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CHAPTER 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

Vision

Phokwane Local Municipality will be a developmental municipality in the creation and maintenance of sustainable human settlement that results in social and economic development for all our citizens.

Mission

To strive within given resources towards efficient, effective and sustainable measures to reduce poverty and stimulates local economic growth.

COMPONENT A: MAYOR'S FOREWORD

Introduction

We are obligated to prepare an annual report. The main objective is to reflect on the performance of the municipality for each financial year. This report is prepared in terms of the provisions of section 121(1) of the Municipal Finance Management Act as well as section 46(1) of the Municipal Systems Act of 2000.



The content of this report confirms why Phokwane Municipality has, through this financial year, endeavored to have sound management in finance, good cooperative governance, provide strategic direction, capacitate and encourage skills competencies. Achieving these issues will significantly assist the municipality to earn a rightful place amongst the most progressive municipalities in the country. Although there was change of political and administration structures, which negatively affected the municipality's stability, we persevered. The Integrated Development Plan (IDP), which is in its fourth year, is a proof of a mandate that our communities gave to the municipality to improve the quality of their lives. This is coupled by the fact that the municipality reviews the IDP every year, with consultation from the community.

Preview of the 2021 financial period

The 2020/21 financial year has been a year of rebuilding our municipality and improve its image, so that its citizens can once again be proud to be residents of the Phokwane Local Municipality. To achieve this process, we have to be visionary, hardworking and committed from both political and administration, and work collectively as Council.

This annual report, which also outlines the implementation and achievement of these objectives conform to the various pieces of legislation such as section 46 of the Local Government: Municipal Systems Act No.32 of 2000 and sections 121 and 127(2) of the Local Government: Municipal Finance Management Act No.56 of 2003. The Municipality progressed significantly in achieving objectives with regard to the five key performance areas applicable to local government and which are outlined in this Annual Report, namely:

1. Basic Service delivery and infrastructure development
2. Municipal transformation and development
3. Local Economic Development
4. Municipal Financial viability and management
5. Good Governance and Public Participation

This Annual Report outlines in detail the projects that were implemented in the current financial year and key service delivery related assets that were purchased in the same year. The municipality's priority is to procure service delivery related assets. Some of the projects undertaken during the current year relates to:

- Installation of Highmast Lighting for Pampierstad and Ganspan.
- Bulk metering of pumps and reservoirs at Water Treatment Works in Hartswater and Jan Kempdorp.
- Refurbishment of ablution facilities in Phokwane Municipal Buildings and upgrade to office buildings.
- Bulk metering of pumps and reservoirs at Water Treatment Works in Pampierstad.
- Road surface reseal and rehabilitation programme (55 km)
- Remedial works in Jan Kempdorp WWTW (Mitigation to directive issues)
- Upgrade of waste water pumpstation and bulk outfall lines in Pampierstad.
- Feasibility study of Bulk Water System for Jan Kempdorp and Ganspan in providing its water supply areas with water of acceptance quality and quantity on a sustainable basis.
- Feasibility study of Bulk Water System for Pampierstad in providing its water supply areas with water of acceptable quality and quantity on a sustainable basis.
- Upgrade of Existing Asbestos Water.
- New Pumpstation and related Bulk Sewer outfall lines in Masakeng.
- Electrification of Nkandla (264 stands) Phase 2

Appointment of the administrator and dissolution of Council

The municipality continues to experience a lot of challenges. The municipality was placed under Section 139(1)(c) of the Constitution of the Republic of South Africa, 1996 on the 19th May 2020 due to administrative and political instability. As a result of that Council was dissolved and an Administrator was appointed on the 1st May 2019. The term of the Administrator ended on the 31st March 2021. This led to the municipality suffering from political and administrative leadership. Despite these challenges, nevertheless the municipality managed to make a number of improvements to service delivery by initiating mechanisms and initiatives to improve on the overall efficiency and effectiveness of service delivery.

By-election

Following the dissolution of council on the 1st May 2019, the Independent Electoral Commission conducted by-elections on the 1st November 2021. New council was inaugurated on the 22nd November 2021.

Secondment of the accounting officer

The administrator's term ended on the 31st March 2021. Following his departure, Frances Baard District Municipality seconded Ms Gaborone to the municipality as Acting Municipal Manager. Her tenure ended on the 1st October 2021.

Challenges

The municipality continues to experience challenges at both political and administrative level. These challenges negatively affect the municipality in rendering services to the municipality. At administrative level, the municipality has a high vacancy rate, with no permanent senior managers. Council is making efforts to fill these positions so that the municipality can effectively serve our community.

Audit Outcome

Phokwane Local Municipality received a disclaimer of opinion for the 2019/20 financial year. This was a regression from the Qualified audit opinion, which was issued by the Office of the Auditor General for the 2018/19 financial year. I am pleased to inform all our stakeholders that during the 2020/21 financial year, the municipality's audit outcome improved to a Qualified audit opinion. This was achieved through various means such as active participation by MPAC and other council committees, which took an active role in assisting Council in its oversight role over the administration and continue to play a critical role in ensuring that Council achieve its objective. We have also developed an Action Plan whose objective was to address all shortfalls identified in the Auditor-General's reports.

Key subsequent event

The term for Ms Gaborone ended on the XX. I would like to thank her for her assistance and dedication to the municipality. In terms of the MFMA, each municipality must have an accounting officer to, inter alia, manage the affairs of the municipality. With the position being vacant, following the departure of Ms Gaborone, Provincial Treasury seconded Ms B. Mgaguli as the Acting Municipal Manager, with effect from XXX. She has managed to settle in and brought about significant improvements, some of which relates to assisting in the stabilization of the municipality, improving the financial management environment and clearing the backlog of the submission of the annual financial statements (AFS). The municipality submitted the AFS as at 30 June 2022 on the 30th of September 2022. The audit is currently in progress.

Conclusion

We will continue to work closely with our communities so that they know exactly what is happening within their elected Council. This will also provide us with an opportunity to understand their daily challenges and be in a position to take remedial action to overcome these challenges on time.

(Signed by :)

Tebogo Afrika

Mayor of Phokwane Municipality

Component B: Executive Summary

1.1 Municipal Manager's Overview

Introduction

I take this opportunity to present to you, the annual report for the financial year 2020/21. This report is an account of progress with regards to the fourth year of our five-year Integrated Development Plan. We therefore have the fiduciary duty to be responsible and accountable to our communities on the mandate they gave us and conferred on us by the constitution. In light of that, the annual report presents an honest and our objective view of the municipality's performance during the year under review.

Submission of the annual financial statements (AFS) and audit outcome

As at October 2021, the municipality had not yet submitted the AFS for the year ended 30 June 2021. This was in contravention of the section 126 of the MFMA which requires that the AFS should be submitted to the Office of the Auditor General of South Africa by the 31st of August each year. I am pleased to inform you that the municipality managed to submit the AFS on the 30 June 2022. The audit was concluded on the 30th of November 2022. As mentioned by the Mayor, the municipality received a qualified opinion, which was an improvement from the 2018/19's disclaimer. The Council's oversight role and advisory role of the audit committee should be seriously considered in order to achieve a better audit outcome in future.



Financial management activities

The municipality had challenges in collecting revenue due to water and electricity losses, and end up collecting at 46%. In terms of the audit performance, the municipality managed to move from Disclaimer to Qualified opinion.

Service delivery activities

Projects that were planned for the financial year under review were managed to be implemented and others were implemented 100%. The municipality is still encountering problem with ageing infrastructure that led to more spending on maintenance.

Challenges

The continues to experience a number of challenges. Some of these challenges have a potential to negatively affect service delivery. The following are some of the key challenges experienced during the current year

(a) High vacancy rate

The municipality has a relatively high vacancy rate. Currently, all the senior manager's positions are vacant. The incumbents are on an acting capacity. Processes are, however, underway to fill these vacant positions.

(b) Bulky purchases

Two of the municipality biggest residential areas (Valspan and Pampiertad) get their electricity from direct from Eskom. This means that the municipality may not be able to, inter alia, implement some of the credit control mechanisms such as disconnecting electricity of defaulting consumers. This is negatively affecting the municipality ability to collect the much-needed revenue.

Regarding water purchases, the Bloom Water (formerly Sedibeng Water) supplies water to our communities. There is a service level agreement signed by both parties. This is despite the fact that in terms of section 78 of the Water Services Act, our municipality is a water authority. Further, there has been a number of challenges that the municipality has noted regarding the current arrangement and service level agreement. These challenges relates to both technical, administrative and accounting (billing) matters. With regards to billing, Bllom Water has not been able to provide records of the exact amounts owed by Phokwane Local Municipality. The statement of accounts shows Greater Taung details. We of the view it is possible that the exorbitant amount that Sedibeng claims is not the true reflection of the amounts owed by the municipality. Engagement with Sedibeng regarding this mater are ongoing. However, I am confident that an amicable resolution will be reached in due course.

(c) Payments to Eskom and Bloom Water

Due to some of the challenges noted above, the municipality has had challenges regarding keeping the electricity and water accounts up to date. These arrears almost costed the municipality its equitable shares. However, management was able to pay all of these creditors and an allocation of the equitable shares was released by National Treasury.

Subsequent event

The municipality was not able to submit the AFS for the year ended 30 June 2022 by the 31st of August 2022. This was mainly because the audit for the 2020/21 AFS was still in progress and in the early stages. Management submitted the AFS on the 30th of September 2022. As such, we have managed to clear the effectively two-year backlog of the AFS. The municipality should be able to submit the AFS for the year ended 30 June 2023 by the legislated date of 31 August 2023.

Conclusion

Despite the challenges that antagonized us the Phokwane Local Municipality, we continue ensuring that we strive within given resources towards efficient, effective and sustainable measures to reduce poverty and stimulates local economic growth.

I thank you.

Busisiwe Mgaguli
Acting Municipal Manager

1.2 Municipal Functions, Population and Environmental Overview

Phokwane Local Municipality is made up of four built up areas, i.e Hartswater, Jan Kempdorp, Ganspan, Pampierstad and the surrounding farming areas. This municipality is rural in nature with large scale of agriculture commercialized farming.

The population size is about 61 321 people, with the following gender composition 29 827 males and 32 497 females. The unemployment rate in the area is very high, it is estimated to be 43% whiles agriculture and government sector are the main employers in the local economy.

The labour force is relatively unskilled and poorly educated, 21% of them have grade 12 or higher education, while 32% have no schooling at all. In total 67% of the population have some form of schooling and can be regarded as literate.

Phokwane Local Municipality is second biggest local municipality in the Frances Baard District Municipality. It is an executive type of a municipality, where the Executive Committee is chaired by the Mayor who is a Member of that committee. In this arrangement the executive powers are vested in the committee.

The head office of the municipality is in Hartswater, where Council, Committees, and Senior Managers operate from. The Council Chambers and Senior staff offices are situated.

1.3 Service Delivery Overview

Since inception in 2000, Phokwane local Municipality has been able to provide the following services to the communities;

- Water
- Electricity
- Sanitation
- Roads
- Storm water
- Cemeteries
- Sports and recreational facilities
- Environmental management
- Libraries
- Solid waste
- Traffic services
- Land use

Some of these services are provided at a higher level and some at an RDP standard. On the other hand, some of these services are provided to communities on a daily basis and some as once off service. However, the details on service delivery will be reported under performance highlights.

1.4 Financial Health Overview

The financial administration of the municipality is under a lot of strain due to debt owed to creditors like Sedibeng, Vaalharts and Eskom. This led to cash flow problem. This enabled monthly and quarterly reporting to management, Council and external stakeholders whilst ensuring that information reported is accurate and valid. The assurance of the completeness of information is an area that presents a challenging which require some level of improvement. The table below depicts the financial performance of the municipality for the 2022/21 financial year, which clearly illustrate that the municipality failed in terms of collecting revenue.

The municipality budgeted R421 million and managed to collect R358 million which is R63 million less or 14,99%.

FINANCIAL OVERVIEW - YEAR 2020/21			
	R'000	R'000	R'000
Details	Original Budget	Adjustment Budget	Actual
Income	424 931	421 181	358 007
Property Rates	59 315	37 074	29 591
Service Charges	214 779	214 779	140 327
Government Grant & Subsidies	116 384	134 874	150 549
Interest Earned	33 626	33 626	32 583
Rent of Facilities and Equipment	500	500	74
Fines	270	270	107
Agency Fees	-	-	232
Sundry Income	58	58	4 544
Less Expenditure	344 364	412 596	484 251
Employee Related Cost	83 856	84 776	90 698
Remuneration of Councillors	7 200	3 600	4 330
Debt Impairment	30 081	30 081	151 718
Depreciation	30 000	80 000	59 647
Bulk Purchases	151 427	151 427	124 580
Finance Charges	150	75	14 223
Repairs & Maintenance	11 172	19 635	9 845
Contracted Services	17 402	24 043	15 715
General Expenses	13 076	18 958	13 496
Net Total	80 567	8 585	- 126 244

The following table depicts the operating ratios as a percentage of the total operating expenditure for 2020/2021 financial year:

Operating Ratios	
Details	%
Employee Related Cost & Councillors Remuneration	19.62
Repairs & Maintenance	2.03
Debt Impairemnet	31.33
Depreciation	12.31
Bulk Purchases	25.72
Contracted Services	3.24
General Expenses	2.78

Comment on Operating Ratios

Councilors and employee related costs make up the second largest component of expenditure costs, constituting 19.62 percent of the total actual operating expenditure. The first largest component is Bulk Purchases for electricity and water costs constituting 25.72 percent of the total operating expenditure. The expenditure related to non-cash items such as debt impairment, depreciation and amortization charges constitutes 31.33% and 12.31% respectively of the total operating expenditure of 2020/2021.

The overall financial administration and MFMA compliance improved systematically during the year, however, the financial statements for the financial year was not completed and handed to the Auditor General on time. The financial position of the municipality was not stable during this financial year; however, the municipality has not incurred utilized an overdraft facility. The Municipality recorded cash receipts of R 344million from rates, services charges, government grants and interest. Cash and cash equivalents of the municipality increased from R 32 million to R124 million compared to the previous financial year.

Revenue

The total revenue of the municipality has decreased to R358 million compared to the R360 million from the previous financial year and represents a decrease of 0.79%. This is attributed to decrease of collection in terms of revenue for service charges for electricity from R86 million to R54 million or 36,93%, and from the payment of rendering services such as licenses and permits, rental facilities and commission received.

The revenue from government grants and subsidies amounts to R150 million compared to R145 million earned in the preceding financial year. The upsurge is mainly due to an increase in the grant allocation in terms of equitable share and financial management grant. The municipality performed generally well with regard to generating revenue such as service charges, interest earned and rental facilities. The challenges, however, remain that of collecting on what's being owed by consumers to the municipality.

Expenditure

The operating expenditure of the municipality has increased from R418 million the previous year to R484 million in this financial year and this represents an increase of 15.76%. This significant increase in the operating expenditure can be ascribed to an increase in employee related costs, increased figures on depreciation and amortization which are as a result of correction to prior year's errors on fixed assets. The salaries increased by 5.62% as result of vacancies filled during this year whilst the general expenses decreased by -3.15%. Though tight controls have been implemented to ensure that the budget is not overspend, unauthorized, fruitless, wasteful and irregular expenditure continued to be incurred and will be reported to Council.

Liabilities

The current liabilities of the municipality increased from restated figure of R344 million to R414 million this represents a 20.62% as a result of an drastic increase in payables from exchange transactions and unspent conditional grants, whilst the non-current liabilities also increased from R136 million to R147 million mainly due to a slight increase in the long-term provisions. Payables from exchange transaction consist of staff leave and bonus accruals, retention creditor's payment received in advance and trade payables. Trade payables increased from R279 million in the previous year to R316 million in 2020/2021. Trade creditors are normally paid within 30 days and this also indicate that the municipality must increase the collection rate. The municipality has not operated an overdraft facility during the year.

Trade and other receivables

Trade receivables from exchange transactions increased from R4, 5 million in the previous year to R4, 7 million and other receivables from non-exchange transactions has increased from R19 million to R25 million net of provision for debt impairment.

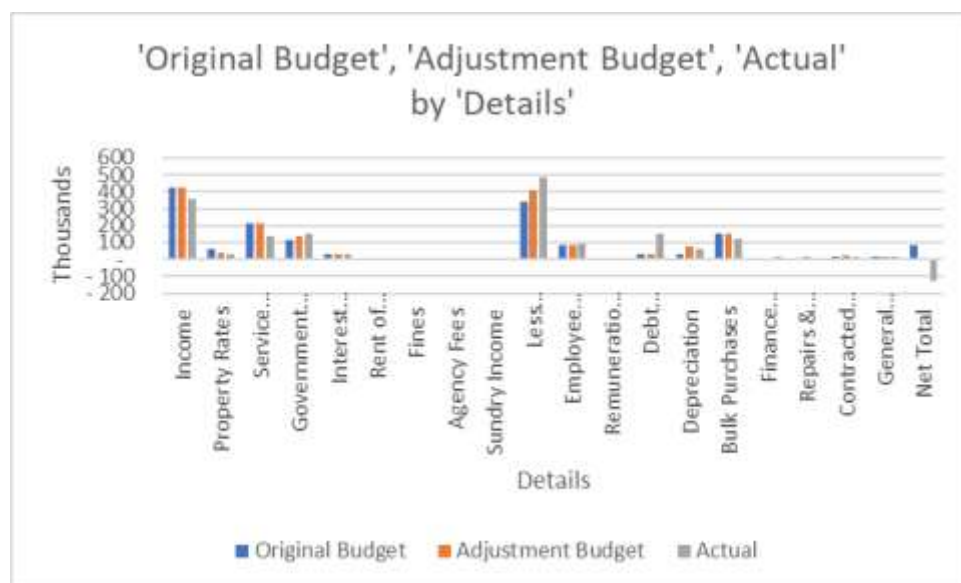
Total Capital Expenditure

The municipality's original capital budget increased from R77million in 2019/20 to R89million in the 2020/21 financial year. The adjusted budgets for the two years show a decrease in 2019/20 and an increase in 2020/21. It should however be mentioned that the municipality is predominantly depending on conditional grant funding to deliver on its infrastructure programs and objectives.

The municipality had an under expenditure on its adjusted capital expenditure appropriated for the 2020/21 financial year due to financial constraints.

TOTAL CAPITAL EXPENDITURE: YEAR 2019/2020 TO YEAR 2020/2021		
	R'000	R'000
DETAIL	2019/2020	2020/2021
Original Budget	77 953	89 082
Adjustment Budget	62 434	123 460
Actual	34 438	38 690

FINANCIAL OVERVIEW –2020/21



Credit control

The average percentage payment level for the municipality at the end of the financial year is 52.26 % and the table below provides a summary of the overall payment levels for the main areas of the municipality;

**PHOKWANE LOCAL MUNICIPALITY
PAYMENT LEVELS 2020/2021**

FY 2020/2021	Charges Raised	Receipts	Balance B/F	Adjustment	Repayments	Deposits	%	NR Debtors
Jul-20	31 235 509,23	6 635 927,27	640 675 405,86	636 143,78	-	-	21,24	-
Aug-20	20 385 933,23	4 580 595,35	664 638 844,04	621 022,60	0,00	2 194,90	22,47	-
Sep-20	19 698 308,81	18 441 381,03	679 825 354,22	12 523 431,39	0,00	34 615,10	93,62	-
Oct-20	19 613 725,41	11 507 836,71	668 673 484,19	1 654 572,04	0,00	47 722,62	58,67	-
Nov-20	16 745 608,49	8 595 187,58	582 030 342,22	1 104 055,48	47 739,02	48 661,71	51,33	-
Dec-20	20 182 291,31	8 341 950,29	682 642 299,31	9 693 345,67	0,00	14 052,40	41,33	-
Jan-21	18 856 184,13	5 910 696,68	684 803 347,06	3 437 718,99	0,00	12 125,80	31,35	-
Feb-21	19 440 181,22	7 042 208,65	708 433 604,67				36%	-
Mar-21	20 279 339,79	7 513 872,60	722 093 706,41				37%	-
Apr-21	25 579 824,05	6 300 296,12	720 031 184,62				25%	-
May-21	12 663 480,45	7 687 683,93	740 750 193,95				61%	-
Jun-21	23 685 757,10	7 656 886,39	748 260 428,27				32%	-
TOTAL 2020/2021	248 366 143,22	100 214 522,60	8 242 858 194,82	29 670 289,95	739,02	159 372,53	40%	
MONTHLY AVERAGE	62 091 535,81	25 053 630,65	2 060 714 548,71	7 417 572,49	934,76	39 843,13	40%	

Corrective measures need to be put in place to increase payment levels in township areas, such as Pampierstad and Ganspan to improve the overall payment rate.

Indigents

The registration of indigents are hampered by a number of factors that include a lack of adequate resources such as human resources and vehicles as most of the indigents lives in the outlying areas. The involvement of ward councilors and ward committees must also improve to identify and register indigents. The number of households recorded to be reliant on subsidies for free basic services for the period that ended 2020/21 amounted to 2880

Compliance

The process of MFMA compliance and submitting the required reports has improved dramatically over the past year and as an example the following reports was submitted according to the scheduled requirements:

- Sec71(1) - Monthly report on actual revenue and expenditure
- Sec71(5) - Allocations received
- Sec72 - Mid-year Budget Adjustment and Performance report
- Sec75(1) – Placement on website of key municipal documents
- Sec52(d) - Quarterly report on implementation of budget and financial state of affairs
- Minimum Competency Level – Bi annual report of competency level of senior managers.

1.5 Organisational Development Overview

Organisational Development Performance

The municipality has various measures and strategies in trying to improve and address skill development and institutional transformation, i.e Basic Services, Governance, financial viability and other key areas. Staff members who qualify are provided with assistance to pursue career relevant to organizational development.

Other key aspect which is crucial for organizational development is the formulation of key important policies.

