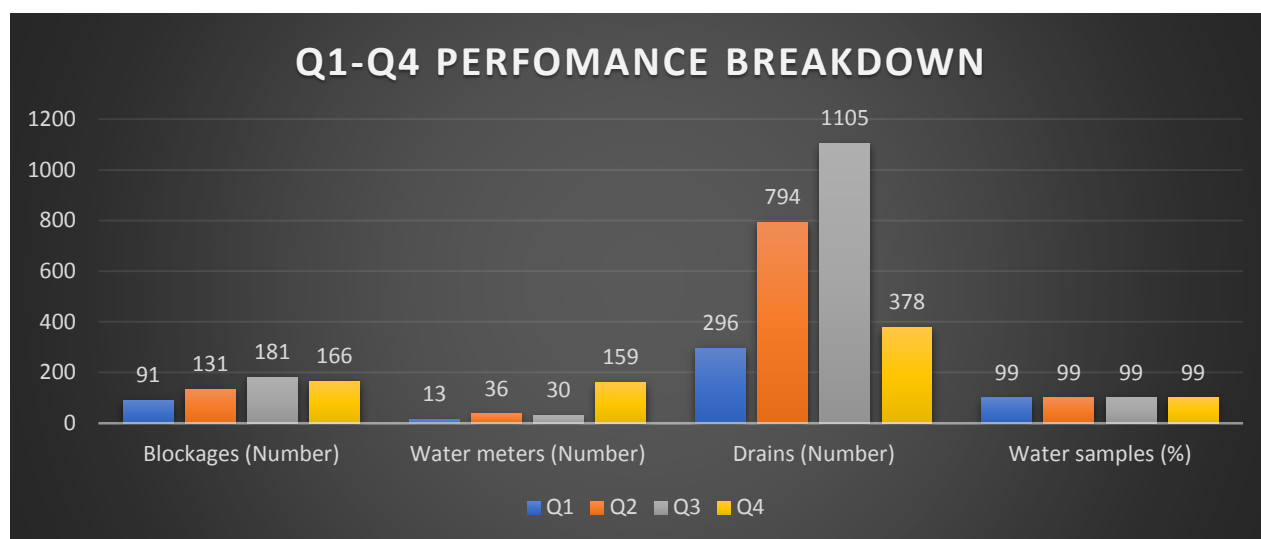
3.1.1.2 Sanitation/Sewer services

The Sewerage Bulk Service is currently an Oxidation Pond system which has reached its full capacity. As part of improving service delivery to the community of Kgatelopele, the Municipality in partnership with Finsch Diamond Mine has embarked on a project to extend the capacity of the Oxidation Pond. There are currently 10 sewerage pump stations in the sewerage system and about 200-500 households not connected to the central system. These households are serviced through sewer trucks and this is posing health hazard to the community and resulting in high cost on overtime & vehicle maintenance.

PROGRESS OF 2018/19 FINANCIAL YEAR

KEY ACTIVITIES	STATUS	PROGRESS
BLOCKAGES	Blockages are reported and attended to as per job cards.	569 Blockages were reported and all 569 were unblocked in 2018/19 FY.
WATER METERS AND GATE VALVES	Water meters are reported and attended as per job cards.	238 Water meters and gate valves were repaired and replaced in 2018/19 FY.
WATER SAMPLES TAKEN	Monthly water sampling at all reservoirs, boreholes and sampling points.	The results for the 2018/19 FY have been captured on the IRIS and comply with the SANS 241 drinking water standards with an average of 99.9% compliance score meaning that the water is safe for consumption.
DRAINS	A total of 294 septic tanks drains are registered with Municipality.	A total of 2573 were reported and 2573 drains were pumped in the 2018/19 FY.

Figure 3.1: Water and Sanitation statistics



3.2 ELECTRICITY SERVICE

The Electrical section falls within the Technical Services Directorate and is responsible for the provision of quality and sustainable electrical services to all customers within the Kgatelopele electrical distribution area. The functions of the electricity unit are to maintain the electrical infrastructure, monitor implementation of electrical projects, upgrading of dilapidated electricity infrastructure, reduction of electricity losses and improve quality of supply.

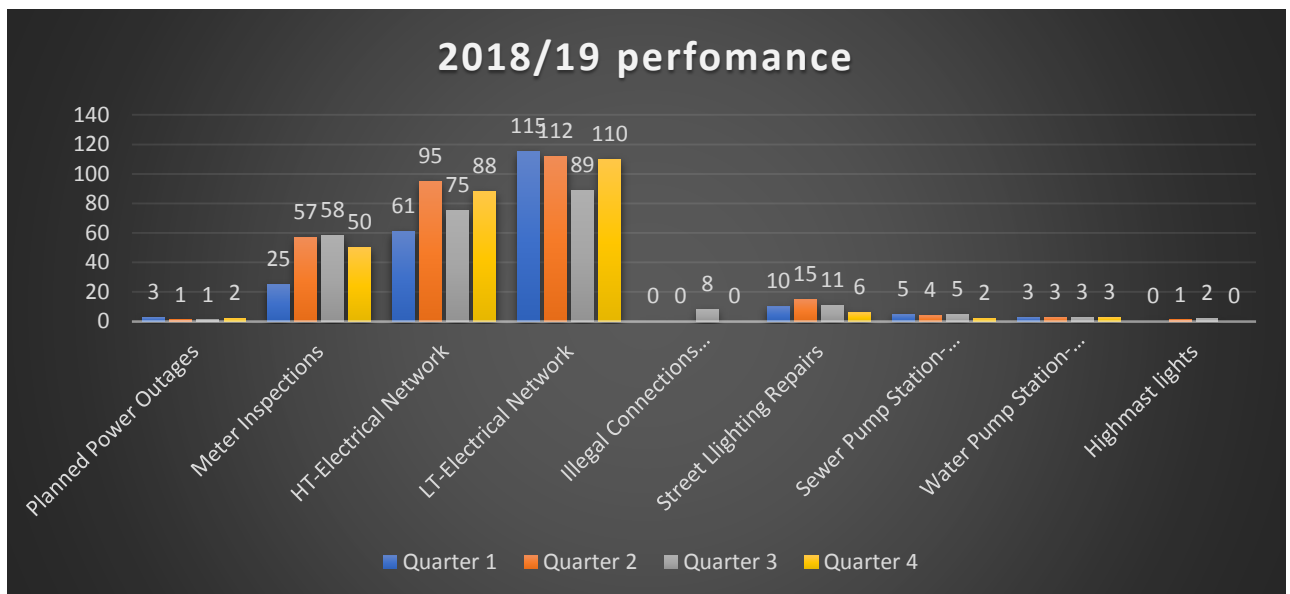
3.2.1 Electricity supplier to households

All formal settlements in the municipal area have access to electricity supply. Number of households that have access to electricity are 3574232 both conventional meters and pre-paid. Informal settlements do not have access to electricity.

The following outlines the Units' performance in terms of

- Planned power outages
- Meter inspections
- HV-electrical network
 - Replacement of drop-out fuses.
 - Repair broken jumpers and replace PG clamps.
 - Repair broken lines.
 - Replace Insulators-(Long rod and pin)
 - Replace Wooden poles and cross-arms
 - Replace HRC fuses in RMUs
 - Replace transformers
 - Inspect network
 - Cut tree branches from conductors
- LV-electrical network
 - Cut tree branches from conductors.
 - Repair underground distribution cable faults.

- Repair ABC cable faults.
 - Repair service cables faults.
 - Households service problems.
 - Replace faulty distribution circuit breakers
 - Install services
 - Replace piercing clamps and PG clamps
 - Inspect kiosks and network
- Illegal connections inspections
 - Inspection of illegal supply to informal settlements
 - Street lighting
 - Repair of street lights and highmast lights
 - Sewer pump stations-repairs
 - Reset circuit breakers
 - Cleaning panels
 - Replacement of level switches
 - Water pump stations-repairs
 - Inspection and cleaning of panels



Electricity unit is facing the following challenges:

- Cable theft & vandalism of pillar boxes,
- By-passing of electrical meters & aged infrastructure,
- Insufficient budget to undertake consistent maintenance,
- insufficient supply from ESKOM, un-firm electrical capacity in our substation,
- high electricity loss due to aged infrastructure & theft of electricity (by-pass)
- Vandalism of electrical assets & network and skills shortage.
- Increasing cost of electricity supply

- Illegal supply to informal settlements
- Insufficient Human Capacity
- Measuring equipment and Electricians tools
- Proper Vehicles to perform work in the veld and muddy areas,
- Proper PPE for Electricians
- Safety equipment and ladders

3.3 WASTE MANAGEMENT

Section 84(1)E) of the Municipal Structures Act (117 of 1998) mandate the Waste Management section of Kgatelopele Local Municipality to make provision for the collection and disposal of waste from the community and this includes; determining and implementing its Waste Management Strategy i.e. refuse collection, waste recycling, transportation, disposal etc.; regulating the disposal of waste within its area of jurisdiction; establishing, operating and controlling waste disposal facilities including waste transfer . In order to achieve its legislative mandate, the section is subdivided into the following functional categories, namely:

- Refuse removal services
- Street Cleaning & litter-Picking
- Illegal Dumping Removal
- Waste Minimization
- Landfill site Operations & Management

Disposing waste in an environmentally friendly manner is very important for the Municipality, as conservation of the environment is one of its strategic objectives. The last Quarter of the financial year, the Municipality introduced in-house refuse. The Municipality uses a landfill site for this purpose. This function is very important as it is not just about making the municipal area aesthetically pleasing but maintaining the dignity of the natural environment. This places a responsibility on the Municipality to conduct awareness campaigns and educational workshops to those who use their own dumping site. This is essential so that they are educated and that some materials should not be publicly disposed such as medical waste and batteries which can be toxic for the environment.

Street cleaning activities are carried out on a daily basis in the CBD and main streets in residential areas. Cleaning in residential areas is carried out in conjunction with the Community Workers Programme.

3.4 MUNICIPAL PROJECTS UNDERTAKEN TO ENSURE EFFICIENT AND EFFECTIVE SERVICE DELIVERY FOR THE 2018/2019

Municipal Infrastructure Project is a function that is embedded in the Project Management Unit. This unit is responsible for the management of projects that are not only funded through

the Division of Revenue Bill/Framework but also project that are internally funded through the MTEF or funded by other external stakeholders.

