



SEKHUKHUNE
District Municipality

Draft Annual Report 2020/2021



GENERAL INFORMATION

1. MEMBERS OF THE MAYORAL COMMITTEE

NO.	SURNAME AND INITIALS	DESIGNATION
1.	Cllr. Ramaila K.S.	Executive Mayor
2.	Cllr. Nkosi M.S.	Member of the Mayoral Committee (MMC): Budget & Treasury
3.	Cllr. Mahlangu M.F.	1 st Member of the Mayoral Committee (MMC):
4.	Cllr. Manganeng L.M.	2 nd Member of the Mayoral Committee (MMC):
5.	Cllr. Matlala M.A.	Member of the Mayoral Committee (MMC): Corporate Services
6.	Cllr. Mafefe O.H.	Member of the Mayoral Committee (MMC): Planning & Economic Development
7.	Cllr. Mmakola MY	Member of the Mayoral Committee (MMC): Community Services
8.	Cllr. Mnisi SP	Member of the Mayoral Committee (MMC): Office of the Executive Mayor (Special Programmes)
9	Cllr. Phaladi C	Member of the Mayoral Committee (MMC): Office of the Executive Mayor (Special Programmes)

2. ADDRESS

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ACRONYMS

NO.	ABBREVIATIONS	ABBREVIATION IN FULL
1.	AFS	Annual Financial Statement
2.	A.G.	Auditor General
3.	AGSA	Auditor General South Africa
4.	AIDS	Acquired Immune Deficiency Syndrome
5.	ANC	African National Congress
6.	AC	Audit Committee
7.	APR	Annual Performance Report
8.	AR	Annual Report
9.	BLSV	Bolshevik
10.	CAC	Child Advisory Council
11.	CDW	Community Development Worker
12.	CFO	Chief Financial Officer
13.	CLLR.	Councillor
14.	COGHSTA	Co-operative Governance, Human Settlement and Traditional Affairs
15.	CPMD	Certificate Programme in Management Development
16.	DA	Democratic Alliance
17.	DOE	Department of Energy
18.	DSAC	Department of Sport, Arts & Culture

19.	EFF	Economic Freedom Fighters
20.	EPWP	Expanded Public Works Programme
21.	ESKOM	Electricity Supply Commission
22.	FMG	Financial Management Grant
23.	GRAP	General Recognised Accounting Practice
24.	HIV	Human Immune Virus
25.	HH	Households
16.	ICT	Information Communication Technology
26.	IDP	Integrated Development Plan
27.	IGR	Integovernmental Relations
28.	INEP	Integrated National Electricity Programme
29.	Km	Kilometre
30.	KPA	Key Performance Area
31.	KPI	Key Performance Indicator
32.	LED	Local Economic Development
33.	LEDET	Limpopo Economic Development Environment Tourism
34.	LGSETA	Local Government Sector Education & Training Authority
35.	MEC	Member of Executive Council
36.	MFMA	Municipal Finance Management Act
37.	MIG	Municipal Infrastructure Grant
38.	MM	Municipal Manager
39.	MPAC	Municipal Public Accounts Committee
40.	MSA	Municipal Systems Act
41.	MTREF	Medium Term Revenue & Expenditure Framework
42.	N/A	Not Applicable
43.	No.	Number

44.	PMS	Performance Management System
45.	PMU	Project Management Unit
46.	PPP	Public Private Partnership
47.	PR	Proportional Representative
48.	OHS	Occupational Health & Safety
49.	R	Rand
50.	RBIG	Regional Infrastructure Grant
51.	RDP	Reconstruction & Development Plan
52.	RRMS	Rural Roads Assets Management System Grant
53.	RSA	Republic of South Africa
54.	SCM	Supply Chain Management
55.	SDBIP	Service Delivery & Budget Implementation Plan.
56.	SDM	Sekhukhune District Municipality
57.	SETA	Sector Education & Training Authority
58.	SODA	State of the District Address
59.	STATSSA	Statistics South Africa
60.	STI	Sexually Transmitted infection
61.	TB	Tuberculosis
62.	TOR	Terms of Reference
63.	TVR	Treasury Views and Recommendation
64..	WSP	Work Skills Plan
65.	VIP	Ventilated Improved pit
67.	WSIG	Water Services Infrastructure Grant

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CHAPTER ONE:

1.1. MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

We are enjoined and guided by section 121 (1) of the Local Government: Municipal Systems Act of 2000, which when read together with prescripts of the constitution, stipulates that 'Every municipality and every municipal entity must for each financial year prepare an annual report', in accordance with its guidelines.

We are then mandated to provide a detailed 2020/21 financial year report on account of activities and outline general performances of Sekhukhune District Municipality.

We also report back on the district municipality's annual financial performance during the financial year under review. Annual report gives stakeholders and communities insight into our performance regarding service delivery targets.

Our achievements are detailed to identify where we did not meet our objectives and make a renewed commitment for improvement. During the same financial year, our financial books were at favourable balance of R218 million and R20 million in investment. When we closed our books in 2020/21 financial year, our liquidity ratio was at healthy position at 1:3 which reflected our ability to service our creditors.

Total liability has shown a slight decline from R554 million in 2019/20 financial year to R555 million in the reporting financial year.

Our asset book, including Property, Plant and Equipment as well as Non-Current Asset have shown an overall increase while liability is inflexible. The municipality had an increasing net asset of R3.9 billion, from the R3.4 billion position in 2019/20 financial year.

We have committed to spend our conditional grants optimally to fast-track service delivery. We have managed to spend 99 percent of MIG expenditure for the 2020/21 financial year. With this, we have seen improvement in various water backlog in our district. We have been given a new mandate, guided by the ANC manifesto, to deliver better services, stopping corruption, growing our economy to create jobs.

However, I must hasten to add that service delivery does not know any political colour; it belongs to all the people of our district irrespective of political affiliation.

Corruption is the enemy of freedom and fairness and the thief of opportunity. There will be no more erosion of municipal resources due to corruption procurement practices. We are focusing our energies on the implementation of the Anti-Fraud and Corruption Strategy to rid the municipality of all fraudulent and corrupt elements.

This is done in partnership with the law enforcement agencies. The fight against these crimes is in collaboration with the National Anti-Corruption Strategy, the Public Service Anti-Corruption Strategy, and the Local Government Anti-Corruption Strategy.

We have reported all fraudulent and corruption related cases to the South African Police Services. All these cases are now with National Prosecuting Authorities for further investigation and prosecution.

The water services challenges in the district remains huge. As a water service authority, the municipality has implemented the water projects that it had planned for 2020/21 financial year.

Our main sources of funding are the conditional grants. Under the Municipal Infrastructure Grant (MIG), we have managed to implement twelve (12) infrastructure projects and five (5) VIP sanitation projects. The Water Services Infrastructure Grant (WSIG) enabled us to implement sixteen (08) water projects as we intervened in areas that required urgent attention. Based on the Regional Bulk Infrastructure Grant (RBIG), thirteen (12) bulk water projects were implemented.

All these projects are aimed at reversing the historical water infrastructure backlog we are dealing with in the district. The Covid-19 pandemic caused some interruptions on the implementation of some of our projects. This halted several bulk water projects as well. However, the corona virus situation forced us to develop ways of working smartly because we could not allow the pandemic to paralyse our operations and projects. In more ways than one, our efforts to working smartly have begun to bear fruit in the implementations of our projects. Many of our bulk water projects are nearing completed.

The bulk pipeline from Ga-Malekane Water Treatment Works, which extracts water from the De Hoop Dam, is technically completed. We are currently working on commissioning this pipeline, which will supply the 25 Mega Litre reservoir in Jane Furse, in the current 2021/22 financial year. Once commissioned, several villages around Jane Furse, including Schoonoord, Nebo and Lobethal will receive sustainable water supply.

The attainment of this is anchored on the implementation of the social contract we entered into with the communities of Sekhukhune through various means including the Integrated Development Plan.

Our pursuit for good governance still stands. We are working on repositioning the municipality's supply chain management and procurement systems. After 2019/20 financial year regression audit opinion from 2018/19, we initiated audit action plan with the aim to improve the situation starting from 2020/21 financial year.

In the spirit of Thuma Mina, a call to action by President Ramaphosa, we have facilitated the building of 6 descent 5-roomed houses for indigent families in the last municipal administration.

The latest family to receive a house built by a Good Samaritan, was the family of physical disabled single parent from Ga-Moretsele, Jane Furse. Before she received her new house, she was a victim of a burned houses and stayed in a small shack with her two daughters and grandchildren.

Our district is very rich with minerals, rich with tourism and agriculture. We have a comparative advantage in those sectors towards the economy of the province if not the country. We ought to take advantage of that and start building strong economic development capacity and turn our reserved fortune and wealth into competitive advantage.

Competitive advantage will not only attract investors but to sustain our boom economy for a very long time to benefit every single household of Sekhukhune.

It creates clear opportunities for districts to enter the marketplace and start new businesses. Businesses that will create jobs and provide people with a choice and have a laissez faire or enough freedom in business.

We then need to start putting everything together to ensure that we strengthen good corporate governance, financial oversight and performance in the agency. The financial sustainability plan needs to be finalized as a matter of urgency so that the agency is able to be self-sustainable in the medium to long term.

The outbreak of the Covid-19 pandemic in March 2020, found a vulnerable South African economy. In fact, at the time pandemic reached our shores, the South African economy had experienced two consecutive quarters of a technical recession.

As a result, the Covid-19 pandemic deepened the economic crisis. Many people lost their jobs, many have gone without income for extended periods, and many are going hungry every day. Inequality is expected to widen and poverty to deepen.

Given the extent of the devastation, the economic response required should match or even surpass the scale of the disruption caused.

The stagnation of the economy for a long period coupled with the Covid-19 crisis has also led to contraction of our economic growth and continuous increase in the unemployment rate recently.

This trend is projected to continue; painting a dire picture for gross fixed capital formation and fiscus continues to receive pressure with a budget deficit that amounts to over 10% of the country's GDP.

The district economic recovery plan will help accelerate the agricultural output and promote the tourism sectors. Working in partnership with the mining sector, and other stakeholders, our municipality will play a central role in this all-important task through SDA and also LED department.

On behalf of the Sekhukhune District Municipality Council, I hereby present this Annual Report for the financial year 2020/2021.

Cllr Keamotseng Stanley Ramaila
Executive Mayor

1.2. EXECUTIVE SUMMARY: MUNICIPAL MANAGER'S OVERVIEW

Sekhukhune District Municipality (SDM) herein presents annual report for 2020/2021 financial year. The annual report is a statutory requirement for all municipalities in South Africa, primarily to report on performance during the year under review.

1.3. STRUCTURE OF THE ANNUAL REPORT OF SEKHUKHUNE DISTRICT MUNICIPALITY

Guided by Municipal Finance Management Act (MFMA) Circular 63 of 2012, contents of this annual report are set out as below:

Chapter 1: Introduction

Chapter 2: Governance.

Chapter 3: Service Delivery Performance.

Chapter 4: Organisational Development Performance.

Chapter 5: Financial Performance.

Chapter 6: Auditor General's Findings.

Appendices; and

Volume II: Annual Financial Statements (AFS)

However, this introductory chapter begins by presenting the legislative background, powers and functions of SDM, overviews on demographic, service delivery and financial health, and a summary of the annual report process.

1.4. LEGISLATIVE FRAMEWORK FOR ANNUAL REPORTING

Requirement for a Municipal Annual Report

Section 46 (2) of the Local Government: Municipal Systems Act (MSA) 56 of 2000 recognizes that a municipality shall have an annual report as a component of performance management, which shall consist of annual performance report.

Section 121 of the Local Government: Municipal Finance Management Act (MFMA) 56 of 2003 requires that every municipality must prepare an annual report for each financial year. This section outlines the purposes of annual report, which are:

- To provide a record of activities of the municipality or its entity for that particular year
- To provide a report on performance against the budget of the municipality or entity for that year
- To promote accountability to the local community

The above section also specifies the contents of annual report in detail, which include annual financial statements, auditor general's audit report, annual performance report, and other issues.

Submission and tabling of annual report.

Section 127(2) of Local Government: Municipal Finance Management Act (MFMA) 56 of 2003 provides details on the requirements of submission and tabling of annual reports. The section requires that within 7 months after a financial year the Mayor of a municipality must submit an annual report of that particular year to Council. In addition to this requirement, Circular 11 of MFMA states that annual report must be tabled on 31 January and considered by Council on 31 March of the following financial year.

However, MFMA Circular 63 of 2012 requires that the draft annual report must be prepared and submitted to internal auditing, combined audit/performance committee, Auditor General, and Council of the municipality whereas Council submits the

unaudited annual report to MPAC. The latest MFMA circular of 2012 (No.63) provides the latest guidelines that should be followed.

Section 127 also says the Accounting Officer of the municipality must make public the annual report according to section 21A of the Municipal Systems Act and invite the local community to contribute towards the annual report. Finally, Section 127 of MFMA requires the Accounting Officer to submit the annual report to the Auditor General, Provincial Treasury and the Provincial Department of local government (Coghsta).

Preparation of annual report

There are two MFMA circulars which were made to guide preparation of annual reports of municipalities and their entities: Circular 11 of 2005 and Circular 63 of 2012. The two circulars are supposed to be read concurrently (in conjunction with each other).

MFMA Circular No.11 (2005) was made to provide guidance on preparation of annual report. The circular re-emphasise the requirements of annual report stated in the MFMA and the MSA, and supplements two documents which were produced earlier in the same year of 2003, namely the National Treasury “Budget Circular 2” and Annual Report Guidelines.

However, the circular goes further to describe the timelines required to produce the annual report, and accordingly states that the annual report must be tabled on 31 January and considered by Council on 31 March of the following financial year. At the same time the Council is required to adopt an oversight report over the annual report.

Circular 11 also prescribed the format which an annual report must have, namely:

Chapter 1: Introduction and Overview

Chapter 2: Performance Highlights

Chapter 3: Human Resource and other Organisational Management

Chapter 4: Audited Statements and Related Financial Information

Chapter 5: Functional Area Service Delivery Reporting

Also mentioned in the same circular 11 are the requirements on annual report according to Division of Revenue Act (DORA), which requires inclusion of certain issues in the annual report, including:

How the municipality met the requirements of the use of conditional grants

Use of donor funding.

Information on long-term contracts

MFMA Circular No.63 of 2012 builds on Circular 11, and its main aim is to provide guidance to municipalities and municipal entities on new Annual Report Format and its contents. This particular circular state that over and above the purposes of annual report stated above, the annual report also aims to reduce the additional reporting requirements that will otherwise arise from Government Departments, monitoring agencies and financial institutions. The specific goals of the new annual report format are the following:

Standardise reporting to enable municipalities / municipal entities to submit comparable annual reports.

Align financial and non-financial reporting in the annual report.

Create a standardised reporting structure that will enhance comprehensive oversight, meaningful evaluation and improved understanding of service delivery output;

Ensure the standardisation of terminology used in annual reports; and

Support the internal and external audit process.

Circular 63 of 2012 requests that the format of the annual report for municipalities and municipal entities be set out as below:

Chapter 1: Mayor's Foreword and Executive Summary;

Chapter 2: Governance;

Chapter 3: Service Delivery Performance;

Chapter 4: Organisational Development Performance.

Chapter 5: Financial Performance;

Chapter 6: Auditor General's Findings;

Appendices; and

Volume II: AFS

The format as prescribed by the latest MFMA circular (No.63) was used for preparation of the annual report for Sekhukhune District Municipality for 2017-2018 financial year.

Circular No. 104 of the Municipal Finance Management Act 56 of 2003 outlines the extension to timelines for the submission of the annual financial statements, annual reports, audits and related matters. The annual report will be tabled to Council by the 31st March 2021.

1.5. MUNICIPAL POWERS AND FUNCTIONS

The powers and functions of Sekhukhune District Municipality are determined in terms of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) Schedule 4 Part B as follows:

- Fire fighting
- Local Tourism
- Municipal Airports except for Ephraim Mogale and Elias Motsoaledi
- Municipal Planning
- Municipal Health Services
- Municipal Public Transport
- Markets
- Municipal Abattoirs
- Regional Land Fill Sites

- Water
- Sanitation

1.6. DEMOGRAPHIC OVERVIEW

Population

Statistics South Africa indicated during the 2016 Community Survey that the total population of Sekhukhune district is 1 169 762. In Census 2011, the population of Sekhukhune District Municipality stood at 1 076 830 persons. The SDM total population increased by 8, 6% over the past five years. The youth population, which consists of mostly unemployed persons, increased by 30% over the same five years. The table below displays the official numbers:

Municipality	POPULATION		AS % of district population 2016	YOUTH POPULATION	
	2011	2016		2011	2016
Fetakgomo	93 795	96 668	8%	31 594	38 955
Greater Tubatse	335 676	393 713	34%	128 819	184 259
Makhuduthamaga	274 358	283 956	24%	88 663	107 577
Ephraim Mogale	123 648	127 168	11%	42 964	51 829
Elias Motsoaledi	249 363	268 256	23%	86 165	109 022
Sekhukhune	1 076 840	1 169 762	100%	378 205	491 642

Source: Census (2011), Community Survey (2016)

However, Statistics South Africa indicated during the 2011 census figures that the annual population growth rate in the district was at 1% per annum. Based on that statement, it can be seen that the population growth rate was projected to be slower as the district population was to reach 1, 130, and 670 in 2016. However, this projected number has been exceeded in 2016 community survey as demonstrated in the above table.

Households

Households in the district have also increased from a total of 263 802 in 2011 to 290 489 in 2016 according to the Community Survey of 2016. This is an increase of 10% over the last five years. It can thus be inferred that households have a possible average increase of 2% per annum. The table below presents the official numbers provided by Statistics South Africa through its normal studies:

MUNICIPALITY	HOUSEHOLDS 2011	HOUSEHOLDS 2016	AS PERCENTAGE
Greater Tubatse/ Fetakgomo	106 050	125 454	43%
Makhuduthamaga	65 217	64 769	22%
Elias Motsoaledi	60 251	66 330	23%
Ephraim Mogale	32 284	33 936	12%
Sekhukhune	263 802	290 489	100%

Source: Census (2011), Community Survey (2016)

The average growth rate of Sekhukhune population and households per annum (1, 7% and 2% respectively) imply that there will be a continual increase in demand for services in future, particularly water, sanitation, and electricity. Future resource allocation for these services by the SDM need to increase accordingly, which must be considered through its planning processes.

1.7. SERVICE DELIVERY OVERVIEW

Sekhukhune District Municipality (SDM) is a Water Services Authority (WSA) and Water Services Provider (WSP) in accordance with its powers and functions in terms of in terms of Water Services Act, Act 108 of 1997.

The Department of Infrastructure and Water Services is responsible for delivery of water and sanitation services in the entire SDM area. The municipality planned to review its Water Services Development Plan (WSDP) and Water & Sanitation Master Plan in the financial year (2021/2022). Both WSDP and BWSMP are used as the guiding tool to ensure effective and efficient implementation of various water schemes and provide a blueprint of providing water sustainably in the district.

The Municipality is currently providing full water and sanitation services in the main towns such as Burgersfort (12 815 people), Marble Hall (4 025 people), Groblersdal (6 312 people), Steelpoort (3 374 people) and Ohrigstad (1 520 people). These areas have access to other high-level services such as refuse removal and roads.

The most villages in the vast rural areas are being provided with ground water as alternative sources and water tankers where necessary. Most of the rural villages in the Flag Boshielo Water Scheme are receiving water services in a much more improved way than most rural other villages.

Under the Municipal Infrastructure Grant (MIG), we have managed to implement twelve (12) infrastructure projects and five (5) VIP sanitation projects.

The Water Services Infrastructure Grant (WSIG) enabled us to implement eight (08) water projects as we intervened in areas that required urgent attention.

Based on the Regional Bulk Infrastructure Grant (RBIG), thirteen (12) bulk water projects were implemented.

The SDM is currently implementing a massive sanitation programme and providing Ventilated Improved Pit latrines (VIP's) to various households. In the 2016-2017 to 2019/2020, financial year's 36 449 VIP Sanitation units were built across the district as part of providing communities with sanitation. In 2020/2021 4 936 VIP units were provided which add up to 41 385 VIP units provided to date.

1.8. FINANCIAL HEALTH OVERVIEW

Sekhukhune District Municipality has a number of assets in the form of water and sanitation infrastructure (immovable assets) as well as those assets that are movable (office furniture and vehicles). In the 2020/2021 financial year the municipal assets stood at R4 000 588 824 as compared to R3 656 339 669 2019/2020 financial year. There was overall increase in the SDM assets. The total liabilities for the 2020/2021 financial year for SDM stood at R5 555 182 618 in contrast to R554 443 799 in the 2019/2020 financial year.

The net asset position of the municipality stands at R3 992 303 164 in 2019/2020 compared to R3 405 166 280 in the 2018/2019 financial year.

Revenue

The total revenue realised by the SDM for the financial year 2020/2021 stood at R1 719 360 873 as compared to total revenue of R1 430 792 263 in the 2019/2020 financial year. Revenue from exchange items is summarised as follows:

Service charges which is sale of water and sewer services stood at R85 340 370 for 2020/2021 financial year as compared to R94 518 023 in the 2019/2020 financial year.

Interest from receivables stood at R12 936 559 compared to R10 878 102 in 2019/2020 financial year.

The total revenue from exchange items stood at R194 728 226 compared to R126 978 493 in 2019/2020 financial year.

Revenue from non-exchange items stood at R1 524 632 647 compared to R1 303 813 770 in 2019/2020 financial year. The bulk of the revenue from non-exchange items is the government subsidies and grants which clearly indicate that we are a grant dependent municipality.

Expenditure

The total expenditure for the municipality in 2019/2020 was R1 127 022 953 in contrast to R1 071 346 621 that was spent in 2019/2020 financial year. Personnel costs remain the largest item of expenditure in the 2019/2020 financial year to the payment of salaries and allowances for staff members in the district.

General expenses is the second biggest expenditure item at R193 753 103 at 17% compared to R212 045 351 for the 2019/2020 financial year. The top five general expense items relate to provision of security, lease rental and operating lease, fuel and lubricants, laboratories and chemicals and well as consulting professional services.

Bulk purchases become the third largest area in the expenditure items at R199 192 933 at 18% compared to R115 165 701 in the 2019/2020 financial year. Bulk purchases relate to purchase of electricity for water operations as well as purchase of water from various service providers for provision to communities.

Depreciation and amortisation become the fourth largest expenditure at R94 331 387 at 2% as compared to R107 361 215 in the previous financial year.

VIP Sanitation (contracted services) is the fifth largest area of expenditure at R76 969 790 at 7% compared to R58 983 449 in 2019/2020 financial year. The municipality has been constructing VIP Sanitation units in all the four local municipalities as part of dealing with the sanitation backlogs.

Lease rentals on operating lease becomes the sixth largest expenditure at R64 120 979 at 6% as compared to the previous year 2019/2020 at R55 253 928.

Repairs and maintenance become the seventh largest expenditure at R21 597 700 at 2% as compared to R32 854 123 in the previous financial year. The municipality infrastructure has worn out causing repairs and maintenance budget to increase.

1.9 STATUTORY ANNUAL REPORT PROCESS

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise 4 th quarter Report for previous financial year	
4	Submit draft Annual Performance Report to Internal Audit	
5	Municipal entities submit draft annual performance reports to MM	
6	Audit/Performance committee considers draft Annual Performance Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Performance Report	
9	Municipality submits draft Annual Performance Report including consolidated annual financial statements and performance report to Auditor General.	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	

11	Auditor General assesses draft Annual Performance Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November - December
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	January
14	Annual Report is made public and representation is invited	February
15	Oversight Committee assesses Annual Report	March
16	Council adopts Oversight report	March - April
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input.	January

CHAPTER TWO: GOVERNANCE

2.1. INTRODUCTION TO GOVERNANCE

Section 2 of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) defines a municipality as follows.

“a municipality is-

Is an organ of state within the local sphere of government exercising legislative and executive authority within an area determined in terms of the Local Government Municipal Demarcation Act, 1998.

Consists of –

The political structures and administration of the municipality; and

The community of the municipality”

Section 152 of the Constitution of the Republic of South Africa provides for the following as objects of local government;

Section 152 (1) the objects of local government are;

To provide democratic and accountable government for local communities

To ensure the provision of services to communities in a sustainable manner

To promote social and economic development

To promote a safe and healthy environment and;

To encourage the involvement of communities and community organisations in the matters of local government

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

In terms of the Municipal Structures Act, the Council of the Municipality is the highest decision-making body. The council appoints Accounting Officer who runs the day-to-day operations of the municipality on behalf of the Council.

2.2. INTRODUCTION TO POLITICAL GOVERNANCE

In our resolve to enhance good governance and accountability, the Municipality adopted separation of powers model, marking a new dispensation in the history of Sekhukhune, which sees the legislative arm of council being separated from the executive arm. This is in line with the governance approach that seeks to put in place an independent oversight mechanism to ensure that democracy is deepened, and that effective public service delivery takes place to benefit the communities of Sekhukhune.

2.3. POLITICAL GOVERNANCE

2.3.1. INTRODUCTION TO POLITICAL GOVERNANCE

The district municipality is a category B municipality with an executive system of mayoral committee. The municipality has 20 councillors which are proportional representative councillors.

2.3.2. POLITICAL STRUCTURES

2.3.2.1. The Executive Mayor: Cllr. Keamotseng Stanley Ramaila

Duties of the Executive Mayor as per section 56 of the Municipal Structures Act No 117 of 1998.

- Identify the needs of the municipality
- Review and evaluate those need in order of priority
- Recommend to the municipal Council strategies, programmes, and services to address priority needs through the integrated development plan, and the estimates of revenue and expenditure, taking into account any applicable national and provincial development plans and,
- Recommend or determine the best way, including partnership and approaches, to deliver those strategies, programmes, and services to the maximum benefit of the community
- Evaluate progress against the key performance indicators
- Review the performance of the municipality in order to improve
- The economy, efficiency, and effectiveness of the municipality
- The efficiency of credit control and revenue and debt collection services and
- The implementation of the municipality's by-laws
- Monitor the management of the municipality's administration in accordance with the directions of the municipal council
- Oversee the provision of services to the communities in sustainable manner
- Perform such duties and exercise such powers as the council may delegate to the executive mayor in terms of section 59 of Local Government: Municipal Systems Act, 2000(Act 32 of 2000)
- Annually report on the involvement of communities and community organisations in the affairs of the municipality; and

- Ensure that regard is given to public views and report on the effect of consultation on the decisions of council

2.3.2.2. The Speaker: Cllr. Maria Mmachuene Manamela

Duties of the Speaker as per section 56 of the Municipal Structures Act No 117 of 1998.