1.6 Auditor General Report – Year 1 (2020/2021)

***The municipality received a Qualified Audit Opinion for 2020/21 financial year.
(See attached audit report at Volume 2)***

1.7 Statutory Annual Report Process

The mayor must, according to the MFMA, co-ordinate the processes for preparing the annual budget and for reviewing the municipality's IDP and budget-related policies. The mayor tabled the schedule of key deadlines regarding the budgetary process and review of the municipality's IDP in a Council meeting held during August 2020.

Item No	Period	Activity	Co - Ordinating Department	Responsibility	Legislative Requirement and Information	Target date
1	Jun 2020	Assess the 2020/21 IDP & Budget process & adapt the process to address deficiencies, improvement and ensure integration and alignment of processes for 2021/2022 - 2026/2027	IDP Office	IDP Manager	Internal Process	30 June 2020
2	Jul 2020	Draft 2020/21 <i>IDP and Budget process time schedule</i> outlining the steps and timeframes for compilation of the 2020/21 IDP, Budget and two outer year's Budget and SDBIP	IDP Office	IDP Manager	MFMA s21(1)(b)	15 July 2020
3		Municipal Strategic Session to deliberate on (a) the 20/ 30 year Spatial Development Plan (SDP) and (b) high level strategic issues to redefine Council's short term Strategic Agenda to implement SDP.	Office of the MM	Municipal Manager Directors Executive Mayor Exco Members	Internal Process	19 and 20 July 2020
4		Attend District IDP Managers Forum Meeting-Discuss outcomes of IDP and Budget Assessments, Challenges and District Interventions i.t.o IDP and budget planning for the review process.	IDP Office	IDP Manager	Internal Process	23 July 2020
5		Ward Committee Meetings to review the prioritisation of community needs in approved IDP and discuss the process for developing Neighbourhood Plans: Communicate final approved 19/20 Budget, Tariffs and IDP to Ward Committees.	Office of the Speaker	Speaker	MSA	24 July 2020
6		Consider MEC comments and recommendations on assessment of initial IDP Document and IDP processes followed.	IDP Office	Municipal Manager Directors IDP Manager	MSA s21	31 July 2020
7		Signing of 2020/21 performance contracts for Section 57 Managers and Submission to Mayco Signing of lower levels staff performance agreements.	Office of the MM	Municipal Manager	MFMA s53(1)(c)(iii)	31 July 2020

Item No	Period	Activity	Co - Ordinating Department	Responsibility	Legislative Requirement and Information	Target date
8	Jul 2020	Prepare and finalise Departmental Plans	All Departments	Municipal Manager Directors	Internal Process	31 July 2020
9		Final Section 57 Managers 2020/21 Performance Assessments Final Performance Assessments of lower level staff	MM	Municipal Manager Executive Mayor	MSA and MFMA	31 July 2020
10		Finalise logistic processes in respect of each of the IDP and budget meetings and table a business plan to Management in this regard.	IDP Office	IDP Manager	Internal Process	31 July 2020
11	Aug 2020	Convene IDP and Budget Steering Committee Meeting. (Dry Run) Final Discussion of Public Participation Meeting Processes.	IDP Office	IDP Manager	MSA Ch 5	8 August 2020
12		Operational Budget: Salary/Wages schedules to Directors for scrutiny & Corrections	BTO	CFO Directors	Internal Process	17 August 2020
13		IDP Public Participation Meetings. Communicate Capital Projects per Ward on 20/21 budget, Reconfirm / review service deliver/development priorities.	IDP Office Office of the Speaker	IDP Manager Directors Ward Councillors Mayor	MS Ch5 s29	20 – 23 August 2020
14		Consult Sector Departments to establish programme/Projects for 5 years – Inter-governmental engagements on IDP and Budget	IDP Office BTO	IDP Manager CFO	MSA Ch5 s24	27 – 29 August 2020
15		Adjustment Budget Rollovers; changes on SDBIP and KPI'S as per Adjustment Budget	BTO Corporate Services	CFO Director Corporate Services	MFMA s28	31 August 2020

16		Tabling of and briefing Council on the Draft 2020/21 IDP/Budget Process Plan for approval, including time schedules for IDP/Budget Public participation meetings.	IDP Office	IDP Manager	MFMA s21(1)(b)	31 August 2020
17	Sep 2020	Advertise the budget process and dates of IDP/Budget Public meetings on Municipal Website, Municipal Newsletter and Local Newspapers	IDP Office	IDP Manager Municipal Manager	MSA and MFMA	3 September 2020
18		Attend District IDP Managers Forum Meeting. Develop uniform guidelines for IDP/Budget review.	IDP Office	IDP Manager Municipal Manager	Internal Process	3 September 2020
19		Forward adjustment budget (hard and electronic copies) to National Treasury and Provincial Treasury after approval.	BTO	CFO	MFMA s28(7)	3 September 2020
20		Review of Municipal Strategic Plan Workshop with Council: Review Municipal KPA and Strategic Objectives	Office of the MM	Municipal Manager Directors Council	Internal Process	3 – 28 September 2020
Item No	Period	Activity	Co - Ordinating Department	Responsibility	Legislative Requirement and Information	Target date
21	Sep 2020	Operational Budget: Salary/Wages schedules with corrections and recommendations to be returned to Finance Department	All Departments	Directors CFO	Internal Process	28 September 2020
22		Attend Quarterly Provincial IDP Manager Forum Meeting in preparation for IDP Indaba 2	IDP Office	IDP Manager	Internal Process	28 September 2020
23	Oct 2020	Two Day Neighbourhood Development Session with Wards to prepare Draft Neighbourhood Development Plans	IDP Office	IDP Manager	Internal Process	1 & 2 October 2020
24		Directorates to be provided with the previous financial year 5 year Capital Plan in order to be able to indicate any changes that need to be made and	BTO	CFO	Internal Process	5 October 2020

		identify any new projects that needs to be added for the compilation Draft Capital Budget		Directors		
25		Ward Committee Meetings: Discuss, scrutinise and prioritize community needs as outcome of IDP/Budget public engagement sessions. Escalate community needs relating to national/provincial mandates to relevant organ(s) of state	IDP Office	IDP Manager	MSA	8 – 12 October 2020
26	Oct 2020	Review and costing of municipal rates and tariffs. Preparation of tariffs and bulk resource (water (WaterBoard), electricity (NERSA), etc.) engagement documentation. Directors to be provided with the previous year's operating expenditure / income actual and current year projections to be used as a base for new Operating Budget,	BTO	CFO Directors	Internal Process	15 October 2020
27		Attend District Stakeholders Engagement Session to inform Sector Departments and Stakeholders of IDP/Budget needs analysis.	IDP Office	IDP Manager	Internal Process	16 October 2020
28		Table Revised Strategic Plan in Council for approval	Office of the MM	Municipal Manager	Internal Process	30 October 2020
29		Review Municipal Spatial Development Framework	Planning and Development	Director Planning and Development	Internal Process	31 October 2020
30		Submit Quarterly Report (July 2020 – September 2021) on implementation of budget and financial state of affairs to Council	Office of the MM	Executive Mayor	MFMA s52(d)	31 October 2020

Item No	Period	Activity	Co - Ordinating Department	Responsibility	Legislative Requirement and Information	Target date
31	Oct 2020	Engagements with Provincial Government regarding any adjustments to projected allocations for next 3 years in terms of the MTREF	BTO	CFO Directors	MFMA s28	31 October 2020
32		Updating and review of strategic elements of IDP in light of the focus of Council	IDP Office	IDP Manager	MSA	31 October 2020
33	Nov 2020	Operational Budget: Income / Expenditure inputs and statistics to be returned to Budget Office	All Departments	Directors	Internal Process	19 November 2020
34		Directors Identify/Create Projects as outcome of the prioritisation of development needs during IDP public engagements sessions with projected budget allocations.	All Departments	CFO Directors	MSA	5 – 23 November 2020
35		Convene IDP/ Budget Steering Committee Meeting: Identify projects per Ward with Budget Allocations; prioritise implementation and integration where possible.	IDP Office	IDP Manager IDP Steering Committee	MSA s74 and 75	23 November 2020
36		Review Municipal Strategies, objectives, KPA's, KPI's and targets. - Identification of priority IDP KPI's incorporate in IDP and link to budget	IDP Manager	IDP Steering Committee CFO	MSA and MFMA	1 – 30 November 2020
37		Capital Budget: Inputs from the different Directorates to be returned to the Budget Office	All Departments	Directors	Internal Process	30 November 2020
38		Executive management articulates outcomes, objectives, priorities and outputs desired for next three years and submit capital budget project proposals for draft IDP Review document to Budget Office	All Departments	Budget Steering Committee Executive Management	Internal Process	30 November 2020
39		Based on financial statements of 2020/21 determine municipality's financial position & assess its	BTO	CFO	Internal Process	30 November

		financial capacity & available funding for next three years				2020
40		Finalise Salary Budget for 2020/2021	BTO	CFO	Internal Process	30 November 2020
41		Submit Bulk Resource documentation (water (Water Board), electricity (NERSA)) for consultation on municipal tariffs for 2020/21 and the two outer Budget years.	BTO	CFO	Internal Process	30 November 2020
42	Dec 2020	Finalise preliminary projections on operating revenue and expenditure budget for 2020/2021	BTO	CFO	Internal Process	10 December 2020
43	Dec 2020	Convene IDP Representative Forum Meeting to give feedback and discuss outcome of Budget steering committee meeting	IDP Office	Municipal Manager IDP Manager CFO	MSA	14 December 2020
Item No	Period	Activity	Co - Ordinating Department	Responsibility	Legislative Requirement and Information	Target date
44	Dec 2020	Workshop 1: draft IDP, Budget and proposed tariffs and SDBIP with Council. Provide progress update to council against IDP/Budget process schedule and obtain approval for any adjustments to process.	IDP Office	Mayor Municipal Manager IDP Manager CFO	MFMA & MSA	Late November/early December 2020
45		Finalise expenditure on operational budget for the budget year and two outer years.	BTO	CFO	Internal Process	21 December 2020
46		Conclusion of Sector Plans and integration into the IDP document	IDP Office	IDP Manager	MSA	21 December 2020
47		Finalise departmental Plans and link to IDP	All Departments	IDP Manager	MSA	21 December 2020

				Directors		
48	Jan 2021	Request and/ or follow-up with Water Board/ NERSA/ other Bulk Service providers for feedback on proposed municipal 2020/21 – 2023/24 tariffs and engagement documentation submitted in Nov 2020	BTO	CFO	MFMA	15 January 2021
49		Submit Draft IDP, Budget and SDBIP to Director Corporate Services with proposed schedule of Ward Committee Meetings for post IDP & Budget Feedback & Consultation Process	IDP Office	IDP Manager	MSA	18 January 2021
50		Executive Management finalise the draft IDP & Capital Budget for referral to IDP & Budget Steering Committees	Office of the MM	Municipal Manager Directors	Internal Process	21 January 2021
51		Tabling of 2020/21 Mid-Year Assessment (to potentially influence 2020/21) to Council	Office of the MM	Municipal Manager Directors	MFMA s72	25 January 2021
52		Meetings and formal consultation with Bulk Service Providers (ESCOM and relevant Water Board on bulk purchase price increase assumptions	BTO	CFO	MFMA s2(e)(aa)	28 & 29 January 2021
53		Submit Quarterly Report (Oct 2020 – Dec 2020) on implementation of budget and financial state of affairs to Council. Consider combining with MFMA S. 72 mid-year performance assessments.	Office of the MM	Executive Mayor	MFMA s52(d)	30 January 2021
54		Tabling of 2019/20 Annual Report to Council	Office of the MM	Municipal Manager	MFMA s127(2)	31 January 2021
55		Convening Budget Steering Committee Meeting for the purpose to discuss and prioritise draft Capital projects for the next three years	Office of the MM	Budget Steering Committee	MFMA s53	31 January 2021
56		Final review of municipal strategies, objectives, KPA's, KPI's and targets	IDP Office	IDP Manager IDP Steering Committee	Internal Process	31 January 2021

Item No	Period	Activity	Co - Ordinating Department	Responsibility	Legislative Requirement and Information	Target date
57	Jan 2021	Review all budget related policies	BTO	CFO	MBRR 7	2 - 31 January 2021
58		Adjustment Budget: Finalise Capital and Operational budget projections for 2020/2021	BTO	CFO	MBRR 21	31 January 2021
59	Feb 2021	Submit Annual Report to Auditor General, Provincial Treasury and COGHSTA	Office of the MM	Municipal Manager	MFMA s(127)(5)(b)	1 February 2021
60		Directors Identify projects and forward local Budget Needs priorities to Frances Baard DM. Project alignment between Frances Baard DM and Phokwane Local Municipality	All Departments	Directors	Internal Process	1 – 8 February 2021
61		Ward Committee Meetings: Discuss and brief Ward Committees about Council's revised strategic plan, Strategic Objectives and envisaged deliverables.	IDP Office	IDP Manager	Internal Process	4 – 13 February 2021
62		Review tariffs and charges and determine affordable tariffs and finalise income budget.	BTO	CFO	MFMA s20	15 February 2021
63	Feb 2021	Attend Provincial IDP INDABA Incorporate Sector Departments Projects in Draft IDP.	IDP Office	IDP Manager Directors	Internal Process	20 February 2021
64		Municipalities receive inputs from National and Provincial Government and other bodies on factors influencing the budget, e.g. Grant Allocations	Office of the MM BTO	Municipal Manager CFO	MFMA21(2)(c)	15 – 22 February 2021
65		Attend District IDP Managers Forum Meeting to discuss the alignment of IDP Strategic Development Goals with Frances Baard DM. Draft IDP Presentations.	IDP Office	IDP Manager	Internal Process	25 February 2021
66		Present Draft IDP and Budget to Steering Committees for quality check	IDP Office	IDP and Budget Steering Committees	MBRR 4	27 February 2021

			BTO			
67		Submit first draft IDP to Frances Baard DM for Horizontal Project alignment between the Frances Baard DM and Phokwane Local Municipality	IDP Office	IDP Manager	Internal Process	28 February 2021
68		Table Adjustment Budget to Council for approval	Office of the MM	Municipal Manager	MBRR 23	28 February 2021
69		Amend IDP, SDBIP, KPI's and performance agreements i.t.o adjustment budget	Office of the MM	Municipal Manager Directors	MFMA s28	28 February 2021
70	Mar 2021	Present Draft IDP and Budget to Steering Committees for quality Check (Including recommendations / adjustments made at meetings of 27 February 2021)	IDP Office BTO	IDP and Budget Steering Committees	MBRR 4	6 March 2021
Item No	Period	Activity	Co - Ordinating Department	Responsibility	Legislative Requirement and Information	Target date
71	Mar 2021	Workshop 2: draft IDP, Budget and proposed tariffs and SDBIP with Council. Provide progress update to council against IDP/Budget process schedule and obtain approval for any adjustments to process.	IDP Office BTO	IDP Manager CFO	Internal Process	11 & 12 March 2021
72		Forward Adjustment Budget (hard and electronic copies) to National and Provincial Treasury after approval	BTO	CFO	MBRR 24	14 March 2021
73		Publication of approved Adjustment Budget after approval per MSA and on municipal website	BTO	CFO	MBRR 26	14 March 2021
74		Municipal Manager presents final draft IDP, Budget, SDBIP and Budget related policies to the Mayor for	Office of the MM	Municipal Manager	Internal Process	18 March 2021

		perusal and tabling to Council				
75		Municipal Manager submit draft IDP, Budget, and Related Policies to Director Corporate Services for inclusion in Council Meeting Agenda	Office of the MM	Municipal Manager	Internal Process	20 March 2021
76		Table (<i>and briefing of council</i>) draft IDP, Budget, SDBIP and Related policies and proposed schedule of Ward Committee Meetings for IDP & Budget Feedback/Consultation Process to Council (Principal Approval)	Office of the MM	Municipal Manager	MFMA s16	28 March 2021
77		Training workshop for councillors to equip councillors for Public participation meetings. Briefing of councillors on logistical arrangements for public participation meetings.	Office of the MM	Municipal Manager And Sec 57 Managers, etc.	MFMA	29 March 2021
78		Council to Consider and adopt an oversight report on 2019/20 Annual Report	Office of the MM	Municipal Manager	MFMA s129(1)	28 March 2021
80	Apr 2021	Advertise & Inviting public comments on Draft Budget, Proposed Tariffs, and IDP Place copies of Draft Budget and IDP at all municipal buildings.	Corporate Services BTO	Director Corporate Services CFO	MBRR 15	2 April 2021 (Advertise) 2 – 26 April 2021 (public comments)
81		Forward Copy of preliminary approved Budget ,IDP, SDBIP & related documents (hard and electronic copies) to National & Provincial Treasury – 10 working days after tabling	Office of the MM	CFO IDP Manager	MFMA s22(b)	12 April 2021
82	Apr 2021	Attend District IDP Managers Forum- Present Draft IDP for input.	IDP Office	IDP Manager	Internal Process	16 April 2021

Item No	Period	Activity	Co - Ordinating Department	Responsibility	Legislative Requirement and Information	Target date
83	Apr 2021	Public Consultation Meetings: Feedback / Consultation on preliminary approved IDP & Budget (Details as per Annexure A)	Office of the MM	Municipal Manager Directors	MBRR 15	15 – 22 April 2021
84		Engagement with the NC Provincial Treasury on draft budget benchmark	Office of the MM	Municipal Manager	MFMA Ch 5	24 April 2021
85		CFO and Director Corporate Service analyse public and Ward Committee comments and inputs on Draft IDP and Budget and prepare recommendations for Council's perusal	Corporate Services BTO	CFO Director Corporate Services	MBRR 16(1)(a)	30 April 2021
86		Submit Quarterly Report (Jan 2021 – Mar 2021) on implementation of budget and financial state of affairs to Council	Office of the MM	Executive Mayor	MFMA s52(d)	30 April 2021
88		Directors Identify projects and forward local Budget Needs priorities to BTO. Project alignment between Frances Baard DM and Phokwane Local Municipality	All Departments	Directors	Internal Process	11 – 15 May 2021
89		Review all budget related policies	BTO	CFO	MBRR 7	18 - 22 May 2021
90	June 2021	Present Draft IDP and Budget to Steering Committees for quality Check (Including recommendations / adjustments)	IDP Office BTO	IDP and Budget Steering Committees	MBRR 4	28 May 2021
91		Draft Budget: Finalise Capital and Operational budget projections for 2020/2021	BTO	CFO	MBRR 21	05 June 2021
92		Table final Draft IDP, budget & related documents to	Office of the MM	Municipal Manager	MFMA S24(1)	30 June 2021

		Council for approval.				
		Inform local community about approved Draft IDP and Budget Detail – Place Newspaper Article and Copies at Libraries	Office of the MM	Municipal Manager	MBRR 18	30 June 2021
93	July 2021	Inform local community about approved Draft IDP and Budget Detail – Place Newspaper Article and Copies at Libraries	Office of the MM	Municipal Manager	MBRR 18	03 July 2021
94		Advertise & Inviting public comments on Draft Budget, Proposed Tariffs, and IDP Place copies of Draft Budget and IDP at all municipal buildings.	Corporate Services BTO	Director Corporate Services CFO	MBRR 15	03 July 2021 (Advertise) 6 – 10 July 2021 (public comments)
95		Send copy of approved Budget, IDP, & related documents (incl. final draft SDBIP) to National and Provincial Governments and other stakeholders	IDP Office BTO	CFO IDP Manager	MFMA s24(3)	14 July 2021
96		Publication of Approved Budget and IDP within 10 workings days on Municipal Website	BTO IDP Office	CFO IDP Manager	MFMA s75(1)(a)	14 July 2021
97		Engagement with the NC Provincial Treasury on draft budget benchmark	Office of the MM	Municipal Manager	MFMA Ch 5	13 - 15 July 2021
		Present Final IDP, Budget and final draft SDBIP to Steering Committees for quality Check (Including recommendations made by all stakeholders and Council)	Office of the MM	Municipal Manager Directors	MBRR 15	21 July 2021
98		Final Budget: Finalise Capital and Operational budget projections for 2020/2021	BTO	CFO	MBRR 21	22 - 28 July 2021
99		Table final Draft IDP, budget & related documents to	Office of the MM	Municipal Manager	MFMA S24(1)	30 July 2021

		Council for approval.				
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LEGEND : MFMA : Municipal Finance Management Act (56 of 2003)
MSA : Municipal Systems Act (32 of 2000)
SCM Reg : Supply Chain Management Regulations (Gazette 27636: May 2005)

CHAPTER 2

GOVERNANCE

INTRODUCTION TO GOVERNANCE

COMPONENT A: Political and Administrative Governance

2.1 Political Governance

Phokwane municipality has nineteen (19) Councillors; ANC – 10, EFF – 5, AIC – 1, FV+ - 1, DA - 2

THE EXECUTIVE COMMITTEE (EXCO)

Cllr Samuel Tumodi (Chairperson)

Cllr Goitsemodimo Halter

Cllr Portia Mohale

PORTFOLIO COMMITTEES

Portfolio Committees were not established during 2020/21 financial year due to political instability within the municipality