For the 2018/19 FY Kgatelopele Local Municipality had 8 running infrastructure projects which are currently in progress. The projects consist of the following categories:

- Water,
- Sanitation,
- Electrical,
- Renovation,
- Recreational as well as
- Road infrastructural projects

Council during the 2018/19 financial year also adopted a Top 10 Priority Infrastructure list that seeks to address the backlogs that the Municipality is currently facing. It's also important to note that Road & Stormwater Infrastructure remains to be one of the critical areas that also need to be prioritized as internal roads particularly in Tlhakalatlou and Kuilsville have dilapidated and the maintenance thereof remains to be a challenge. With Dolimite also being a risk factor in terms of development, the management of stormwater is a grave area that needs to be addressed through funding models and operations and maintenance plans.

To expedite the approach of being able to strategically address the backlogs and even future planning of infrastructure, the Municipality underwent a bidding process of procuring a panel of consultants and contractors in order to have an integrated way of planning and implementation towards addressing municipal infrastructure. This is also coupled with the initiative that the Municipality also embarked on to develop the Integrated Infrastructure Master Plan

In addressing development needs, long-term development plans must be considered to ensure that systematic and sustainable development takes place. The guiding principles for sustainable development call for political and social stability through good governance and ensuring that existing and new human settlements are economically sustainable, by placing employment opportunities and economic development within reach of the employable component of the population.

Furthermore, society must be empowered to join the economy through appropriate and adequate education and skills development. This requires looking at long-term economic development and growth opportunities, demand, practical spatial distribution, economic development and bulk infrastructure requirements. To this end many sectors are setting new longer-term goals to take development to new heights.

It is also of critical importance to recognise, and make provision for, ongoing efficient implementation, operation, management and maintenance of existing and new infrastructure generated via the planning process.

To ensure that adequate planning would be done, the Municipal Systems Act (MSA), 2000 (Act No. 32 of 2000), as amended by Act No. 44 of 2003, called for the development of Integrated Development Plans (IDPs) aimed at developing municipalities in a sustainable manner. Chapter 5, Part 2, Clause 26 of this Act calls for municipalities to develop a vision for their long-term development, looking initially at the existing levels of development and considering long-term economic development and transformation. The Act further calls for municipalities to align with national and provincial sector plans and strategies, as well as spatial development and appropriate land-use management.

To ensure that delivery was indeed taking place, the Municipal Finance Administration Act (MFMA), 2003 (Act No. 56 of 2003) also called for the preparation of Service Delivery and Budget Implementation Plans (SDBIPs) which require that municipalities produce monthly and quarterly reports outlining income, expenditure, adherence to milestones and the equitable distribution of projects across wards. This has had the effect of focusing development efforts on the present rather than the medium- and long-term. Coupled with their limited capacity, few municipalities have developed visionary IDPs but have rather concentrated on addressing short-term development plans. As a result, only a few IDPs look beyond the current five-year political term to take their municipalities into a new paradigm.

3.4.1. INTERNAL FUNDED PROJECTS

During the 2018/19 Financial year, Kgatelopele Local Municipality had two (2) Internal funded. The following projects

3.4.1.1. REPAIRS TO MUNICIPAL PROPERTIES

The project was implemented in 2018/19 Financial year to revive and refurbish the municipal building at 24 Skou Street. The Project was internally funded, which fell under the infrastructure sector and building category.

3.4.1.2. CONVERSION OF 122 INDIGENT CONVENTIONAL WATER METERS TO PRE-PAID WATER METERS

During the 2018-19 Financial year, Kgatelopele Local Municipality implemented the installation of 122 conventional meters to pre-paid water meters project in order to eradicate the war on leaks experienced in the municipality.

The Municipality would also like to request the community of Kgatelopele Local Municipality whom are interested to come and register their names in order to be considered for the next intake preferably indigents. The Municipality would urge community members particularly indigents as these prepaid meters will assist them in monitoring their 6kl free monthly supply. Users will be at the advantage of being able to control how much water they are using and how often. They do not have to worry about building up debt as they will be purchasing water tokens, making them more aware of their consumption. A prepaid water meter will ensure that users remain within their budget, and prevents any large and unexpected utility bills at month end.

Community members are further urged to safeguard existing and incoming prepaid meters. The meters are installed inside the user's yards to curb cases of vandalism of meters which may lead to water losses. Users should not tamper with installed meters and must report any issues they may experience with the meters to the Municipality.

In terms of maintenance the installation of the new pre-paid meters will also allow the municipality respond timeously and quicker in cases of leakages therefore also curb water losses.

3.4.2. SOCIAL LABOUR PLANNING PROJECT (SLP)

3.4.2.1. REPLACEMENT OF 60 ELECTRICAL POLES

The contract comprises of the replacement of electrical poles within Danielskuil under the jurisdiction of the Kgatelopele Local Municipality. PPC Lime has identified this project from the Municipality's Integrated Development Plan and has made funds available to implement the project. These poles have been identified as critical by the municipality and required urgent replacement in order to maintain the integrity of the network.

3.4.3. JASPER SOLAR PROJECTS COMMUNITY SOCIAL INVESTMENT

3.4.3.1. PROVISION OF 96 TEMPORARY COMMUNAL SANITATION SERVICES TO INFORMAL

The communal toilets project was approved as per the Integrated Development Plan for the construction of 96 temporary communal toilets to the informal settlements of Tlhakatlou, Maranteng and Landbou Erwe. However due to budget constraints the number of toilets constructed in May 2019 was reduced to 35.

Area	Number of toilets allocated
Tlhakatlou	18
Maranteng	12
Landbou erwe	5

The project funders of phase 1, Jasper Solar Reserve has dedicated an additional 40 toilets to be installed in the informal settlements in the current 2019/20 financial year as phase 2 of the project.

3.4.5. MIG REGISTERED AND IMPLEMENTED PROJECTS FOR 2018/2019

During the 2018/19 Financial year, Kgatelopele Local Municipality had two (2) projects registered under the Municipal Infrastructure Grant which are currently at different phases of implementation. The main purpose of the grant is to provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, microenterprises and social institutions service poor communities. The following projects.

- Upgrading of the Existing Sewerage Purification Works
- Closure of existing landfill site and new Danielskuil Waste Site.

UPGRADING OF THE EXISTING SEWERAGE PURIFICATION WORKS

The Original Sewer Purification works was constructed in 1986 with an initial design capacity of 723m³/day. In a special council meeting held on the 17th of March 2017, Kgatelopele Local Municipality resolved to upgrade the existing Wastewater Treatment works to a capacity of 1280m³/day in order to meet the current and future demand.

PROGRESS

Since the inception of the project, there had been several challenges that led to the delay of the completion of the project. This was due to the several factors that led to an extension of time due to the following;

- Local Community Unrests
- Steel and Plastics Industry Strike
- Ceasing of clearing of site by Department of Environment and Nature Conservations.

Progress to date has however been slow and the completion date of the project is still yet to be achieved. The project is currently standing at 81% completion and an acceleration plan was developed by the Contractor and the Consultant on the 5th of June 2019. Closing monitoring of the project is currently taking place with stringent supervision of the project through bi-weekly meetings.

CLOSURE OF EXISTING LANDFILL SITE AND NEW DANIELSKUIL WASTE SITE

Kgatelopele Local Municipality embarked on a project to close its existing, unpermitted landfill site and identify a suitable site for the establishment of a new landfill site in Danielskuil for the disposal of general waste. The existing landfill site has minimal control measures in place to manage the discarding of general waste at the site. It also located relatively close to town and within a wetland system. Due to the fact that the site does not comply with the relevant legislation, Kgatelopele Local Municipality made a submission the to close the existing landfill site and establish a new site in order to comply with the relevant National Environmental Legislation.

The proposed new landfill site will be used for the disposal of general urban waste which will comprise of rubble, garden waste, domestic waste from town as well as domestic waste from the mining and industrial sector in the area (including IDWALA, PPC and Lime Acres as well as Petra Diamonds mine) as a shared facility which will make the place waste site more economically attractive and sustainable. The waste will be sorted and items that can be

recycled will be separated from the other waste and the waste that cannot be recycled will be landfilled.

PROGRESS

Detailed designs were compiled in collaboration with Paso Waste and Environmental Consultants and presented to Department of Water and Sanitation (DWS) for approval, the plans were approved as part of the Environmental Impact Assessment (EIA). The EIA was concluded and the Record of Decision (ROD) was received from the Department of Environment and Nature Conservation on the 8th of March 2018 based on the approved designs.

3.4.6. WATER SERVICES INFRASTRUCTURE IMPROVEMENT GRANT (WSIG) FUNDED BY DEPARTMENT OF WATER AND SANITATION

3.4.6.1. REFURBISHMENT OF WATER SERVICE INFRASTRUCTURE PHASE 4

BACKGROUND

The Municipality undertook a project through the Water Services Infrastructure Grant as administered by the Department of Water & Sanitation to replace 3.04 km of asbestos pipe to HDPE pipe during the 2018/19 Financial year. The biggest section of the existing water network installation comprises of old asbestos cement pipes ranging from 75mm in diameter to 250mm. Two boreholes are currently supplying water to existing reservoirs (250mm Ø HDPE). Some of the old asbestos cement pipes have already been replaced with uPVC Class 9 and HDPE PN 12 pipes.

PROGRESS

The project is currently at 99% completion with extensions of time required during the implementation of the project. The delays in completion of the project on time was due to the following reasons;

- Connections to existing lines were not as per as-built drawings and as result additional fittings had to be obtained.
- Existing valves were not in good condition and some were missing and as a result, new ones had to be obtained which wasn't part of the original scope.
- Lack of capital funds from subcontractors caused a delay in them being able to start their allocated works on time as there was a period where they had to source funds.
- Works allocated to subcontractors had to be redone due to poor workmanship

In light of the above, Contractor was required to work on weekends to fast-track works outstanding. Method of statements were drafted by contractor on how to fast track the works together with the Consultants. Works allocated to sub-contractors that we lagging behind were

handed to main contractor to complete. Revised programme was submitted and practical completion date forecasted to 14th of July 2019.