- Presides at meetings of the council
- Performs the duties and exercises the powers delegated to the speaker in terms of section 59 of Local Government: Municipal Systems Act, 2000(Act 32 of 2000)
- Must ensure that council meets at least quarterly.
- Must maintain order during meetings.
- Must ensure compliance in the council and council committees with the code of Conduct set out in Schedule 1 to the Local Government: Municipal Systems Act, 2000(Act 32 of 2000)
- Must ensure that council meetings are conducted in accordance with the rules and orders of the council.

2.3.2.3. The Chief Whip Cllr. Mokganyetjie Maleke

Duties of the Chief Whip

- Informs councillors of Council and Mayoral Committee of meetings called by the Speaker and Executive Mayor respectively
- Ensures that the meetings of the Council and committees quorate
- Inform councillors of the Council and Mayoral Committee of the important items on the relevant agenda
- Advise the Speaker on the amount of time allocated to speakers and the order of such the speaker's in addressing Council

- Ensures that councillors' motions are prepared and timeously tabled in council in terms of Rules of Order
- Advises the Speaker and the Mayor on how to deal with important items not disposed of at a Council meeting pending its resolution
- Advises the Speaker and the Executive Mayor of agenda of Council
- Advises the Speaker and the Executive Mayor of urgent motions in writing prior the commencement of the meeting
- Assists the Speaker with counting of votes, and
- Prepare for special debates on the state of the municipality

2.3.2.4. The Mayoral Committee

The Executive Mayor is the political head of the Institution and is assisted by Mayoral Committee. The Executive accounts to Council on a regular basis on the work of the municipality.

	Position	Name
1	Member of the Mayoral Committee (MMC) Budget and Treasury	Cllr. Nkosi SM
2	1 st MMC Infrastructure and water services	Cllr. Mahlangu M. F
3	2 nd MMC Infrastructure and Water services	Cllr. Manganeng L.M
4	MMC Corporate services	Cllr. Matlala M. A
5	MMC Community services	Cllr. Mmakola M. Y
6	MMC Planning and Economic Development	Cllr. Mafefe O.H
7	MMC Office of Executive Mayor (Special Programmes)	Cllr. Mnisi S, P and Cllr. Phaladi RC

2.3.2.5. Directly Elected Councillors

DIRECTLY ELECTED COUNCILLORS

Council Members	Full Time / Part Time (FT/PT)	Position held	Party Represented
CLLR. RAMAILA KEAMOTSENG STANLEY	FT	Executive Mayor	ANC
CLLR. MOKGANYETJI MJ	FT	Chief Whip	ANC
CLLR. MANAMELA MACHUENE MARIA	FT	Speaker	ANC
CLLR. PHALADI RC	P. T	MMC	ANC
CLLR.MATSEKE RT	P.T	N/A	ANC
CLLR.MAHLANGU MBUZI FANI	F. T	MMC	ANC
CLLR. MAFEFE ORGINIA.H.	P. T	MMC	ANC
CLLR. MATLALA M. A	P. T	MMC	ANC
CLLR. MANGANENG MMAMATETE LORRAIN	P. T	MMC	ANC
CLLR. MNISI SELLO PETER	P. T	MMC	ANC
CLLR. SEFALA KUKIE RAESETJA ELIZABETH	F. T	MPAC Chairperson	ANC
CLLR. MMAKOLA MASHIMOLE YVONNE	P. T	MMC	ANC
CLLR. NKOSI SAMSON	F. T	MMC	ANC

DIRECTLY ELECTED COUNCILLORS			
Council Members	Full Time / Part Time (FT/PT)	Position held	Party Represented
MAGODIRENG			
CLLR. MOGOFE ME	P. T	N/A	ANC
CLLR. RAMAUTSWA KJ	P. T	N/A	BOLSHEVIC
CLLR. MAILA SOLOMON MASEHLELE	P. T	N/A	DA
CLLR. MATSETELA MADIMETJA LORENCE	P. T	N/A	EFF
CLLR. MTSWENI BUTI WILLIAM	P. T	N/A	EFF
CLLR. MOLOKO MK	P. T	N/A	EFF
CLLR. MOIMANE MATHABATHE THANDI	P. T	N/A	EFF

2.3.2.6. Traditional Leaders in Council

The district has 75 traditional leaders. Seven (7) traditional leaders are elected to serve in Council, Kgoshi Matlala, Kgoshigadi Malepe, Kgoshigadi Matsepe-Kopa, Kgoshigadi Nkosi, Kgoshi Makofane, Kgoshi Phahlamohlaka and Kgoshi Tisane.

2.3.2.7. Political Decision Making

The district municipality has adopted a separation of powers model wherein Council is vested with the legislative authority and plays an oversight role on the Executive.

The Executive on the other hand led by the Executive Mayor is responsible for execution and accounts to Council on the implementation of council decisions.

2.3.3. SECTION - 79 STANDING COMMITTEES OF COUNCIL

Section 79 committees

Council established section 79 committees to play oversight role and monitor the work of the executive and administration. The established committees are aligned to administrative departments of the municipality and are chaired by non-executive councillors.

BUDGET AND TREASURY (BTO) MEMBERS	COMMUNITY SERVICES (CMS) MEMBERS
Cllr. Mehlape SH (chairperson)	Cllr. Phala ML (chairperson)
Cllr. Makua MJ	Cllr.Mahlangu J
Cllr.Matseke RT	Cllr.Matlala FM
Cllr.Ranoto P	Cllr.Mamogale MF
Cllr.Mabatane MC	Cllr.Motseni NL
Cllr.Mtshweni BW	Cllr.Sebothoma RG
Cllr.Mamokgopa LD	Cllr.Nkadimeng LR
Cllr.Maila SM	Cllr.Diale MH
Cllr. Ramautswa KJ	MMC Mmmakola MY
MMC Nkosi SM	Kgoshigadi Nkosi T. E
Kgoshi Tisane M. N	

CORPORATE SERVICES (CPS) MEMBERS	INFRASTRUCTURE AND WATER SERVICES (IWS) MEMBERS
Cllr. Mabelane MM (Chairperson) ANC	Cllr. Radingwana MR (chairperson)
Cllr.Motseni NL	Cllr.Mamogale MF

Cllr.Maloka MF	Cllr.Matseke RT
Cllr.Dolamo FM	Cllr.Makeke GM
Cllr.Mogofe ME	Cllr.Motlafe MG
Cllr.Thokoane MJ	Cllr. Makua MJ
Cllr.Moimane MT	Cllr.Matsetela ML
Cllr.Mosotho MT	Cllr.Makola JV
Cllr. Matsepe CD	Cllr.Makofane IT
	Cllr.Ramautswa KJ
MMC Matlala MA	MMC Mahlangu
	MMC Manganeng
Kgoshi Lehwelere-Matlala M.A	Kgoshigadi Malepe M. R

PLANNING AND ECONOMIC DEVELOPMENT(PED) MEMBERS

Cllr. Rankoe TP (Chairperson)
Cllr.Maloka MF
Cllr.Mokgotho LL
Cllr.Mashabela MN
Cllr.Kgaphola A
Cllr.Moloko MK
Cllr.Mabitlela KK
Cllr.Makofane IT
MMC Mafefe OH
Kgoshi Phahlamohlaka K. P

2.3.4. SPECIAL COMMITTEES OF COUNCIL

COUNCIL WHIPPERY
1. Cllr Mokganyetji MJ Chairperson
2. Cllr Makofane IT
3. Cllr.Ramautswa KJ

2.3.5. MUNICIPAL PORTFOLIO COMMITTEES

MUNICIPAL COMMITTEES	PURPOSE OF COMMITTEE
Corporate Services	Committee plays oversight and ensures department implements Human resources development strategy/policy and other related policies and that staff establishment is in line with IDP objectives
Community Services	Committee plays oversight and ensures that the department functions properly and implement core mandate such as disaster management and emergency services
Planning and Economic Development	Committee plays oversight and ensures that department deliver on its mandate of economic growth, job creation, poverty, and proper spatial planning
Budget and Treasury	Committee plays ensures that financial resources of the municipality are managed in line with legislation and accounting of fiancés takes place
Infrastructure and Water Services	Committee plays oversight and ensures that department provides basic services to communities and capital budget is spend in line with council priorities
The Section 79 Committees are contributing effectively to the overall functioning of Council wherein they meet monthly. They receive reports from Members of the Mayoral Committee who make recommendations to Council for approval. Based on	

the Portfolio Committee recommendations Council is able to take decisions as the matter tabled by the Executive Mayor would have been reviewed by the Portfolio Committee to advice council appropriately.

2.3.6. Municipal Public Account Committee (MPAC) (Oversight committee)

In line with legislation the district has established an oversight committee made up of non-executive councillors to provide an opinion on the annual report before tabling to council. The oversight report will be published separately as per the MFMA guidance. The following are members of MPAC:

Cllr. Sefala K.R.E. (Chairperson)
Cllr. Motlafe MG.
Cllr. Maila SM
Cllr. Mtshweni BW
Cllr. Malapane SS
Cllr. Ramautswa KJ
Cllr. Mashabela MN
Cllr. Makeke MG
Cllr. Motseni NL

2.3.7. Meetings held as per each committee

NAME OF THE COMMITTEE	NO OF MEETINGS HELD	DATE OF MEETINGS
Mayoral Committee	24	<ul style="list-style-type: none"> • 07 & 30 (SMC) July 2020
(MC = Mayoral Committee)	09	<ul style="list-style-type: none"> • 25 (MC) & 31 (SMC) Aug 2020
(SMC=Special Mayoral Committee)	15	<ul style="list-style-type: none"> • 21 (MC) & 09 & 10 (SMC) Sept 2020

		<ul style="list-style-type: none"> • 20 (MC) & 20,26 & 29 (SMC) Oct 2020 • 24 (MC) 20 Nov 2020 • 10 Dec 2020 (SMC) • 19 (MC) & 25 (SMC)Jan 2021 • 23 (SMC) Feb 2021 • 23 (MC) & 26 (SMC) Mar 2021 • 20 (MC) & 22 (SMC) Apr 2022 • 18 (MC) & 05 & 21 May 2019 (SMC) • 22(MC) June 2019
SECTION 79 COMMITTEES		
Infrastructure & Water Services	24	<ul style="list-style-type: none"> • 27 July 2020 • 07 August 2020 • 20 August 2020 • 27 August 2020 • 01 September 2020 • 16 September 2020 • 14 October 2020 • 21 October 2020 • 20 November 2020 • 14 January 2021 • 15 February 2021 • 02 March 2021 • 14 April 2021 • 19 April 2021 • 20 April 2021 • 14 May 2021 • 12 May 2021 • 17 May 2021 • 17 June 2021 • 23 June 2021
Corporate Services	14	<ul style="list-style-type: none"> • 28 July 2020 • 17 August 2020 • 27 August 2020

		<ul style="list-style-type: none"> • 17 September 2020 • 21 September 2020 • 15 October 2020 • 18 November 2020 • 14 December 2020 • 15 February 2021 • 19 March 2021 • 14 April 2021 • 16 April 2021 • 13 May 2021 • 17 May 2021 • 18 June 2021
Planning & Economic Development	10	<ul style="list-style-type: none"> • 24 July 2020 • 28 July 2020 • 18 August 2020 • 16 September 2020 • 21 September 2020 • 14 October 2020 • 20 October 2020 • 18 November 2020 • 03 December 2020 • 12 January 2021 • 16 February 2021 • 16 March 2021 • 15 April 2021 • 13 May 2021 • 17 June 2021
Budget & Treasury	10	<ul style="list-style-type: none"> • 28 July 2020 • 19 August 2020 • 17 September 2020 • 20 October 2020 • 25 October 2020

		<ul style="list-style-type: none"> • 19 November 2020 • 14 January 2021 • 16 February 2021 • 17 March 2021 • 17 May 2021 • 18 June 2021
Community Services	11	<ul style="list-style-type: none"> • 28 July 2020 • 17 August 2020 • 17 September 2020 • 21 September 2020 • 14 October 2020 • 18 November 2020 • 13 January 2021 • 16 February 2021 • 16 March 2021 • 15 April 2021 • 13 May 2021
Council Meetings	16	<ul style="list-style-type: none"> • 09 July 2020 • 03 August 2020 • 31 August 2020 • 10 September 2020 • 29 September 2020 • 26 October 2020 • 29 October 2020 • 25 November 2020 • 08 December 2020 • 15 December 2020

		<ul style="list-style-type: none">• 28 January 2021• 18 February 2021• 24 February 2021• 28 February 2021• 25 March 2021• 30 March 2021• 29 April 2021• 06 May 2021• 20 May 2021• 27 May 2021• 31 May 2021• 29 June 2021
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2.3.8 COUNCILLORS ATTENDANCE OF COUNCIL MEETINGS

Registry of Council Attendance 2020-2021

Note:

P=Present

A= Absent

N/A= Not applicable

	Q1			Q2				Q3					Q4-					
	July - September			October - December				January – March					Apr- Jun					
	2020/07/30	2020/09/10	29/09/2020	2020/10/29	2020/11/25	2020/12/08	2020/12/15	28/01/2021	2021/02/18	2021/02/24	2021/02/28	2021/03/25	2021/03/25	2021/04/29	2021/05/06	2021/05/20	2021/05/27	2021/06/29
Cllr. Manamela M.M	P	p	p	P	P	P	P	P	P	P	P	P	A	A	P	P	P	P
Cllr Ramaila K. S	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	p	P	P
Cllr Mahlangu M. F	P	p	P	A	P	P	P	P	P	A	P	P	P	P	A	P	P	P
Cllr. Sefala R. E	P	P	P	P	P	P	P	P	A	P	A	P	P	P	P	P	P	P
Cllr Nchabeleng T. L	P	P	P	P	P	P	P	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Cllr. Matlala M. A	P	P	P	A	A	P	P	A	A	A	A	A	P	P	A	P	P	p
Cllr Mafefe O.H	p	P	P	P	P	P	A	P	P	P	P	p	P	P	P	P	P	P
Cllr Manganeng L.M	P	P	P	P	P	P	P	P	p	P	P	p	P	p	A	P	P	A
Cllr. Phaladi R.C	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Cllr. Mnisi S. P	P	P	P	P	P	P	P	P	P	P	A	P	P	A	P	P	P	P

Cllr. Mmakola M. Y	P	P	p	p	P	P	P	p	P	P	P	A	P	A	A	A	A	P
Cllr. Nkosi S.M	p	P	p	p	P	P	p	P	P	P	P	P	A	P	P	P	P	A
Cllr. Mogofe M. E	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	P	P	P	P
Cllr. Matseke R.T	NA	NA	NA	NA	NA	NA	NA	NA	P	P	P	p	P	P	P	P	P	P
Cllr. Ramautswa K. J	p	P	P	P	A	A	A	A	A	P	A	A	A	A	A	A	A	A
Cllr. Maila S.M	P	P	P	P	A	P	P	P	P	P	P	P	p	P	P	P	P	A
Cllr. Motsweni B.W	p	p	p	P	P	P	P	P	P	P	A	P	A	P	A	A	A	A
Cllr. Matsetela M.L.	P	P	p	A	P	P	P	P	P	P	p	A	P	P	p	A	A	p
Cllr. Moloko M.C	P	P	p	P	A	P	p	P	P	P	P	P	p	P	P	A	P	p
Cllr. Moimana M.T	P	P	p	A	A	A	P	P	P	P	P	P	P	P	A	A	P	A
Cllr. Mokganyetji M.J	p	A	p	p	P	P	p	p	p	P	p	p	p	p	p	p	P	p
Cllr. Mashabela M.N	P	P	p	A	A	A	P	A	P	A	A	p	p	p	p	p	P	p
Cllr. Mabelane M.M	p	P	P	P	P	P	p	P	P	P	P	P	A	P	P	P	P	A
Cllr Mamogale M.F	p	P	P	P	P	P	P	P	P	P	P	P	p	P	p	P	P	P
Cllr. Maisela R.P	p	P	p	A	P	P	A	p	P	P	P	P	p	P	A	p	P	A
Cllr. Makua M.J	P	P	P	P	P	A	P	p	P	A	p	P	p	p	p	P	P	P
Cllr Kgaphola M.A	p	P	p	p	P	P	p	A	p	P	P	p	P	p	P	p	P	A
Cllr Radingwana M.R	p	P	p	P	P	P	p	P	P	P	P	p	p	P	p	P	P	P
Cllr. Mokgotho L	P	P	P	P	P	P	P	P	P	P	P	P	P	p	P	P	P	P
Cllr. Malapane S	P	P	P	A	A	P	p	P	A	P	A	P	p	p	P	A	P	p
Cllr. Mamokgopa L.D	P	A	A	A	A	P	p	P	A	P	P	P	A	P	A	P	P	p
Cllr.Makola J.V	p	P	p	A	P	P	p	P	P	P	P	P	A	p	A	P	P	A
Cllr. Makofane I.T	p	P	P	P	P	P	p	P	p	P	P	P	p	p	P	P	P	A
Cllr. Mabatane M,C	p	P	p	A	A	A	A	A	A	P	A	A	P	A	A	A	A	A
Cllr. Rankoe T.P	P	A	P	P	P	P	P	P	P	P	P	P	P	A	P	P	P	P
Cllr. Dolamo F.M	P	A	P	A	P	P	A	A	p	P	P	P	A	P	P	A	P	P
Cllr. Thokoane M.J	P	A	A	A	A	A	A	A	A	A	P	A	A	A	A	A	A	A

Cllr Madutlela K.K	p	A	p	A	A	A	A	A	A	P	P	P	P	P	p	P	P	A
Cllr Diale M.H	P	P	P	P	P	P	P	P	P	A	A	P	P	P	A	A	A	P
Cllr. Nkadimeng L R	P	P	p	A	A	P	p	A	p	P	A	P	P	P	A	A	P	p
Cllr Motseni N.L	P	A	P	P	P	P	p	P	P	P	A	P	P	P	P	P	P	A
Cllr Phala M.L	P	P	P	P	P	P	P	P	P	A	P	A	P	A	P	P	P	A
Cllr Motlape M.G	P	P	P	P	P	A	A	P	p	P	P	p	P	P	P	P	P	P
Cllr Mehlope S.H	P	P	P	P	P	P	P	P	P	P	P	p	P	P	P	P	P	P
Cllr Mahlangu J	P	P	P	P	P	A	A	P	P	P	A	p	P	A	P	A	A	P
Cllr Makeke G	P	P	P	P	P	P	P	A	P	P	A	A	P	A	P	P	P	A
Cllr Mosotho M	p	A	p	A	A	P	p	A	A	P	A	A	A	A	A	A	A	A
Cllr Mathebe C	P	P	A	A	A	A	A	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Cllr. Matsepe C D	NA	NA	NA	NA	NA	NA	NA	A	P	P	A	A	P	P	A	A	P	A
Cllr Matlala F.M	P	P	A	A	A	P	p	A	p	P	A	P	A	A	A	A	A	A
Cllr Ranoto P	P	P	P	A	P	P	p	A	p	P	p	A	A	p	A	P	P	P
Cllr Sebothoma R. G	p	P	p	P	A	P	p	P	p	P	P	P	A	P	A	A	P	A
Cllr. Maloka M. F	p	P	p	p	P	P	p	A	P	P	A	P	A	A	A	P	A	P

Please note that Cllr.Matsepe C.D replaced Cllr. Mathebe C, Cllr Matseke R.T replaced Cllr. Lepota J.T and Cllr. Mogofe Replaced Cllr Nchabeleng T.L.

MPAC Councillors' Attendance of Municipal Public Account Committee Meetings for 2020/2021 Financial Year

Names	11 Aug 2020	15 September 2020	16 September 2020	18 September 2020	28 September 2020	06 October 2020	04 November 2020	11 May 2021
Cllr Mtshweni B. W	A	A	P	P	A	A	A	A
Cllr Malapane S. S	P	A	P	P	P	P	P	P
Cllr Sefala K.R. E	P	P	P	P	P	A	A	P
Cllr Maila S.M	P	A	P	P	A	P	P	P
Cllr Ramautswa KJ	A	A	A	A	A	A	A	A
Cllr Mashabela	P	A	P	P	P	P	P	P
Cllr Motseni N. L	P	P	P	P	P	P	P	P
Cllr Motlafe M. G	P	A	A	A	A	P	P	P
Cllr Makeke M. G	A	P	A	P	P	P	P	P

A = Absent

P = Present

2.4. ADMINISTRATIVE GOVERNANCE

2.4.1. Introduction

The Management of the institution is entrusted with role of advising Council as well as for the implementation of council resolutions. It is led by the Municipal Manager who is the overall Accounting Officer (AO). The Management is further complemented by line function Managers who are responsible for management of various municipal departments.

The Management functions as a collective through regular monthly management meetings and accounts to the Executive through Mayoral Committee meetings.

2.4.2. TOP ADMINISTRATIVE STRUCTURE

Position	Name	Comments
Municipal Manager	Ms. M.J. Ntshudisane	Served from 01 September 2020 to June 2021
Acting Municipal Manager	Ms M.S Mabitsela	Served from 01 July 2020 to 31 August 2020
Chief Financial Officer	Mr M.J Mofokeng	Served from 01 July 2020 to 31 July 2020
Acting Chief Financial Officer	Mr. C. Mufamadi	Served from 01 September 2020 to 30 April 2021
Acting Chief Financial Officer	Mr H. Nkadimeng	Served from 01 May 2021 to 30 June 2021
Acting Director Corporate Services	Mr. L.J Kabini	Served 01 July 2020 to 30 June 2021
Director Planning and Economic Development	Mrs. M.S. Mabitsela	Served from 01 July 2020 to 30 June 2021.
Director Community	Mr. S. Masemola	Served from 01 July to

Services		30 June 2021
Acting Director Infrastructure & Water Services	Mr. T. Maroga	Served from 01 July 2020 to August 2020.
Director Infrastructure & Water Services	Mr. M. Matji	01 September 2020 to 31 August 2021
Acting Chief Audit Executive	Ms. J. Makgolane	Served from 01 July 2020 to 30 June 2021

COMPONENT B: INTERGOVERNMENTAL RELATIONS

The Intergovernmental Relations and Framework Act make provision for establishment of intergovernmental structures. Moreover, it makes provision for establishment of Intergovernmental Technical Support structures. Sekhukhune District Municipality has established Mayor's Forum as an Intergovernmental Relations Structure to deal with issues of common interest within the district. The Mayor's Forum is chaired by the Executive Mayor of the district and also attended by Mayors of the four local municipalities.

There are also two technical support structures that have also been established to support the Mayor's Forum namely the Municipal Managers' Forum and Technical Clusters. There are four Technical clusters dealing with key Local Government Key Performance Indicators

ITEM	Cluster	Focus areas	Chair
Resuscitation of clusters	Development planning	Development planning: Spatial /SPLUMA Economic Strategic planning	Director Planning and Economic Development

		Housing	
	Corporate services	Job evaluation ICT Governance Framework LLF Functionality Legal services Policy and by-law bench marking Political administrative interface Minimum competencies	Director Corporate Services
	Internal audit/Risk and performance	Risk assessment Performance auditing Internal audit	Chief Audit Executive
	Financial Services	Revenue enhancement Free basic services Financial statements Grant performance	Chief Financial Officer
	Basic services	Capital grant performance Disaster management Emergency services Refuse removal Operations and maintenance Municipal health services	Director Infrastructure and Water Services

		Roads and storm water Electricity Public transport Environmental management	
	Communication and public participation	Customer care Hotline issues Stakeholder engagement Council meetings calendar	Deputy Director Office of Executive Mayor

2.5.1. DISTRICT INTERGOVERNMENTAL STRUCTURE

Sekhukhune District Municipality as a custodian of inter-governmental relations structures in the district has facilitated the establishment of the following forums for better coordination with the four local municipalities

Mayors Forums which is a strategic political fora for all the five (05) mayors in the district and meets on a regular basis to provide overall governance leadership

Speakers Forum which is constituted by all speakers in the district to share information and knowledge on how to conduct council activities as well as develop common perspective around issues of governance

Chief Whip's Forum is a forum chaired by the district chief whip and includes all chief whips from local municipalities which meets on a regular basis to share experiences on developing common ground around issues of code of conduct for councillors and related issues

Municipal Managers Forum which is a platform for all five municipal managers in the district to interact on a regular basis and provide administrative leadership to all municipalities in the district

Inter-Governmental Relations Clusters which are inclusive of all the five municipalities in the district and meets on a regular basis to share experiences and strategies in various technical areas

The district working together with the four local municipalities have been able to derive the following benefits from coordinated IGR efforts

- Minimize duplication of resources
- Encouraged local horizontal learning
- Sharing of scarce resources
- Enhanced government cohesion
- For 2020/2021 the following IGR meetings were convened:

IGR STRUCTURE	NUMBER OF MEETINGS CONVENED	DATE OF THE MEETING
Speaker's Forum	4	10/09/2020, 07/12/2020, 11/03/2021, 10/06/2021
Mayor's Forum	3	21/12/2020 21/04/2021 30/06/2021
Chief Whip's Forum	4	21/09/2020, 03/12/2020, 11/03/2021, 10/06/2021
Municipal Manager's Forum	2	11/12/2020 15/04/2021
Economic Cluster (IDP, LED & Spatial)	2	03/02/2021 09/06/2021

CFO's Forum	1	19/10/2020
Basic Service Delivery Cluster	2	23/03/2021 26/05/2021
Public Participation Forum	5	20/08/2020, 20/11/2020, 20/01/2021, 11/03/2021, 07/05/2021
Secretariat	2	17/12/2020, 07/06/2021
MPAC Forum	2	20/11/2020, 25/06/2021

2.5.2. PROVINCIAL INTERGOVERNMENTAL STRUCTURE

In the year under review, Sekhukhune District Municipality participated in the following provincial Inter-Governmental Relations Structures

Premier Inter-Governmental Forum attended by the Executive Mayors and Municipal Managers which provides strategic direction in aligning the work of government in the province

Governance and Administration Cluster attended by the Municipal Manager which interfaces with the work of the Provincial Executive

Provincial Communicators Forum which focuses on enhancing communication between government, communities and social partners

The Sekhukhune District Municipality has benefited a lot from attending provincial IGR structures as it gives the municipality an opportunity to plan in line with provincial priorities and objectives. Some of the interventions have resulted in tangible programmes and projects on the ground.

