

2019/20

John Taolo  
Gaetsewe  
District  
Municipality

DRAFT  
ANNUAL  
REPORT  
Volume I



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# Chapter 1

## REVISED ANNUAL REPORT TEMPLATE

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

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

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

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

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

The financial years contained in this template are explained as follows:

- Year -1: The previous financial year;
- Year 0: The financial year of reporting;
- Year 1: The following year, mostly requires future targets; and
- The other financial years will follow a similar sequence as explained above.

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

# Chapter 1

## CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

### COMPONENT A: MAYOR’S FOREWORD

#### MAYOR’S FOREWORD

The COVID-19 pandemic has affected the entire globe and continues to alter life as we know it. But as COVID-19 cases soar in Europe, the United States, Brazil, and India, confirmed COVID-19 cases in Africa remain comparatively low. With a population of 1.2 billion and weak health infrastructure, experts feared that COVID-19 would severely impact the entire continent of Africa. Speculation is growing that Africa's youth bulge and warmer climate could help spare most African countries from the worst of the health pandemic. The available data for a few African countries suggests that many positive cases are simply being missed, which allows the virus to spread even further.

With all these challenges, the number of confirmed cases in Africa are increasing significantly, especially in recent months. We continue to be a responsive, accountable, effective and efficient local government reaffirms our commitment to fight poverty and inequality in our communities as well as addressing the health and economic incongruity caused by COVID-19 pandemic. As we present this annual report during the year under review, we are reminded of our task as local government, which is to render basic and quality services.

We have developed and adopted a disaster contingency plan and established a Joint Operations Centre (JOC). Meetings were called by the district Disaster Centre on the 25th of March 2020 where sector department presented their plans on COVID-19 readiness. District Outbreak Response Team (DORT) meeting was held on the 18th of March 2020. The purpose of the DORT is to serve as a communication channel for interventions of relevant departments and stakeholders on the COVID-19.

Awareness material were developed and distributed as well as the awareness material from national National Department of Health was distributed to the communities. Inspection of hospitals in Kuruman, Tshwaragano and Kathu for COVID-19 readiness and visited of the Kathu Airport on 24 March 2020 on readiness for the COVID-19. The visits were conducted as a collective between the JTGDM and the Department of Health. We have also disinfected the taxi rank in Kuruman 27-28 March 2020.

It is important to note that section 79 committees of our municipalities are fully functional and they continue to keep the municipality on track with all compliance related matters. As Council we are pleased that our budget was submitted on time and that all finance reports were also submitted timeously as per the legislated schedules. The Service Delivery Budget & Implementation Plan is fully implemented and thus performance reports to Council are satisfactory.


Our Integrated Development Plan (IDP) should strive to represent the will of the people of our district, and that can only be achieved when we work together by utilizing our resources efficiently and effectively. This is done through the national outcomes, Outcome 9 (a responsive, accountable, effective and efficient local government). We are hopeful that by the end of the financial year, all section 56 posts would have been filled so as to speed up service delivery.

The District Municipality will continue to give support to the local municipalities and ensure that all the external forums are fully functional. As we head towards the 2021 local government elections, the focus will be on performance of local government.

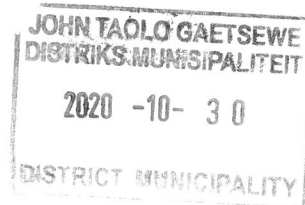
# Chapter 1

I would like to extend my gratitude to all our councilors, stakeholders, partners as well as management and personnel, who made it possible that we acquired the Clean Audit for the set of financial statements 2018/19. We rely on them to provide Council with quality work and make sure that we account to our communities on the mandate they have given us as political office bearers.

I also want to emphasize the attainment of Clean Audit on the performance aspects of the Municipality. We believe that the Management Team has managed to keep the standards and sustain the Clean Audit going into the financial year 2019/20.



**MRS. S. MOSIKATSI**  
**EXECUTIVE MAYOR**



# Chapter 1

## COMPONENT B: EXECUTIVE SUMMARY

### 1.1. MUNICIPAL MANAGER'S OVERVIEW

The overall functioning of the Municipal Departments, the Executive function and the Oversight role of Committees of Council have been considered during the process of the development of the Annual Report for the 19/20 financial year.

**The Annual Report Composition:** reflects the Unaudited Annual Financial Statements (19/20) and Unaudited Annual Performance Reports (MPAC reflection and Audit Committee). The exercise enables us to recognize that good governance requires effective, representative, transparent and accountable government institutions at all levels, public participation, effective checks and balances, and the separation of powers, as well as noting the role of information and communications technologies in achieving these aims.

It also encourages cooperation and exchange of experiences through the Protocol Structure of Council, such as Council reporting to Stakeholders, Administration accounting to Council, Officials reporting to Management. The Municipality filled all vacancy positions to ensure that work gets done and that measures are in place to report. The prepared Annual Report for submission at this stage is unaudited, we will promote reflections, openness and corrective actions on issues requiring attention.

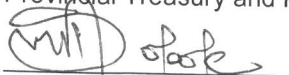
The role of the Accounting Officer is to manage the overall Municipality, seek advice from Section 57 Managers, hold them accountable and equally hold them to perform. The Annual Financial Statements will go a long way in reflecting the cash flow situation, income options and the balance sheet status for the financial year 2019/20.

In this Management, we recognize that corruption gravely affects democratic political institutions and the private sector, weakens economic growth and jeopardizes the basic needs and interests of a country's most underprivileged groups, and that the prevention and control of these problems are the responsibility of government as well as legislative and judicial institutions. Through continued promotion of policies, processes and mechanisms that protect the public interest, the use of disclosure of assets mechanisms for public officials in order to avoid possible conflicts of interest and incompatibilities, as well as other measures that increase transparency.

# Chapter 1

As the Accounting Officer of John Taolo Gaetsewe District Municipality, I would like to express my sincere gratitude to the support from Council, to the hard work of the Management Team and staff, in promoting the development, autonomy and institutional strengthening of local government in order to promote favourable conditions for the sustainable economic and social development of our communities.

We commit that the Draft Annual Report will be made a public document and the processes after its submission will be followed in the form of auditing processes. The authorities like AGSA, SALGA, Provincial Treasury and Provincial COGHSTA will receive a set.



**MR. D. MOLAOLE**  
**MUNICIPAL MANAGER**



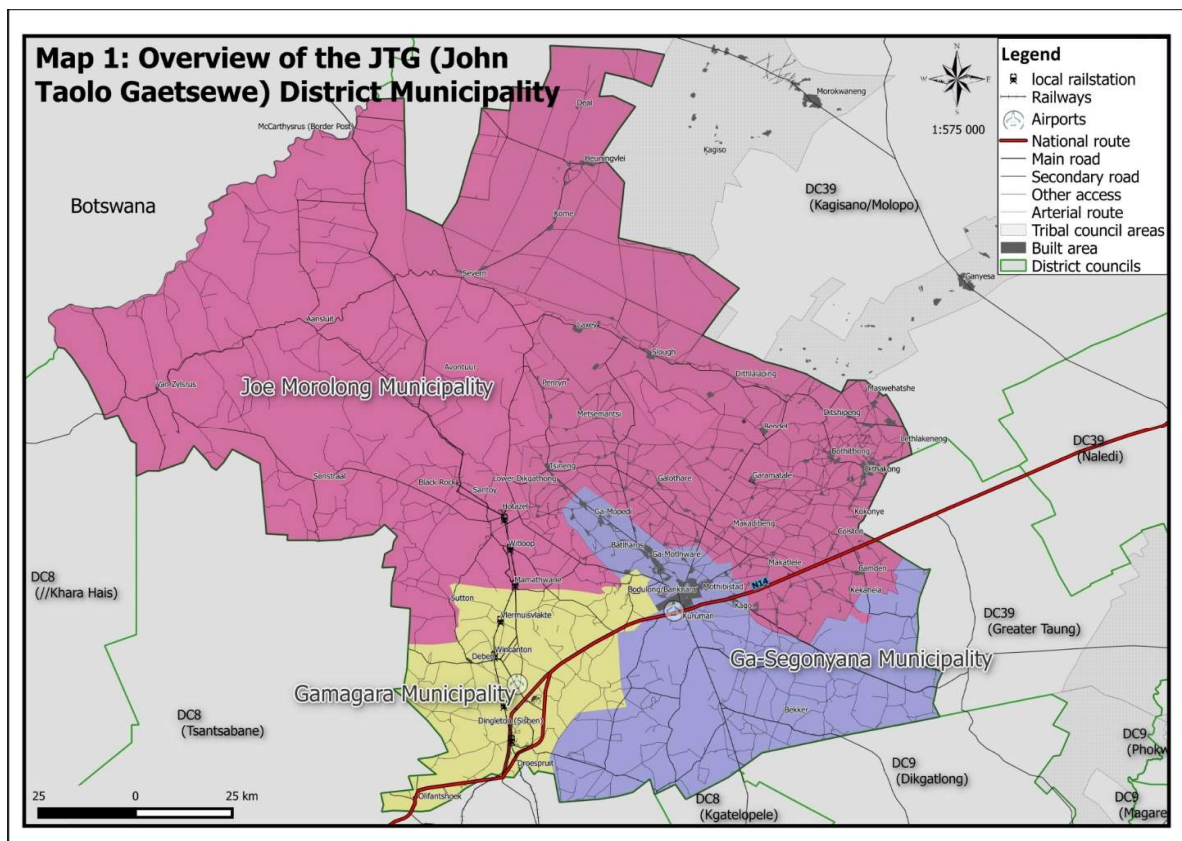
# Chapter 1

## 1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

The John Taolo Gaetsewe District Municipality (JTGDM) is situated in the Northern Cape Province and is bordered by (1) The ZF Mgcawu (previously Siyanda) and Francis Baard District Municipalities to the south and west; (2) The North West Province (Dr. Ruth Segomotsi Mompati District Municipality) to the east and northeast; and (3) Botswana to the northwest. Administratively, the JTGDM comprises three Local Municipalities: (1) The Gamagara Local Municipality; (2) The Ga-Segonyana Local Municipality; and (3) The Joe Morolong Local Municipality, which encapsulates the geographical area covered by the former District Management Area and the former Moshaweng Local Municipality. (Source: JT Gaetsewe 16-17 SDF Review)

JT Gaetsewe is the second smallest district in the Northern Cape, occupying only 6% of the Province (27 293 km<sup>2</sup>). The largest area within JT Gaetsewe is the former District Management Area (DMA) with over 10 000 km<sup>2</sup>. Joe Morolong covers the next largest area of 9 477 km<sup>2</sup> (JTGDM, IDP 2018-19). The JT Gaetsewe District comprises of 186 towns and settlements of which the majority (80%) are villages in the Joe Morolong Municipality.

### *The JT Gaetsewe Municipal Area*



(Source: JT Gaetsewe DM 2017 SDF)

# Chapter 1

## Population Demographics

In terms of *local population dynamics*, the population of John Taolo Gaetsewe District Municipality has increased from 224 799 in 2011 to 242 264 in 2016 i.e. an increase of 17 465. The increase in population is experienced in Ga-Segonyana Local Municipality and Gamagara Local Municipality, with a decrease in population experienced in Joe Morolong Local Municipality. The table below illustrates the John Taolo Gaetsewe District Municipality population as captured in the Census 2011 and 2016 figures from Statistics South Africa.

### Population Dynamics

Population/ Areas	2011		2016	
	Population	Contribution to JTG in %	Population	Contribution to JTG in %
Gamagara	41 617	19	53 656	22
Ga-Segonyana	93 651	42	104 408	43
Joe Morolong	89 530	40	84 201	35
John Taolo Gaetsewe	<b>224 799</b>	<b>100</b>	<b>242 264</b>	<b>100</b>
Northern Cape	<b>1 145 861</b>		<b>1 193 780</b>	

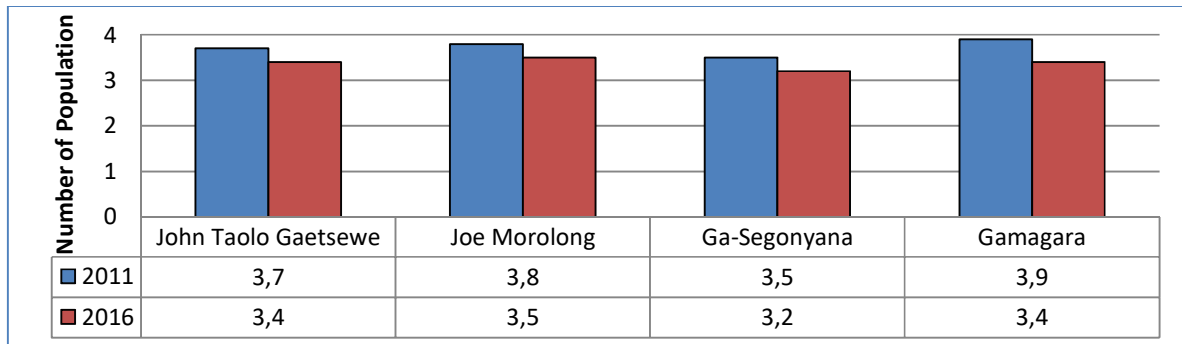
It is evident from the table above that the population of Ga-Segonyana LM has increased from 93 651 in 2011 to 104 408 in 2016 with the increase from 42% in 2011 to 43% in 2016 within the District context. Another increase within the John Taolo Gaetsewe District Municipality is experienced in Gamagara LM where population has increased from 41 617 in 2011 to 53 656 in 2016 from 19% to 22%. A decrease in population is experienced in Joe Morolong LM with the population of 89 530 in 2011 to 84 201 in 2016 with a decrease from 40% in 2011 to 35% in 2016 within the District context. There is a movement of people predominantly from the municipal jurisdiction area of the Joe Morolong Local Municipality to Ga-Segonyana LM and Gamagara LM.

The population growth rate in John Taolo Gaetsewe District Municipality between 2011 and 2016 is 0.017 as compared to the 0.009 for the Northern Cape Province (StatsSA, 2016). The increase in population growth is attributed to in-migration and high fertility rate. It is clear that the trend in the district municipal area is towards a growing population. This is largely attributable to the mining activities around the District

### Population Distribution

The household size within John Taolo Gaetsewe District Municipality was calculated at both urban and rural settlements through Stats SA data 2011. Household as defined by StatsSA refers to "a group of people, who live together at least 4 nights per week, eat together and share resources or a single person who lives alone". The figure below illustrates the household size within John Taolo Gaetsewe District Municipality per each local municipality.

# Chapter 1



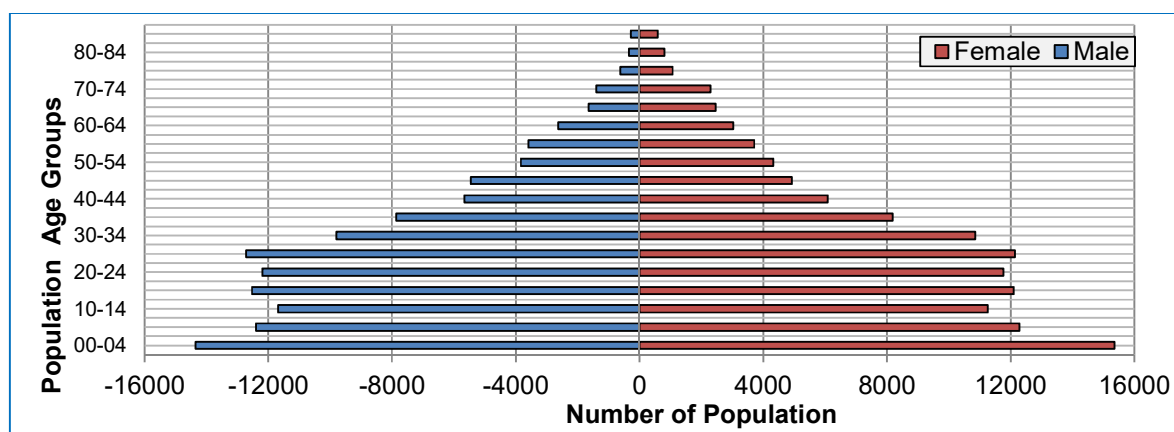
Source: StatsSA 2016

It is clear from figure above that the household size decreased from 2011 to 2016 in all local municipalities within the district. A huge decrease is experienced in Gamagara LM from 3.9 in 2011 to 3.4 in 2016, this may be due to the high number of rental accommodation status which includes the in-migration (within the district) and out-migration (from outside the district) arising from work opportunities in Gamagara Local Municipality. The low decrease in Joe Morolong LM and Ga-Segonyana LM is as a result of increase in number of households and high dependency due to level of poverty within the areas, especially in Joe Morolong LM where high number of outmigration is experienced.

## **Age profile**

The age composition is often demonstrated using population pyramid which graphically illustrates the distribution of various age groups in a population. Population pyramids are often viewed as the most effective way to graphically depict the age and sex distribution of a population including age dependency ratio, partly because of the very clear image these pyramids present. Age dependency ratio is the ratio of persons aged under 15 years and older than 64 years to those aged between 15 and 64 years in a population. This ratio has importance because it shows the ratio of economically inactive compared to economically active. Economically active people are expected to earn money, pay tax and contribute to the overall economy whereas economically inactive people are considered as the bigger recipients of government spending e.g. education, social welfare grants and health care. Therefore, the lower the ratio the better is the situation. The figure below illustrates the population pyramid for John Taolo Gaetsewe District Municipality as captured in the Census 2011.

# Chapter 1

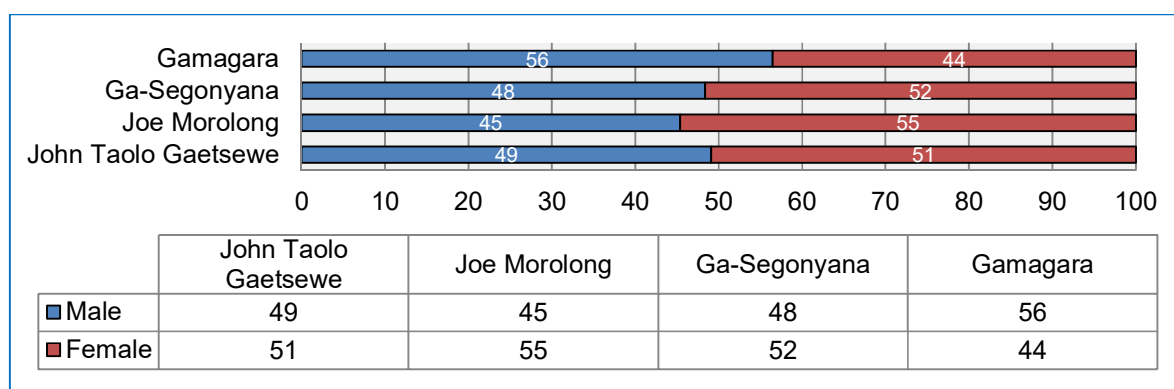


Source: StatsSA 2016

The age profile of the JTGDM is based on Community Survey 2016 as follows: 0 - 14 years: 31.92%; 15 - 64 years: 63.32%; and older than 65: 4.76%. It is not that different from the national profile on Census 2011 (i.e. 0 - 14 years: 31.03%; 15 - 64 years: 63.59%; and older than 65: 5.39%). The figure above shows a generally youthful population between the age segment 15 – 36 of 100 973 people i.e. 41.68%. The implication of this is that there should be equitable distribution of social facilities and development opportunities in line with gender proportions as per figure above.

## Gender profile

The migration statistics shows that Gamagara LM has a large number of migrants. Generally male working population migrates to earn for the family. Probably due to the presence of large number of migrant workers in the Gamagara LM, the gender composition is slightly skewed towards the male. A similar conclusion can be drawn for Joe Morolong LM where both shares of migrated population and male population are lowest in the district. The figure below illustrates the information as captured above.



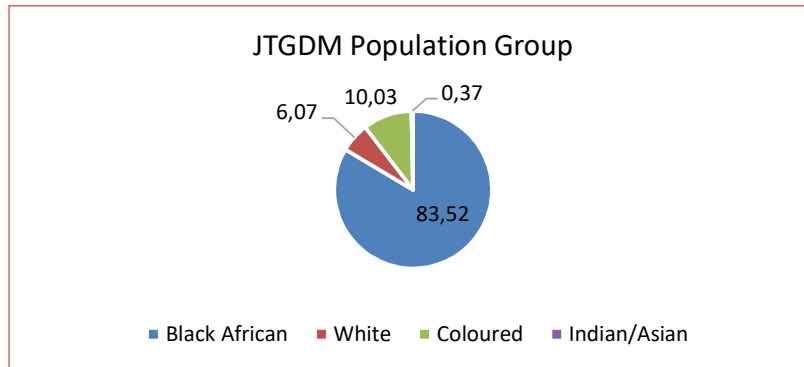
Source: StatsSA 2016

Female population contributes 51% of the total District population prevalent in Joe Morolong LM and Ga-Segonyana LM. This figure is slightly similar to the StatsSA 2011 national (51.35%) and provincial (50.69%) figures. The share of the female population is highest in Joe Morolong LM whereas it is lowest in Gamagara LM.

## Racial distribution

# Chapter 1

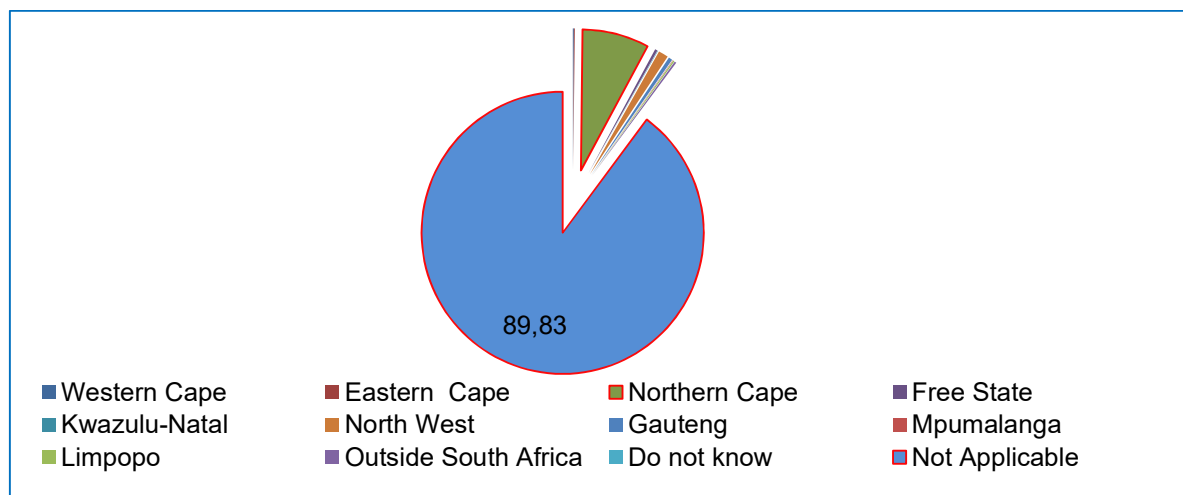
The **racial profile** of the JTGDM is as follows: Black/African: 83.52%; Coloured: 10.03%; Asian and Indian: 0.37%; White: 6.07%.



Source: StatsSA 2016

## Population Migration

We live in a rapidly changing world in which forced migration have a significant impact on the economic, political and social agendas. The figure below illustrates the level of migration regarding the province of previous residence.



Source: StatsSA 2016

It is clear from the figure above that 89.83% of the population originates and still stay in JTGDM. The figure above shows that 89.8% of the population in JTGDM were considered “not applicable”, due to the fact that they do not influence the migration patterns. Within the local municipalities, Gamagara LM (13.7%) experiences a high in-migration within district, with Ga-Segonyana LM (12.4%) and Joe Morolong LM (5%).

# Chapter 1

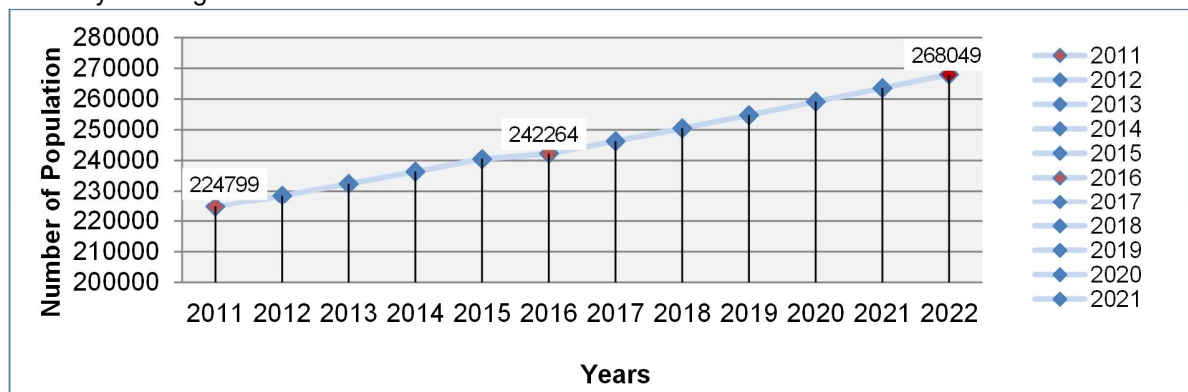
Migrated population within the JTGDM contribute approximately 10.17% to the total population, where most of this population originates from Northern Cape Province (7.65). The migration statistics roughly indicates that most of the economic activities are concentrated in the first two local municipalities and people have migrated there in search of jobs and better livelihood. However, JTGDM is experiencing mining closure which is one of the mining industry's toughest sustainable development challenges.

Population in most South African predominantly rural municipalities is not influenced by foreigners residing within their areas as in the case of Joe Morolong LM. Foreigners are more likely to be located at urban areas where development is at a high level. This movement of people is predominantly from the municipal jurisdiction area of the Joe Morolong Local Municipality to Ga-Segonyana LM and Gamagara LM. According to Census 2011 there are more males than females that have moved to John Taolo Gaetsewe District Municipality and this is attributed to job opportunities in the mining sector within the district.

Within the District, people migrate mostly to Ga-Segonyana LM and Gamagara LM. This is consistent with a recent CSIR research project, *Spatial and Temporal Evidence for Planning in South Africa* (StepSA), explored the use of voter registration information as an alternative source of migration data. Anonymised voter registration data were provided by the Independent Electoral Commission of South Africa for several consecutive elections covering a 12-year period. The data, once spatialised (and related to a single set of voting districts), could then be processed to extract movement trends between different election periods (Maritz and Kok, 2013).

## Population Projections

A population projection refers to an extrapolation of historical data into the future, i.e. an attempt to describe what is likely to happen under certain explicit assumptions about the future as related to the immediate past. The District population growth as per Census 2011 and Community Survey 2016 shows a positive growth rate of 1.6 and 0.017 respectively. The figure below is an illustration of population projections of the JTGDM using the intercensal growth rate of 0.017 which shows an increasing population 268049 by 2022. This projection does not take into consideration other factors such as fertility, mortality and migration.



Source: StatsSA (2011 & 2016)

# Chapter 1

## 1.3. SERVICE DELIVERY OVERVIEW

### SERVICE DELIVERY INTRODUCTION

The John Taolo Gaetsewe District area being mainly rural nature, lower level of service of infrastructure is being implemented, for instance water networks are of a supply targeting 200m communal taps, roads networks are prioritised to render access to social amenities like schools, clinic, etc.

The service delivery infrastructure planning as implemented by the District Municipality is mainly driven by grants relating to the built industry skills development and roads asset management. All infrastructure planning and skills development grants were effectively used and spent within the financial year.

There are three modes of transportation in the District namely Road, Rail and Air. The District is engaging key stakeholders to establish a regional airport so that the public will not only rely to develop the air travel the transportation.

The District had set up the Rural Road Asset Management Systems (RRAMS), and collects road, bridge and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa (RISFSA). The systems improve the accuracy of roads information as collected per the latest data on municipal roads and do thus guide infrastructure maintenance and investments. This if adhered to assists in the reduction of vehicle operating costs.

There are currently 2,717.58km of municipal road network captured on the District Rural Road Asset Management System. A total of 25.46km is block paved, 1286.14km is earth, 1088.37km gravel and 317.62km flexible pavement.

The Municipality maintains the Roads Asset Management Plan (RAMP) developed through the RRAMS and continues to improve data on all municipal roads to guide infrastructure investment on roads. The RAMP assists in reducing vehicle operating costs and in extending the lifespan of municipal roads.

The plan is also critical in the allocation of road infrastructure related grants. The Division of Revenue Act emphasises that any planned road project should relate to the RAMP.

Three Civil Engineering technicians are running the RRAMS programme. The graduates are trained in the road management system and they are crucial in roads data gathering and arrangement. They assisted local municipalities on planning information required for roads.

Professional capacitation of graduates in the built industry under the Infrastructure Skills Development Grant (ISDG) programme is ongoing. Two graduates trained through the ISDG programme are appointed in the one of the nearby local municipality in management positions. One is appointed in the Technical Services Department and the other one as a Town Planner. This development is relevant to the programme objectives as it enhances the built environment levels of professionalism in local government.

Project management, design and Geographic Information System software programmes and related hardware were purchased to improve the training and skills development environment in the built industry. Formal training related to that was also done.

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Reviewed business plans for the upgrading of municipal roads, manufacturing of interlocking paving blocks, capacity development in the municipality to efficiently implement Human Settlement Accreditation related functions were submitted in request of funding. Business plans for disaster relief related to the covid-19 pandemic and the effects thereafter and readiness in dealing with any health-related outbreaks in the John Taolo Gaetsewe District Municipal area and specifically addressing provisioning of basic services and environmental requirements were prepared and submitted to different potential parties to consider assistance in any form.

The Integrated Transport Plan is reviewed in the 2019/20 financial year and the District will explore its implementation on achieving sustainable integrated transport in detail. In this way, a step change will be achieved by prioritising the right development in the right locations, along major road and activity route in the district. This approach, coupled with a focus on public transport (PT), non-motorised transport (NMT) and Travel Demand Management (TDM) will reduce travel times and costs, as well as deliver important environmental benefits. This document seeks to set out the District's plans for transport within the wider context of its drive to create an equal society based on integrated communities, economic inclusion and access to opportunities.

The housing demand estimated for the planning period 2021- 2030 requires that approximately 335 hectares of land to be available in the JTG District to supply in the estimated housing backlog and another 2,246 hectares to accommodate the household growth in total with various housing options from both the public and private sector. This situation is reflected in the District Integrated Human Settlement Sector Plan reviewed in the 2019/20 financial year.

Challenges remain on water borne sanitation in addressing the basic housing needs and slow progress in eradicating housing backlogs.