3.4.7. INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME – INEP

3.4.7.1. UPGRADING AND REFURBISHMENT OF THE EXISTING ELECTRICAL MAIN SUB-STATION

The Municipality in terms of the Integrated Development Plan had intended to increase its Electrical Bulk capacity by 5MVA at the Ouplaas Substation with the existing currently sitting at 5 MVA for the 2018/19 financial year.

However, the Municipality was unable to implement this project as planned due to limited available funding as the costs estimated by Eskom would've amounted to R 20 149 371.58. After several engagements with Eskom with the objective to apply for a waiver on some cost items and identify different mechanisms for implementation purposes, the costs couldn't be reduced by scope based on the scope of the project and internal costing within the institutions. In light of the above, the Municipality had to also relook at different sources of electrical supply through renewable energy which would also alleviate the demand.

3.5 COMMUNITY PARTICIPATION

The Municipal Systems Act (2000: section 16) is clear that a municipality must “encourage and create conditions for, the local community to participate in the affairs of the municipality including the preparation, implementation and review of its integrated development plan”. The municipality in line with section 16 consult community members through an area based consultative process. Each area was consulted then indicate what its needs are for the coming financial year.

Area based planning is the ideal form of planning for the following reasons:

- It gives the municipality an opportunity to get a better understanding of the level of services available to that particular area;
- it ensures that the IDP is targeted and relevant to address the needs of the people in that area/ward;
- consensus on priority outcomes for that particular area;
- increased accountability in terms of the provision of services;

The table below reflects the dates of the first round of the Area Based Planning

Consultative meetings for 2018/2019 financial year are as follows:

Date	Area	Venue
26 September 2018	Kuilsville (Ward 3)	Lewende Water Kerk
27 September 2018	Landbou Erwe (Ward 2)	Die Kuil Intermediate School

3 October 2018	Lime Acres (Ward 4)	Shaleje Hall
16 October 2018	Tlhakalatlou (Ward 1)	Tlhakalatlou Hall

From the above mentioned area based planning consultative meetings, the community had its first round of community engagements in order to gather inputs and these are inputs which were raised or were of such concern from all the members of the community in all respective wards on the afore-mentioned dates.

Kgatelopele Municipality then embarked on the 2nd round of its community engagement in order to give feedback on the progress made towards the needs which were raised during the 1st round which were held in the months of September and October. The dates for the 2nd round of consultative meetings was planned as follows:

DATE	WARD NUMBER	TIME	VENUE
3 April 2019	Ward 2	17:00	Die Kuil Intermediate School
8 April 2019	Ward 3	17:00	Die Kuil Intermediate School
24 April 2019	Ward 4	17:00	Shaleje Hall
2 May 2019	Ward 1	17:00	Tlhakalatlou Community Hall

3.6 Priority Issues for 2018/2019 planning 2019/2020 Financial Year

After the first round of the municipal area-based community consultation meetings, of which there were disruptions from certain groups from the community members which led to none sitting of other ward community engagements and none/poor attendance from other wards the following are the priorities of the Kgatelopele Local Municipality for the 2018/2019 Planning the 2019/2020 financial year

1. **Land**
 - 1.1. Housing (Low Cost)
 - 1.2. Ervens Residential (Middle Income/Social Need)
 - 1.3. Churches Sites Need
2. **Water & Sanitation**
 - 2.1. Household Connections
 - 2.2. Bulk Water/Sewer
3. **Electricity**
 - 3.1. Household Connections

- 3.2. Bulk Electricity Network

- 4. **Roads & Transport**
 - 4.1. Internal Roads
 - 4.2. Transport Network i.e. Taxi Rank Need

- 5. **Local Economic Development (LED)**
 - 5.1. Youth Unemployment/Employment of local people
 - 5.2. Creation of employment opportunities

- 6. **Municipal Systems and Management Inefficiency**
 - 6.1. Complaints Management Improvement (On Accounts/Service Delivery)
 - 6.2. Discipline Conduct of Municipal Staff

- 7. **Health Services**
 - 7.1. Health Services Improvement i.e. local clinic not responsive to needs
 - 7.2. Ambulance Services needs improvement
 - 7.3. Accessibility of Health Facility

- 8. **Sports & Recreation**
 - 8.1. Need for proper recreational facilities

- 9. **Social Services & Facilities**
 - 9.1. Government Departments Services

- 10. **Education and Library Services**
 - 10.1. Need for bursaries to pursue post matric/tertiary education

- 11. **Environmental Issues**
 - 11.1. Waste Management Efficiency
 - 11.2. Air Pollutions/Environmental Care

3.6.1 Priority trend from 2017/18 – 2019/2020 financial year

Priority Issues 2017/2018	Priority Issues 2018/2019	Priority Issues 2019/2020
1. Land 1.1.Housing (Low Cost) 1.2.Ervens Residential (Middle Income/Social Need)	1. Land 1.1.Housing (Low Cost) 1.2.Ervens Residential (Middle Income/Social Need)	1. Land 1.1.Housing (Low Cost) 1.2.Ervens Residential (Middle Income/Social Need)

1.3.Churches Sites Need	1.3.Churches Sites Need	1.3.Churches Sites Need
2.Water & Sanitation 2.1.Household Connections 2.2.Bulk Water/Sewer	2.Water & Sanitation 2.1.Household Connections 2.2.Bulk Water/Sewer	2.Water & Sanitation 2.1.Household Connections 2.2.Bulk Water/Sewer
3.Electricity 3.1.Household Connections 3.2.Bulk Electricity Network 4.Roads & Transport 4.1.Internal Roads 4.2.Transport Network i.e. Taxi Rank Need	3.Electricity 3.1.Household Connections 3.2.Bulk Electricity Network 4.Roads & Transport 4.1.Internal Roads 4.2.Transport Network i.e. Taxi Rank Need	3.Electricity 3.1.Household Connections 3.2.Bulk Electricity Network 4.Roads & Transport 4.1.Internal Roads 4.2.Transport Network i.e. Taxi Rank Need
5.Local Economic Development (LED) 5.1.Youth Unemployment/Employment of local people 5.2.Creation of employment opportunities	5.Local Economic Development (LED) 5.1.Youth Unemployment/Employment of local people 5.2.Creation of employment opportunities	5.Local Economic Development (LED) 5.1.Youth Unemployment/Employment of local people 5.2.Creation of employment opportunities
6.Municipal Systems and Management Inefficiency 6.1.Complaints Management Improvement (On Accounts/Service Delivery) 6.2.Discipline Conduct of Municipal Staff	6.Municipal Systems and Management Inefficiency 6.1.Complaints Management Improvement (On Accounts/Service Delivery) 6.2.Discipline Conduct of Municipal Staff	6.Municipal Systems and Management Inefficiency 6.1.Complaints Management Improvement (On Accounts/Service Delivery) 6.2.Discipline Conduct of Municipal Staff
7.1.Health Services Improvement i.e. local clinic not responsive to needs 7.2.Ambulance Services needs improvement 7.3.Accessibility of Health Facility	7.1.Health Services Improvement i.e. local clinic not responsive to needs 7.2.Ambulance Services needs improvement 7.3.Accessibility of Health Facility	7.1.Health Services Improvement i.e. local clinic not responsive to needs 7.2.Ambulance Services needs improvement 7.3.Accessibility of Health Facility
8.Sports & Recreation 8.1.Need for proper recreational facilities	8.Sports & Recreation 8.1.Need for proper recreational facilities	8.Sports & Recreation 8.1.Need for proper recreational facilities

9.Social Services & Facilities 9.1.Government Department Services	9.Social Services & Facilities 9.1.Government Department Services	9.Social Services & Facilities 9.1.Government Department Services
10.Education and Library Services 10.1.Need for bursaries to pursue post matric/tertiary education 10.2.Need for library	10.Education and Library Services 10.1.Need for bursaries to pursue post matric/tertiary education 10.2.Need for library	10.Education and Library Services 10.1.Need for bursaries to pursue post matric/tertiary education 10.2.Need for library
11.Environmental Issues 11.1.Waste Management Efficiency	11.Environmental Issues 11.1.Waste Management Efficiency	11.Environmental Issues 11.1.Waste Management Efficiency

From these priorities identified above, Council went on to identify the top 10 most important issues that need to be given immediate attention. Those issues are:

1. Housing
2. Road and Storm Water Infrastructure
3. Electricity
4. Water Infrastructure
5. Landfill Site
6. Reticulation connection of 500 households to the sewer network
7. Services (Water, Sanitation & electricity) at Die Erwe.
8. Technical Resources (TLB, Tipper Truck, Fire Truck etc.)
9. Traffic Testing Ground
10. Upgrading of the Caravan Park

3.7. CHALLENGES CONFRONTING THE MUNICIPALITY: CATEGORISED AS EXTERNAL AND INTERNAL

External

- High rate of unemployment mostly amongst youth
- Housing need
- Land need for human settlement, social and economic development
- Dolomitic nature of the area constrains development
- Growing informal settlements caused by lack of suitable land

- Low payment culture of municipal services (resulting in cash flow problems)
- Poor roads infrastructure
- Lack of recreational facilities
- Vandalism of public facilities or assets
- Funding need to address service delivery backlogs
- Need for sports and recreational facilities
- Social cohesion, need to have integrated settlement not define by racial groups

3.7.1. Internal (Institutional)

- Poor financial status and revenue generation failure
- Implementation of Performance Management effectively for Non -MSA section 56-57
- Quality of reporting
- Ineffective infrastructure maintenance
- Lack of equipment’s to ensure effective maintenance
- Reliance of external service provider(s) to compile AFS
- Un-purified ratepayer’s data
- Billing system ineffectiveness

3.7.1.1. Issues raised from different wards

After several engagements with representatives from different wards, the following wish list projects were identified and some of them were issued raised by communities, and they are as follows:

<p>WARD 1</p> <ul style="list-style-type: none"> • Recruitment of locals by the mines • Youth unemployment • Dysfunctional highmast lights • Skills audit of entire Municipal area • Lack of patient transportation • Public toilets around Spar • Exploitation of workers by contractors • Education of municipal by-laws • Catering opportunities be given to the unemployed 	<p>WARD 2</p> <ul style="list-style-type: none"> • Housing (for those who don’t have stands and infill stands) • Illegal waste heaps • Training and development for SMMEs • Water meters (monitoring of meter readers, ward committee member to verify readings when meter readers take the meter readings) • Taps in the Landbou Erwe • Fixing of streets
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<ul style="list-style-type: none"> • Shelter at the Idwala Lime 4 way which is currently being utilized as an informal taxi rank • Support for SMMEs • Dolomite Risk Management • Refurbishment of Tlhakatlou Hall • Extension of times for Mobile Clinic • Blocking of electricity • Supply of electricity directly from Eskom 	<ul style="list-style-type: none"> • Public Participation for Integrated Transport Plan
<p>WARD 3</p> <ul style="list-style-type: none"> • Housing (for those who don't have stands, infill stands and temporary houses) • Removal of bucket at Sewage pump station • Public toilets in town • Customer Care • Gravel road utilised by trucks • Non-reading of water meters • Illegal waste heaps 	<p>WARD 4 (Mining Town)</p> <ul style="list-style-type: none"> • Expensive electricity charges for those who bought houses from the mine. • Houses (Low cost and middle income) • Unemployment • Support of SMMEs by the mines • No compensation for mine injuries • Land for farming • Red Stone's procurement processes • Installation of water meters and billing of water • Fixing of Asbestos roof in Shaleje

3.7.1.1.1. Cross cutting/Transversal issues

The following issues were identified as cross cutting or transversal in respect of all other 4 municipal wards as follows:

- Infrastructure
- Upgrading of Electricity
- Sanitation (Sewer, Communal toilet facilities)
- Maintenance of road infrastructure
- Maintenance of water network infrastructure
- Implementation of sewer connection to bulk infrastructure
- Enhancement of municipal visibility i.e. entrances

- Traffic testing facilities
- Fire station (SLA with Idwala)
- Future sustainability of the municipality

SERVICE DELIVERY INFORMATION		
NO	DESCRIPTION	AMOUNT
1	TOTAL NUMBER OF HOUSEHOLDS	5296
2	NUMBER OF HOUSEHOLDS BILLED WITH ACCESS TO WATER	3045
3	NUMBER OF HOUSEHOLDS BILLED WITH ACCESS TO ELECTRICITY	3574
4	NUMBER OF HOUSEHOLD BILLED WITH ACCESS TO REFUSE REMOVAL	2795
5	NUMBER OF HOUSEHOLD BILLED WITH ACCESS TO SANITATION	3137

COMPONENT C: LIBRARY & COMMUNITY FACILITIES

3.8. LIBRARY & COMMUNITY FACILITIES

3.8.1. Overall Goal and Purpose of the grant

The overall goal of this conditional grant is to enable the Northern Cape society to gain access to knowledge and information that will improve their socio- economic situation. Its purpose is to have transformed urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalized programme at local government level in the Northern Cape.

AND WHEREAS “libraries other than national libraries” is a Schedule 5, Part A of the Constitution of the Republic of South Africa, 1996, function

AND WHEREAS the different spheres of government have a constitutional obligation to support one another in the exercise of their powers and the performance of their functions;

AND WHEREAS the department has received funding from the National Government of South Africa for the funding of community libraries

3.8.2 LIBRARY TRANSFORMATION AND DEVELOPMENT GRANT

Municipality	Funding year	Date submitted
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KGATELOPELE	2018/2019	JUNE 2019
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OBJECTIVE:

To transform community library services by strengthening the capacity of municipalities to improve the quality of community library services delivered at the local sphere government.

GRANT OUTCOMES:

1. To obtain the stated objective the following outcomes are identified and should be achieved:
- 2.
3. Improved coordination and collaboration between the provincial and local governments with regard to the provision of library services through library development projects and activities;
4. Improved library infrastructure and services that reflect the specific needs of the communities it serves; and
5. Improved staff capacity at urban and rural libraries to appropriately respond to community knowledge and information needs.
6. To achieve the stated objective and to obtain the desired outcomes, the business plan should be aligned with the conditions of the signed Memorandum of Agreement.
7. In terms of the conditions of the Memorandum of Agreement the following service delivery criteria should be used to transform libraries from mere book repositories to community-based centres that are pro-active and responsive to the needs of its communities.
8. Business plans should include one or more of these identified service delivery criteria to accelerate the process of transforming community libraries to centres of excellence sensitive to the needs of the community and providing a quality library and information service
9. The specific stated service delivery criteria are confined to the following activities/ projects/ programmes:

1. APPOINTMENT OF STAFF

- Provision is made for a staff subsidy for permanently employed library staff appointed by the Municipality and who is on the municipal organogram/budget
- Provision must be made for additional staff required.

2. TRAINING AND DEVELOPMENT OF LIBRARY STAFF TO IMPROVE CAPACITY

- Provision must be made for all expenses including transport and accommodation costs for training facilitated by the Provincial Library Service e.g. Day Seminars, short courses, in-service training, conferences, and formal study opportunities at accredited Institutions of Higher Learning, etc.

3. SERVICES TO RURAL AND PREVIOUSLY DISADVANTAGED AREAS

- Outreach and Extension services e.g. Mobile Book Box Services, Depot Services, Book Loan Services to be included.
- The purchase of a suitable vehicle to support the service to outlying rural areas can be included here.

4. INFRASTRUCTURE DEVELOPMENT/IMPROVING LIBRARY FACILITIES AND FITTINGS.

- Infrastructure developments to be consulted with District librarian, who must make an assessment and make a recommendation to the Head of Provincial Library Services, who must give prior approval for any infrastructure projects.
- Where such approval is granted, the tender processes of the municipality must be followed.
- Documentation regarding tender processes followed and concluded to be submitted to the Provincial Library Services via the District Librarian.
- Security of buildings to be included here
- Maintenance of building, revamping the image of the library, purchase of additional shelves, trolleys and issue trays can be included here.

Specific details of planned activities and purchases to be included in the business plan

5. SERVICES TO ILLITERATE

Literacy Classes

Structured Reading Development programs.

6. PROGRAMS TARGETING TEENAGERS

- A schedule of programs and planned activity must be included in the business plan.

7. INFORMATION COMMUNICATION TECHNOLOGY

- Replacement of hardware and software may be included.
- No hardware or software to be purchased without the approval of Provincial Library Service.
- No Library Automation to be done without consultation and prior approval of the Provincial Library Service.

8. PROGRAMS PROMOTING READING AND LIBRARY USAGE

- A complete schedule of programs and planned activity must be included in the business plan.
- Where possible, costing must be provided for planned programs and activities.

9. APPOINTMENT OF LIBRARY STAFF

- Additional staff e.g., Full time or Part time, may be appointed.
- Particulars of all new appointees to be provided to the Provincial Library Service upon appointment.
- Appointment of skilled and trained security personnel to be included here.
- Where possible, appointments to be made in consultation with the Provincial Library Service via the District Librarian.

10. COMMUNITY DEVELOPMENT PROGRAMS

- Programs co-ordinated by the library and held at the library can be included here.
- A schedule of programs and planned activities must be included in the business plan.

11. CONSUMABLE ITEMS

Administrative support, Support for ICT Services, programs, displays, cleaning materials to be included.

TO PROMOTE A CULTURE OF READING AND LEARNING

SERVICES RENDERED:

- Circulation of Library Material
- Toy library
- Short loans

- Block Loans
- Reference Services
- Photocopy facilities
- Reading awareness campaigns
- Current Awareness
- Outreach Programme
- Information Communication Technology
 - ICT Infrastructure
 - Public Internet Access
 - Mzansi Libraries Online

3.8.2 OPERATIONAL BUDGET

Staff Salaries	Full time staff Senior Librarian 1 Library assistant 1 Library assistant 1 Cleaner 1 General Worker	R655 000	Kgatelopele library staff
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3.8.3 SERVICE STATISTICS -KGATELOPELE LIBRARY

TYPES OF SERVICES RENDERD	2018/2019
Number of Books circulated	5712
Outreach Programs Held	0
Internet Access	4051
New Membership	152
Monthly Display	Monthly Basis 10 displays

COMPONENT D: CEMETERIES AND SOCIAL PROGRAMMES

3.9 CEMETERIES AND CREMATORIUMS

a) Number of Cemeteries in the municipal area

- 1 in Kuilsville
- 1 in Tlhakalatlou
- 1 in Daniëlskuil

b) There is no Crematoriums in the Municipal area.

c) Maintenance and management are done by the Municipality through the Operation and Maintenance Budget. As part of supporting indigent households, the municipality allocates graves for free to the latter households.

d) There were infrastructure needs at the cemetery i.e. ablution facilities and water, and the Municipality through Expanded Public Works Programme managed to provide ablution facility for both Ward 1 & 2.

COMPONENT E: SOCIAL PROGRAMMES

3.10. COMMENTS ON SOCIAL PROGRAMMES

Skills development of youth

- Accessibility of computer training provided by mines for local youth in particular matriculants sitting at home, so as to meet the employment requirements.
- Improvement: Information dissemination by mines on training opportunities to the communities.

COMPONENT F: SPORTS AND RECREATION

3.11 Sports & Recreation

- Sports Ground (Soccer Field) is managed and maintained by the local school.
- Renovation of Kuilsville Swimming Pool (Phase1) is complete and the opening is awaiting the completion of the Hall which is phase 2 of the project.