2.6. RELATIONSHIPS WITH MUNICIPAL ENTITIES

Sekhukhune Development Agency (SDA) is wholly owned by the Sekhukhune District Municipality as a municipal entity according to Section 86B of the Municipal

Systems Act 32 of 2000 on the establishments of municipal entities. The core mandate of SDA as outlined in the provincial gazette is to serve as the vehicle to identify, initiate and implement high impact economic projects and create sustainable job opportunities. Among its high its deliverables the SDA is leading the investment facilitation, business development and support services. SDA is also required to comply with the basic requirements of the Local Government Municipal Systems Act 32 of 2000 read together with the provision of the Local Government Municipal Finance Management Act of 2003. The SDA prepares its annual performance report in terms of the same guidelines and provisions of the aforementioned legislative framework.

Sekhukhune Development Agency does not have its own Performance Management Unit and Risk/Audit Management Units as such a Service Level Agreement was signed with the parent municipality to utilise the Audit/Risk and Performance Management Units for performance monitoring, management and audit services.

The current composition of the Board for 2020/2021 financial year is as follows:

	Names	Expertise	Portfolio
1.	Ms. Maureen Ntshudisane	<ul style="list-style-type: none"> • Skills development • Business & Planning development • Project management 	Board Chairperson and member of Economic Development Sub-Committee from September 2018. Resigned September 2020
2.	Ms Frederica Mercia Blake	<ul style="list-style-type: none"> • Estate & Land Planning • Business development • Project management 	<ul style="list-style-type: none"> • Member of Finance sub-committee • Member of Economic Development sub-

			<p>committee</p> <ul style="list-style-type: none"> • Member of Remuneration & Human Resource sub-committee
4.	Mr Madulo Hlapi Mampuru	<ul style="list-style-type: none"> • Local Business Development • Project management • Skills growth development 	Chairperson of Economic Development sub-committee
5.	Mr Morwamokoena Stephen Masemola	<ul style="list-style-type: none"> • Agriculture & Spatial planning • Project Management • Agricultural Development 	<ul style="list-style-type: none"> • Member of Finance sub-committee • Member of Economic Development sub-committee • Member of Remuneration & Human Resource sub-committee
6.	Mr. Petrus Matji	<ul style="list-style-type: none"> • Hydrologist *Water engineering *Roads projects management *Business management and strategic planning 	<ul style="list-style-type: none"> • Chairperson of Finance sub-committee with effect from November 2018. • Member of Economic Development sub-committee • Resigned

			September 2020
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NO. OF BOARD SPECIAL MEETINGS HELD	DATES OF MEETINGS
2	1. 25 March 2021 2. 11 May 2021
NO. OF BOARD MEETINGS HELD	DATES OF MEETINGS
3	1. 4 September 2020 2. 14 June 2021 3. 26 January 2021

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.7.1. INTRODUCTION

Municipalities are by law required to foster public participation and ensure its citizenry is engaged in matters of governance. Sekhukhune District Municipality places public participation and accountability at the centre of its work. The Municipality has adopted the following reviewed policies to ensure that public participation programmes are properly guided and effective;

- Communication strategy
- Public Participation Policy Framework
- Stakeholder Management Policy Framework
- Petitions Policy
- Incentive Policy Framework for Ward Committee Members

Communication channels that were used to engage communities include;

- Quarterly Mayoral Outreach Programs
- Council outreach – public consultation on 2019/2020 draft annual report and 2021/2022 IDP/Budget public consultations
- Regular interactions and stake-holders engagement such as Mining communities, business formations and Non-Governmental Organisations
- Monthly Internal newsletters and quarterly external newsletters publications
- Radio-Interviews with Executive Mayor and Members of the Mayoral Committee

2.7.2. PUBLIC PARTICIPATION MEETINGS HELD

The public participation meetings were held in all the local municipalities in the district from 01/04/2021 to 28/04/2021.

The following stakeholders were consulted;

- a. SDM Staff
- b. General Public
- c. Magoshi
- d. Special Groups
- e. Business & Labour
- f. Rate Payers

In the 2020/2021 financial year, the Municipality managed to arrange 2 Draft annual report and 8 IDP/Budget public consultation meetings reaching out to many villages and stakeholders.

Public consultation programmes for draft annual report and IDP/budget were conducted during the month of April 2021, the programmes are stated below:

2019/2020 ANNUAL REPORT PUBLIC PARTICIPATION

PROGRAMME

DATE	TIME	MUNICIPALITY	VENUE	STAKEHOLDER GROUP
23 April 2021	11h00	Sekhukhune District	Zoom Videoconferencing Platform	SDM Staff (Inclusive of Labour)
28 April 2021	18h00	Fetakgomo Tubatse L.M, Makhuduthamaga L.M, Elias Motsoaledi L.M, Ephraim Mogale L.M	Moutse FM, Thabantsho FM, Sekhukhune FM, Tubatse FM, Masemola FM, Facebook Live Broadcast	General Public (Inclusive of Magoshi, Special Groups, and Business)

2021/2022 IDP/BUDGET PUBLIC CONSULTATION PROGRAMME

DATE	STAKEHOLDER	MUNICIPALITY	VENUE	TIME
01/04/2021	SDM Staff (Inclusive of Labour)	Sekhukhune District	Zoom Videoconferencing Platform	11h00

06/04/2021	Magoshi	Fetakgomo Tubatse L.M	Fetakgomo Tubatse Municipal Chamber, GaNkwana	10h00
		Makhuduthamaga L.M	Makhuduthamaga Municipal Chamber	10h00
07/04/2021	Magoshi	Elias Motsoaledi L.M	Elias Motsoaledi Municipal Chamber, Groblersdal	10h00
		Ephraim Mogale L.M	Ephraim Mogale Municipal Chamber, Marble Hall	10h00
08/04/2021	Business & Rate Payers	All Local Municipalities and District Municipality	Zoom Videoconferencing Platform	18h00
09/04/2021	General Public	Makhuduthamaga L.M	<ul style="list-style-type: none"> • Sekhukhune FM • Masemola FM • Facebook live broadcast 	18h00
13/04/2021	General Public	Fetakgomo Tubatse L.M	<ul style="list-style-type: none"> • Tubatse FM • Facebook live broadcast 	18h00
16/04/2021	General Public	Elias Motsoaedi L.M	<ul style="list-style-type: none"> • Thabantsho • Moutse FM • Facebook live broadcast 	18h00
21/04/2021	General Public	Ephraim Mogale L.M	<ul style="list-style-type: none"> • Moutse FM • Facebook live broadcast 	18h00

The Municipality also arranged annual State of the District Address (SODA) and Budget Speech to provide a platform for the Council to account to the public on the affairs of the Municipality.

2.7.3. WARD COMMITTEES

In terms of the Municipal Structures Act 117 of 1998, Ward Committees are established to enhance participatory democracy in local government.

Working together with the district and local municipalities, 117 ward committees in the district are established and have been able to play a significant role in the following areas:

- Sensitising the municipality on developmental challenges and pressures within local communities;
- Communicated government messages to the communities.
- Participated in public participation programmes.
- Contributed inputs on shaping public participation policies.

COMPONENT D: CORPORATE GOVERNANCE

2.8.1. OVERVIEW OF CORPORATE GOVERNANCE

Section 165 and 166 of Municipal Finance Management Act no 56 of 2003 requires municipalities to establish Internal Audit unit and Audit Committee. The Internal Audit unit advises the accounting officer and reports to audit committee and prepares a risk based audit plan and audit programme for each financial year.

The district municipality has appointed Audit Committee. Risk management committee was not in place for the financial year under review

2.8.2. AUDIT COMMITTEE

The Municipality has established an Audit Committee under the provision of **Municipal Finance Management Act No 56 of 2003** section 165 and **Municipal Planning and Performance Management Regulation of 2001** regulation 9. The Audit Committee of the municipality considers and makes recommendations on matters provided under section 165 and regulation 9 of the MFMA and MPPR respectively while among other matter advice Management and Council on matters

pertaining to the Annual Financial Statements before submission to Auditor General of South Africa.

In terms of legislative prescripts, the Audit Committee members should meet at least 4 times per annum as per its approved charter. During the current financial year seven meetings were held.

The Members of the Audit Committee that served for the period 1st July 2020 to 30 June 2021, and their attendance were as follows:

Name of member	Status	Number of Meeting Held	Number of meetings attended
Mr. M Mokwele	Chairperson	7	6
Ms. M Ndlovu	Member	7	6
Ms. T Mathabathe	Member	7	7
Ms. M Mothelesi	Member	7	7

PERFORMANCE AUDIT COMMITTEE

The Members of Performance Audit Committee that served for the period 01 July 2020 to 30 June 2021, and their attendance were as follows:

Name of member	Status	Number of Meeting Held	Number of meetings attended
Ms. M Ndhlovu	Chairperson	3	3
Ms. M Mothelesi	Member	3	3
Ms. T Mathabathe	Member	3	3
Mr. M Mokwele	Member	3	3

2.8.3. RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been established to advise the Municipal Manager on risk management issues. The committee is chaired by an external person (independent) chairperson.

Currently the said committee has not been functional as it did not have a chairperson as the chairperson had resigned in 2019/2020FY.

All risk management report is being processed through tabling at the Audit Committee as an interim arrangement.

Listed in the below table is the meetings held in their sitting dates.

NO OF MEETINGS	DATES OF THE MEETING
4	23/10/2020 12/02/2021 12/05/2021 16/09/2021

2.8.3.1. RISK GOVERNANCE

As mandated by Section 62 (1) (i) of the MFMA and the Public Sector Risk Management Framework, Sekhukhune District Municipality (“SDM”) Council is responsible for risk governance within its operations.

Council is further responsible for the setting of the municipality’s risk appetite and tolerance statement that articulates the levels used in the attainment of strategic and operational objectives set for the 2020/2021FY.

Through the support of the Risk Management Committee, Audit Committee, and the administration, Council is enabled to ensure oversight on Risk Management through the implementation of the actions as per the approved annual Risk Management Strategy and Implementation plan. The strategy and plan are utilised in setting out the actions to be undertaken and their related time scales.

As a going concern, the municipality is exposed to a myriad of risks as part of its day- to day operations. All risks that are identified during the annual Risk and Control assessment exercise and those that emerge during the year are documented in the departmental risk registers which are monitored on monthly basis for progress registered. These risks comprise those that are strategic in nature, operational, processes and the ones related to capital projects.

CURRENT SCENARIO

Strategic and Operational Risks

The above risks are monitored and reviewed monthly to track the municipality's performance in respect of implementation of mitigations. The resultant reports culminate in the compilation of quarterly reports that get tabled at the Risk Management Committee and ultimately Audit Committee as the risk management oversight structures.

Set out in the below table is the municipality's Strategic Risks identified for the period 2020/2021FY.

Strategic risks are regarded as top risks.

TABLE A - STRATEGIC RISKS

KPA	RISK DESCRIPTION
Local Economic Development (LED)	Inadequate capacity (Infrastructure/financial & human) to support LED
Provision of water and sanitation services in a sustainable manner	1. Inadequate water sources and infrastructure 2. Insufficient operations and maintenance of existing infrastructure
Sustainable land use management and spatial transformation.	1.Uncoordinated land use practices
Public participation, stakeholder engagements and partnerships	1.Ineffective leadership and Management 2.Collusive practices and Fraud
Good governance and sound financial management	1.Inability to meet financial obligation (Weak Liquidity position)
Institutional Development and Organisational Transformation	1.Limited Organisational capacity to materialise institutional mandate
Community development, social cohesion, and nation building	1.Possible litigation and class action due to non-provision of mandatory services

2.8.3.2. TOP TEN RISKS IN THE MUNICIPALITY

LIQUIDITY RISK MANAGEMENT

Liquidity in Sekhukhune District Municipality is managed by senior management and Councillors (Executive Authority) through the Budget Steering Committee and the Mayoral Committee at pre-determined intervals.

The primary intention is to always review the short-term cash flow forecast, mid-term and long-term financial plans.

The current liquidity ratio of 1:0.93 as at the 30th June 2021 (2020/2021FY) signals the challenging financial position that the municipality find itself in as in comparison with the previous financial year (2019/2020FY) which was at 1:1.7.

Council has as of the previous financial year (2019/2020) put in place mechanisms to ensure that the situation is turned around and the municipality remains a going concern.

2.8.3.3. FRAUD AND CORRUPTION STRATEGY

The municipality has a Council approved Anti-Fraud and Corruption and Whistleblowing policies respectively which makes provision for strategies to counter fraud and corruption as well as providing platforms for reporting of allegations and protection of whistle blowers. The Fraud and Corruption Strategy have been developed because of the expressed commitment of government to fight corruption. It is also an important contribution to the National Anti-Corruption Strategy of the Republic of South Africa, and therefore supplements both the Public Service Anti-Corruption Strategy and the Local Government Anti-Corruption Strategy.

2.8.4. SUPPLY CHAIN MANAGEMENT

Section 112 of the MFMA states that the supply chain management policy must be fair, equitable, transparent competitive, cost effective and comply with all SCM regulations. The district municipality has developed a policy that complies with the Constitution and MFMA.

For the financial year 2020/2021 the municipality has incurred the following deviations, irregular, fruitless, and wasteful expenditure

2020/2021 ANNUAL DEVIATION REPORT/REGISTER

Date	IMPLEMENTING DEPARTMENT	SERVICES REQUIRED	SERVICE PROVIDER	AMOUNT	AREAS OF DEVIATION /WASTEFUL	REASONS FOR DEVIATION / WASTEFUL
09-Feb-21	Municipal Manager's Office	Forensic Investigation	Reliable Accountants	R3 099,00	Impractical to follow SCM processes	The Internal Audit contract expired while the case was still on and Municipality still requires the witness services until the matter is concluded
09-Feb-21	Municipal Manager's Office	Forensic Investigation	Reliable Accountants	R30 187,50	Impractical to follow SCM processes	The Internal Audit contract expired while the case was still on and Municipality still requires the witness services until the matter is concluded
03-Feb-21	SDA	Audit support	KT Mogano	R70 000,00	Impractical to follow SCM processes	The Service Provider is providing support since the Finance Manager has resigned
02-Feb-21	IWS	Emergency installation of New multi-stage pumps at Motetema Booster Pump Station	Mulbert Pump Repairs	R979 501,00	Impractical to follow SCM processes	Emergency installation as two pumps were not functioning
02-Feb-21	Community Services	Training Instructional material	Skillstrain Distribution ta Corpco 440CC	R64 662,10	Impractical to follow SCM processes	The service provider is the only Sole provider of the service
18-Mar-21	Office of the Municipal Manager	Audit Support	Reliable Accountants	R66 270,00	Impractical to follow SCM processes	The Service Provider is providing support since the Finance Manager has

						resigned
02-Mar-21	SDA	Audit support	KT Mogano	R35 000,00	Impractical to follow SCM processes	The Service Provider is providing support since the Finance Manager has resigned
05-Mar-21	Municipal Manager's Office	Audit support	KT Mogano	R105 000,00	Impractical to follow SCM processes	The Service Provider is providing support since the Finance Manager has resigned
18-Mar-21	Municipal Manager's Office	Forensic Investigation	Reliable Accountants	R64 400,00	Impractical to follow SCM processes	The Internal Audit contract expired while the case was still on and Municipality still requires the witness services until the matter is concluded
18-Mar-21	Municipal Manager's Office	Audit Support	Reliable Accountants	R66 270,00	Impractical to follow SCM processes	The Service Provider is providing support since the
19-Mar-21	Corporate Services	Payment for CPMD	University OF Witwatersrand	R290 000,00	Impractical to follow SCM processes	CPMD training for 5 (five) BTO Interns
22-Apr-21	Budget and Treasury Office	Audit support	K T Mogano Investments	R72 000,00	Impractical to follow SCM processes	The Service provider was appointed to review the AFS. He was appointed to assist with Audit support

23-Apr-21	Corporate Services	Repair of a Municipal vehicle – CNC 338 L	Marble Gold 182 PTY LTD	R23 102,24	Impractical to follow SCM processes	The car was taken to the Manufacturer for repair
24-Mar-21	SDA	Audit support	KT Mogano	R35 000,00	Impractical to follow SCM processes	The Service Provider is providing support since the
						Finance Manager has resigned
22-Apr-21	Budget and Treasury Office	Audit support	55024124	R72 000,00	Impractical to follow SCM processes	The Service Provider is providing support
23-Apr-21	Corporate Services	Repair of a Municipal vehicle – CNC 338 L	55024136	R23 102,24	Impractical to follow SCM processes	The Service Provider is providing support
05-May-21	Corporate Services	Repair of fire Engines	Marce Projects	R19 085,00	Impractical to follow the SCM Processes	The car was taken to the Manufacturer for repairs
06-May-21	Municipal Manager	Court order issued on SDM versus M.M Matsemela matter	SHERIFF GROBLERSDAL/MOUTSE	R2 063,61	Impractical to follow the SCM Process	Payment to Groblersdal sheriff
11-May-21	Corporate Services	Car repair	Legacy Auto	R6 309,00	Impractical to follow the SCM Processes	The car was taken to the Manufacturer for repairs
11-May-21	Community Services	Training material	Skills Train Distributors	R53 296,75	Impractical to follow the SCM Processes	The company is the Sole Provider
20-May-21	Corporate Services	Car repair	Supreme Autobody	R86 464,40	Impractical to follow the SCM Processes	The car was taken to the OEM Man dealership for repairs

20-May-21	IWS	Repair of pumps	Keewave Trading	R1 948 100,00	Impractical to follow the SCM processes	Emergency repair of pumps
27-May-21	Office of the Municipal Manager	Audit support for SDA for March 2021	K T Mogano Investments	R35 000,00	Impractical to follow the SCM Processes	The Service Provider is providing support
27-May-21	Office of the Municipal Manager	Adjustment of the AFS	K T Mogano Investments	R52 500,00	Impractical to follow the SCM Processes	The Service Provider is providing support
27-May-21	Corporate Services	Training for staff members	MicTech Skills Solutions	R145 000,00	Impractical to follow to SCM processes	Training for SFM Officials
28-May-21	Office of the Municipal Manager	Audit support	K T Mogano Investments	R5 250,00	Impractical to follow the SCM Processes	The Service Provider is providing support
28-May-21	Corporate Services	Training for staff members	MicTech Skills Solutions	R58 000,00	Impractical to follow SCM processes	Training provider for Protocol workshop
28-May-21	Corporate Services	Training for staff members	MicTech Skills Solutions	R14 500,00	Impractical to follow SCM process	Training provider for Protocol workshop
28-May-21	Corporate Services	Bursary	University of Kwazulu Natal	R117 660,00	Impractical to follow the SCM Processes	Payment for an external bursary holder
31-May-21	Municipal Manager	Disciplinary hearing	Reliable Accountants TM Consortium JV	R72 450,00	Impractical to follow the SCM Process	The company was appointed to do a Forensic audit.
31-May-21	Municipal Manager	Disciplinary hearing	Reliable Accountants TM Consortium JV	R1 872,00	Impractical to follow the SCM process	The company was appointed to do a Forensic audit.
31-May-21	Office of the Municipal Manager	Disciplinary hearing	Reliable Accountants TM Consortium JV	R76 334,50	Impractical to follow the SCM Processes	The company was appointed to do a Forensic audit.

20210520	Infrastructure and Water Services	Cession for capital projects	Csp Engineering & Fabrication Pty Ltd	R6 774 076,33	Impractical to follow the SCM Process	The Cessionary is appointed by the Service provider not SDM
20210513	Infrastructure and Water Services	Cession for capital projects	Dymapix Pty Ltd	R1 003 206,18	Impractical to follow the SCM Process	The Cessionary is appointed by the Service provider not SDM
20210520	Infrastructure and Water Services	Cession for capital projects	Dymapix Pty Ltd	R995 027,56	Impractical to follow the SCM Process	The Cessionary is appointed by the Service provider not SDM
20210521	Infrastructure and Water Services	Cession for capital projects	Water Skills	R122 532,50	Impractical to follow the SCM Process	The Cessionary is appointed by the Service provider not SDM
					Impractical to follow the SCM Process	
					Impractical to follow the SCM Process	
20210510	Municipal Manager	Disciplinary hearing	Chilwane NI	R72 450,00	Impractical to follow the SCM Process	Refund for catering of LGSETA and SDF's meeting
					Impractical to follow the SCM Process	
20210504	Municipal Manager	Disciplinary hearing	Lathane Mp	R1 872,00	Impractical to follow the SCM Process	Refund for attending a disciplinary hearing as an initiator
20210504	Corporate Services	Appointed to prosecute employees' disciplinary cases	Malau Tebogo	R5 500,00	Impractical to follow the SCM Process	Refund for attending a disciplinary hearing as chairperson
20210506	Corporate Services	Purchasing of materials for SDM offices	Mamarege Me	R2 233,17	Impractical to follow the SCM Process	Refund for using own funds to purchase materials

20210506	Infrastructure and Water Services	Purchasing of materials for SDM offices	Ntoampe Philemon	R2 354,77	Impractical to follow the SCM Process	Refund for using own funds to purchase materials
20210506	Infrastructure and Water Services	Purchase of materials for O&M	Ramadje Km	R1 700,00	Impractical to follow the SCM Process	Refund for using own funds to purchase materials
30-Jun-21	Office of the Executive Mayor	Training for the visually impaired	Sensory solutions	R27 760,00	The company is the sole provider	Impractical to follow the SCM Process
30-Jun-21	Budget and Treasury	Audit support for SDM and SDA	K T Mogano	R302 750,00	Impractical to follow SCM Processes	Audit support
22-Jun-21	Corporate Services	Repair of car	Dealership Middelburg	R77 295,68	Impractical to follow SCM processes	The car was taken to the Manufacturer for repairs
30-Jun-21	IWS	Supply of chemicals for the Festive season	Motagane Chem Works	R1 799 750,00	Emergency	Emergency procurement of Water treatment chemicals during the festive season
30-Jun-21	Office of the Executive Mayor	Training for the deaf	Sensory solutions	R27 760,00	The company is the sole provider	Impractical to follow the SCM Process
30-Jun-21	Budget and Treasury	Audit support for SDM and SDA	K T Mogano	R302 750,00	Impractical to follow SCM Processes	Audit support
22-Jun-21	Corporate Services	Repair of car	Dealership Middelburg	R77 295,68	Impractical to follow SCM processes	Repair of car by OEM

R16 289

793,21

2020/2021 TENDER REPORTS

1ST QUARTER TENDER REPORT

No	Project Name	Date of Specification	Date of Advert	Closing Date	Evaluation date	Adjudication date	Award date	Bid Amount	Award/Progress Details	30% Sub-Contractor
1	Motlailana Village Water Supply – SK8/3/1-30/2019/20	11/06/2020	22 /06/2020	02/07/2020	02/10/2020	Adjudication stage				
2	NSD07 Regional Water Scheme: Construction of Water Reticulation at Ga-Ratau- SK8/3/1-21/2019/20	11/06/2020	22/06/2020	07/08/2020	Evaluation Stage					
3	NSD07 Regional Water Scheme: Construction of Water Reticulation at Makgeru and Matekane – SK8/3/1-22/2019/20	11/06/2020	22/06/2020	07/08/2020	Evaluation Stage					
4	Magemeng Village Water Supply	11/06/2020	22/06/2020	07/08/2020	Evaluation Stage					
5	Mooihoek/ Tubatse BWS Phase 4G1.1 The Construction of DN200, PN40 Steel Rising Main to Alverton and The Upgrading/ Refurbishment of the Mooihoek Water	15/06/2020	22/06/2020	11/08/2020	30/09/2020	Adjudication stage				

	Treatnebt Works at Fetakgomo LM – sk8/3/1-01/2020/21									
6	Mooihoek/ Tubatse BWS phase 4Gl.2 The Construction of a DN200 and DN150,PN40, Flanged steel rising main to Alverton in Fetakgomo Tubatse LM – SK8/3/1-02/2020/21	15/06/ 2020	22/06/ 2020	11/08/2020	30/09/2020	Adjudication stage				
7	Service Provider for Assets Insurance Policy for a period of three years – SK8/3/1-03/2020/21	30/07/2020	02/08/2020	01/09/2020	09/10/2020	Adjudication stage				

2ND QUATER TENDER REPORT

No	Project Name	Date of Specification	Date of Advert	Closing Date	Evaluation date	Adjudication date	Award date	Bid Amount	Award/Progress Details	30% Sub-Contractor
1	Motlailana Village Water	11/06/2020	22/06/2020	02/07/2020	02/10/2020	23/10/2020	30/10/2020	R5 825 214.63	Irhalane Construction	
2	NSD07 Regional Water Scheme: Construction of Water Reticulation at Ga-Ratau	11/07/2020	22/06/2020	07/08/2020	16/10/2020	30/10/2020	04/11/2020	R48 644 732.16	SDVK Construction and Projects	
3	NSD07 Regional Water Scheme: Construction of Water Reticulation at Makgeru and Matekane	11/06/2020	22/06/2020	07/08/2020	16/10/2020	30/10/2020				
4	Makgemeng Village Water Supply	11/06/2020	22/06/2020	07/08/2020	16/10/2020	30/10/2020				

2ND QUATER TENDER REPORT

No	Project Name	Date of Specification	Date of Advert	Closing Date	Evaluation date	Adjudication date	Award date	Bid Amount	Award/Progress Details	30% Sub-Contractor
5	Mooihoek/ Tubatse BWS Phase 4G1.1 The Construction of DN200, PN40 Steel Rising Main to Alverton and The Upgrading/ Refurbishment of the Mooihoek Water Treatment Works at Fetakgomo LM	15/06/2020	22/06/2020	11/08/2020	30/09/2020	23/10/2020	06/11/2020	R38 946 983.59	Babina Tlou Trading	
6	Mooihoek/ Tubatse BWS phase 4G1.2 The Construction of a DN200 and DN150,PN40, Flanged steel rising main to Alverton in Fetakgomo	15/06/ 2020	22/06/ 2020	11/08/2020	30/09/2020	23/10/2020	06/11/2020	R38 580434.51	Mothakge Phadima Construction	

2ND QUATER TENDER REPORT

No	Project Name	Date of Specification	Date of Advert	Closing Date	Evaluation date	Adjudication date	Award date	Bid Amount	Award/Progress Details	30% Sub-Contractor
	Tubatse									
7	Service Provider for Assets Insurance Policy for a period of three years	30/07/2020	02/08/2020	01/09/2020	09/10/2020	N/A	N/A	N/A	No award was made. Bidders were unresponsive	None
8	Appointment of Service Provider for Hydraulic Rescue tools for EMS	29/09/2020	02/10/2020	20/10/2020	16/11/2020	01/12/2020				
9	Appointment of Professional Service Providers for Internal Audit Services for a period of three (3) years	29/09/2020	02/10/2020	04/11/2020	Evaluation stage					