POLITICAL STRUCTURE

MAYOR



Cllr Olebogeng Tumodi

SPEAKER



Cllr Portia Selogilwe

EXCO



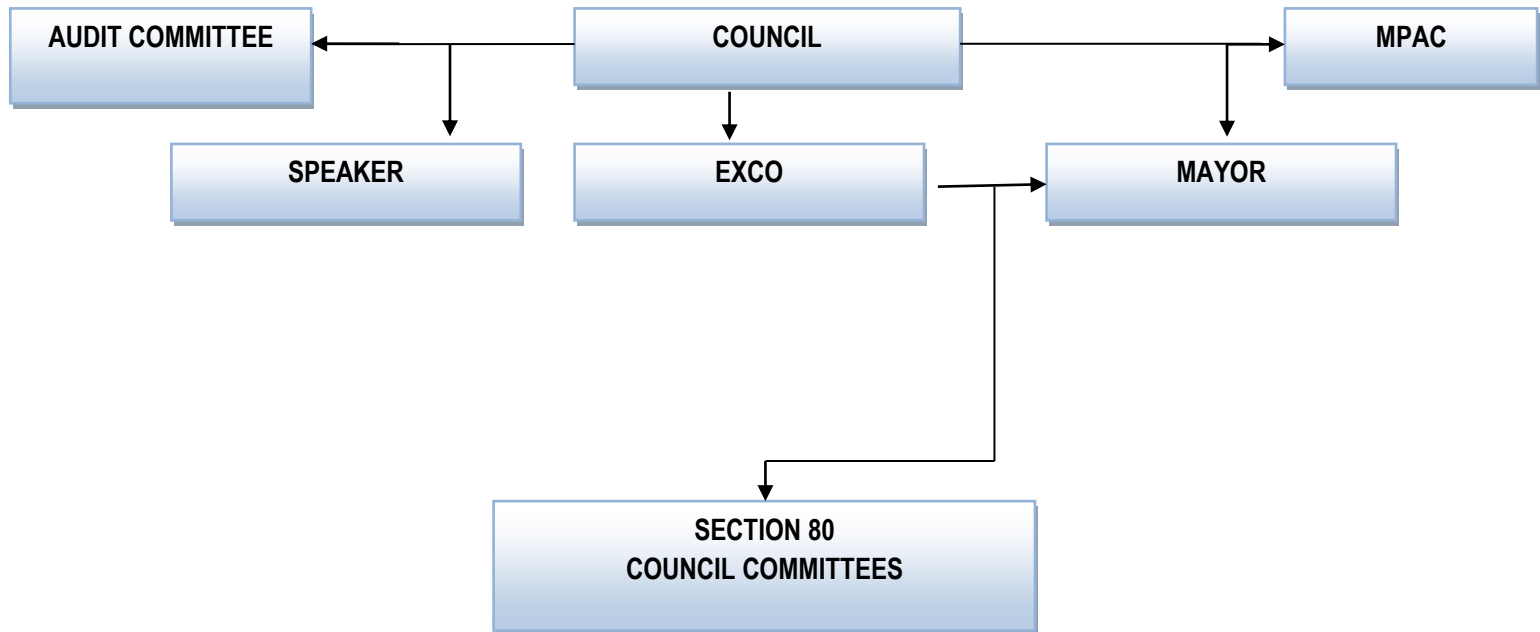
From Left: Cllr Olebogeng Tumodi (Mayor – Chairperson), Cllr Goitsemodimo Halter, Cllr Portia Mohale)

COUNCILLORS

	NAME	POSITION	CONTACT NUMBERS	PARTY	
1.	Cllr Olebogeng Samuel Tumodi	Mayor – Ward 3	060 4477 0661	ANC	FULL- TIME
2.	Cllr Remaketse Portia Selogilwe	Speaker – Ward 7	079 019 9383	ANC	FULL- TIME
3.	Cllr Ndoisele Richard Nxamashe	Ward 1		ANC	PART- TIME
4.	Cllr Tsholofelo Perseverence Mathe	Ward 2	073 776 5244	ANC	PART- TIME
5.	Cllr Tebogo Bernard Afrika	Ward 4	083 493 1255	ANC	PART- TIME
6.	Cllr Willem Harmse	Ward 5	072 188 9875	ANC	PART- TIME
7.	Cllr Tsholofelo Gladys Dilohe	Ward 6	073 046 2622 / 083 771 7293	ANC	PART- TIME
8.	Cllr Ernest Meyer	Ward 8	076 344 1089	ANC	PART- TIME
9.	Cllr Motlagosebatho Portia Mohale	Ward 9	072 594 5450	ANC	PART- TIME
10.	Cllr Samson Maruping Mokgobo	Ward 10	063 5083 249 126108 6918	ANC	PART- TIME

11.	Cllr Arvin Gene Gill	PR	073 814 8457 ***	AIC	PART- TIME
12.	Cllr Sinah Lewis	PR	063 433 1042	DA	PART- TIME
13.	Cllr Magdalena Antoinette Van Wyk	PR		DA	PART- TIME
14.	Cllr Goitsemodimo Gilbert Halter	PR	083 249 1261	EFF	PART- TIME
15.	Cllr Mabel Keitumetse Tivane	PR		EFF	PART- TIME
16.	Cllr Kerileng Jacqueline Botman	PR		EFF	PART- TIME
17.	Cllr Tebogo Patrick Lottering	PR		EFF	PART- TIME
18.	Cllr Phillip Thabang Majahe	PR		EFF	PART- TIME
19.	Cllr Theodorus Ernst Joubert	PR		FV+	PART- TIME

POLITICAL DECISION TAKING



2.2 Administrative Governance

Introduction to Administrative Governance

The Administrator of Phokwane Municipality is Mr Bamba Ndwandwe.

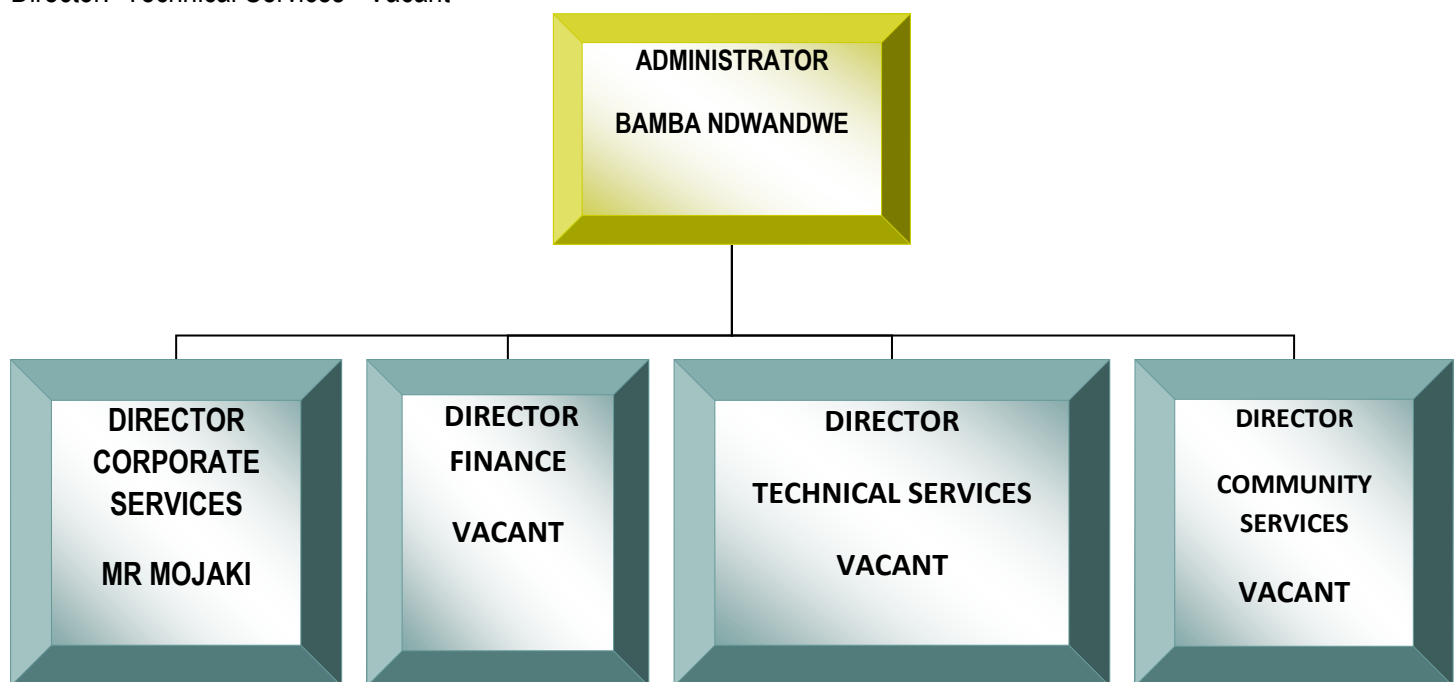
There are 4 Directorates, i.e. Corporate Services, Finance, Community Services, & Technical Services.

Director: Corporate Services – Mr Mpho Mojaki

Director: Finance – Vacant

Director: Community Services – Vacant

Director: Technical Services - Vacant



TOP ADMINISTRATIVE STRUCTURE

Tier 1

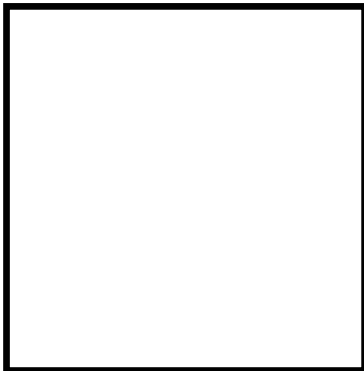
ADMINISTRATOR



Mr Bamba Ndwandwe

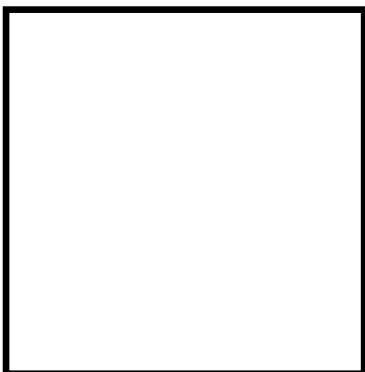
Tier 2

DIRECTOR: COMMUNITY SERVICES



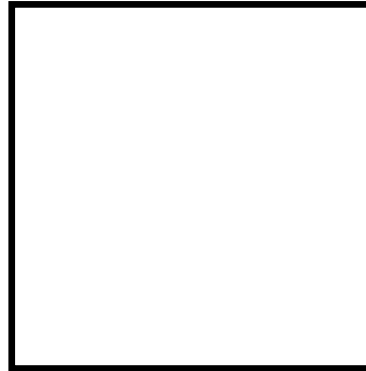
Vacant

DIRECTOR: TECHNICAL SERVICES



Vacant

DIRECTOR: FINANCE



Vacant

DIRECTOR: CORPORATE SERVICES



Mr Mpho Mojaki

Tier 3

Third Tier Structure	
Directorate	Manager
Office of the Municipal Manager	Manager: Internal Audit; Mr L Mofokeng
	Manager: Strategic Services, Ms CN Pule
Finance	Manager: Revenue, Ms T Modisa
	Manager: Expenditure, Ms K Modise
	Manager: Budget, Ms L Jasson
	Manager: Supply Chain, Mr BD Segalo
Community Services	Chief Traffic Officer, Ms E Jonck
	Manager: LED, Mr B Koen
	Unit Manager: (Hartswater & Pampierstad), Mr L Lepedi
	Unit Manager: (Jan Kempdorp & Ganspan), Mr A Lubbe
Technical Services	Manager: Electricity, Mr T Blaauw
	Project Technician, Mr L Jange
	Water Technician, Mr S Cidraas
	Senior Town Planner, Vacant
Corporate Services	Manager: Human Resources, Vacant
	Manager: Labour & Legal Services; Mr BB Marima

COMPONENT B: Intergovernmental Relations

Introduction to Co-operative Governance and Intergovernmental Relations

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

The Phokwane Local Municipality is a delegated municipality and reports monthly and quarterly to National and Provincial Treasury. During the year, there were various meetings attended with National and Provincial Treasury and in the main, the following engagements are highlighted:

1. Provincial Treasury's mid-term assessment visit to the municipality
2. Budget Benchmark Exercise – review of the budget prior to the approval by Council
3. Quarterly CFO Forums – This forum is aimed at sharing best practises and discusses amongst others the implementation of budget and financial norms and standards in municipalities.

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The municipality is a full-time member of the Provincial Intergovernmental Relations Committee which is chaired by the Premier of the Province and it convenes on a quarterly basis. There are various other structures where the municipality is being represented such as SALGA working Committees of Finance, Local Economic Development etc.

DISTRICT INTERGOVERNMENTAL STRUCTURES

PROVINCIAL AND DISTRICT STRUCTURE

The District Intergovernmental Forum is a legislative structure constituted to ensure that the three spheres of government operate smoothly. The District Technical IGR therefore was put together to render technical support to the political IGR. The technical committee's responsibility is to plan for the District IGR. The committee addresses issues that sector departments and municipalities are confronted with. These issues will then form the Agenda of the District IGR. These issues may be submitted further to the Provincial IGR. Service deliveries by individual municipalities as well as the municipalities on district level enjoy the advantages of regular contact between professional peers, a sense of co-ordination and aid in problem solving. Regular communication and planned meetings enhance co-operation on local government level as well as different spheres of government.

Phokwane Local Municipality forms part of the Frances Baard District Steering Committee, it therefore has to align its IDP with those of the Local Municipalities in the District and to monitor its performance.

COMPONENT C: Public Accountability and Participation

Overview of Public Accountability and Participation

The Phokwane Local municipality embarks on public participation on various service delivery, budget and policy related matters as well as for the Annual Report.

The principle formal structures for public participation are the formal and the legally elected Ward Committees. The Ward Committee and Ward Councillor is the formal link between the municipal government and the public in terms of IDP and budgeting processes. The public is represented by councillors, representatives of legally elected ward committees as well as key community and stakeholder groupings and the business community.

In order to enhance the public participation process, opportunity will also be given during the IDP and Budgeting processes for “open ward” meetings in order to ensure that public involvement in these processes is maximized. Various mediums of communication are used including radio announcements/adverts, local newspaper (free and sold), distribution of notices door to door (previously disadvantaged areas), through ward meetings and ward committees and street loud hailing. All these methodologies were used at the same time with Councillors best combination based on the location and economic situation of each Ward.

2.4 PUBLIC MEETINGS

Communication, Participation and Forums

PROPOSED DATES FOR DRAFT 2020/2021 IDP/BUDGET CONSULTATIVE MEETINGS

DATE	WARD	VENUE	TIME
15 April 2020 (Wednesday)	1	Sakhile	17h00
16 April 2020 (Thursday)	2	Pampierstad High School	17h00
19 April 2020 (Sunday)	3	Pabalelo Primary	17h00
20 April 2020 (Monday)	4	Pampierstad Park	17h00
21 April 2020 (Tuesday)	5	Bonita Park Comm Hall	17h00
22 April 2020 (Wednesday)	6	Hartswater Sports Ground	17h00
23 April 2020 (Thursday)	7 & 9	Jan Kemp Primary	17h00
26 April 2020 (Sunday)	8	Holy Church	17h00
28 April 2020 (Tuesday)	10	Setlhare sa bua / People's Assembly	17h00

Comment on the Effectiveness of the Public Meetings held.

Public meetings are very effective as they involve face to face encounters with the community at large, and sometimes they are used as platforms to raise social and service delivery issues. These meeting were effective in term of issues managed to be addressed, but not with number of people attended. Many IDP and Budget inputs are picked up from meetings. Policy debates enjoy preference at these public meetings whilst budgeting is sometimes complex though presented simplistically and in languages spoken in communities (Xhosa, Tswana, Afrikaans and English). These must be complemented by appearance of councillors and administrators at Ward meetings for continuous and healthy debates.

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation an Alignment Criteria	Yes / No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPI's, developmental strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPI's in the strategic plan?	Yes
Do the IDP KPI's align to the Section 57 Managers?	Yes
Do the IDP KPI's lead to functional area KPI's as per the SDBIP?	Yes
Do the IDP KPI's align the provincial KPI's on the 12 outcomes?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	
* Section 26 Municipal Systems Act 2000 T2.5.1	

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

Phokwane Municipality on-going commitment to compliance with prescript such as Municipal Finance Management Act of 56 of 2003 demonstrates willingness to promote sound governance. The Municipal Public Account Committee (MPAC) is not effective due to non-commitment of members, meetings don't materialize due to absenteeism of members. The Audit, Risk and Performance Committee is also not effective due to political instability in the municipality.

2.6 Risk Management

a) *Nature of risk management*

Phokwane Municipality has adopted risk management as a governance requirement in order to address all factors that may hinder or prevent municipality from achieving all its goals and objectives.

Council has delegated responsibility for development, implementation and coordination of risk management processes matters to the Accounting Officer. The oversight over the risk management processes remains the responsibility of the Audit and Risk Committee.

b) *Risk management strategies to identify risks and manage the risks*

Policy framework for the management of risks within all divisions of the Phokwane Municipality considers:

- Responsibility for promoting awareness of risk management
- Mechanisms for assessing the state of risk management;
- Responsibility for improving risk exposures; and
- Mechanisms for monitoring and reporting the state of risk management.

The Municipality has an approved Risk Management Strategy; and the Accounting officer endorses the commitment of management and staff in applying internal control measures to mitigate operational risk exposures.

c) *Risk analysis*

In-year monitoring of all risks is continuous, and quarterly progress reports were submitted to Council in terms of the Strategic & Operational Risk Registers. The Strategic Risk Register is aligned with the IDP and gets annually reviewed.

However a more robust approach towards mitigating the current strategic risk areas (listed below) is required:

- Creating awareness and providing training on risk management within each department
- Alignment of risk management identification with predetermined objectives

- Creating an equilibrium over the cost of compliance and core business commitments
- High reticulation losses such as water and electricity
- Loss or malicious damage to municipal assets
- Inability to provide basic services to communities
- Unavailability of land that threatens the investment opportunities
- Ageing infrastructure

2.7 Anti-corruption and Fraud

Phokwane Municipality subscribes to the principles of good corporate governance, which requires conducting business in an honest and transparent fashion. Consequently Phokwane Municipality is committed to fighting fraudulent behavior at all levels within the organization. The Municipal Manager bears the ultimate responsibility for fraud and corruption risk management within the Municipality. This includes the coordination of fraud risk assessment, overseeing the investigation of suspected fraud corruption, and facilitation of the reported employees or other parties

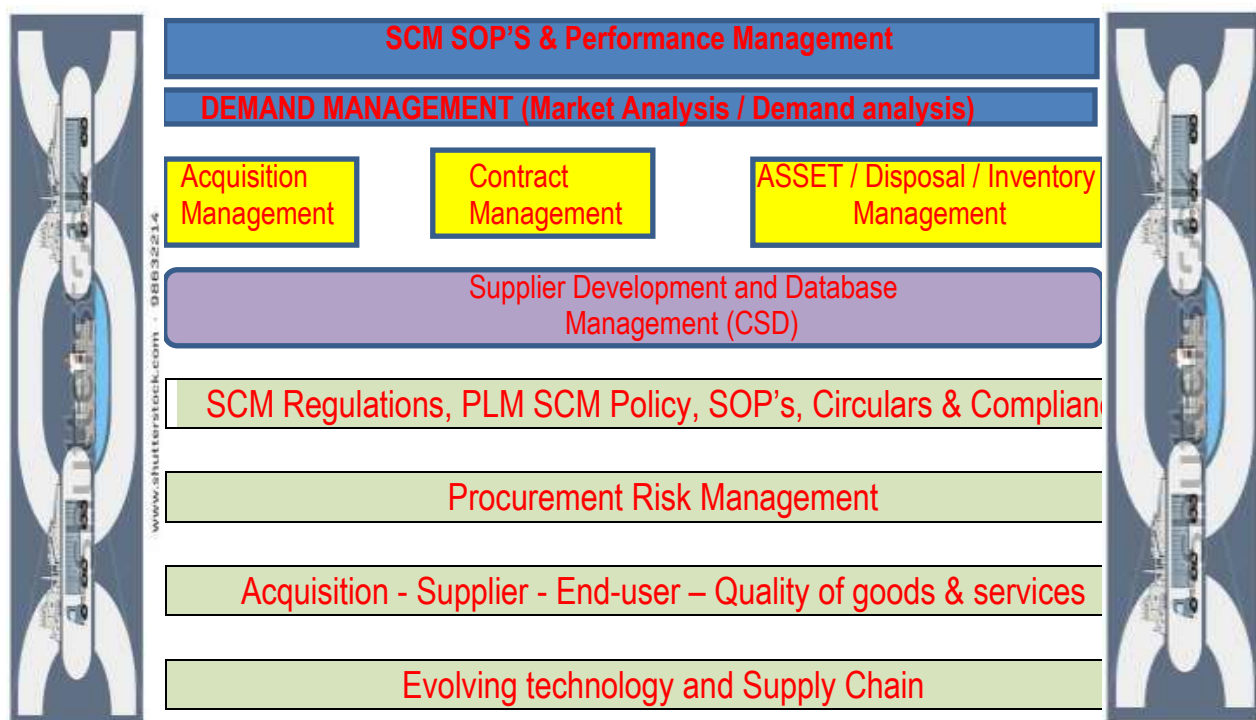
The Municipality currently reviewed their Fraud Prevention Plan, together with the Fraud Policy. The plan is premised on the organisations core ethical values driving the business of, the development of its systems, policies and procedures, interactions with its constituencies the public and other stakeholders, and even decision-making by individual managers representing the organisation. The Plan is also intended to assist in preventing, detecting, investigating and resolution of fraud and corruption.

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

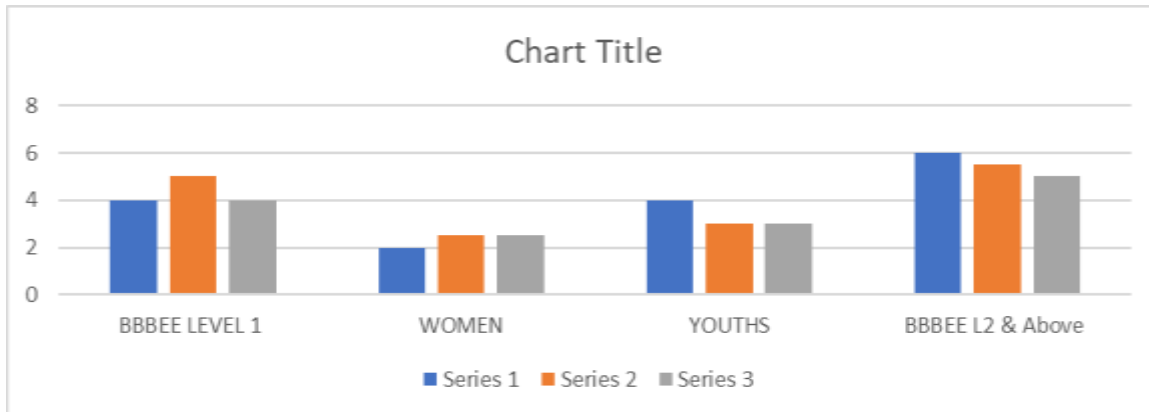
Phokwane Local Municipal Council approved the Supply Chain Management policy during 2020 and the administration is implementing the SCM policies as prescribed in the various sets of regulations for SCM. The focus remains on having all SCM staff members participating in bid committees compliant. The organogram approved in 2016 that is currently in use did not make provision for succession plan however the unit made submissions that seeks to address the gaps identified. The COVID-19 had a huge impact on supply chain management processes and controls were highlighted during the lockdown to minimize irregular expenditure. Circulars and instructions from National and Provincial Treasury were closely followed in order to maintain compliance and not to pay exorbitant prices for the much needed PPE and other service delivery goods and services.