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## **Water**

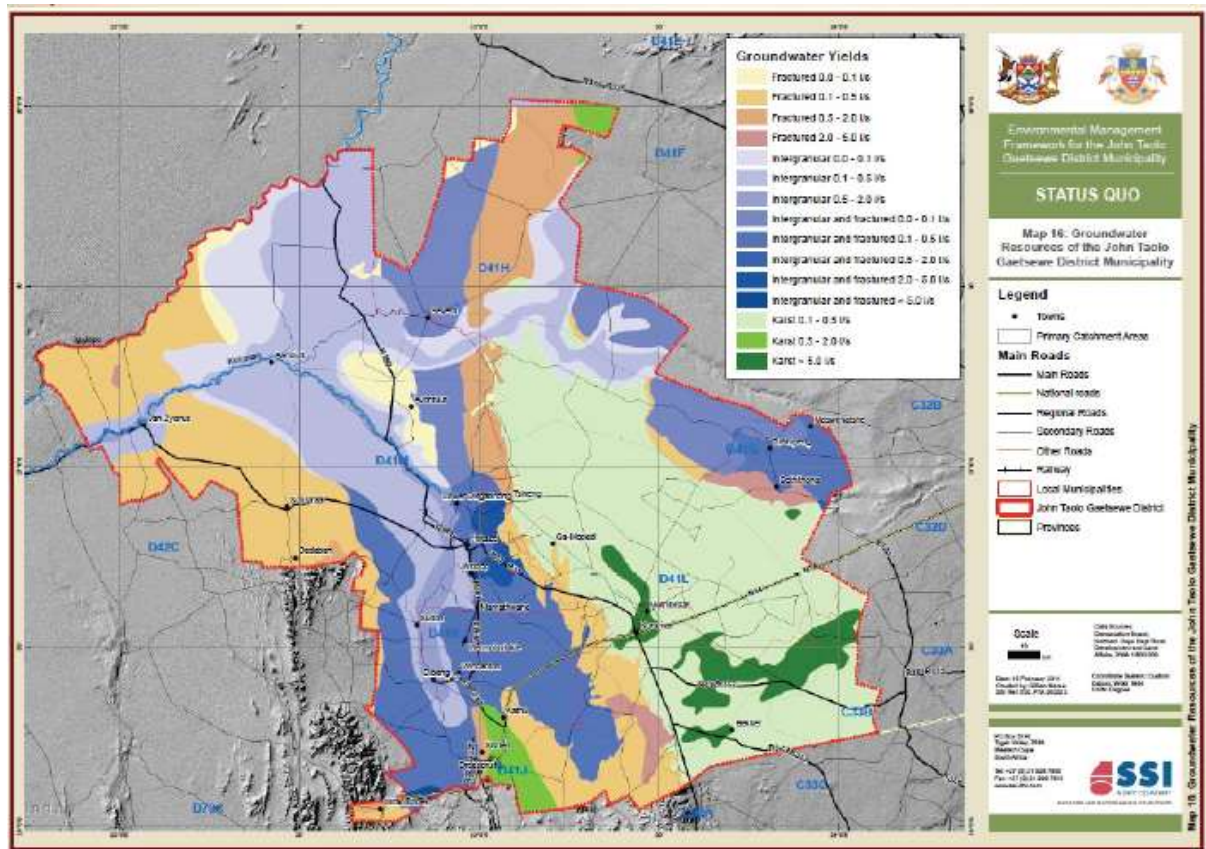
The John Taolo Gaetsewe District Municipality is not a Water Service Authority and does thus not have the executive authority to provide water services within its area of jurisdiction in terms of the Municipal Structures Act (Act No. 117 of 1998) or the ministerial authorizations made in terms of this Act.

The district is, however, being plagued by several challenges on the supply of water. Around 8,251 (11,5%) household has no access to the safe drinking water. The 11,5% excludes 8,7% of the population which draws water from own boreholes, rain water harvesting, water carrier/tanker or flowing water/stream/river etc. Only 37,7% have yard piped connections in their yards.

The JTGD has a "flat" geomorphic profile, with the Kuruman hill's ridge system bisecting the district along a north-south axis. The drainage pattern in the district is determined by this ridge system, channeling all streams northwards and then sharply westwards. Falling in the Lower Vaal Water Management Area, the most important catchment area in the JTGD is the Korannaberg Mountains, from which the majority of the streams in the district spring and from where they drain into the Kuruman River system. (*Source: JT Gaetsewe 2017 SDF Review*)

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## Groundwater yields



(Source: JT Gaetsewe 2011-12 SDF Review)

## Access to piped water

All the local municipalities in the District have Water Master Plans and are also responsible for the development and maintenance of water sources like boreholes; construction, operation and maintenance of bulk pipeline; construction, operation and maintenance of reticulation network; construction, process operation and maintenance of water treatment works to ensure rendering of portable water to the community. The sources of water supply are the aquifers located along villages and town. The water network reticulation for all the villages is the 200m radius communal standpipes beside the township and town areas which has yard connections.

The municipalities are reticulating water in all the villages however like most municipalities in semi-arid areas with insufficient rainfall, most borehole are drying up. As a way to manage and control the dwindling water resource the municipalities installed pre-paid meter in the villages however the lack of cooperation to pay services by some community members are a challenge to this initiative as they constantly vandalise installed prepaid standpipes. Access to basic services is one of the important priorities of the municipalities. Around 8,251 (11,5%) household has no access to the safe drinking water that's excluding 8,7% who managed to get water from own boreholes, rain water tank, water carrier/tanker or flowing water/stream/river etc. And because of the rural nature of the municipalities only 37,7% have yard piped connections. The Municipalities have intensified water provision through

# Chapter 1

Municipal Infrastructure Grant programme as reflected on projects undertaken per municipalities. Bulk is generally still issue, which hampers provision of waterborne sewerage in townships like Vanzylsrus.

The Vaal Gamagara water supply pipeline municipalities can assist a lot in augmenting the water sources in the region and ease the current water shortages due to depletion of ground water sources.

Following are the 2016 Stats for the District and Municipalities.

**Table 1: Distribution of households by access to safe drinking water by municipality, CS 2016**

Municipality	Access to safe drinking water		No access to safe drinking water		Total Households
	Households	Percentage	Households	Percentage	
Joe Morolong	21,497	90,3	2,303	9,7	23,800
Ga-Segonyana	27,615	85,3	4,774	14,7	32,388
Gamagara	14,502	92,5	1,174	7,5	15,677
<b>John Taolo Gaetsewe</b>	<b>63,614</b>	<b>88,5</b>	<b>8,251</b>	<b>11,5</b>	<b>71,865</b>

**Table 2: Distribution of households by main source of water for drinking, CS 2016**

Municipality	Piped (tap) water inside the dwelling/house/yard		Piped water on community stand / Neighbour's tap/Public/communal tap		Others		Total Households
	Households	Percentage	Households	Percentage	Households	Percentage	
Joe Morolong	2,439	10,2	18,520	77,4	2,961	12,4	23,919
Ga-Segonyana	11,530	35,3	18,410	56,4	2,729	8,4	32,669

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Gamagara	13,328	84.8	1,782	11,3	612	4	15,723
<b>John Taolo Gaetsewe</b>	<b>27,297</b>	<b>37,7</b>	<b>38,712</b>	<b>53,5</b>	<b>6,301</b>	<b>8,7</b>	<b>72,310</b>

**Table 3: Distribution of households by main source of drinking water supplier, CS 2016**

Municipality	Municipality		Other Water scheme		Water vendors		Own service		Flowing water/stream/river/spring/rain-water		Total House-holds
	House-	%	House-	%	House-	%	House-	%	House-holds	%	
Joe Morolong	17,665	74,2	2,383	10,0	84	0,4	3,123	13,1	550	2,3	23,805
Ga-Segonyana	22,747	70,4	5,673	17,6	1,514	4,7	2,298	7,1	68	0,2	32,300
Gamagara	15,000	95,5	127	0,8	69	0,4	511	3,3	-	-	15,707
<b>John Taolo Gaetsewe</b>	<b>55,415</b>	<b>77,2</b>	<b>8,183</b>	<b>11,4</b>	<b>1,666</b>	<b>2,3</b>	<b>5,932</b>	<b>8,3</b>	<b>8,3</b>	<b>0,9</b>	<b>71,812</b>

**Table 4: Distribution of households by water interruptions in the last three months, CS 2016**

Municipality	Water interruptions		No Water interruptions		Total Households
	Households	Percentage	Households	Percentage	
<b>John Taolo Gaetsewe</b>	<b>16,483</b>	<b>30,1</b>	<b>38,356</b>	<b>69,9</b>	<b>54,838</b>

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## Sanitation

Sanitation is a basic need in communities which can pose serious health and hygiene risks for communities and the environment at large scale, if not properly managed and monitored.

According to the White Paper on Basic Household Sanitation, 2001, basic sanitation is defined as: "The minimum acceptable basic level of sanitation is:

Appropriate health and hygiene awareness and behaviour

A System for disposing of human excreta, household waste water and refuse, which is acceptable and affordable to the users, safe, hygienic and easily accessible and which does not have an unacceptable impact on the environmental and a toilet facility for each household".

A total of 65 469 (90.5%) households in the District has some form of toilet, and around 6 841 (9.5%) have no access to sanitation services. 40 377 (56%) households in the District are the Pit latrine toilets and only 22 480 (31%) households are Flush toilets.

The Provincial Department of Water and Sanitation and CoGHSTA are running sanitation projects in the district to eradicate the inadequate toilets and providing toilets where there is a lack. Based on the 2016 STATS the sanitation backlog for John Taolo Gaetsewe can be determined to be 9,453 households

**Table 28: Distribution of households by type of toilet facility and municipality, CS 2016**

Municipality	Flush toilets connected to a public sewerage system	Flush toilets connected to a septic tank or conservancy tank	Chemical toilets	Pit latrine toilet with ventilation pipe	Pit latrine toilet without ventilation pipe	Ecological toilet / other	Bucket toilet	No Toilet
Joe Morolong	1,281	233	172	12,921	5,596	509	1,025	2,182
Ga-Segonyana	5,717	1,772	35	6,115	15,612	453	162	2,789
Gamagara	12,712	764	34	55	79	208	1	1,869
John Taolo Gaetsewe	19,711	2,769	241	19,090	21,287	1,170	1,202	6,841

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The 2016 STATS, indicates that the households overall rating for sanitation services is at 45.2% and 16.7% of households have no access to sanitation.

## Refuse Removal

In the case of refuse removal, 24.63% of the population within the JTGDM have their refuse removed by the local authority or a private company at least once a week or less often. This is far below less than half the provincial figure of 64.89%. In relation to the other four other districts in the province, it is far below the figure in this regard in these municipalities which all have percentages above 75%.

In the absence of a refuse removal service, population is dependent on their own endeavour, with 63.65% of the population within the JTGDM having their own refuse dump. This is more than three times the provincial figure 21.45% respectively, and far higher than the figure in the four other districts in the province, which all have figures of less than 20%. With regards to the situation in the three local municipalities in the district, while 84.92% of the population in Gamagara LM and 67.87 % in the province have their refuse removed by the local authority or a private, only 12.33% in the Ga-Segonyana LM and 3.09% in the Joe Morolong have access to such a service. According to SEAT (2014), refuse removal in the JTG district area has not shown any real improvement in the past three years, nor in the 10 years between 2001 and 2011 Census.

### *Household level of refuse removal*

	<b>Joe Morolong</b>	<b>Ga-Segonyana</b>	<b>Gamagara</b>	<b>John Taolo Gaetsewe</b>
<b>Removed by local authority/private company/community members at least once a week</b>	2 539	12 630	44 489	59 658
<b>Removed by local authority/private company/community members less often than once a week</b>	58	242	1 071	1 372
<b>Communal refuse dump</b>	4 902	4 737	1 125	10 764
<b>Communal container/central collection point</b>	1 320	2 168	409	3 896
<b>Own refuse dump</b>	71 031	77 757	5 402	154 190
<b>Dump or leave rubbish anywhere (no rubbish disposal)</b>	3 002	4 084	567	7 653
<b>Other</b>	1 349	2 790	592	4 731

*Source: StatsSA 2016*

## Electricity

The Part B of Schedule 4 and 5 of the Constitution in section 156(1) grant municipalities executive authority to administer the local government matters and list as part of the powers and functions,

# Chapter 1

Electricity reticulation. Part of the reticulation includes Bulk supply of electricity, the transmission, distribution and, where applicable, the generation of electricity, and also the regulation, control and maintenance of the electricity reticulation network. However only around 30% of the households in the District obtain electricity from the municipalities the other 70% is supplied directly by Eskom, and that deprives the municipalities an income generating opportunities.

The 2016 Community Survey indicates that 8,527 (11.8%) of the households are still with no electricity in the District. Majority 58 753 (81%) of the households are on Prepaid. Only around (1232) 1.7% households use alternative source of energy.

There continues, though, to be a lack of co-ordination between stakeholders – local municipalities in the District and Eskom. Lack of support on electricity supply strategy from ESKOM is a concern. This being reflected and raised in the district planning platforms.

## Access to electricity

**Table 59: Distribution of households by main type of energy source**

Municipality	In-house pre-paid	Connecte d to other source	Connecte d to other source	Solar home	Generator / Battery	Other	No Access to Electricity	Total
Joe Morolong	19,727	46	26	10	0	85	3,258	23,920
Ga-Segonyana	26,848	529	21	127	120	59	3,526	32,668
Gamagara	12,178	156	24	12	0	15	1,743	15,723
John Taolo Gaetsewe DM	58,753	731	71	149	120	159	8,527	72,311

42 342 (68%) of the households in the District use Eskom prepaid, and 18 541(30%) households' electricity is provided by municipality, it can also be noted that 60 888 (98%) households utilizes prepaid electricity in the District

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**Table 60: Distribution of households by municipality and supplier of electricity**

Municipality	Municipality Prepaid	Municipality Post-paid	Eskom Prepaid	Eskom Post-paid	Other Supplier	Total
Joe Morolong	2,216	7	17,741	149	146	20,259
Ga-Segonyana	7,207	168	20,532	135	33	28,074
Gamagara	9,117	335	4,069	213	26	13,760
John Taolo Gaetsewe DM	18,541	510	42,342	497	205	62,094

## Housing

The District Municipality remains a level 1 accredited municipality. Engaged on the level 2 accreditation assessment for the District Municipality are at an advanced stage.

The District has an Integrated Human Settlement Sector plan which provide the strategic direction for transforming human settlements in the John Taolo Gaetsewe District aligned to the Provincial Department and Local municipalities' Sector plans and IDPs. This transformation relate to accelerating human settlement delivery on well-located land, that provide opportunities to beneficiaries to access the property market and have sufficient access to social amenities and economic opportunities. This transformation will further support the integration of communities and the spatial restructuring of the towns and villages in the Municipal area.

**Table 42: The following are household growth projections 2016, 2021 to 2024 (STATS 2016)**

Backlog indicator	Total Households			Growth (Calculated)
	CS 2016	2021 Estimates	2024 Estimates	
Joe Morolong	23 919	24 159	24 304	0,2%
Ga-Segonyana	32 669	40 517	46 104	4,4%
Gamagara	15 723	24 303	31 560	9,1%
John Taolo Gaetsewe	72 310	88 979	101 968	3,6%

# Chapter 1

The using the 2016 Community Survey growth projections the household's growth in the District can be calculated to be 88 979 in 2021 and 101 968 by 2024. Using the SMEC report 2013 growth scenario for that was anticipated for 2019, the housing backlog and delivery by 2030 may be calculated as follows:

**Table 43: The housing backlog and targeted delivery of housing units**

		<b>Gamagara</b>	<b>Joe Morolong</b>	<b>Ga-Segonyana</b>	<b>JTG</b>
<b>Housing Backlog 2021</b>	<b>Total Backlog/Need</b>	<b>4 440</b>	<b>4 817</b>	<b>7 441</b>	<b>16 698</b>
<b>Future Growth in Households (2021-2030) – Maximum growth scenario</b>	Future Demand: Low Income	12,180	5,046	6,867	24,094
	Future Demand: Gap Market	9,035	765	2,657	12,457
<b>Proposed Average Supply/ Delivery of units – 2021-2030</b>	<b>Total Housing Delivery/Supply Rate</b>	<b>2 609 units/year</b>	<b>1 112 units/year</b>	<b>1 770 units/year</b>	<b>5 491 units/year</b>
	Supply for Backlog Eradication by 2030	488 units/year	530 units/year	817 units/year	1 836 units/year
	Supply for Future Growth – Low Income group (moderate growth)	1218 units/year	505 units/year	687 units/year	2,409 units/year
	Supply for Future Growth – Gap Market	903 units/year	77 units/year	266 units/year	1,246 units/year

The municipal targets for housing supply should balance their yearly allocations towards addressing the backlog, vs providing for the upgrading of informal settlements and providing for the household growth and gap market. This balance is necessary to ensure that the municipality provide for the backlog and for the income groups that increase their revenue base, and hence support the municipal financial sustainability.

The housing demand estimated for the planning period 2021- 2030 requires that approximately 335 hectares of land to be available in the JTG District to supply in the estimated housing backlog and

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another 2,246 hectares to accommodate the household growth in total with various housing options from both the public and private sector. This land need is divided per local municipality as follows:

**Table 44: The JTG estimated land requirement**

Municipality	Type	Number of households	Size per dwelling unit	Estimated Land Required by 2021
<b>Gamagara LM</b>	Housing Backlog, 2021	4,440	300m <sup>2</sup>	135 ha
	Housing Demand for all income groups due to household growth	28,073	500m <sup>2</sup>	1,404 ha
<b>Ga-Segonyana LM</b>	Housing Backlog, 2021	7,441	300m <sup>2</sup>	225 ha
	Housing Demand for all income groups due to household growth	10,713	500m <sup>2</sup>	536 ha
<b>Joe Morolong LM</b>	Housing Backlog, 2021	4,817	300m <sup>2</sup>	145 ha
	Housing Demand for all income groups due to household growth	6,112	500m <sup>2</sup>	306 ha
<b>John Taolo Gaetsewe DM</b>		61,596	-	2,751ha

An estimated 505 hectares are required to accommodate the housing backlog of 16,698 households in the District within the 2021 to 2024 planning term. Moreover, the total average land required to accommodate various housing options due to the household growth (an estimated total of 44,897 additional households), is estimated at 2,245 hectares within the same term. Which brings the overall land requirement of 61,596 households to 2,751 ha.

*{Source: Integrated Human Settlement Sector Plan, JTG-Reviewed}*

## Roads, Storm water and Transport

Stormwater water management in various towns and townships seeks to mainly address roads surface water drainage problems. The storm-water infrastructure can best be described as aged. In a number of cases capacity problems are also experienced, due in large part to accumulation of debris in the pipes and surface drains. This debris (gravel, silt, refuse, etc.) are not being removed to allow storm-water systems to function efficiently. In some cases, culverts crossing the roads have collapsed, grids from

# Chapter 1

inlets have been stolen, which exacerbates the problem of refuse being deposited in the systems. The increased sewage influent at the various WWTW, indicates that storm-water is entering the sewerage.

Though the municipalities do not have storm-water bylaws or policies, they do have storm-water masterplans in place that will guide them on how to proceed to reduce the storm-water problems. There have not been any storm-water projects implemented in the municipalities. This indicates that storm-water management has not been a priority in the municipalities mainly because, probably because of the low rainfall in the area and related traffic volumes in the past. The initiative to compile the masterplans shows a paradigm shift towards mitigation of the storm-water risks and identification of mitigating projects to be implemented.

The Rural Asset Management Systems, is envisaged to assist the Local Municipalities in project prioritisation, maintenance scheduling and application of funding for maintenance and rehabilitation of the roads. The three local municipalities have finalised their Road Masterplan which also incorporate the Storm-water master plans. There are currently 2,717.58km of municipal road network captured on the District Rural Road Asset Management System. Of which 25.46km is Block paved, 1286.14km is earth, 1088.37km gravel and 317.62km have flexible pavement.

**Table 16: The following is the total municipal road network for the District**

Surface Type	Road Network In km	Assessed Road Network
<b>BLOC</b>	25.46	13.86
<b>EARTH</b>	1286.14	326.98
<b>FLEX</b>	317.62	176.41
<b>GRAV</b>	1088.37	93.54
<b>TOTAL</b>	<b>2,717.58</b>	<b>610,79</b>

The modes of transportation in the District beside road transportation are rail and air transportation. The air transportation is mainly of the private sector and as a result airport in the region are not on public grounds only. The District is spearheading stakeholder engagements for the establishment of a regional airport. The District also has an Integrated Transport Plan which is reviewed annually.

The rail infrastructure of the Northern Cape is an important element of the provincial transportation system. The rail transport is mainly utilised in the mining sectors. A railway line extends from Blackrock southwards past Sishen to Kimberley where it connects with the main Cape Town – Johannesburg line. A second line used to transport ore from this area extends from Sishen southwards to Saldanha Bay where it supplies the Saldanha Steel Plant.

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Walking and cycling are the most dominant mode of non-motorised transport within the John Taolo Gaetsewe District Municipality with animal drawn transport being the least dominant and found mostly in rural low-income communities. The non-motorised transport within the District is slowly developing and has to date not been given substantial attention to reach appreciable impact in the District. The extent of non-motorised transport within the District still need to be comprehensively quantified. The non-motorised transport infrastructure has been developed in an ad-hoc fashion and there is a need for pedestrian side-walk and cycle path plan to be developed for John Taolo Gaetsewe District Municipality.

Because the District is mainly rural the priority is to develop or improve the access roads in the respective villages or towns and then to the amenities. The District is busy compiling the Roads Asset register that will in future assist with the prioritisation of the road's construction and maintenance.

It is noteworthy that the roads agency function was moved away from the District Municipality and is now the sole responsibility of the Provincial Roads Department.

## COMMENT ON ACCESS TO BASIC SERVICES:

Water, sanitation, roads, housing and refuse removal are still the biggest needs. The increase in mining related activities in the District puts severe strain on the roads infrastructure, with no short term alternative to roads. Mass transport and alternative modes of transport must be introduced in the District in conjunction with mixed land uses, proper land

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## 1.4. FINANCIAL HEALTH OVERVIEW

### FINANCIAL OVERVIEW

Since the declaration of the National State of Disaster on 15 March 2020, municipalities have been required to perform certain essential and emergency municipal services to address, prevent and combat the spread of COVID -19 in South Africa.

As a result of the crisis, municipalities have been under pressure to provide certain services to assist in curbing the spread of this virus, thus having to reprioritize own funding to comply with the set regulations. The imposed restrictions came in such a way that the municipal core operations had to be halted, municipal staff required to work remotely and ensure essential services are performed.

This overview sets out highlights of the municipality 's financial performance in the 2019/20 financial year. Full details appear in the Unaudited Annual Financial Statements for the year ended 30 June 2020.

The municipality faced serious financial setbacks as compared to previous financial years mainly due to the prevailing market and economic conditions. However, such were closely monitored to ensure that the municipality continues to operate as a going concern. The effectiveness of the strategies and improvements deployed, the municipality changed its core financial management system i.e. from Sebata FMS to SAGE Evolution System in the previous financial year (2018/19) and continues to use the system, fully transacting on the Municipal Standard Chart of Account (mSCOA) as required.

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## JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY (DEMARCATIION CODE:DC45) ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### Statement of Changes in Net Assets

Figures in Rand	Revaluation reserve	Accumulated surplus	Total net assets
<b>Balance at 01 July 2018</b>	<b>55,386,620</b>	<b>29,365,593</b>	<b>84,752,213</b>
Surplus for the year	-	6,740,330	6,740,330
Total changes	-	6,740,330	6,740,330
<b>Balance at 01 July 2019</b>	<b>55,386,620</b>	<b>36,327,757</b>	<b>91,714,377</b>
Changes in net assets			
Revaluation of land and buildings	8,317,099	-	8,317,099
Net income recognised directly in net assets	8,317,099	-	8,317,099
Deficit for the year	-	(620,203)	(620,203)
Total recognised income and expenses for the year	8,317,099	(620,203)	7,696,896
Total changes	8,317,099	(620,203)	7,696,896
<b>Balance at 30 June 2020</b>	<b>63,703,719</b>	<b>35,707,554</b>	<b>99,411,273</b>
Note(s)			

The municipality continued to maintain a Net Asset position for the year under review.

An 8.39% increase is recorded for the 2019/20 financial year, this is mainly due to the revaluation of land and buildings of R 8.3 million. The municipality recorded the deficit of R 620 203, however with the revaluation reserve the deficit was catered for.

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## JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY

(DEMARCATIION CODE:DC45)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### Statement of Financial Position as at 30 June 2020

Figures in Rand	Note(s)	2020	2019
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	3	8,744,136	2,367,091
Receivables from exchange transactions	4	8,846,739	11,204,787
Receivables from non-exchange transactions	5	94,055	94,055
Inventories	6	8,784,360	8,539,763
VAT receivable	7	251,671	493,505
		<b>26,720,961</b>	<b>22,699,201</b>
<b>Non-Current Assets</b>			
Biological assets	8	2,780,990	4,292,620
Investment property	9	6,570,000	6,020,000
Property, plant and equipment	10	78,047,083	72,354,792
Intangible assets	11	2,224,870	2,576,112
Heritage assets	12	19,750	19,750
		<b>89,642,493</b>	<b>85,263,274</b>
<b>Total Assets</b>		<b>116,363,454</b>	<b>107,962,475</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Other financial liabilities	13	335,406	395,123
Finance lease obligation	14	268,012	228,729
Payables from exchange transactions	15	10,449,422	8,997,749
Employee benefit obligation	16	566,000	656,987
Unspent conditional grants and receipts	17	346,403	410,685
		<b>11,965,243</b>	<b>10,689,273</b>
<b>Non-Current Liabilities</b>			
Other financial liabilities	13	367,938	810,545
Finance lease obligation	14	-	268,013
Employee benefit obligation	16	4,619,000	4,702,101
		<b>4,986,938</b>	<b>5,780,659</b>
<b>Total Liabilities</b>		<b>16,952,181</b>	<b>16,469,932</b>
<b>Net Assets</b>		<b>99,411,273</b>	<b>91,492,543</b>
Revaluation reserve	19	63,703,719	55,386,620
Accumulated surplus		35,707,554	36,105,923
<b>TOTAL NET ASSETS</b>		<b>99,411,273</b>	<b>91,492,543</b>

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Below is an extract of the Statement of financial Performance:

<b>JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY</b> (DEMARICATION CODE:DC45) <b>ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020</b>			
<b>Statement of Financial Performance</b>			
Figures in Rand	Note(s)	2020	2019
<b>REVENUE</b>			
<b>Revenue from exchange transactions</b>			
Sale of goods		26,087	7,800
Rental of facilities	20	128,687	118,862
Administration and management fees received	21	2,288,809	2,640,723
Interest received	22	2,306,064	1,881,256
<b>Total revenue from exchange transactions</b>		<b>4,749,647</b>	<b>4,648,641</b>
<b>Revenue from non-exchange transactions</b>			
<b>Transfer revenue</b>			
Government grants and subsidies	23	100,941,282	97,865,731
Donations received	24	-	345,974
Other income		1,400	142,154
<b>Total revenue from non-exchange transactions</b>		<b>100,942,682</b>	<b>98,353,859</b>
<b>Total revenue</b>		<b>105,692,329</b>	<b>103,002,500</b>
<b>EXPENDITURE</b>			
Employee related costs	25	(64,198,705)	(56,654,287)
Remuneration of councillors	26	(5,150,388)	(4,944,453)
Depreciation and amortisation	27	(4,075,016)	(3,343,378)
Finance costs	28	(658,447)	(743,970)
Debt Impairment	29	(109,096)	(948,994)
Transfers and subsidies	30	(208,498)	(198,948)
Operational costs	31	(31,636,992)	(29,082,538)
<b>Total expenditure</b>		<b>(106,037,142)</b>	<b>(95,916,568)</b>
<b>Operating Surplus/(Deficit)</b>		<b>(344,813)</b>	<b>7,085,932</b>
Loss on disposal of assets	10	(81,056)	-
Fair value adjustments	32	(413,623)	(3,193,662)
Actuarial gains	16	302,879	422,461
Loss on biological assets	48	(296,519)	-
Gain on assets previously not on asset register	10	212,929	15,840
Derecognition of prior year provision		-	2,409,759
		<b>(275,390)</b>	<b>(345,602)</b>
<b>Operating (Deficit)/Surplus for the year</b>		<b>(620,203)</b>	<b>6,740,330</b>

Over the past year, total revenue increased to R 105 million (2019: R103 million) with the total expenditure increasing to R 106 million (2019: R 95.9 million)

The municipality will continue to prioritise the repairs and maintenance because preservation of assets is important for continued service delivery.

A net operating deficit of R 620 203 has been recorded during the year under review. This is from a net surplus position amounting to R 6 740 330 (restated) recorded in the 2018/19 financial year. The deficit is mainly attributable to the over-expenditures on the non-cash items i.e. provision for leave, depreciation and finance costs.

# Chapter 1

T 1.4.1

Financial Overview: Year 2019/20			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	98 657	101 251	100 941
Taxes, Levies and tariffs			
Other	5 375	4 968	4 751
Sub Total	104 032	106 219	105 692
Less: Expenditure	102 081	104 482	106 037
Net Total*	1 951	1 737	(345)
* Note: surplus/(defecit)			T 1.4.2

In addition to the R 344 813 table T 1.4.2, the municipality recorded R 275 390 which is informed by fair value adjustments, actuarial gains, loss on biological assets, gain on assets not previously recorded on the register and derecognition of prior year provision.