2ND QUATER TENDER REPORT

No	Project Name	Date of Specification	Date of Advert	Closing Date	Evaluation date	Adjudication date	Award date	Bid Amount	Award/Progress Details	30% Sub-Contractor
10	Appointment of Term Contractors for Civil works for a period of three (3) years	07/10/2020	14/10/2020	13/11/2020						
11	Appointment of Terms contractors for Water and Waste Water Treatment chemicals for a period of three (3) years	07/10/2020	14/10/2020	13/11/2020						
12	Appointment of Terms Contractors for Hydrological Services, Drilling, Testing, Equipping and Rehabilitation of Boreholes for a period of three (3) years	07/10/2020	14/10/2020	13/11/2020						

2ND QUATER TENDER REPORT

No	Project Name	Date of Specification	Date of Advert	Closing Date	Evaluation date	Adjudication date	Award date	Bid Amount	Award/Progress Details	30% Sub-Contractor
13	Appointment of Service Provider for Asset Management support for a period of 3 (three) years	28/10/2020	04/11/2020	08/12/2020	Evaluation stage					
14	Appointment of Service Provider for vehicle Tracking system	28/10/2020	04/11/2020	08/12/2020	Evaluation stage					
15	Appointment of Service Provider for Lease of Photocopy Machines for a period of Three (03) years	17/11/2020	27/11/2020	18/01/2021						
16	Appointment of Skills development provider to conduct learnership for 30	01/12/2020	01/12/2020	15/12/2020	22/12/2020	23/12/2020				

2ND QUATER TENDER REPORT

No	Project Name	Date of Specification	Date of Advert	Closing Date	Evaluation date	Adjudication date	Award date	Bid Amount	Award/Progress Details	30% Sub-Contractor
	unemployed learners									
17	Tukakgomo Water intervention (phase 4)	17/12/2020	17/12/2020	29/01/2021						
18	Construction of Rutseng Water Bulkline	17/12/2020	17/12/2020	29/01/2021						
19	Maebe Water Intervention phase 4	17/12/2020	17/12/2020	29/01/2021						
20	Uitspanning water intervention phase 4: construction of treatment plant	17/12/2020	17/12/2020	29/01/2021						

3RD QUARTER TENDER REPORT

No	Project Name	Date of Specification	Date of Advert	Closing Date	Evaluation date	Adjudication date	Award date	Bid Amount	Award/Progress Details	30% Sub-Contractor
1	Motlailana Village Water	11/06/2020	22/06/2020	02/07/2020	02/10/2020	23/10/2020	30/10/2020	R5 825 214.63	Irhalane Construction	N/A
2	NSD07 Regional Water Scheme: Construction of Water Reticulation at Ga-Ratau	11/06/2020	22/06/2020	07/08/2020	16/10/2020	30/10/2020	04/11/2020	R48 644 732.16	SDVK Construction and Projects	
3	NSD07 Regional Water Scheme: Construction of Water Reticulation at Makgeru and Matekane	11/06/2020	22/06/2020	07/08/2020	16/10/2020	30/10/2020				
4	Makgemeng Village Water Supply	11/06/2020	22/06/2020	07/08/2020	16/10/2020	30/10/2020				
5	Mooihoek/ Tubatse BWS Phase 4G1.1 The Construction of DN200, PN40 Steel Rising Main to Alverton and The Upgrading/ Refurbishment of the Mooihoek Water Treatment Works at Fetakgomo LM	15/06/2020	22/06/2020	11/08/2020	30/09/2020	23/10/2020	06/11/2020	R38 946 983.59	Babina Tlou Trading	
6	Mooihoek/ Tubatse BWS phase 4G1.2 The Construction of a DN200 and DN150, PN40, Flanged steel rising main to	15/06/ 2020	22/06/ 2020	11/08/2020	30/09/2020	23/10/2020	06/11/2020	R38 580 434.51	Mothakge Phadima Construction	

N	Project Name	Date of	Date of	Closing	Evaluatio	Adjudicatio	Award	Bid Amount	Award/Progres	30% Sub-
	Alverton in Fetakgomo Tubatse									
7	Connector Pipes and Reticulation to Maroga	15/06/ 2020	22/06/ 2020	11/08/2020	30/09/2020	23/10/2020	06/11/2020			
8	Service Provider for Assets Insurance Policy for a period if three years	30/07/2020	02/08/2020	01/09/2020	09/10/2020	N/A	N/A	N/A	No award was made. Bidders were unresponsive	None
9	Appointment of Service Provider for Hydraulic Rescue tools for EMS	29/09/2020	02/10/2020	20/10/2020	16/11/2020	01/12/2020	13/01/2021	R1 891 883.40	Hamilton Hydraulics	N/A
10	Appointment of Professional Service Providers for Internal Audit Services for a period of three (3) years	29/09/2020	02/10/2020	04/11/2020	25/01/2021	01/02/2021	01/02/2021			
11	Appointment of Term Contractors for Civil works for a period of three (3) years	07/10/2020	14/10/2020	13/11/2020	Re-advertised	Re-advertised	Re-advertised	Re-advertised	Re-advertised	N/A
12	Appointment of Terms contractors for Water and Waste Water Treatment chemicals for a period of three (3) years	07/10/2020	14/10/2020	13/11/2020	Re-advertised	Re-advertised	Re-advertised	Re-advertised	Re-advertised	N/A

N	Project Name	Date of	Date of	Closing	Evaluatio	Adjudicatio	Award	Bid Amount	Award/Progres	30% Sub-
13	Appointment of Terms Contractors for Hydrological Services, Drilling, Testing, Equipping and Rehabilitation of Boreholes for a period of three (3) years	07/10/2020	14/10/2020	13/11/2020	Re-advertised	Re-advertised	Re-advertised	Re-advertised	Re-advertised	N/A
14	Appointment of Service Provider for Asset Management support for a period of 3 (three) years	28/10/2020	04/11/2020	08/12/2020	26/02/2021	05/02/2021	07/03/2021	R18 356 680.00	Morar Incorporated	N/A
15	Appointment of Service Provider for vehicle Tracking system	28/10/2020	04/11/2020	08/12/2020	11/01/2021	21/02/2021	21/01/2021	R485 115.55	Afrent Pty Ltd	N/A
16	Appointment of Service Provider for Lease of Photocopy Machines for a period of Three (03) years	17/11/2020	27/11/2020	18/01/2021	29/01/2021	17/02/2021	18/02/2021	R2 647 037.52	Anaka Group	N/A
17	Appointment of Skills development provider to conduct learnership for 30 unemployed learners	01/12/2020	01/12/2020	15/12/2020	22/12/2020	23/12/2020	12/01/2021	R1 200 000.00	K Boneng Pty Ltd	N/A
18	Tukagomo Water intervention (phase 4)	17/12/2020	17/12/2020	29/01/2021	22/02/2021	12/03/2021				
19	Construction of Rutseng Water Bulkline	17/12/2020	17/12/2020	29/01/2021	22/02/2021	05/03/2021				

N	Project Name	Date of	Date of	Closing	Evaluatio	Adjudicatio	Award	Bid Amount	Award/Progres	30% Sub-
20	Maebe Water Intervention phase 4	17/12/2020	17/12/2020	29/01/2021	22/02/2021	05/03/2021				
21	Uitspanning water intervention phase 4: construction of treatment plant	17/12/2020	17/12/2020	29/01/2021	22/02/2021	05/03/2021				
22	Re –advert for the Appointment of Term Contractors for Civil works for a period of three (3) years	07/10/2020	21/01/2021	01/03/2021	Evaluation stage					
23	Re-advert for the Appointment of Terms contractors for Water and Waste Water Treatment chemicals for a period of three (3) years	07/10/2020	21/01/2021	02/03/2021	Evaluation stage					
24	Re-advert for Appointment of Terms Contractors for Hydrological Services, Drilling, Testing, Equipping and Rehabilitation of Boreholes for a period of three (3) years	07/10/2020	21/01/2021	03/03/2021	Evaluation stage					
25	Appointment of service provider for Backend and Frondend Solutions	12/02/2021	21/02/2021	29/03/2021	Evaluation stage					
26	Appointment of service provider for personal	05/02/2021	12/02/2021	18/03/2021	Evaluation stage					

N	Project Name	Date of	Date of	Closing	Evaluatio	Adjudicatio	Award	Bid Amount	Award/Progres	30% Sub-
	protective clothing									
27	Construction of rising main to the reservoir,pump houses and equipping of boreholes in Legolaneng	26/01/2021	12/02/2021	10/03/2021	Evaluation stage					
28	Construction of rising main to the reservoir,pump houses and equipping of boreholes in Tshikanosi	26/01/2021	12/02/2021	10/03/2021	Evaluation stage					
29	Construction of rising main to the reservoir,pump houses and equipping of boreholes in Brooklyn	26/01/2021	12/02/2021	09/03/2021	Evaluation stage					
30	Construction of rising main to the reservoir,pump houses and equipping of boreholes in Kgotlopong	26/01/2021	12/02/2021	09/03/2021	Evaluation stage					
31	Construction of rising main to the existing reservoir and equipping of boreholes in Sephaku	26/01/2021	12/02/2021	09/03/2021	Evaluation stage					
32	Construction of rising main,pump house and equipping of boreholes in Polaseng	26/01/2021	12/02/2021	08/03/2021	Evaluation stage					

N	Project Name	Date of	Date of	Closing	Evaluatio	Adjudicatio	Award	Bid Amount	Award/Progres	30% Sub-
33	Construction of rising main, Installation of pressed steel tank, pump houses and equipping of boreholes in Mahlokwenana (Malaeneng)	26/01/2021	12/02/2021	08/03/2021	Evaluation stage					
34	Construction of rising main to the existing reservoir and equipping of borehole in Eenzam	26/01/2021	12/02/2021	08/03/2021	Evaluation stage					
35	Appointment of Service provider for submission of proposal for Auction of Municipal assets for a period of three (3) years	11/03/2021	23/03/2021							

4TH QUARTER TENDER REPORT

No	Project Name	Date of Specification	Date of Advert	Closing Date	Evaluation date	Adjudication date	Award date	Bid Amount	Award/Progress Details	30% Sub-Contractor
1	Motlailana Village Water	11/06/2020	22/06/2020	02/07/2020	02/10/2020	23/10/2020	30/10/2020	R5 825 214.63	Irhalane Construction	N/A
2	NSD07 Regional Water Scheme: Construction of Water Reticulation at Ga-Ratau	11/06/2020	22/06/2020	07/08/2020	16/10/2020	30/10/2020	04/11/2020	R48 644 732.16	SDVK Construction and Projects	N/A

No	Project Name	Date of	Date of	Closing	Evaluation	Adjudication	Award	Bid Amount	Award/Progress	30% Sub-
3	NSD07 Regional Water Scheme: Construction of Water Reticulation at Makgeru and Matekane	11/06/2020	22/06/2020	07/08/2020	16/10/2020	30/10/2020	05/11/2020	R47 744 745.44	Maunyatlala JV Ntshiana Trading	N/A
4	Makgemeng Village Water Supply	11/06/2020	22/06/2020	07/08/2020	16/10/2020	30/10/2020	05/11/2020	R33 367 711.50	Moepagauta jv Mafoko JJ	N/A
5	Mooihoek/ Tubatse BWS Phase 4G1.1 The Construction of DN200, PN40 Steel Rising Main to Alverton and The Upgrading/ Refurbishment of the Mooihoek Water Treatment Works at Fetakgomo LM	15/06/2020	22/06/2020	11/08/2020	30/09/2020	23/10/2020	06/11/2020	R38 946 983.59	Babina Tlou Trading	N/A
6	Mooihoek/ Tubatse BWS phase 4G1.2 The Construction of a DN200 and DN150,PN40, Flanged steel rising main to Alverton in Fetakgomo Tubatse	15/06/ 2020	22/06/ 2020	11/08/2020	30/09/2020	23/10/2020	06/11/2020	R38 580 434.51	Mothakge Phadima Construction	N/A
7	Connector Pipes and Reticulation to Maroga	15/06/ 2020	22/06/ 2020	11/08/2020	30/09/2020	23/10/2020	04/11/2020	R105 562 942.79	Bo Mamohlala	N/A

No	Project Name	Date of	Date of	Closing	Evaluation	Adjudication	Award	Bid Amount	Award/Progress	30% Sub-
8	Service Provider for Assets Insurance Policy for a period of three years	30/07/2020	02/08/2020	01/09/2020	09/10/2020	N/A	N/A	N/A	No award was made. Bidders were unresponsive	None
9	Appointment of Service Provider for Hydraulic Rescue tools for EMS	29/09/2020	02/10/2020	20/10/2020	16/11/2020	01/12/2020	13/01/2021	R1 891 883.40	Hamilton Hydraulics	N/A
10	Appointment of Professional Service Providers for Internal Audit Services for a period of three (3) years	29/09/2020	02/10/2020	04/11/2020	25/01/2021	01/02/2021	01/02/2021	Rates	MNB Chartered Acc ARMS Audit Reliable Accountants JV TM Consortium TKAM CA Jv Matseba CATHU Consulting SHUMBA Inc SID Advisory MMB Consulting Tladi and Associates R Kadilass and Associates SB Consulting CHAPU	N/A
11	Appointment of Term Contractors for Civil works for a period of three (3) years	07/10/2020	14/10/2020	13/11/2020	Re-advertised	Re-advertised	Re-advertised	Re-advertised	Re-advertised	N/A

No	Project Name	Date of	Date of	Closing	Evaluation	Adjudication	Award	Bid Amount	Award/Progress	30% Sub-
12	Appointment of Terms contractors for Water and Waste Water Treatment chemicals for a period of three (3) years	07/10/2020	14/10/2020	13/11/2020	Re-advertised	Re-advertised	Re-advertised	Re-advertised	Re-advertised	N/A
13	Appointment of Terms Contractors for Hydrological Services, Drilling, Testing, Equipping and Rehabilitation of Boreholes for a period of three (3) years	07/10/2020	14/10/2020	13/11/2020	Re-advertised	Re-advertised	Re-advertised	Re-advertised	Re-advertised	N/A
14	Appointment of Service Provider for Asset Management support for a period of 3 (three) years	28/10/2020	04/11/2020	08/12/2020	26/02/2021	05/02/2021	07/03/2021	R18 356 680.00	Morar Incorporated	N/A
15	Appointment of Service Provider for vehicle Tracking system	28/10/2020	04/11/2020	08/12/2020	11/01/2021	21/02/2021	21/01/2021	R485 115.55	Afrent Pty Ltd	N/A
16	Appointment of Service Provider for Lease of Photocopy Machines for a period of Three (03) years	17/11/2020	27/11/2020	18/01/2021	29/01/2021	17/02/2021	18/02/2021	R2 647 037.52	Anaka Group	N/A
17	Appointment of Skills development provider to conduct learnership for 30 unemployed learners	01/12/2020	01/12/2020	15/12/2020	22/12/2020	23/12/2020	12/01/2021	R1 200 000.00	K Boneng Pty Ltd	N/A
18	Tukagomo Water intervention (phase 4)	17/12/2020	17/12/2020	29/01/2021	22/02/2021	12/03/2021	26/04/2021	R5 998 618.62	HLTC	N/A

No	Project Name	Date of	Date of	Closing	Evaluation	Adjudication	Award	Bid Amount	Award/Progress	30% Sub-
19	Construction of Rutseng Water Bulklane	17/12/2020	17/12/2020	29/01/2021	22/02/2021	05/03/2021	15/04/2021	R6 760 774.64	Irhalane Construction	N/A
20	Maebe Water Intervention phase 4	17/12/2020	17/12/2020	29/01/2021	22/02/2021	05/03/2021	15/04/2021	R9 898 188.26	Picabiz 367	N/A
21	Uitspanning water intervention phase 4: construction of treatment plant	17/12/2020	17/12/2020	29/01/2021	22/02/2021	05/03/2021	15/04/2021	R5 479 982.15	Big O Trading	N/A
22	Re-advert for the Appointment of Term Contractors for Civil works for a period of three (3) years	07/10/2020	21/01/2021	01/03/2021	17/05/2021	27/05/2021				
23	Re-advert for the Appointment of Terms contractors for Water and Waste Water Treatment chemicals for a period of three (3) years	07/10/2020	21/01/2021	02/03/2021	17/05/2021	28/05/2021				
24	Re-advert for Appointment of Terms Contractors for Hydrological Services, Drilling, Testing, Equipping and Rehabilitation of Boreholes for a period of three (3) years	07/10/2020	21/01/2021	03/03/2021	24/05/2021	31/05/2021				
25	Appointment of service provider for Backend and	12/02/2021	21/02/2021	29/03/2021		28/04/2021	Re-advert	Bid will re-advertised. The	Re-advert	Re-advert

No	Project Name	Date of	Date of	Closing	Evaluation	Adjudication	Award	Bid Amount	Award/Progress	30% Sub-
	Fronddend Solutions				20/05/2021			bidders did not meet the SCM requirements		
26	Appointment of service provider for personal protective clothing and safety related items	05/02/2021	12/02/2021	18/03/2021	20/04/2021	28/04/2021	Re-advert	This bid will be re-advertised. The bid prices don't comply with the evaluation criteria	Re-advert	Re-advert
27	Appointment of Service Provider to supply COVID related items	17/12/2020	13/02/2021	01/03/2021	20/04/2021	28/04/2021	Re-advert	The bid will be re-advertised. Bidders did not meet the SCM requirements.	Re-advert	Re-advert
28	Construction of rising main to the reservoir,pump houses and equipping of boreholes in Legolaneng	26/01/2021	12/02/2021	10/03/2021	22/04/2021	04/05/2021	28/05/2021	R3 128 864.16	Sedieletse Trading and Projects	N/A
29	Construction of rising main to the reservoir,pump houses and equipping of boreholes in Tshikanosi	26/01/2021	12/02/2021	10/03/2021	29/04/2021	04/05/2021	01/06/2021	R4 011 375.72	Kgobokanang Business Projects	N/A
30	Construction of rising main to the reservoir,pump houses and equipping of boreholes in Brooklyn	26/01/2021	12/02/2021	09/03/2021	22/04/2021	28/04/2021	28/05/2021	R3 145 495.87	Kgobokanang Business Projects	N/A
31	Construction of rising main to the reservoir,pump houses and equipping of	26/01/2021	12/02/2021	09/03/2021	22/04/2021	28/04/2021	28/05/2021	R3 578 046.18	HLTC Pty Ltd	N/A

No	Project Name	Date of	Date of	Closing	Evaluation	Adjudication	Award	Bid Amount	Award/Progress	30% Sub-
	boreholes in Kgotlopong									
32	Construction of rising main to the existing reservoir and equipping of boreholes in Sephaku	26/01/2021	12/02/2021	09/03/2021	29/04/2021	04/05/2021	28/05/2021	R2 950 674.61	Pheladi Noko B1 Funerals	N/A
33	Construction of rising main,pump house and equipping of boreholes in Polaseng	26/01/2021	12/02/2021	08/03/2021	14/04/2021	28/04/2021	01/06/2021	R2 303 577.65	Ngoato Le Nareadi Construction	N/A
34	Construction of rising main,Installtion of pressed steel tank,pump houses and equipping of boreholes in Mahlokwenana(Malaeneng)	26/01/2021	12/02/2021	08/03/2021	14/04/2021	28/04/2021	28/05/2021	R4 043 763.52	Morwa Moleke Trading	N/A
35	Construction of rising main to the existing reservoir and equipping of borehole in Eenzam	26/01/2021	12/02/2021	08/03/2021	22/04/2021	28/04/2021	28/05/2021	R3 973 889.98	Mothakge Phadima Construction	N/A
36	Appointment of Service provider for submission of proposal for Auction of Municipal assets for a period of three (3) years	11/03/2021	23/03/2021	23/04/2021	05/05/2021	06/05/2021	13/05/2021	5.75%	Five Star Trading as Auction 24	N/A
37	Appointment of a service provider for the development of water source and construction of rising main to supply 550 kl per day of portable water to Jane	27/03/2021	23/03/2021	06/04/2021	05/05/2021	21/05/2021	No award	Bid will be re-advertised. Bidders did not meet the SCM Compliance requirements		

No	Project Name	Date of	Date of	Closing	Evaluation	Adjudication	Award	Bid Amount	Award/Progress	30% Sub-
	Furse Hospital									
38	Supply and delivery of cartridges	29/03/2021	06/05/2021	02/06/2021	Evaluation stage					
40	Appointment of Service Provider for support and maintenance of Digital audio recording for a period of three years	29/03/2021	06/05/2021	10/06/2021	Evaluation stage					
41	Appointment of a Panel of Attorneys for a period of three (3) years	12/05/2021	25/05/2021	30/06/2021	Evaluation stage					
42	Lease of office space in Moutse west for a period of three (3) years	29/05/2021	29/05/2021	30/06/2021	Evaluation stage					
43	Re-advertisement Appointment of Professional service provider for Assets Insurance Policy for a period of three (3) years	19/05/2021	27/05/2021	30/06/2021	Evaluation stage					
44	Re-advertisement Appointment of Service Provider for supply of Covid -19 PPE	26/05/2021	27/05/2021	17/06/2021	Evaluation stage					

ANNEXURE A

Register of Unauthorised, Irregular, Fruitless and Wasteful Expenditure – Annual - from July 2019 - June 2020

UNAUTHRISED EXPENDITURE

ANNEXURE B: Unauthorised Expenditure 2020/21														
Name of Supplier	Description of the incident	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
													3 486	
	Overspending on Legal Expenses												061,65	3 486 061,65
													8 295	
	Overspending on Wet Fuel & Vehicle Tracking	-	-	-	-	-	-	-	-	-	-	-	970,32	8 295 970,32
		-	-	-	-	-	-	-	-	-	-	-	11 782 031,97	11 782 031,97

IRREGULAR EXPENDITURE

ANNEXURE A: Irregular Expenditure 2020/21														
Name of Supplier	Description of the incident	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
Babina Tlou	Bids not properly evaluated												22 138 269,33	22 138 269,33
20 Elevation Construction and Landscaping	Bids not properly evaluated												11 666 189,35	11 666 189,35
Ntshiana Trading and Maunyatlala Shakwana JV	Bids not properly evaluated												15 120 825,20	15 120 825,20

Baphalaborwa 72 Construction	Bids not properly evaluated													28 672 548,59	28 672 548,59
Lebaka Construction	Bids not properly evaluated													25 647 652,56	25 647 652,56
Babina Tlou	Bids not properly evaluated													16 183 138,18	16 183 138,18
Mulalo Business Enterprise	Director of the company investigated for financial misconduct													44 478 442,89	44 478 442,89
Maunyatlala Shakwana	Bids not properly evaluated, OHS plan													10 114 168,35	10 114 168,35
Autowell Engineering	Work done without Purchase Order													733 282,55	733 282,55
Abaphumeleli	bids not properly evaluated													1 499 389,55	1 499 389,55
1st May	bids not properly evaluated													1 435 798,00	1 435 798,00
Fito and Sons	bids not properly evaluated													1 098 250,00	1 098 250,00
Nkoto catering and projects	bids not properly evaluated													2 378 450,00	2 378 450,00
RMF Corporation	bids not properly evaluated													448 780,71	448 780,71
Ngoato Le Nareadi	bids not properly evaluated													520 855,71	520 855,71
Maunyatlala	bids not properly evaluated													4 099 076,11	4 099 076,11
Irhalane Construction	bids not properly evaluated													1 841 887,75	1 841 887,75
HLTC	bids not properly evaluated													474 500,00	474 500,00
Katlego Ya Sentsho	bids not properly evaluated													1 804 209,78	1 804 209,78
Kgobokanang Projects	bids not properly evaluated													689 375,55	689 375,55
Makgalathiba	bids not properly evaluated													2 903 335,00	2 903 335,00
Rashe Building construction	bids not properly evaluated													181 345,34	181 345,34
Pheladi Noko	bids not properly evaluated													3 116 976,89	3 116 976,89
Moleleki A Tlala	bids not properly evaluated													396 017,50	396 017,50
Nkoane & Mpyane	bids not properly evaluated													467 222,36	467 222,36
Picabiz	bids not properly evaluated													2 049 213,57	2 049 213,57

Ntshiana	bids not properly evaluated												32 131,00	32 131,00
Kgathola Project Management	bids not properly evaluated												1 978 382,83	1 978 382,83
Ntshiana	bids not properly evaluated												1 370 405,00	1 370 405,00
AfriSA	bids not properly evaluated												182 942,00	182 942,00
Kimopax	bids not properly evaluated												78 821,00	78 821,00
Picabiz	bids not properly evaluated												999 998,22	999 998,22
Motagane	bids not properly evaluated												2 460 450,00	2 460 450,00
Chem Tech Chemical Services	bids not properly evaluated												360 936,10	360 936,10
NJ Nkosana	bids not properly evaluated												1 897 562,60	1 897 562,60
KwaDuba	bids not properly evaluated												333 224,00	333 224,00
Mashcorp	The Director is in service of the state												968 760,00	968 760,00
Dikgati Mphahlele Attorneys	Appointment without following the required SCM processes												165 380,13	165 380,13
Dikgati Mphahlele Attorneys	Appointment without following the required SCM processes												296 925,00	296 925,00
Dikgati Mphahlele Attorneys	Appointment without following the required SCM processes												265 429,55	265 429,55
Dikgati Mphahlele Attorneys	Appointment without following the required SCM processes												424 891,80	424 891,80
SC Mdluli Attorneys	Appointment without following the required SCM processes												344 715,00	344 715,00

SC Mdluli Attorneys	Appointment without following the required SCM processes													492 855,00	492 855,00
Verveen Attorneys	Appointment without following the required SCM processes													55 780,05	55 780,05
Verveen Attorneys	Appointment without following the required SCM processes													496 878,36	496 878,36
Verveen Attorneys	Appointment without following the required SCM processes													361 392,12	361 392,12
Verveen Attorneys	Appointment without following the required SCM processes													107 229,86	107 229,86
Anaka Group	The Director is in the service of the state													402 965,52	402 965,52
														214 237 255,95	214 237 255,95

FRUITLESS AND WASTEFULL EXPENDITURE

ANNEXURE C: Fruitless & Wasteful Expenditure 2020/21														
Name of Supplier	Description of incident	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Mphoke Magane	Payment made into a fraudulent account								139					139
									521,90					521,90
Mphoke Magane	Payment made into a fraudulent account									139	521,90			521,90
									139	521,90				279

-	-	-	-	-	-	-	-	521,90	-	-	-	043,80
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Abbreviations:

- UI: Irregular expenditure Under Investigation
- DP: Disciplinary process initiated against responsible person
- CC: Criminal charges laid with SAPS
- TR: Transferred to receivables for recovery
- P: Paid or in process of paying in installments
- WO: Written-off by council as irrecoverable

2.8.5. BY-LAW

For the year under review the municipality did not gazette any by-law.