The policy entails all elements of SCM as reflected below:



With the developing technology, regulations and NT circulars, the implementation of the SCM policy has proven that intensified training of both municipal staff members and Service Providers is needed to enable clearer understanding of the SCM processes, seamless and full execution of the policy. The current SCM operating model was developed and has proven to be in line with global required segregation that seeks to eliminate corruption with the chain enabling different roles allocated to different staff members. For the period under review Phokwane Local Municipality.

For the financial year 2020 – 2021 the appointed / beneficiaries through procurement processes can be categorized as follows:



The above indicated chart is informed by the Policy framework provides that the municipal manager and chief financial officer can institute and maintain a transparent SCM system that is equitable, competitive, efficient and fair. The policy also encompasses high ethical standards and also promotes the development of LED. The Policy further pledges itself and the municipal administration to the observance of all applicable national legislation, mainly:

1. MFMA Act No.56 of 2003; including the regulations relating to the prescribed framework for SCM.
2. PPPFA Act No.5 of 2000 and its regulations
3. BBBEE Act.53 of 2003
4. Municipal SCM Regulations N0 27636 of 30 May 2005
5. CIDB Act, 2000 (Act No.38 of 2000)
6. Local content

Procurement plan:

For the financial year 2020/2021 the municipality developed the procurement plan and this was meant for assisting in planning the procurement mainly on areas such as infrastructure projects and other internal funded projects as well as the operational needs of the municipality. However COVID-19 affected all markets and processes which didn't allow the plan to be implemented as drafted.

Database of Accredited Prospective Suppliers-

The municipality followed the new practice of CSD by National Treasury and all suppliers that are doing the business with the municipality are also captured in the municipal financial system of the Municipality while also appearing in the CSD which assists with more details mainly for compliance purposes of service providers.

Reporting

- Monthly and quarterly reports of performance management system PMS are developed and submitted on regular basis.

- Management reports and all other issues that need to be reported at the council is a standard practice for SCM practitioners and senior management as regulated. i.e. (Reg. 36, Reg. 17 & 18, Reg. 32, Reg. 44 and Reg. 6.3)

Tenders awarded in the financial year 2020/2021

Date	BID No	Description	Appointed Service Provider	Amount Paid
25/06/2020	TELE03/1920	Supply, delivery, installation and commissioning of a telecommunications system for a rental period of 36 months	Innovo Networks	1 691 305.00
09/07/2020	IA03/1920	Appointment of an independent audit firm for internal audit purposes for a period of three years	PKM Audit & Risk Management	2 434 539.20
09/07/2020	HTH12/2020	Supply & delivery of water purification chemicals (HTH and Chlorine gas) for a period of 3 years as and when required	Ndulamiso Aqua Solutions	2 253 402.00
09/07/2020	FLO11/1920	Supply & delivery of flocculent for a period of 3 years as and when required	Ndulamiso Aqua Solutions	1 780 200.00
23/07/2020	AFS01/2020	Financial services - appointment of a service provider for the preparation of the annual financial statements	Matseba Chartered Accountants Inc	1 977 280.00
06/08/2020	IFM02/2020	The appointment of a service provider for an integrated financial management system with internal control functions for Phokwane Local Municipality for the period 01 September 2020 to 31 August 2023	Munsoft (Pty) Ltd	7 217 135.30
20/11/20	CHER07/2020	Supply and delivery of one truck with 12.5m arial hydraulic platform for electrical section at Phokwane Municipality	Short's Commercial Vehicles	1 122 206.80
20/11/2020	PCE01/2021	Appointment of a panel of consulting engineering service providers for the provision of professional civil engineering services in planning, design, documentation and construction supervision of various municipal infrastructure projects for a period of 3 years	20 Service Providers	Panel
20/11/2020	PEE02/2021	Appointment of a panel of consulting engineering service providers for the provision of professional electrical engineering services in planning, design, documentation and construction supervision of various municipal infrastructure projects for a period of 3 years	9 Service Providers	Panel
20/11/2020	SKIP08/2020	Supply and delivery of one refuse skip loader truck for Phokwane Municipality	Short's Commercial Vehicles	1 184 049.20
20/11/2020	SPE06/2020	Supply and delivery of high velocity sewer cleaning machinery with accessories and other equipment for Phokwane municipality	Bathaping Baga-Maidi Enterprise (Pty) Ltd	873 827.50
20/11/2020	WSM05/2020	Supply and delivery of water and sewer material for Phokwane municipality	KFC Engineering & Industrial Supplies	636 587.84
03/12/2020	ELE04/2020	Supply and delivery of water material	Wiz Cad	380 363.65
08/02/2021	CIV01/2021	Refurbishment and re-alignment of Pampierstad water distribution system	Sky High Consulting Engineers cc	2 961 632.93
08/02/2021	CIV02/2021	Upgrade of waste water pump stations and bulk outfall lines in Pampierstad	BVI Consulting Engineering Central (Pty) Ltd	2 580 193.04
08/02/2021	ELE01/2021	Installation of high mast lighting in Pampierstad and Ganspan	Phetogo Consulting (Pty) Ltd	698 492.72
08/02/2021	ISP02/1920	Supply, delivery, installation and commissioning of an ISP and email service provider for a period of 36 months	Silver Solutions 3217 cc	2 099 670.00
08/02/2021		Data base	All suppliers submitted	

26/02/2021	CIV03/2021	Development of a feasibility study to assess the efficiency and effectiveness of the bulk water distribution and reticulation systems in Jan Kempdorp & Ganspan in providing its water supply areas with water of acceptable quality and quantity of a sustainable basis.	Makone Consulting Engineers	988 862.58
26/02/2021	CIV04/2021	Development of a feasibility study to assess the efficiency and effectiveness of the bulk water distribution and reticulation systems in Pampierstad and surrounding villages in providing its water supply areas with water of acceptable quality and quantity of a sustainable basis.	Makone Consulting Engineers	988 862.58
26/02/2021	CIV05/2021	Development of a feasibility study to assess the efficiency and effectiveness of the bulk water distribution and reticulation systems in Hartswater in providing its water supply areas with water of acceptable quality and quantity of a sustainable basis.	Zutari Impat (Pty) Ltd	858 260.43
11/03/2021	AR/GAN02/2021	Augmentation and realignment of water supply in Ganspan	Quintax 202 cc	1 611 360.23
11/03/2021	RM/WTF01/2021	Repairs and maintenance work to Phokwane municipality water treatment facilities	Ultimate Dynamic	4 482 740.63
Date	RT number	Service Provider	Description	Quantity
23/09/2020	RT57-03-02-02	Barloworld Isuzu JHB	Isuzu FTR 850 Tipper	2
23/09/2020	RT57-03-08-04	Kulungwane Distributors (Pty) Ltd	10Ton Payload refuse trucks	3
23/09/2020	RT57-30-03-04	Barloworld Isuzu JHB	Isuzu FSR 800	1
23/09/2020	RT57-09-06-01	Barloworld Equipment CAT	426F2 AC AWD Backhoe Loader	3
23/09/2020	RT57-02-22-02	Human Auto Kimberley	2020 Ford Ranger 2.2	6
24/11/2020	RT57-03-02-02	Barloworld Isuzu JHB	Isuzu FVZ SWB	1

2.9 BY- LAWS

By-laws introduced during year 1					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
None	Property Rates By-law – approved 23 September 2014.			Yes	03 Nov 2014
	Promulgation of Health By-laws for the operation and management of Initiation schools – published in Provincial Gazette on 3 November 2014.			Yes	03 Nov 2014

COMMENTS ON BY-LAWS:

Municipal By-Laws were not reviewed during 2020/21 financial year, they were last reviewed in 2014.

2.10 WEBSITES

Municipal Websites: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget related documents	Yes	30/06/2020
All current budget-related policies	Yes	30/06/2020
The previous annual report (Year 0)	Yes	05/03/2020
The annual report (Year 1) published / to be published	Yes	05/03/2020
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 1) and resulting scorecards.	No	
All service delivery agreements (Year 1)	No	
All long-term borrowing contracts (Year 1)	No	
All supply chain management contracts above a prescribed value (give value) for Year 1	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 1 to which subsection (1) of section 33 apply, subject	No	

to subsection (3) of that section.		
Public-private partnership agreements referred to in section 120 made in Year 1	No	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 1.	No	
<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 this community and stakeholders abreast of service delivery arrangements and municipal developments.</i>		

- **COMMENT ON MUNICIPAL WEBSITE CONTENT AND ACCESS** Lack of submission of documents.
- The municipal website is accessible by logging into www.phokwane.gov.za
- All section 75 (a) documents can be found under the MFMA tap
- The public is encouraged to source any Municipal related information from the website.
- Unemployed Youth is encourage to visit the vacancy tab regularly for vacancies and/ or learner ships and internships on regular basis.
- Suggestion on the improvement of the website may be sent by using the **IT HELP DESK TAB and SELECTING IT HELP DESK ON THE CONTACTS DROP DROWN**

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The public is moderately satisfied on the website views.

The municipality did not conduct the customer service survey for 2020/21 financial year due to political instability in the municipality.

2.12 MUNICIPAL OVERSIGHT COMMITTEE

The municipality established a Municipal Public Accounts Committee (MPAC) during this financial year, but it was not functional due to political instability in the municipality.

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART 1)

COMPONENT A: BASIC SERVICES

INTRODUCTION TO BASIC SERVICES

3.1 WATER PROVISION

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
Year 2019-2020	-	-	386	3141	-
T3.1.2					

Water Service Delivery Levels Households				
Description	Year -2 Actual No.	Year -1 Actual No.	Year 0 Actual No.	Year 1 Actual No.
Water: (above min level)				
Piped water inside dwelling	5205	-5206	-6656	-6772
Piped water inside yard (but not in dwelling)	4026	4026	7033	7080
Using Public tap (within 200m for dwelling)	2284	2284	2171	2380
Other water supply (within 200m)	1274	-	-	-
Minimum Service Level and Above Percentage	90%	90%	90%	90%
Water: (below min level)	1122	1122	1122	1055
Using public tap (more than 200m from dwelling)	562	562	562	951
No water supply	1684	1684	1684	1780
Below Minimum Service Level sub-total	10.9%	9.6%	9.6%	9.8%
Below Minimum Service Level Percentage	15 453	17 544	17 544	17 580
Total number of households*				
* To include informal settlements				T3.1.3

Households – Water Service Delivery Level						
s below the minimum Households						
Description	Year -2	Year -1	Year 0	Year 1		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements	15 453	17 544	17 544	17 544	17 544	17 600
Total households	1 684	1 684	1 684	1 684	1 684	1 700
Households below minimum service level	10.9%	9.6%	9.6%	9.6%	9.6%	9.6%
Proportion of households below minimum service level						
Informal Settlements						
Total households						
Households is below minimum service level						
Proportion of households is below minimum service level						

Water Service Policy Objectives Taken from IDP			
Water and sanitation	<p>-To establish, procure, operate, manage or regulate a potable water system, including the services and infrastructure required for the regulation of water conservation, purification, reticulation and distribution.</p> <p>-To establish, procure where appropriate, provide, operate, manage, maintain or regulate of a system - including infrastructure for the collection, removal, disposal or purification of human excreta and domestic waste water.</p>	To provide water & sanitation to all households within built areas by 2021	<ul style="list-style-type: none"> • To promote economic use of water • Provide internal water and sanitation reticulation to all communities • Upgrade bulk water and sanitation infrastructure (refer to infrastructure projects Chapter 9) • Develop a Storm-water and Water Demand Management Plan and, a Water and Conservation Demand Management Plan to assist with the Green Drop and Blue Drop ratings of the municipality

TASK GRADES	No of employees	No of Posts	No of Vacancies
T3 (General Workers)	N/A		
T6 (Plant Operators)	55	69	14
T9 (Team Leaders)`	1	3	2

FINANCIAL PERFORMANCE YEAR 1: WATER SERVICES			
Details	R'000	R'000	R'000
	Adjustment Budget	Actual	Variance to Budget
Total Operating Revenue	162 039	74 556	87 483
Expenditure:			
Employees	6 415	5 812	603
Repairs & Maintenance	1 320	2 120	- 800
Other	743	1 099	- 356
Total Operational Expenditure	8 478	9 031	- 553
Net Total	153 561	65 525	88 036

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

The total operating revenue collected for water services amounts to R74 million of the R162 million that was anticipated, which is R87 million or 53% less than expected. The total operating expenditure amounts to R9 million of the R8, 4 million that was budgeted, which is an over expenditure of R553 thousand. The municipality succeeded in achieving most of its performance targets set for water services for the 2020/2021 financial year with the cashflow constraints and aged infrastructure by implementing and completing the following projects:

Capital Expenditure YEAR 1: WATER SERVICES				
Details		R'000	R'000	R'000
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total All	15 700	15 145	2 072	13 073
NEW PUMPSTATION&RELATED BULK SEWER OUTFALL LINES MASAKENG	11 500	3 276	-	3 276
3 BAKKIES	1 200	1 036	1 036	-
WATER TANKER	-	1 513	-	1 513
COVID19 WATER PIPES	-	6 320	1 036	5 284
WATER SOLUTIONS STUDY HARTSWATER, PAMPIERSTAD & JAN KEMPDO	3 000	3 000	1 036	7 789

The Blue Drop Certification is an incentive-based regulation of drinking water quality management that was initiated by DWA to introduce key requirements for effective and efficient management of drinking water by water service providers.

Phokwane Municipality has been taking part in the Blue Drop Certification programme since 2009. Averages of 16 compliance water samples are taken every month in municipal area where PLM is a water service provider in Hartswater, Jan Kempdorp, Ganspan and Magogong. These samples are taken to accredited laboratory for analysis at **Test it Lab** in Bloemfontein and the results are compared with SANS 241. All samples undergo Microbiological, Chemical, and Physical & Organoleptic analysis. The samples are taken at different points in the distribution system, storage area, water treatment works and point of use.

- Drinking water quality performance is established on an annual basis indicating compliance (as a percentage) to each requirement listed in the Drinking Water Standard SANS 241. E.coli is an indicator of faecal pollution. The presence of E.coli indicates unacceptable bacteriological quality. As the deterioration of water quality can occur in any water distribution network, compliance at the plant does not necessarily result in compliance within the network.

In terms of Blue Drop requirements, it is required that on an annual basis:

- 95 % compliance to the specification of SANS 241: 2020 is achieved for each for each determinant listed in the standard.
- No E.coli is detected in 99.9 % of the final water samples.

The quality of the final water is indicated below on the table attached. During the period January to December 2019 the quality of final water from both Works (Jan Kempdorp & Hartswater) was good even though the turbidity failures were experienced because of aging infrastructure at both plants. The filtration systems at both plants were under duress of handling high water demand during the months of November and December 2019 and the filter media was replaced in this current financial year to address turbidity failures. Bacteriological failures also occurred in the distribution network and hence monitoring and sampling frequency was increased. Investigations were done and corrective and preventative measures were implemented like post chlorination was applied at the reservoirs.

The overall compliance of Phokwane Municipality for both Hartswater and Jan Kempdorp was as follows:

HARTSWATER WATER PLANT

- Microbiological : 90.1%
- Chemical : 99.9%
- Physical : 95.2 %

JAN KEMPDORP WATER PLANT

- Microbiological : 92.9 %
- Chemical : 99.9 %
- Physical & Organoleptic : 99.1 %

Consumers are urged to visit DWA website on **“My Water”** to acquaint themselves with status of our water on regular basis, www.dwa.gov.za and click on “My Water”.

3.2 WASTE WATER (SANITATION) PROVISION

Sanitation Service Delivery Levels Households				
Description	2017/2018	2018/2019	2019/2020	2020/2021
	Outcome No.	Outcome No.	Outcome No.	Actual No.
Sanitation / Sewerage (above minimum level)				
Flush toilet (connected to sewerage)	9 018	9 018	11 964	12 400
Flush toilet (with septic tank)	1 018	1 018	308	404
Chemical toilet	-	-	33	40
Pit toilet (ventilated)	891	891	853	890
Other toilet provisions (above min service level)				
Minimum Service Level and above	10 927	10 927	13 158	14 178
Sub-total				
Minimum Service Level and above				
Percentage				
Sanitation / Sewerage: (below minimum level)				
Bucket toilet	184	184	323	824
Other toilet provisions (below min.service level)	1 331	1 331	2 428	2 728
No toilet provisions	1 329	1 329	1 637	1 797
Below Minimum Service Level sub-	2 844	2 844	4 388	5 789
total				
Below Minimum Service Level	9 018	9 018	11 964	11 457
Percentage				
Total households				



Gra

ph 7: Refuse disposal per household distribution. Source Census 2001 and 2011

Graph 7 above indicates that the local authority removes refuse for the majority of the households in the municipal area. The communal and own dumping refuse dumps amounts have decreased over the past 10 years. There are three landfill sites located within this municipality at the following locations Hartswater, Pampierstad and Jan Kempdorp. Of all three landfill sites the new Hartswater Landfill site has been licensed while the Pampierstad and Jan Kempdorp site are still yet to be licensed. The old Hartswater landfill site in Thagadiapelajang is not ideally situated as it is in very close proximity to residents based on that it is currently in the process of being closed so as to rehabilitate the site. No management is being practiced on these sites and burning of waste is a frequent occurrence due to waste not being covered. Residential areas are serviced by municipal collectors. Hazardous waste is collected only from Hospitals by the Health Collector. Illegal dumping in the municipality is also currently a challenge. Waste disposal that is not dealt with in a controlled environment offers many threats to sustainable living. The municipality will look into formalising the unlicensed dumping sites in the area and better measures in waste disposal. (FBDM EMF, 2010)

SOLID & WASTE MANAGEMENT SERVICES

TASK GRADES	No of employees	No of Posts	No of Vacancies
T6 (Plant Operators	40	50	10
T9 (Team Leaders)	2	04	2

FINANCIAL PERFORMANCE YEAR 1: WASTE WATER MANAGEMENT SERVICES			
Details	R'000	R'000	R'000
	Adjustment	Actual	Variance to Budget
Total Operating Revenue	28 601	24 068	4 533
Expenditure:			
Employees	7 013	8 880	- 1 867
Repairs & Maintenance	576	3 361	- 2 785
Other	438	89	349
Total Operational Expenditure	8 027	12 330	- 4 303
Net Total	20 574	11 738	8 836

Capital Expenditure YEAR 1: WASTE WATER SERVICES				
Details		R'000	R'000	R'000
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total All	11 900	27 663	20 008	7 655
HIGH VELOCITY SEWER CLEANING MACHINE	1 300	873	769	104
UPGRADING HARTSWATER WASTE WATER PLANT	-	7 224	2 053	5 171
GANSpan WASTE WATER TREATMENT	-	3 959	2 706	1 253
NEW PUMPSTATION&RELATED BULK SEWER OUTFALL LINES MASAKENG	-	6 320	5 528	792
REMEDIAL WORKS TO THE WWTW&SURROUNDING PUMPSTATIONS JAN KEMPDORP	3 000	3 000	-	3 000
TLB (3)	3 200	4 009	2 783	1 226
BAKKIES (3)	1 200	1 036	1 036	-
HONEY SUCKER (3)	3 200	1 242	1 783	- 541
REFURBISHMENT ABLUTION FACILITIES	3 000	3 000	3 350	- 350

COMMENT ON WASTE WATER MANAGEMENT SERVICE PERFORMANCE OVERALL:

The total revenue achieved amounts to R24 million of the R28 million that was budgeted, which is 4, 5 million or 15,8% less than anticipated. The total operating expenditure amounts to R12 million of the R8 million that was budgeted for, which is R4,3 million more than budgeted.

The municipality performed very well in terms of the capital projects that were implemented for the 2020/21 financial year as per the table above.

3.3 ELECTRICITY

Policy objective taken from IDP.

• Electricity	To ensure and facilitate access to electricity by needy households to achieve universal access by 2021.
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ELECTRICITY

TASK GRADES	No of Employees	No of Posts	No of Vacancies
T4 (General Workers)	12	14	2
T6 (Plant Operators)	2	4	2
T9 (Team Leaders)	2	2	2

FINANCIAL PERFORMANCE YEAR 1: ELECTRICITY SERVICES			
Details	R'000	R'000	R'000
	Adjustment Budget	Actual	Variance to Budget
Total Operating Revenue	162 811	66 077	96 734
Expenditure:			
Employees	4 901	4 379	522
Repairs & Maintenance	1 244	1 368	- 124
Other	92 048	74 411	17 637
Total Operational Expenditure	98 193	80 158	18 035
Net Total	64 618	- 14 081	78 699

Capital Expenditure YEAR 1: ELECTRICITY SERVICES				
Details		R'000	R'000	R'000
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total All	8 900	14 384	10 100	4 284
UPGRADING ELECTRIFICATION INKANDLA 2501	1 300	873	769	104
BULK ELECTRICITY NKANDLA	-	7 224	2 053	5 171
Bossieslaner (3)	3 200	4 009	2 783	1 226
HIGHMAST LIGHTING	1 200	1 036	2 712	- 1 676
HONEY SUCKER (3)	3 200	1 242	1 783	- 541

COMMENT ON ELECTRICITY SERVICES

Total operating revenue earned was R66 million of the R163 million that was anticipated, which is under collection of R96 million. The adverse performance of electricity services can be ascribed to unrealistic estimation during the adjustment of the budget and huge variation in demand and consumption by community and the effects of covid19 in terms of payment levels as a result of loss of income for the community.