Operating Ratios	
Detail	%
Employee Cost	65%
Repairs & Maintenance	2%
Finance Charges & Impairment	1%
T 1.4.3	

## COMMENT ON OPERATING RATIOS:

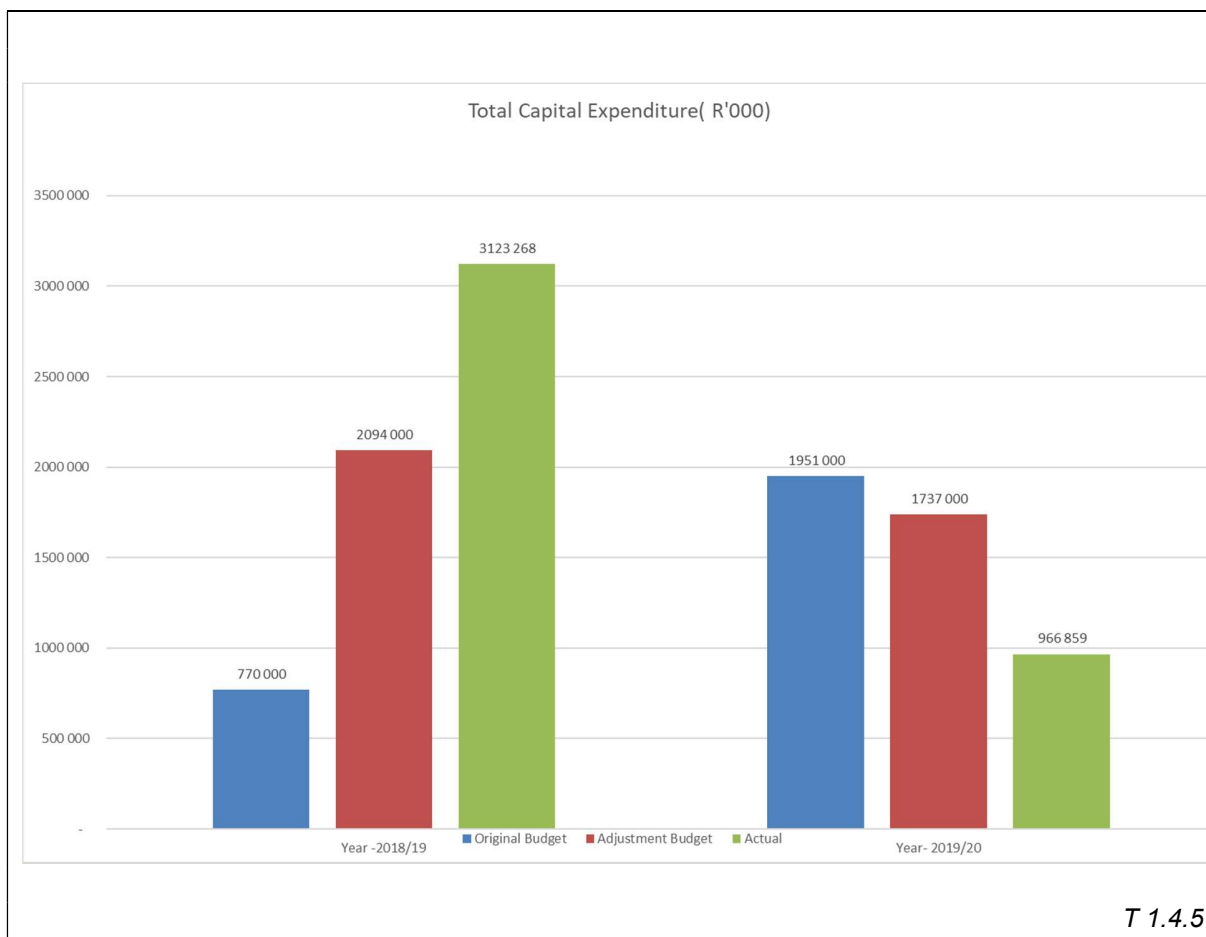
Employee costs remain high at 65%. It must be noted however that there is a 1% increase from 64% of year prior. The high % is directly as a result of grant dependency and the inability to generate any additional revenue.

Repairs & Maintenance relates more to items of property plant and equipment

Total Capital Expenditure: Year -2017/18 to Year 2019/20			
			R'000
Detail	Year -2017/18	Year -2018/19	Year- 2019/20
Original Budget	946	770	1 951
Adjustment Budget	1 216	2 094	1 737
Actual	2 399	3 123	967
			T 1.4.4

# Chapter 1

The municipality had planned to invest in computer equipment, however due to COVID-19 outbreak, expenditures had to be reprioritized for emergencies to contain the spread of the virus.



The spending on the capital expenditure relates to the Computer equipment, office equipment, furniture and fittings and intangible assets procured during the year.

## 1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

### ORGANISATIONAL DEVELOPMENT PERFORMANCE

# Chapter 1

Organisational development was done in line with the approved Work Place Skills Plan for 2019/20. Additional training as identified during the performance assessments and requests from the Training and Development Committee were also accommodated.

The Municipality focused on the prescribed minimum competency training of all qualifying staff members.  
*T 1.5.1*

## 1.6. AUDITOR GENERAL REPORT

### AUDITOR GENERAL REPORT: YEAR 2019/20 (CURRENT YEAR)

The Municipality received an unqualified without findings opinion for the 2019/20 Financial Year. An audit action plan has been developed with the objective to sustain this audit outcome.

*T 1.6.1*

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## 1.7. STATUTORY ANNUAL REPORT PROCESS

# Chapter 1

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January
T 1.7.1		

## COMMENT ON THE ANNUAL REPORT PROCESS:

It is important that the above timetable is followed as closely as possible. Completion of the Annual Report and especially the Annual Performance Report is of critical importance. It informs both the planning process for the IDP and also provides a tool to both Council and our community to measure our performance and progress in addressing services.

*T 1.7.1.1*

# Chapter 2

## CHAPTER 2 – GOVERNANCE

### INTRODUCTION TO GOVERNANCE

The Executive Mayor, as the Political Head, is supported by the following Mayoral Committee Members that headed the respective portfolio committees:

- Councillor N Bloem – Finance and Corporate Committee
- Councillor G Assegai – Planning and Development Committee
- Councillor KF Masilabele – Community Development Services Committee
- Councillor OG Monaki – Infrastructure and Basic Services Committee

Furthermore the Executive Mayor is also supported by the Budget Steering Committee.

*T 2.0.1*

# Chapter 2

## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

### EXECUTIVE MAYOR



Cllr. S. Mosikatsi

### SPEAKER



Cllr. PQ. Mogatle

T 2.1.1

# Chapter 2

## COUNCILLORS

COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE						
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Written and signed Apologies for non-attendance	Percentage Apologies not written for non-attendance
	FT/PT			%	%	%
Councillor T Anthony	PT	Planning and Development Committee	ANC	70	20	10
Councillor G Assegaai	FT	Chairperson: Planning and Development Committee	ANC	90	10	
Councillor N Bloem	PT	Chairperson: Finance and Corporate Committee	ANC	80	20	
Councillor H du Plessis	PT	Infrastructure & Basic Services Committee	DA	80	20	
Councillor L Gwai	PT	Planning and Development Committee	EFF	80	20	
Councillor V Jordan	PT	Finance and Corporate Committee	ANC	70		30
Councillor L Kaebis	PT	Infrastructure & Basic Services Committee	ANC	80	10	10
Councillor G Kaotsane	PT	Infrastructure & Basic Services Committee	EFF	90		10
Councillor O Kgopodithata	PT	Planning and Development Committee	ANC	100		
Councillor O Leserwane	PT	Community Development Services Committee	EFF	100		
Councillor K Makwati	PT	Infrastructure & Basic Services Committee	ANC	90	10	
Councillor K Masilabele	FT	Chairperson: Community Development Services Committee	ANC	100		
Councillor O Mathibe	PT	Planning and Development Committee	DA	90	10	
Councillor P Mogatle	PT	N/A	ANC	100		
Councillor O Mokweni	PT	Community Development Services Committee	ANC	80		20
Councillor T Molwagae	PT	Community Development Services Committee	EFF	90		10
Councillor S Mosikatsi	FT	Executive Mayor	ANC	90	10	

# Chapter 2

Councillor O Monaki	FT	Chairperson: Infrastructure & Basic Services	ANC	100		
Councillor P Ohentswe	PT	Finance and Corporate Committee	EFF	90		10
Kgosi BD Phetlhu	PT	N/A	N/A	60		40
Councillor AWP vd Westhuizen	PT	Finance and Corporate Committee	DA	80	10	10

T 2.1.2

## POLITICAL DECISION-TAKING

The Council of John Taolo Gaetsewe District Municipality is made up of four Portfolio Committees which report to Mayoral Committee and the Mayoral Committee reports to Council, eventually Council takes the final decision. The decision that Council takes its either approve the reports or reject them after altering where it deems necessary to do so.

Upon decision by Council, the administration wing has to implement that decision and report back to Council inform of Council Resolution Register. The register will indicate as to how the administration has implemented the Council decision and progress thereof.

T 2.1.3

## 2.2 ADMINISTRATIVE GOVERNANCE

### INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Municipal Manager	Mr. DH Molaole
Corporate Services Department	Mrs. EM Tshabaemang (Director: Corporate Services)
BTO Department	Mrs. GP Moroane (CFO)
Community Development Services Department	Mr. TH Matlhare (Director: Community Development Services)
Economic Development Department	Mr. KK Teise (Acting Director: Local Economic Development <b>w.e.f. January 2018</b> )
Basic Services & Infrastructure	Mr. MW Molusi (Acting Director: Basic Services & Infrastructure <b>w.e.f. January 2018</b> )

2.2.1

## Chapter 2



### **TOP ADMINISTRATIVE STRUCTURE TIER 1**

#### **MUNICIPAL MANAGER**

Mr D. Molaole



#### **DIRECTOR: BASIC SERVICES AND INFRASTRUCTURE**

Mr M. Molusi



#### **DIRECTOR: CORPORATE SERVICES**

Mrs. E. Tshabaemang



#### **DIRECTOR: ECONOMIC DEVELOPMENT**

Mr K. Teise

## Chapter 2



**DIRECTOR: COMMUNITY DEVELOPMENT SERVICES**

Mr T. Matlhare



**CHIEF FINANCIAL OFFICER: BUDGET AND TREASURY OFFICE**

Mrs. G. Moroane

T 2.2.2

# Chapter 2

## COMPONENT B: INTERGOVERNMENTAL RELATIONS

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

The Municipality is part of and contribute to various cooperative governance and inter-governmental initiatives by the different spheres of Government and coordinate the inter-governmental relations forums in the District.

*T 2.3.0*

## 2.3 INTERGOVERNMENTAL RELATIONS

### NATIONAL INTERGOVERNMENTAL STRUCTURES

The Municipality participates in various forums at national level. These forums include MINMEC and MINTECH meetings that are attended by the Executive Mayor and Municipal Manager or their delegates respectively. Other forums include the Municipal Managers Forum.

*T 2.3.1*

### PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Municipality participates in the Premier's IGR where the Executive Mayor reports on the progress made in the District at large and presents a report on behalf of all the Municipalities in the District. The Municipal Manager also attends this with the Executive Mayor and also attends the HOD Forum. Various other provincial forums are participated in by the Municipality and ranges from health and safety to water and sanitation, to social MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars, set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.

The Municipality's Supply Chain Management Unit is a support function for all business units within the municipality, assisting them to implement their service delivery priorities. One of the main objectives of the unit is to ensure provision of efficient, transparent, fair, equitable and cost effective procurement services.

The Unit operates under the direct supervision of the Chief Financial Officer and the Head: Supply Chain Management Unit, to whom this duty has been delegated to in terms of section 82 of the Act and its core functions are:

1. Demand Management;
2. Acquisition Management;
3. Logistics Management;
4. Disposal Management;
5. Risk management; and
6. Performance Management.

# Chapter 2

The supply chain management policy for the year 2019/20 was adopted by Council during May 2018 in term of SCM Regulation 3 (1) (a).

The main change made to the policy was to bring it in line with the structure of the SCM regulations. The aim was to establish a credible base from which the business processes can be developed.

Further review of the current SCM policy was done in order to align the policy to the revised Preferential Procurement Regulations 2017, issued in terms of the section 5 of the preferential Procurement Policy Framework Act, Number 5 of 2000 (PPPFA). The regulations were published in the Government Gazette No 40553 on 20 January 2017 these regulations aim to align the Preferential Procurement Policy Framework Act, 2017, Central Supplier Database, E-Tender portal and the Broad – Based Black Economic Empowerment Act, 2003 effective from 7 December 2011, issued by National treasury

## OVERVIEW SUPPLY CHAIN MANAGEMENT

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# Chapter 2

## PERFORMANCE OF SUPPLY CHAIN MANAGEMENT

In terms of the MFMA SCM regulations, the SCM policy of the municipality must provide for a system of demand, acquisition, logistics, disposal, risk and performance management, and the current policy has been aligned to provide for that.

### 1. DEMAND MANAGEMENT

The preferential policy objectives were identified at national level hence during the 2019/20 financial year a procurement plan was developed and the procurement preferential preference points were set on how these objectives will be met for each contract for the 2019/20 financial year.

The table below depicts progress on the implementation of the 2019/20 procurement plan:

Bid Number	Bid Description	Date advertised	Closing Date	Date awarded	Awarded to	Bid Price Awarded (R)
BID NO:01/2019/20	Provision of security services for a period of 36 months	10-Jun-18	08-Aug-18	N/A	N/A	It was recommended for Re-advertisement
BID NO:02/2019/20	Proposal for provision of professional services for RRAMS & ISDG	03-Aug-18	24-Aug-18	09-Oct-19	Reneilwe Consulting and Planner	R 5 330 580.00
BID NO:03/2019/20	Supply & Delivery of fencing material	20-Aug-18	31-Aug-18	09-Oct-19	Around the Moon logistics	R 359 530.00
BID NO:07/2019/20	The appointment of consultants for assistance with the preparation of the AFS and provision of assistance with the clearing of findings raised by the internal and external auditors for a period of 36 months on as and when	23-May-19	13-Jun-19	21-Jun-19	CCG Systems	Rate based Contract

# Chapter 2

	required rate basis.					
BID NO:08/2019/20	Provision of security services for a period of 36 months	23-May-19	13-Jun-19	To be finalised in the new financial year	N/A	N/A
BID NO:09/2019/20	Verification and valuation of Municipal owned biological assets (GAME SPECIES) at Thwane game farm, Van zylsrus for a period of 36 months.	04-Jun-19	21-Jun-19	To be finalised in the new financial year	N/A	N/A

From the table above, it is evident that 50% of planned procurement items were acquired during the financial year.

The remaining 50% was mainly because the non-submission and non- responsiveness of the bidders. Those services were re-advertised and will be finalized in the coming financial year i.e. 2019/20.

## 2. ACQUISITION MANAGEMENT

Thresholds as per section 12 of the SCM regulations has been set and complied with throughout the year. A thorough review of the bid documentation was done to ensure full compliance with all circulars and the latest SCM regulations to ensure full compliance in the 2019/20 financial year. A procurement plan was developed to guide all the procurement processes during the year and implemented accordingly.

### Salient Details of Supply Chain Management Activities

The municipality remains on course with the implementation of its SCM Policy, and has steadily improved overall service delivery.

# Chapter 2

A summary of SCM Activities is given below:

## **a) Supply Management Reforms**

Management continue to ensure that all the all the procurement of goods and services comply to the revised Regulations, PPPFA, MFMA Circulars (CSD and E-Tender portal) and Practice notes.

The following policies have been updated and adopted by the Council as required by the legislation:

- Standard for Infrastructure Procurement and Delivery Management (SIPDM) Policy Framework for 2019/20 FY
- Supply Chain Management Policy for 2019/20 FY

## **b) Internal Auditor's Findings on the implementation of the SCM policy**

Management has implemented the audit action in ensuring that for each service provider appointed on the quotations below R30 000 comply fully with the following:

- Complete the MBD forms
- CSD Registered
- Quotations vs pro forma invoice on accommodations \*

## **c) Implementation of mSCOA SCM module**

The municipality has changed its core financial management system during the year under review. This has led to improved efficiency in relation to processing of procurement transactions on the system and related reporting. Training on same is prioritized for the 2019/20 financial year.

## **d) SCM Unit Functionality**

The municipality continued to have and manage a fully functional SCM Unit e.g. through providing administrative and committee secretariat to the Bid Committees. This function ensures compliance in respect of formal committee practice and record.

## **e) Contract Management**

The Contract management function continued to be assigned to Supply Chain Management Unit in collaboration with various Project managers in the municipality.

The performance of contractors is evaluated on monthly basis as required by section 116 of the MFMA. Generally, the performance of contractors for various services is satisfactory. The contract register has been developed and it is updated continuously.

### ***Amendment of Contracts - Section 116(3):***

#### **i. EMS Contract**

**Sebata Municipal Solutions** was appointed in 2016 for the supply of an integrated financial management and internal control system for mSCOA implementation for a period of three years;

- The above-mentioned contract has expired in September. However, the Integrated Financial Management System is needed for the daily financial transactions of the municipality;
- The approval was granted by the Council to amend Sebata's Contract, to run on a month to month basis until the new Core financial management system is procured.

- ii. **Bid No: 16/2015/16** was awarded to **Credit Intelligence** for the Collections of outstanding debts for a period of 24 months, and the contract has expired on the 30<sup>th</sup> October 2018. The municipal manager deemed it necessary to extend the contract on a month to month basis,

# Chapter 2

in order to allow the Consultants to finalise the process of debt collections that is currently underway.

## **Legal Implications**

- Section 1116(3) of the MFMA prescribes that the contract procured through the supply chain management policy may be amended only after the reasons for the proposed amendment have been tabled in the Council of the municipality

## **f) LOGISTICS MANAGEMENT**

An effective system of logistics management has been established. The municipality however does not necessarily have stores items such as small tools and equipment, but have consumable items such as stationery, refreshments etc. The continuous interrogation of inventories and improvements on systems and processes has yielded positive results in that there is a progressive reduction of stock holdings.

## **g) DISPOSAL MANAGEMENT**

An effective system of disposal management has been established and detailed processes developed to ensure compliance with section 40 of the SCM regulations. Asset and Disposal Steering Committee was also established during the 2016/17 financial year.

## **h) RISK MANAGEMENT**

The contracts are being monitored on monthly basis, though there is a human capital challenge as there is only one monitoring officer. Also, measures are now being put in place to ensure identification, consideration and avoidance of potential risks in the supply chain management system in accordance with section 41 of the SCM regulations. The supply chain management operational risk register was maintained during the year under review.

Supply Chain Management is a specific focus area in the Auditor General's Report. Issues raised during the prior period audit are addressed in the Audit Action Plan.

## **3. ACQUISITION MANAGEMENT**

Thresholds as per section 12 of the SCM regulations has been set and complied with throughout the year. A thorough review of the bid documentation was done to ensure full compliance with all circulars and the latest SCM regulations to ensure full compliance in the 2019/20 financial year. A procurement plan was developed to guide all the procurement processes during the year and implemented accordingly.

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Supply Chain Management is a specific focus area in the Auditor General's Report. Issues raised during the prior period audit are addressed in the Audit Action Plan.

T 2.8.1

## 2.9 BY-LAWS

### COMMENT ON BY-LAWS:

The Municipality did not gazette any new by-laws since the gazetting of the Commonage Management By-Law in 2017. The public participation processes in respect of the Draft Air Quality Management and Municipal Health Services By-Laws were concluded. Gazetting is planned for 2019/20.

T 2.9.1.1

## 2.10 WEBSITES

Municipal Website: Content and Currency of Material	
Documents published on the Municipality's / Entity's Website	Yes / No

# Chapter 2

Current annual and adjustments budgets and all budget-related documents	Yes
All current budget-related policies	Yes
The previous annual report (Year -1)	Yes
The annual report (Year 0) published/to be published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Yes
All service delivery agreements (Year 0)	No
All long-term borrowing contracts (Year 0)	No
All supply chain management contracts above a prescribed value (give value) for Year 0	No
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	No
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No
Public-private partnership agreements referred to in section 120 made in Year 0	No
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Yes
<i>Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i>	

## 2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

### PUBLIC SATISFACTION LEVELS

The Municipality commissioned a customer satisfaction survey on behalf of all the municipalities in the District. It was concluded during the 2015/16. Next survey will be conducted within the next 5 year cycle due to costs of survey. The findings are summarized below.

*T 2.11.1*

Although service protests were experienced in the District these protest were related to services provided by sector departments such as roads. Communities disrupted educational services in some areas of especially Joe Morolong Municipality because of the demand for roads. The Municipality facilitated at a political level to resolve the roads issue.

*T 2.11.2.1*

### COMMENT ON SATISFACTION LEVELS:

John Taolo Gaetsewe District Municipality commissioned a Customer Satisfaction Survey for the entire District. The Survey was also conducted in support of the Gamagara, Ga-Segonyana and Joe Morolong Local Municipalities. It was undertaken to gather information on customer requirements, their expectations on performance and measure the community satisfaction index (CSI). The survey served as a mechanism to identify and prioritize service improvement areas from a customer's perspective and

## Chapter 2

provide a benchmark upon which future improvements in service delivery and customer satisfaction could be measured.

The study focused on generating information sourced from external customers (Individual & corporate, as well as NGOs, CBOs and SMMEs). This covered both the domestic, regional and international community. The study focused on a sample of John Taolo Gaetsewe District Area, Local Municipalities and other stakeholder service outlets e.g. tribal offices. This covered the communities that are resident within the John Taolo Gaetsewe District Area. The survey had a sample size of 500.

Local residents were appointed to distribute questionnaires with a target of at least 10 to achieve the overall target of 500 questionnaires. A random sample selection procedure was followed. Forms were completed using face to face contact. No telephone interviews were conducted.

The following findings have been summarised for easy referencing for Council and comprehensive reports are available at the Strategic Planning and Organizational Performance Management Unit:

**Joe Morolong Local Municipality (Bothitong, Dikhing, Dithakong, Tsaelengwe, Pietersan and Washington):**

Rating	Poor 1	Satisfactory 2	Good 3
Service Experience	599	117	428
Service Delivery	5115	534	924

**Ga-Segonyana Local Municipality (Mothibistad, Kuruman, Bankhara Bodulung, Seven Miles, Gantatelang, Ditshoswaneng, Thamoyanche and Mapoteng):**

Rating	Poor 1	Satisfactory 2	Good 3
Service Experience	790	419	959
Service Delivery	8080	1845	2578

**Gamagara Local Municipality (Gamagara, Kathu and Dibeng):**

## Chapter 2

Rating	Poor 1	Satisfactory 2	Good 3
Service Experience	181	160	347
Service Delivery	1372	1028	1604

The research results may be summarized as follows and is clearly addressing almost exclusively issues related to local municipalities:

### A. Service Experience

- Service points are not easily accessible
- There are insufficient staff to provide effective service
- Staff are impatient and not helpful and unfriendly
- Staff are competent and knowledgeable
- Office hours of service points are unsuitable and inconvenient
- The municipal offices close early and this affects people who work
- Areas in and around the offices are clean and neat
- Residents doesn't find it easy to reach the municipality telephonically
- Switchboard staff are not friendly and courteous
- People at the helping desk are sometimes impatient in dealing with clients

### B. Service Delivery

- The water is not of good quality and clean water is not provided to households.
- Water supply is very limited in rural areas, many households do not have taps in their homes.
- Sanitation services are generally poor. The communities are not satisfied with the sewer bucket removals which they felt are ineffective, sewerage suction tanker services are not effective and the absence of waterborne sewerage systems which in some areas is very ineffectively.
- Lack of sanitation and sewerage services is severe in rural areas where some households do not have these services.
- People need to be notified when the water supply will not be available.
- Electricity bill is expensive and some areas do not access to electricity.
- People need to be notified when electricity supply will not be available.

## Chapter 2

- Roads and Storm Water need maintenance.
- Potholes are repaired within reasonable time.
- Speed humps are needed in busy areas and close to schools.
- Refuse removal in the most areas is very poor and attention needs to be paid to at least removal once a week and minimization of waste and refuse dumps that are unclean should be closed completely.
- Most areas where refuse has been removed not clean and are unhygienic.
- The refuse removal services need to be improved as some of the refuse bins are damaged by waste collectors.
- The communication between the municipality and the rest of the community needs more improvement.
- Municipal Health Services such as clinics close early while most of them have limited staff members; the service is reported as in general not satisfactory. In some rural wards there is a need for mobile clinics.
- There is a need for a hall, a park, sports facilities and a library in many areas/wards.
- Fire and rescue services are provided poorly in rural areas and there is need to expand the service to these areas.
- After hour municipal emergency services delay to respond or simply do not respond.
- The municipality's law enforcement and traffic services are mostly working in urban areas, are not visible in the rural areas.
- The rates and accounts service is generally poor.
- The accounts are often inaccurate. Billing is thumb sucked and residents don't have easy channels to complain about accounts.
- Residents in urban areas complain that they don't see the meter readers but do get accounts.
- The ward committees are functional, but regular report backs are not forthcoming.
- The municipality is not accessible to many and information published needs to be improved to be more relevant for local citizens.
- Council meetings are not always accessible.
- The residents would want to be involved in IDP/budget meetings but need to be well informed in advance.

*T 2.11.2.2*

# Chapter 3

## CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

### INTRODUCTION

The Municipality continues to support the locals with roads, human settlement and water quality monitoring services whereby planning documents are developed, related information and advices are given to the municipalities. An Integrated Transport Plan is developed and being reviewed, a comprehensive identification of the roads network through the Rural Roads Assets Management System (RRAMS) is made. Replacement of mud houses is continued and is depended on funding resources allocated. The intent is to implement housing projects as guided by the Integrated Human Settlement Plan over the years. This will, however be impeded by inadequate funding resources.

There are anticipated needs for increase on human resources. This is already visible by the contract appointment of interns on certain sectors - RRAMS programme. The outcome of Assessment of Bulk Water Services will surely also shed light on areas which need to be beefed up with human resources. The Municipality on economic development had commenced in ensuring that the District Growth Development Strategy, the Local Economic Development Strategy and the Small Medium and Macro Enterprises becomes in place. The procurement processes had commenced in the financial year under review.

*T 3.0.1*

### COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

### INTRODUCTION TO BASIC SERVICES

The pressing needs on services are a coordinated supply of bulk water services so as to optimize efficiency on the supply of the service. On housing needs there is huge backlog of housing as indicated in the Council adopted Integrated Human Settlement Plan which needs to be addressed. The needed services for the new townships are equally an area to be addressed. The Norms and Standards of National Home Builders Registration Council (NHBRC) that houses be built only in areas where the Geotech and Dolomitic investigation are completed has been covered in many areas within the District.

Basic Services backlogs eradication is being hampered by poor roads conditions and this continue to have an effect on transportation services which in turn places duress on the better roads. The municipality had shed light on the magnitude of roads in the municipal space and their overall conditions. This information is being used as a planning tool, to quantify the resources required in addressing these challenges in an informed manner.

*T 3.1.0*

# Chapter 3

## 3.1. WATER PROVISION

### INTRODUCTION TO WATER PROVISION

Local Municipalities are Water Service Authorities and in some instances Water Services Providers. The District Municipality does however; support the local municipalities where feasible within the available resources.

T 3.1.1

### COMMENT ON WATER USE BY SECTOR:

Though noted that there are the mining, agriculture and other water user sectors in the district, it cannot be ascertained yet what the actual volume of extraction, use and losses are. The Local Municipalities which are water services authorities cannot not avail this information as there are challenges relating to water metering still.

T 3.1.2.2

### COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

The Municipality targets to provide Bulk Water Services in a coordinated way and optimizing the district wide resources. The assessment can be attained within the approved budget. This outcome will assist in shedding light on how best the services can be performed in the district and this is being done in consultation with the local municipalities.

T 3.1.10

## 3.2 WASTE WATER (SANITATION) PROVISION

### INTRODUCTION TO SANITATION PROVISION

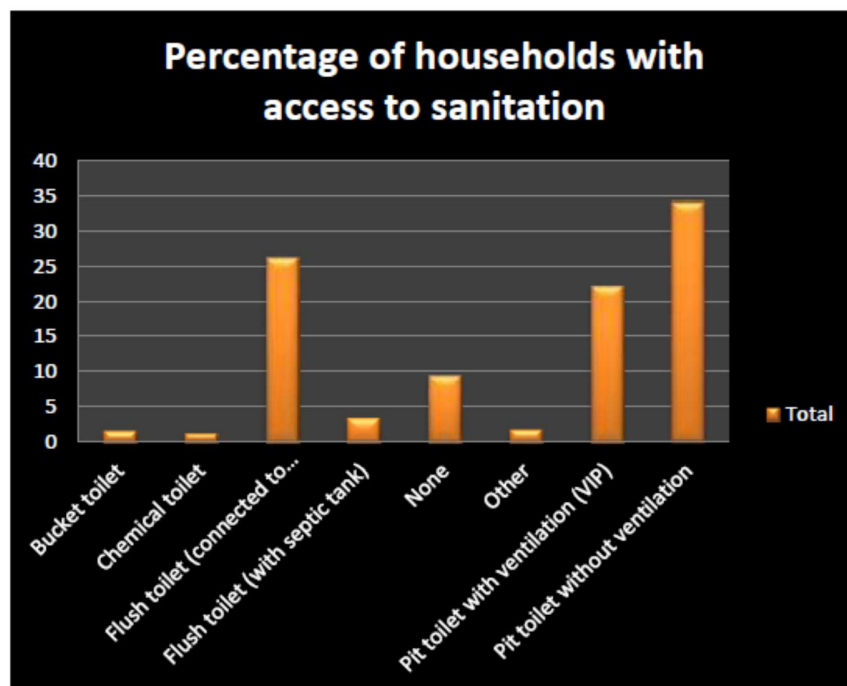
All of the municipalities within the area of jurisdiction of the JT Gaetsewe District Municipality (DC45) reported that they performed a sanitation function during the August 2008 capacity assessment review; in each case the function is rendered by the Technical Services (Basic Services and Infrastructure) Department, together with the Community Services Department in the case of the Ga-Segonyana Local Municipality (NC452), and consists in the main of the provision of waterborne and dry sanitation facilities.

In this regard it is noted that two of the municipalities within the area of jurisdiction of the JT Gaetsewe District Municipality (DC45) have officials managing the sanitation function who each hold a national diploma in civil engineering qualification. (*Source: 2008 Municipal Demarcation Board Municipal Capacity Assessment Report*)

JT Gaetsewe District Municipality monitors waste and sanitation on a monthly basis from an Environmental Health perspective.

T 3.2.1

## Chapter 3



T 3.2.2

### COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL

The MHS function of JTGDMD monitor sanitation from an Environmental Health Perspective.

T 3.2.10

## 3.3 ELECTRICITY

### INTRODUCTION TO ELECTRICITY

The Services is being implemented by the local municipalities and in some areas by Eskom. There had however been a big coverage of household electricity – grid supply throughout the district. The areas still mainly not covered are new establishments – particularly informal settlements and in fills. There is however plans in place to augment such shortcomings, particularly in the Ga-Segonyana Local Municipal area. There are developments on alternate energy in the district with a solar park in Kathu being established. Few villages and many cattle posts are being serviced by limited supply of alternate energy and the sustainability thereof in such instances is not well. There supply challenges in some towns, Kuruman and Kathu, where there is a need to augment the supply and in some instances the grant resources not adequate in the local municipalities.

T 3.3.1

# Chapter 3

## COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

The District municipality is currently not implementing the function and does engage with the locals where support is being requested.

*T 3.3.9*

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## 3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

### INTRODUCTION TO WASTE MANAGEMENT

JT Gaetsewe District Municipality does not provide this service.

*T 3.4.1*

## COMMENT ON WASTE MANAGEMENT SERVICE PERFORMANCE OVERALL:

JTGDM completed the IWMP for the whole district. The project was funded by DEA. A waste management forum was established at district level for support to local municipalities in implementing their IWMP.

*T 3.4.10*

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## 3.5 HOUSING

### INTRODUCTION TO HOUSING

The Integrated Human Settlement Plan (IHSP) is in place is reviewed annually. Council had approved a SDBIP which seeks that a Human Settlement Forum sits quarterly to ensure that the recommendations in the strategic plan are followed and the information is updated on an annual basis. There are projects reflected in the Human Settlement Plan and preparations of business cases are being in line with the Integrated Human Settlement Plan. The Municipality reports on matters relating to housing distress as from risks related to improper housing structures, disaster incidents and progress on projects implemented by the Local Municipalities.