2.8.6. WEBSITE

The website of the Municipality is now functional (www.sekhukhunedistrict.gov.za) and updated on a regular basis especially the component where compliance issues have to be adhered to such as publishing of annual report, tenders and vacancies.

The website for the financial year 2019/2020 was functional with mandatory updates having been done, namely, IDP, Budget, SDBIP, Annual Report. From content management point of view for general information dissemination, the communication Unit updated the website through posting of official statements and speeches. However challenges still remain for the website to function optimally, some of the challenges are regular updating of content. The following were published on the website:

- 2020/2021 SDBIP
- Quarterly SDBIP reports done every end of the quarter.
- 2020/2021 BUDGET
- Process Plan and Framework for IDP Review 2020/2021
- 2020/2021 MIDTERM
- Performance agreements of senior managers.
- Quarterly SDBIP reports done every end of the quarter.
- Annual Report in February 2021 for public comments and final oversight report in March 2021.

Creating awareness for internal departments to provide information in a timely manner

Marketing the use of the website for external audiences

Research has been done on products that will offer the following to the communities:-

- Touch-screen kiosks that can be used for inter alia the following:
- Customer Complaints
- Customer Compliments
- Customer Comments
- General Survey Interaction
- Information Centre.

2.8.7. PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The Sekhukhune District Municipality conducted a customer satisfaction survey in 2015 which revealed that majority of citizens in Sekhukhune (approximately 62%) is reasonably satisfied with provision of services by the municipality.

In between the year the municipality has a dedicated customer care unit which processes day to day community complaints and monitor adherence to Batho-Pele principles by municipal officials.

Batho Pele Forum as a platform to engage with government service points to assess the delivery of services. The Municipality through its council has adopted important policies and guidelines to guide Batho Pele and customer management processes.

The municipality has the following platforms to receive and manage queries from communities and stakeholders,

- Suggestion boxes in all offices
- 24 hour call centre
- Regular outreach for face to face interaction
- Premier hotline
- Presidential hotline

As part of elevating and prioritising customer care and Batho-Pele issues, the municipality has moved the division to Office of the Executive Mayor so that queries raised by municipality are attended to and necessary political support is provided.

BATHO PELE PRINCIPLES

COURTESY PRINCIPLE:

2.8.4. PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The Sekhukhune District Municipality in her customer satisfaction survey conducted in 2015, revealed that majority of citizens in Sekhukhune (approximately 62%) is reasonably satisfied with provision of services by the municipality.

In between the year the municipality has a dedicated customer care unit which processes day to day community complaints and monitor adherence to Batho-Pele principles by municipal officials.

Batho Pele Forum as a platform to engage with government service points to assess the delivery of services. The Municipality through its council has adopted important policies and guidelines to guide Batho Pele and customer management processes. The policies include Batho-Pele service standards, Dingongorego/Complaints policy, and service charter.

The municipality has the following platforms to receive and manage queries from communities and stakeholders,

- Suggestion boxes in all offices
- 24-hour call centre
- Regular outreach for face-to-face interaction
- Premier hotline
- Presidential hotline

As part of elevating and prioritising customer care and Batho-Pele issues, the municipality has moved the division from Corporate services to Office of the Executive Mayor so that queries raised by municipality are attended to and necessary political support is provided.

BATHO PELE PRINCIPLES

1. COURTESY PRINCIPLE :

- **Nametags**

Currently SDM employees utilises access cards to be identified.

- **Frontline:**

SDM frontline desk is operated by Receptionist in Bareki Mall (next to the Office of the MM), at West street there is no receptionist in the reception area.

- **Signage/Way finding**

There is no signage/way finding in the entrance of Groblersdal to SDM Offices

- **Suggestion boxes**

The boxes are available in our main entrances

- **Monitoring of 3-rings (telecommunication/ Call Centre)**

The Office of the premier is monitoring the telephone rings of our call centre phones. Despite several unresolved problems of tools of trade, SDM call centre is steadily improving with an average calls per month of 60 for incidents and an average of 2000 calls for accounts as compared to an average of 40 calls for incidents in the previous financial year. Majority of our calls are related to water accounts, water related queries, motor vehicles accidents followed by structural fire wildfires and. The rest of the queries are special and general services.

Challenges

Our call centre is still experiencing a serious challenge in terms of the ageing telephone system that is used and lack of tools of trade

Calls that manually recorded during the period 2020/2021 are as follows:

INCIDENT	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Motor Vehicle Accident	30	33		24	30	33	11	15	27	11	37	36
Structural fire	01	19		20	22	28	06	16	16	10	11	04
Special services	12	03		02	03	03	05	02	03	05	02	05
Veld fire	01	11		04	03	01	00	00	00	05	00	00
Water related	67	39		15	17	15	00	00	00	14	00	00
Total	111	105	00	65	81	83	22	33	46	45	50	45

2. ACCESS PRINCIPLE

- **Accessibility to Municipal Buildings**

SDM buildings are accessible.

- **Thushong Service Centres**

SDM has 6 Thushong services centres that are located in different municipalities. The strategic objectives of the Thushong service centre can be summarized as follows: -

- Ensure better communication between government and the people.
- Provide services to people at close proximity (reducing travel distance for people to access services)

Thushong Centres to serve as centres for community events and democratic processes. Improve access of government services to communities in an integrated fashion. name of Thushong Centre & category	Municipality	Services Providers	Launched	Centre Manager
Fetakgomo - Atok (Hub)	Fetakgomo	Tele Centre, Home affairs, SASSA, Social Development, SAPS, Agriculture, Victim Empowerment Centre and ANGLO-Zimela.	Yes	Mr. Silence Mahlatji (Appointed) 071 714 3934

Leboeng (Hub)	Tubatse	Home Affairs , SAPS, Labour, Health ,Social Development, Justice, Correctional services, Telecentre, SASSA and EMS	Yes	Captain Mogoane 082 565 7135
Kgautswana (Satellite)	Tubatse	SASSA, Health, social development, SAPS, Post Office (lobby box), Agriculture, Telecentre, Library services, Development and Tourism projects and ECD	Yes	Ms. Clara Masinga (NGO volunteer) 078 616 6796
Zamenkomst e (Cluster)	Ephraim Mogale	Water Affairs, SASSA, Home Affairs, Social Development, SAPS , Municipality Agriculture and Sekhukhune District Municipality	No	Mr. Manyaka (Municipal secondment) 082 456 7693
Tafelkop (Cluster)	Elias Motsoaledi	SASSA, Social Development, GCIS, Coghsta (operate in a cluster form within a walking distance)	No	Ms. Ntepane Mathunyane

Mapodile (Hub)	Tubatse	Social Development, SASSA, Agriculture, SAPS, Municipality (library services) ,Health, Community Work Programme, Sekhukhune District Water Affairs , Tele Centre & Coghsta	Yes	Mr. Lazarus Tau (Municipal secondment) 072 185 2031
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3 CONSULTATION PRINCIPLE

Africa Peer Review Mechanism

The coordination of both the APRM and the OGP in the Province is located in the Batho-Pele Programmes. APRM focus persons have been appointed in all provincial departments and district municipalities. The coordination of both the APRM and the OGP in the Province is located in the Batho-Pele Programmes.

The Office of the Premier's Batho Pele Programmes have since facilitated the appointment of the governance structure called the Provincial Governing Council (PGC), comprising of eminent persons representing the following civil society organisations;

- Traditional Leadership
- Business
- Labour
- SANCO
- Youth
- Women
- Children
- Faith Based Organisations
- Farming sector
- Disability
- NGOS
- Sport

Open Government Partnership (OGP)

OGP are based on the following principles that sum up the benefits of the mechanisms;

Accountability of government

Responsiveness to citizens

Corruption free governance

Promoting partnership between government and civil society.

Mass Service Provision (Batho Pele build – ups)

Batho Pele Mass Service Provision has been the most effective consultation mechanism in districts. The rationale of these events is to popularize government services at district level, these type of events are rolled-out and budgeted for by respective Local Municipalities and the District municipality. Government, SOEs and business show case their services. The events are led by Mayors of the LM and Batho Pele Coordinators.

During the year 2020 the event could not take place to the lockdown restriction.

4 SERVICE STANDARDS PRINCIPLE

- **Service Standards**

Service standards are in place. They are in a process of being reviewed

- **Service Delivery Improvement Plan**

Service Delivery Improvement Plans were developed by the Office of the Premier and implemented in line with the Public service regulation of 2001 as amended ,Part III.C.1 – which requires an executing authority to establish and sustain a service delivery improvement programme for his or her department and municipalities;

5 INFORMATION PRINCIPLE

- **Newsletters**
- **Intranet**
- **Electronic mails (Emails)**
- **Meetings**

6 OPENNESS AND TRANSPARENCY PRINCIPLE

- **Departmental Citizen's reports**

- Hotlines /Toll-Free Lines
- Audit reports

7 REDRESS PRINCIPLE

PRESIDENT’S AND PREMIER’S HOTLINES

TRENDS ANALYSIS FOR BOTH THE HOTLINES

1205

Resolved: 1153

Outstanding: 52

Month/Quarter	Total number of queries receive	Total number of queries resolved	Total number of queries pending
1 st Quarter	1156	1124	32
2 nd Quarter	1156	1124	32
3 rd Quarter	1205	1153	52
4 th Quarter	1680	1678	02

1. Higher percentage of water and sanitation related complaints were reported and resolved.
2. Cases that are pending, were wrongly directed to SDM. Those are cases related to roads, electricity etc.
3. There is also a trend that is continuing where one person reports same cases using different names or different people reporting the same case.

8 VALUE FOR MONEY PRINCIPLE

- Signing of Statement of Public Service Commitment
- Customer Satisfaction Survey
- Audit reports
- Walk-ins

CHALLENGES

- A notable disjuncture in terms of recording water and sanitation related queries is still a challenge with multiple reporting lines and lack of integrated approach which will enable proper and reliable reporting.
- Manual, Outdated and ageing system of recording and processing queries due to lack of modern technology system and modern call centre facility
- Both Presidential and Premier hotline's reports are now analysed and reported in arrears (once per quarter) that makes it difficult to align our reporting with the monthly Portfolio and Mayoral Committee

CHAPTER THREE: SERVICE DELIVERY PERFORMANCE

3.1. INTRODUCTION

The district municipality as per section 152 (1) (b) of the Constitution of the Republic of South Africa mandates local government to ensure provision of services to communities in a sustainable manner. Municipalities are expected to strive within its financial and administrative capacity to achieve the objectives as set in the section 152 (2) of the Constitution of the Republic of South Africa. The district municipality is WSA (Water Service Authority) and WSP (Water Service Provider) as per the Water

COMPONENT A: BASIC SERVICES

3.2. WATER SERVICES PROVISION

The Department of Infrastructure and Water Services is responsible for delivery of water and sanitation services in the entire SDM area. The municipality planned to review its Water Services Development Plan (WSDP) and Water & Sanitation Master Plan in the current financial year (2020/2021). Both WSDP and BWSMP are used as the guiding tool to ensure effective and efficient implementation of various water schemes and provide a blue print of providing water sustainably in the district.

The Municipality is currently providing full water and sanitation services in the main towns such as Burgersfort (12 815 people), Marble Hall (4 025 people), Groblersdal (6 312 people), Steelpoort (3 374 people) and Ohrigstad (1 520 people). These areas have access to other high-level services such as refuse removal and roads.

The most villages in the vast rural areas are being provided with ground water as alternative sources and water tankers where necessary. Most of the rural villages in the Flag Boshielo Water Scheme are receiving water services in a much more improved way than most rural other villages.

Several villages are currently benefitting from water provided by a main pipe from De Hoop dam, namely: Mpelegane, Maepa, Ratau, Maphopha, Rantho, Masha, Malekana and Maseven. This is a notable progress as De Hoop dam's provision is beginning to reach villages.

INVESTMENTS ON INFRASTRUCTURE DEVELOPMENT DURING 2019/20 TO 2020/21 FINANCIAL YEARS:

During 2020/21 Financial Year, the following infrastructure grants were spent during 2020/21 financial year on water and sanitation projects:

Municipal Infrastructure Grant (GRANT): R 460 184 630 38 million

- The SDM has implemented 12 water infrastructure project and 5 VIP sanitation projects during 2020/21 financial year.
- Water Services Infrastructure Grant (WSIG): R23 533 375.07 The SDM has implemented 8 intervention water projects during 2020/21 financial year
- Regional Bulk Infrastructure Grant (RBIG): R 61 940 080.64
- The SDM has implemented 12 bulk water projects during 2020/21 financial year

BACKLOG IN ACCESS TO WATER AND SANITATION IN 2020/21 AS COMPARED TO 2019/20

The Sekhukhune District Municipality has the total population of 1 169 762 with 194 962 number of households.

The Sanitation -Ventilated Pit-latrine (VIP) infrastructure backlog was at 155 238 in 2015/16 financial year and reduced by 17 481 in 2016/17, reduced by 4919 in 2017/18, reduced by 5254 in 2018/19, reduced by 10 194 in 2019/20 and further reduced by 4936 in 2020/21 financial year.

The sanitation backlog is currently at 112 454.

The Water infrastructure backlog was at 39% in 2015/16 financial year and reduced by 4% in 2016/17, reduced by 5% in 2017/18, reduced by 3% 2018/19, reduced by

2% in 2019/20 and in 2020/21 the infrastructure is still under implementation. The water backlog is currently at 25%.

The water services backlogs fluctuates based on the availability of water & new residential developments without water provisions.

The operation & maintenance patterns on the existing water infrastructure also affects the water services backlog.

KEY WATER INFRASTRUCTURE DEVELOPMENT SCHEMES IMPLMENTED DURING 2020/21 TO DATE

- The SDM continued with the implementation of Nkadimeng Bulk Water Supply Scheme, which is currently at Phase 11 to complete the water pipeline and reticulation network
- The commissioning and testing of Bulk pipeline from Malekana Water Treatment Works to Jane Furse command reservoir under (Nebo Plateau Bulk Water Scheme) to be completed in 2021/2022
- The implementation of phase 4 for Mooihoek-Tubatse Bulk Water Scheme is continuing in the current financial, which includes the bulk pipelines and concrete reservoirs. These projects will be completed in the next two financial years of 2021/22 to 2022/23
- The Lebalelo South Bulk Water Scheme commenced with construction in the current financial 2018/2019 and to be completed by June 2022.
- The Phase 3 of the Lebalelo South Water Distribution and Reticulation scheme commenced in 2018/19 financial year and to be completed in 2022/23
- The Olifantspoort South Bulk Water Schemes is currently under implementation at Phase 24 to complete the bulk pipeline and water distribution pipeline
- Moutse Bulk Water supply is currently under implementation and will be completed in 2022/23.

The following projects were implemented in the 2020-2021 financial year

PROJECT NAME	LOCATION /VILLAGE	PROJECT VALUE	EXPENDITURE	PROGRESS TO DATE
Zaaiplaas Village Reticulation Phase 2 (Vlakfontein, Sovolo and remaining villages) - CO	Dindela	R1 397 102.00	R848 232.13	<p><u>Reservoir at 20%</u></p> <p>Contractor finally terminated and no response has been received from the contractor. A proposal to complete the project has been submitted to the Municipality and options will be selected based on the available budget and viability.</p> <p><u>Pump Station at 92%</u></p> <p>Pump station building 90% Mechanical Installation 80% Electricity 100% Refurbishment of well fields 100%`.</p>
Ga-Marishane water reticulation supply	Ga-Marishane	R5 818 120.00	R5 365 955.91	Progress made is 98%. Practical completion is scheduled for the 09/07/2021
Lebalelo South connector pipes and reticulation	Ga Riba, Rivercross, Driekop	R55 121 791.00	R35 588 228.92	<p><u>For the Bulk Pipelines</u> The overall progress is at 98%.</p> <p>System 1 – 84.39km of Bulk pipeline constructed. Contractor to Finalize the installation of Valve chambers and pipe testing –Physical Progress 99%</p> <p>System 2 – 93.6km of Bulk pipeline constructed, one Steel tank erected, Currently busy with the excavations in areas with hard rock and erection of Valve chambers –Physical Progress 97%</p> <p>System 3 - 35km of Bulk pipeline constructed, Two Steel tanks</p>

			<p>erected and valve chambers completed. Project practically completed and the contractor. Currently busy with the identified snags- Physical Progress 99%.</p> <p><u>For the Reticulation.</u></p> <p>The overall progress is at 88%.</p> <p>System 1 – 87km of reticulation constructed, currently busy with the valve chambers and installation of water meters and stand pipes- Physical Progress 91%.</p> <p>System 2 – 108km of reticulation network constructed, Currently busy with the installation of the water meters and stand pipes – Physical Progress 90%.</p> <p>System 3 - 15km of reticulation network constructed, contractor to start with the installation of water meters. –Physical Progress 86%</p> <p><u>For the Reservoir</u></p> <p>The overall progress is at 86%.</p> <p><u>Package A</u></p> <p>Contractor currently busy with the platform for the installation of steel tanks. The supplier for the steel tanks is busy manufacturing the tanks and has started with the ring beam .Physical progress is at 85%.</p> <p><u>Package B</u></p> <p>Contractor has completed the</p>
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				<p>platforms and the supplier for the steel tanks to start with the ring beams. Physical progress is at 84%.</p> <p><u>Package C</u></p> <p>Contractor has completed all the platform for the installation of steel tanks and currently busy the erection of gabions and stone pitching. Physical progress is at 89%</p>
NSD07 Regional Water Scheme Construction of Concrete Reservoirs	Schoonord	R46 716 098.00	R45 137 561.89	<p>2km pipeline constructed. 87% complete Overall progress. Reservoir construction completed (only water tightness test remains), busy finalising valve chambers on the gravity pipeline, drainage systems around the reservoir and palisade fencing.</p> <p>0km pipeline constructed. 23% Overall progress. Access road preparations at 95%. Reservoir platform preparations at 75% progress.</p> <p>0km pipeline constructed. 38% Overall progress. Excavations for reservoir platform completed, platform at 100%. Contractor completed with backfilling using imported G6 material for platform, and the other reservoir steel fixing for ring beam is completed and pouring of mass concrete underway</p>

Ga-Mogashoa (Senggapudi) and Ga-Mogashoa (Manamane) Water Reticulation	Sekgapudi & Manamane	R66 835 031.00	R54 525 421.74	<p>65.6 kilometres of pipeline constructed. Contractor busy with pressure testing and also doing yard connections Overall progress is at 77%</p> <p>28.5 kilometres of pipeline constructed. Contractor busy with construction of valve chambers and also doing yard connections Overall progress is at 83%</p>
De Hoop/ Malekana regional Water Scheme	Malekana, Maphopha Ga-Masha Ga-Maepa Ga-Rantho Ga-Ratau Kutollo Maseven Ga- Mpana	R 88 022 463,00		<p>Overall progress = 39%</p> <p><u>Works in Progress</u></p> <p>13.24km out of 21km completed to date</p> <p>No progress for the month due to none-payment of the contractor by the Client.</p> <p>Overall progress = 80%</p> <p>Site establishment complete</p> <p><u>Works in Progress</u></p> <p>410 kl reservoir 90% 280kl reservoir 90% 180kl reservoir 50% 1.1MI reservoir 80% 0.7MI reservoir 35%</p>
Lebalelo South Phase 3(Ga Maroga & Motlolo reticulation , bulk and reservoir)	Maroga and Motlolo	R69 318 954.00		<p>Overall Progress =55%</p> <p>7 out of 8 reservoirs progress Earthworks 100% Blinding and footing 90% First lift wall for 5 reservoirs 100%</p>

			R69 318 922.11	Reticulation Overall Progress =90% 66 km out of 69 has been completed. Pressure testing done sectionally as the project proceeds
Ga Maphopha Command Reservoir	Ga Maphopha	R2 500 000.00	R218 738.65	Pump station 98%(awaiting commissioning) <u>Pipeline</u> Overall progress = 96% <u>5 MI Command Reservoir</u> Command reservoir completed. complete
De Hoop/Nebo Plateau/Schoonoord Water Scheme Villages: Makgeru, Ga Ratau & Matekane	Makgeru, Matekane and Ga-Ratau	R9 330 710.00	R8 534 931.96	Project split into two contracts One contract has been awarded, Introduction of the contractor was done on 04/02/2021, CLO appointed
Motlailana and Makgemeng Water Supply	Motlailana and Makgemeng	R6 791 934.00	R2 598 071.07	Motlailana Village Overall Progress = 57% Makgemeng Village Appointment stage (Busy with Construction permit application)
Disaster Management Pandemic COVID-19 Project	Brooklyn, Eenzam, Polaseng, Sephaku, Legolaneng, Tshikanoshi, Mahlakwana, Kgotlopong	R29 204 596,00	R1 995 748.65	Appointment issued to contractors
Roosenekal WWTW	Roosenekal	R500 000.00	R0.00	Overall progress = 95%.
Tukakgomo water	Tukakgomo	R 7 000 369.69	R 2 465 592.43	Site establishment is at 100%, Construction of water reticulation

intervention and meter installations.				network is at 65%, Drilling of the four odex holes are at 100%, testing and equipping are at 0%.
Uitspanning Water Supply Intervention	Uitspanning	R 8 004 034.76	R4 071 095.77	Site establishment is at 100%, The contractor and engineer are still finalising the quotation for the RO Plant.
Maebe drilling and equipping of borehole	Maebe	R 16 000 800.33	R 7 048 233.42	Site establishment is at 78%, Contractor has sourced three quotations for RO Plant and submitted them to the Engineer for evaluation.
Jane Furse RDP Package plant	Jane Furse RDP	R 2 811 905.20	R 2 183 987,90	100% Installation of package plant. 100% installation of the Razor Fence. 100% completion of constructing the concrete base. 100% construction of the attenuation tank. Overall Progress is 100%.
Mogoroane Water Supply	Mogorwane	R 6 400 240.20	R 4 897 145.75	Site establishment 100%, Reticulation network 94%, 2 storage tanks at 80% and communal stand pipes 95%. Overall Progress is 93%
Rutseng Water Intervention	Rutseng	R 7 202 092.84	R 2 867 319.80	Site establishment is at 100%, Construction of bulk pipeline is at 63%, Construction of the reinforced concrete wall at abstraction 0%, sealing of the leaks on the existing concrete reservoir 0%.
Flag Boshielo WC&WDM (Letebejane Water Meters Installation)	Letebejane	R 4 411 097.68	R0.00	500km construction of reticulation network completed.0 Water meters installed. Overall Progress is at 70%
Phiring Water Supply Intervention Phase 2	Phiring	R 1 640 459.30	R0.00	Construction of 0.7km of water reticulation is 100% completed. Material for the elevated steel tank delivered to site. Overall Progress is at 85%
Construction of Mooihoek	Dresten	R80,000,000.00	R1,212,732.50	Physical progress at 100%

bulk water supply phase 4E				
Mooihoek bulk water supply phase 4F2	Ga Motodi	R80,000,000.00 R24,292,000.00	R0.00	Physical progress at 100%
Mooihoek bulk water supply phase 4F1	Ga Motodi		R3,429,084.57	Progress to date is 99%, contractor busy with pressure testing, commissioning and rehabilitation of site
Mooihoek bulk water supply phase 4G1.1	Alverton		R2,101,683.09	Contractor appointed. Done with contractual obligations and site establishments. 0% physical progress.
Mooihoek bulk water supply phase 4G1.2	Alverton		R1,957,100.00	15% physical progress.
Mooihoek bulk water supply phase 4G2	Alverton and Manoke		R33,024,778.95	4,459Kilometres of bulk water supply pipeline constructed (91%), 500KL Concrete reservoir at 95% construction.
Nebo BWS Makgeru to Schoonoord BWS	Schoonoord, Ga Maloma, Ga Mogashoa, Kotsiri, Makgeru, Rarau,		R20,138,198.31	Overall progress is 90% 18.2km of pipeline completed. Reservoir structure is 100% completed, remaining work is

	Sekele , Matekane, Mkhondweni			water tightness test, palisade fence around reservoir and landscaping
Nebo Commission Jane Furse Pipeline	Janefurse and surrounding villages	R24,292,000.00 R31,364,000.00	R 0.00	Project has been abandoned by Engineers and Contractor due to outstanding fees
Jane Furse to Lobethal bulk water supply	Lobethal and surrounding villages		R0.00	Proposal to transfer the remedial works to Lepelle Water Board as implementing agent to be submitted to MM
Moutse BWS Project 13 & 14	Moutse East and West villages		R 709,003.22	No progress as project was stopped by affected stakeholder's interference (business forum). Stakeholders meeting are held bi weekly to resolve the impasse.
Moutse BWS Project (7 to 12)	Moutse East and West villages	R31,364,000.00	R0	No progress as project was stopped by affected stakeholder's interference (business forum). Stakeholders meeting are held bi weekly to resolve the impasse.
Moutse BWS Construction bulk water Pipeline Project 2 – 4	Moutse East and West villages		R0	No progress as project was stopped by affected stakeholder's interference (business forum). Stakeholders meeting are held bi weekly to resolve the impasse.

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3.3. SANITATION SERVICES PROVISION

The SDM is currently implementing a massive sanitation programme and providing Ventilated Improved Pit latrines (VIP's) to various households. In the 2017-2018 to 2019/2020, financial year's 20 367 VIP Sanitation units were built across the district as part of providing communities with sanitation.