3.4 HOUSING

Policy Objective taken from IDP.

• Housing	To facilitate the provision of quality housing by 2021
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Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
Year 2019/2020	Formal – 3068 Informal – 835 Total - 3903	Formal- 3068	23.5%

Employee: Housing Services

Task Grades	No of Employees	No of Posts	No of Vacancies
T7 – T9	1	3	2
T10 – T 12	1	1	0
T13 – T 15	0	1	1

COMMENT ON HOUSING SERVICES PERFORMANCE OVERALL

Since the funding of the housing is still a competency of the Provincial Department of Human Settlement, the Municipality is not in a position to fast-track housing projects but engagement will be made to make the Provincial Department to increase the number of housing allocations.

Key Issues and Challenges on Housing and town planning

- Slowness of the Housing Subsidy System (HSS) to approve housing beneficiaries Large and growing informal settlements in Hartswater, Pampierstad and Jan Kempdorp.
- Illegal Occupation of land and unlawful evictions in farming areas.
- Unavailability of bulk infrastructure to support housing development in rapidly growing areas.
- Slow housing delivery by the National Department of Human Settlements
- Shortage of land for human settlements

3.5 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Free Basic Services To Low Income Households										
	Number of households									
	Total	Households earning less than R1,100 per month								
			Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
		Total	Access	%	Access	%	Access	%	Access	%
Year -1	1167	1167	523	44.82%	1167	100	673	57.67 %	1167	100%
Year 0	1808	1808	1605	88.77%	1808	100%	1111	61.45 %	1808	100%
Year 1										

FINANCIAL PERFORMANCE YEAR 1: FREE BASIC SERVICES	
Details	R'000
	Adjustment Budget
WATER	40 125
ELECTRICITY	6 173
WASTE WATER(SANITATION)	14 973
WASTE MANAGEMENT(SOLID WASTE)	11 124
TOTAL	92 048

BASIC SERVICES						
Service Delivery and Infrastructure Development	To ensure sustainable delivery in respect of water, Sanitation, Electricity, Waste management, Roads and Stormwater Services to all Households within Phokwane Municipal areas	Ensure that 278 households are connected to water network by June 2020 access to water network	278	64	212	908
		Number of household with access to Sewer network	1357	1160	197	-

		Kilometre of Roads surfaced/paved by June 2020	22km	7km	12km	3km
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COMPONENT B: ROAD TRANSPORT**INTRODUCTION TO ROAD TRANSPORT****3.6 ROADS****INTRODUCTION TO ROADS**

Gravel Road Infrastructure Kilometers				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
Year -1	0	0	0	0
Year 0	0	0	0	0
Year 1	0	0	0	0

Tarred Road Infrastructure Kilometers				
	Total tarred roads	New tarred roads	Existing tar roads re-tarred	Tar roads maintained
Year -1	5 065 km	4 064 km	19 090 km	0
Year 0	0	3 667 km	13 304	0
Year 1	0	0	0	0

Cost of Construction / Maintenance R'000						
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
Year -1	17 000	0	0	17 000	0	0
Year 0	0	0	0	0	0	0
Year 1	0	0	0	0	0	0

<i>Road Service Policy Objectives Taken from IDP</i>			
Roads and Stormwater	-To construct, maintain and control roads used by the public, including streets in built-up areas. -To manage systems that deal with storm water in built-up areas.	To ensure proper maintenance and development of roads and stormwater infrastructure by 2021.	<ul style="list-style-type: none"> • Develop an implementable operations and maintenance plan • To ensure proper maintenance plans are in place and development of road infrastructure • Upgrade and repair of existing infrastructure (refer to infrastructure projects Chapter 9) • Prioritize access roads particularly in townships • Apply for funds for the construction of access roads

Employees: Roads Services			
Task Grades	No Employees	No of posts	No of vacancies
T3 (General Worker)	4	8	4
T6 (Grade Operator)	3	3	0
T10 (Team Leader)	2	2	0

FINANCIAL PERFORMANCE YEAR 1: ROADS SERVICES			
Details	R'000	R'000	R'000
	Adjustment Budget	Actual	Variance to Budget
Total Operating Revenue	47 207	8 135	39 072
Expenditure:			
Employees	6 303	6 733	- 430
Repairs & Maintenance	4 517	1 754	2 763
Other	1 429	1 313	116
Total Operational Expenditure	12 249	9 800	2 449
Net Total	34 958	- 1 665	36 623

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The total operating revenue earning for roads amounts to R8 million of the R47 million that was budgeted, which results in under expenditure of R39 million. There were no capital projects budgeted for this department for the 2020/21 financial year. The total operating expenditure amounted to R9, 8 million of the R12 million that was allocated.

3.8 *Transport Service Policy Objectives Taken from IDP*

TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

The District Integrated Transport Plan addressed the mode, status and challenges of rail, road and freight and non-motorized transport in the District. Amongst other transport related matter addressed where the implementation of Local Integrated Transport Plans (LITP) for the 3 local municipalities namely Dikgatlong, Magareng and Phokwane local municipalities and the rationalization of bus and taxi services.

Road Transport

The road infrastructure of Frances Baard District Municipality is anchored by three national roads that are; N12 running south to north, N18 that running east to west in the north and N8 running east to west in the south. Also there are other provincial roads that act as major corridors. The whole road network for Frances Baard District Municipality is 1 851.92 km. This road infrastructure supports a high percentage of freight in the District as well as private and public transport. The rail infrastructure for the district consists of three corridors that primarily serve freight. In these corridors, there are 32 stations. Two are utilized for passengers and freight and eight (8) are utilized only for freight.

Rail Transport

Even though the rail infrastructure is well spread out in the District, there is one rail passenger services called transit inter-city service between Cape Town and Pretoria and it is available thrice a week. This service uses Kimberley Station and Warrenton station in the District. Another mode that is extensively used in the district is walking and cycling. The municipalities have reasonably provided for this service around the district though that provision is biased towards walking than cycling.

Freight Transport

Kimberley has an airport that has two terminals that provide air passenger travel. Passengers using the airport are limited to private vehicles usage and metered taxis when coming into or leaving the airport. There's also a small operation of metered taxis and tram services that cater for mainly tourist in the city of Kimberley.

The DITP expresses vision for a better transportation system for the District in the future, and provides a transitional plan to achieve the desired objectives by that dates as provided for in the programme. With the help of a partnership between the three spheres of government, the private sector and civil society, this vision and programme for a safe, well-regulated, accessible and affordable integrated transport system that serves the needs of both users and operators can become a reality in Frances Baard District Municipality.

Employees: Transport Services			
Task Grades	No of Employees	No of posts	No of vacancies
T10 Administration	1	1	0

FINANCIAL PERFORMANCE YEAR 1: TRANSPORT SERVICES			
Details	R'000	R'000	R'000
	Adjustment Budget	Actual	Variance to Budget
Total Operating Revenue	-	-	-
Expenditure:			
Employees	866	176	690
Repairs & Maintenance	2 850	1 197	1 653
Other	808	41	767
Total Operational Expenditure	4 524	1 414	3 110
Net Total	- 4 524	- 1 414	- 3 110

Capital Expenditure YEAR 1: TRANSPORT SERVICES				
Details		R'000	R'000	R'000
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total All	20 700	20 345	23 980	- 3 635
TLB (3)	3 200	4 009	2 783	1 226
BAKKIES (6)	2 400	2 072	2 072	-
HONEY SUCKER (3)	3 200	1 242	1 783	- 541
CHERRY PICKER	1 300	1 122	1 122	-
BOSSIESLANER (3)	1 300	1 300	1 300	-
REFUSE TRUCK	6 300	7 241	10 683	- 3 442
SKIP LOADER TRUCK	1 100	1 184	2 345	- 1 161
TIPPER TRUCK	1 900	2 175	1 892	283

COMMENT ON THE PERFORMANCE OF TRANSPORT OVERALL:

Phokwane Local Municipality does not have transport services regardless of the public transport operators. The municipality has internal fleet management services and has managed to acquire additional fleet during the 2020/2021 financial year. This will assist in ensuring that employees to attend to service delivery needs of the community.

3.7 WASTE WATER (STORM WATER DRAINAGE)

Stormwater Infrastructure Kilometers				
	Total Stormwater measures	New stormwater measures	Stormwater measures upgrades	Stormwater measures maintained
Year -1	-	-	-	-
Year 0	-	-	-	-
Year 1	-	-	-	-
				-

Cost of Construction / Maintenance			
	Stormwater Measures		
	New	Upgraded	Maintained
Year -1	-	-	-
Year 0	-	-	-
Year 1	-	-	-

Storm water, other Policy Objectives Taken from IDP

Priority Issue: Storm Water

Project Name	Broad Objectives	Measurable Objectives	Estimated Costs	Funding Agency	2019/2020	2020/2021
Pampierstad						
Construction of stormwater channel ±1.2 km Phase 3{New Project}		The construction of a trapezium stormwater channel to cut off surface runoff water from flooding houses in Pampierstad (2020/21)	R7,5m	MIG-waiting for registration(Prov.No.1242)		R7,5m

WASTE WATER (STORM WATER DRAINAGE)

TASK GRADES	No of Employees	No of Posts	No of Vacancies
T4 (General Workers)	12	12	0
T6 (Plant Operators)	21	33	11
T9 (Team Leaders)	0	03	03

FINANCIAL PERFORMANCE YEAR 1: WASTE MANAGEMENT SERVICES			
Details	R'000	R'000	R'000
	Adjustment Budget	Actual	Variance to Budget
Total Operating Revenue	28 601	24 068	4 533
Expenditure:			
Employees	7 013	8 880	- 1 867
Repairs & Maintenance	576	3 361	- 2 785
Other	438	89	349
Total Operational Expenditure	8 027	12 330	- 4 303
Net Total	20 574	11 738	8 836

Capital Expenditure YEAR 1: WASTE WATER SERVICES				
Details		R'000	R'000	R'000
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total All		162 039	74 556	87 483
HIGH VELOCITY SEWER CLEANING MACHINE	1 300	873	769	104
UPGRADING HARTSWATER WASTE WATER PLANT	-	7 224	2 053	5 171
GANSPAN WASTE WATER TREATMENT	-	3 959	2 706	1 253
NEW PUMPSTATION&RELATED BULK SEWER OUTFALL LINES MASAKENG	-	6 320	5 528	792
REMEDIAL WORKS TO THE WWTW&SURROUNDING PUMPASTATIONS JAN KEMPDORP	3 000	3 000	-	3 000
TLB (3)	3 200	4 009	2 783	1 226
BAKKIES (3)	1 200	1 036	1 036	-
HONEY SUCKER (3)	3 200	1 242	1 783	- 541
REFURBISHMENT ABLUTION FACILITIES	3 000	3 000	3 350	- 350

COMMENTS ON STORM WATER

The management of stormwater in Phokwane Municipality remains a major challenge; especially in low-lying areas as well as newly constructed roads where no consideration whatsoever was made for Stormwater management. The population growth experienced over the years and new surfaced roads has resulted in additional surface runoff, thus requiring upgrading of storm water infrastructure to accommodate the additional discharge. The effects of flooding downstream also create new problems in the receiving streams i.e. high peak flows, excessive erosion and sedimentation, increased pollution and general decreased value of the environment.

Operation and maintenance of roads and stormwater infrastructure remains a great challenge due to inadequate personnel and financial resources and the absence of yellow fleet machinery specifically for the cleaning of major storm water canals and unblocking of catch pits. The under budgeting of operation and maintenance operations is also main contributor to the state of infrastructure at the municipality.

COMPONENT C: PLANNING AND DEVELOPMENT

INTRODUCTION TO PLANNING AND DEVELOPMENT

3.8 PLANNING

INTRODUCTION TO PLANNING

FINANCIAL YEAR	2020/2021
Number of Applications Received	12
Number of Applications for Township Establishment	0
Number of Applications for Rezoning	2
Number of Applications for Subdivision	6
Number of Applications Approved	0
Number of Applications not yet approved	0
Number of applications withdrawn	0

3.9 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

LED SERVICES

Task Grades	Number of Employees	Number of posts	Number of Vacancies
T11-15	3	3	0

Economic Activity by Sector R'000			
Sector	Year -1	Year 0	Year 1
Agric, forestry and fishing	0	0	0
Mining and quarrying	0	0	0
Manufacturing	0	0	0
Wholesale and retail trade	0	0	0
Finance, property, etc.	0	0	0
Govt, community and social services	0	0	0
Infrastructure services	0	0	0
Total	0	0	0

Economic Employment by Sector Jobs			
Sector	Year -1 No.	Year 0 No.	Year 1 No.
Agric, forestry and fishing	0	0	0
Mining and quarrying	0	0	0
Manufacturing	0	0	0
Wholesale and retail trade	0	0	0
Finance, property, etc.	0	0	0
Govt, community and social services	0	0	0
Infrastructure services	0	0	0
Total	0	0	0

Jobs Created during Year 1 by LED Initiatives (Excluding EPWP projects)				
Total jobs created / Top 3 initiatives	Jobs created	Jobs lost / displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created / lost
Total (all initiatives)	250	0	250	

Job creation through EPWP* projects		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
Year -1	1	100
Year 0	1	100
Year 1	1	233

COMMENT ON LOCAL JOB OPPORTUNITIES

The LED unit hosted an LED summit was scheduled to take place in two days (25th and 26th September 2020) in order to resuscitating the community's confidence and strengthen the partnership between public, private and government sectors and also to establish platforms from where continuous engagement will take place, and it was a success. Frances Baard District municipality assisted the LED unit to draft the Investment incentives policy. Mme Reka thusa trust fund has funded two cooperatives from our local municipality in a form of grants there two cooperatives are Survival care centre in Pampierstad and Bokamosho glass recycling in Ganspan..

COMPONENT D: COMMUNICATION & SOCIAL SERVICES INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

3.10 LIBRARIES, ARCHIEVES, MUSEUM, GALLERIES, COMMUNITY FACILITIES, OTHER (THEATRES, ZOOS, ETC).

INTRODUCTION TO LIBRARIES, ARCHIEVES, MUSEUM, GALLERIES, COMMUNITY FACILITIES, SERVICES STATISTICS FOR

LIBRARY SERVICES

TASK GRADES	No of Employees	No of Posts	No of Vacancies
T3 – T11 (Administration)	16	17	1

FINANCIAL PERFORMANCE YEAR 1: LIBRARY SERVICES			
Details	R'000	R'000	R'000
	Adjustment Budget	Actual	Variance to Budget
Total Operating Revenue	4 233	741	3 492
Expenditure:			
Employees	-	1 639	- 1 639
Repairs & Maintenance	-	-	-
Other	2 256	373	1 883
Total Operational Expenditure	2 256	2 012	244
Net Total	1 977	- 1 271	3 248

The municipality did not budget for the salaries of the library staff as it was decided that their salaries should be paid from the grant as the department of sports and recreation is responsible for funding the library therefore it should fund all the costs associated with the library.

3.11 CEMETRIES AND CREMATORIUMS

INTRODUCTION TO CEMETRIES AND CREMATORIUMS SERVICE STATISTICS FOR CEMETORIES & CREMATORIUMS

PARKS & CEMETERIES

TASK GRADE	No of Employees	No of Posts	No of Vacancies
T4 (General Workers)	24	24	0
T6(Plant Operators)	12	38	26
T9 (Team Leaders)	01	03	02

FINANCIAL PERFORMANCE YEAR 1: PARKS & CEMETERIES SERVICES			
Details	R' 000	R' 000	R' 000
	Adjustment Budget	Actual	Variance to Budget
Total Operating Revenue	6 674	-	6 674
Expenditure:			
Employees	6 660	8 092	- 1 432
Repairs & Maintenance	1 142	130	1 012
Other	55	33	22
Total Operational Expenditure	7 857	8 255	- 398
Net Total	- 1 183	- 8 255	7 072

Capital Expenditure Year 1: Cemeteries and Crematoriums Services					
R'000					
Capital Projects	Year 1				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0	0
Project A: PPE	0	0	0	0	0

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

Phokwane municipality's vote structure provides for the clustering of Parks and Cemeteries into single programme or cost center. The department did not bring any revenue to the municipality for the 2020/21 financial year; however the municipality was able to fund the expenditure of R8, 2 million.

COMPONENT E: ENVIRONMENTAL PROTECTION

INTRODUCTION TO ENVIRONMENTAL PROTECTION

3.12 BIO-DIVERSITY, LANDSCAPE (INCL, OPEN SPACE), AND OTHER (E,G, COASTAL PROTECTION)

INTRODUCTION TO BIO-DIVERSITY AND LANDSCAPE

SERVICE STATISTICS FOR BIO-DIVERSITY AND LANDSCAPE

3.13 FIRE

INTRODUCTION TO FIRE SERVICES

Financial Performance Year 1: Fire Services					
R'000					
Details	Year 0	Year 1			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Fire fighters	-	-	-	-	-
Other employees	-	-	-	-	-
Repairs and Maintenance		-	-	-	-
Other		-	-	-	-
-	-	-	-	-	-
Net Operational Expenditure		-	-	-	-

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

Fire services and disaster management does not form part of the core programmes of the municipality at this stage this function is coordinated at Frances Baard District Municipality, where the district is rendering this service as shared service to the local municipalities. Phokwane Local Municipality has only policy on disaster management services on its IDP.

OTHER (DISASTER MANAGEMENT, ANIMAL LICENSING AND CONTROL OF PUBLIC NUISANCES AND OTHER)

INTRODUCTION TO DISASTER MANAGEMENT, ANIMAL LICENSING AND CONTROL OF PUBLIC NUISANCES, ETC

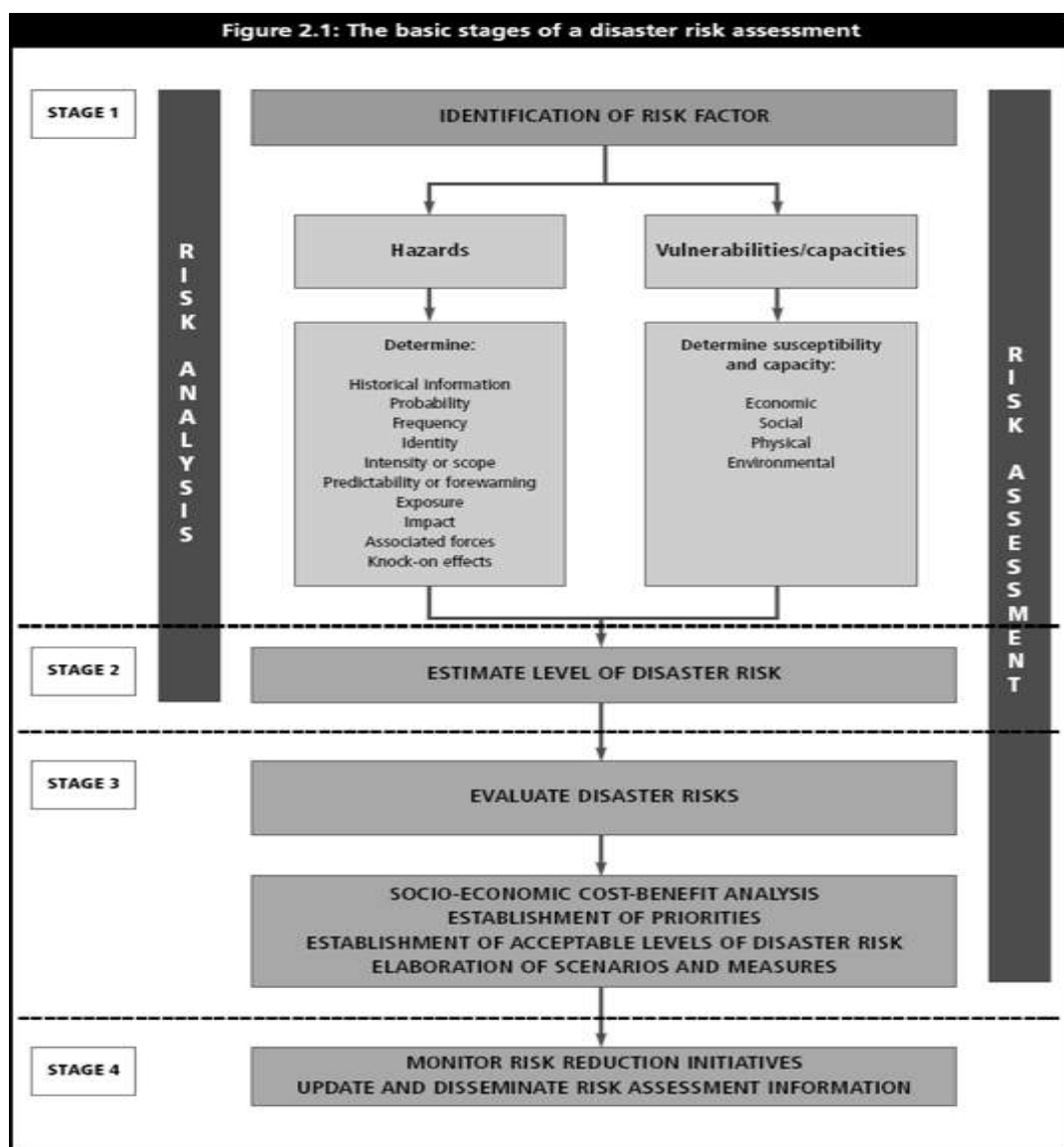
SERVICE STATISTICS FOR DISASTER MANAGEMENT, ANIMAL LICENSING AND CONTROL OF PUBLIC NUISANCES, ETC

*TAKEN FROM IDP
DISASTER MANAGEMENT PLAN*

According to the Disaster Management Act (Act 57 of 2002), Section 42(1-2); “each district municipality must establish and implement a framework for disaster management in the municipality aimed at ensuring an integrated and uniform approach to disaster management in its area with the inclusion of the amongst others the local municipalities, non-governmental *institutions* involved in disaster management and the private sector”. The main purpose of the Disaster Management Plan (DMP) is to implement appropriate disaster risk reduction measures to reduce the vulnerability of communities and infrastructure at risk. The DMP was prepared in 2006 and the review of the document was prepared in 2012.