Challenges are that the eradication of the housing backlogs are very slow in local municipalities, contract management challenges. The Local Municipalities had however, where there had been unsatisfactory progress terminated contracts where necessary.

*T 3.5.1*

# Chapter 3

## COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

The performance of housing in overall is not very satisfactory due to insufficient funding, contract management challenges and aligning projects to the new Norms and Standards of NHBRC on Geotech and Dolomitic investigations.

There are planning projects completed and ongoing, particularly on Geotech and Dolomitic investigations in all municipalities in the District.

There are four main construction sites in the district on civil engineering services for 240 low cost houses in Wrenchville which has been completed and the construction of top structures thereof had commenced. The construction of 163 of the 177 houses in Bankhara/Bodulong has been completed. Both projects in the Ga-Segonyana Local Municipal area. A project of 5700 houses mixed development project at Kathu is at an advanced planning stage and Engineering Services for 1265 housing sites at Sesheng is at construction stage, both the projects are implemented at Gamagara Local Municipality.

*T 3.5.7*

## 3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

### INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Provision of free basic services is with the local municipalities – this includes identification of indigents and policies addressing the methods of how such services are being provided.

*T 3.6.1*

### COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

Indigent support and free basic services is not provided by the District, but by the local municipalities.

*T 3.6.6*

## COMPONENT B: ROAD TRANSPORT

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

### INTRODUCTION TO ROAD TRANSPORT

Transport within JT Gaetsewe District is characterized by a limited availability of number of transport modes, storage facilities and huge backlogs in communication. This is the reality despite the fact that Kuruman is an important distribution depot for the surrounding rural areas. The Municipality had through the development of the Rural Roads Asset Management identified the extent of the roads network and completed the review of the Integrated Transport Plan. The roads asset system and the transport plan will guide on transport infrastructure and the all pressing transport services needing attention.

# Chapter 3

Road transportation remains a challenge on certain focal areas: existence of by-laws, law enforcement, safety on roads, limitations of resources on planning tasks, fare structures for different modes of public transportation, of taxi licensing, inadequacies of bus and taxi ranks, weigh bridges to regulate freight – where in place, being too small for the holding capacities.

T 3.7

## 3.7 ROADS

### INTRODUCTION TO ROADS

All of the municipalities within the area of jurisdiction of the JT Gaetsewe District Municipality (DC45) reported that they performed the municipal roads function in each of the assessment periods under review. The function is performed within the Technical Services (Basic Services and Infrastructure) Department within each of the municipalities within the service area of the JT Gaetsewe District Municipality (DC45); only two of the officials managing the municipal roads function at the respective municipalities within the District Municipality are in possession of a national diploma in civil engineering qualification. It is noteworthy that the roads agency function was moved away from the District Municipality and is now the sole responsibility of the Provincial Roads Department.

The Integrated Transport Plan identified key transport infrastructure projects, including roads. The output on the Rural Roads Asset Management System (RRAMS) assists in guiding on prioritising roads needing attention. There is progress on district roads as being implemented by the Department of Roads and Public Works and local municipalities had also constructed some roads. The steps following the identification of roads needing attention will be followed by sourcing funding as to the projects implemented.

Of the 1 434,6 km's of municipal unpaved roads are assessed in the district, 15 % are very poor, 52.2% poor and 32 % are ranging from fair to good.

### COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The projects embarked on are strategic projects and no capital projects were embarked upon. Operation related function of roads is with the local municipalities, the Department of Roads And Public Works and SANRAL on the national road. 2947 km of the 3040.2 km of municipal roads network is classified in line with RISFSA standards. A Roads Management Plan (RAMP) and municipal roads will be developed in the new financial year to ensure legal ownership of the proclaimed roads.

T 3.7.10

# Chapter 3

## 3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

### INTRODUCTION TO TRANSPORT

The Reviewed Integrated Transport Plan seeks to address the population and socio economic transportation challenges by ensuring the existence of structures which initiate plans to ensure the existence of improved and maintained infrastructure and services . The mayor success this far is the review of the Integrated Transport Plan and established Transport Forum by Council. There is cooperation of public transport industries and all other relevant stakeholders on the establishment of the transport forum.

*T 3.8.1*

### COMMENT ON THE PERFORMANCE OF TRANSPORT OVERALL:

The transport services are not properly regulated hence the establishment of the Transport forum to ensure the implantation of the District Integrated Transport Plan. The municipalities and the Department of Roads and Public Works are embarking on capital and operational projects, particularly roads as transport infrastructure projects.

Generally the level of service on public transport is not satisfactory due to long waiting times for public transport. The condition increases hitchhiking and this in turn make taxi operators to erect informal taxi ranks on N14 and R31. The highest volumes of public transport (taxis and busses) of areas with 15 km's of the Kuruman town and the route linking Hotazel and Kuruman ranging between 651-1300 per day.

Road freight and parking in towns are areas and concern and there is a necessity for roads infrastructure plans in the municipalities to take care of.

*T 3.8.7*

## 3.9 WASTE WATER (STORM WATER DRAINAGE)

### INTRODUCTION TO STORM WATER DRAINAGE

The storm water function in towns is being executed by the local municipalities; there are no adequate plans though to provide the service in villages. There is however limited, roads associated, developments during construction of new roads but this relates to the protection of roads infrastructure. Many existing rural settlements including informal settlements close to towns are in the risk of being below the flood lines.

*T 3.9.1*

# Chapter 3

## COMMENT ON THE PERFORMANCE OF STORM WATER DRAINAGE OVERALL:

There are no specific storm water capital projects in the district currently. The operations functions in the towns by the local municipalities are ongoing, particularly on maintenance related incidents causing flooding on roads.

T3.9.9

## COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

### 3.10 PLANNING

The District compiles a package of plans. These plans include the Integrated Development Plan (IDP), Spatial Development Framework (SDF), Housing Sector Plans, Local Economic Development Strategy, Integrated Transport Strategy and District Growth and Development Strategy. The IDP is the master plan and covers a period of five years and must be reviewed annually. The development priorities contained in the IDP is based on the spatial priorities and objectives identified in the SDF. The IDP must be aligned with all sector plans internally and externally. The District Municipal Planning Tribunal (DMPT) was established in 2016; in terms of the Spatial Planning and Land Use Management Act (SPLUMA), Act 16 of 2013. The DMPT is fully functional and deals with development applications from all 3 local municipalities.

T 3.10.1

The values, vision and mission of the municipality that is also guiding planning and development in the District and indicated in the IDP are as follows:

“The Vision statement of the JT Gaetsewe District Municipality reflects its commitment to the ideal of an integrated, development-focused district, and is built on the following municipal core values:

- 🏛️ **Development** – strive for the development of the district and its people, while also striving for own personal development;
- 🏛️ **Commitment** – stay committed to the vision of the John Taolo Gaetsewe DM and to serving the people of the district in whatever you do;
- 🏛️ **Care** – to show empathy and care towards others, while striving to promote a positive working atmosphere; and
- 🏛️ **Integrity** – stay true to whatever you commit to, performing your duties to the best of your ability, while conducting yourself professionally at all times.

## Chapter 3

### ***Vision***

***Working together for a better life for all in the district***

The vision statement of the JT Gaetsewe DM represents an ideal of what it wishes to achieve. It represents the main and ultimate *deliverable* of the municipality. The focus is on the value that the municipality aims to create and add for the communities of the district.

### ***Mission***

***Accelerating the implementation of integrated development initiatives and providing support to local municipalities***

The above-mentioned mission statement reflects what the municipality will do in an ongoing manner to constantly striving towards achieving its vision.

The District Development priorities indicated in the IDP are as follows:

Water & Sanitation

Roads & Transport

Local economic development (LED)

Land development and reform

Integrated human settlements

Sustainable Development Orientated Municipality

Environmental management and conservation and climate change management

Promotion of health in the District

Disaster management

The District Reviewed Spatial Development Framework (SDF) was concluded in 2017. The reviewed SDF is compliant with Chapter 4(21) of the SPLUMA (Act 16 of 2013). Spatial Development Frameworks are long terms plans that are reviewed every 5 years and can only be amended through a legislatively prescribed process.

## Chapter 3

The reviewed SDF retains the previous spatial development vision of the District as follows:

*“The John Taolo Gaetsewe District Municipality will become a district in which all its residents...*

- **... engage in viable and sustainable wealth-generating economic activities.**

*This will result in the eradication of poverty, and will ensure a dramatic reversal in the unequal distribution of wealth and income and the skewed access to opportunities in the district. Viable, well-planned rural development initiatives will bring an end to the deep poverty and the destitution of the district. Due to well researched and tested desert-resistant agricultural practices, high-value rural products will be produced and over-grazing and soil erosion won't be a problem any longer. Serious investment in and exploitation of renewable sources of energy will result in the district becoming self-reliant in the generation of electricity which will provide a sizeable injection into the national electricity grid.*

- **... live in sustainable human settlements that are safe, vibrant and in balance with the environment.** *Young people will grow up with the prospect of a bright future, either in the district, or anywhere else in the world as the quality education they will have received, will prepared them for. Walking and cycling will be the two most common modes of movement within towns and villages, while a safe and reliable minibus system will provide public transport between settlements. Traffic management and road maintenance will mean that mining trucks no longer pass through settlements and potholes will be a thing of the past. Water and energy-use, energy generation and the construction of housing, will be examples of “best practice in green design, building and living”. Due to proper, respected and wise land-use management, including the regulation of mining activities, uncontrolled settlement expansion will not take place and environmental damage will be minimised.*

- **... participate in the governance of the district, including settlement formation and expansion, economic development, education, and the provision of basic services.** *Plans will be prepared with full participation of all interested and affected parties, which will be based on accurate information and will be implemented.*

*Elected politicians and officials will serve the people and corruption and misappropriation of funds will be rare occurrences. Traditional leaders will serve on a civil society advisory body that is consulted on all strategic decisions by the elected politicians. Decisions that affect the public will be based on evidence, and only taken after careful consideration of all the viable options and deliberation on all the*

## Chapter 3

*positions and perspectives in the district. Due to payment for services by all, and smart systems and practices, the municipalities in the district will be financially viable and desirable places to work in.*

In support of the vision, the SDF provides a spatial structure that would promote the following **development objectives**:

- Attract new business (especially manufacturing linked to other sectors e.g. mining, agriculture) to the district in a focused/core area.
- Create a spatial structure that would maximise accessibility of the dispersed population to a range of services and facilities.
- Support the diversification of the economy, whilst strengthening existing area-specific economic activities relating to specific regions.
- Promote expansion of the mining industry in such a way that its negative impacts are minimised and distressed mining communities are supported.
- Stimulate the agricultural sector through the strengthening of commercial farming and the creation of a new intensive agriculture and agro-processing SMME economy in densely populated rural areas with predominantly subsistence farming.
- Enhance tourism as a more important component integrated in the economy of the district.

The reviewed SDF supports the SPLUMA principles and the incorporation thereof is indicated as follows:

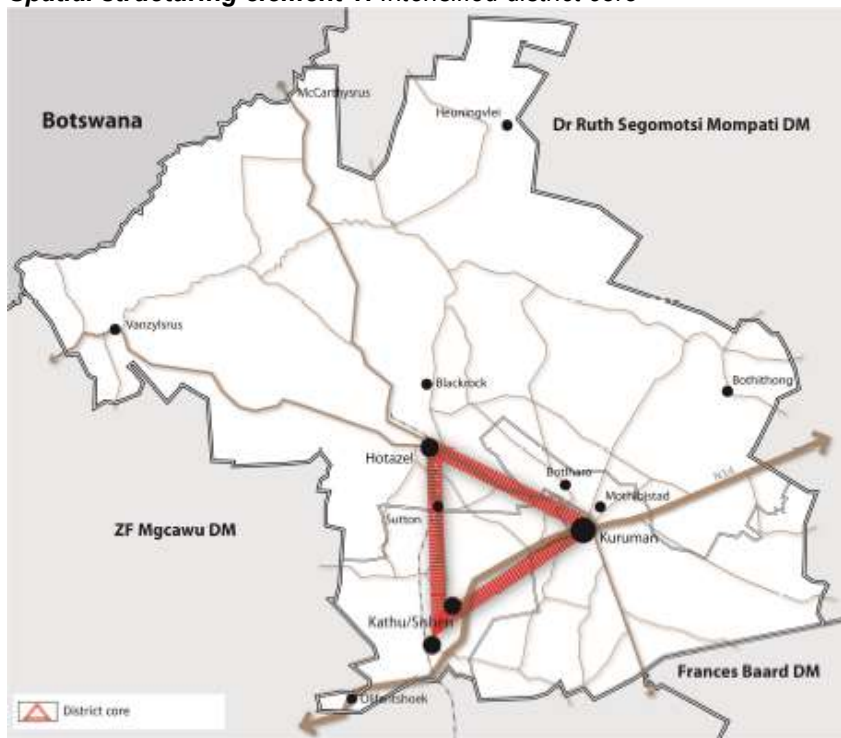
<b>SPLUMA Principles</b>	<b>Spatial Application in JTGD SDF</b>
Spatial Justice	Connectors between regional nodes, local nodes and human development hubs serve impoverished villages.
Spatial Sustainability	Strategies in functional economic regions address mining, agricultural and tourism activities as major economic activities in the area. The locality of the region on the N14 highway is proposed to accommodate a light industrial strip between Kuruman and Sishen/Kathu, which will assist in a diversifying the economy and creating job opportunities. The clustering of social facilities in nodes should further combat sprawl and assist with the creation of viable communities and sustainable settlements.
Spatial Efficiency	Through the integration of mining, agricultural (both commercial and subsistence) and tourism activities in spatial planning, area-based strategies could be applied more efficiently.
Spatial Resilience	The spatial framework provides a conceptual spatial idea, which gives guidance to context-specific implementation relating to the characteristics of a specific place and in relation to a specific community.
Good Administration	The spatial framework builds on the spatial framework of the Northern Cape, whilst taking cognisance of planning in the

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	three local municipalities, thus supporting the principle of intergovernmental coordination.
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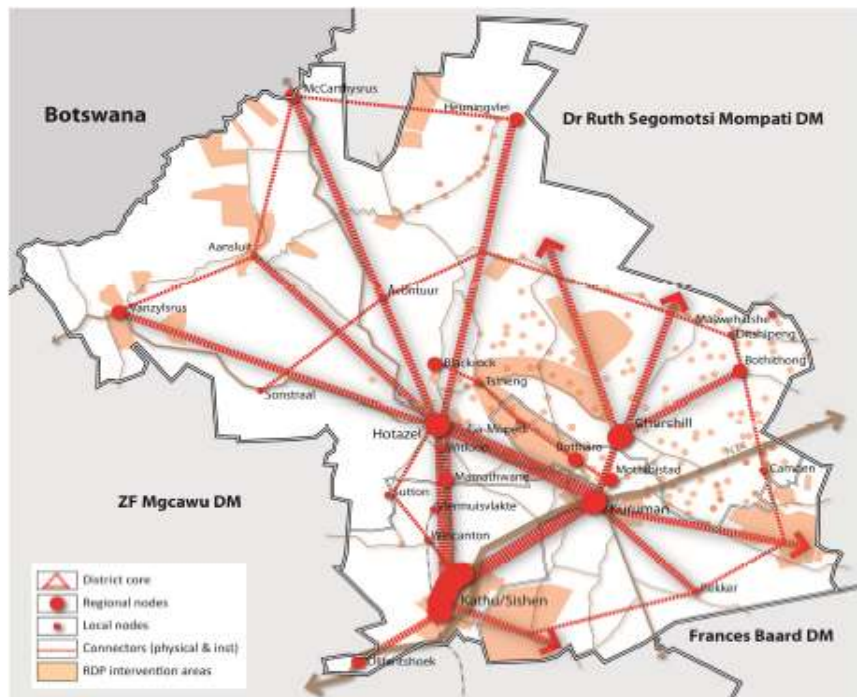
The following elements guide the spatial structure of the district and form the basis of the SDF:

***Spatial structuring element 1: Intensified district core***

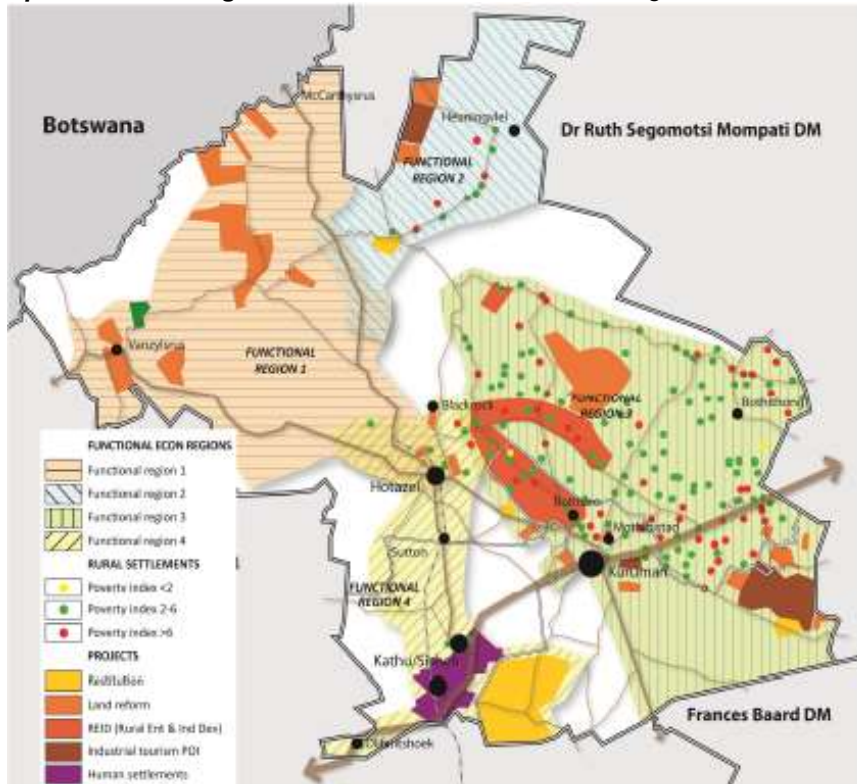


***Spatial structuring element 2: Polycentric network of nodes and (physical and institutional) connecting routes – Regional nodes, Local nodes and Human Development Hubs***

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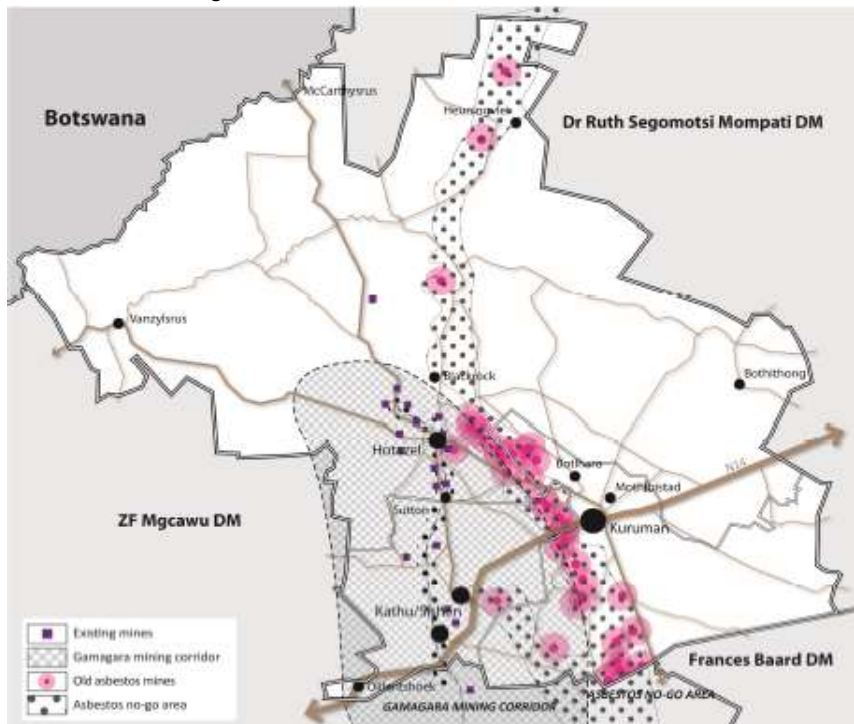


**Spatial structuring element 3: Functional economic regions – Functional Regions 1 – 4**



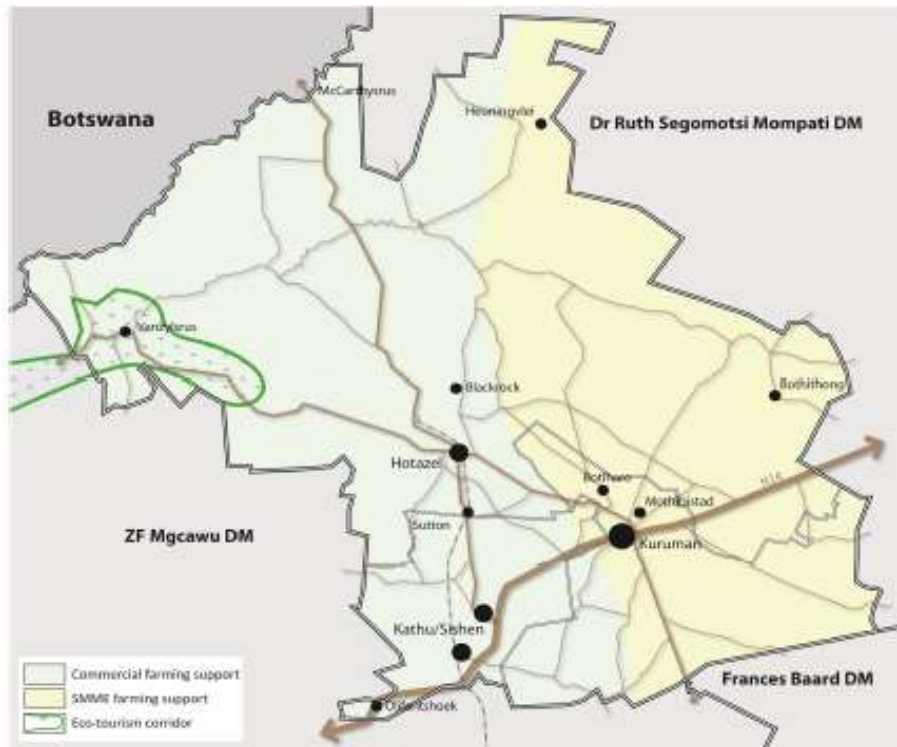
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**Spatial structuring element 4: Mines and mining activities - Gamagara Mining Corridor, Active mines and Asbestos no-go area**

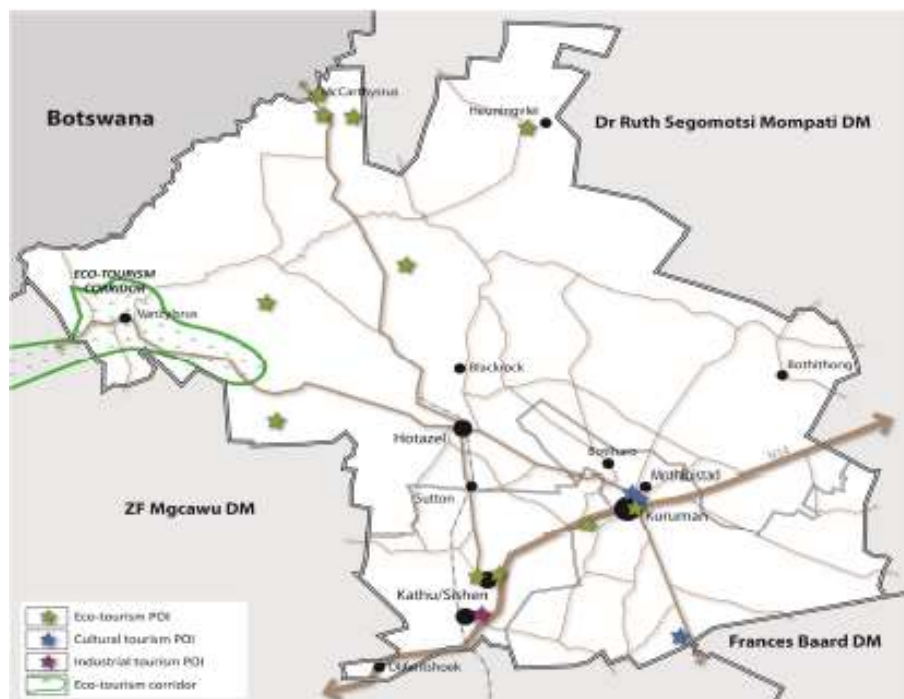


**Spatial structuring element 5: Agricultural activities – Commercial farming and rural extensive farming**

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**Spatial structuring element 6:** *Tourism activities– Points of interest and Eco-tourism Corridor*





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Employees: Planning Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	2	2	2	0	0%
7 - 9	1	1	1	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	4	4	4	0	0%
T 3.10.4					

### COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The Municipality commenced with the following physical planning projects:

- Human Settlement Plans – completed. Funding is dependent on grants and unfortunately limits the roll out of projects. Reviews are now taking place annually.
- Integrated Transport Plan – Consultation of the final draft was concluded in the 2017/18 Financial Year. Reviews are taking place on an annual basis.
- The Rural Roads Asset Management Strategy project is a multi-year project is progressing well and is still unfolding.
- Integrated infrastructure plan – development of the plan commenced and will be concluded in phases due to lack of information and funding
- Air Quality Section 78 Assessment could not commence in 2017/18 and will be concluded in 2019/20 instead.

T 3.10.7

# Chapter 3

## 3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

### INTRODUCTION TO ECONOMIC DEVELOPMENT

LED is the function under which the following programmes are implemented as priorities:

- Tourism
  - Tourism Awareness Campaigns
  - Entrepreneurial support
  - Cleaning Campaign
  - Skills Development
  - Schools Tourism
  - Women in tourism
- Comprehensive Rural Development Programme(CRDP)
  - AFGRI- Park project
  - Support Agriculture Cooperatives(Youth and Women)
  - Enterprise development
  - Support to local emerging farmers
  - Management of commonage farms
- SMME
  - Enterprise development
  - Supplier development
  - Database development
  - Help develop Business plan
  - Lobby for funds for Enterprises

Each local area has a unique set of opportunities, problems, and has developed an LED strategy that is specific to its local context. The local municipalities agreed in line with the legislation that the JTG District municipality can run/drive the following projects/programme:

#### **Eight priorities:**

- Tourism development and running of office
- Support SMME's and Cooperatives
- Coordination of Social and Labour Plan
- Support to Local Emerging Farmers
- Infrastructure : Roads and bulk water
- Agri-Park Mega Project
- DPMT coordination
- Regional Development agency

*T 3.11.1*

# Chapter 3

## COMMENT ON LOCAL JOB OPPORTUNITIES:

The mining sector created more jobs, followed by Sectoral Departments and Tourism in the District. Provincially unemployment stand at 26% and John Taolo Gaetsewe District at 28,5%. Municipalities plan to have a mining Supplier Day/awareness for communities and business people.

T 3.11.4

## COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

The Local Economic Development (LED) and Tourism Unit got involved in number of initiatives and activities that steered economic development in the District for the period under review. These events have big economic benefits to the business and community at large as they create temporary job opportunities to the residents of the District and they are not limited to the following.

### 1. Desperados Bikers Rally

Bikers from all over SADC region converged in the region during the first weekend of March this year. This magnificent rally's main aim is to give hope to the hopeless and to lift the spirits of the less privileged in societies in the John Taolo Gaetsewe Region. Speaking on the side-lines of the official handover of food hampers to the elderly, 300 school uniforms and sanitary pads to learners within the region, the new president of the bikers' association, Mr Thato Makgari who is the chairperson of the DESPERADOS, said that "the spirit of giving was demonstrated by Christ as an epitome of a good example of tolerance to humankind and needs to be expanded in that character."

### 2. ANNUAL DURBAN TOURISM INDABA

The Municipality has been exhibiting on its own since 2014 when they acquired the services of OG Media to design a stall with corporate branding. They normally book exhibition space and assemble the stall during shows.

The District successfully participated in the Annual Tourism Indaba, which is held at the Nkosi Albert Luthuli international Convention Centre in May each year. The Africa Tourism Indaba is one of the largest tourism marketing events on the African calendar and one of the top three events of its kind on the global calendar. The Indaba showcases the widest variety of Southern Africa's best tourism products and it also attracts international buyers and media from across the world.

Eight (8) of our Small Medium and Micro Enterprises (SMME's) attended the Tourism Indaba. They are from the tourism and crafters sector of the economy. Most of the visitors showed interest in their products and offerings and also showed interest to attend the next event. The Department of Tourism has indicated that they will take one of our exhibitors to the international trade fair out the Country.

This also provided an opportunity to our product owners (SMME's) to market themselves and to network with different stakeholders. The Municipality intends to increase the number of SMME participants at the next Tourism Indaba.

# Chapter 3

## 3. KGALAGADI JAZZ FESTIVAL

The John Taolo Gaetsewe District municipalities has a partnership with event owners for a training programme of crafters as build up programme. The Municipalities of the District also intended to celebrate heritage and support horse racing month in September annually. The Department recommend that the District has its own huge tourism (over two days) event. Unfortunately due to the COVID-19 lockdown regulations the JTGDM deemed it necessary to postpone all public events until a directive is given to resume with such events.

## 4. COMPREHENSIVE RURAL DEVELOPMENT PROGRAMME

The Unit envisaged to work together with relevant sectoral Department in all spheres to harness resources and avoid unnecessary duplication of projects for community development. Twelve agricultural cooperatives are assisted by the Cooperative Grant. John Taolo District facilitated the process and it will be an ongoing effort. Implementation of the Agri-park is of great help to local farmers.

### **SMME's Support and Development**

More than five business companies participates in the contractor development programme arranged by District in partnership with Khumani mine and the enterprise programme that assisted more than ten companies with funding. Assmang Black Rock, through the District facilitation, is providing interest free loans to upcoming businesses. The District plan to continue with the partnership with local mines for Enterprise and Supplier development programmes

The Department needs resources and capital to improve its planning, research capacity, implementation of projects and monitoring thereof.

*T 3.11.11*

# Chapter 3

## COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

### INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

The District Municipality only perform municipal health services. Other services are provided by the local municipalities where those functions are assigned to them and where they have the resources to do so.

#### 3.13 CEMETERIES AND CREMATORIALS

##### INTRODUCTION TO CEMETERIES & CREMATORIALS

The MHS section of JTGDGM monitors funeral parlours and mortuaries in terms of the National Health Act and regulations.

T 3.13.1

##### SERVICE STATISTICS FOR CEMETERIES & CREMATORIALS

9 Funeral Parlours are regularly monitored in a monthly basis and currently there are 2 Mortuaries operating in our District.