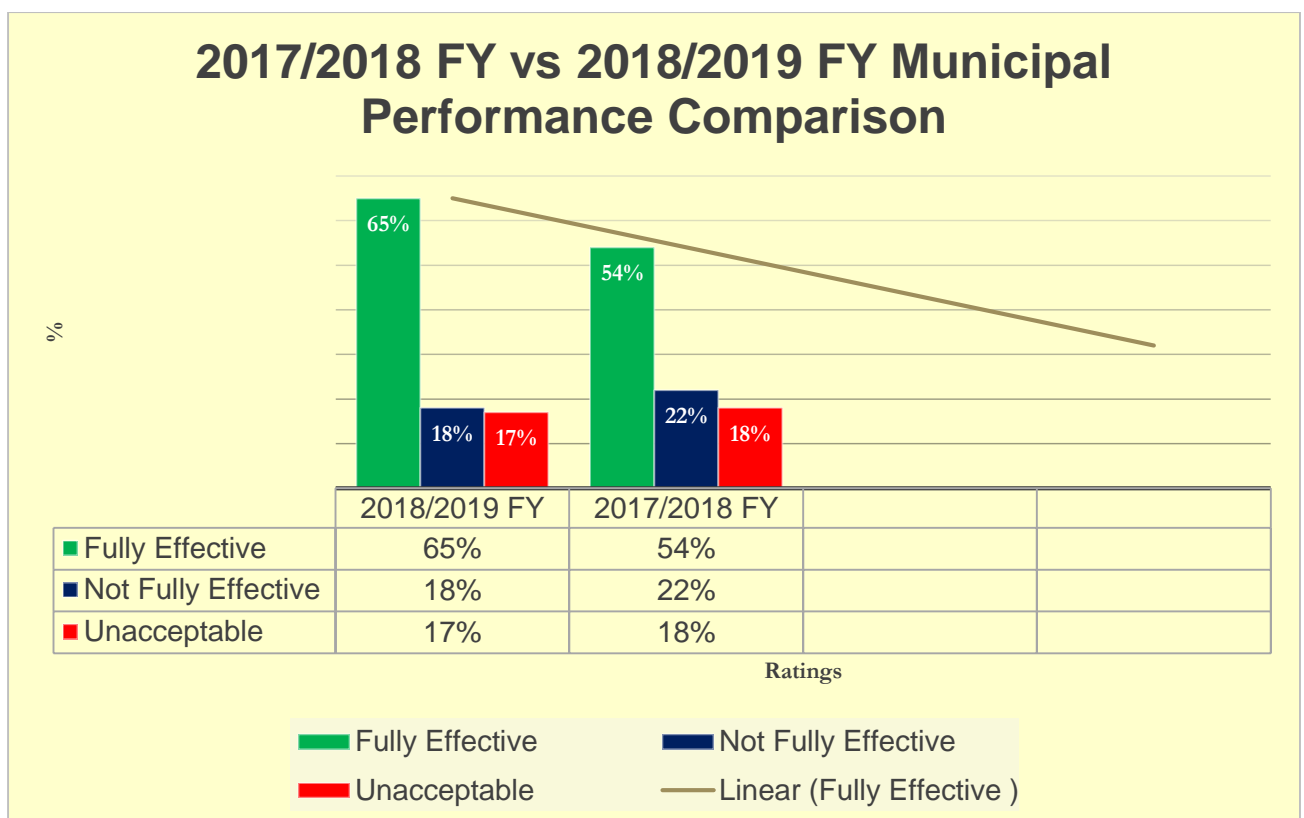
CHAPTER 4

COMPONENT A: ORGANISATIONAL DEVELOPMENT PERFORMANCE MANAGEMENT SYSTEM

4.1 PERFORMANCE MANAGEMENT SYSTEM (PMS)

The municipality has translated the national key performance areas into strategic objectives. These strategic objectives assisted the institution to refocus in achieving the developmental agenda. Performance Management System is the key element in ensuring implementation and realisation of the Integrated Development Plan. The year under review realised an increase of 11% on the institutional performance, where 2017/2018 performance was at 54% in relation to the 65% in 2018/2019. The Municipality has taken a posture to implement performance management system and promote a performance orientated organizational culture.

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of SDBIP outcomes. This report provide strategic achievement of the municipality, in terms of the strategic intent and deliverables achieved as stated in the approved SDBIP. The Top Layer SDBIP is the municipality's operational plan and shows the alignment between the different documents (IDP, Budget and Performance Agreements). The following figure 2 depicts Municipal Annual Performance for 2018/2019 financial year.



Refer to Annexure – A for Audited Annual Performance Report 2018/2019 Financial Year

COMPONENT B: PLANNING AND DEVELOPMENT

4.2. HOUSING & TOWN PLANNING

4.2.1 HOUSING

BACKGROUND

The Housing Section of the Kgatelopele Local Municipality is entrusted with overseeing the facilitation of integrated human settlements, management of informal settlements and ensuring security of tenure by facilitating the issuing of Title Deeds and identification of suitable land parcels for human settlement. However, state subsidy/social housing programmes and projects are managed in conjunction with the District Municipality as the accredited authority.

The following housing programmes are currently being prioritised by the Kgatelopele Local Municipality:

- Sustainable Human Settlements
- Provision of essential services
- Social Housing
- Rural Development; and
- Housing consumer education programs

The Municipality's housing initiatives are aligned with the Provincial Agenda, which is in turn based on the sustainable Human Settlement Plan adopted by National Government in 2004.

RECENT AND CURRENT PROJECTS

A high-level countrywide report by the Council for Geoscience identified Daniëlskuil as a dolomite risk area. It further recommended that all new development in Daniëlskuil should be subjected to dolomite stability investigation. The National Home Builders Registration Council (NHBRC) also put stringent requirements regarding the construction of houses in Daniëlskuil. It is against this backdrop that, between 2015 and 2018, the main human settlement related funding from the Department of Co-operative Governance, Human Settlements & Traditional Affairs (CoGHSTA) was for dolomite stability investigations covering six sites with a combined area of 622.62 hectares. Of this extent, 81.62 hectares were covered during the 2016/17 financial year while 541 hectares were covered during the 2017/18 financial year. The purpose of these studies was to establishment allowable development type on each land parcel for human settlement development, especially the much-needed low-cost or state subsidy housing.

The 2016/17 site-specific investigations did not yield positive results as most of the land was found to be dolomitic with dolomite category D4, which is not suitable for housing development in terms of SANS 1936-3. The pockets of dolomite category D3 would be developable subject to precautionary measures in addition to those pertaining to the prevention of concentrated ingress of water into the ground. In terms of the settlement development feasibility reports, the

development of dolomite category D3 proved to be very expensive and challenging; thus, not viable considering the human and financial resources constraint.

In the wake of this, three more sites were identified for further dolomite stability investigations. However, only one site owned by the National Government, with an extent of 252.7 hectares was found to be non-dolomitic. The Municipality together with the CoGHSTA and Housing Development Agency are engaging the Department of Public Works and Infrastructure for the realisation of the non-dolomitic site. Furthermore, the Municipality has also benefited from the Mining Towns: Human Settlement Development Grant to the tune of R 20 860 000.00. These funds will cover the acquisition of land, provision of temporary shelter and services, and other incidental matters.

As part of the accreditation, the district is mandated to conduct Housing Consumer Education to all the state subsidy beneficiaries on a quarterly basis. However, only two (2) housing consumer education sessions were held during the 2018/19 financial year. As outlined above, this unit is also responsible for sustainable human settlement planning and ensuring security of tenure, which encompasses the assessment of applications for stands, and making appropriate recommendations to the Asset Disposal Committee for consideration. Forty-six (46) applications were received during the period under review with forty-three (43) being for residential purpose and the rest for business and religious purposes.

NATIONAL HOUSING NEEDS REGISTER DATABASE

The National Housing Needs Register (NHNR) initiative was introduced by the National Department of Human Settlements as a new approach to the management of housing needs registers (commonly known as waiting lists), and more specifically, the way in which housing opportunities created by the government are to be allocated. It is designed to measure the actual housing need, as well as serve as a source of information to be used in the process of the allocation of housing opportunities that have been created.

Even though relevant officials from the Municipality have attended NHNR training, it is only the District Municipality that is accredited to capture NHNR questionnaires in the system. Therefore, the role of Kgatelopele is to distribute NHNR forms to clients and handover completed forms to the district for capturing. In terms of the National Housing Needs Register database, the number of people that have registered their need for housing in Kgatelopele is sitting at 3623 as of June 2019, thus, only four (4) new questionnaires were captured during the period under review which is way fewer than the number of forms that were distributed.

4.2.2 TOWN PLANNING

BACKGROUND

The Town Planning Unit is responsible for the management of the key performance areas associated with the spatial planning and land use management aspect of development planning and control. The Unit is the custodian of the following tools:

- Land Use Management By-law, 2019;
- Land Use Scheme, 2019;
- Spatial Development Framework, 2019;
- Manual for the Land Use Scheme and Application Procedures for Land Use Control Applications, 2019
- Advertising Signs By-law, 2017; and
- Dolomite Risk Management Policy, 2016.

COMPLIANCE WITH SPLUMA

As required by Section 35(1) of the Spatial Planning and Land Use Management Act (Act No. 16 of 2013), the municipality has a functional Municipal Planning Tribunal in the form of a joint structure with the Kai! Garib Local Municipality, Tsantsabane Local Municipality and !Kheis Local Municipality while the ZF Mgcawu District Municipality provides administrative assistance. Its meetings take place in Upington at the offices of the District Municipality subject to receipt of applications. While it is not mandatory, the Municipality also appointed the Town Planning Official as the Authorised Official to consider Category-B applications in line with Section 35(2) of SPLUMA. The Municipality also has a Land Use Management By-law adopted and gazetted in March 2019.

Furthermore, the Municipality adopted a Spatial Development Framework and Land Use Scheme on 27 March 2019 and implementation commenced on 01 July 2019. Kgatelopele Municipality has a plenary Council as defined under Section 7(c) of Municipal Structures Act (Act No. 117 of 1998 as amended), thus, the whole Council would ordinarily serve as the Appeals Authority. However, Council has, on 27 March 2019, delegated the Technical and Commonage Committee to serve as an Appeal Authority from 01 July 2019.

LAND USE AND DEVELOPMENT APPLICATIONS

The Municipality received eleven (11) land use and development applications during the 2018/19 financial year. Furthermore, there were numerous pre-application consultations by property owners. The disparity between the number of applications received and consultations attended to is a huge concern, as it might be one of the main reasons for illegal land use and development prevalence within the municipality.

DISSEMINATION OF ZONING INFORMATION

Thirty-eight (38) zoning certificates were issued during the 2018/19 financial year at R 109.88 per copy while three (3) zoning maps were issued at the same cost per copy.