In order to align with the National Disaster Management Framework and to achieve an integrated, holistic and cost-effective approach in disaster management; the DMP developed **4 Key Performance Areas** which form the bases of the review, as follows:

- a) **Institutional Capacity for the Disaster Risk Management:** Establishes the requirements which will ensure the establishment of effective institutional arrangements in the provincial sphere for the integrated and coordinated implementation of disaster (risk) management policy and legislation. It addresses the principles of cooperative governance and places emphasis on the involvement of all stakeholders in disaster (risk) management in order to strengthening the capabilities of provincial and municipal organs of state.
- b) **Disaster Risk Reduction:** Addresses the need for disaster risk assessment and monitoring to set priorities, guide risk reduction action and monitor the effectiveness of our efforts. In addition, the key performance area outlines the requirements for implementing disaster risk assessment and monitoring by organs of state within all spheres of government. A critical facilities risk analysis was conducted to determine the vulnerability of key individual facilities or resources within the community such as schools, clinics, shelters. **Figure 2.1** illustrates the disaster risk assessment process.



- c) **Disaster Management Planning and Implementation:** This key performance area addresses requirements for disaster management planning within provincial and municipal spheres of government. It gives particular attention to the planning for and integration of the core risk reduction principles of prevention and mitigation into on-going programmes and initiatives.
- d) **Disaster Response and Recovery:** The Key Performance Area focuses on preparedness of an area for disasters, rapid and effective response to disasters and post-disaster recovery and rehabilitation. When a significant event or disaster occurs or is threatening to occur, it is imperative that there should be no confusion as to roles, responsibilities, funding arrangements and the procedures to be followed.

To facilitate the implementation of the objectives of the four KPAs mentioned above, three enablers were identified as per the National Disaster Management Framework. The enablers are as follows:

a) Information and Communication

Disaster risk management is a collaborative process that involves all spheres of government, as well as NGOs, the private sector, a wide range of capacity-building partners and communities. It also requires effective preparation for, and response to a diverse range of natural and other threats. It requires systems and processes that enable timely and appropriate decision making in not only in times of emergency but also to inform development planning on the part of government officials, other role players as well as at-risk communities and households.

b) Education, Training, Public Awareness and Research

Sections 20(2) and 15 of the Disaster Management Act specify the encouragement of a broad-based culture of risk avoidance, the promotion of education and training throughout the Republic, and the promotion of research into all aspects of disaster risk management. This key performance area addresses the development of education and training for disaster risk management and associated professions and the incorporation of disaster risk management in school curricula.

c) Funding

The provision of funding for disaster risk management is likely to constitute the single most important factor contributing to the successful implementation of the Act by provincial and municipal spheres of government. The Act, with the exception of Chapter 6 on funding of post-disaster recovery and rehabilitation, does not provide clear guidelines for the provision of funding for disaster risk management. Nevertheless funding from a range of sources will be required to deal with disaster management.

COMPONENT F: SPORT AND RECREATION

INTRODUCTION OT SPORT AND RECREATION

3.14 SPORT AND RECREATION

SERVICE STATISTICS FOR SPORT AND RECREATION

PARKS & CEMETERIES

TASK GRADE	No of Employees	No of Posts	No of Vacancies
T4 (General Workers)	24	24	0
T6(Plant Operators)	12	38	26
T9 (Team Leaders)	01	03	02

<i>Sports and Recreation Policy Objectives Taken from IDP</i>
<i>Service Objective xxx</i>

Sports and Recreational Facilities	-To maintain sports and recreational facilities	To facilitate the provision of recreational and sports facilities in the municipal areas by 2016.	<ul style="list-style-type: none">• To apply for funding from relevant institutions e.g. sports trust, lottery, Department of Sports Arts and Culture etc.• Ensure community participation in establishment and maintains of sports and recreational facilities• Promote cultural activities through sports & recreational facilities• Formation of Phokwane Sports forum to ensure ownership of facilities by community
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Financial Performance Year 1: Sports and Recreation R'000					
Details	Year 0	Year 1			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Employees	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
-	-	-	-	-	-
Total Operational Expenditure	-	-	-	-	-
Net Operational Expenditure	-	-	-	-	-

Capital Expenditure Year 1: Sports and Recreation R'000					
Capital Projects	Year 1				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A	0	0	0	0	0
Project B	0	0	0	0	0
Project C	0	0	0	0	0
Project D	0	0	0	0	0

COMPONENT G: CORPORATE POLICY OFFICES AND OTHER SERVICES

INTRODUCTION TO CORPORATE POLICY OFFICES, ETC

3.15 EXECUTIVE AND COUNCIL

INTRODUCTION TO EXECUTIVE AND COUNCIL

SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

Employees: The Executive and Council			
Task Grades	No of Employees	No of Posts	No of Vacancies
T7 – T15	7	7	0

FINANCIAL PERFORMANCE YEAR 1: THE EXECUTIVE & COUNCIL SERVICES			
Details	R'000	R'000	R'000
	Adjustment Budget	Actual	Variance to Budget
Total Operating Revenue	4 189	121 583	- 117 394
Expenditure:			
Employees	8 979	9 493	- 514
Repairs & Maintenance	200	25	175
Other	4 711	4 624	87
Total Operational Expenditure	13 890	14 142	- 252
Net Total	- 9 701	107 441	- 117 142

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL

Total Operating Revenue under Council and Executive amounted to R121 million which is mainly derived from the Equitable Share allocation. There were no capital projects planned for Council and Executive. The overall operational expenditure for the year amounted to R14 million for the 2020/21 financial year.

3.16 FINANCIAL SERVICES

INTRODUCTION TO FINANCIAL SERVICES

Debt Recovery R'000								
Details of the types of account raised and recovered	Year 0		Year 1			Year 2		
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Billed in year	Estimated outturn for accounts billed in year	Estimated proportion of accounts billed that were collected %
Property Rates	6132459		16913485				10402600	
Electricity – B			4819103.98				2607236	
Electricity – C	29957870		32631591.70				35280379	
Water – B			2328870.16				2704219	
Water – C	30674917.82		16958859.10				20935977	
Sanitation	7771900.40		8528517.68				9074293	
Refuse	8428802.26		9475316.18				5852647	
Other	216601.59		217107.12				462482.60	
		53.69%			57.7%			

FINANCIAL SERVICES

TASK GRADE	No of Employees	No of Posts	No of Vacancies
T5-T15	61	64	3

FINANCIAL PERFORMANCE YEAR 1: FINANCIAL SERVICES			
Details	R'000	R'000	R'000
	Adjustment Budget	Actual	Variance to Budget
Total Operating Revenue	43 735	38 711	5 024
Expenditure:			
Employees	17 801	15 732	2 069
Repairs & Maintenance	110	88	22
Other	22 977	25 997	- 3 020
Total Operational Expenditure	40 888	41 817	- 929
Net Total	2 847	- 3 106	5 953

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL

The finance department earned a total operating revenue of R38 million of the R43 million that was budgeted for. The total operating expenditure amounts to R41 million of the R40 million that was budgeted for. The department collected less than what was spent.

3.17 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

Human Resources Services Policy Objectives Taken from IDP

Priority issue: Institutional Transformation

Project Name	Broad Objectives	Measurable Objectives	Estimated Costs	Funding Agency	2018/2019	2019/2020	2020/2021
Revamp of Service Point in Ganspan	To revamp the Service Point in Ganspan by 2021	To ensure the revamping of Ganspan Service Point by 2021		Phokwane L.M			
Filling of Critical Posts	To fill all critical posts in order to ensure an effective institution that respond to the needs of the community.	To ensure that all critical posts are filled by 2021		Phokwane L.M			

Employees: Human Resources

Task Grades	No of Employees	No of posts	No of vacancies
T8 – T15 Administration	3	5	2

FINANCIAL PERFORMANCE YEAR 1: HUMAN RESOURCES SERVICES			
Details	R'000	R'000	R'000
	Adjustment Budget	Actual	Variance to Budget
Total Operating Revenue	-	-	-
Expenditure:			
Employees	7 291	6 528	763
Repairs & Maintenance	20	75	- 55
Other	767	1 647	- 880
Total Operational Expenditure	8 078	8 250	- 172
Net Total	- 8 078	- 8 250	172

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The total operating expenditure amount to R8, 2 million of the R8, 0 million that was budgeted, with an over expenditure of R 172 thousand,

Human Resources Services had no capital projects for the 2020/21 financial year.

3.23 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

INTRODUCTION TO COMMUNICATION TECHNOLOGY (ICT) SERVICES SERVICE STATISTICS FOR ICT SERVICES

Employees: ICT Services			
Task Grades	No of Employees	No of posts	No of vacancies
T11 Administration	2	2	0

FINANCIAL PERFORMANCE YEAR 1: INFORMATION TECHNOLOGY SERVICES			
Details	R'000	R'000	R'000
	Adjustment	Actual	Variance to Budget
Total Operating Revenue	-	-	-
Expenditure:			
Employees	797	680	117
Repairs & Maintenance	415	472	- 57
Other	65	29	36
Total Operational Expenditure	1 277	1 181	96
Net Total	- 1 277	- 1 181	96

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

Municipality managed to install various ICT systems in the workplace and provided support to several users and contributed to the efficiency in the communication systems.

COMPONENT H: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year. (2020/21)

(Refer to Appendix I)

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

COMPONENT A: INTRODUCTION OT THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Description	Approved Posts	Employees No.	Vacancies No.
Housing	6	4	2
Traffic	18	12	6
Environmental Health	3	1	2
Library	17	13	4
Transport	6	3	3
Electricity	16	9	7
Roads & Stormwater	31	28	3
Solid Waste	35	30	5
Parks & Cemeteries	44	39	5
Cleansing	32	25	7
Refuse Removal	34	26	8
Water Supply	38	32	6
Sewerage Plant & Water plant	25	21	4
Totals	305	287	18

VACANCY RATE 2020/21

Designation	Total Approved Posts	• Vacancies (Total time that vacancies exist using full time equivalent No.)	• Vacancies (as a portion of total posts in each category) No.
Municipal Manager	1	1	1
CFO	1	1	1

(excluding finance posts)			
Other S57 Managers	3	02	01
Police Officers	N/A	N/A	N/A
Fire Fighters			
Senior Management: Level 13-15(excluding Finance posts)	15	1	14
Senior Management: Level 13-15 (Finance Posts)	8	01	7
Highly skilled supervision: levels 9-17 (excluding finance posts)	19	04	15
Highly skilled supervision: Levels 9-17 (Finance posts)	8	02	10
Total	55	10	48

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No	Termination during the Financial Year No.	Turn-over Rate*
2019/2020	15	N/A	

COMMENT ON VACANCIES AND TURNOVER

82% of budgeted posts in the Municipal Organogram are filled, and 10% are advertised to be filled during the 2020/21 financial year.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

4.2 POLICIES

There were no Policies that were approved by Council during the 2020/2021 financial year:

COMMENT ON WORKFORCE POLICY DEVELOPMENT

There are some of the policies that still have to go to council for review and approval for 2020/2021 FY.

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average injury leave per employee	Total Estimate Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	1 1 1 1	None 2 weeks 3 days 6 days		± 80 circle	
Temporary disablement total	None				
Permanent disablement	None				
Fatal					
Total					

COMMENTS:

Total estimate for injuries costs are incurred by the Compensation Fund through the Department of Labour, there was no major injuries during 2020/2021 FY and also leaves regarding injuries were not high.

Number and Period of Suspension				
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	N/A	N/A	N/A	N/A

COMMENT ON SUSPENSIONS AND CASES OF MISCONDUCT

Although the Accounting Officer is ultimately responsible for discipline within the municipality, all personnel have to lead by example by adhering to the Disciplinary Code at all times, more specifically managers and supervisors who have to ensure that there is discipline within their departments.

EMPLOYEE TERMINATIONS, RETIREMENTS & DEATHS

NAME & SURNAME	DATE	TYPE OF RETIREMENT	SECTION
1. Sedupe	2020.08.31	Retirement	Truck: Driver
2. Makwene I	2020.08.31	Retirement	Access Control
3. Gouws RJ	2020.08.14	Death	Worker: Road and Storm Water
4. Moya LA	2020.09.30	Resignation	Worker: Sewerage
5. Spandiel D	2020.09.30	Retirement	Teamleader: Water & waste
6. Mohanyehanye MJ	2020.09.30	Resignation	Worker:
7. Tong TM	2020.09. 26	Death	Hartswater: Credit Control
8. Pheko RM	2020.10.30	Retirement	Hartswater: Team Leader: Roads & Storm Water
9. Matsheka TG	2020.11.24	Death	Hartswater: Plant Operator
10. Mohale MP	2020.11.30	Resignation	Hartswater: Receptionist
11. Diloke T	2020.11.30	Resignation	Hartswater: Cashier
12. Kelokilwe MS	2021.01.29	Resignation	Hartswater: MPAC Researcher
13. Chibwe MJ	2021.02.26	Retirement	Hartswater: Worker: Roads & Storm Water
14. Maruping FJM	2021.02.26	Retirement	Pampierstad : Roads and Storm
15.Eksteen MD	2021.04.30	Resignation	Jan Kempdorp: Traffic Officer
16.Mampe BM	2021.06.03	Death	Hartswater: Storeman
17. Lottering M	2021.05.31	Retirement	Hartswater: Truck Driver
18. DOORZE GM	2021.04.23	Resignation	Bonita Park Library Cleaner

Disputes referred by employees to Bargaining Council

Employee	Nature of Dispute	Date	Outcome
None			

4.4 PERFORMANCE REWARDS

Performance Rewards by Gender					
Designations	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1 R'000	Proportion of beneficiaries within group %
Lower skilled (Level1-2)		None	None	None	None
Skilled (Level 3-5)		None	None	None	None
Highly skilled supervision (Levels 9-12)		None	None	None	None
Senior management (Levels 13-15)		None	None	None	None
MM and S57		None	None	None	None
Total		None	None	None	None

COMMENT ON PERFORMANCE REWARDS:

No performance reward was awarded during the 2020/2021 financial year.

COMPONENT E: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

4.5 SKILLS DEVELOPMENT AND TRAINING

Management Level	Gender	Employees	Number of skilled employees required and actual as at 30 June Year 1						
		In the post as at 20 June Year 1 No.	Learnership	Skills programmes & Other short coursers				Other forms of training	TOTAL
			Actual: End of Year 0	Actual: End of Year 1	TARGET	Act ual: End of Year 0	Act ual: End of Year 1	TARGET	

MM & s57	female			2	3		3	5		
	male			3	4		4	4		
Councilors, Senior officials and managers	female			18	20		12	15		
	male			15	17		18	20		
Technicians and associate professionals	female			8	10		18	20		
	male			15	22		18	22		
Clerks & Admin	Female			28	33		33			
	Male			31	8		40			

Labourers	Female			61	76		73	86		
	Male		Electrical artisans	17	25					
TOTAL										

Skills Development Expenditure														
Management level	Gender	Employees in post as at 20 June Year 1	Original Budget and Actual Expenditure on skills development Year 1											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	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	Actual: End of Year 0	Actual: End of Year 1	Target
MM and s57	Female													
	Male													
Councilors, senior officials and managers	Female													
	Male													

Technicians and associate professionals	Female													
	Male													
Sub Total	Female													
	Male													
Total	R 1222 691. 81													

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

Section 57, Middle Managers and a majority of senior officials in the finance department have completed the minimum competency requirement training during 2020/2021.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

4.6 EMPLOYEE EXPENDITURE

Number of Employees Whose Salaries Were Increased Due to Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Level 1-2)	Female	None
	Male	None
Skilled (Level 3-5)	Female	None
	Male	None
Highly skilled production (Level 6-8)	Female	None
	Male	None
Highly skilled supervision (Level 9-12)	Female	None
	Male	None
Senior management (Levels 13-16)	Female	None
	Male	None
MM and S57	Female	None
	Male	None
Total		None

Employees Whose Salary Levels Exceed The Grade Determined by Job Evaluation				
Occupation	Number of employees	Job level evaluation	Remuneration level	Reason for deviation
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointment	Reason for appointment when no established post exist
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None
None	None	None	None	None

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

2020/2021 financial year there was no posts or salaries that were upgraded due to any circumstances

4.7 TRANSVERSAL ISSUES

IDP Implementation

- The IDP is being reviewed

Number of stakeholders who participated in the review

- Stakeholders; 30

Comments and Challenges

Stakeholders that attend in most cases they send junior staff that can't take decisions so we have raised that concern, at least if senior managers can begin to attend the IDP reviews commit and take decisions.

SDF Implementation

- Is being approved by October 2008 and is still under the review process.

Submission of the SDF?

- It will be submitted by March 2015.

Implementation of the SDF?

- It will be implemented after the final approval by Council.

State of readiness on Disaster Management

Functional Disaster Management Centre.

Has the disaster management centre head been appointed.

Has disaster management forum been established.

Does the municipality have a disaster management plan.

All the services above are shared services from the District Municipality.

Comments and Challenges

The Disaster Management services in Phokwane Local Municipality is a shared service from the Frances Baard District Municipality.

Functionality of National Disaster.

Disaster management center established and fully functional at the District Municipality.

Comments and challenges

Disaster management in Phokwane Municipality is a shared service, but still considering having a disaster management service establishment.

Realignment of municipalities

- Phokwane Municipality did not experience any challenges on the municipal alignment.

Comments and challenges

No challenges that were experienced by the municipality on alignment.

Performance Highlights per the 5 KPA

1. Basic service delivery and infrastructure development – Output 75%
2. Municipal transformation and development – Output 65%
3. Local economic development – Output 55%
4. Municipal financial viability and management – Output 70%
5. Good governance and public participation – Output 75%

CHAPTER 5 – FINANCIAL PERFORMANCE

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

NB: Financial Statements (Check Volume 2 at the end of the document)

Statement of Financial Performance

Figures in Rand	Note(s)	2021	2020 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	22	140 327 715	146 214 297
Rental of facilities and equipment	23	73 694	112 160
Interest received (trading)		25 061 905	26 588 784
Commissions received	25	231 467	-
Other income	25	4 543 738	4 831 915
Interest received - investment	24	1 118 866	2 548 643
Total revenue from exchange transactions		171 357 385	180 295 799
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	26	29 591 248	27 606 753
Transfer revenue			
Government grants & subsidies	27	150 549 984	145 403 603
Fines, Penalties and Forfeits		106 761	406 163
Interest received (trading)		6 401 815	7 146 894
Total revenue from non-exchange transactions		186 649 808	180 563 413
Total revenue	21	358 007 193	360 859 212
Expenditure			
Employee related costs	28	(90 697 780)	(85 869 222)
Remuneration of councillors	29	(4 330 308)	(6 008 762)
Depreciation and amortisation	30	(62 301 989)	(68 330 511)
Finance costs	32	(14 223 248)	(21 762 828)
Debt Impairment	33	(151 717 657)	(72 147 709)
Bulk purchases	34	(124 579 671)	(123 856 684)
General Expenses	35	(39 056 378)	(40 328 584)
Total expenditure		(486 907 031)	(418 304 300)
Operating deficit		(128 899 838)	(57 445 088)
Gain / (loss) on disposal of assets and liabilities		(1 216 777)	32 849
Fair value adjustments		516 342	-
Actuarial gains / (losses)	18	(341 362)	1 962 000
Reversal of impairments (Impairment loss)	31	164 032	(6 739 947)
		(877 765)	(4 745 098)
Deficit for the year		(129 777 603)	(62 190 186)

COMMENT ON FINANCIAL PERFORMANCE

The above table depicts the financial performance of the municipal in accordance various operational sources of funding and the types of operational services of the municipality. The table depicts the audited actual performance of the different sources of income and expenditure as at 30 June 2020/21 financial year.

5.2 GRANTS

GRANT EXPENDITURE				
Description	Allocation	Transferred	Expenditure	Unspent
Equitable Share Grant	130 024	121 583	121 583	8 441
Financial Management Grant	3 000	3 000	639	2 361
Municipal Infrastructure Grant	25 792	25 792	11 013	14 779
Water Services Infrastructure Grant	10 500	10 500	6 454	4 046
Intergrated National Electrification Programme Grant	3 400	3 400	3 400	-
TOTAL	172 716	164 275	143 089	29 627

COMMENT ON OPERATING TRANSFERS AND GRANTS:

The municipal equitable share allocation for 2020/2021 constitute R130 million and the municipality received R121 million due to the unspent conditional grants money that deducted.

The municipality anticipated an amount of R 3 million to be utilized within the scope of the Financial Management Grant for the 2020/2021 financial period, however only R639 thousand was not utilized due to instability and the planned projects were not implemented.

An amount of R10 million was anticipated from the Department of Water Affairs to finance the refurbishment of water and sewer projects in the municipality and R6, 4 million was used of the received allocation and R4 million was unspent.

Municipal Infrastructure Grant anticipated for 2020/2021 financial year was R25 million to address the infrastructure backlogs. The total MIG expenditure amount of R11 million was incurred in respect of the budgeted project.

Other transfer represents the Integrated National Electrification Programme Grant for which an amount of R3, 4 million was received.

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

Asset Management

The Asset management office was established on May 2014 under the SCM unit. According to the Audit findings and our municipal records our Asset Register need to be updated in accordance with the relevant Generally Recognized Accounting Practice to enable compliance as required by Section 63 (2) (a) of the MFMA.

REPAIRS AND MAINTENANCE R'000			
	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	16 160	8 326	7 924

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

The municipality spent R 8 million for the repairs and maintenance during the 2020/2021 financial year, due to financial constraints the municipality was unable to spent fully on maintaining the infrastructure.