##### COMMENT ON THE PERFORMANCE OF CEMETERIES & CREMATORIALS OVERALL:

JTGDGM monitor Cemeteries and funeral parlours as part of the municipal health function – disposal of the dead. Fencing of cemeteries is on an annual basis implemented. Eleven cemetery sites were fenced in both Joe Morolong and Ga-Segonyana Local Municipalities

T 3.13.7

#### 3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

##### INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The MHS Section of JTGDGM monitors Environmental Health risk factors at crèches as part of the MHS function.

T 3.14.1

# Chapter 3

## COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection.

### INTRODUCTION TO ENVIRONMENTAL PROTECTION

The Department of Environmental Affairs (National) has approved funding for Environmental Protection and Infrastructure Programme (EPIP). The Department remains committed in supporting municipalities through funding initiatives that enhance the protection of environment and responsible use of natural resources. A number of projects has been approved and are implemented from 2014/15-2019/20 MTEF Cycle in the local municipalities.

The projects are as follows. Waste Management and Greening; Greening and Open Space Management; and Establishment of a Game Farm.

*T 3.14*

### 3.15 POLLUTION CONTROL

#### INTRODUCTION TO POLLUTION CONTROL

Environmental Pollution Control is done in terms of the MHS function within the scope of the National Health Act.

*T 3.15.1*

#### COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL

Monitoring of Environmental Pollution is done in terms of the MHS function within the scope of the National Health Act.

*T3.15.7*

### 3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (E.G. COASTAL PROTECTION)

#### INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

This service is not provided by the District Municipality

*T 3.16.1*

# Chapter 3

## COMPONENT F: HEALTH

This component includes: clinics; ambulance services; and health inspections.

### INTRODUCTION TO HEALTH

The 9 municipal health functions defined a environmental health was deligated to district and metro municipalities in south africa. Environmental Health is the only preventative health service designed to identify and contain environmental risk factors that have a detrimental effect in the lives of communities.

*T 3.17*

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### 3.17 CLINICS

#### INTRODUCTION TO CLINICS

The MHS function at JTGDM monitor clinics from an Environmental Health perspective. Government premises inspections is a competency of the MHS function situated at DM's in South Africa

*T 3.17.1*

#### COMMENT ON THE PERFORMANCE OF CLINICS OVERALL

As indicated clinics and medical waste is monitored from JTGDM from an environmental health perspective

*T 3.17.7*

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### 3.18 AMBULANCE SERVICES

#### INTRODUCTION TO AMBULANCE SERVICES

This service is not provided by the District Municipality, but by the Provincial Department of Health.

*T 3.18.1*

# Chapter 3

3.19 HEALTH INSPECTION; FOOD AND ABATTOIR LICENSING AND INSPECTION; ETC.

## INTRODUCTION TO HEALTH INSPECTIONS; FOOD AND ABATTOIR LICENSING AND INSPECTIONS, ETC.

MHS is a District and Metro Municipal function and consist of the following:

### DEPARTMENT OF HEALTH

No. R. 698 26 June 2009

### HEALTH PROFESSIONS ACT, 1974 (ACT NO. 56 OF 1974)

#### REGULATIONS DEFINING THE SCOPE OF THE PROFESSION OF ENVIRONMENTAL HEALTH: AMENDMENT

The Minister of Health has, under section 33(1), read with section 61(2) of the Health Professions Act, 1974 (Act No. 56 of 1974), and on the recommendation of the Health Professions Council of South Africa, amended the regulations promulgated by Government Notice No. R. 888 of 26 April 1991, as reflected in the Schedule.

#### SCHEDULE

##### Definitions

1. In this Schedule, "**the regulations**" means the regulations relating to the scope of the profession of environmental health published under Government Notice No. R. 888 of 25 April 1991, and any word or expression to which a meaning has been assigned in the regulations shall bear such meaning, unless the context otherwise indicates.

##### Amendment of the regulations

2. The regulations are hereby amended by the addition at the end of the regulations as an annexure, of the following Scope of Practice of Environmental Health Practitioners:-

#### ANNEXURE

##### SCOPE OF PRACTICE OF ENVIRONMENTAL HEALTH PRACTITIONERS

In addition to the scope of the profession as prescribed in the regulations, the following acts fall within the scope of practice of environmental health practitioners.

**Environmental health services include performance of the following acts:**

##### (1) WATER MONITORING

- (a) Monitoring water quality and availability, including mapping water sources and enforcing laws and regulations related to water quality management;

## Chapter 3

- (b) ensuring water safety and accessibility in respect of a safe quality (microbiological, physical and chemical) and an adequate quantity for domestic use as well as in respect of the quality for recreational, industrial, food production and any other human or animal use;
- (c) promoting access to water for all communities by providing inputs toward the planning, design and management of the water supply system and ensuring healthy community water supplies through surveillance;
- (d) ensuring monitoring of effective waste water treatment and water pollution control, including the collection, treatment and safe disposal of sewage and other water-borne waste, and surveillance of the quality of surface water (including sea water) and ground water;
- (e) advocating proper and safe water usage and waste water disposal;
- (f) sampling and testing water in the field and examining and analysing it in a laboratory.

### **(2) FOOD CONTROL**

- (a) Ensuring food safety in respect of acceptable microbiological and chemical standards, quality of all food for human consumption and optimal hygiene control throughout the food supply chain from the point of origin, all primary raw material or raw products production, up to the point of consumption;
- (b) inspecting food production, distribution and consumption areas;
- (c) monitoring informal food trading;
- (d) inspecting food premises and any nuisances emanating therefrom;
- (e) enforcing food legislation and the Codex Alimentarius;
- (f) applying food quality monitoring programmes and principles through various techniques, e.g. Hazard Analysis and Critical Control Points System (HACCP System) audits;
- (g) promoting the safe transportation, handling, storage and preparation of foodstuffs used in the Primary School Nutrition Programme (PSNP), prisons, health establishments, at airports, etc.;
- (h) promoting the safe handling of meat and meat products through, amongst others, meat inspections and examination of abattoirs;
- (i) promoting the safe handling of milk and milk products.

### **(3) WASTE MANAGEMENT AND GENERAL HYGIENE MONITORING**

- (a) Ensuring proper refuse storage, collection, transportation, transfer and processing, materials recovery, and final disposal;
- (b) ensuring proper management of liquid waste including sewage and industrial effluents;

## Chapter 3

- (c) ensuring the proper storage, treatment, collection, transportation, handling and disposal of medical waste and hazardous waste;
- (d) sampling and analysing any waste or waste product such as sewage or refuse;
- (e) investigating and inspecting any activity relating to the waste stream or any product resulting therefrom;
- (f) advocating proper sanitation;
- (g) controlling the handling and disposal of diseased animal tissue;
- (h) ensuring safe usage of treated sewage sludge and ensuring that reclaimed waste is safe for health;
- (i) ensuring waste management including auditing of waste management systems and adherence to the 'cradle-to-grave' approach.

### **(4) HEALTH SURVEILLANCE OF PREMISES**

- (a) Conducting environmental health impact assessments of, amongst others, housing projects;
- (b) assessing aspects such as ventilation and indoor air quality, lighting, moisture-proofing, thermal quality, structural safety and floor space;
- (c) assessing overcrowded, dirty or other unsatisfactory health conditions on any residential, commercial, industrial or other occupied premises;
- (d) monitoring all buildings and all other permanent or temporary physical structures used for residential, public or institutional purposes (including health care and other care, detainment, work and recreation, travel, tourism, holidaying and camping) and the facilities in connection therewith and the immediate precincts;
- (e) ensuring urban and rural land-use planning and practices that are conducive to sustainable development by conducting sound environmental health impact and other assessments;
- (f) ensuring the prevention and abatement of any condition on any premises, which is likely to constitute a health hazard;
- (g) ensuring the health safety of public transport facilities such as buses, trains, taxis, boats and aeroplanes as well as all other facilities in connection therewith;
- (h) ensuring compliance with the principles of Local Agenda 21 and the Healthy Cities approach to integrated service rendering and the practical minimising of any environmental health risk.

### **(5) SURVEILLANCE AND PREVENTION OF COMMUNICABLE DISEASES, EXCLUDING IMMUNIZATIONS**

## Chapter 3

- (a) Promoting health and hygiene, aiming at preventing environmentally induced diseases and related communicable diseases;
- (b) Collecting, analysing and disseminating epidemiological data and information;
- (c) Using the Participatory Hygiene and Sanitation Transformation (PHAST) training approaches and any other educational training programmes or approaches for effectual control measures at community level;
- (d) Conducting epidemiological surveillance of diseases;
- (e) Establishing an effective environmental health surveillance and information system within the different spheres of governance;
- (f) Developing environmental health measures, including protocols, with reference to epidemics, emergencies, diseases and migrations of populations.

### **(6) VECTOR CONTROL MONITORING**

- (a) Identifying vectors, their habitats and breeding places;
- (b) conducting vector control in the interest of public health, including control of arthropods, molluscs, rodents and other alternative hosts of diseases;
- (c) removing or remedying conditions resulting in or favouring the prevalence of or increase in rodents, insects, disease carriers or pests;
- (d) ensuring the residual spraying of premises and precincts;
- (e) investigating zoonotic diseases and vector-borne diseases in the working and living environment;
- (f) surveying imported cargo and livestock for the prevalence of disease vectors;
- (g) undertaking serological testing of rodents, dogs and other pets or animals.

### **(7) ENVIRONMENTAL POLLUTION CONTROL**

- (a) Ensuring hygienic working, living and recreational environments;
- (b) identifying the polluting agents and sources of water, air and soil pollution;
- (c) conducting environmental health impact assessments of development projects and policies, including assessments of major hazard installations;
- (d) Identifying environmental health hazards and conducting risk assessment and mapping thereof;
- (e) Preventing accidents, e.g. owing to paraffin usage;
- (f) Approving environmental health impact assessment reports and commenting on environmental impact assessment applications;
- (g) Ensuring clean and safe air externally (ambient and point sources) through emission inventory monitoring, modelling and toxicological reports, reviews and complaint investigations;

## Chapter 3

- (h) Controlling and preventing vibration and noise pollution;
- (i) Preventing and controlling soil pollution that is detrimental to human, animal or plant life;
- (j) Ensuring compliance with the provisions of the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993), and its regulations, including anticipating, identifying, evaluating and controlling occupational hazards;
- (k) Taking the required preventative measures to ensure that the general environment is free from health risks;
- (l) Ensuring the registration, permitting, monitoring and auditing of all industries, activities, trade, etc., which involves controlling the internal effects of pollution on the worker and the external effects of pollution on the community and the environment;
- (m) Monitoring management of infrastructure integrity, including management of the infrastructure integrity of pipelines and tanks;
- (n) Ensuring, jointly with other role players, a readiness for abnormal operating conditions and disasters;
- (o) Developing sustainable indicators appropriate for monitoring the effectiveness of environmental management systems of industries.

### **(8) DISPOSAL OF THE DEAD**

- (a) Controlling, restricting or prohibiting the business of an undertaker or embalmer, mortuaries and other places or facilities for the storage of dead bodies;
- (b) monitoring practices at cemeteries, crematoria and other facilities used for the disposal of dead bodies;
- (c) managing, controlling and monitoring exhumations and reburials or the disposal of human remains.

### **(9) CHEMICAL SAFETY**

- (a) Monitoring and regulating all operators, fumigation firms and formal and informal retailers that deal with the manufacture, application, transport and storage of chemicals;
- (b) Permitting, licensing and auditing the premises of the above, e.g. by issuing Scheduled Trade Permits;
- (c) Facilitating advice, education and training on pesticides and/or chemical safety.

### **(10) NOISE CONTROL**

## Chapter 3

- (a) Assessing the extent of noise pollution and its effects on human health;
- (b) facilitating noise control measures;
- (c) measuring ambient sound levels and noise levels.

### **(11) RADIATION (IONISING AND NON-IONISING) MONITORING AND CONTROL**

- (a) Ensuring ionising and non-ionising radiation sources are registered with the Department of Health;
- (b) ensuring registered ionising and non-ionising sources meet licence conditions;
- (c) monitoring the safe transportation of radioactive material to ensure compliance;
- (d) ensuring radioactive sources are licensed at the South African Nuclear Energy Corporation (NECSA);
- (e) ensuring the proper disposal of all radiation waste materials from hospitals and other licensed establishments;
- (f) ensuring protection against any form or sources of electromagnetic radiation.

### **(12) PORT HEALTH**

- (a) Monitoring, inspecting, sampling and labelling all imported foodstuffs, cosmetics and disinfectants at all ports of entry (harbours and border posts);
- (b) monitoring all imported foodstuffs, cosmetics and disinfectants for which a certificate of approval is required;
- (c) sampling foodstuffs consumed on board all aeroplanes and ships;
- (d) monitoring, inspecting and sampling (for chemical and bacteria testing purposes) all maize and wheat imports;
- (e) monitoring continuous rodent and vector control at airports and harbours;
- (f) monitoring imports of used pneumatic tyres for the prevalence of mosquitoes such as the Aedes species (vectors for yellow fever, dengue fever and encephalitis);
- (g) Providing a continuous vaccination programme for seafarers at all ports;
- (h) Monitoring and inspecting all hazardous cargo entering the country;
- (i) Monitoring and preventing communicable diseases on a 24 hour-basis;
- (j) Monitoring water on board ships to ensure that it is safe for human consumption;
- (k) Monitoring food wastes and medical waste for disposal.

## Chapter 3

### **(13) MALARIA CONTROL**

- (a) Ensuring, developing and implementing a malaria control programme for the country, thus lowering parasite levels in the population and preventing deaths through rapid diagnosis and prompt treatment;
- (b) Ensuring a continued active and feasible malaria surveillance programme;
- (c) Carrying out house-to-house surveys to actively detect malaria cases;
- (d) Ensuring blood smears are taken from foreigners and people who have visited malaria-endemic countries for malaria parasitaemia screening;
- (e) ensuring randomised screening of the population by blood sampling for testing during seasonal changes in high-risk malaria areas;
- (f) carrying out epidemiological surveys to research the extent of transmission and gather data on the infected population;
- (g) undertaking vector control on an annual basis by application of residual insecticides on inner wall surfaces, roofs and eaves of dwellings in malaria areas;
- (h) conducting continued health education and awareness programmes on malaria, for example by distributing pamphlets and launching campaigns.

### **(14) CONTROL AND MONITORING OF HAZARDOUS SUBSTANCES**

- (a) Ensuring the correct labelling of hazardous substances;
- (b) Ensuring all active ingredients are indicated;
- (c) Ensuring warning signs are indicated;
- (d) Ensuring precautions are taken during storage and transportation, and the appropriate protective gear is used during handling;
- (e) Ensuring all hazardous substances are registered with the Departments of Agriculture and Environmental Affairs and Tourism;
- (f) Ensuring hazardous substances control to prevent injury, ill-health or death by reason of the toxic, corrosive, irritant or flammable nature of substances;
- (g) Ensuring control over the importation, manufacture, sale, operation, application, modification or dumping of such substances;
- (h) Ensuring premises are licensed and registered with the appropriate authorities;
- (i) Inspecting premises to ensure compliance with safety, storage and other precaution measures;
- (j) Ensuring sampling is done according to approved procedures;
- (k) Ensuring all labelling regulations are complied with;

## Chapter 3

- (l) Checking all stock records and ensuring the hazardous substance register is up to date;
- (m) Ensuring that empty containers are disposed of according to statutory requirements.

**(Signed)**  
**DR A MOTSOLEDI, MP**  
**MINISTER OF HEALTH**

*T 3.19.1*

SERVICE STATISTICS FOR HEALTH INSPECTION, Etc.

Actions Annual Target	528
Actions Quarterly Target	132
Actions Actual Performance	<b>768</b>
<b>Break Down</b>	
Water	104
Health Surveillance of Premises	200
Food Premises	408
Awareness Campaigns	24
Food Samples	16
Funeral Undertakers	16

*T 3.19.2*

### COMMENT ON THE PERFORMANCE OF HEALTH INSPECTIONS, ETC. OVERALL:

As indicated, the District Municipality is responsible for monitoring of environmental health risk factors that is detrimental to the lives of communities.

There is a healthy relationship between the National Department of Health and the District Municipality. The National Department of Health recently deployed one Environmental Health Practitioner (Community Service) for one year to do community services in the District. The Community Development Services Department appreciates efforts by the National Department and therefore would like to lobby for another Environmental Health Practitioner (Community services) to assist in the District. The Department needs internships for both Disaster Management and Municipal Health Services. Therefore the Community Development Services Department would further like to engage organizations like NARYSEC to see how we can forge good relations so that we can be able to work together in future, especially on issues related to environment.

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The Department (Community Development Services) has also prepared business plans that have been sent to different stakeholders to assist with funding of environmental projects in order to further enhance service delivery.

There are also challenges facing this profession in our district, for example geographically the District is huge and the resources and the manpower are few, therefore the Environmental Health Practitioners have to travel long distances to execute their duties. Compliance remains a challenge in most businesses and government institutions, but the EHP's try everything in their power to do their job, by advising and taking the necessary punitive measures where possible. In some instances they must be able to identify themselves fully because some new business owners will not trust them thinking that they are not the right personnel.

*T 3.19.7*

### COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

#### INTRODUCTION TO SECURITY & SAFETY

Security and Safety is not a District Municipality function.

*T 3.20*

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#### 3.20 POLICE

##### INTRODUCTION TO POLICE

Security and Safety is not a District Municipality function.

*T 3.20.1*

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#### 3.22 OTHER (DISASTER MANAGEMENT)

##### INTRODUCTION TO DISASTER MANAGEMENT

#### 1) ACTIVITIES DURING THE YEAR

##### 1.1) Attendance of meetings

- Four District Disaster Management Advisory Forum Meetings were attended in the Province.
- Four Provincial Disaster Management Advisory Forum Meeting was attended in the Province.

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## 1.2) Contingency Planning

The following Contingency Plans were compiled and submitted to the PDMC

- Winter Season Contingency Plan
- Heavy Rain Contingency Plan
- Veldt fire Contingency Plan
- Contingency Plan for the Festive Season
- Contingency Plans for the Easter weekend

## 1.3) Compilation of reports

- Compilation of 4 Quarterly reports for the JTGDM Council.
- Compilation of 4 Quarterly Reports for the Provincial Disaster Management Centre
- Compilation of Annual JTGDM Report
- Compilation of Annual Provincial Disaster Management Report

## 2) RESULTS OF PREVENTION AND MITIGATION INITIATIVES

### 2.1) Road Incident Management System Workshop

Road incident management is the process whereby a set of coordinated activities is initiated when an incident occurs on a road in order to minimize the direct and secondary effects of the incident, as well as to restore normal capacity and safety levels to all affected road facilities as quickly as possible. Road Incident Management System (RIMS) is the coordinated and pre-planned use of human, mechanical and electronic resources to manage incidents and to restore traffic to normal operating conditions as soon as possible.

The South African National Roads Agency Ltd (SANRAL) SOC is mandated by Department of Transport to ensure that road incident management is implemented on all national roads across the country. The N14 section 1 to 8 (Springbok to NC/NW border) is a national road in the Northern Cape and therefore, the road incident management system needs to be implemented on this road.

According to the RIMS Operational Policy, a prerequisite for the establishment of a road incident management system is to allocate the function of a Central Communication Centre (CCC) to the District Disaster Management Centre appropriately. When centralised communication is taking place, all information is channeled through one Communication Centre which helps to avoid duplication; it sends out one message and it co-ordinate all communication between parties.

A local Steering Committee, comprising of nominated representatives of affected and interested parties has been established for the N14 in the JTG District.

The JTG District Steering Committee meets on a quarterly basis, to accommodate road incident management stakeholders from the Olifantshoek, Kathu, Kuruman and Mothibistad areas. At these local

# Chapter 3

steering committee meetings, as well as the Provincial Coordinating and Advisory Committee meetings, challenges with regards to incident detection, notification and resource deployment have been discussed.

## 2.2) Disaster Risk Reduction

10 Disaster Management Volunteers received training in First Aid Level 1.

## 3) CLASSIFICATION, MAGNITUDE AND SEVERITY OF DISASTERS/ INCIDENTS

### 3.1) Emergencies Coordinated

2776 Emergencies were co – ordinated and monitored by the DMC.  
Standing Operating Procedures were activated for all emergencies handled.

### 3.2) Wind and rain storm

From 22 - 27 January 2018 two severe rain and wind storms struck villages in Joe Morolong Municipality. An assessment was conducted by the Local Municipality

87 Households were affected which include the following villages:

#### Ward 1

Shalaneng	35 Houses
Heuningvlei	7 Houses

#### Ward 3

Penryn	40 Houses
March	5 Houses

According to the report from Joe Morolong, 14 injuries were reported after the incident in Ward 3. The wind and rain caused the following damage:

- Informal houses to collapse and roofs were ripped off.
- Eskom network were damaged.
- Water tanks were destroyed.

## ASSISTANCE PROVIDED

- EMS transported injured community members to Batlharos Hospital for medical attention.
- The Municipality availed a community hall for temporary storage of belongings.
- Joe Morolong Local Municipality made an assessment of the incidents and submitted a report to JTGDM.(Joe Morolong Report on incidents in Ward 3 – See Annexure A)(Report for incidents

## Chapter 3

in Ward 1 were still outstanding from Joe Morolong when Agenda items closed on 01 February 2018)

- Joe Morolong Municipality arranged a role player steering committee meetings on 23 January 2018, between role players to discuss response and recovery measures.
- JTG Disaster Management Centre assisted Joe Morolong Municipality with 30 blankets
- JTG Disaster Management Centre reported the incidents to the Provincial Disaster Management Center to ensure that affected households are assisted through the Emergency Assistance Housing Programme through the Human Settlement division of COHSTA.
- Eskom repaired damaged transformer and wires.
- Joe Morolong assisted the affected communities with water tanks.

On 20<sup>th</sup> and 26 March 2018 two severe rain and wind storms struck villages in Joe Morolong Municipality. An assessment was conducted by the Local Municipality

38 Households were affected which include the following villages:

Maula Ranch	1 House
Gatshekedi	2 Houses
Gasese	34 Houses
Maipeing	1 Houses

According the report from Joe Morolong, no injuries were reported after the incidents. The wind and rain caused the following damage:

- Informal houses to collapse and roofs were ripped off.

### **ASSISTANCE PROVIDED**

- Joe Morolong Local Municipality assessed the incidents and submitted a report to JTGDGM. (Joe Morolong Report on incidents – See Annexure A)
- JTG Disaster Management Centre requested Joe Morolong Municipality to arranged a role player steering committee meetings to discuss response and recovery measures.
- JTG Disaster Management Centre reported the incidents to the JTG Housing Unit and Provincial Disaster Management Center to ensure that affected households are assisted through the Emergency Assistance Housing Programme through the Human Settlement division of COHSTA.

### **4) PROBLEMS EXPERIENCED IN DEALING WITH INCIDENTS**

- Local Municipalities do not budget for Disaster Assistance in their Operational Budget
- Slow response from Sector Departments

### **5) WAY IN WHICH PROBLEMS WERE ADDRESSED**

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The Council of JTG resolved the following procedures in Council Resolution:

5.1) That Local Municipalities should make provision in their Operational Budgets for Emergency Disaster Assistance funds.

5.2) That Sector Departments should assist affected households timeously.

5.3) That Supply Chain Management should ensure that extraordinary emergency procurement procedures are in place to ensure rapid response to affected communities.

That the Housing Unit within the Local Municipality submit a business plan to Human Settlement unit in COGHSTA to ensure that the affected households are assisted through the Emergency Assistance Housing Programme, within Human Settlement.

### 6) DISASTER MANAGEMENT PLAN

DMP and DMF were compiled and reviewed for each Local Municipality and the District Municipality.

T 3.22.7

### COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; community halls; stadiums; swimming pools; and camp sites.

#### INTRODUCTION TO SPORT AND RECREATION

As part of employee wellness a service provider was appointed to develop an Integrated Employee Wellness policy and strategy. Sports and recreation is covered in the employee wellness activity program. This service is however not provided to communities.

T 3.23

### COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate services policies, financial services, human resource services, ICT services, property services.

#### INTRODUCTION TO CORPORATE POLICY OFFICES, ETC.

All policies have been consulted with all stakeholders, thereafter the policies were submitted to Council for approval and implemented as required.

T 3.24

### 3.24 EXECUTIVE AND COUNCIL

# Chapter 3

This component includes: Executive office (mayor; councilors; and municipal manager).

## INTRODUCTION TO EXECUTIVE AND COUNCIL

The Municipal priorities for 2019/20 as indicated below. The priorities are numbered for convenience only. Priorities are regarded as equally important:

1. Water & Sanitation
2. Roads & Transport
3. Local economic development (LED)
4. Land development and reform
5. Integrated human settlements
6. Sustainable Development Orientated Municipality
7. Environmental management and conservation and climate change management
8. Promotion of health in the District
9. Disaster management

*T 3.24.1*

## SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

The Municipality does not provide services directly to communities. The annual performance of the Municipality is indicated in the Annual Performance Report in Volume 3.

*T 3.24.2*

## COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

Council managed to meet successfully during the year and a number of ordinary and special meetings were held. Council fulfilled its oversight obligations with the assistance of the Municipal Public Accounts Committee, as well as the Audit and Performance Committee. Management to the most extent were also effective and is continuing with its change management process. Problems were however experienced in the Budget and Treasury Office, where interventions had to be made during the year. Certain processes in this regard is still unfolding. The Municipality also progressed to an unqualified without findings audit opinion 2019/20 Financial Year.

*T 3.24.7*

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## 3.25 FINANCIAL SERVICES

### INTRODUCTION FINANCIAL SERVICES

Please refer to the **Unaudited Annual Financial Statements 2019-2020** in the Annual Report Volume II.

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## 3.26 HUMAN RESOURCE SERVICES

### INTRODUCTION TO HUMAN RESOURCE SERVICES

The HR unit is responsible for individual performance management, skills development, bursaries (18.1 & 18.2) recruitment & selection, HR administration, employee benefits and leave management.

*T 3.26.1*

### COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

Bio-metric and CCTV systems were introduced as a control to adhere to attendance and punctuality policies of Council. The mentioned capital projects will serve the purpose to safeguard Council property as well as to address the safety of Councilors and Officials.

Budgeted vacant positions were advertised and filled as per approved organogram. Performance assessments were conducted and reported to council on quarterly basis. Leave has been administered and re consolidated on monthly basis. Training programs (including on-job training) have been implemented for all officials (including interns) and councilors.

*T 3.26.7*

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## 3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

### INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

During the year under review, network problems were experienced especially at Technical Services, Management did address the issues as the needs arised. Council envisaged to address these IT

## Chapter 3

challenges during the next financial year by allocating sufficient budget for improvement of IT infrastructure.

IT audit findings were fully addressed. The accounting system and HR system was changed from Sebata EMS to Sage Evolution and Sage 300 People systems.

*T 3.27.1*

### 3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This component includes: property; legal; risk management and procurement services.

#### INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

The year 2019/20 was a relatively fair year in that there were few new matters relating to the legal unit.

In this Unit we deal with Legal, Compliance and MPAC matters. Tremendous improvement has been recorded around seating of MPAC and MPAC resolutions, where even the prior year UIF register has been worked on and minuted for council resolutions.

The members of the MPAC have received numerous and rigorous training throughout the year in order to ensure that we build capacity around them in relation to the required investigations of MPAC. There has also been interaction between MPAC and the Provincial Legislature in terms of workshops facilitated by COGHSTA and the Provincial Legislature.

Issues of compliance have been tackled in line with departmental and functional adherence to policy and legislation. Management has put systems in place to ensure that all units, departments and the Office of the Municipal Manager take charge and responsibility in responding to possible breaches. We expect, going forward to enforce the improvement in the upcoming years by making compliance a performance target for Directors.

The Municipality continued to build on the progress that was made with Risk Management during 2019/20. The continued implementation of the Risk Management model adopted during 2019/20 assisted greatly in identifying and treating risk related to the performance and operations of the Municipality. It has also proven to be very effective in promoting the general performance of the Municipality.

The Municipal Council adopted a Risk Management Framework that formed the basis of developing and/or implementing the following:

- Risk Management Policy, which is a comprehensive policy that outlines the risk management methodology to be used for the identification and assessment of risk;
- Fraud and Corruption Management and Promotion of Ethics and Professionalism Policy and Plan. This is a new policy that comes into effect on 1 July 2020. It replaces the Ethics Management and Fraud Policies and is ultimately aimed at deterring dishonest behaviour and outlines the processes of dealing with it, if it occurs;
- Risk Register for 2019/20, with quarterly progress reviews and reporting during the year;

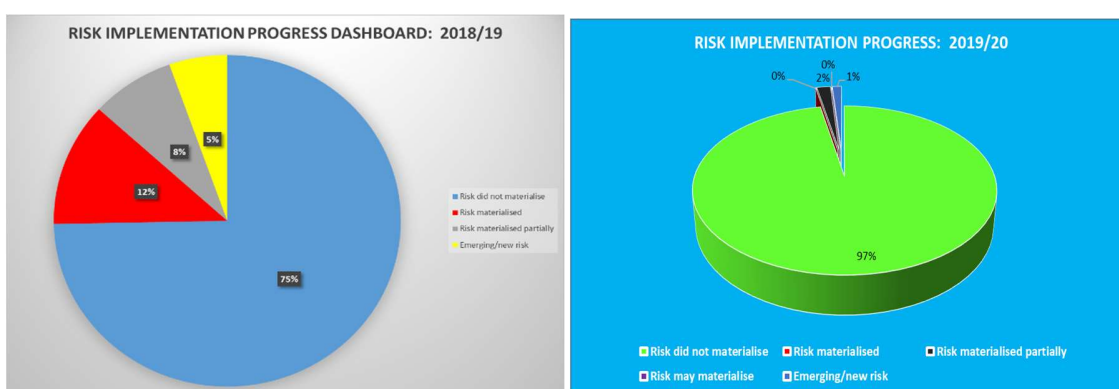
## Chapter 3

- Risk Management Strategy and Implementation Plan that guides risk management activities and reporting during the year. Progress was also monitored and reported on during the year on a quarterly basis;
- Risk Committee Charter, which guides the activities of the internal Risk Committee and includes key performance indicators in terms of which the Committee assessed its own performance for 2019/20:
- Risk based auditing and the development of internal audit plans;
- Risk assessment and Risk Register for the 2020/21 Financial Year; and
- Risk Management Strategy and Implementation Plan for 2020/21.

Risk Management Champions were identified for each business unit in the Municipality. Quarterly updates of the risk register and report were based on the monthly reports and quarterly meetings with Risk Champions. In addition to this, Risk Champions also reported on the occurrence of risk incidents during each quarter. This was included in the library of risk incidents that has commenced in 2019/20.

All the documentation was reviewed by the internal Risk Committee, before submission to the Audit and Performance Committee of Council. The combination of reporting and participation of Risk Champions, reporting to the internal Risk Committee and its review of documentation, as well as the review of the Audit and Performance Committee all contributed to the increased awareness of risk and the combined responsibility to manage it.