Building Plans

The town planning unit is also responsible for providing land use related recommendations regarding the approval of building plans based on the provisions of the land use scheme. Thus, twenty-nine (29) building plans were assessed during the period under review and eighteen (18) were recommended for approval.

Outdoor advertising applications

This function is regulated by the Advertising Signs by-law, published on the provincial gazette on 17 April 2017. No outdoor advertising applications were received during the 2018/2019 financial year.

TOWN PLANNING AND HUMAN SETTLEMENT PLANNING CHALLENGES

- Non-submission of land use and development applications by property owners.
- Increase in illegal land usage and informal settlement, which the Municipality tries to mitigate by issuing contravention notices and levying of transgression fees. The newly adopted Land Use Scheme and Application Manual provide guidance on how to address contraventions.
- The dolomitic condition of the municipality is proving to be a huge setback to the Municipality's developmental vision as it is determining factor on how and where development should take place in space. Thus, more efforts and funds need to be channeled towards dolomite management and the identification of land that is suitable for sustainable human settlement. It is also of paramount importance for the Municipality to undertake dolomite stability investigations in the built-up areas to ensure effective dolomite risk management.
- The absence of a Housing Officer is also affecting the effectiveness of efforts currently put towards development control and housing provision.

5. SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The MFMA section 69 (a) requires that municipalities prepare a Service Delivery and Budget Implementation Plan as a strategic financial management tool to ensure that budgetary decisions that are adopted by municipalities for the financial year are aligned with their Integrated Development Plan Strategy.

Service delivery and budget implementation plan means a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate-

- (i) Revenue to be collected, by source
- (ii) Operational and capital expenditure, by vote
- (b) Service delivery targets and performance indicators for each quarter
- (c) Any other matters that may be prescribed, and includes any revisions of such plan by the mayor in terms of section 54(1)

In terms of Section 53 (3) of the Municipal Finance Management Act (MFMA) No. 56 of 2003. The mayor must ensure-

- (a) that the revenue and expenditure projections for each month and the service delivery targets and performance indicators for each quarter, as set out in the service delivery and budget implementation plan, are made public no later than 14 days after the approval of the service delivery and budget implementation plan
- (b) that the performance agreements of the municipal manager, senior managers and any other categories of officials as may be prescribed, are made public no later than 14 days after the approval of the municipality's service delivery and budget implementation plan. Copies of such performance agreements must be submitted to the council and the MEC for local government in the province.

6. SKILLS DEVELOPMENT

6.1 SKILLS DEVELOPMENT AND TRAINING

The Workplace Skills Plan and Annual Training Report were submitted on the 30 April 2019 to LGSETA to ensure the municipality reports the Annual Training of 2017/2018 on the education and training interventions that were delivered in the previous year and also consists of all **training** attendance registers, proof of expenditure, training providers used and the purpose of the Workskills plan for 2018/2019 is based on the skills needs of the organisation at large that serves to put in place the training requirements of the municipality and the amount of funding needed in terms of the upcoming year 2018/2019. The table below indicates the trainings provided for the period under review.

Ongoing Trainings

Course name	Course date		Participant Details		
	Start	End	Name	Department	Occupation
Certificate in Municipal Finance	04 February 2019	Ongoing	Refilwe Olyn	Corporate service	Senior Admin/head of corporate service
Municipal Finance Management Program	04 February 2019	Ongoing	Leonard Coakley	Budget& Treasury Office	Deputy CFO
Municipal Finance Management Program	04 February 2019	Ongoing	Thulaganyo Barnett	Technical& Community Services	Technical Manager
Municipal Finance Management Program	04 February 2019	Ongoing	Manase Jacobs	Office of the Municipal Manager	Senior Internal Audit

Skills Programs from July 2018 till June 2019

<u>Course Name</u>	Course Start date	Course End date	Name of Employee	Department	Occupation
1. Electrical Course N4	September 2018	Ongoing	Katlego Moseki	Technical & Community Services	General Worker Electrical

Training/ WORKSHOP Attendance JULY 2017 TILL JUNE 2018

Corporate Service

Course Name	Course Date		Name	Occupation
	Start	End		
1. Computer Training	16 July 2018	20 July 2018	Vinolia Kgaolang-	Access Controller
2. Computer Training	16 July 2018	20 July 2018	Leentjie Tlankanyane	Cleaner
3. CCMA Training	23 August 2018	24 August 2018	Refilwe Olyn	Senior Administration & Compliance Officer
4. CCMA Training	23 August 2018	24 August 2018	Maricia Pienaar	Skill Development Facilitator
5. Computer Training	13 August 2018	17 August 2018	Sibongile Mqobele	Cleaner
6. Advanced report writing, minute taking and records management	22 August 2018	24 August 2018	Wandy Maseng	Administration Officer
7. Records Managers Course	18 September 2018	21 September 2018	Mercia Horing	Records Management Officer

8. Effective Negotiation Workshop	26 September 2018	28 September 2018	Refilwe Olyn	Senior Administration & Compliance Officer
9. ISO 45001: 2018 Occupational Health & Safety Management Systems Implementation	26 July 2018	27 July 2018	Refilwe Olyn	Senior Administration & Compliance Officer

Budget & Treasury Office

Course Name	Course Date		Name	Occupation
	Start	End		
Advanced report writing, minute taking and records management	22 August 2018	24 August 2018	Marieta Louw	Secretary of the CFO
Computer Training	16 July 2018	20 July 2018	M.Kaelo	Meter Reader
Computer Training	16 July 2018	20 July 2018	Jafta Henry	Meter Reader
Computer Training	16 July 2018	20 July 2018	Willemina Boer	Debtors Officer
Computer Training	16 July 2018	20 July 2018	Constance Maseng	Cashier
Computer Training	13 August 2018	17 August 2018	Elrico Haai	Meter Reader
Computer Training	13 August 2018	17 August 2018	Nomayeza Tshazibane	Cashier

Office of the Municipal Manager

Course Name	Course Date		Name	Occupation
	Start	End		
1. Advanced report writing, minute taking and records management	22 August 2018	24 August 2018	Jessica Koza	Secretary of the Municipal Manager
2. ISO 45001: 2018 Occupational Health & Safety Management Systems Implementation	26 July 2018	27 July 2018	Monde January	Municipal Manager

Technical & Community Services

Course Name	Course Date		Name	Occupation
	Start	End		
3. Advanced report writing, minute taking and records management	22 August 2018	24 August 2018	Elzette Bezuidenhout	Secretary of the Technical Manager
4. Computer Training	16 July 2018	20 July 2018	Itumeleng Rooibaadjie	General Worker
5. Computer Training	16 July 2018	20 July 2018	Joline Oor	Library Cleaner
6. Computer Training	16 July 2018	20 July 2018	Phonono Malgas	Senior Electrician

7. Computer Training	16 July 2018	20 July 2018	Riaan Oppel	Fitter & Turner
8. Computer Training	16 July 2018	20 July 2018	Aubrey Pholo	General Worker Oxidation
9. Computer Training	13 August 2018	17 August 2018	Samuel Banda	Electrician
10. Computer Training	13 August 2018	17 August 2018	Katlego Moseki	General Worker Electrical
11. Computer Training	13 August 2018	17 August 2018	George Eland	Plumber
12. Computer Training	13 August 2018	17 August 2018	Klaas Kruger	Driver
13. Computer Training	13 August 2018	17 August 2018	Leon Visagie	Driver
14. Computer Training	13 August 2018	17 August 2018	Richard Barnard	General Worker
15. Computer Training	13 August 2018	17 August 2018	George Joseph	General Worker
16. Computer Training	13 August 2018	17 August 2018	Alastachia Van Wyk	General Worker
17. Mainstreaming Climate Change	06 September 2018	07 September 2018	Magrietha Davids	Waste Management Supervisor
18. Records Managers Course	18 September 2018	21 September 2018	Sheila Lekhobo	Records Controller
19. MiG-MIS Training	08 October 2018	12 October 2018	Elzette Bezuidenhout	Technical Manager's Secretary
20. MiG-MIS Training	08 October 2018	12 October 2018	Katlego Mokgalagadi	Project Technician/Building Inspector

7. RECRUITMENT: POST AND QUALIFICATION

The Council approved the reviewed Organisational Structure for 2018/2019 planning for 2019/2020 to ensure compliance with legislative prescripts on organizational performance is managed & evaluated through the SDBIP.

7.1 The following posts were filled 2018/2019

Name and Surname	Appointment Date	Position	Qualifications
F.T. Moruti	01/08/2018	General Worker: Waste & Refuse Collection	Human Resource N4 and N5
B.S Jacobs	01/08/2018	General Worker: Waste & Refuse Collection	Grade 11
Zelna Rooibaadjie	01/08/2018	General Worker: Waste & Refuse Collection	Grade 12
C. Jacobs	01/08/2018	General Worker: Waste & Refuse Collection	Grade 11
P.S Abrams	01/08/2018	General Worker: Waste & Refuse Collection	Grade 10
E.R. Danster	01/08/2018	General Worker: Waste & Refuse Collection	Grade 12
O.C. Rooibaadtjie	01/08/2018	General Worker: Waste & Refuse Collection	Grade 12

Name and Surname	Appointment Date	Position	Qualifications
K. Baadjie	01/08/2018	General Worker: Waste & Refuse Collection	Grade 11
J. Witbooi	01/08/2018	General Worker: Waste & Refuse Collection	Certificate in Banking
D.D Baaitjie	01/08/2018	General Worker: Waste & Refuse Collection	Grade 9
M.R Seroka	02/07/2018	Intern Process Controller	Bachelor of Science in Community Water Services and Sanitation.
T.A. Barnett	01/08/2018	Technical & Community Services Manager	Diploma in Civil Engineering
K.I. Moemedi	01/11/2018	Finance Intern	N4-N6 Financial Management
T.A.D. Modise	01/02/2019	Assets & Logistics Management Officer	*Certificate in end user computing *Certificate in Information Technology *Skills certificate in Network Technician
C. Mosalakae	01/11/2018	Finance Intern	N4-N6 Financial Management
M.V. Jacobs	01/10/2018	Senior Internal Auditor	Bachelor Degree in Accounting
S.I. Sanane	01/11/2018	Risk Management Officer	Bachelor of Science in Economics
D.K. Mokgalagadi	01/09/2018	Project Technician/Building Inspector	National Diploma in Building
C.N. Maibiri	03/06/2019	Corporate Administrator	Bachelor of Commerce in Information System