The following sanitation projects were implemented in the 2020-2021 financial year

NUMBER OF VIP TO CONSTRUCT	MUNICIPALITY	PROJECT VALUE	EXPENDITURE	PROGRESS TO DATE
550 VIP units	Ephraim Mogale	R8 443 903.00	R8 433 050.11	550 VIP units completed
1 682 VIP units.	Elias Motsoaledi	R24 054 875.00	R21 943 427.16	1671VIP units completed
915 VIP units	Makhuduthamaga	R26 361 132.00	R14 518 417.17	915 Units completed
1800 VIP units	Fetakgomo-Tubatse	R33 186 126.34	R26 581 781.32	150 VIP units completed
4947 VIP units	Sekhukhune	R92 046 036,34	R58 410 105.76	4936 VIP units completed

Grant spending of projects

GRANT	NUMBER OF PROJECTS IMPLEMENTED	EXPENDITURE AS AT 30 JUNE 2021	%
Municipal Infrastructure Grant (MIG)	12 projects and 5 VIP sanitation projects	R 460 184 630,38	99%
Water Services Infrastructure Grant (WSIG)	8 intervention projects	R23 533 375.07	57%
Regional Bulk Infrastructure (RBIG)	12 bulk projects	R 61 166 093.37	27%
Rural Roads Assets Management System (RRAMS)	1 project	R2 309 332	99%

3.4 MUNICIPAL HEALTH SERVICES 2020 / 2021 SUMMATIVE STATISTICS

Section 24 of the Constitution of RSA Act 108 of 1996, states that everyone has a right to an environment that is not harmful to their health or well-being. The Constitution allocates Municipal Health Services (MHS) as a Local Government function under section 156(1) (a) and Part B of Schedule 4. Section 237 provides that all Constitutional obligations must be performed diligently and without delay.

MHS functions are performed by professionals who register with the Health Professions Council of South Africa (HPCSA). The Health Professions Act, 1974 (Act no 56 of 1974) states that:

- All health professionals required to register as provided for in section 17 of the Act, should register to be able to practice.

Only Environmental Health Practitioners registered with HPCSA and in good standing can be appointed to serve a Municipality in section 80 of the National Health Act of 2003.

No	Component	Activities	Challenges	Remedial Action
1	Water Quality	324 water quality samples were taken for bacteriological analysis. 213 adhered to minimum health requirements.	117 did not adhere to minimum health requirements	Reports communicated to IWS and affected community members
2	Health surveillance of premises	1523 Premises were evaluated for safe and habitable conditions. 1286 premises complied with minimum health requirements.	237 premises did not comply with health requirements.	All non-complying premises were issued with non-compliance notices.
3	Surveillance and prevention of contagious diseases	116 Awareness campaigns on prevention of COVID-19 and food safety were conducted.	Lack of community awareness. Improper wearing of face masks (covering only the mouth), hand sanitizers and social distancing not observed in densely populated areas	Continuous health education
4	Communicable diseases outbreak control	1013 reported cases were investigated	Report cases are investigated to determine causes and to identify solutions	Investigation is done to prevent future occurrence of the diseases
5	Vector control	1791 Premises inspected for effective abatement	961 premises lacked vector control	All non-complying premises were issued with

		and5control of vectors. 830 com6lied with minimum health requirements.	programmes.	notices.
6	Environmen tal pollution prevention	24 Air quality awareness campaigns were held at different industrial facilities to educate them on air quality matters such as dust control. 1 Awareness campaign was done to nursing students to educate them about air quality and its impact on human health.	Lack of information on air quality issues by facilities and community members	Awareness campaign held to educate facilities and communities on air quality issues
		2 x compliance monitoring was conducted at Annesley Andalusite and Tubatse Alloys	Appointments clashing with other activities of the facility thereby resulting in postponement	Ensure compliance with AEL conditions
		5 x Landfill sites were inspected for compliance with permit conditions.	Waste dumping and no water sampling for chemical analysis at Burgersfort entrance and Marble Hall was on fire,	To assist with water sampling for chemical analysis.
		13 sewage purification facilities namely Steelport, Praktiseer, Penge, Moroke, Sekhukhune college, Marble Hall, Elandskraal, Moganyaka, Old Jane Furse	The sewage purification facilities did not comply with health requirement due to poor operation and	A memo was written to IWS to indicate the challenges and recommendations to correct the situation.

		hospital, Jane Furse Plaza, Jane Furse RDP, Dennilton and Matlala hospital were evaluated.	maintenance.	
		8 x schools were monitored for separation of waste and recycling hence 27 drums handed for the purpose.	Shortage of recycling bins	Continue monitoring of schools for compliance
		1630 kg of waste paper has been separated for recycling at SDM Bareki Mall offices.	Lack of enough recycling bins for most facilities	Procure recycling bins and resume waste separation in other offices
		48 x Waste transportation was inspected and issued with a permit.	None	Monitor transportation for compliance
7	Disposal of the dead	107 Facilities of the dead were evaluated.	8 Premises did not meet health requirements	Non-compliant facilities of the dead were issued with notices.
8	Food control	1567 Food premises were inspected. 818 complied with minimum health requirements. 10 kg of unsound foodstuffs confiscated and sagely disposed.	749 did not comply to health requirements	Non-compliant food premise were issued with notices.
		80799.80kg foodstuffs and 205.7 litres of juice were condemned. 304 cosmetics were condemned	The foodstuffs were unfit for human consumption. Cosmetics had banned substances	Unfit foodstuffs are removed from the shelves, condemned and safely disposed-off.
9	Waste	112 Health facilities were	60 did not adhere	Non-compliance

	managemen t	evaluated for proper management of Health Care Risk Waste (HCRW).	to minimum health requirements	notices to correct the situation were issued.
10	Chemical Safety	354 Chemical handling premises were evaluated for proper handling and storage of chemicals.	To prevent the spread of Covid-19.	Continuous decontamination in facilities.

3.5 EMERGENCY MANAGEMENT SERVICES 2020 / 2021 SUMMATIVE STATISTICS

3.5.1. FIRE AND RESCUE OPERATIONS

INCIDENT	NUMBER
Structural Fire	163
Commercial Fire	6
Motor Vehicle Accident	240
Veld Fire	140
Vehicle Fire	42
Special Service	25
Hazmat Response	19
Water Rescue	6

3.5.2. EMERGENCY MANAGEMENT SERVICES TRAINING ACADEMY 2020 / 2021 TRAININGS

- a. During the period under review **First-Aid Level3** training was conducted to twenty public students and internal personnel whose certificate validation had expired. The unit standard 254220: it's a compliance for fire service practitioners to provide primary emergency care / first aid as an advanced first responder.

- b. A Firefighter-1 course registered with Southern African Emergency Services Institution as number: SDM/FF/17/2021 was assessed completed end of April 2021.
- c. A Hazmat Awareness course registered with Southern African Emergency Services Institution as number: SDM/HA/20/2021 was assessed completed end of May 2021.
- d. Continuous professional development courses on the fire service to internal personnel continued to be facilitated on monthly basis. These courses served as refresher courses to fire practitioners in the service.

3.5.3. FIRE SAFETY AND PREVENTION 2020 / 2021 SUMMATIVE STATISTICS

The annual fire safety and prevention unit summative stats on the table below cover all the twelve months proactive approaches to ensure compliance prior construction, during construction and to existing constructions.

SECTION	CATEGORY	
Inspections		
Meetings		75
Reports generated	Yes(1)N/A(0)	71
Number of inspections	Request	92
	Compliant	2
	Routine	31
Type of inspection	F/L	31
	Gas	15
	Building	59
	Transport Dangerous Goods	15
	2nd hand	0
	Fire investigation	6
	F/Works	8
	Warnings	0
	COC	0
Plan review		
Reports	Yes(1)N/A(0)	41
Type of plan	F/L	4
	Gas	3
	Building	49

	F/Works	0
Approved	C(1) NYC (0)	20

3.6 DISASTER MANAGEMENT SERVICES 2020 / 2021 SUMMATIVE STATISTICS

Disaster Management is an integrated and coordinated function, that focuses on preventing and reducing the risk of disasters, mitigating the severity of disasters, emergency preparedness, rapid and effective response to disasters, and post disaster recovery and rehabilitation.

Disaster Management is further guided by the disaster management Act 57 of 2002 as amended, as well as the disaster management framework of 2005 under the four KPA`s and three enablers, namely:

KPA 1 : Institutional Capacity

The main objective is to establish integrated institutional capacity within the district to enable the effective implementation of disaster risk management policies and legislations.

KPA 2 : Disaster Risk Assessment

The objective is to establish a uniform approach to assessing and monitoring disaster risks that will inform disaster risk management planning and reduction undertaken by disaster management within the Sekhukhune district and other role players.

District disaster risk assessment is conducted as and when disaster incident is reported and it is through these assessments that relief is provided to the assessed disaster victims.

KPA 3 : Disaster Risk reduction

Disaster Management plans for Sekhukhune District Municipality were reviewed and adopted by council structures, and are implemented as per each local municipality to prevent and mitigate disaster risks. The plan is serving as the guiding and coordinating policy instrument for insuring an integrated and uniform approach to disaster risk management by all organs of state and other institutional role players.

KPA 4 : Response and Recovery

The key objective is to ensure effective and appropriate disaster response and recovery such as:

- Implementing a uniform approach to the dissemination of early warnings and implementing immediate integrated and appropriate response and relief measures when disasters occur or threatening to occur.

Enabler 1 : Information Management and communication

Objective: to guide the development of a comprehensive information management, communication management and communication system as well as establishing integrated communication links with all disaster management role players.

Sekhukhune district disaster management centre currently does not have communication systems in place to provide an institutional resource database, facilitate information, and provide risk analysis for disaster risk assessments and mapping for the district.

Enabler 2 : Education, Training, Public awareness and Research.

Objective – to promote a culture of risk avoidance among stakeholders by capacitating role players through awareness campaigns.

Enabler 3 : Funding Arrangements

Objective – To establish mechanisms for the funding of disaster risk management.

District and its Local Municipalities conducted preliminary impact assessment in respect of **188** Disaster incidents reported which were due to structural fire and storm as per attached list below.

MUNICIPALITY	NO OF DISASTER REPORTED	TYPE OF DISASTER REPORTED	TYPE OF RELIEF PROVIDED
Makhuduthamaga Local Municipality	19	Structural fire and storm	blankets and sponges
Fetakgomo Tubatse Local Municipality	73	Structural fire and storm	blankets and sponges

Elias Motsoaledi Local Municipality	92	Structural fire and storm	blankets and sponges
Ephraim Mogale Local Municipality	04	Structural fire and storm	blankets and sponges

3.6.1. AWARENESS CAMPAIGNS

Sixty-One (61) awareness campaigns were conducted on disaster mitigation strategies, Crime, road safety, drug and alcohol abuse.

NO	VENUE	MUNICIPALITY	PROGRAMME	DATE
1.	Apel Taxi Rank	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID - 19	04/07/2020
2.	Sekhukhune TVET college	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID - 19	05/07/2020
3.	Mohlaletsi Taxi Rank	Fetakgomo Tubatse L.M	Joint road safety awareness aimed at COVID- 19	05/07/2020
4.	Leporogong Taxi Rank	Fetakgomo Tubatse L.M	Joint road safety awareness aimed at COVID- 19	12/07/2020
5.	Leporogong Taxi rank	Fetakgomo Tubatse L.M	Joint road safety awareness aimed at COVID- 19	19/07/2020
6.	Atok Taxi Rank	Fetakgomo Tubatse L.M	Monitoring and compliance	25/07/2020
7.	Setlaboswane	Makhuduthamaga	Monitoring and compliance	25/07/2020
8.	Bopedi Shopping	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at	01/08/2020

	Complex		COVID - 19	
9.	Bopedi Shopping Complex	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID - 19	02/08/2020
10.	Mphanama Taxi Rank	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID - 19	08/08/2020
11.	Apel four ways	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID - 19	09/08/2020
12.	Mohlaletsi Ward 03 and 35	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID-19	23/08/2020
13.	Apel Regional Office	Fetakgomo Tubatse L.M	COVID -19 awareness program	26/08/2020
14.	Eskom Park	Elias Motsoaledi	Women`s month operation aimed at COVID-19	03/08/2020
15.	Phasha Skraal	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19 - Joint road safety campaign	05/09/2020
16.	Leporogong Taxi rank	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19 - Road safety campaign	06/09/2020
17.	Apel Cross	Makhuduthamaga	Joint road Safety campaign	11/09/2020
18.	Bopedi Taxi rank	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19 - Pedestrian road safety	20/09/2020

			campaign	
19.	Ga- Nkoana	Fetakgomo Tubatse L.M	Monitoring and compliance of churches aimed at COVID - 19	26/09/2020
20.				
21.	Ward 35 & 39	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19	03/10/2020
22.	Fetakgomo Tubatse Taxi Rank	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19 road safety campaign	11/10/2020
23.	Fetakgomo Municipality Local Command Council Forum	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19 road safety campaign	12/10/2020
24.	Masemola Taxi rank	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19 pedestrian road safety campaign	18/10/2020
25.	Molomo wa Tau Secondary School	Makhuduthamaga	Monitoring and compliance of churches aimed at COVID - 19	21/10/2020
26.	Marble Hall Taxi Rank	Ephraim Mogale Local Municipality	Monitoring and compliance of churches aimed at COVID - 19	24/10/2020
27.	Sekhukhune TVET College	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19 joint road safety campaign	09/11/2020

28.	Apel Taxi rank	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19 road safety campaign	10/11/2020
29.	Tshehlwaneng	Makhuduthamaga	Road safety awareness campaign	06/11/2020
30.	Moroke	Fetakgomo Tubatse	Road Safety campaign	13/11/2020
31.	Municipal chamber	Fetakgomo Tubatse	Local command Council	16/11/2020
32.	Schoonhoord Taxi rank	Makhuduthamaga	Joint road Safety campaign	18/11/2020
33.	Mohlarekoma sports ground	Makhuduthamaga	Awareness campaign on disaster relief and response	26/11/2020
34.	Patantshwane	Makhuduthamaga	Awareness campaign on disaster relief and response	30/11/2020
35.	Matlerekeng Pink hall	Ephraim Mogale L.M	Monitoring and compliance aimed at COVID – 19 Disaster awareness campaign on storms and fire prevention	11/11/2020
36.	Marble hall N11	Ephraim Mogale L.M	Joint road safety campaign	12/11/2020
37.	Apel Cross and Bopedi Complex	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19 Joint road safety campaign	18/12/2020
38.	Bothashoek	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19	15/12/2020

			joint road safety awareness campaign	
39.	Morarela	Ephraim Mogale L.M	Joint road safety awareness campaign	15/12/2020
40.	Janefurse Taxi Rank	Fetakgomo Tubatse L.M	Joint road Safety awareness campaign	14/12/2020
41.	Tshehlwaneng	Makhuduthamaga	Joint Road safety awareness campaign	06/12/2020
42.	Eskom Park	Elias Motsoaledi L.M	Joint road Sfety awareness campaign	16/12/2020

NO	VENUE	MUNICIPALITY	PROGRAMME	DATE
43.	Bothashoek	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19 joint road safety awareness campaign	15/01/2021
44.	Apel Cross and Bopedi Complex	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19 Joint road safety campaign	18/01/2021
45.	Tshehlwaneng	Makhuduthamaga	Road safety awareness campaign	06/01/2021
46.	Mohlaletsi Taxi rank ward 39	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19 joint road safety awareness campaign	07/02/2021
47.	Makhuduthamaga Taxi rank	Makhuduthamaga	Anti- crime okae Molao operation and COVID-19 awareness	14/02/2021

48.	Phuthi Tlou Sec. School	Fetakgomo Tubatse	School re-opening compliance and monitoring aimed at COVID- 19 awareness	15/02/2021
49.	Steelpoort	Fetakgomo Tubatse	COVID -19 awareness program	19/02/2021
50.	Apel Cross	Makhuduthamaga	Road safety education and campaign	06/03/2021
51.	Seroka Primary School	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19 joint road safety cycling awareness campaign	10/03/2021
52.	Sekhukhune TVET college	Fetakgomo Tubatse L.M	Monitoring and compliance aimed at COVID – 19 Disaster awareness and SRC celebration event	27/03/2021

53.	Bothashoek	Fetakgomo Tubatse L.M	joint road safety awareness campaign- Easter operations	02/04/2021
54.	Apel Cross next to Masemola Taxi rank	Makhuduthamaga	joint road safety awareness campaign- Easter operations	03/04/2021
55.	Eskom Park	Elias Motsoaledi L.M	School re-opening compliance and monitoring aimed at COVID- 19 awareness	16/04/2021
56.	Masemola Taxi rank	Makhuduthamaga	joint road safety awareness campaign- Adults pedestrian Safety Education/Road side promotion	09/05/2021

57.	Tlou- Nare Secondary School	Fetakgomo Tubatse	joint road safety awareness campaign- School pedestrian safety education	13/05/2021
58.	Eskom Park	Elias Motsoaledi L.M	Joint road safety Campaign	14/05/2021
59.	Ga- Masemola	Makhuduthamaga	Crime Prevention awareness campaign	02/06/2021
60.	Modiadie Secondary School	Fetakgomo Tubatse	Schools pedestrians Road Safety Education	03/06/2021
61.	Tlou- Nare Secondary School	Fetakgomo Tubatse	District road safety awareness campaign- NDAZI Operation	18/06/2021

COMPONENT B: PLANNING AND DEVELOPMENT

3.7 LOCAL ECONOMIC DEVELOPMENT

3.7.1 INTRODUCTION

Sekhukhune District Municipality (SDM) is responsible for facilitation and coordination of Local Economic Development (LED) in the district as a whole as provided for in the legislation. Section 26 (c) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) provides core components of integrated development plans, which amongst others states that an Integrated Development Plan must reflect Council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs. Council's LED priorities and objectives are packaged in the form of LED Strategy.

3.7.2 STATE OF THE DISTRICT ECONOMY

Sekhukhune District Municipality economic overview and outlook

Economic growth is one of the main indicators of a progressing and developing district. The main sectors of Sekhukhune District that contribute to the growth of economy in the district are Agriculture, Mining and Community Services. Mining is the biggest contributor in the economy of the district.

3.7.3 Unemployment

UNEMPLOYMENT (OFFICIAL DEFINITION) - SEKHUKHUNE, LIMPOPO AND NATIONAL TOTAL, 2009-2019 [NUMBER PERCENTAGE]

	Sekhukhune	Limpopo	National Total	Sekhukhune as % of province	Sekhukhune as % of national
2009	80,900	346,000	4,440,000	23.4%	1.82%
2010	72,300	302,000	4,490,000	23.9%	1.61%
2011	67,300	274,000	4,590,000	24.5%	1.47%
2012	65,300	263,000	4,710,000	24.8%	1.39%
2013	64,100	255,000	4,870,000	25.1%	1.32%
2014	65,900	259,000	5,070,000	25.4%	1.30%
2015	73,400	286,000	5,320,000	25.7%	1.38%
2016	84,200	323,000	5,700,000	26.1%	1.48%
2017	89,500	342,000	6,020,000	26.2%	1.49%
2018	89,200	341,000	6,130,000	26.2%	1.45%
2019	93,100	360,000	6,440,000	25.9%	1.44%

Average Annual growth

2009-2019	1.42%	0.40%	3.80%
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Source: IHS Markit Regional eXplorer version 2070

In 2019, there were a total number of 93 100 people unemployed in Sekhukhune, which is an increase of 12 300 from 80 900 in 2009. The total number of unemployed people within Sekhukhune constitutes 25.87% of the total number of unemployed people in Limpopo Province. The Sekhukhune District Municipality experienced an average annual increase of 1.42% in the number of unemployed people, which is worse than that of the Limpopo Province which had an average annual increase in unemployment of 0.40%.

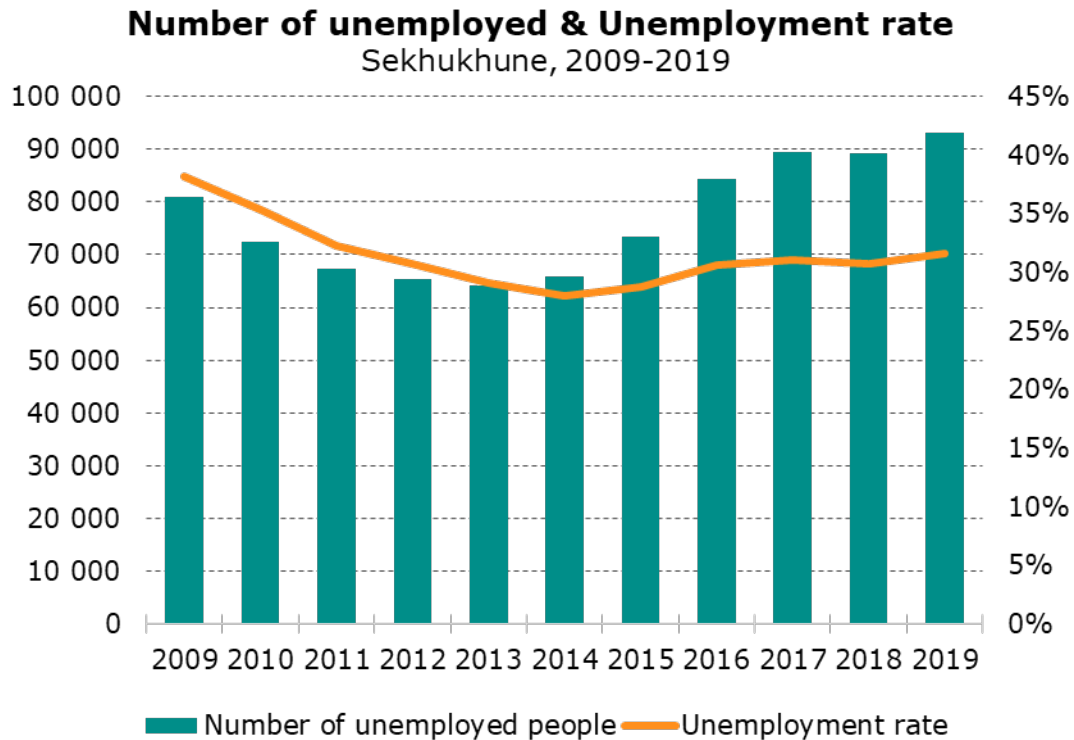
UNEMPLOYMENT RATE (OFFICIAL DEFINITION) - SEKHUKHUNE, LIMPOPO
AND NATIONAL TOTAL, 2009-2019 [PERCENTAGE]

	Sekhukhune	Limpopo	National Total
2009	38.2%	27.0%	24.3%
2010	35.3%	24.6%	24.9%
2011	32.3%	22.3%	25.1%
2012	30.8%	20.8%	25.1%
2013	29.1%	19.3%	25.2%
2014	27.9%	18.2%	25.2%
2015	28.7%	18.6%	25.5%
2016	30.6%	19.7%	26.4%
2017	31.1%	20.0%	27.2%
2018	30.7%	19.7%	27.4%
2019	31.6%	20.6%	28.4%

Source: IHS Markit Regional eXplorer version 2070

In 2019, the unemployment rate in Sekhukhune District Municipality (based on the official definition of unemployment) was 31.62%, which is a decrease of -6.58 percentage points. The unemployment rate in Sekhukhune District Municipality is higher than that of Limpopo. The unemployment rate for South Africa was 28.37% in 2019, which is an increase of -4.06 percentage points from 24.31% in 2009.

UNEMPLOYMENT AND UNEMPLOYMENT RATE (OFFICIAL DEFINITION) -
SEKHUKHUNE DISTRICT MUNICIPALITY, 2009-2019 [NUMBER
PERCENTAGE]



Source: IHS Markit Regional eXplorer version 2070

When comparing unemployment rates among regions within Sekhukhune District Municipality, Makhuduthamaga Local Municipality has indicated the highest unemployment rate of 43.6%, which has decreased from 50.6% in 2009. It can be seen that the Ephraim Mogale Local Municipality had the lowest unemployment rate of 22.7% in 2019, which decreased from 28.6% in 2009.

3.7.4 Gross Domestic Product

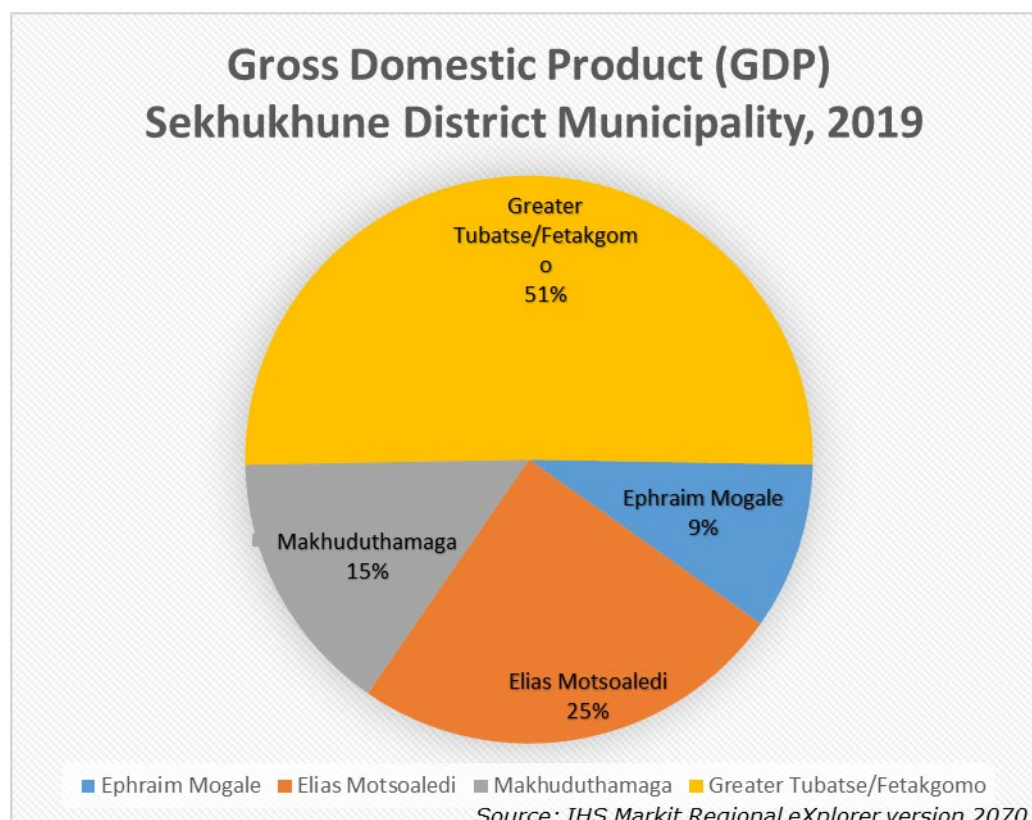
GROSS DOMESTIC PRODUCT (GDP) - SEKHUKHUNE, LIMPOPO AND NATIONAL TOTAL, 2009-2019 [R BILLIONS, CURRENT PRICES]

	Sekhukhune	Limpopo	National Total	Sekhukhune as % of province	Sekhukhune as % of national
2009	22.2	181.9	2,507.7	12.2%	0.89%
2010	25.3	202.2	2,748.0	12.5%	0.92%
2011	28.2	222.3	3,023.7	12.7%	0.93%
2012	30.0	238.5	3,253.9	12.6%	0.92%
2013	32.1	258.2	3,540.0	12.4%	0.91%
2014	33.4	273.2	3,805.3	12.2%	0.88%
2015	34.9	289.1	4,049.9	12.1%	0.86%
2016	38.4	315.8	4,359.1	12.2%	0.88%
2017	41.6	340.3	4,653.6	12.2%	0.89%
2018	43.6	359.9	4,873.9	12.1%	0.90%
2019	47.0	380.8	5,077.6	12.3%	0.92%

Source: IHS Markit Regional eXplorer version 2070

With a GDP of R 47 billion in 2019 (up from R 22.2 billion in 2009), the Sekhukhune District Municipality contributed 12.33% to the Limpopo Province GDP of R 381 billion in 2019 increasing in the share of the Limpopo from 12.21% in 2009. The Sekhukhune District Municipality contributes 0.92% to the GDP of South Africa which had a total GDP of R 5.08 trillion in 2019 (as measured in nominal or current prices). It's contribution to the national economy stayed similar in importance from 2009 when it contributed 0.89% to South Africa, but it is lower than the peak of 0.93% in 2011.