The quarterly risk reporting included a dashboard that enabled Management to view its risk implementation progress at a glance. The risk that did not materialize for 2019/20 was 75%, which in itself was a significant achievement. The reason being, that it was for the first time that the Municipality was able to evaluate the success of its risk management. 12% of identified risk materialized and 8% partially materialized during for 2019/20. Risk that did not materialize for 2019/20 totaled 97% and only 2% that materialized partially. The dashboards below graphically illustrate the risk management implementation progress for 2018/20 and 2019/20, respectively:



The internal Risk Management Committee (RMC) consists of Senior Management. All members signed the Risk Committee Charter and performed their duties in terms of the Charter. Key performance

## Chapter 3

indicators were developed for the Risk Management Committee and included in the Charter. The Committee was able to assess its performance for 2019/20, in terms of these indicators. This is also significant and is a first for the Municipality. The assessment is as follows:

RMC KPI	OUTPUTS	FREQUENCY	ASSESSMENT
Draft Strategic Risk Register Reviewed by 10 June.	Reviewed strategic risk register	Annually	The RMC reviewed the combined register and recommended it for submission to the Audit and Performance Committee (APC).
Draft Operational Risk Register Reviewed by 10 June.	Reviewed operational risk register	Annually	
3 Quarterly risk register updates (risk reports) reviewed by 30 April.	Reviewed quarterly risk progress reports	Quarterly	All the risk register updates and reports were reviewed prior to submission to the APC.
Draft Reviewed Risk and Fraud Risk Management Policies annually reviewed by 31 March	Reviewed Risk and Fraud Risk Management Policies	Annually	The draft reviewed Risk Management Policy, as well as the draft Fraud and Corruption Management and Promotion of Ethics and Professionalism Policy and Plan were reviewed by the RMC, prior to submission to the APC and Council.
RMC Charter reviewed by 31 May.	Reviewed RMC Charter	Triennially	The Charter is only reviewed every 3 years. The first review is planned for 2021/22.
RMC Key Performance Indicators Developed	RMC Key Performance Indicators	Triennially	Key performance indicators were developed and included in the Charter. The first review is planned for 2021/22.
RMC self-assessment annually performed	Annual self-assessment report	Annually	Completed for 2019/20

## Chapter 3

Risk Management Strategy/Implementation Plan annually reviewed by 31 May.	Reviewed Risk Management Strategy/Implementation Plan annually reviewed	Annually	The RMC reviewed the Risk Management Strategy/ Implementation Plan for 2020/21, prior to submission to the APC.
Risk Management Strategy/Implementation Plan progress reports reviewed	Reviewed Risk Management Strategy/Implementation Plan progress reports reviewed	Quarterly	The RMC reviewed the quarterly Risk Management Strategy/ Implementation Plan progress reports, prior to submission to the APC.
Risk incident register reviewed.	Reviewed Risk Incident Register	Quarterly	The RMC reviewed the Risk Incident Register on a quarterly basis
4 quarterly RMC meetings held	Minutes of RMC meetings	Quarterly	The RMC meetings took place on a quarterly basis
Annual Report risk management comment reviewed by 15 August	Reviewed Annual Report risk management comment	Annually	Completed for 2019/20

The Municipality is continuously working to improve on risk management and is approaching it with the view that there is always room for improvement.

T3.28.1

### SERVICE STATISTICS FOR PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

The legal cases has reduced in number due to the careful and considerate way of dealing with such cases, consulting the aggrieved and promoting discussions in a quest of arriving at amicable solutions on pending cases, which recognises that even compromises becomes a requirement after all options are tested. We commit to deal with all remaining cases in the spirit of the public interest, prudence regarding funds, avoidance of policy abuse and adhering to legislation, in the process following good corporate practices.

The procurement of municipal services are expected to adhere to the principles of completion, accountability, transparency, equity and fairness.

## Chapter 3

The above principles becomes the terrain for contestation from time to time due to either the public or administrative considerations. It must be emphasised that the guidance by the Constitution of South Africa, the Supply Chain Policy and Regulations must at all times be adhered to.

We also need at our municipal level to win the public and private sector confidence regarding the processes and procedures we undertake to arrive at procurement outcomes. That will go a long way in attracting funding for municipal functions, especially when government as a whole and members of society place their trust in municipal systems, municipal officials and executives.

*T 3.28.2*

### COMMENT ON THE PERFORMANCE OF PROPERTY SERVICES OVERALL

Property services is limited to the maintenance and/or refurbishment of municipal properties.

*T 3.28.7*

### COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises.

#### INTRODUCTION TO MISCELLANEOUS

The Municipality provides none of the above services. The Community Services Department perform inspections at abattoirs, but the Municipality do not have any abattoirs.

*T 3.29.0*

### COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

The Organisational Performance is reported on in Volume 3 of the Annual Report, in the annual performance report.

# Chapter 4

## CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

### INTRODUCTION

As per amended Systems Act, the organigram is annually reviewed and approved by Council. The 2018-19 was approved by Council in May 2018 for implementation from 1<sup>st</sup> July 2018.

T 4.0.1

### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

#### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Vacancy Rate: Year 0			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0.00
CFO	1	0	0.00
Other S57 Managers (excluding Finance Posts)	4	0	0.00
Other S57 Managers (Finance posts)	0	0	0.00
Police officers	0	0	0.00
Fire fighters	0	0	0.00
Senior management: Levels 13-15 (excluding Finance Posts)	4	1	25.00
Senior management: Levels 13-15 (Finance posts)	3	0	0.00
Highly skilled supervision: levels 9-12 (excluding Finance posts)	16	9	56.25
Highly skilled supervision: levels 9-12 (Finance posts)	4	0	0.00
<b>Total</b>	<b>32</b>	<b>12</b>	<b>37.50</b>
<i>Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>			T 4.1.2

## Chapter 4

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Year -2	-	-	-
Year -1	28	8	%
Year 0	-	-	-
* Divide the number of employees who have left the organization within a year, by total number of employees who occupied posts at the beginning of the year			T 4.1.3

### COMMENT ON VACANCIES AND TURNOVER:

Budgeted vacant positions were filled as per Council's recruitment and selection policy.

T 4.1.4

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

A functional Local Labour Forum (LLF) was assisting in a stable working environment. Relevant issues were discussed and resolved at LLF level and submitted to Council for approval. Despite the functional LLF some issues in the workplace still need attention and it is envisaged in coming financial year Management will try to resolve these issues in LLF.

T 4.2.0

# Chapter 4

## 4.2 POLICIES

HR Policies and Plans				
No.	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1.	Cash & Investment Policy	100	100	6.4.29/05/2018
2.	Expenditure Management Policy	100	100	6.4.29/05/2018
3.	Fund & Reserve Policy	100	100	6.4.29/05/2018
4.	Accounting Policy	100	100	6.4.29/05/2018
5.	Telephone Policy	100	100	6.4.29/05/2019
6.	Remuneration Policy	100	100	6.4.29/05/2019
7.	Housing Allowance Policy	100	100	6.4.29/05/2019
8.	Rental of Council Facilities Policy	100	100	6.4.29/05/2018
9.	Catering Policy	100	100	6.4.29/05/2018
10.	Attendance & Punctuality	100	100	6.4.29/05/2019
11.	Telephone Policy	100	100	6.4.29/05/2019
12.	Credit Control Policy	100	100	6.4.29/05/2018
13.	Ethics Policy	100	100	6.4.29/05/2018
14.	Emergency Policy	100	100	6.4.29/05/2018
15.	Expanded Public Works Policy	100	100	6.4.29/05/2018
16.	Information Technology Policy	100	100	6.4.29/05/2019
17.	Compassion & Bereavement Policy	100	100	6.4.29/05/2019
18.	Internship & Experiential Policy	100	100	6.4.29/05/2019
19.	Fleet Management Policy	100	100	6.4.29/05/2019
20.	Job Evaluation Policy	100	100	6.4.29/05/2019
21.	Municipal Corporate Governance of Information & Communication Technology Policy	100	100	6.4.29/05/2019
22.	Policy Development Framework	100	100	6.4.29/05/2019
23.	Records Management Policy	100	100	6.4.29/05/2019
24.	Records Manual Policy	100	100	6.4.29/05/2019
25.	Recruitment & Selection Policy	100	100	6.4.29/05/2019
26.	Sexual Harassment Policy	100	100	6.4.29/05/2019
27.	Staff Retention Policy	100	100	6.4.29/05/2019
28.	Risk Management Policy	100	100	6.4.29/05/2019
29.	Transfer Policy	100	100	6.4.29/05/2019
30.	Training & Development Policy	100	100	6.4.29/05/2019
31.	Vehicle Allowance Policy	100	100	6.4.29/05/2019
32.	Individual Performance Management Policy	100	100	6.4.29/05/2019
33.	Code of Conduct for Employees	100	100	6.4.29/05/2019

## Chapter 4

34.	Delegations, Authorisation & Responsibility	100	100	6.4.29/05/2019
35.	Leave Management	100	100	6.4.29/05/2019
36.	Acting & Secondment Policy Reviewed	100	100	6.4.29/05/2019
37.	Individual Performance Management Framework	100	100	6.4.29/05/2019
38.	Study Assistance Policy	100	100	6.4.29/05/2019
39.	Bursary Policy (non-employees)	100	100	6.4.29/05/2019
40.	Placement Policy	100	100	6.4.29/05/2019
41.	Employment Equity Plan	100	100	6.4.29/05/2019
42.	HRM Strategy	100	100	6.4.29/05/2019
43.	Assets Management Policy	100	100	6.4.29/05/2018
44.	Budget Policy	100	100	6.4.29/05/2018
45.	Travel & Subsistence Policy	100	100	6.4.29/05/2018
46.	Tariff Policy	100	100	6.4.29/05/2018
47.	Credit Control & Debt Collection Policy	100	100	6.4.29/05/2018
48.	Impairment Policy	100	100	6.4.29/05/2018
49.	Supply Chain Management Policy	100	100	6.4.29/05/2018
50.	Petty Cash Policy	100	100	6.4.29/05/2018

T 4.2.1

### COMMENT ON WORKFORCE POLICY DEVELOPMENT:

Notch increase Policy will be drafted for Council in the next financial year.

T 4.2.1.1

### 4.3 INJURIES, SICKNESS AND SUSPENSIONS

#### Quarter 1 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	124	n/a
<b>Sick leave</b>		
With sick note	143	n/a
Without sick note	8	n/a
Additional paid sick leave	Nil	n/a
<b>Special leave</b>		
Study	32	n/a
Family responsibility	28	n/a
Court appearance	Nil	n/a
Maternity leave	Nil	n/a
Sports / cultural activities	Nil	n/a
Performance	Nil	n/a
Special	6	n/a
Council resolutions/ Overtime	7	n/a
Unpaid	Nil	
Long Service	3	n/a

## Chapter 4

### Quarter 2 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	219	n/a
<b>Sick leave</b>		
With sick note	174	n/a
Without sick note	6	n/a
Additional paid sick leave	Nil	n/a
<b>Special leave</b>		
<i>Study</i>	35	n/a
<i>Family responsibility</i>	13	n/a
<i>Court appearance</i>	Nil	n/a
<i>Maternity leave</i>	Nil	n/a
<i>Sports / cultural activities</i>	Nil	n/a
<i>Performance</i>	Nil	n/a
<i>Special</i>	16	n/a
Union	Nil	n/a
Council resolutions	13	n/a
Unpaid	Nil	n/a
Long Service	Nil	n/a

### Quarter 3 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	491	n/a
<b>Sick leave</b>		
With sick note	207	n/a
Without sick note	7	n/a
Additional paid sick leave	Nil	n/a
<b>Special leave</b>		
<i>Study</i>	20	n/a
<i>Family responsibility</i>	12	n/a
<i>Court appearance</i>	Nil	n/a
<i>Maternity leave</i>	50	n/a
<i>Sports / cultural activities</i>	Nil	n/a
<i>Performance</i>	Nil	n/a
<i>Special</i>	3	n/a
Council resolutions/ Overtime	19	n/a
Unpaid	Nil	n/a
Long Service	14	n/a
Union	Nil	n/a

Since the enforcement of nation-wide lockdown with effect from 26<sup>th</sup> March 2020 enacted in terms of the Disaster Management Act, all employees with exception of essential workers, had to stay home. All employees in South Africa as a condition of their employment are entitled to leave provisions as set out in the Basic Conditions of Employment Act.

# Chapter 4

## Quarter 4 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	Nil	n/a
<b>Sick leave</b>		
With sick note	Nil	n/a
Without sick note	Nil	n/a
Additional paid sick leave	Nil	n/a
<b>Special leave</b>		
Study	Nil	n/a
Family responsibility	Nil	n/a
Court appearance	Nil	n/a
Maternity leave	Nil	n/a
Sports / cultural activities	Nil	n/a
Performance	Nil	n/a
Special	Nil	n/a
Council resolutions/ Overtime	Nil	n/a
Unpaid	Nil	
Long Service	Nil	n/a

Due to Covid-19, leaves were not transacted.

## COMMENT ON INJURY AND SICK LEAVE

Throughout the year the municipality has experienced minor incidents where sick leave of some staff members is of high rate. There is a need to introduce a Wellness Programme in the workplace.

In addition to the Wellness Programme, an Occupational Health and Safety (OHS) Committee was elected for JTGD in ensuring a safe workplace.

T 4.3.4

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
None	-	-	-	-

## 4.4 PERFORMANCE REWARDS

Implementation of Performance rewards are in line with the Individual Performance Management (IPMS) policy.

## Chapter 4

### COMMENT ON PERFORMANCE REWARDS:

No performance rewards issued during the year.

*T 4.4.1.1*

### COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

#### INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

Skills and developed of staff and councillors was done in line with the Work Skills Plan and Training & Development Policy.

*T 4.5.0*

# Chapter 4

## 4.5 SKILLS DEVELOPMENT AND TRAINING

Management level	Gender	Employees in post as at 30 June Year 1	Learnerships		Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: End of Year 0	Actual: End of Year 1	Actual: End of Year 0	Actual: End of Year 1	Target	Actual: End of Year 0	Actual: End of Year 1	Target	Actual: End of Year 0	Actual: End of Year 1	Target
MM and s57	Female	2	0	0	1	1	1	2	1	1	3	2	2
	Male	4	0	0	1	0	0	0	0	0	1	0	0
Councillors and middle managers	Female	15	0	0	4	4	4	2	0	0	6	4	4
	Male	9	0	0	1	1	1	0	0	0	1	1	1
Technicians and associate professionals*	Female	6	0	0	1	3	3	0	1	1	1	4	4
	Male	15	0	0	1	10	12	0	0	0	1	10	12
Professionals	Female	20	0	0	2	3	15	2	6	6	4	9	21
	Male	8	0	0	1	2	2	1	3	3	2	5	5
Sub total	Female	33	0	0	8	11	23	6	8	8	14	19	31
	Male	36	0	0	4	13	15	1	3	3	5	16	18
Total		69	0	0	11	24	38	7	11	11	19	35	49

# Chapter 4

Skills Development Expenditure										
										R'000
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	2	0	0	1	1	1	1	2	2
	Male	4	0	0	0	0	0	0	0	0
Legislators, and middle managers	Female	15	0	0	4	4	0	0	4	4
	Male	9	0	0	1	1	0	0	4	4
Professionals	Female	20	0	0	15	3	0	6	15	9
	Male	8	0	0	2	2	0	3	2	5
Technicians and associate professionals	Female	6	0	0	3	3	0	1	3	4
	Male	15	0	0	12	10	0	0	12	10
Clerks	Female	30	0	0	11	5	0	0	11	5
	Male	9	0	0	2	3	0	1	2	4
Service and sales workers	Female	1	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	Female	4	0	0	4	0	0	0	4	0
	Male	4	0	0	4	0	0	0	4	0
Elementary occupations	Female	5	0	0	10	0	0	0	10	0
	Male	11	0	0	5	1	0	0	5	1
Sub total	Female	73	0	0	49	16	1	8	49	24
	Male	60	0	0	26	17	0	4	29	24
Total		125	0	0	50	9	31	26	186	35
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									1%*	*R545 808.00
T4.5.3										

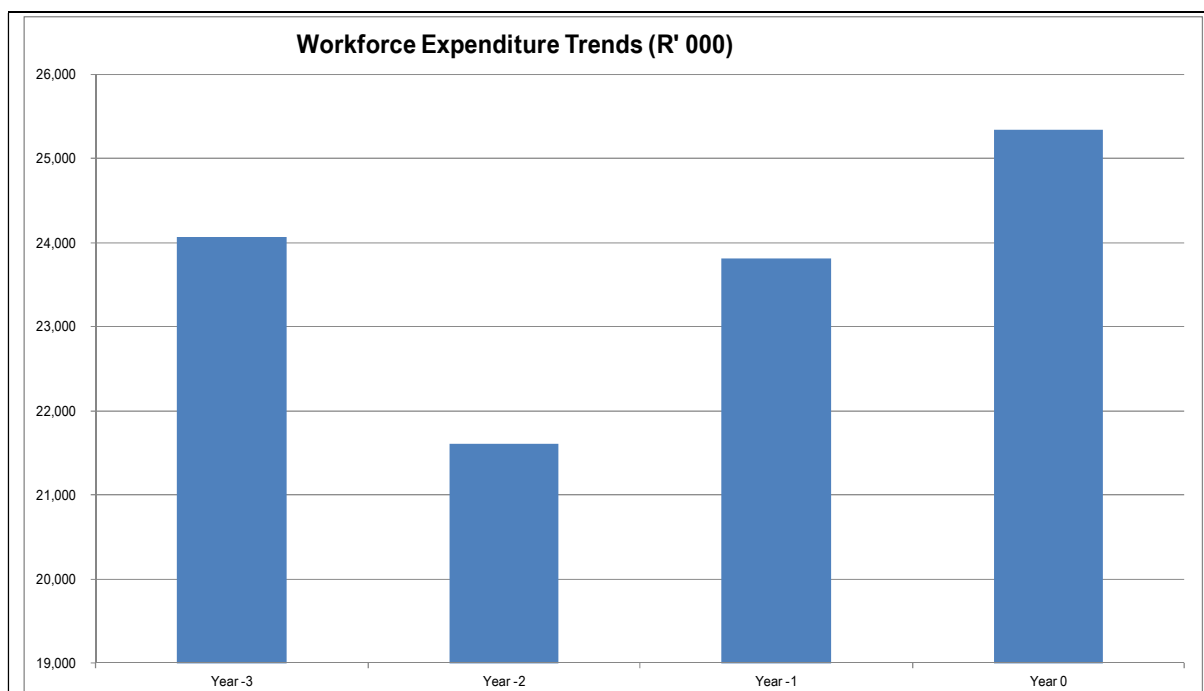
# Chapter 4

## COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

### INTRODUCTION TO WORKFORCE EXPENDITURE

T 4.6.0

#### 4.6 EMPLOYEE EXPENDITURE



Source: MBRR SA22

T 4.6.1

T 4.6.1.1

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 10-13)	Female	0
	Male	0
Skilled (Levels 7-9)	Female	1
	Male	1
Highly skilled production (Levels 6-8)	Female	11
	Male	1
Highly skilled supervision (Levels 4-6)	Female	0
	Male	0
Middle management (Levels 3)	Female	0
	Male	0

# Chapter 4

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
MM and S 57	Female	0
	Male	0
Total		0
<i>Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).</i>		

T 4.6.2

## DISCLOSURES OF FINANCIAL INTERESTS

All Senior Managers and Councillors have completed the Interests Disclosure Register in the year under review.

T 4.6.6

# Chapter 5

## CHAPTER 5 – FINANCIAL PERFORMANCE

### INTRODUCTION

The Minister of Finance issued a Ministerial Exemption in terms of section 177(1) (b) of the MFMA on 05 August 2020, exempting municipalities and municipal entities from submitting their annual financial statements and related reports for auditing at the end of August 2020. The notice allows for a two-month delay in the submission of Annual Financial Statements, Annual Reports, Audit opinions, and oversight reports.

The context of this exemption flows from the Minister of Cooperative Governance and Traditional Affairs' announcement of the national state of disaster in terms of the Disaster Management Act to enable government and the country at large to manage the spread of the Covid-19 virus.

Following the initial announcements of the national state of disaster, subsequent extensions and different levels were communicated.

The timing of the phased lockdown also had a knock-on effect on availability of municipal staff, which impacted on operations and added to the delays in ability to prepare AFS, undertake procedures such as the physical verification of assets, revenue management, valuations, finalizing supporting documentation and concluding reconciliations. There are similar negative impacts on quality assurance processes, annual reporting and oversight reports.

The municipality in turn had to reprioritize funds in order to deal with the direct/indirect impact of the spread of Covid-19 virus.

Whilst the lockdown and restrictions have been eased over time, they are still in force and in effect with direct implications for municipalities.

The MFMA exemption notice was to also extend the period for the Office of the Auditor-General to submit the audit opinion and council committees to conclude their oversight processes.

# Chapter 5

T 5.0.1

## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

### INTRODUCTION TO FINANCIAL STATEMENTS

The financial performance of the Municipality as at 30 June 2020 is reported in the unaudited Annual Financial Statements in Vol II.

#### 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Reconciliation of Table A1 Budget Summary																
Description		2019/20										2018/19				
		Original Budget	Budget Adjustments (i.e. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.e. s31 of the MFMA)	Virement (i.e. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
R thousands		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
<b>Financial Performance</b>																
Property rates											0					
Service charges											0					
Investment revenue		705	408	1 113			1 113	2 306		1 193	207%	327%				1 881
Transfers recognised - operational		98 657	2 594	101 251			101 251	100 941		(310)	100%	102%				97 866
Other own revenue		4 670	(815)	3 855			3 855	2 445		(1 410)	63%	52%				3 256
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>104 032</b>	<b>2 187</b>	<b>106 219</b>	<b>--</b>	<b>--</b>	<b>106 219</b>	<b>105 692</b>	<b>--</b>		(527)	100%	102%	<b>--</b>	<b>--</b>	<b>103 003</b>
Employee costs		64 185	(1 017)	63 168			63 168	64 199		1 031	102%	100%				56 654
Remuneration of councillors		4 388	(96)	5 207			5 207	5 150		(57)	99%	117%				4 944
Debt impairment			(90)	139 489			139	109		(30)	0%	0%				949
Depreciation & asset impairment		3 575	(86)	3 489			3 489	4 075		586	117%	114%				3 343
Finance charges			51	51			51	658		608	0%	0%				744
Materials and bulk purchases		1 605						--			0%	0%				
Transfers and grants		319	208	208			208	208			1%	65%				199
Other expenditure		28 008	3 432	32 219			32 219	31 645		(574)	98%	113%				29 083
<b>Total Expenditure</b>		<b>102 081</b>	<b>2 401</b>	<b>104 482</b>	<b>--</b>	<b>--</b>	<b>104 482</b>	<b>106 045</b>	<b>--</b>	<b>1 563</b>	<b>0%</b>	<b>0%</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>95 917</b>
<b>Surplus/(Deficit)</b>		<b>1 951</b>	<b>(214)</b>	<b>1 737</b>	<b>--</b>	<b>--</b>	<b>1 737</b>	<b>(353)</b>	<b>--</b>	<b>(2 090)</b>	<b>-20%</b>	<b>-18%</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>7 086</b>
Transfers recognised - capital											0%	0%				
Contributions recognised - capital & contributed assets											0%	0%				
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>											0%	0%				
Share of surplus/ (deficit) of associate											0%	0%				
<b>Surplus/(Deficit) for the year</b>		<b>1 951</b>	<b>(214)</b>	<b>1 737</b>	<b>--</b>	<b>--</b>		<b>(353)</b>	<b>--</b>	<b>(2 090)</b>	<b>-20%</b>	<b>-18%</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>7 086</b>
<b>Capital expenditure &amp; funds sources</b>																
Capital expenditure		1 951	(214)	1 737			1 737	967		(770)	0%	0%				
Transfers recognised - capital		330	--	--			--	--		--	0%	0%				
Public contributions & donations							--	--		--	0%	0%				
Borrowing							--	--		--	0%	0%				
Internally generated funds		1 621	(214)	1 737			1 737	967		(770)	56%	60%				
<b>Total sources of capital funds</b>		<b>1 951</b>	<b>(214)</b>	<b>1 737</b>	<b>--</b>	<b>--</b>	<b>1 737</b>	<b>967</b>	<b>--</b>	<b>(770)</b>	<b>56%</b>	<b>50%</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Cash flows</b>																
Net cash from (used) operating		2 859	(816)	5 356			5 356	8 075		2 719	151%	282%				5 486
Net cash from (used) investing		(1 951)	(214)	1 737			1 737	(967)		(2 704)	-56%	50%				(2 777)
Net cash from (used) financing			776	776			776	(731)		(1 507)	-94%	0%				(439)
<b>Cash/cash equivalents at the year end</b>		<b>908</b>	<b>(253)</b>	<b>7 870</b>	<b>--</b>	<b>--</b>	<b>7 870</b>	<b>6 377</b>	<b>--</b>	<b>(1 493)</b>	<b>81%</b>	<b>702%</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>2 270</b>

## Chapter 5

SYNOPSIS FINANCIAL PERFORMANCE	FINANCIAL YEAR		% (Increase)/decrease
	2020	2019	
Total Revenue	105 692 329,00	103 002 500,00	-2,61%
Grants	100 942 682,00	97 865 731,00	-3,14%
Grants as a % of revenue	95,5%	95,0%	
Total Expenditure	106 037 142,00	95 516 568,00	-11,01%
Employee Related Costs	64 198 705,00	56 654 287,00	-13,32%
Councillors Remuneration	5 150 388,00	4 944 453,00	-4,16%
Generals Expenses	31 636 992,00	29 082 538,00	-8,78%
%Employee Costs	65,40%	64,49%	
Expenses	29,84%	30,45%	
<b>Surplus Deficit</b>	<b>-620 203,00</b>	<b>6 470 330,00</b>	<b>-43,03%</b>

### Revenue Management

As per the analysis above, the municipal revenue increased by 2.61% as compared to the prior year. It is evident that for the period under review, 95% of the total municipal revenue is from grants and subsidies. This is mainly due to the fact that John Taolo Gaetsewe District is a district municipality with limited revenue streams.

### Expenditure Management

Though the employee related costs continued to be one of the two key cost drivers at 65% (2019: 64%) during the financial year 2019/20, there is an overall 1% reduction in comparison. This is mainly attributable to the measures that management put in place to restructure and reposition the organogram.

The second highest cost driver is the operational costs/general expenses at 30% (2019: 30%). Cost containment measures continued to be implemented during the year under review.

### Surplus/Deficit

The deficit is mainly attributable to the over-expenditures on the non-cash items i.e. provision for leave, depreciation and finance costs.

# Chapter 5

## 5.2 GRANTS

Grant Performance						
Description	R' 000					
	2018/19	2019/20			2019/20	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
<b>Operating Transfers and Grants</b>						
<b>National Government:</b>	<b>92 436</b>	<b>96 111</b>	<b>99 111</b>	<b>99 111</b>	<b>667%</b>	<b>100%</b>
Equitable share	85 253	89 657	89 657	89 657	100%	0%
Finance Management Grant	1 000	1 465	1 465	1 465	100%	0%
Infrastructure Skills Development Grant	3 200	1 800	4 800	4 800	267%	100%
Rural Road Asset Management Grant	1 983	2 101	2 101	2 101	100%	0%
Extended Public Works Programme Grant	1 000	1 088	1 088	1 088	100%	0%
<b>Provincial Government:</b>	<b>5 430</b>	<b>946</b>	<b>2 021</b>	<b>1 711</b>	<b>229%</b>	<b>164%</b>
HIV and AIDS Council	248	–	875	564	0%	64%
Housing	700	700	900	900	129%	100%
Sports and Recreation	–	–	–	–	0%	0%
NEAR Grant	431	246	246	247	100%	0%
Khotso Pula Nala Grant	3 970	–	–	–	0%	0%
FIRE Grant	81	–	–	–	0%	0%
<b>District Municipality:</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>		
<i>[insert description]</i>						
<b>Other grant providers:</b>	<b>–</b>	<b>–</b>	<b>119</b>	<b>119</b>	<b>0%</b>	<b>100%</b>
<i>Municipal disaster Grant</i>	<i>–</i>	<i>–</i>	<i>119</i>	<i>119</i>	<i>0%</i>	<i>0%</i>
<b>Total Operating Transfers and Grants</b>	<b>97 866</b>	<b>97 057</b>	<b>101 251</b>	<b>100 941</b>	<b>104%</b>	<b>100%</b>
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						
Full list of provincial and national grants available from published gazettes.						T 5.2.1

### COMMENT ON OPERATING TRANSFERS AND GRANTS:

Based on Table 5.2.1 above, the municipality recognized 100% of its budgeted grants revenue for the 2019/20 financial year. This constitutes 95% (2019: restated 95%) of the total municipal revenue, which is a clear indication that the municipality continued to be fully grant dependent.

The municipality incurred expenditure of R 339 704 (Equitable share), that had to be reprioritized for Covid-19 purposes and continues to do so.

A special adjustment budget was tabled and adopted by council for the additional **R 119 000**, Municipal Disaster Relief Grant allocated to the municipality, to assist the municipality in dealing with the impact of Covid-19. This allocation was primarily used for Covid-19 related expenditures i.e. sanitization of offices, masks, sanitizers and stipend for municipal health volunteers.

Only Division of Revenue Act Grants were received and Table 5.2.3 is therefore not completed.

# Chapter 5

## 5.3 ASSET MANAGEMENT

During the year the municipality acquired the office equipment aimed at enabling and improving efficiency of operations. Management also continued to manage and safeguard the municipal assets in line with the approved Municipal Assets Management Policy and report on a quarterly basis.

The municipality acquired a total of R 966 856 assets. The largest assets procured during the year under review, were the intangible asset and computer equipment.

This was necessitated by the struggle and challenges the municipality faced in prior periods, as it relates to implementation of one of the reforms in local government i.e. compliance with the mSCOA requirements.

## Chapter 5

The table below highlight the three largest assets procured by the municipality during the year under review.

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 2019/20				
Asset 1				
Name	Software License			
Description	License for Kerio Connsect			
Asset Type	Intangible asset			
Key Staff Involved	A Thupae			
Staff Responsibilities	Key Performance area			
Asset Value				
	136 000,00			
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset	IT and Asset Management Policies			
Asset 2				
Name	Printer			
Description	Printer			
Asset Type	Computer Equipment			
Key Staff Involved	T Mulaudzi			
Staff Responsibilities	Key Performance area			
Asset Value				
	116 441,30			
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset	IT and Asset Management Policies			
Asset 3				
Name	Projectors			
Description	HP projectors			
Asset Type	Computer Equipment			
Key Staff Involved	B Letlhoanye			
Staff Responsibilities	Key Performance area			
Asset Value				
	93 880,00			
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset	IT and Asset Management Policies			
				T 5.3.2

The municipality also has an Asset Management Steering Committee, being the structure tasked with, amongst others, ensuring the safeguards of the municipal assets. Functionality however of this structure is to be ensured fully in the 2019/20 financial year.