8. EMPLOYEES WHO LEFT THE INSTITUTION

A total of 5 employees left the institution on the following grounds for the period under review:

Name	Department	Reason for leaving	Position
Mr. S. Mqobele	Corporate Service	Deceased	General worker cleaner
Ms. E. Bezuidenhout	Technical & Community Service	Resigned	Technical & Community service Mangers Secretary
Mrs. M. Seope	Technical & Community Service	Resigned	Senior Librarian
Mr. M.G. Leutlwtse	Corporate Service	Dismissed	Human Resource Officer
Mr. A. A. Willemse	Technical & Community Service	Deceased	General Worker Parks & Garden

9. POSTS ADVERTISED

Post (Internally/Externally)	Department	Date of Advert
Senior Internal Audit (Externally)	Office of the Municipal Manager	25/07/2018
Risk Management officer (Externally)	Office of the Municipal Manager	25/07/2018
Assets & Logistics Officer (Externally)	Budget & Treasury office	25/07/2018
General Worker: Waste & Refuse Collection (Internally)	Technical	21 /01/2019
Financial Internship x3(Externally)	Budget & Treasury office	25/07/2018
Hall Caretaker (Externally)	Technical & community Services	21/01/2019

10. Job Evaluation

Job evaluation process is ongoing, Job descriptions has been developed for employees who did not had Job Description as its part of the Job Description Process, employees will capacitated on Job Evaluation Training.

11. TRAFFIC AND LICENSING

TRAFFIC & LICENSING ANNUAL REPORT: 2018/2019

KEY PERFORMANCE AREAS	STATUS	PROGRESS OF TRANSACTIONS	CHALLENGES	RECOMMENDATION
Motor Vehicle Registering Authority	Motor Registration	545 @R70 750.20	Delay at the Provincial Helpdesk with regards to the issuing of duplicate registration certificates because of shortage of personnel. The decision by the Department to take licensing services to the Post Office has dented the revenue collection by the unit.	An additional eNaTIS Clerk be appointed as guided by the vacancy in the Organogram. This will help address the issue of service delivery should the current not be available due to annual or sick leave.
	Licensing	1952 @ R779 152.40		
	Permits	100@R14 917		
	Infringement	32@ R9 705		
	Other Transaction	118@R20 566		
	<u>TOTAL</u>	<u>2747 @</u> <u>R895 090.60</u>		
	Driving Licences			
Driving Licence Testing Center	-Renewal	690@R88 695	Eye tests for PrDP's, Driving and Learner's Licences are only conducted on Mondays and Wednesdays which creates a	Non-testing days like Tuesday, Thursday and Friday should be utilized to
	-Temporary	404@R22 857		

	Learner's Licences -Application -Issuing -Duplicates PrDP <u>TOTAL</u>	619@R35 283 362@R20 634 7 @R 285 150@R10 800 <u>2232</u> <u>@ R178 554</u>	challenge for other clients who are working.	accommodate other clients as this will help deal with the long queues on testing days. A secondary LEU machine to be installed by Dept. of Transport as a backup for the current one.
R.A and DLTC Non-Fee Transactions	Driver and Vehicle Transaction Queries	5228	These are the transactions which use a lot of paper for printing. Using cartridges which are not original is a risks should there be a technical problem with the eNaTIS.	It is recommended that we minimize the use of paper by writing the quotes of clients on their forms. Original cartridges that should be used protects the warranty and increases the lifespan of the machine.
KTS PROJECT	Speed Cameras	The operation of the speed cameras finally took place after a long struggle with paperwork from the Office of the Provincial Directorate of Public Prosecutions (DPP).	The rollout of the project was hit by technicalities like poor operational planning, resources and documentation which regards to the H1 transactions which the Department ultimately approved. Because of the aforementioned transactions, almost all the summonses issued during the past festive season could not be placed on the roll for prosecution. Not all routes identified and applied for were approved by the DPP.	Proper planning and targets should be adhered to by both the service provider (KTS) and traffic personnel respectively. The fine structure proposed by KTS was not approved by our Regional Magistrate. It is thus recommended that we stick to our current fine structure and rather increase our cases from 200 to 300 per day. Should KTS use their proposed fine structure, we run the risk of all the cases being removed from the court roll. Clients/ offenders be advised to pay all traffic fines directly in the newly

				allocated Bank Account and that reconciliation of fines be made on a weekly basis by Finance: Income official.
Traffic Law Enforcement	Written Traffic Summonses	There is also slow progress in this category with regards to execution of our duties.	Most of the time is spent in the office duties like your PrDP's, Learner's and Driving Licences plus administrative duties for R.A and DLTC tasks. Not being disciplined, punctual and non-reporting for duty as the case may be due to sick leave or absenteeism, crucial time for law enforcement is being lost.	Law enforcement should be our primary focus and priority as indicated in our respective appointments as traffic officers, all other duties are secondary to this. Resources like traffic vehicle and uniform should be sorted out timeously and not treated as an emergency to avoid any future mishaps. Engagement with the Manager of the Court is crucial to iron out the issue of all monies not yet paid over to the Municipality's account.

11.1. COLLISIONS/ CRASHES

DANIELSKUIL

URBAN AREA	RURAL AREA	HUMAN ERROR	MECHANICAL FAULT	ROAD INFRASTRUCTURE	WEATHER	FATAL INJURIES	SERIOUS INJURIES	SLIGHT INJURIES
50	53	86	3	12	2	4	25	32

LIME ACRES

URBAN AREA	RURAL AREA	HUMAN ERROR	MECHANICAL FAULT	ROAD INFRASTRUCTURE	WEATHER	FATAL INJURIES	SERIOUS INJURIES	SLIGHT INJURIES
31	20	40	2	9	0	1	10	16

12. Employee Remuneration Table 2018/2019

7.36% Increase W.E.F 1 July

LEVEL	T 1	T 2	T 3	T 4	T 5	T 6	T 7	T 8	T 9	T 10
1	87886	89996	92148	94368	103750	122941	148088	166743	187724	211344
2	89996	92148	94368	96631	106254	125436	151648	170741	192229	216419
3	92148	94368	96631	98959	108803	128445	155273	174827	196843	222626
4	0	96631	98959	101333	111417	131522	159008	179024	201567	226944
5	0	98959	101333	103750	114076	134685	162831	183330	206401	232393
6	0	0	103750	106254	116822	137916	166743	187724	211344	237974
7	0	0	106254	108803	119634	141233	170741	192229	216419	243664
8	0	0	108803	111417	122491	144616	174827	196843	221626	249531
9	0	0	0	114076	125436	148088	179024	201567	226944	255507
10	0	0	0	116822	128445	151648	183330	206401	232393	261637
11	0	0	0	119634	131522	155273	187724	211344	237974	267921
12	0	0	0	0	134685	159008	192229	216419	243664	274359

LEVEL	T 11	T 12	T 13	T 14	T 15	T 16	T 17	T 18	T 19
1	249531	294572	331661	373406	450511	484714	585981	675603	725413
2	255507	301647	339637	382370	440859	496359	600043	691818	742836
3	261637	308898	347787	391554	451427	508268	614456	708407	760654
4	267921	316302	356114	400958	462259	520462	629199	725413	778914
5	274359	323904	364662	410582	473355	532963	644294	742836	797611
6	280928	331661	373406	420425	484714	545751	659762	760654	816748
7	287674	339637	382370	430511	496359	558846	675603	778914	836368
8	294572	347787	391554	440859	508268	572249	691818	797611	856429
9	301647	356114	400958	451427	520462	589105	708407	816748	876994
10	308898	364662	410582	462259	532963	600043	725413	836368	898043
11	316302	373406	420425	473355	545751	614456	742836	856429	919597
12	323904	382370	430511	484714	558846	629199	760654	876994	941656

Basic	21 319 926	15 993 635
Bonus	1 443 696	1 095 258
Medical aid - company contributions	1 603 772	1 279 208
UIF	174 918	135 710
SDL		222 526
Other payroll levies		8 828
Leave pay provision charge	394 044	111 662
Group insurance	12 868	11 105
Standby allowances	203 959	183 283
Defined contribution plans	3 208 873	2 505 073
Travel, motor car, accommodation, subsistence and other allowances		77 235
Overtime payments	1 401 786	1 318 636
Long-service awards	135 394	285 580
Acting allowances	-	286 426
Housing benefits and allowances		81 029
Performance Bonus	66 008	-
		11 200
		23 606 394

13 Personnel Expenditure

13.1.1 Remuneration of Municipal Manager: M. January	R
Annual Remuneration	506 954
Performance Bonus	66 008
Travel Allowance	415 095
Contributions to UIF, Medical and Pension Funds	148 995
Re-imburse Travel and Subsistence	23 266
Scarcity Allowance	74 027

Employee related costs	R
Basic	21 319 926
Bonus	1 443 696
Medical aid - company contributions	1 603 772
UIF	174 918
Leave pay provision charge	394 044
Leave pay	53 036
Group life insurance	12 868
Standby allowances	203 959
Cellular and telephone allowance	14 037
Overtime payments	1 401 786
Long-service awards	135 394
Acting allowances	-
Travel allowance	411 453
Housing benefits and other allowance	633 403
Bargaining Council	11 558
Pension contribution	3 208 873
Performance Bonus	66 008
TOTAL	31 088 731
	1 234 345

13.1.2 Remuneration of the Chief Financial Officer: O.N Louw	R
Annual Remuneration	474 655
Travel Allowance	306 803
Scarcity allowance	54 703
Contributions to UIF, Medical and Pension Funds	9 933
Re-imbursive Travel and Subsistence	5 796
	851 890

13.1.3 Remuneration of the Technical Manager: T A Barnett	R
Annual Remuneration	574 022
Travel Allowance	142 316
Scarcity allowance	50 144
Contributions to UIF, Medical and Pension Funds	13 512
Re-imbursive Travel and Subsistence	17 131
	797 125