GDP CONTRIBUTION - LOCAL MUNICIPALITIES OF SEKHUKHUNE DISTRICT MUNICIPALITY, 2019 [CURRENT PRICES, PERCENTAGE]

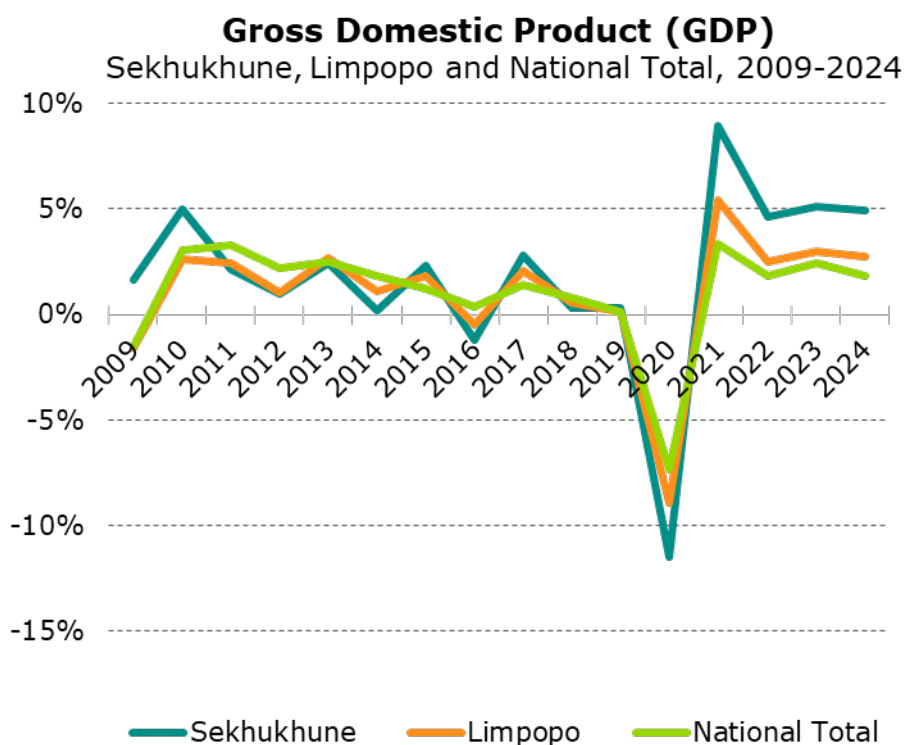


The greatest contributor to the Sekhukhune District Municipality economy is the Greater Tubatse/Fetakgomo Local Municipality with a share of 50.56% or R 23.7 billion, increasing from R 11.1 billion in 2009. The economy with the lowest contribution is the Ephraim Mogale Local Municipality with R 4.47 billion growing from R 2.15 billion in 2009.

3.7.5 Economic Growth Forecast

It is expected that Sekhukhune District Municipality will grow at an average annual rate of 2.16% from 2019 to 2024. The average annual growth rate of Limpopo Province and South Africa is expected to grow at 0.80% and 0.34% respectively.

GROSS DOMESTIC PRODUCT (GDP) - SEKHUKHUNE, LIMPOPO AND NATIONAL TOTAL, 2009-2024 [AVERAGE ANNUAL GROWTH RATE, CONSTANT 2010 PRICES]



Source: IHS Markit Regional eXplorer version 2070

In 2024, Sekhukhune's forecasted GDP will be an estimated R 31.6 billion (constant 2010 prices) or 13.4% of the total GDP of Limpopo Province. The ranking in terms of size of the Sekhukhune District Municipality will remain the same between 2019 and 2024, with a contribution to the Limpopo Province GDP of 13.4% in 2024 compared to the 12.5% in 2019. At a 2.16% average annual GDP growth rate between 2019 and 2024, Sekhukhune ranked the highest compared to the other regional economies.

3.7.6 Gross Value Addition

The summary table below puts the Gross Value Added (GVA) of all the regions in perspective to that of the Sekhukhune District Municipality.

GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR -
SEKHUKHUNE DISTRICT MUNICIPALITY, 2019 [R BILLIONS, CURRENT
PRICES]

	Sekhukhune	Limpopo	National Total	Sekhukhune as % of province	Sekhukhune as % of national
Agriculture	0.7	8.0	95.7	8.4%	0.70%
Mining	18.7	97.1	376.4	19.2%	4.96%
Manufacturing	1.0	8.6	598.2	11.9%	0.17%
Electricity	0.7	14.7	173.4	5.1%	0.43%
Construction	0.7	9.8	172.2	7.5%	0.43%
Trade	5.2	51.2	685.3	10.2%	0.76%
Transport	1.4	17.0	442.1	8.5%	0.33%
Finance	5.8	50.8	889.3	11.5%	0.66%
Community services	7.7	80.4	1,091.2	9.5%	0.70%
Total	42.0	337.6	4,523.6	12.4%	0.93%
Industries					

Source: IHS Markit Regional eXplorer version 2070

In 2019, the mining sector is the largest within Sekhukhune District Municipality accounting for R 18.7 billion or 44.5% of the total GVA in the district municipality's economy. The sector that contributes the second most to the GVA of the Sekhukhune District Municipality is the community services sector at 18.2%, followed by the finance sector with 13.9%. The sector that contributes the least to the economy of Sekhukhune District Municipality is the agriculture sector with a contribution of R 673 million or 1.60% of the total GVA.

The community sector, which includes the government services, is generally a large contributor towards GVA in smaller and more rural local municipalities. When looking at the regions within the district municipality, the Elias Motsoaledi Local Municipality made the largest contribution to the community services sector at 33.74% of the district municipality. As a whole, the Elias Motsoaledi Local

Municipality contributed R 10.1 billion or 24.02% to the GVA of the Sekhukhune District Municipality. The region within Sekhukhune District Municipality that contributes the most to the GVA of the district municipality was the Elias Motsoaledi Local Municipality with a total of R 10.1 billion or 24.02%.

3.7.7 Historical Economic Growth

For the period 2019 and 2009, the GVA in the finance sector had the highest average annual growth rate in Sekhukhune at 2.50%. The industry with the second highest average annual growth rate is the agriculture sector averaging at 1.85% per year. The construction sector had an average annual growth rate of 0.98%, while the electricity sector had the lowest average annual growth of -3.45%. Overall a positive growth existed for all the industries in 2019 with an annual growth rate of 0.07% since 2018.

GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR -
SEKHUKHUNE DISTRICT MUNICIPALITY, 2009, 2014 AND 2019 [R
BILLIONS, 2010 CONSTANT PRICES]

	2009	2014	2019	Average Annual growth
Agriculture	0.40	0.45	0.48	1.85%
Mining	10.01	11.08	11.49	1.39%
Manufacturing	0.62	0.68	0.68	1.01%
Electricity	0.38	0.35	0.26	-3.45%
Construction	0.51	0.57	0.56	0.98%
Trade	2.77	3.08	3.22	1.52%
Transport	0.69	0.74	0.79	1.31%
Finance	2.93	3.44	3.74	2.50%
Community services	4.04	4.45	4.67	1.46%
Total Industries	22.34	24.84	25.90	1.49%

Source: IHS Markit Regional eXplorer version 2070

The tertiary sector contributes the most to the Gross Value Added within the Sekhukhune District Municipality at 48.0%. This is significant lower than the national economy (68.7%). The primary sector contributed a total of 46.1% (ranking second), while the secondary sector contributed the least at 5.9%.

3.7.8 Sector Growth forecast

GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR -
SEKHUKHUNE DISTRICT MUNICIPALITY, 2019-2024 [R BILLIONS,
CONSTANT 2010 PRICES]

	2019	2020	2021	2022	2023	2024	Average Annual growth
Agriculture	0.48	0.56	0.54	0.56	0.57	0.58	4.21%
Mining	11.49	9.54	11.04	11.71	12.38	13.02	2.53%
Manufacturing	0.68	0.62	0.64	0.65	0.67	0.68	-0.12%
Electricity	0.26	0.24	0.24	0.24	0.23	0.23	-3.00%
Construction	0.56	0.50	0.50	0.51	0.52	0.53	-1.22%
Trade	3.22	2.82	2.97	3.03	3.13	3.21	-0.08%
Transport	0.79	0.73	0.76	0.77	0.80	0.82	0.69%
Finance	3.74	3.57	3.75	3.83	3.95	4.05	1.60%
Community services	4.67	4.48	4.50	4.52	4.59	4.65	-0.10%
Total	25.90	23.05	24.93	25.82	26.84	27.77	1.40%
Industries							

Source: IHS Markit Regional eXplorer version 2070

The agriculture sector is expected to grow fastest at an average of 4.21% annually from R 475 million in Sekhukhune District Municipality to R 584 million in 2024. The mining sector is estimated to be the largest sector within the Sekhukhune District Municipality in 2024, with a total share of 46.9% of the total GVA (as measured in current prices), growing at an average annual rate of 2.5%.

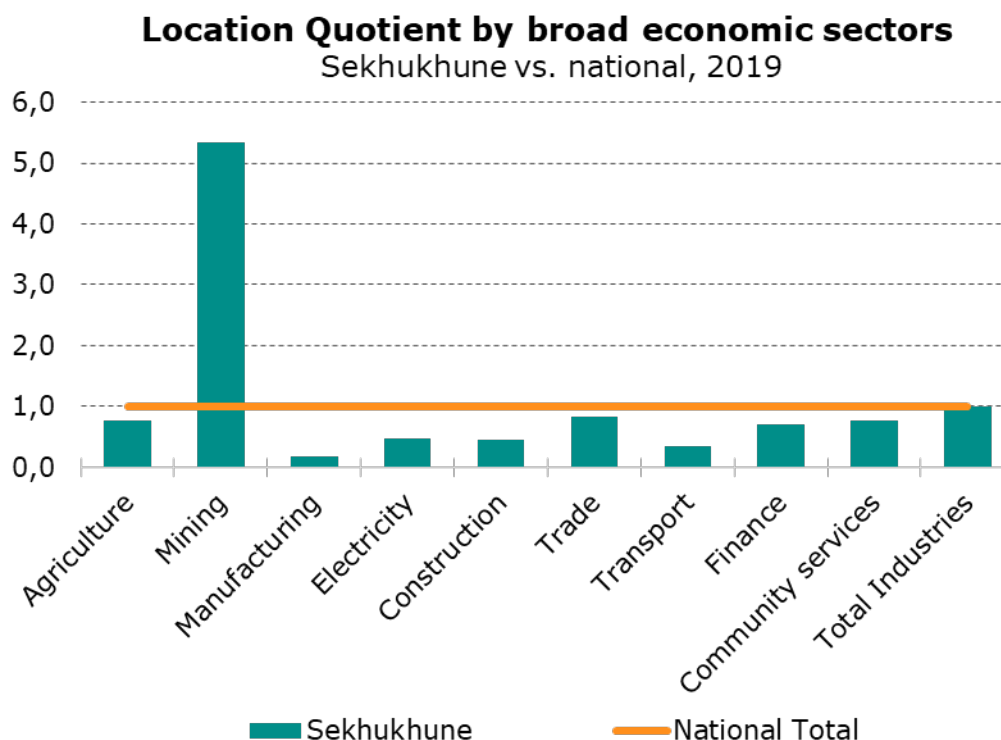
The sector that is estimated to grow the slowest is the electricity sector with an average annual growth rate of -3.00%.

3.7.9 Location Quotient

A specific regional economy has a comparative advantage over other regional economies if it can more efficiently produce the same good. The location quotient is one way of measuring this comparative advantage.

If the location quotient is larger than one for a specified sector within a region, then that region has a comparative advantage in that sector. This is because the share of that sector of the specified regional economy is greater than the same sector in the national economy. The location quotient is usually computed by taking the percentage share of the sector in the regional economy divided by the percentage share of that same sector in the national economy.

LOCATION QUOTIENT BY BROAD ECONOMIC SECTORS - SEKHUKHUNE DISTRICT MUNICIPALITY AND SOUTH AFRICA, 2019 [NUMBER]



Source: IHS Markit Regional eXplorer version 2070

For 2019 Sekhukhune District Municipality has a very large comparative advantage in the mining sector. The Sekhukhune District Municipality has a comparative disadvantage when it comes to the manufacturing and transport sector which has a very large comparative disadvantage. In general mining is a very concentrated economic sector. The entire Sekhukhune District Municipality-economy is centred around the mines in the area, with an LQ of 5.34. There are no other sectors except for the mining sector with a comparative advantage. All other sectors have a disadvantage - with the manufacturing sector reporting the lowest score at 0.183.

3.8 ECONOMIC DEVELOPMENT PILLARS

3.8.2 TOURISM DEVELOPMENT

The National Department of Tourism (NDT) has developed a National Rural Tourism Strategy, in order to ensure a developmental approach to the packaging of rural and urban nodal tourism products and opportunities in South Africa. This approach is also meant to prioritise spatial nodes that have the potential to stimulate growth of the rural tourism industry in South Africa. The department has packaged Tourism Capacity Building Project as one of the initiatives that focuses on building capacity to selected/identified rural nodes. SDM is one of the districts identified. The project is funded by NDT.

In implementing the project, NDT held tourism capacity building workshops for 3 days at Loskop Valley Lodge, Zai Oat Lodge and Mohlaletse Guest House on the 30 November 2020, the 01 December 2020 and 02 December 2020 respectfully. 111 participants attended the workshop comprising of SMME's in majority, officials from national and provincial departments as well as district and local government officials, and other tourism stakeholders. The workshop dealt with the following topics:

- Responsible tourism
- Service excellence
- Leasing of State land
- Services offered by SEDA
- Home stays

- Tour operator and tour packages for Sekhukhune DM
- Business compliance
- Importance of grading establishment
- Introduction of new technology in the tourism industry

3.8.3 AGRICULTURE DEVELOPMENT

AGRI PARK PROGRAMME

The President of the Republic of South Africa announced the establishment of Agri Parks during the 2015 State of the Nation Address. The Agri Parks concept is aimed at improving the productivity and quality of smallholder farmers. The ultimate aim is that the program will serve as a catalyst for further economic development in rural areas through the empowerment of smallholder farmers. The Agri Parks concept is designed to support farmers and grow rural economies. It is also meant to drive job creation, generate revenue as well as to empower women and youth in the country.

Agri Parks are areas designed for multiple activities that accommodate small farmers, commercial farmers, public area, processing area and natural habitat. They allow small farmers access to local markets, provide fresh food and are an educational, environmental and aesthetic amenity for nearby communities. Agri-Parks are aimed to put into effect the revitalization of agriculture and agro-processing value chain thereby generating growth and creating jobs. The project is funded by The Department of Rural Development and Land Reform (DRDLR)

The Sekhukhune District Agri-Park is planned to be a multi-functional agriculture hub housing the following enterprises as per the business plan;

- Grains Processing Facility, to include Stock Feeds Manufacturing
- Poultry Processing Facility, and to include a Hatchery in the future
- Fruit and Vegetable Pack House and Processing Facility, and
- Agro inputs Supply Centre

DRDLR and LDARD as the funding entities of the Agri Park started with enhancing primary production of the grains to be ready for Grain Processing Facility. In trying to

achieve the objective, DRDLR started with the development of Vleeschboom Farmer Production Support Unit. The unit is aimed at providing support to farmers to enhance their productivity. The other components (Poultry Processing Facility, Fruit and Vegetable Pack House and Processing Facility, and Agro inputs Supply Centre) of the Agri Park will be pursued once the grain component is up and running.

Development and operationalisation of Vleeschboom FPSU

DRDLR started with the construction of FPSU in Vleeschboom in November 2018. To date the FPSU is 98% complete with 2% planned to be completed through variation order in the current financial year including electrification of the facility. Approval for variation order has been granted and the service provider will take site to complete the outstanding construction work and pay Eskom the difference of R38 875.92 based on the new quotation after R190 103.70 paid in December 2019 for Eskom to energize the facility.

Farmers Support through Vleeschboom FPSU

DRDLR and Limpopo Department of Agriculture and Rural Development (LDARD) has planned to operationalize the project in 2020/2021 planting season. The 2 Departments planned to support 827 farmers around the facility with production inputs and mechanisation for 1 hectare each. LDARD managed to support 879 farmers with mechanisation for 1 hectare each and DRDLR supported 399 farmers out of 879 farmers which LDARD supported with fertilizers, seeds, insecticides enough for 1 hectare each between October 2020 and December 2020.

Districtwide Farmers Support

LDARD managed to support 2114 farmers in the district with mechanisation for 1 hectare each through Ilima/Letsema programme and DRDLR is busy with delivery of production inputs at Ga-Malaka, Manotong, Thoto and Tlame, a total of the following:

- 171 x 25kg bags of White Maize seed
- 6540 empty grain bags of 80kg capacity
- 1981 x 50kg bags of LAN

- 427kg of insecticides (Methomex)

The 2114 farmers supported planted maize and at the time the crop was still in the field and to be harvested around June and July 2021. The crop is at most sold to Blinkwater Roller Mills for cash. The other option is storage, where farmers store their grains for maize meal exchange

Development of Groblersdal Agri Hub site

Elias Motsoaledi Local Municipality has allocated 40 hectares for the establishment of Agri Hub site and a council resolution has been issued to that effect. SDM will engage the local municipality and DRDLR to look into the possibilities of the transfer of land to either Sekhukhune District Municipality (SDA).

The following milestones has been made regarding the development of the Agri Hub site. DRDLR has developed Bill of Quantities and Tender Document for 3.5 Kilometers Steel Palisade Fence in November 2020 and is ready for advertisement awaiting budget allocation in the new financial year (2021/2022).

3.8.4 MINING DEVELOPMENT

FETAKGOMO TUBATSE SPECIAL ECONOMIC ZONE (SEZ)

The South African mining industry has seen trying times over the past few years although it continues to be one of the major economic sectors of the Limpopo Province and in particular SDM, with more than 20% contribution to the Provincial Gross Domestic Product (GDP). The Limpopo province contains the largest reserves in the world of unmined platinum group metals and largest chrome resources

On the economic front, Fetakgomo Tubatse Local Municipality (FTLM) is endowed with abundant mineral reserves that have attracted large scale mining giants such as in Anglo Platinum, Clencore, and African Mineral Resources etc. This makes the FTLM's economy and to a large extent that of SDM to mostly be dependent on the mining sector. The Limpopo Department of Economic Development Environment and Tourism (LEDET) is through its entity Limpopo Economic Development Agency (LEDA) facilitating establishment of Fetakgomo Tubatse Special Economic Zone with the support of SDM and FTLM. The project is not designated as SEZ. The following progress has been made during the period under review:

The Department of Trade, Industry and Competition (DTIC) came up with a new approach for designation of SEZs. This was based on the lessons learned from the success determinants observed from operational SEZs which are:

- Clearly defined value proposition
- Effective stakeholder management
- Adequate capacity for SEZ development by the executive management team
- Clearly articulated long term Plans
- Stable and clear governance systems
- Qualified and competent Board member appointments.

The DTIC then came up with the following approach which must be adhered to by prospective SEZs before designation can be considered:

Strong Involvement of National government

- ✓ The involvement of the DTI in planning, developing, and managing the zones
- ✓ The establishment of a dedicated Project Management Unit (PMU) to provide technical support to struggling SEZs

Development of strong investment pipeline prior to designation

- ✓ Strong investment commitment should be established before designation
- ✓ Establish a demand driven as opposed to supply driven SEZs
- ✓ Involvement of the private sector from inception

Collaborative planning and development across and within spheres of government and private sector

- ✓ Signing of Tripartite Agreement by all three spheres of government to fast-track approval processes
- ✓ Funding commitment is derived from all spheres of government

Major milestones achieved during the year:

- An amount of R35 million is allocated for FTSEZ in the current financial year and is appearing in the LEDA Annual Performance Plan. FTSEZ Procurement Plan has been incorporated in the LEDA Procurement Plan.
- SDM has allocated R1 500 000.00 for the development of Regional Industrial Development Master Plan.
- Quadripartite Fetakgomo Tubatse SEZ Agreement between DTIC, LEDA, LEDET, Fetakgomo Tubatse Local Municipality and Sekhukhune District Municipality (SDM) has been finalised and will be signed by the Accounting Officers on a date to be determined by the DTIC.
- The Portfolio Committee for Department of Planning and Economic Development visited Musina Makhato SEZ on the 24th May 2021 on a benchmarking mission to learn from the successes achieved and challenges encountered by Musina Makhato SEZ.
- Support for the conclusion of Environmental Impact Assessment (EIA) and Town Planning processes has been pledged by CoGHSTA and the adverts for public participation are ready to be issued out to help finalise EIA and kickstart the land rezoning process.
- Terms of reference for site clearance, designs for the fence are in place ready for advertisement.
- Notice of a Strategic Environmental Assessment and Environmental Impact Assessment processes for the FTSEZ on the Farm Spitzkop 333KT was advertised in Steelburger/Lydenburg News on the 24th June 2021, placed on the LEDA website on the 17th June 2021 and on SDM website on the 29th June 2021. The deadline for submission of written comments was 16 July 2021. The advert invited Interested and Affected Parties (I&Aps) to a public participation sessions in groups over allocated time slots which were held on the 9th July 2021 at Dithamaga Community Hall next to Steelpoort Town.

MONITORING OF SOCIAL AND LABOUR PLANS

The municipality managed to conduct monitoring of Social and Labour Plans (SLP) for 15 Mining Operations during the financial year.

3.8.5 INFRASTRUCTURE DEVELOPMENT

MALEKANA STEEL BRIDGE REPLACEMENT PROJECT

Department of Mineral Resources and Energy (DMRE) is facilitating an initiative to replace Malekana Steel Bridge. The initiative is a joint collaboration of DMRE, Mining Companies operating in Sekhukhune district, Sekhukhune District Municipality (SDM), Sekhukhune Development Agency (SDA), Fetakgomo Tubatse Local Municipality (FTLM), Limpopo Department of Public Works, Roads and Infrastructure (LDPWRI) and Road Agency Limpopo (RAL). The project will include construction of a new bridge and refurbishment of the old bridge as a pedestrian bridge and a monument. According to the preliminary designs and financial projections, construction of the new bridge will cost R 69 600 000.00 and refurbishment of the steel bridge as a monument will cost R 10 000 000.00 with the overall amount of R 79 600 000.00.

The project is obtaining financial assistance from mining companies and the following mining companies have committed towards the Steel Bridge fund:

- Dwarsrivier Chrome Mine (Pty) Ltd
- Rakhoma Mining Resources (Pty) Ltd
- Glencore South Africa (Pty) Ltd
- Rustenburg Platinum Mines (De Brochen) (Pty) Ltd
- Samancor Chrome (Pty) Ltd
- Samancor Chrome (Pty) Ltd
- Booyendal Platinum (Pty) Ltd
- Tjate Platinum Corporation (Pty) Ltd
- Two Rivers Platinum

Technical assistance is received from RAL. The agency will serve as the implementing agent of the project starting from design, procurement of service

providers to monitoring and evaluation of the construction process. Procurement processes towards an appointment of a Contractor has begun. The tender for the bridge design was ready by March 2021. The design and construction tender documents will take 6 months and is expected to be completed in September 2021. Construction of the bridge is estimated to be completed in December 2022.

3.9 2020/21 FINANCIAL YEARS JOB CREATION THROUGH EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

As part of implementation of EPWP, National Department of Public Works (NDPW) annually incentivize implementing bodies with EPWP incentive grant allocation. The municipality was allocated a total incentive grant amounting to R6 294 000.00 for 2020/21 financial years respectfully.

The municipality through its various projects and programmes including EPWP incentive grant managed to create 2494 job opportunities in 2020/2021 financial year. Out of the 2494 jobs that were created, 1399 were males and 1095 females. Youth comprised 1339 job opportunities and there were only 11 people living with disabilities.

3.9.1 Facilitation of Economic Development Forums

Section 4 of the Intergovernmental Relations Framework Act 2005 (Act No.13 of 2005) read together with Chapter 3 of the Constitution of the Republic of South Africa provides for the establishment of Intergovernmental Relations (IGR) Forums. Departments of Planning and Economic Development in the local government sphere quarterly hold technical IGR Forum meetings. The municipality successfully facilitated 3 Economic Development Forums out of 4 planned.

3.9.2 Development of Economic Recovery Plan

Department of Cooperative Governance (DoCOG) has directed all Metropolitan and District Municipalities to develop localised post COVID-19 Economic Recovery Plans and implement the plans in order to revitalise their local economies. The municipality managed to develop a comprehensive Economic Recovery Plan during the financial year.

REFERENCE:

- 1. IHS Markit Regional eXplorer version 1570*

3.10. SPATIAL RATIONALE

3.10.1 SPATIAL PLANNING AND LAND USE MANAGEMENT ACT (SPLUMA) IMPLIMENTATION

1. JOINT DISTRICT MUNICIPAL PLANNING TRIBUNAL (JDMPT)

Sekhukhune District Municipality has on its Council Resolution number OC 28/07/2017 approved the reestablishment of the JDMPT. All the reestablishment processes for the JDMPT were done in terms of section 34 (1, 2 & 3) and 36 (1) (b) of the Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013) read together with regulation 7 (1, 4 & 5) of the Spatial Planning and Land Use Management and General Matters, 2013.