No additions and refurbishments were made to existing office buildings that increased the asset value of said buildings, and no property was purchased during the year under review.

## Chapter 5

The municipality recorded a 9.1% increase in the values of the municipal investment properties, as per the valuation done by an Independent Valuer.

A decrease of 35.2% is recorded also for the fair values of the biological assets. This is mainly due to the decrease in numbers of the animals, due to changes in fair value and sale of game.

### COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

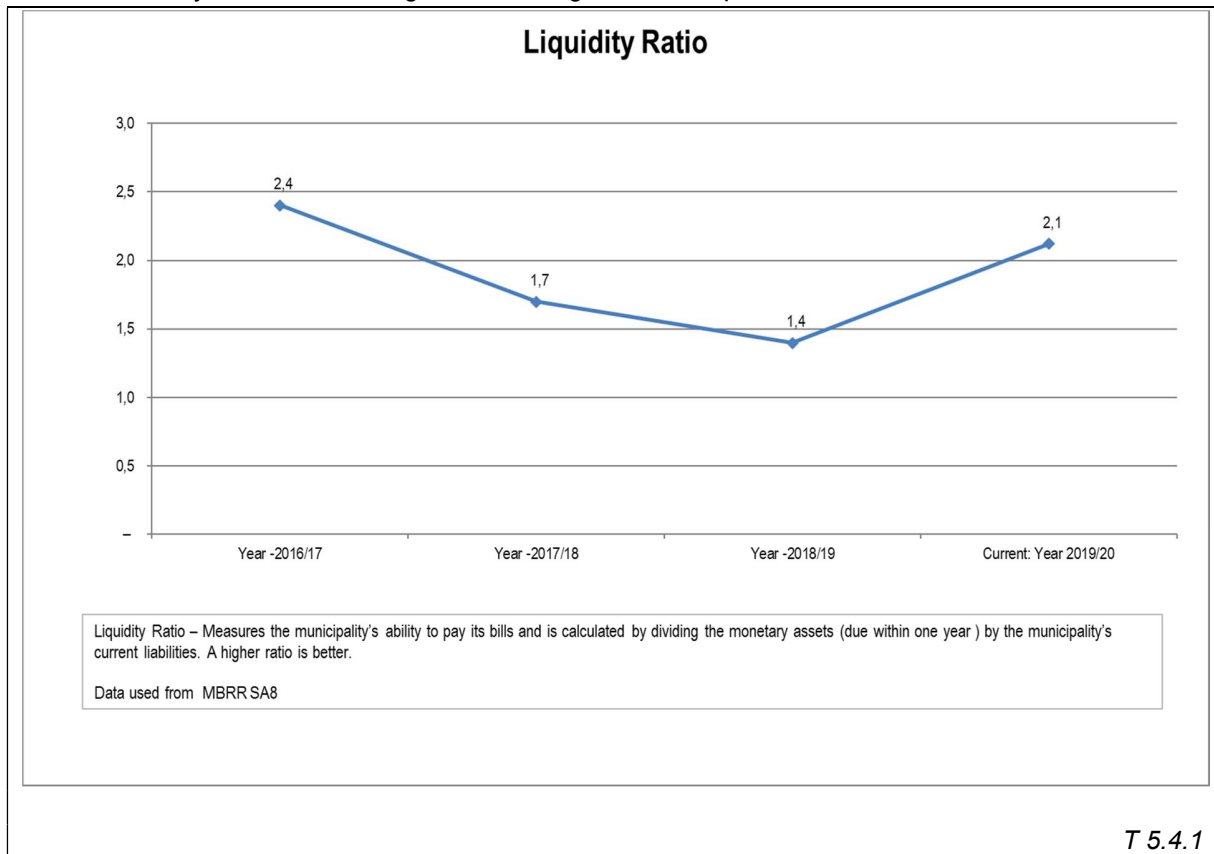
Repairs and maintenance were mostly related to the maintenance of buildings, vehicles and equipment. High % rate is an indication that municipal assets are aged and may soon require renewal/replenishment / replacement.

Repair and Maintenance Expenditure: Year 2019/20				
				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	379	564	1 931	509%
				T 5.3.4

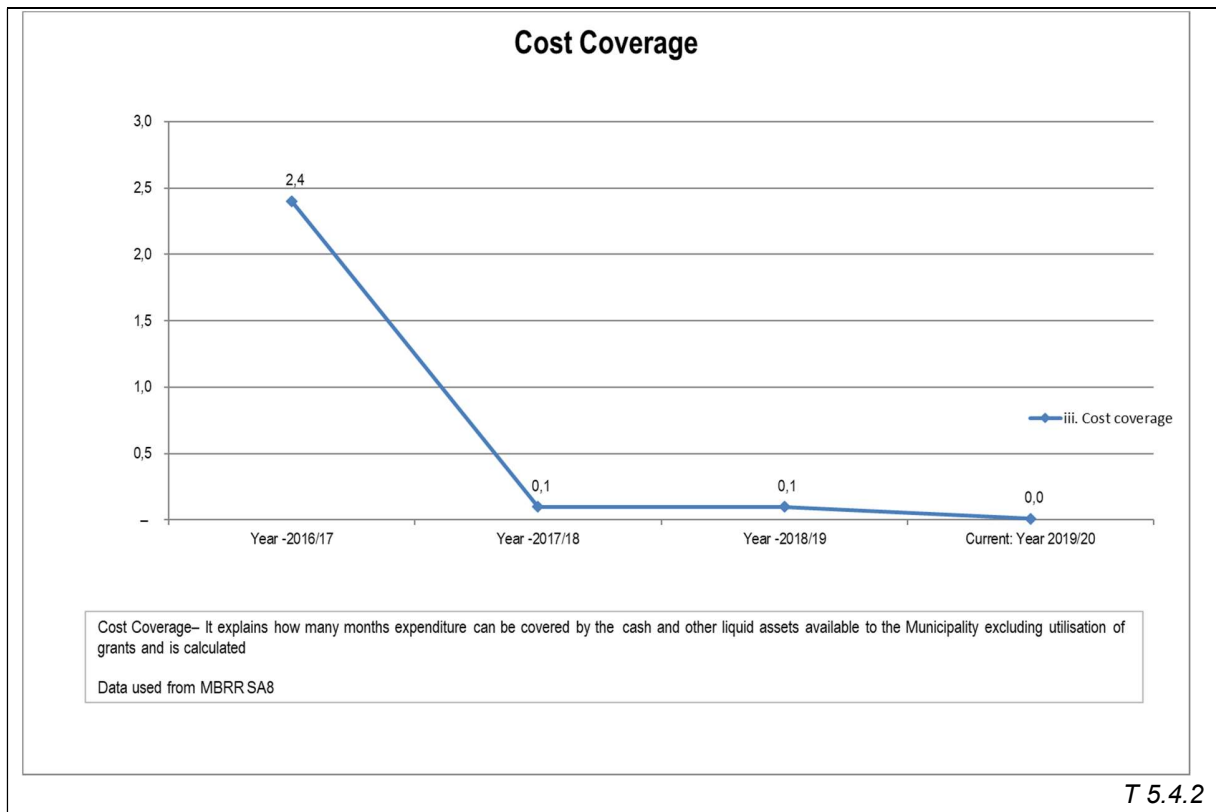
# Chapter 5

## 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

A detailed analysis of the following ratios, amongst others, is provided under 5.0.1 above.



## Chapter 5

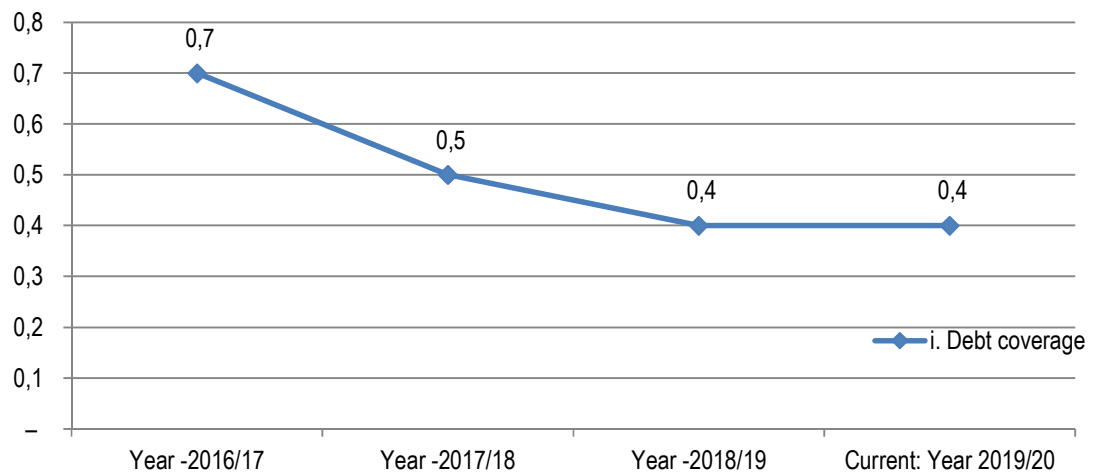


The Municipality did not have any service debtors in 2019/20 or the prior years.

*T 5.4.3*

## Chapter 5

### Debt Coverage

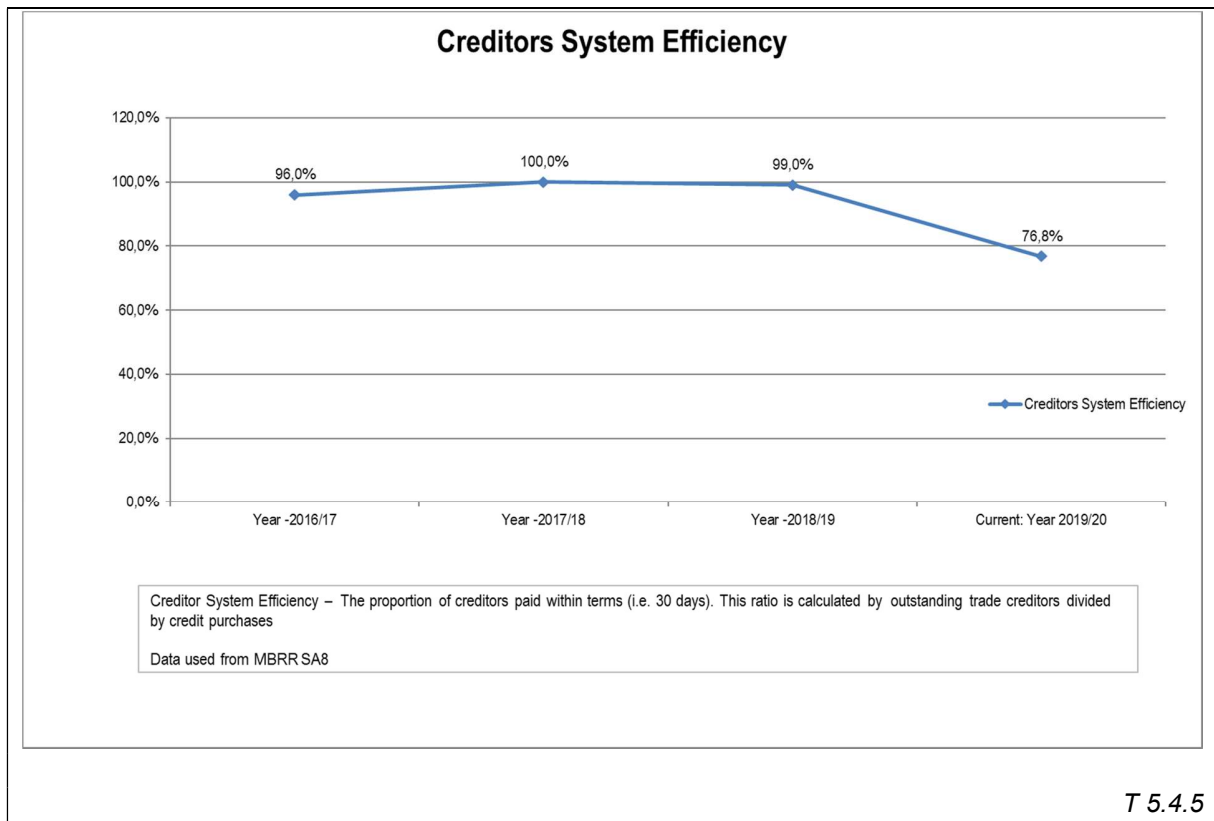


Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

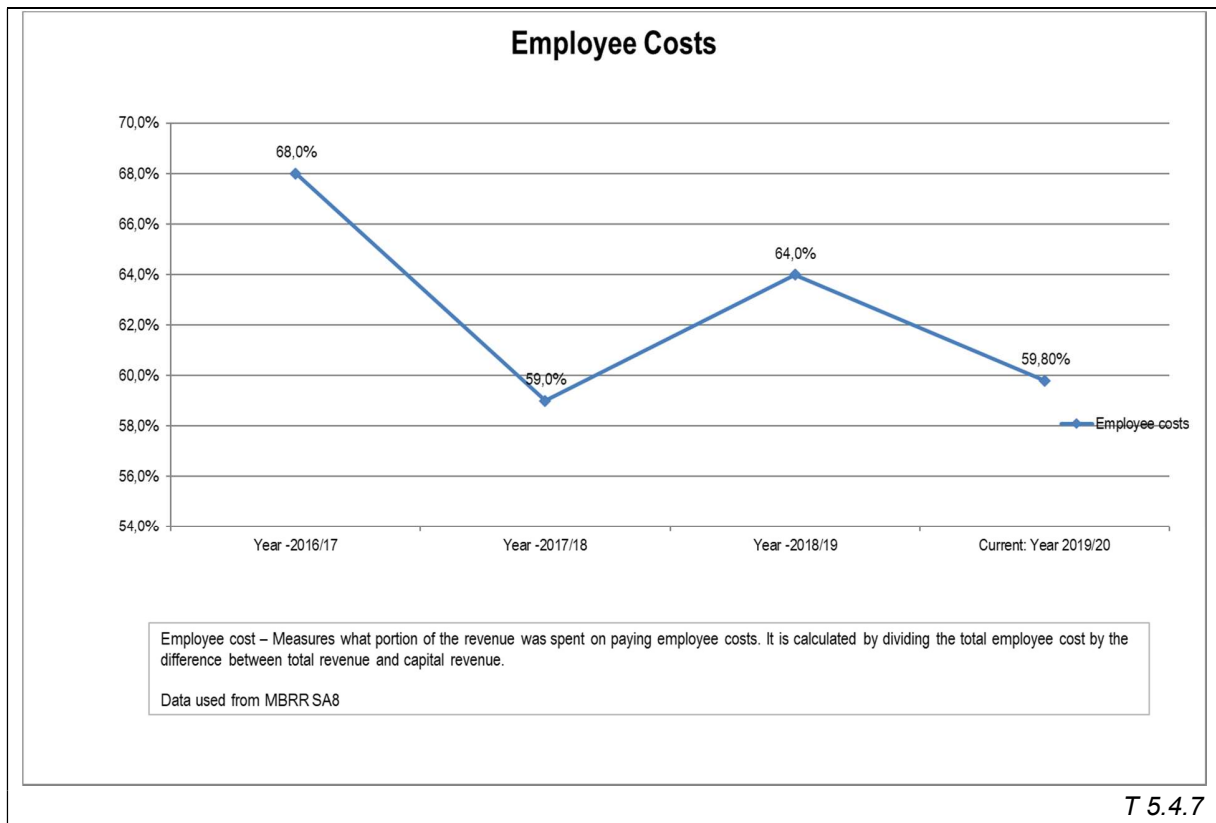
Data used from MBRR SA8

T 5.4.4

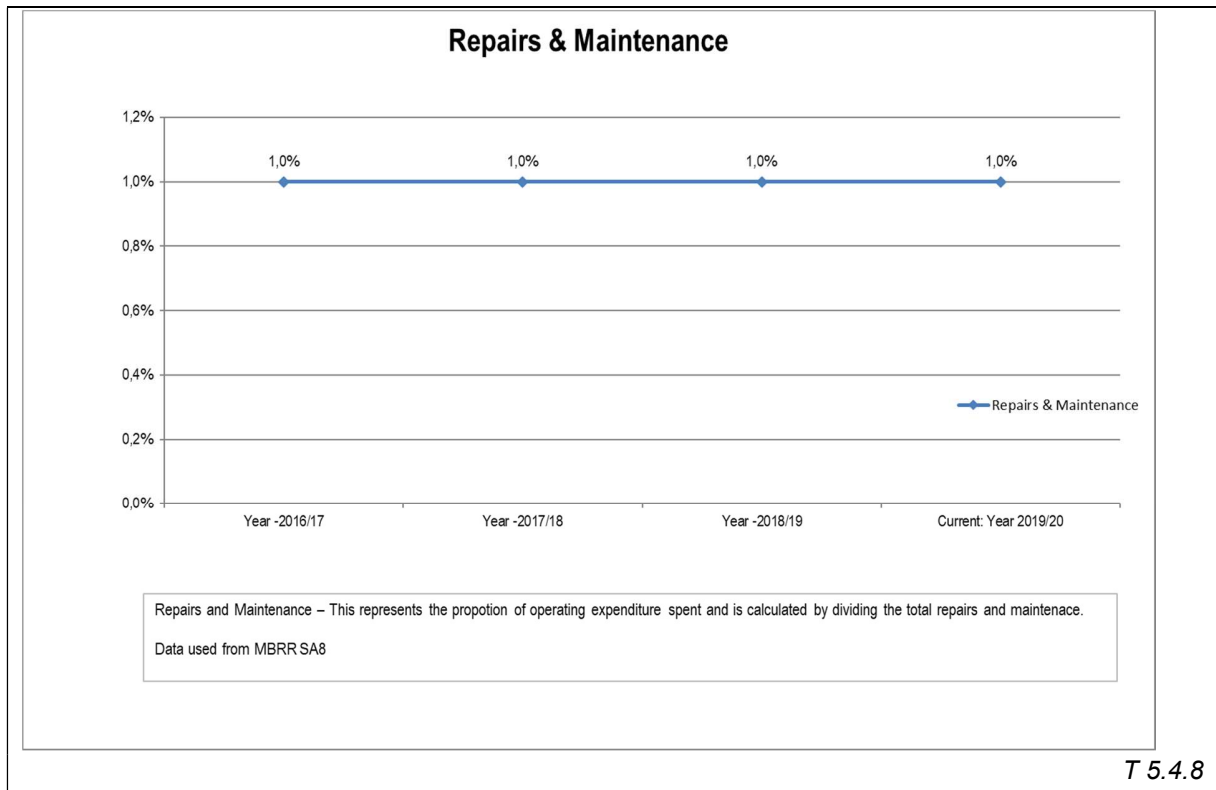
## Chapter 5



## Chapter 5



## Chapter 5



### COMMENTS ON FINANCIAL RATIOS

The cash reserves were increased significantly as compared to prior periods mainly due to the improved cash flow management processes implemented during the year.

The municipality continued to maintain a positive liquidity ratio. Improved measures to collect debt were explored during the 2019/20 financial year.

- 1. The liquidity ratio** is slightly higher than the norm of 2, and indicates that the municipality has sufficient current assets to cover its current liabilities, i.e. that it is factually solvent. It is noted that a significant value of current assets relates to receivables from exchange and inventory (being properties held for disposal with no proceeds).
- 2. Cost Coverage ratio** – It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants
- 3. Creditor System Efficiency ratio** - Creditor payments were monitored during the year so as to minimize instances of non-compliance. The municipality has improved in this area. The ratio has improved in comparison to the preceding three years. This is an area in which the municipality still aims to improve its efficiency, and the handling of supplier documentation.

## Chapter 5

**4. Capital Charges to Operations ratio** - The municipality currently has two sources of debt which are serviced bi-annually and monthly respectively

- a. An amount borrowed from the DBSA at a fixed interest rate, for alterations to the municipal buildings in prior years
- b. Finance leases for office equipment.

These debts are relatively small based on the scale of the municipalities' operations and, therefore, this ratio indicates that the municipality is able to service these debts comfortably.

**5. Debt Coverage ratio** - The debt of the municipality is relatively low in relation to the scale of its operations. The debt relates to alterations to the building in prior years (DBSA Loan), as well as finance leases on office equipment.

**6. Employee Costs ratio** - The employee costs relative to operating revenue has decreased as compared to the prior years. The decrease is largely attributable to

- a. the review and change in approach on management of the organizational structure.
- b. the economic changes and decrease in the post-retirement medical aid benefit obligation (based on the valuation by an independent actuary).

# Chapter 5

## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

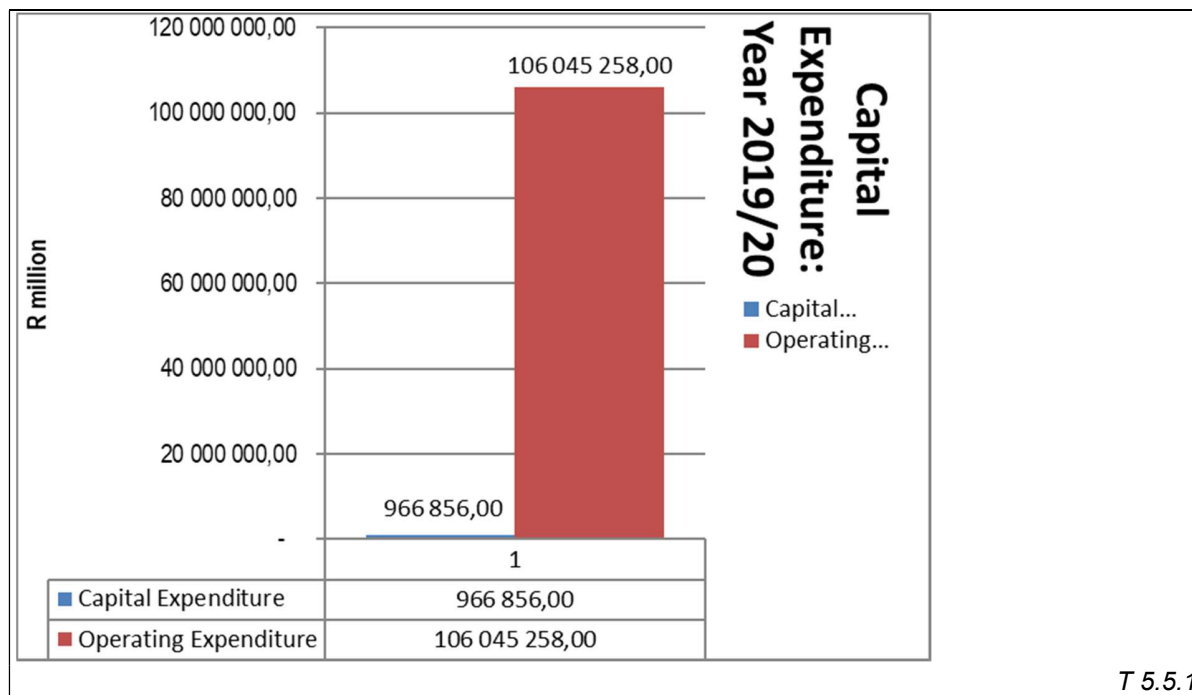
### INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital expenditure was not related to major infrastructure projects, as very limited allocation was made for capital projects on the budget. Capital expenditure was mostly related to the acquisition of new core financial management system, office equipment, computer hard- and software.

*T 5.5.0*

# Chapter 5

## 5.5 CAPITAL EXPENDITURE



From the table above it is evident that 99% of the total budgeted expenditure is on operations. This mainly due to the fact that John Taolo Gaetsewe District Municipality's assigned functions are mainly service-oriented e.g. Disaster Management, Environmental Health, Planning etc.

# Chapter 5

## 5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources: Year - 2018/19 to Year 2019/20						
R' 000						
Details	Year -2018/19	Year 2019/20				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
<b>Source of finance</b>						
External loans						
Public contributions and donations						
Grants and subsidies						
Other	3 123 268,00	1 951 000,00	1 737 000,00	966 859,00	89,0%	49,6%
<b>Total</b>	<b>3123268</b>	<b>1951000</b>	<b>1737000</b>	<b>966859</b>	<b>89,03%</b>	<b>49,56%</b>
<b>Percentage of finance</b>						
External loans	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Public contributions and donations	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Grants and subsidies	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Other	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<b>Capital expenditure</b>						
Water and sanitation						
Electricity						
Housing						
Roads and storm water						
Other	3 123 268,00	1 951 000,00	1 737 000,00	966 859,00	89,0%	49,6%
<b>Total</b>	<b>3123268</b>	<b>1951000</b>	<b>1737000</b>	<b>966859</b>	<b>89,03%</b>	<b>49,56%</b>
<b>Percentage of expenditure</b>						
Water and sanitation	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Electricity	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Housing	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Roads and storm water	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Other	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%

T 5.6.1

### COMMENT ON SOURCES OF FUNDING

The Municipality is essentially dependent on grants and is not able to generate revenue as a District Municipality. Funds utilized for capital expenditure were sourced from internal revenue.

T 5.6.1.1

# Chapter 5

## 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

### COMMENT ON CAPITAL PROJECTS

The Municipality did not have any large capital infrastructure projects. Only ICT Infrastructure Projects were implemented during the year, as indicated under 5.3 Assets Management.

*T 5.7.1.1*

## 5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

### INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

This function is provided by the Local Municipalities and is not reported on.

*T 5.8.1*

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

### INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

Cash flow and investments is regarded as extremely important, because it affects the operations and service delivery of the Municipality. This is managed in terms of the policies of Council in this regard, as well as the Cash and Investment Regulations of the MFMA.

# Chapter 5

## 5.9 CASHFLOW

<b>JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY</b> (DEMARCATON CODE:DC45) <b>ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020</b>			
<b>Statement of Cash Flow</b>			
Figures in Rand	Note(s)	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Sale of goods and services		4,817,772	3,142,749
Grants		100,877,000	97,542,000
Interest income		2,306,064	1,881,256
		<u>108,000,836</u>	<u>102,566,005</u>
<b>Payments</b>			
Employee costs		(62,192,809)	(61,598,740)
Suppliers		(37,074,622)	(35,133,603)
Finance costs		(658,447)	(347,281)
		<u>(99,925,878)</u>	<u>(97,079,624)</u>
<b>Net cash flows from operating activities</b>	33	<b>8,074,958</b>	<b>5,486,381</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	10	(647,359)	(268,724)
Purchase of other intangible assets	11	(319,500)	(2,508,578)
<b>Net cash flows from investing activities</b>		<b>(966,859)</b>	<b>(2,777,302)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of other financial liabilities		(502,324)	(277,535)
Finance lease payments		(228,730)	(161,846)
<b>Net cash flows from financing activities</b>		<b>(731,054)</b>	<b>(439,381)</b>
<b>Net increase in cash and cash equivalents</b>		<b>6,377,045</b>	<b>2,269,698</b>
Cash and cash equivalents at the beginning of the year		2,367,091	97,393
<b>Cash and cash equivalents at the end of the year</b>	3	<b>8,744,136</b>	<b>2,367,091</b>

As indicated above, on an extract of the unaudited 2019/20 Annual Financial Statements i.e. the Cash Flow Statement, the municipality recorded an **269% increase** in terms of the **cash and cash equivalents** for the 2019/20 financial year.

Further to note are the following:

- there is an overall **9.4% increase** recorded for the **cash receipted** during the year under review
- of the receipted cash:
  - cash outflows from operating activities constituted 92.52% (2019: 94.65%)
  - net cash flows from Investing activities constituted 0.89% (2019: 2.71%)
  - net cash flows from financing activities constituted 0.67% (2019: 0.43%)

## Chapter 5

Cash Flow Outcomes				
R'000				
Description	Year - 2018/19	Current: Year 2019/20		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Ratepayers and other	3 143	3 926	283	4 818
Government - operating	97 542	96 505	104 540	100 877
Government - capital		–	–	–
Interest	1 881	705	871	2 306
Dividends				
<b>Payments</b>				
Suppliers and employees	(96 732)	(98 277)	(100 329)	(99 267)
Finance charges	(347)	–	(9)	(658)
Transfers and Grants		–	–	
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>5 486</b>	<b>2 859</b>	<b>5 356</b>	<b>8 075</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Receipts</b>				
Proceeds on disposal of PPE	–	–	–	
Purchase of property, plant and equipment	(269)	–	–	(647)
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables	–	–	–	
Decrease (increase) in non-current investments				
purchase of other intangible assets	(2 509)	–	–	(320)
<b>Payments</b>				
Capital assets		(1 951)		
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(2 777)</b>	<b>(1 951)</b>	<b>–</b>	<b>(967)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Receipts</b>				
Short term loans	–			
Borrowing long term/refinancing	–	–		
Increase (decrease) in consumer deposits	–			
<b>Payments</b>				
Repayment of borrowing	(278)	–	776	(502)
Finance lease payments	(162)	–	–	(229)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(439)</b>	<b>–</b>	<b>776</b>	<b>(731)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>2 270</b>	<b>908</b>	<b>6 133</b>	<b>6 377</b>
Cash/cash equivalents at the year begin:	97	–	–	2 367
Cash/cash equivalents at the year end:	2 367	908	4 172	8 744
Source: MBRR A7				T 5.9.1

## Chapter 5

### COMMENT ON CASH FLOW OUTCOMES:

There is a significant improvement on cash and cash equivalents balance at year end. The municipality's cash is tied up in the receivables by organs of state, namely local municipalities within the District. Improved cash flow management principles and practices were employed during the year under review, which led to the municipality recording an improved cash flow position.