5.4 FINANCIAL RATIOS BASED ON KEY PEFORMANCE INDICATORS

Chart 1: Liquidity Ratio

FINANCIAL YEAR 2020/2021

Current Assets/Current Liabilities= R 131 079 207 / R 418 462 110 = 0.31 :1
Current Liabilities

FINANCIAL YEAR 2019/2020

Current Assets/Current Liabilities= R 157 542 046 / R 344 407 170 = 0.46:1

Chart 2: Cost Coverage

FINANCIAL YEAR 2020/2021

(Available cash + Investments)/monthly fixed operational expenditure
 $(59\,633\,545 + 4\,543\,738) / 92\,541\,649 = 0.69:1$

FINANCIAL YEAR 2019/2020

(Available cash + Investments)/monthly fixed operational expenditure
 $(43\,090\,617 + 4\,831\,915) / 87\,559\,617 = 0.55:1$

Chart 3: Capital Charges to Operating Expenditure

FINANCIAL YEAR 2020/2021

Interest & Principal Paid / Operating Expenditure = $14\,223\,248 / R\,486\,907\,031 = 0.03\%$

FINANCIAL YEAR 2019/2020

Interest & Principal Paid / Operating Expenditure = $21\,762\,828 / R\,418\,304\,300 = 0.05\%$

Chart 4: Employee Costs

FINANCIAL YEAR 2020/2021

Employee costs / Total Operating Expenditure = $R\,90\,697\,780 / R\,486\,907\,031 = 0.20\%$

FINANCIAL YEAR 2019/2020

Employee costs / Total Operating Expenditure = $R\,85\,869\,222 / R\,418\,304\,300 = 0.22\%$

Chart 5: Repairs & Maintenance

FINANCIAL YEAR 2020/2021

Repairs & Maintenance /Property Plant Equipment & Investment property (carrying value) x 100 = $R\,9\,845\,048 / R\,1\,222\,018\,170 = 0.008\%$

FINANCIAL YEAR 2019/2020

Repairs & Maintenance /Property Plant Equipment & Investment property (carrying value) x 100 = $R\,8\,339\,049 / R\,1\,243\,129\,019 = 0.006\%$

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

5.5 CAPITAL EXPENDITURE

CAPITAL EXPENDITURE R'000						
Details	Year 0	Year 1			Year 1 Variance	
	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
Source of finance						
External Loans						
Public contributions and donations						
Grants and subsidies	116 227 366	39 582 000	82 039 017	39 854 361	-0,69	51,42
Other	2 174 238	6 011 500	7 324 595	925 064	84,61	87,37
Total	118 401 604	45 593 500	89 363 611	40 779 425	10,56	54,37
<i>Percentage of finance</i>						
External Loans						
Public contributions and donations						
Grants and subsidies	116 227 366					
Other						
Capital Expenditure						
Water and Sanitation	33 985 078	37 815 571	39 451 444	32 351 698	14,45	18,00
Electricity	1 158 382	1 902 000	2 193 322	1 230 812	35,29	43,88
Housing				-	-	-
Roads and Stormwater	6 403 765	8 012 639	8 012 639	6 271 851	21,73	21,73
Other	-	2 073 000	39 706 207	925 064	55,38	97,67
Total	41 547 225	49 803 210	89 363 612	40 779 425	18,12	54,37
<i>Percentage of expenditure</i>						
Water and Sanitation						
Electricity						
Housing						
Roads and Stormwater						
Other						

5.7 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION OT BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

Service Backlogs at Year 1 Households (HHs)				
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	%HHs	No. HHs	% HHs
Water	1200	50	200	150
Sanitation	1500	300	200	65
Electricity	700	30	45	50
Waste management				
Housing	1600	500	120	100

MUNICIPAL INFRASTRUCTURE GRANT (MIG) EXPENDITURE YEAR 1 ON SERVICE BACKLOGS					
Details	Budget	Adjustment Budget	Actual	Variance	Major conditions applied by donor (continue below if necessary)
			Budget	Adjustment Budget	
Infrastructure - Road Transport					
Roads, Pavements & Bridges	3 803 429	3 803 429	3 859 184	-1,47	
Stormwater				-	
Infrastructure - Electricity				-	
Generation				-	
Transmission & Reticulation				-	
Street Lighting				-	
Infrastructure - Water				-	
Dams & Reservoirs	17 369 386	17 369 386	17 369 296	0,00	
Water Purification				-	
Reticulation	3 859 185	3 859 185	3 803 428	1,44	
Infrastructure - Sanitation				-	
Reticulation				-	
Sewerage Purification				-	
Infrastructure - Other				-	
Waste Management				-	
Transportation				-	
Gas				-	
Other Specify:				-	
				-	
				-	
				-	
Total	25 032 000	25 032 000	25 031 908	0,00	

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

5.9 CASH FLOW

Cash Flow Statement

Figures in Rand	Note(s)	2021	2020 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		47 435 891	76 158 314
Grants		165 275 001	164 709 000
Interest income		32 582 586	36 284 321
		<u>245 293 478</u>	<u>277 151 635</u>
Payments			
Employee costs		(93 115 450)	(90 459 984)
Suppliers		(75 437 652)	(101 583 489)
Finance costs		(14 223 248)	(21 762 828)
		<u>(182 776 350)</u>	<u>(213 806 301)</u>
Net cash flows from operating activities	37	<u>62 517 128</u>	<u>63 345 334</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(40 224 234)	(34 064 662)
Proceeds from sale of investment property	9	-	136 480
Purchase of other intangible assets	11	(5 559 535)	-
Net cash flows from investing activities		<u>(45 783 769)</u>	<u>(33 928 182)</u>
Cash flows from financing activities			
Finance lease payments		(190 431)	(106 145)
Net increase/(decrease) in cash and cash equivalents		<u>16 542 928</u>	<u>29 311 007</u>
Cash and cash equivalents at the beginning of the year		43 090 617	13 779 610
Cash and cash equivalents at the end of the year	8	<u>59 633 545</u>	<u>43 090 617</u>

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

(Refer to Appendix G)

AUDIT ACTION PLAN – 2020 / 2021

(See Volume 2 at the bottom of the document)

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

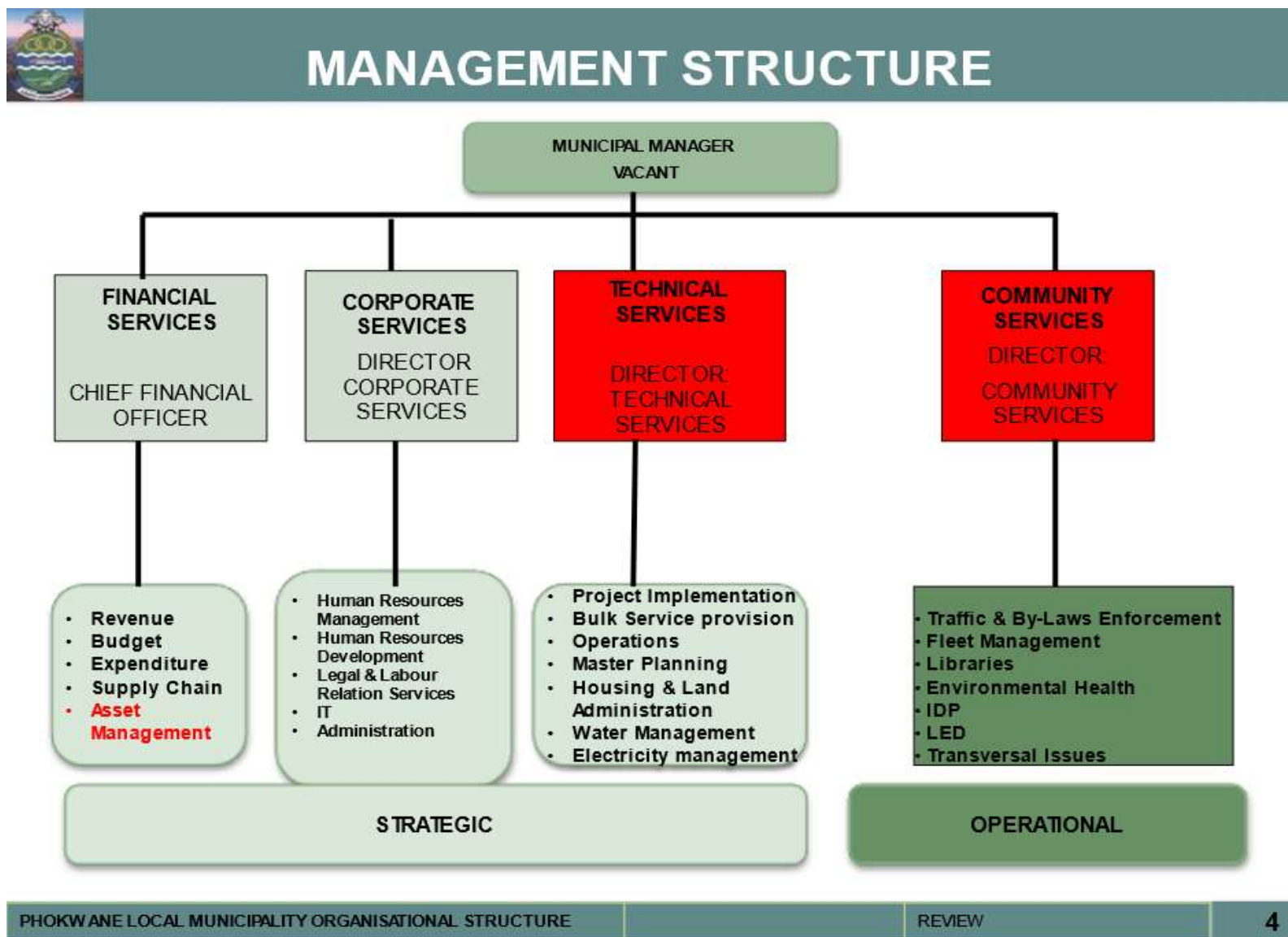
During the 2020/21 financial year, Council failed to schedule council meetings, which led to the Council being dissolved.

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Portfolio Committees were not established during the 2020/21 financial year.

COMMITTEE			COMMITTEE PURPOSE
Corporate Committee	Services	Sub-	To deal with corporate matters such as HR and ICT.
Technical Committee	Services	Sub-	To deal with infrastructure matters, both new and maintenance of existing infrastructure.
Community Committee	Services	Sub-	To deal with social matters and consider reports on environmental health and housing.
Finance Sub-Committee			To deal with all financial matters.

APPENDIX C – ORANOGRAM OF THE ADMINISTRATIVE STRUCTURE



APPENDIX D – WARD INFORMATION

Ward	Households	Population	Councillor
Ward 1	2435	8253	Cllr Ndoisele Nxamashe
Ward 2	1417	5285	Cllr Tsholofelo Mathe
Ward 3	1389	4595	Cllr Olebogeng Tumodi
Ward 4	1956	5898	Cllr Tebogo Afrika
Ward 5	2453	9421	Cllr Willem Harmse
Ward 6	1130	3314	Cllr Tsholofelo Diloke
Ward 7	2400	9392	Cllr Remaketse Selogilwe
Ward 8	2310	9293	Cllr Ernest Meyer
Ward 9	2054	7886	Cllr Portia Mohale
Ward 10	This ward was not catered for during the previous census - Cllr Samson Mokgobo		

APPENDIX E – WARD REPORTING

Ward No.	Ward Councilor	Reported (Yes/No)	Date
1	Cllr Ndoisele Nxamashe	No	
2	Cllr Tsholofelo Mathe	No	
3	Cllr Olebogeng Tumodi	No	
4	Cllr Tebogo Afrika	No	
5	Cllr Willem Harmse	No	

6	Cllr Tsholofelo Diloke	No	
7	Cllr Remaketse Selogilwe	No	
8	Cllr Ernest Meyer	No	
9	Cllr Portia Mohale	No	
10	Cllr Samson Mokgobo	No	

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 1

We are pleased to present our report for the financial year ended 30 June 2021.

1. Audit , Performance and Risk Management Committee Members and Attendance

The audit and risk management committee attended to their work during the 2020-21 financial year by sitting for seven (7) meetings. The committee consists of the following members:

Name of Member	Number of meetings
1. Mr WMS Calitz	7 of 7
2. Mr A Bhayt	7 of 7
3. Mr T Khumisi	7 of 7

Meetings include normal and investigation meetings.

New Member

Council has appointed a Mr J van Tonder as new member with effective from 01 July 2015.

2. Audit Committee Responsibility

Committee report that it has performed its functions in all material respects in terms of section 166 of the MFMA and the adopted Committee Charter as detailed below

The committee has performed the following key responsibilities:

- Adopted the committee charter was approved by council;
- Reconfirm the appropriateness of the internal audit charter and methodology;
- Recommended the risk management strategy and policy to council, due to the slow implementation thereof alternative mechanisms were followed by the internal audit manager and a risk register was considered and recommended for approval to council;
- Approved the internal audit plan for the financial year and monitored to the implementation of the plan;
- Evaluated the findings raised by internal and external audit and made recommendations on addressing those matters;
- Performed a review of financial information submitted to the committee and commented specifically on concerns raised based on year-to-date information and accuracy of projections;
- Requested management to report on pending litigation, possible contingent liabilities and significant risks;
- Requested management to address the perceived lack of discipline and called specific officials to account for the progress on the audit action plan;
- Liaised with the Auditor-General on matters relating to communication with those charged with governance;
- Review the Municipality's performance management system and quarterly reports

3. The Effectiveness of Internal Control

The committee accepted a combined assurance model where the internal and external auditors provide the committee with an indication of the level of assurance that can be derived from a system of internal controls that are appropriate and effective.

Recommendations that the a combined assurance is achieved by means of a risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes were made by the committee.

From the various reports of the internal and external auditors it was noted that material matters were reported indicating material deficiencies in the system of internal control and non-compliance with laws and regulations. Accordingly, we can report that the system of internal control for the period under review was not efficient and effective. The committee is however of the view that progress have been made since the previous report, but much needs to be done to improve the system design, implementation and monitoring thereof.

4. Effectives of risk management

The committee is responsible for providing risk management oversight, including monitoring the effectiveness of risk management framework, policy and strategy.

Number of reports were issued during the year, covering among the quarterly reporting on risk management and updated risk registers.

On various occasions, committee has expressed its concern on the following:

- Need for on-going monitoring and management of risks in more robust and structure manner
- Commitment to institutionalise and improve risk management processes

5. Performance Management

The committee monitors the performance management system and evaluation of organizational performance. Internal Audit reports to committee on the outcomes of the audits of performance information. The Internal Audit has reported shortcomings on the system of performance management and organizational performance. The report of the Auditor General was also noted, and recommendations made to improve this environment.

6. The Quality of In-Year Management and Monthly/Quarterly Reports Submitted in terms of the MFMA

The committee is not satisfied with the content and quality of the monthly and quarterly reports prepared and submitted to those charged with governance for the year under review.

7. Internal Audit

The Internal Audit unit carried out its activities in accordance with the risk based internal audit plan for the year ending 30 June 2015; and submitted its quarterly reports to the committee for the purposes of oversight. Internal audit has reported some internal control weaknesses identified during the performance of audits; conducted follow-up audits and highlighted management's progress in the resolution of both internal and external audits.

Committee noted that the audit coverage of significant risk areas in municipality is limited by the constraint of internal audit, and the approved plan was not completed within financial year. The level of assurance provided on adequacy and effectiveness of internal control, governance and risk management is significantly limited by lack of capacity and non-completion of approved audit areas.

8. Evaluation of Financial Statements

The committee was afforded an opportunity to review the financial statements before 31 August 2015 and could make a contribution on the appropriateness of these financial statements submitted to the Auditor-General.

The role and relationship between the committee and the Auditor-General still needs attention and when the engagement letters and audit strategy documents were tabled and discussed, the members of audit committee of Phokwane municipality were not in attendance.

The committee concurs and accepts the Auditor-General's conclusion on annual financial statements and is of the opinion that the audited financial statements be accepted and read together with the report of the Auditor-General.

.....
Chairperson of Audit and Risk Committee

.....
Date

APPENDIX J – DISCLOSURE OF FINANCIAL INTERESTS

Disclosure of Financial Interests

Position	Name	Description OF Financial Interests (Nil/or details)
Mayor	O Tumodi	None
Members of EXCO	G Halter	None
	P Mohale	None
	S. Lewis	None
Councillors	P Selogilwe	None
	R Nxamashe	None
	T Mathe	None
	T Afrika	None
	W Harmse	None
	T Diloke	None
	E Meyer	None
	P Mohale	None
	S Mokgobo	None
	A Gill	None
	S Lewis	None
	M Van Wyk	None
	K Tivane	None
	K Botman	None
	T Lottering	None
	P Majahe	None
	T Joubert	None
Administrator	B Ndwandwe	None
Director: Corporate Services	M Mojaki	None

PHOKWANE MUNICIPALITY



ANNUAL PERFORMANCE REPORT 2020/2021

PURPOSE

The purpose of this report is to inform Council regarding the progress made with the implementation of the Key Performance Indicators (KPI) in the realisation of the development priorities and objectives as determined in the Municipality's Integrated Development Plan (IDP) as well as the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) for the 2020/21 financial year.

1. LEGISLATIVE REQUIREMENTS

- a. The SDBIP is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act, 56 (Act 56 of 2003) (MFMA), and the format of the SDBIP is prescribed by the MFMA Circular 13.
- b. Section 41 (1)(e) of the Local Government: Municipal System Act, 32 (Act 32 of 2000) (MSA), prescribed that a process must be established of regular reporting to Council.
- c. This report is a rent in terms of Section 52 of the MFMA which provide for:
 - The Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality.
 - The Accounting Officer; while conducting the above must take into account:
 - ✓ Section 71 Reports.
 - ✓ Performance in line with the Service Delivery and Budget Implementation Plans (SDBIP).

2. BACKGROUND TO THE FORMAT AND MONITORING OF THE SDBIP

2.1 Format

- a. The municipality's SDBIP consists of a Top Layer (TL) as well as a Departmental Plan for each Department.
- b. For purposes of reporting, the TL SDBIP is used to report to Council and the Community on the organisational performance of the Municipality.
- c. The TL SDBIP measures the achievement of performance indicators with regards to the provision of basic services as prescribed by Section 10 of the Local Government: Municipal Planning and Performance Regulations of 2001. National Key Performance Areas and Strategic Objectives as detailed in the Integrated Development Plan (IDP) of the Phokwane Municipality. The Top Layer SDBIP 2020/21 was approved by Council on 17 June 2020.
- d. The departmental SDBIP measures the achievement of performance indicators that have been determined with regard to operational services delivery within each department and have been aligned with the Top Layer SDBIP. The Departmental Plans have been approved by the Municipal Manager.
- e. The Quarterly Performance Assessment Report is structured to report on the nine (9) Municipal Key Performance Areas.
- f. The overall assessment of actual performance against targets set for the key performance indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology.

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period.
	KPI Not Met	Actual vs. target less than 75%
	KPI Almost Met	Actual vs. target between 75% and 100%
	KPI Met	Actual vs. target 100% achieved.
	KPI Well Met	Actual vs. target more than 100% and less than 150% achieved.
	KPI Extremely Well Met	Actual vs. target more than 150% achieved.

TABLE: EXPLANATION OF COLOUR CODES

- g. Performance reports on the Top Layer SDBIP is submitted to the Mayoral Committee and Council on a quarterly, half yearly (Mid-year Budget and Performance Assessment Report) and annual basis (Annual amendments to the Top Layer SDBIP must be approved by the Council following the submission of the Mid-year Budget and Performance Assessment Report and the approval of the adjustment budget).
- h. This non-financial part of the report is based on the Top Layer SDBIP 2020/2021 and comprises the following:
 - Summary of the overall performance of the Municipality in terms of the National Key Performance Areas of Local Government.
 - Summary of the overall performance of the Municipality in terms of the nine (9) Municipal Key Performance Areas; and
 - A detailed performance review per Municipal Key Performance Area (MKPA)

2.2 Monitoring

- a. The Municipality utilises the manual way of updating actual performance on monthly basis by entering data into the computer using Spreadsheet and Word Processing.
- b. Deadline for every month is between the 10th and 15th day for updates of the previous month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting takes places.

3. ACTUAL PERFORMANCE FOR 2020/21 FINANCIAL YEAR

3.1 The Top Layer SDBIP contains performance indicators per Municipal Key Performance Area and comments with corrective measures with regard to targets not achieved.