14. LEGAL MATERS

GENERAL LITIGATION MATTERS		
PARTIES INVOLVED	CASES DETAILS	STATUS / PROGRESS
1. Michael Kotze /KLM (Labour Court matter)	Alleged unfair labour practice. Matter sat in 2016 January with favorable outcome to the municipality with and order as to costs. Costs need to be recovered from Michael Kotze as per court ruling.	Matter was previously discussed with the Municipal Manager during May 2019 therefore a date will be secured for the matter to be heard in the labour court.
2. C A Lottering / KLM and another similar matter (Magistrate's Court matters)	Matter on Electrical Meter Tampering	We appeared at Court on 25 September 2019 and both matters were postponed due to the lack of a court sternographer. The matters will be heard on 22 January 2020 Amount of legal fees paid to our firm to date: R13383.40 Estimated further legal fees: R45000.00 Estimated additional costs (legal fees of opposing party and amounts claimed): to be determined. We are preparing for trial and will provide the Municipal Manager with a report as requested as to the merit so the matter. We will also present the settlement proposal to the opposing attorneys as discussed.
3. EnviroServ Waste Management (Pty) Ltd / KLM (High Court matter)	Dispute of Payment to EnviroServ for Services rendered.	A pre-trial conference was held in September 2019 the minutes of which must still be signed. After the minutes have been signed a trial date will be obtained. We are making all attempts to have this matter declared trial ready as per the Municipal Manager's instructions as to attempt to dispose of the matter. A trial date will in all probability only be obtained for the second part of 2020. Amount of legal fees to date: R10830.00

		<p>Estimated further legal fees: R120000.00</p> <p>Estimated additional costs (legal fees of opposing party and amounts claimed): Rand Zero</p>
4. N Prince/Other Councilors/KLM (High Court matter)	<p>Matter relate to the Vote of No Confidence meeting held 12 October 2017.</p> <p>Applicant, N Prince is challenging the procedures followed on his removal as mayor of KLM.</p>	<p>The Sherrif could not serve the first warrant of execution as it appears that Mr Prince has changed residential addresses. A trace will be put on the current residential address of N Prince.</p> <p>Amount of legal fees paid to our firm to date: R198765.59</p> <p>Estimated additional costs (legal fees of opposing party and amounts claimed): R zero</p>
5.W D Beaton / KLM (Magistrate's Court)	<p>Claim for damages allegedly suffered</p>	<p>We have defended the matter and filed a plea herein. The opposing party has amended its plea and a trail date will be arranged after discovery has taken place. We require certain information which we will convey to you in due course.</p> <p>Amount of legal fees paid to our firm to date: R3881.25</p> <p>Estimated further legal fees: R35000.00</p> <p>Estimated additional costs (legal fees of opposing party and amounts claimed): to be determined</p>
6.Ducharme Consulting (Pty) Ltd	<p>Claim for payment allegedly due</p>	<p>We have defended the matter and are preparing a plea herein.</p> <p>Amount of legal fees paid to our firm to date: R6835.60</p> <p>Estimated further legal fees: R100 000.00</p> <p>Estimated additional costs (legal fees of opposing party and amounts claimed): to be determined</p>

14.1. LABOUR RELATIONS MATTERS

LABOUR COURT MATTERS		
PARTIES	CASE DETAILS	STATUS
1. SAMWU obo Likotsi M and one other	Review and setting aside of arbitration award.	Review application has been filed and served plus the record and all other notices as required have been served. The opposing party does not wish to settle the matter at this point in time. Heads of argument have been filed. A trial date will be obtained from the Registrar of the Labour Court in due course which will in all probability be provided for 2020 date. We are following up the dates on a regular basis with the Registrar of the Labour Court in an attempt to obtain the earliest date possible. Amount of legal fees to date: R64259.50 Estimated further legal fees: R85000.00 Estimated additional costs (legal fees of opposing party and amounts claimed): Rand Zero
2. KGATELOPELE V S. C. NEELS	Matter relates to official being under the influence of alcohol	Neels got a final written warning which will stay for 12 months in his personal file and is now in the process of going to rehabilitation.
3. KGATELOPELE V S. V. MOABI	Matter relates to official playing games on duty during working hours	V. Moabi got a final written warning which will stay in his personal file for 12 months.
4. KGATELOPELE VS. P KAKORA	Matter relates to insubordination	P. Kakora got a final written warning which will stay in his personal file for 12 months
5. KGATELOPELE V S. D.BAAIDJIE	matter relates to insubordination	D. Baaidjie got a final written warning which will stay in his personal file for 12 months.

6. KGATELOPELE V S. J .WITBOOI	Matter relates to insubordination	J. Witbooi got a final written warning which will stay in his personal file for 12 months.
7. KGATELOPELE VS. E .DANSTER	Matter relates to insubordination	E. Danster got a final written warning which will stay in his personal file for 12 months.
8. KGATELOPELE VS . L.A VISAGIE	Matter relates to insubordination	L. A VISAGIE got a final written warning which will stay in his personal file for 12 months.

15. Injury on Duty

Mr. S .J Barnard was the only employee reported and conformed as injured on duty, however the safety and health committee did not receive any matters based on injuries on duty, medical cost is covered by the municipality as Mr Barnard got injured on duty when he was a contract employee at Waste & Collection as a General Worker of the Municipality and injured his left knee while he was collected the waste.

16. Leave Taken 2018/2019

Type of leave	Total number of Leave	Office of the MM	Office of The Mayor	Corporate Services	Budget & Treasury Office	Technical, Infrastructure and Community services
Annual	2180	99	11	316	556	1198
Sick	1963	56	0	418	423	1066
Maternity	405	0	0	62	151	189
Family responsibility	112	15	4	14	33	53
Total	4660	170	15	810	1163	2506

17. Skills Gape Analysis and Development Plans

Work skills Plan analysis and audit was made to all employees within the municipality and it was submitted to LGSETA on the 30 April 2019 for approval and Personnel Development Plan for all employees. It supports all the Trainings and workshops to be attended by the municipal employees for the period of the financial year.

CHAPTER 5 – FINANCIAL PERFORMANCE OF THE MUNICIPALITY

5.1. FINANCIAL OVERVIEW

Details	Original Budget	Adjustment	Actual
Income			
Grants & Donations	23 549 000	23 928 000	70 788 526
Taxes, Levies & Tariffs	60 949 869	62 720 862	50 163 685
Other Income	12 968 077	12 108 494	3 614 479
Sub Total	97 466 946	98 757 356	124 566 690
Less: Expenditure	(97 319 021)	(98 420 017)	(136 973 973)
Net Surplus / (Deficit)	147 925	337 339	(12 407 283)
Transfer recognised - Capital	17 275 000	51 358 941	43 288 463
Less: Capital grant expenditure	(17 275 000)	(51 358 941)	(43 288 463)
Net Surplus / (Deficit) after capital transfers & contributions	147 925	337 339	(12 407 283)

1.2. REVENUE

The Municipality achieved an overall collection rate of 71% (total receipts for services over total billings for services) for the year under review despite the impact of the economy. There has been strict adherence to the Credit Control & Debt Collection Policy and the Rates Policy. Several debt collection strategies have been implemented, such as redline letters and collection of arrears through prepaid electricity system. Total revenue grew by 19% year on year. The major sources of revenue were electricity (17%), property rates (9.5%), grants, subsidies & levies (56.8%), and water (6.2%).

5.2.1. Detailed analysis of Debt recovery for the financial year ending 30 June 2019

Kgatelopele local municipality provides the following municipal services (VAT inclusive):

- Water services starting at R 7.85 per kl
- Electricity services starting at R 1.05 per unit
- Refuse services provided at a cost of R133.33 per month
- Sewerages services provided at a cost of R156.14 per month

Debt recovery is done in line with the municipal approved Credit Control Policy, approved on the 30 May 2018. Municipal services are provided under the framework of this policy, which enables the municipality to restrict services on any municipal service account in arrears for more than 60 days.

Debtors Age Analysis by Customer Group:

Detail	0-30 Days	31-60 Days	61-90 Days	91-120 Days	Older Than 1 Year	Total
Organs of state	65 002	57 163	53 879	51 642	2 674 549	2 902 237
Commercial	849 075	632 833	423 847	385 846	1 645 102	3 936 702
Households	1 834 174	1 454 232	1 299 695	1 147 586	33 917 104	39 652 791
Other		144 075	215 894	568 472	13 805 466	13 326 344
Total	2 748 251	2 288 303	1 993 316	2 153 546	52 042 221	59 818 074

5.3. EXPENDITURE

Total expenditure grew by 15.97% in 2018/19 from the previous financial year.

The Municipality has fully implemented the Municipal Standard Chart of Accounts (mSCOA). mSCOA has assisted the Municipality in terms of developing transparency and expenditure control by introducing uniform expenditure classifications in line with Provincial and National Government, Generally Recognized Accounting Practice (GRAP) and uniform Treasury norms and standards nationally. The Municipality is on track in terms of updating the mSCOA versions as and when new updates from the National Treasury become available.

The annual financial statements and consolidated annual financial statements were timeously produced in terms of the legislative requirements and complied with the relevant accounting standards. The budget was also timeously approved and all legislated requirements and timeframes were met. The biggest costs as a percentage of total expenditure relate to Impairment loss (27.17%), Bulk Purchases (12.65%) and Salaries and Wages (23.27%).

5.3.3. Operating Ratios

	Expected Norm	Actual	Variance
Employee Cost	25 – 40%	23%	17%
Repairs & Maintenance	6 – 8%	2%	6%

5.3.3.1. List of the top 5 Trade Creditors as at 30 June 2019

The municipality had the following top 5 trade creditors at 30 June 2019:

Name	Amount
Department of Transport Safety & Liaison	8 159 406
Eskom	5 772 206
Auditor General of SA	3 819 201
Bytes Universal Solutions	646 642
Cigicell	79 168

The municipality entered into payment arrangements with some of our creditors to repay the outstanding debt over a set period with a set amount.

Refer to Annexure B - Annual Financial Statement 2018/19 for a detailed Financial Performance Report

ANNEXURE A: Audited annual performance report 2018/2019

ANNEXURE B: Audited annual financial statements and Audit, risk and performance committee report 2018/2019

ANNEXURE C: Auditor general's audit report 2018/2019