*T 5.9.1.1*

### 5.10 BORROWING AND INVESTMENTS

#### INTRODUCTION TO BORROWING AND INVESTMENTS

No new loans were made and reserves were invested in terms of the appropriate policy of Council and the MFMA Regulations in this regard. The bi-annual instalments on the existing DBSA loan were paid. The current DBSA loan was maintained and the balance is as indicated on the table below:

Actual Borrowings: Year -2017/18 to Year 2019/20			
			R' 000
Instrument	Year -2017/18	Year -2018/19	Year 2019/20
<b>Municipality</b>			
Long-Term Loans (annuity/reducing balance)	1 286	1 008	811
Financial Leases	659	497	268
<b>Municipality Total</b>	<b>1 945 000</b>	<b>1 504 987</b>	<b>1 078 557</b>

*T 5.10.1*

# Chapter 5

Investments were only made in line with the Municipal Cash and Investment Management Policy i.e. at registered banks in terms of the Banks Act, with balances on the accounts as indicated on the table below:

Investment No	Municipality Investment Reference No	Start Date (ccyy/mm/dd)	Investment Type	Investment Group	Investment Institution (max 40 chars)	Type of Interest	Timing of Interest payment	% Interest Rate (2 dec) Per Annum	Interest This Quarter (Rand)	at Begin of Quarter (Rand)	Withdrawals This Quarter (Rand)	Top Up This Quarter (Rand)	at End of Quarter (Rand)
1	62821498989	2019-08-12	Deposits - Bank (03)	Banks (02)	FNB(ISOG)	Variable (02)	Annually (01)	0,00	0	0	0	0	0
2	508871603-016'	2018-12-19	Deposits - Bank (03)	Banks (02)	STANDARD BANK(ISOG)	Fixed (01)	Monthly (04)	0,00	16 795	2 242 786	-2 259 581	0	0
5	508871603-019'	2018-12-19	Deposits - Bank (03)	Banks (02)	STANDARD BANK(HOUSING ACCREDITATION)	Variable (02)	Monthly (04)	6,40	1 985	193 496	-195 481	0	0
6	508871603-020'	2018-12-19	Deposits - Bank (03)	Banks (02)	STANDARD BANK(HIV/AIDS)	Variable (02)	Monthly (04)	6,40	126	17 081	0	0	17 207
7	048463353-001	2019-07-10	Deposits - Bank (03)	Banks (02)	STANDARD BANK(EOS)	Variable (02)	Monthly (04)	0,00	0	0	0	0	0
8	048463353-002	2019-07-10	Deposits - Bank (03)	Banks (02)	STANDARD BANK(EOS)	Fixed (01)	Monthly (04)	0,00	0	0	0	0	0
9	048463353-003	2019-07-10	Deposits - Bank (03)	Banks (02)	STANDARD BANK(EOS)	Fixed (01)	Monthly (04)	0,00	0	0	0	0	0
10	048463353-004	2019-07-10	Deposits - Bank (03)	Banks (02)	STANDARD BANK(EOS)	Fixed (01)	Monthly (04)	0,00	0	0	0	0	0
11	048463353-005	2019-07-10	Deposits - Bank (03)	Banks (02)	STANDARD BANK(EOS)	Fixed (01)	Monthly (04)	0,00	0	0	0	0	0
12	048463353-006	2019-07-10	Deposits - Bank (03)	Banks (02)	STANDARD BANK(EOS)	Fixed (01)	Monthly (04)	0,00	0	0	0	0	0
13	048463353-007	2019-08-14	Deposits - Bank (03)	Banks (02)	STANDARD BANK(EFPW)	Variable (02)	Monthly (04)	6,40	1 059	116 760	-31 399	0	0
14	048463353-008	2019-08-14	Deposits - Bank (03)	Banks (02)	STANDARD BANK(FRAMS)	Variable (02)	Monthly (04)	6,40	5 106	542 520	-547 626	0	0
15	048463353-009	2019-12-09	Deposits - Bank (03)	Banks (02)	STANDARD BANK(EOS)	Variable (02)	Monthly (04)	6,40	47 661	5 299 532	-5 347 193	0	0
16	048463353-010	2019-12-09	Deposits - Bank (03)	Banks (02)	STANDARD BANK(EOS)	Fixed (01)	Monthly (04)	0,00	0	0	0	0	0
17	048463353-011	2019-12-09	Deposits - Bank (03)	Banks (02)	STANDARD BANK(EOS)	Fixed (01)	Monthly (04)	0,00	0	0	0	0	0
18	048463353-012	2019-12-09	Deposits - Bank (03)	Banks (02)	STANDARD BANK(EOS)	Fixed (01)	Monthly (04)	0,00	0	0	0	0	0
19	048463353-013	2019-12-11	Deposits - Bank (03)	Banks (02)	STANDARD BANK(FMG)	Fixed (01)	Monthly (04)	6,40	312	45 041	-45 353	0	0
20	048463353-014	2020-04-01	Deposits - Bank (03)	Banks (02)	STANDARD BANK(MDRG)	Variable (02)	Monthly (04)	4,15	21 294	0	-3 021 294	3 000 000	0
21	048463353-015	2020-05-28	Deposits - Bank (03)	Banks (02)	STANDARD BANK(EQS)	Variable (02)	Monthly (04)	4,15	496	0	-119 496	119 000	0
22	03/7881102918/0056	2020-03-20	Deposits - Bank (03)	Banks (02)	NEDBANK(EQS)	Fixed (01)	Monthly (04)	5,90	20 626	5 811 250	-5 831 876	0	0
23	03/7881102918/0057	2020-03-20	Deposits - Bank (03)	Banks (02)	NEDBANK(EQS)	Fixed (01)	Monthly (04)	6,05	49 030	5 811 536	-5 860 566	0	0
24	03/7881102918/0058	2020-03-20	Deposits - Bank (03)	Banks (02)	NEDBANK(EQS)	Fixed (01)	Quarterly (03)	6,15	82 090	5 811 727	-5 893 817	0	0
TOTAL								0,95235046	246 580	25 891 729	-29 153 682	3 119 000	17 207

## COMMENT ON INVESTMENTS:

From the table above it is evident that the municipality ensured that it maintains a separate investment account for each grant received. This was to ensure that any unspent portion of grants will be fully cash backed.

T 5.10.5

## 5.11 PUBLIC PRIVATE PARTNERSHIPS

### PUBLIC PRIVATE PARTNERSHIPS

The Municipality does not have any public private partnerships.

T 5.11.1

# Chapter 5

## COMPONENT D: OTHER FINANCIAL MATTERS

### 5.12 SUPPLY CHAIN MANAGEMENT

#### SUPPLY CHAIN MANAGEMENT

Officials in the Supply Chain Unit comply with the minimum competency requirements.

All issues of non-compliance of policies and regulations raised in prior periods were addressed in the audit action plan in response to the Auditor General's Report. Further details are provided as per section 2.8 of this report.

# Chapter 5

## 5.13 GRAP COMPLIANCE

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The Municipality is GRAP compliant. As part of addressing capacity challenges experienced in Budget and Treasury Office, for the year under review, officials in the Budget and Treasury Office were assigned to work with the team appointed to assist in compiling the Annual Financial Statements. This was done as part of the Consultants Reduction Plan and is to continue in the foreseeable future.

*T 5.13.1*

# GLOSSARY

## CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

### INTRODUCTION

The Auditor General audited the financial and performance information for the 2019/20 Financial Year. The Auditor General's opinion is expressed in his report enclosed in Volume IV.

*T 6.0.1*

## COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 2019/20

### 6.1 AUDITOR GENERAL REPORTS YEAR – 2017/18 (PREVIOUS YEAR)

The Municipality received an unqualified audit opinion with emphasis of matters for the 2019/20 Financial Year. Management compiled an Audit Action Plan to implement remedial actions, which was adopted by Council. The Plan was implemented during the year with confirmed success.

## COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2019/20 CURRENT YEAR)

### 6.2 AUDITOR GENERAL REPORT YEAR 2019/20

The municipality has received an unqualified without findings audit opinion.

# GLOSSARY

## GLOSSARY

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
<b>Activities</b>	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual Report</b>	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
<b>Approved Budget</b>	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
<b>Baseline</b>	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
<b>Basic municipal service</b>	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
<b>General performance indicators</b>	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>	All the resources that contribute to the production and delivery of outputs. Inputs are “ <i>what we use to do the work</i> ”. They include finances, personnel, equipment and buildings.
<b>Integrated Development Plan (IDP)</b>	Set out municipal goals and development plans.
<b>National performance areas</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> </ul>

# GLOSSARY

	<ul style="list-style-type: none"> <li>• Municipal transformation and institutional development</li> <li>• Financial viability and management</li> <li>• Good governance and community participation</li> </ul>
<b>Outcomes</b>	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
<b>Outputs</b>	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
<b>Performance Indicator</b>	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
<b>Performance Information</b>	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
<b>Performance Targets:</b>	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
<b>Service Delivery Budget Implementation Plan</b>	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
<b>Vote:</b>	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as:

# GLOSSARY

	<p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>
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# APPENDICES

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## APPENDICES

### APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

This is discussed in Chapter 2 under Governance and no additional information is provided here.

### APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

This is discussed in Chapter 2 under Governance and no additional information is provided here.

### APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

This is discussed in Chapter 2 under Governance and no additional information is provided here.

# APPENDICES

## APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

*Positioning of the functions and responsibilities of district municipalities in relation to the integrated municipal governance framework*

Function in schedules 4 and 5 of the Constitution	Integrated Planning and Development Facilitation	Promoting bulk infrastructural development and services for the district as a whole	Building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking	Promoting the equitable distribution of resources between the local municipalities in its area to ensure appropriate levels of municipal services within the area
Air pollution			✓	
Building regulations			✓	
Electricity and gas reticulation		✓		
Firefighting services		✓		
Local tourism	✓			✓
Municipal airports		✓		
Municipal health services		✓		✓
Municipal public transport		✓		✓
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law		✓		✓
Storm water management systems in built-up areas		✓		✓
Trading regulations			✓	
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems		✓		✓
Billboards and the display of advertisements in public places				
Municipal planning	✓			

# APPENDICES

Function in schedules 4 and 5 of the Constitution	Integrated Planning and Development Facilitation	Promoting bulk infrastructural development and services for the district as a whole	Building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking	Promoting the equitable distribution of resources between the local municipalities in its area to ensure appropriate levels of municipal services within the area
Cemeteries, funeral parlours and crematoria		✓		
Cleansing				
Control of public nuisances				
Control of undertakings that sell liquor to the public				
Facilities for the accommodation, care and burial of animals				
Fencing and fences				
Licensing of dogs				
Licensing and control of undertakings that sell food to the public				
Local amenities		✓		✓
Local sport facilities		✓		✓
Markets	✓		✓	✓
Municipal abattoirs		✓		✓
Municipal parks and recreation		✓		✓
Municipal roads		✓		✓
Noise pollution				
Pounds				
Public places				
Refuse removal, refuse dumps and solid waste disposal		✓		✓
Street trading			✓	
Street lighting		✓		✓
Traffic and parking		✓		✓

# APPENDICES

## APPENDIX E – WARD REPORTING

The District Municipality does have ward committees, as this is a function performed by the local municipalities.

## APPENDIX F – WARD INFORMATION

The District Municipality does have ward committees, as this is a function performed by the local municipalities. Capital projects is discussed in Chapter 5 of the report.

## APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 0

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendation during the Year 0	Recommendation adopted (enter Yes) If not adopted (provide explanation)
Quarter 2, 3 and 4.	Matter to be referred to the Mayoral Committee for review of:	Yes
	Creditors and debtors analysis.	Yes
	Payments made after 30 June (testing cut off).	Yes
	Review aged items for creditors and debtors and recommend an implementation plan.	Yes
	Internal audit to perform a follow up audit by the 15 <sup>th</sup> of August and report to the next Audit Committee meeting.	Yes
	Report referred to MM to follow up with Corporate Services Manager for his urgent attention (DD 7 August 2015 for input, implementation and action).	Yes
	The report should be presented to the NEXT Audit and Performance Committee together with the Accounting Officer's action plan to turn around the plight of Corporate Services.	Yes
	Report referred to Accounting Officer to ensure it's finalised.	Yes
	All internal audit findings per quarter should be summarised in one document and be monitored for implementation by the Chief Risk Officer for implementation through the office of the MM every fourth night.	Yes
	The Compliance Officer needs to monitor all compliance issues and update the Municipal Manager who will in turn advice the office of the Mayor on all compliance issues.	Yes

# APPENDICES

The Compliance Officer and the Accounting Officer must review all the Audit Reports Q1,2,3 and 4 Issued by Internal Audit, and come up with a way forward to manage compliance (Director Internal Audit to facilitate this process).	Yes
Communications portfolio to be part of this meeting.	Yes
Management must ensure that Financials are reviewed and presented to Council by the Audit and Performance Committee prior to them being submitted to Auditor General.	Yes
Performance information is also part of the AFS, so the above is also applicable.	Yes
T G	

Refer to Volume IV for the Audit and Performance Committee for the year ended 30 June 2020.

## APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

No long term contracts were entered into during 2019/20.

There are no public private partnerships.

## APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

The Municipality has no municipal entities.

# APPENDICES

NO	SERVICE PROVIDER	TYPE OF SERVICE	EFFECTIVE DATE	COMPLETION DATE	PERFORMANCE RATING (Better, Acceptable, Marginal, or Unsatisfactory)	TIME MANAGEMENT (Satisfactory, Average, Poor)	CUSTOMER RELATIONS (Satisfactory, Average, Poor)	COMMENTS
<b>BASIC SERVICES DEPARTMENT</b>								
1	Reneilwe Consulting & Projects	Professional Services for RRAMS & ISDG	2018/10/15	2020/06/14	Acceptable	Satisfactory	Satisfactory	
<b>COMMUNITY DEVELOPMENT SERVICES: CONTRACTS</b>								
2	Multichoice	DSTV	2014/03/14	Can be terminated any time if not needed	Acceptable	Satisfactory	Satisfactory	
<b>BUDGET &amp; TREASURY: CONTRACTS</b>								
3	DDP (Pty) Ltd	Valuation of municipal properties for the period of 24 months – DDP Ltd	2017/08/08	2019/08/07	Acceptable	Satisfactory	Satisfactory	
4	Arch Actuaries Consulting	Actuaries for a period of 24 months	2017/08/08	2019/08/07	Acceptable	Satisfactory	Satisfactory	
5	CCG Systems (Pty) Ltd	The appointment of consultants for assistance with the preparation of annual financial statement, quality and GRAP	01/07/2019	30/06/2022	Acceptable	Satisfactory	Satisfactory	

# APPENDICES

		compliance review of the annual financial statement and provision of assistance with the clearing of findings raised by the internal and external auditors for a period of 36 months on as and when required rate basis						
6	Standard Bank	verification and valuation of municipal owned biological assets (game species) at thwane game farm, Van Zylsrus for a period of 36 months	2019/08/01	2022/07/31	Acceptable	Satisfactory	Satisfactory	
7	DBSA	Loan for office Building	2007/05/01	2022/04/30	Acceptable	Satisfactory	Satisfactory	
8	Lateral Unison Insurance Brokers Ltd	Provision of Insurance Services of Properties and Liabilities	2016/10/19	2019/10/19	Acceptable	Satisfactory	Satisfactory	
9	CCG Systems	Provision of ERP Financial Systems that is mSCOA Compliant	01/02/2019	31/01/2022	Acceptable	Satisfactory	Satisfactory	
10	MaxProf (Pty) Ltd	Professional Services for Vat recovery	04/05/2018	03/04/2021	Acceptable	Satisfactory	Satisfactory	
11	JBFE Consulting Ltd	verification and valuation of municipal owned biological assets (game species) at thwane game farm, Van Zylsrus for a period of 36 months	2019/08/01	2022/07/31	Acceptable	Satisfactory	Satisfactory	

# APPENDICES

OFFICE OF THE MM & CORPORATR SERVICES: CONTRACTS								
13	Koikanyang Incorporated	Attorneys	2017/11/01	30-Oct-19	Acceptable	Satisfactory	Satisfactory	
14	Sifumba Attorneys	Attorneys	2017/11/01	30-Oct-19	Acceptable	Satisfactory	Satisfactory	
15	Koikanyang Incorporated	Attorneys	2020/10/02	2022/02/09	Acceptable	Satisfactory	Satisfactory	
17	JTG Development Trust	Lease of a building	2011/10/01	2021/09/01	Marginal	Satisfactory	Satisfactory	
18	Namekhotla Trading Cc	Provision of Cleaning materials	2017/01/03	2020/02/04	Acceptable	Satisfactory	Satisfactory	
19	Aried Trading Cc	Supply & Delivery of Stationery	2018/03/14	2021/03/13	Acceptable	Satisfactory	Satisfactory	
20	Valtrone Trading 46	Supply & Delivery of Groceries and cleaning materials	2018/03/14	2021/03/13	Acceptable	Satisfactory	Satisfactory	
21	Vysyem Traders C.C	Provision of photocopying machines	2018/03/14	2021/03/13	Acceptable	Satisfactory	Satisfactory	
22	Kathu Technical College	Lease of a building	2010/06/01	2020/04/30	Acceptable	Satisfactory	Satisfactory	
23	Kunene Makopo Risk Solution	Provision of Insurance Services of Properties and Liabilities	2020/05/01	2023/04/30	Acceptable	Satisfactory	Satisfactory	
24	PAPKRAST Group	Maintenance of Municipal Websites for a period of 24 months	2020/07/01	2022/06/30	Acceptable	Satisfactory	Satisfactory	

# APPENDICES

## APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

All councillors and senior managers are required to declare their business interests annually. Such business interests are:

<b>DISCLOSURE OF FINANCIAL INTERESTS FOR COUNCILLORS &amp; SNR OFFICIALS</b>			
<b>Period 1 July 2019 to 30 June 2020</b>			
<b>Position</b>	<b>Name</b>	<b>Description of Financial Interests (Nil / Or Details)</b>	<b>Page</b>
<b>Executive Mayor</b>	Sophia Mosikatsi	Gamagara Close Corporation (member) John Taolo Gaetsewe Developmental Trust (Trustee)	056
	PQ Mogatle	Pulane Mogatle Trading Enterprise Ubuntu Botho Shareholder	051
<b>Member of MayCo</b>	G Assegai	Aleta Melokoe Trading, Gakgadi Self-propelled Trading & Projects	054
	K Masilabele	Nil	053
	OE Hantise	Gamagara Close Corporation (Shares) Olifantshoel Corporative	063 019
	SN Bloem (Resigned)	Bomme Fefo	024
<b>Councillor</b>	TG Anthony	Nil	026
	OH Kgopodithata	Dipudi Faraway Project	049
	ON Mokweni	Batlharoi Agricultural Corporation	052
	V Jordan	Moshaweng Integrated Energy	010
	OG Monaki	Nil	055
	LL Kaebis	Sepoane Trading Enterprise	031
	K Makwati	Kgalagadi Brick C	011 & 034
	A van der Westhuizen	ACSB Reaction and PI Services (Director) Kuruman Foto Lab (Owner) Taylor & Nagel Attorneys (Commission)	007
	T Molwagae	Nil	046
	H du Plessis	Nil	
	L Gwai	Nil	047
	P Ohentswe	PJO Contractor, Letso Investment, Perth 1 Shop Station and Shop, Ohentswe Construction, Supply & Training Construction, Ba-Ga-Bareki Community Trust	044

# APPENDICES

	O Mathibe	Nil	
	G Kaotsane	Nil	045
	L Moagi	1974 Celesti Trading & Enterprise	048
	M Itumeleng	Nil	050
<b>Municipal Manager</b>	D Molaole	Maverick Trading 1640 Cc Phimola Keledi Burial Scheme (Pty) Ltd	042
<b>Chief Financial Officer</b>	GP Moroane	Nil	057
<b>Directors</b>			
Director Corporate Services	E. Tshabaemang	Angelome (Pty) Ltd, Kuruman Drycleaners, JC Chabi Trade and Construction servises	035
Director: Community Development Services	TH Matlhare	Just Released Trading 505	060
Director: Local Economic Development	K Teise	Strong Team Construction and Project 8 Kuruman Development Corporation United Power Construction (Director)	065
Director: Basic Services & Infrastructure	M Molusi	BOM Transportation Services	064 & 078

## APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

Revenue collection details are disclosed in the Annual Financial Statements and no further information is provided.

## APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Grant information details are disclosed in the Annual Financial Statements and no further information is provided.

# APPENDICES

## APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

Capital expenditure details are disclosed in the Annual Financial Statements and no further information is provided.

## APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 0

Capital expenditure details are disclosed in the Annual Financial Statements and no further information is provided.

## APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 0

Capital expenditure details are disclosed in the Annual Financial Statements and no further information is provided. It is however important to note that the District Municipality does not have wards.

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

This function is performed by the local municipalities.

# APPENDICES

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

Service backlogs are indicated in the tables below and is based on information from StatsSA Community Survey 2016.

### *Dwelling type*

Housing Types					
Type of main dwelling	Northern Cape	John Taolo Gaetsewe	Joe Morolong	Ga-Segonyana	Gamagara
Formal dwelling/house or brick/concrete block structure on a	920,702	184,071	60940.00	80,831	42,301
Traditional dwelling/hut/structure made of traditional mater	25,457	14,406	10083.00	4,322	-
Flat or apartment in a block of flats	7,754	743	45.00	337	361
Cluster house in complex	1,241	345	0	23	322
Townhouse (semi-detached house in a complex)	3,648	683	27.00	336	320

# APPENDICES

<b>Semi-detached house</b>	21,423	1,546	129.00	509	908
<b>Formal dwelling/house/flat/room in backyard</b>	58,229	15,567	7608.00	7,069	890
<b>Informal dwelling/shack in backyard</b>	45,013	7,177	2092.00	3,548	1,536
<b>Informal dwelling/shack not in backyard (e.g. in an informal</b>	92,146	11,870	2853.00	3,594	5,423
<b>Room/flatlet on a property or larger dwelling/servants quart</b>	2,875	700	-	655	45
<b>Caravan/tent</b>	862	238	39.00	17	183
<b>Other</b>	14,293	4,917	385.00	3,166	1,366
<b>Unspecified</b>	137	-	-	-	-
<b>Total</b>	<b>1,193,780</b>	<b>242,264</b>	<b>84,201</b>	<b>104,408</b>	<b>53,656</b>

Source: StatsSA 2016

# APPENDICES

## Energy source for cooking

Main Source of Energy for Cooking				
	NC451: Morolong	Joe	NC452: Segonyana	Ga- NC453: Gamagara
				DC45: John Taolo Gaetsewe
Electricity from mains	49 867		88 951	45 876
Other source of electricity (e.g. generator; etc.)	54		32	112
Gas	2 190		9 310	4 088
Paraffin	1 038		1 267	1 064
Wood	30 679		4 594	2 084
Coal	41		-	-
Animal dung	117		4	-
Solar	-		-	147
Other	61		-	24

# APPENDICES

<b>None</b>	145	114	261	519
<b>Unspecified</b>	9	136	-	145

## Access to water sources

<b>Water Sources within JTGDM</b>				
	<b>Joe Morolong</b>	<b>Ga-Segonyana</b>	<b>Gamagara</b>	<b>John Taolo Gaetsewe</b>
<b>Public/communal tap</b>	27 815	28 283	3 006	59 104
<b>Water-carrier/tanker</b>	315	2 364	278	2 956
<b>Borehole outside the yard</b>	1 238	456	185	1 879
<b>Flowing water/stream/river</b>	2 259	-	-	2 259
<b>Well</b>	406	41	-	444
<b>Spring</b>	-	47	-	47

# APPENDICES

<b>Other</b>	305	937	361	1 602
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Source: StatsSA 2016

Household access to sanitation (toilet facilities)

<b>Access to sanitation within JTGDM</b>				
	<b>NC451: Joe Morolong</b>	<b>NC452: Ga-Segonyana</b>	<b>NC453: Gamagara</b>	<b>DC45: John Taolo Gaetsewe</b>
<b>Flush toilet connected to a public sewerage system</b>	3 345	18 682	46 505	68 533
<b>Flush toilet connected to a septic tank or conservancy tank</b>	623	4 903	1 766	7 292
<b>Chemical toilet</b>	632	66	27	724
<b>Pit latrine/toilet with ventilation pipe</b>	46 958	22 976	452	70 387
<b>Pit latrine/toilet without ventilation pipe</b>	21 202	48 645	147	69 994

# APPENDICES

<b>Ecological toilet (e.g. Urine diversion; enviroloo; etc.)</b>	1 880	69	-	1 949
<b>Bucket toilet (collected by municipality)</b>	-	89	-	89
<b>Bucket toilet (emptied by household)</b>	3 311	543	2	3 856
<b>Other</b>	552	1 330	645	2 528
<b>None</b>	5 697	7 104	4 112	16 912

Source: StatsSA 2016

Household level of refuse removal

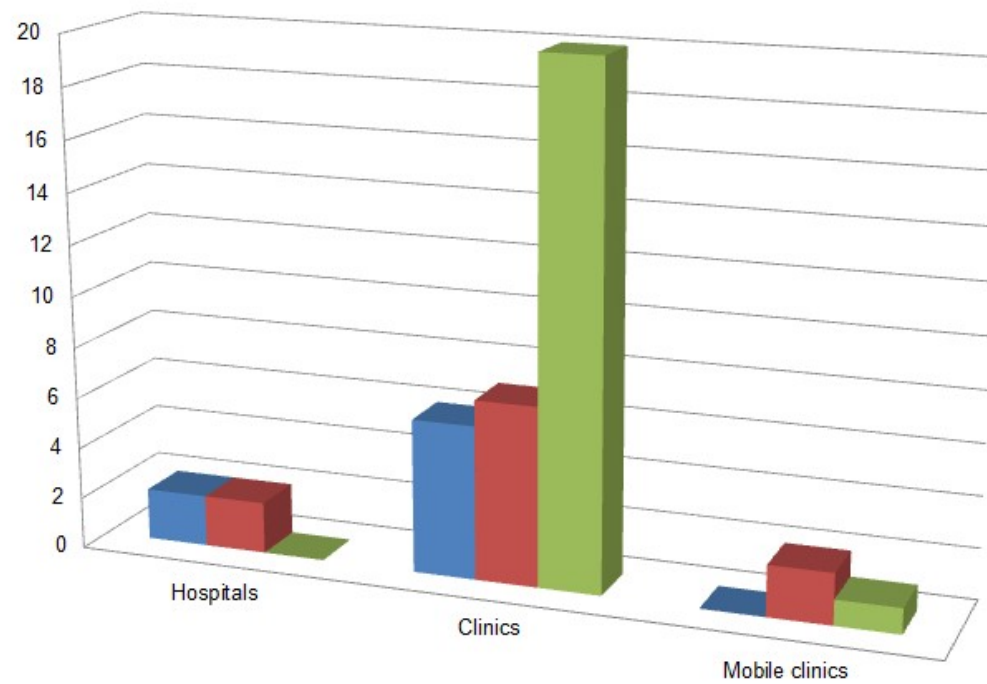
<b>Refuse removal within JTGDM</b>				
	<b>NC451: Joe Morolong</b>	<b>NC452: Ga-Segonyana</b>	<b>NC453: Gamagara</b>	<b>DC45: John Taolo Gaetsewe</b>
<b>Removed by local authority/private company/community members at least once a week</b>	2 539	12 630	44 489	59 658
<b>Removed by local authority/private company/community members less often than once a week</b>	58	242	1 071	1 372

# APPENDICES

<b>Communal refuse dump</b>	4 902	4 737	1 125	10 764
<b>Communal container/central collection point</b>	1 320	2 168	409	3 896
<b>Own refuse dump</b>	71 031	77 757	5 402	154 190
<b>Dump or leave rubbish anywhere (no rubbish disposal)</b>	3 002	4 084	567	7 653
<b>Other</b>	1 349	2 790	592	4 731

Source: StatsSA 2016

# APPENDICES



	Hospitals	Clinics	Mobile clinics
■ Gamagara LM	2	6	0
■ Ga-Segonyana LM	2	7	2
■ Joe Morolong LM	0	20	1

# APPENDICES

*Detail breakdown of educational levels in the District*

<b>Figure 20: Highest Level of Education</b>					
	<b>Northern Cape</b>	<b>DC45: John Taolo Gaetsewe</b>	<b>NC451: Joe Morolong</b>	<b>NC452: Ga- Segonyana</b>	<b>NC453: Gamagara</b>
<b>No schooling</b>	175 584	42 628	18 569	16 320	7 739
<b>Grade 0</b>	43 087	10 508	4 455	4 758	1 296
<b>Grade 1/Sub A/Class 1</b>	30 584	7 323	3 880	2 576	867
<b>Grade 2/Sub B/Class 2</b>	25 270	6 046	2 769	2 537	740
<b>Grade 3/Standard 1/ABET 1</b>	44 975	11 165	5 057	4 468	1 640
<b>Grade 4/Standard 2</b>	46 382	10 886	4 988	4 214	1 685
<b>Grade 5/Standard 3/ABET 2</b>	47 613	9 996	4 546	3 533	1 917
<b>Grade 6/Standard 4</b>	59 918	11 604	4 571	4 580	2 453
<b>Grade 7/Standard 5/ABET 3</b>	66 386	11 966	4 542	4 917	2 507

# APPENDICES

<b>Grade 8/Standard 6/Form 1</b>	84 813	13 606	5 055	5 927	2 624
<b>Grade 9/Standard 7/Form 2/ABET 4/Occupational certificate NQF Level 1</b>	84 188	15 446	5 067	6 817	3 562
<b>Grade 10/Standard 8/Form 3/Occupational certificate NQF Level 2</b>	109 531	19 191	5 501	8 575	5 115
<b>Grade 11/Standard 9/Form 4/NCV Level 3/ Occupational certificate NQF Level 3</b>	83 298	18 533	4 909	9 661	3 964
<b>Grade 12/Standard 10/Form 5/Matric/NCV Level 4/ Occupational certificate NQF Level 3</b>	212 153	36 578	6 802	18 144	11 631
<b>NTC I/N1</b>	663	279	12	88	179
<b>NTCII/N2</b>	1 569	576	98	153	325
<b>NTCIII/N3</b>	2 098	695	124	210	360
<b>N4/NTC 4/Occupational certificate NQF Level 5</b>	3 173	1 112	130	444	538
<b>N5/NTC 5/Occupational certificate NQF Level 5</b>	2 244	851	82	285	484

# APPENDICES

<b>N6/NTC 6/Occupational certificate NQF Level 5</b>	3 707	1 283	263	418	602
<b>Certificate with less than Grade 12/Std 10</b>	499	79	-	36	43
<b>Diploma with less than Grade 12/Std 10</b>	1 301	310	20	132	157
<b>Higher/National/Advanced Certificate with Grade 12/Occupational certificate NQF</b>	5 007	727	207	199	322
<b>Diploma with Grade 12/Std 10/Occupational certificate NQF Level 6</b>	13 728	1 899	262	1 046	590
<b>Higher Diploma/Occupational certificate NQF Level 7</b>	5 120	979	272	234	474
<b>Post-Higher Diploma (Master's</b>	2 578	439	129	201	109
<b>Bachelor's degree/Occupational certificate NQF Level 7</b>	10 910	1 297	215	789	293
<b>Honours degree/Post-graduate diploma/Occupational certificate NQF Level 8</b>	5 091	795	96	459	240

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<b>Master's/Professional Master's at NQF Level 9 degree</b>	1 318	210	80	63	66
<b>PHD (Doctoral degree/Professional doctoral degree at NQF Level 10)</b>	505	113	10	29	74
<b>Other</b>	3 988	1 127	147	618	363
<b>Do not know</b>	14 582	3 722	1 149	1 878	696
<b>Unspecified</b>	1 917	296	193	103	-

Source: StatsSA 2016

## APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

No additional information is disclosed other than what is contained in the Annual Financial Statements.

# APPENDICES

## APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

The Integrated Development Plan of the Municipality is structured to include the National Outcomes and Key Performance Areas for Local Government. The Annual Performance Report of the Municipality contains information in this regard. No additional information is disclosed.

# VOLUME II

## VOLUME II: ANNUAL FINANCIAL STATEMENTS

The Unaudited Annual Financial Statements for the 2019/20 Financial Year is enclosed hereto.