3.2 This is a detailed analysis of actual performance for the financial year 2020/21.

Colour	Category	Explanation
	KPI Not Yet Measured	05
	KPI Not Met	14
	KPI Almost Met	06
	KPI Met	12
	KPI Well Met	06
	KPI Extremely Well Met	02
Total KPIs		45

Corporate Services

Key Performance Area	Strategic Objective	Priorities	Key Performance Indicator: Output	Portfolio of Evidence	Budget	Baseline Target	Annual Target	Annual Expenditure	Q1 (2020/2021)		Q2 (2020/2021)		Q3 (2020/2021)		Q4 (2020/2021)		2020/2021 - Annual		Reason for Over/Under Performance	Remedial Action
									TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
Institutional Development & Transformation	To promote organisational cohesion and efficiency.	Human Resource Management	Organogram Review	Council Resolution	Op Ex		New Organogram: December 2020	R0,00	N/A	N/A	New Organogram: December 2020		N/A	N/A	N/A	N/A	31-Dec-20	0		
Institutional Development & Transformation	To promote organisational cohesion and efficiency.	Human Resource Management	JDs for TASK evaluation	Acknowledgement of submissions	Op Ex		Submission of all JDs to the District Evaluation Committee: November 2020	R0,00	N/A	N/A	Submission of all JDs to the District Evaluation Committee: November 2020		N/A	N/A	N/A	N/A	30-Nov-20	0		

Institutional Development & Transformation	To promote organisational cohesion and efficiency.	Human Resource Management	Recruitment of Senior Managers				Recruitment of Senior Managers: December 2020		N/A	N/A	Recruitment of Senior Managers: December 2020		N/A	N/A	N/A	N/A	31-Dec-20	0		
Institutional Development & Transformation	To promote organisational cohesion and efficiency.	Human Resource Management	Review of the OHS Policy to incorporate covid-19 Directives	Council Resolution	Op Ex		New OHS Policy: October 2020	R0,00	N/A	N/A	New OHS Policy: October 2020		N/A	N/A	N/A	N/A	31-Oct-20	0		
Institutional Development & Transformation	To promote organisational cohesion and efficiency.	Records & Registry	List of Discarded and unused Files in Finance Department	List signed off by CFO	Op Ex		List prepared and signed off by CFO: November 2020	R0,00	N/A	N/A	List prepared and signed off by CFO: November 2020		N/A	N/A	N/A	N/A	30-Nov-20	0		
Institutional Development & Transformation	To promote organisational cohesion and efficiency.	Records & Registry	Heavy Duty Shredder for proper Records Management	Shredder Machine	Op Ex		Purchase of Heavy Duty Shredder: December 2020	R0,00	N/A	N/A	Purchase of Heavy Duty Shredder: December 2020		N/A	N/A	N/A	N/A	31-Dec-20	0		

Institutional Development & Transformation	To provide a reliable and effective ICT system	ICT	Procurement of new Server for integration of ICT system in the building	new server	Cap Ex		Purchase and installation of new server: October 2020		N/A	N/A	Purchase and installation of new server: October 2020		N/A	N/A	N/A	N/A	31-Oct-20	0		
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Finance

Key Performance Area	Strategic Objective	Priorities	Key Performance Indicator: Output	Portfolio of Evidence	Budget	Baseline Target	Annual Target	Annual Expenditure	Q1 (2020/2021)		Q2 (2020/2021)		Q3 (2020/2021)		Q4 (2020/2021)		2020/2021 - Annual		Reason for Over/Under Performance	Remedial Action
									TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
Financial Viability	To establish professional and effective financial management processes	Revenue, Expenditure and Supply Chain Management	Level of integrity of data in the financial system	Approved Standard operating procedures	Op Ex	100%	100%	R0,00	25%		100%		N/A	N/A	N/A	N/A	100%	0%		

	ses (Finan ce)																			
Financi al Viability	To imple ment an mScoa compli ant fina ncial manage ment system	Financi al Manag ement	Level of compli ance with mScoa reportin g require ments	Installe d financi al manag ement system	R4 000 000, 00	100 %	100%		25%		50%		100 %		N/A	N/A	100%	0%		
Financi al Viability	To improve the revenue generati on capabili ty of the municip ality	Reven ue Manag ement	Level of increase in revenue generat ed	Billing reports	Op Ex	100 %	100%	R0,00	10%		50%		100 %		N/A	N/A	100%	0%		
Financi al Viability	To improv e revenu e collecti on rate	Reven ue Manag ement	Rate of increase in Cash and Bank position s	Reven ue collect ed	Op Ex	49%	80% of total billing for the year	R0,00	25%		50%		75%		100 %		100%	0%		
Financi al Viability	To improv e efficien cy of	SCM	SCM systems improve ment plan	Plan	Op Ex	100 %	Appro ved plan by Octob	R0,00	10%		30%		60%		100 %		100%	0%		

	the procurement of goods and services						er 2020												
Financial Viability	To improve internal controls in order to address the root causes of audit findings	Internal Control	Unqualified audit opinion by the Auditor-General		Op Ex	100 %	100%	R0,00	25%		50%		100 %		N/A	N/A	100%	0%	
Financial Viability			Consolidated Action Plan on 2017, 2018 & 2019 Audit Outcomes	Consolidated Action Plan	Op Ex		Completed Plan by October 2020	R0,00	N/A	N/A	Completed Plan by October 2020		N/A	N/A	N/A	N/A	31-Oct-20	0	
Financial Viability			Implementation monthly report on Audit Outcome Action Plan	monthly reports	Op Ex		8 Monthly Reports: starting in November 2020	R0,00									8 Monthly Reports: starting in November 2020		

Financial Viability	To institute budget reforms in order to ensure mScoa compliant funded and credible budgets	Budget and Reporting	mScoa compliant Funded and Credible budget		Op Ex	100 %	100% by December 2020	R0,00	50%		100%		N/A	N/A	N/A	N/A	100%	0%		
Financial Viability	To strengthen the capacity for the management of municipal assets	Asset Management	plan	plan	Op Ex	0%	100% by December 2020	R0,00	25%		50%		80%		100 %		100%	0%		
Financial Viability	Statutory Reporting	Budget and Reporting	Statutory reports	Reports	Op Ex	70%	100%	R0,00	3 monthly reports & 1 Quarterly Report		3 monthly reports & 1 Quarterly Report		3 monthly reports & 1 Quarterly Report		3 monthly reports & 1 Quarterly Report		12 Reports	0		

Service Delivery

Key Performance Area	Strategic Objective	Priorities	Key Performance Indicator: Output	Portfolio of Evidence	Budget	Baseline Target	Annual Target	Annual Expenditure	Q1 (2020/2021)		Q2 (2020/2021)		Q3 (2020/2021)		Q4 (2020/2021)		2020/2021 - Annual		Reason for Over/Under Performance	Remedial Action
									TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
Service Delivery and Infrastructure Development			Major maintenance works to municipal buildings	Practical Completion Certificate dated and signed for period under review	R3 000 000 ,00	New	1		Refurbishment of Ablution Facilities in Phokwane Municipal Buildings and Upgrades to Office Building		N/A	N/A	N/A	N/A	N/A	N/A	1	0		

Service Delivery and Infrastructure Development	<ul style="list-style-type: none"> • To ensure and facilitate access to electricity by needy households to achieve universal access by 2020. • To provide water & sanitation to all households within the built areas and informal settlements. • To ensure 	Electricity, Water and Sanitation, Roads and Storm water	Acquisition of basic service delivery tools of trade (PPE)	SCM Purchase Orders	R3 000 000 ,00	56	25	<ul style="list-style-type: none"> • High Velocity Sewer Cleaning Machine (3) • Bossie slanger (3) 	<ul style="list-style-type: none"> • Tipper Truck (2) • TLB (3) • Bakkies (6) • Cherry Picker (1) • Skip Loader Truck (1) • 6m³ Refuse Skips (40) 	N/A	N/A	<ul style="list-style-type: none"> • Honey Sucker (3) • Refuse truck (3) 	25	0
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	e the proper maintenance and development of roads and storm water infrastructure by 2020																			
Service Delivery and Infrastructure Development	To ensure and facilitate access to electricity by needy households to achieve universal access by 2020.	Electricity	Eradication of electricity backlogs in informal settlements	Practical Completion Certificate dated and signed for period under review	R6 600 000 ,00	New	264		Electrification of 51 informal settlements	Electrification of 100 informal settlements		Electrification of 200 informal settlements	Electrification of 150 informal settlements		264	0				

Service Delivery and Infrastructure Development	To ensure and facilitate access to electricity by needy households to achieve universal access by 2020.	Electricity	Number of high mast lights installed - Municipal Infrastructure Grant (MIG)	Practical Completion Certificate dated and signed for period under review	R2 196 065 ,91	R6 298 954, 56	R2 196 065 ,91		Installation of Highmast Lighting for Pampierstad and Ganspan							R2 196 065, 91			
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built areas and informal settlements.	Water and Sanitation	Investigation of future water infrastructure requirements in Jankempdorp and Ganspan	Council Resolution	R1 000 000 ,00	New	1			Inception Report & Programme		<ul style="list-style-type: none"> Limited Scope Interim Report Detailing Preliminary Assessment and Progress Interim Report Detailing Progress and 		Close-out Report		1			

													s/Scope • Draft Report						
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built areas and informal settlements.	Water and Sanitation	Investigation of future water infrastructure requirements in Pampierstad	Council Resolution	R1 000 000 ,00	New	1				Inception Report & Programme		<ul style="list-style-type: none"> Limited Scope Interim Report Detailing Preliminary Assessment and Progress Interim Report Detailing Progress and Input From The Various Completed Work Stream 		Close-out Report		1		

												s/Scope • Draft Report							
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built areas and informal settlements.	Water and Sanitation	Refurbishment of Water Reticulation Networks - Municipal Infrastructure Grant (MIG) - Multi Year Project	Appointment Letters of Service Provider	R13 851 934,09	R27 703 868,30	R13 851 934,09			Upgrade of Existing Asbestos Water Reticulation Network in Pampierstad-Phas		Upgrade of Existing Asbestos Water Reticulation Network in Pampierstad-Phas		Upgrade of Existing Asbestos Water Reticulation Network in Pampierstad-Phas		R13 851 934,09			
Service Delivery and Infrastructure Development	To provide water & sanitation to all households	Water and Sanitation	Development of Pumpstation and Related Bulk Sewer Outfall Lines - Municipal	Appointment Letters of Service Provider	R11 500 000,00	R21 425 831,64	R11 500 000,00			New Pumpstation and Related Bulk Sewer Outfall Lines in		New Pumpstation and Related Bulk Sewer Outfall Lines in Masake		New Pumpstation and Related Bulk Sewer Outfall Lines in		R11 500 000,00			

	within the built areas and informal settlements.		Infrastructure Grant (MIG) - Multi Year Project							Masakeng		ng		Masakeng					
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built areas and informal settlements.	Water and Sanitation	Development of Pumpstation and Related Bulk Sewer Outfall Lines - Water Services Infrastructure Grant (WSIG) - Multi Year Project	Appointment Letters of Service Provider	R18 434 213,97	R25 294 394,35	R18 434 213,97			Upgrade of Waste Water Pumpstations and Bulk Outfall Lines in Pampierstad		Upgrade of Waste Water Pumpstations and Bulk Outfall Lines in Pampierstad		Upgrade of Waste Water Pumpstations and Bulk Outfall Lines in Pampierstad		R18 434 213,97			
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built	Water and Sanitation	Bulk Metering of Water Treatment Works in Jankempdorp - (Own Funds)	Practical Completion Certificate dated and signed for period under review	R1 666 666,00	New	1			Bulk Metering of Pumps and Reservoirs at Water Treatment Works in Hartsw		Bulk Metering of Pumps and Reservoirs at Water Treatment Works in Hartsw		Bulk Metering of Pumps and Reservoirs at Water Treatment Works in Hartsw		1			

	areas and informal settlements.									ater and Janke mpsdor p		ater and Janke mpsdor p		ater and Janke mpsdor p					
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built areas and informal settlements.	Water and Sanitation	Bulk Metering of Water Treatment Works in Pampierstad - (Own Funds)	Practical Completion Certificate dated and signed for period under review	R1 666 666 ,00	New	1			Bulk Metering of Pumps and Reservoirs at Water Treatment Works in Hartswater and Janke mpsdor p		Bulk Metering of Pumps and Reservoirs at Water Treatment Works in Hartswater and Janke mpsdor p		Bulk Metering of Pumps and Reservoirs at Water Treatment Works in Hartswater and Janke mpsdor p		1			
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built	Water and Sanitation	Bulk Metering of Water Treatment Works in Hartswater - (Own Funds)	Practical Completion Certificate dated and signed for period under review	R1 666 666 ,00	New	1			Bulk Metering of Pumps and Reservoirs at Water Treatment Works in Hartsw		Bulk Metering of Pumps and Reservoirs at Water Treatment Works in Hartsw		Bulk Metering of Pumps and Reservoirs at Water Treatment Works in Hartsw		1			

	areas and informal settlements.										ater and Janke mpsdor p		ater and Janke mpsdor p		ater and Janke mpsdor p				
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built areas and informal settlements.	Water and Sanitation	Maintenance of Waste Water Treatment Works	Practical Completion Certificate dated and signed for period under review / SCM Purchase Orders	R2 500 000 ,00	New	1		N/A	N/A	N/A	N/A	Remedial Works to Jankempsdorp WWTW		N/A	N/A	1		
Service Delivery and Infrastructure Development	To ensure and facilitate access to electricity by needy households to	Electricity	Number of Households provided with electricity connections by the municipality	Municipalities billing system printouts or Consumer acceptance Letter (Happy Letter)	R2 07 000 ,00	100 %	100 %		25%		25%		25%		25%		100 %	0	

	achieve universal access by 2020.																		
Service Delivery and Infrastructure Development	To ensure and facilitate access to electricity by needy households to achieve universal access by 2020.	Electricity	Maintenance of Streetlights	Dated and Signed Job Cards	R2 07 000 ,00	100 %	100 %		25%		25%		25%		25%		100 %	0	
Service Delivery and Infrastructure Development	To ensure and facilitate access to electricity by needy households	Electricity	Maintenance of existing electricity infrastructure	Dated and Signed Job Cards	R2 07 000 ,00	100 %	100 %		25%		25%		25%		25%		100 %	0	

	to achieve universal access by 2020.																		
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built areas and informal settlements.	Water and Sanitation	Maintenance of Water Treatment Works and Waste Water Treatment Works	SCM Purchase Orders	R4 10 000 ,00	100 %	100 %		25%		25%		25%		25%		100 %	0	
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built	Water and Sanitation	Maintenance of Water Treatment Works	SCM Purchase Orders	R1 200 000 ,00	100 %	100 %		25%		25%		25%		25%		100 %	0	

	areas and informal settlements.																			
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built areas and informal settlements.	Water and Sanitation	Number of new water connections meeting minimum standards	Consumer acceptance Letter (Happy Letter)	R1 000 000,00	20	20		New Water Connections		New Water Connections		New Water Connections		New Water Connections		20	0		
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built	Water and Sanitation	Kilometers of water and sewer pipes replaced, upgraded and extended	Dated and signed Job Cards	R1 000 000,00	40	40		water and sewer pipes, clamps, fittings and other material				water and sewer pipes, clamps, fittings and other material				40	0		

	areas and informal settlements.																			
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built areas and informal settlements.	Water and Sanitation	Percentage of Complaints/Callouts resolved within 48 hours (Sanitation)	Dated and Signed Consumer Acknowledgment letter for the Service (Happy Letter)	Op Ex	100 %	100 %	R0,00	25%		25%		25%		25%		100 %	0		
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built	Water and Sanitation	Percentage of Complaints/Callouts resolved within 48 hours (Water)	Dated and Signed Consumer Acknowledgment letter for the Service (Happy Letter)	Op Ex	100 %	100 %	R0,00	25%		25%		25%		25%		100 %	0		

	areas and informal settlements.																		
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built areas and informal settlements.	Water and Sanitation	Percentage compliance with Blue drop standards	Dated and signed Blue Drop Certificate.	Op Ex	95%	95%	R0,00	95%		95%		95%		95%		95%	0	
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built	Water and Sanitation	Regular monitoring of drinking water quality	Water Quality Reports	Op Ex	Monthly Water Quality data	12 Monthly Water Quality data	R0,00	Monthly Water Quality data		Monthly Water Quality data		Monthly Water Quality data				12	0	

	areas and informal settlements.																			
Service Delivery and Infrastructure Development	To provide water & sanitation to all households within the built areas and informal settlements.	Water and Sanitation	Percentage compliance with Green drop standards	Dated and signed Green Drop Certificate.	Op Ex	90%	90%	R0,00	90%	90%		90%	90%		90%	0				
Service Delivery and Infrastructure Development	To ensure the proper maintenance and development of roads and storm	Roads and Storm water	Percentage of Surfaced Road Network Maintained	Dated and Signed Job Cards	R2 500 000,00	700 0m²	700 0m²		Supply and Delivery of Hot Mix Asphalt	Supply and Delivery of 210l S360 Anoinic Drums and asphalt cold mix bags		Supply and Delivery of 210l S360 Anoinic Drums and asphalt cold mix bags	Supply and Delivery of Hot Mix Asphalt		700 0m²	0				

	water infrast ructur e by 2020																		
Service Delivery and Infrastructure Development	To ensur e the proper mainte nance and develo pment of roads and storm water infrast ructur e by 2020	Roads and Storm water	Percentag e of Gravel Road Network Maintaine d	Dated and Signed Job Cards	R1 500 000 ,00	839, 17	15		Gradin g of Gravel roads	Gradin g of Gravel roads		Gradin g of Gravel roads	Gradin g of Gravel roads			15	0		
Service Delivery and Infrastructure Development	To ensur e the proper mainte nance and develo pment of roads and storm water	Roads and Storm water	Percentag e of storm water systems maintaine d	Dated and Signed Job Cards	R1 000 000 ,00	140	22		Storm water system s maintai ned	Storm water system s maintai ned		Storm water system s maintai ned	Storm water system s maintai ned			22	0		

	infrast ructur e by 2020																		
Service Delivery and Infrastructure Development	To ensur e a sustai nable and condu cive enviro nment by ensuri ng effecti ve waste mana geme nt and the proper mana geme nt of the landfill sites and consis tent refuse collect	Solid Waste Mana geme nt	Percentag e of househol ds with basic refuse removal services	Dated and Signed Job Cards	Op Ex	110 00	100 %	R0,00	100%		100%			100%		100%			

Good Governance

Key Performance Area	Strategic Objective	Priorities	Key Performance Indicator: Output	Portfolio of Evidence	Budget	Baseline Target	Annual Target	Annual Expenditure	Q1 (2020/2021)		Q2 (2020/2021)		Q3 (2020/2021)		Q4 (2020/2021)		2020/2021 - Annual		Reason for Over/Under Performance	Remedial Action
									TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
Good Governance & Public Participation	To uphold the principles of good governance in the structures of the municipality.	Risk Management	Risk Management Policy	Council Resolution	Op Ex	No Policy	Approval of Risk Management Policy: November 2020	R0,00	N/A	N/A	Approval of Risk Management Policy: November 2020		N/A	N/A	N/A	N/A	30-Nov-20	0		
Good Governance & Public Participation	To uphold the principles of good governance in the structures of the municipality.	Risk Management	Risk Management Strategy	Council Resolution	Op Ex	Risk Management Strategy	Risk Management Strategy: December 2020	R0,00	N/A	N/A	Risk Management Strategy: December 2020		N/A	N/A	N/A	N/A	31-Dec-20	0		

	pality.																			
Good Governance & Public Participation	To uphold the principles of good governance in the structures of the municipality.	Risk Management	Risk Register	Monthly Reports on Risk Management	Op Ex	No Risk Register	Risk Register: December 2020	R0,00	N/A	N/A	Risk Register: December 2020		N/A	N/A	N/A	N/A	Monthly Reports	0		
Good Governance & Public Participation	To uphold the principles of good governance in the structures of the municipality.	Internal Audit	Appointment of Service Provider for the purpose	Appointment Letter & SLA	Op Ex	No Internal Audit	Appointment of SP: September 2020	R0,00	Appointment of SP: September 2020		N/A	N/A	N/A	N/A	N/A	N/A	30-Sep-20	0		

Good Governance & Public Participation	To uphold the principles of good governance in the structures of the municipality.	Internal Audit	Appointment of the Audit Committee Members	Council Resolution	Op Ex	No Audit Committee	Council Resolution: December 2020	R0,00	N/A	N/A	Council Resolution: December 2020		N/A	N/A	N/A	N/A	31-Dec-20	0		
Good Governance & Public Participation	To uphold the principles of good governance in the structures of the municipality.	Internal Audit	Audit Committee Charter	Council Resolution	Op Ex		Council Resolution: December 2020	R0,00	N/A	N/A	Council Resolution: December 2020		N/A	N/A	N/A	N/A	31-Dec-20	0		
Good Governance & Public Participation	To uphold the principles of good governance in the structures of the municipality.	Internal Audit	Internal Audit Charter		Op Ex		Council Resolution: December 2020	R0,00	N/A	N/A	Council Resolution: December 2020		N/A	N/A	N/A	N/A	31-Dec-20	0		

	pality.																			
Good Governance & Public Participation	To uphold the principles of good governance in the structures of the municipality.	Internal Audit	Internal Audit plan	Audit Committee Resolution	Op Ex		Council Resolution: December 2020	R0,00	N/A	N/A	Council Resolution: December 2020		N/A	N/A	N/A	N/A	31-Dec-20	0		
Good Governance & Public Participation	To uphold the principles of good governance in the structures of the municipality.	Internal Audit	Quarterly Internal Audit Reports	Agenda & Minutes of Audit Committee meetings	Op Ex		3 Quarterly Reports	R0,00	N/A	N/A	1 Report		1 Report		1 Report		3 Reports	0		

Good Governance & Public Participation	To uphold the principles of good governance in the structures of the municipality.	Governance & Oversight	2019/20 AFS & Annual Report	Council Oversight Report	Op Ex		Oversight Report : March 2021	R0,00	N/A	N/A	N/A	N/A	Oversight Report: March 2021		N/A	N/A	31-Mar-21	0		
Good Governance & Public Participation	To create a conducive environment for community participation in the affairs of the municipality.	Public Participation	IDP & Budget Public Participation Plan/Programme	Council Resolution	Op Ex		IDP & Budget Process Plan: September 2020	R0,00	IDP & Budget Process Plan: September 2020		N/A	N/A	N/A	N/A	N/A	N/A	30-Sep-20	0		

CONCLUSION

Phokwane Local Municipality failed to serve the community during the 2020/21 financial year due to administrative and political instability. The report clearly shows that most of the targets were not met. Due to various challenges, almost 54% of planned targets could not be reached. As the municipality, we will respond to these outstanding targets and will report on the progress made to address those targets.

I wish to extend my gratitude to officials who tried their level best to perform despite the uncondusive environment within the municipality. We continue to strive for providing services to our community as enshrined in the municipal IDP.

Busisiwe Mgaguli

Acting Municipal Manager

APPENDIX O – CAPITAL PROJECTS PER WARD

WARD	PROJECT	STATUS
1	No projects during this financial year	
2	No projects during this financial year	
3	No projects during this financial year	
4	No projects during this financial year	
5	No projects during this financial year	
6	VIP Toilets	Completed
	Phase 1 – Electrification of Nkandla	Completed
7	No projects during this financial year	
8	No projects during this financial year	
9	No projects during this financial year	
10	Sewer Plant	Completed

VOLUME 2

The financial statements of the municipality were audited for 2022/21 financial year

(See attached Financial Statements for 2020/21)

The municipality receive a Qualified Audit Opinion for 2020/21 financial year.

(See attached Audit Report)

The municipality has prepared an audit action plan with detailed audit findings and remedial actions thereof.

(See attached Audit Action Plan)