District Municipality approved the signing of new Modalities on the agreement of the establishment of the Joint District Municipal Planning Tribunal by all its four local municipalities and the appointment of Tribunal members by calling for the nominations in terms of SPLUMA sub regulation 6 for a period of three (3) years. Agreement on the Modalities for the establishment of a Joint District Municipal Planning Tribunal and the appointment of the Tribunal members was prepared in terms of section 34 (1, 2 & 3) and 36 (1) (b) of the Spatial Planning and Land Use Management Act, 2013 (Act No.16 of 2013) read together with regulation 7 (1, 4 & 5) of the Spatial Planning and Land Use Management and General Matters, 2013.

The re-established JDMPT lapsed in March 2021 and the process for re-establishment of JDMPT is in progress, where new modalities were signed by all four local municipalities within the district.

The following development applications were administered by the JDMPT during the financial year:

Description of Development Applications	Name of Local Municipality	Approval Status
1. Application for the proposed rezoning of Portion 1 of Erf 1802 Groblersdal Extension 43 in terms of Section 62 of Elias Motsoaledi Spatial Planning and Land Use Management By-Law(2016)	Elias Motsoaledi LM	The JDMPT approved the application subject to conditions.
2. Subdivision on Portion 7 of the farm Steelpoortdrift 365 KT	Fetakgomo Tubatse LM	The JDMPT approved the application subject to conditions.
3. Township Establishment on Portion 07 of the farm Steelpoortdrift 365KT	Fetakgomo Tubatse LM	The JDMPT approved the application subject to conditions.
4. Proposed amendment of the Township phasing Boundaries Portion 6 & 7 of the Farm Spitskop 333KT	Fetakgomo Tubatse LM	The JDMPT approved the application
5. Application in terms of Section 75 (closure of Public Spaces), also in terms of Section 64 (Rezoning of Land), also in terms of Section 73(Consolidation of land Units) and also in terms of section 67 (Subdivision of Land) in terms of Ephraim Mogale Spatial Planning and Land Use Management By-Law (By-law) on Portion 3 of the Farm Elandskraal 644 Registration Division KS.	Ephraim Mogale LM	The JDMPT approved the application subject to conditions.
6. Application in terms of Section 76 of Ephraim Mogale Spatial Planning and Land Use Management By-Law (2017) for written consent on Erf 602, Marblehall Extension 5	Ephraim Mogale LM	The application was referred back due to further information required.
7. Application in terms of section 64, 65 and 73 Ephraim Mogale SPLUM By-Law,2017 for consolidation of the erven (to be known as Erf 2894), The removal of restrictive conditions against both erven and simultaneously, the rezoning of the consolidated erf (to be known as erf 2894)	Ephraim Mogale LM	The application was referred back due to further information required.
8. Application for the Sub-division of 10 (Ten) Hectares from portion 0 of the Farm Vlaklaagte 154-JS in terms of section 65 and simultaneous rezoning of the said portion in terms of section 62 of Elias Motsoaledi Local Municipality Spatial Planning and Land Use Management By-law, 2016, for the purpose of the establishment of a shopping centre, filling station and lodge	Elias Motsoaledi LM	The JDMPT approved the application subject to conditions.

3.10.2 LAND FOR MUNICIPAL OFFICES

- Sekhukhune District Municipality has agreed with Bapedi ba Mamone Traditional Authority for the allocation of land for the construction of District Municipal Offices.
- The District secured two development consent and community resolution from land claimants (Monama CW and Batlokwa Ba Mogodumo).
- The two consents were then sent to the Limpopo office of the Regional Land Claims Commissioner for them to issue a consolidated final development consent before engaging Pedi Mamone Traditional Council on the agreement and their community resolution.
- SDM appointed Service Providers to do the preliminary studies (Geo tech, Flood line & Environment) and studies were submitted to the Municipality. The District Municipality has developed land acquisition Process Plan and task Team for Municipal Offices to serves as a vehicle to fast track the process for developing Sekhukhune District Municipal Offices. The diversity of disciplines (directorates) within the Task Team enables it to take consideration of different aspects that affect this development and ensures integration thereof.
- A combined Action plan for land acquisition process was developed by the Jane Furse IMC technical committee meeting held on the 27 May 2019. Land development progress letter submitted on the 13 June to Public works.

In 2020/2021 financial period, there was a vacuum of non-activities relating to Municipal land due to COVID 19 pandemic. However, towards the end the financial year, the Inter-Ministerial Committee (IMC) managed to hold several virtual meetings where on 26th April 2021, 12 May 2021 and 10 June 2021, the Office of the Premier needed assistance with legal opinion on conditions set by Pedi Mamone regarding the acquisition of land, while Public Works is expected to provide a full handover to Coghsta and other stakeholders on progress that they made unaccompanied by other stakeholders and

On 29 June 2021, the IMC met with Pedi Mamone for Community resolution and agreement, where Pedi Mamone nearly backslided on the donation of land. However, the intervention was sought through Political IMC comprising of three (3) MECs who ensured that relocation process continues.

3.10.3 SPATIAL DEVELOPMENT FRAMEWORK (SDF)

- The Spatial Development Framework (SDF) is a core component of the Municipality's economic, sectorial, spatial, social, institutional and environmental vision.
- SDM has in the 2017/18 financial year reviewed the SDF in terms of Chapter 4, section 12 & 20 of Spatial Planning and Land Use Management Act, 2013 (SPLUMA) (Act No.16 of 2013) stipulating that Municipal Spatial Development Framework must be prepared as part of a Municipality's Integrated Development Plan.
- Sekhukhune District Municipal Council has on resolution OC04/03/19 adopted the municipal Spatial Development Framework and place a notice in the Provincial Gazette.
- The SDF for Sekhukhune was prepared with the alignment of the Limpopo Development Plan (2015-2020) which was built on the Limpopo Provincial Growth and Development Strategy (PGDS) and the Limpopo Economic Growth and Development Plan (2009-2014) which are aligned to the National Development Plan.
- The vision is to fulfil the potential for prosperity of the District in a socially cohesive, sustainable, prosperous and peaceful manner. This was attained by emphasising participatory leadership aimed at promoting excellence and an entrepreneurial spirit, improved service delivery, facilitation of decent job creation and systematic poverty reduction.
- For the Financial year under review, a total of 6 Development Applications were approved in line with the Spatial Development Framework. Due to the consistent covid 19 protocols, the development applications were not submitted in large numbers.
- The District Municipality facilitated the Spatial Development workshop for Traditional Leaders and Councillors during 2017/18 and 2018/19. The Traditional Leaders requested that further workshops be on hold until their

national SPLUMA concerns are addressed by the Minister of Rural Development and Land Reform.

3.10.4 CHALLENGES ON SPATIAL DEVELOPMENT

- Unresolved and competing land claims in the area threaten to destabilize future development.
- Growing of Informal settlements and housing backlog as mining activities intensify.
- Competing land uses (i.e. mining and agriculture, Commercial, etc.) cause spatial, social, environmental and economic constraints.
- Poor implementation of sector plans (SDF, LUS) and Policies by the municipalities.

CHAPTER FOUR: ORGANISATIONAL DEVELOPMENT PERFORMANCE

ORGANISATIONAL DEVELOPMENT PERFORMANCE

Sekhukhune District Municipality through its Performance Management System developed the Service Delivery and Budget Implementation Plan (SDBIP) for 2020/2021 financial year.

The District Municipality had planned to achieve a total of **203** targets for the 2020/2021 financial year. The Municipality managed to achieve **128** of the **203** set targets which is an equivalence of **63%** and **75** set targets were not achieved.

Due to the covid 19 pandemic most of the Departments did not achieve their targets which led to the overall achievement of the Municipality to be at **63%**. The Department of Infrastructure and Water Services as the key Department of the district with **62** targets and only achieved **18** targets at **29%**. Due to poor provision of water services to communities, the Municipality faces challenges of community unrest.

The Department is constantly experiencing challenges relating to slow procurement processes, lack of source developments, poor performance by contractors and inability of ESKOM to provide electricity to water sources.

Table 1 below is an executive summary of the performance per the Key Performance Areas for the 2020/2021 financial year:

Table 1:

KEY PERFORMANCE AREAS	2019/2020 PERFORMANCE	2020/2021 PERFORMANCE			
	% ACHIEVED	2020/2021 NUMBER OF SET TARGETS	2020/2021 NUMBER OF ACHIEVED TARGETS	2020/2021 NUMBER OF TARGETS NOT ACHIEVED	% ACHIEVED FOR 2019/2020
BASIC SERVICE DELIVERY AND INFRASTRUCTURE					
Community Services	90%	18	18	-	100%
Infrastructure & Water Services	39%	62	18	44	29%
TOTAL	51%	80	36	44	45%
GOOD GOVERNANCE AND PUBLIC PARTICIPATION					

Office of the Speaker	31%	12	10	2	83%
Office of the Executive Mayor	31%	20	15	5	75%
Office of the Municipal Manager	47%	17	12	5	70%
TOTAL	33%	49	37	12	75%
INSTITUTIONAL DEVELOPMENT AND ORGANISATIONAL DEVELOPMENT					
Corporate Services	60%	31	25	6	80%
IDP,PMS & Legal Services	79%	14	13	1	93%
TOTAL	66%	45	38	7	84%
FINANCIAL MANAGEMENT AND VIABILITY					
TOTAL	56%	20	11	9	55%
SPATIAL RATIONALE					
TOTAL	33%	4	3	1	75%
LOCAL ECONOMIC DEVELOPMENT					
TOTAL	80%	5	3	2	60%
TOTAL Performance	51%	203	128	75	63%
SEKHUKHUNE DEVELOPMENT AGENCY	36%	15	8	7	53%

TABLE 2: ANNUAL PERFORMANCE AS PER DEPARTMENTS

Table 2:

DEPARTMENT	NO. OF TARGETS	TARGETS ACHIEVED	TARGETS NOT ACHIEVED	% ACHIEVED
Infrastructure & Water Services	62	18	44	29%
Community Services	18	18	-	100%
Corporate Services	31	25	6	80%
Municipal Manager's Office	28	22	6	78%
Office of the Executive Mayor	20	15	5	75%
Office of the Speaker	12	10	2	83%
Budget & Treasury Office	20	11	9	55%
Planning & Economic Development	12	9	3	75%
Total	203	128	75	63%

A full excel report outlining set targets, achieved targets and targets not achieved with reasons for non-achievements is attached as **Annexure APR1**.

Below is a graphical depiction of the overall performance of the Municipality in the financial year 2020/2021:

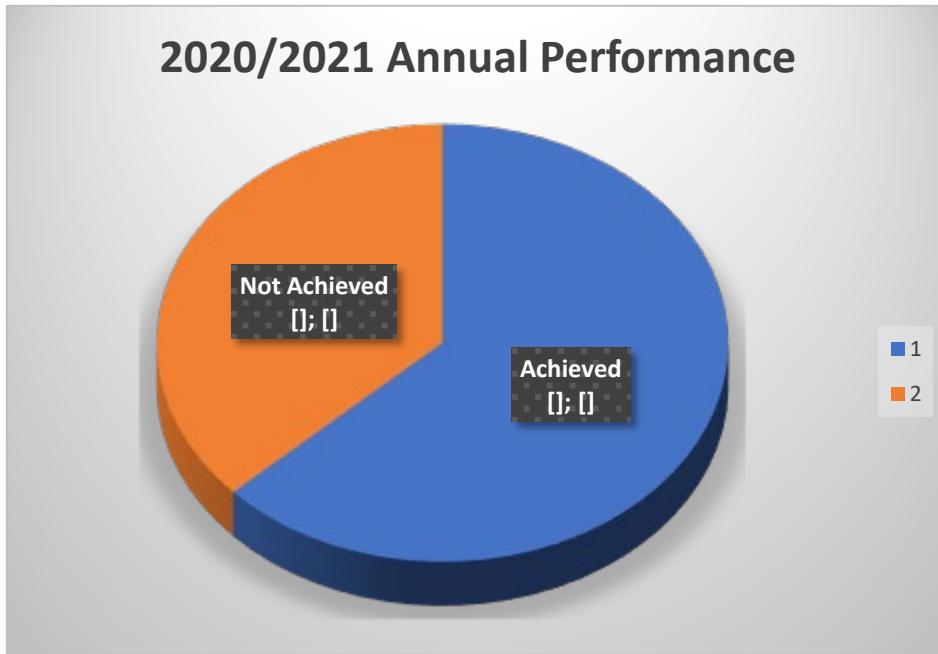


Figure 1

There are number of challenges as to why some targets could not be achieved by the municipality. The challenges are outlined in the Annual Performance Report per KPA. These can be summarised as follows:

Measures to improve performance

Challenge	Measures to improve performance
The poor quality of technical reports due to lack of technical capacity within the Municipality	Experienced PSP's to be appointed and monitored, The existing design committee to be strengthened for reviewing technical reports prior to submission to Department of Water & Sanitation (DWS) & Bid Specification Committee (BSC). MISA has deployed officials to support the Municipality.
Poor planning due to lack of capacity within the planning department of the municipality	MISA has deployed professional engineers to support the Municipality
Lack of alignment in terms of (knowledge, experience and qualifications) against the functions & organisational structure	Technical skills audit, structured skills development & training for technical personnel by MISA
Inadequate application of Project Management Techniques in Planning & Implementation of projects	Continuous technical skills training & development through SAICE training programme. MISA is providing training combined with on-the-job training.

Disagreement between Traditional Leaders on land where projects are to be implemented. One village does not agree to share with neighbouring community.	Extensive consultation before the approval of the project by DWS. Obtain prior approval of Traditional Leaders for the projects to continue.
Lack of water source within the region. Sometimes the quality of water cannot be used for consumption which compels the Municipality to stall the projects. Additional funding will therefore be required to build a package plant. This funding acquisition process takes time.	At planning stage, the quality and quantity of underground water must be determined before the technical report to drill a borehole is submitted for funding.
Delays by ESKOM to energise completed projects for commissioning	Submit application for connection to ESKOM grid at the planning stage of the projects to accommodate their sourcing period.
Structuring of the RBIG to be paid to the Municipality via DWS whereas the DORA allocates it directly to the Municipality. DWS delays the payment of service providers funded from this grant.	Engage the National Treasury to transfer the RBIG grant directly to the municipality

COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL

4.1.1 INTRODUCTION

In terms of the White Paper on Human Resource Management in the Public Service, HR management will result in diverse competent and well-managed workforce; capable of and committed to delivering the high quality services to the people of South Africa. It should be a model of excellence in which service to society stems from individual commitment instead of compulsion. The mission of the White Paper also emphasises that the management of people should be regarded as a significant task for those who have been charged with the responsibility and should be conducted in a professional manner. In the same breath, Section 57 of the Municipal Systems Act, 32 of 2000 requires the municipalities to develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration. The above legislations direct Municipalities to put in place HR policies, procedures, practices and strategies that will enable the attainment of the organizational strategic objectives. Human Resource is an important role player and an enabler in this regard. In order to succeed the mission and vision of Human Resource unit should be aligned to those of SDM and the IDP.

4.1.2. Human Resource Vision and Mission

1.1 HR Vision

To be a unit that champions effective, efficient and economic human resource support service

1.2 HR Mission Statement

To provide human resource service through high impact, sustainable and strategic objectives to attain shared growth and productivity through:

- Provision of recruitment, selection and appointment of staff
- Provide staff retention and terminations
- Provision of leave administration
- Provision of employees benefits administration
- Provision of HR policies and procedures development
- Implementation of Employment equity Act
- Provision of training and development
- Provision of performance management system
- Provision of employee database

4.1.3. Legal Framework

Human resource derives its mandate from, inter-alia, the following legislative prescriptions:

- The Constitution of RSA (Act, 108 of 1996)
- The Basic Conditions of Employment Act, 75 of 1997
- Employment Equity Act, 55 of 1998
- Skills Development Act, 97 of 1998
- Labour Relations Act, 66 of 1995
- Municipal Systems Act, 32 of 2000
- The White Paper on Human Resource Management in the Public Service.

4.2 EMPLOYEES

4.2.1. TOTAL NUMBER OF EMPLOYEES, STAFF TURN- OVER AND VACANCIES

As per Organizational structure of the 2020 / 2021, **812** posts were filled. This means that the total number of personnel was **812 at the end of June 2021**. As at the end of **June 2021**, there were 216 Community Volunteers, which does not form part of the 812 number of employees. Both the posts of the Chief Financial Officer and Director: Corporate Services were vacant at the end of June 2021.

A breakdown of the posts in the organization is reflected in the table below:

4.2.2. Total Number of Employees

Name of Department	Number	Males	Females
Executive Mayor's Office	42	23	19
Office of the Speaker	18	10	8
Municipal Manager's Office	15	8	7
Corporate Services	59	26	33
Budget & Treasury	56	21	35
Planning	8	3	5
Community Services	86	52	34
Environmental Health Practitioners	20	6	14
Community Services Volunteers	216	119	97
Infrastructure/Water	41	25	16

Fetakgomo Region	46	28	18
Makhuduthamaga	96	71	25
Elias Motsoaledi	113	66	47
Tubatse	142	103	39
Ephraim Mogale	49	38	11
Workshop	17	14	3
TOTAL	1028	425	603

4.2.3. Senior management posts' vacancy rate in comparison with the SDM local municipalities for 2020-2021

Municipality	Number of posts	Filled	Vacant	Vacancy rate
Fetakgomo Tubatse	09	08	01	11%
Makhuduthamaga	6	6	0	0%
Ephraim Mogale	6	5	01	17%
Elias Motsoaledi	7	6	1	14%
Sekhukhune	7	6	1	14%
Total	35	31	4	11%

4.3. HR ORGANISATIONAL POLICIES

A policy is defined as a system of principles to guide decision making and achieve rational outcomes. In order for human resource practices to be fair, transparent, effective, efficient, consistent and economic, the policies, guidelines and Standard Operating Procedures should be developed in line with the applicable legislations for attainment of the organizational imperatives as enshrined in the IDP. In compliance with the above, the following CPS policies were developed/reviewed:

- Individual Performance Management Policy
- Training and Development Policy
- Standby and Overtime Policy
- Substance Abuse Policy
- Sexual Harassment Policy
- Job Evaluation Policy
- Recruitment and Selection Policy
- Bursary Policy
- Local Labour Forum Policy
- Scarce Skills Policy
- Secondment Policy
- Acting Policy
- Cost Containment Policy
- Succession Planning Policy
- Employee Assistance Programme Policy

- ICT Firewall Policy
- ICT Disaster Recovery Policy
- ICT Data Backup and Recovery Policy
- Data Centre Access Control and Environment Policy
- Subsistence and Travelling Allowance

Human Resource Unit has identified policies that are necessary in the practice and are considered for development and also the Standard Operating Procedures for all the developed/reviewed:

- Official Working Hours
- Business Code of Ethics Policy
- Human Resource Development Strategy
- Personal Clothing and Equipment Policy
- Remuneration Policy
- Managing Underperformance Policy
- Fraud and Bribery Policy
- Equality and Diversity Policy
- Fleet Management Policy
- Facility Management Policy
- Personal File Access Policy
- Bereavement and Funeral Policy
- Gift Policy

NB Human Resource Unit has developed the HR Strategic Plan and it is on the consultation process

4.4. INJURY ON DUTY REPORT

INJURY ON DUTY REPORT

The following is the Injury on duty report (Occupational Health and Safety - accidents/ incidents) from 1 July 2020 to 30 June 2021. This is done as per Compensation for Occupational Injuries and Diseases Act no 130 of 1993. The report is categorized as follows: (a) name of the employee, (b) claim number, (c) employee identity number, (d) date of the injury, and (e) case progress. Below find the table that illustrate the above mentioned report:

Name of employee	Claim number	ID NUMBER	Date of incident/diagnosis	Progress
Phala MM	11606550	8410210369081	11.05.2021	Awaiting

				progress/final medical report
Matlalepoo SM	11406540	8411200728088	11.09.2020	Still receiving treatment as an outpatient
Matemane KM	11630247	8309191640080	11.11.2020	Awaiting progress medical report
Koma NP	11486184	7404046343080	16.12.2020	Condition stabilised, awaiting finalization letter.
Maponya MS	11600906	7904195393063	21.07.2021	Still receiving treatment as an outpatient
Dlamini MJ	11630256	8408105367087	17.08.2021	Still receiving treatment as an outpatient
Matlou BR	11602594	7605160789086	18.08.2021	Still receiving treatment as an outpatient.

4.5. LABOUR RELATIONS CASES

In the year under review (2020-2021) the municipality had to contend with the following cases affecting its employees.

Misconduct cases are dealt with in terms of s23 of the Constitution, Labour Relations Act, and Disciplinary Procedure Collective Agreement, Municipal Systems Act (code of conduct for municipal staff members), SDM policies, SDM Circulars and other labour legislations.

Six (05) misconduct cases were facilitated and three (01) finalized.

Warning/s issued

No warning employees issued with a final written warnings Three in terms of the Schedule 8 of the Labour Relations Act and Disciplinary procedure collective agreement.

Grievance cases

Grievance cases are dealt with in terms of s23 of the Constitution and Section C, Clause 13 of the SALGBC Main Collective Agreement.

Three (03) grievances was lodged and facilitated during the period under review.

Dispute resolution

Dispute resolutions are dealt with in terms of the Labour Relations Act, SALGBC Main Collective Agreement, Commission for Conciliation, Mediation & Arbitration (CCMA) rules and other labour legislations.

Three (03) labour disputes received and facilitated.

4.6. SKILLS DEVELOPMENT AND TRAINING

The following table indicates various programmes as well as budget commitments undertaken by the Municipality to address the skills of its employees as well as the general communities

4.7. TRAINING SPEND IN 2020/2021

PROJECTS	BUDGET ALLOCATED	REVIEWED BUDGET
External bursaries	664396.00	664396.00
Staff bursaries	569482.00	569482.00
WSP Implementation	474569.00	474569.00
Experiential learning	None	None
Internship	124800.00	124800.00

4.8. BURSARIES

In the 2020/21 financial year Sekhukhune District Municipality has been supporting students financially to study for various programmes at Universities.

The municipality is currently providing financial assistance to needy students who are attending various tertiary institutions. There are **thirty one (31)** students that are currently in the programme through the external bursary scheme that we provide. These students are studying in the various fields such as Engineering, Health Sciences, Accounting and Information Communication Technology.

CHAPTER FIVE: FINANCIAL PERFORMANCE

COMPONENT A

5.1. STATEMENT OF FINANCIAL PERFORMANCE

The total revenue realised by the SDM for the 2020/2021 financial year stood at R1 719 360 873 as compared to R1 430 665 341 for the 2019/2020 financial year. Revenue from exchange items is summarised as follows:

Service charges which are sale of water and sewer services stood at 85 340 370 as compared to R94 840 932 in the 2019/2020 financial year.

Interest from receivables stood at R12 936 559 as compared to R10 878 102 in the 2019/2020 financial year. Other sources of revenue such as sale of tender documents contributed R81 448 242 as compared to R1 839 088 in the 2019/2020 financial year. The total revenue from exchange items stood at R194 728 226 as compared to R 126 978 493 in the 2019/2020 financial year.

Revenue from non-exchange items stood at R1 524 632 647 as compared to R1 303 813 770 in the 2019/2020 financial year. The bulk of the revenue from non-

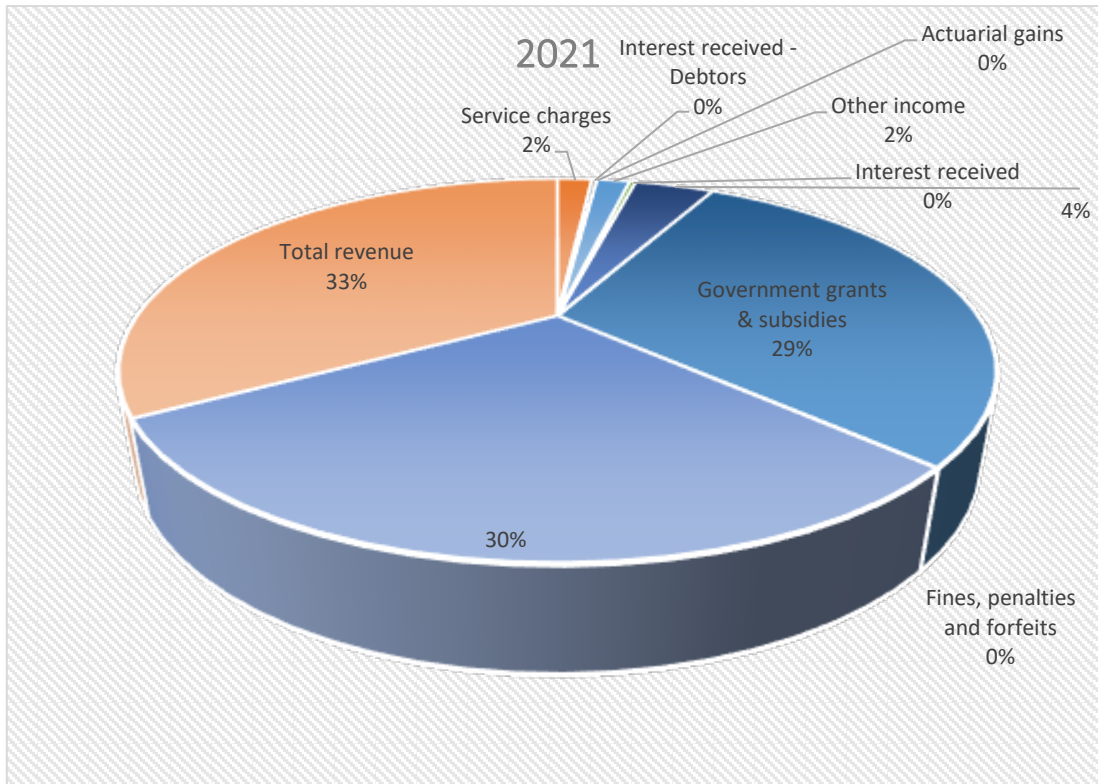
exchange items is the government subsidies and grants which clearly indicate that we are a grant dependent municipality.

5.2. Revenue sources

The chart below shows the proportions of revenue for 2020/2021 amount to R1 719 360 873. The chart indicates that the municipality is still receiving a large chunk of its revenue from government subsidies and grants at 89% (R1 524 632 647). Service charges are stated at 43%, which represent R85 340 370 compared to the R94 840 932 of the previous financial year and Interest received from debtors which is at 7% amounting to R12 936 559 compared to R10 868 102 of the previous financial year. Furthermore, interest on investment is stated at 8% which represent R15 003 055 as compared to previous year at R16 007 311.

TABLE 1: 2020/2021 REVENUE

Revenue from exchange transaction	2021		2020 Restated
Service charges	85 340 370	5%	94 840 932
Interest received - Debtors	12 936 559	1%	10 878 102
Actuarial gains	-		3 413 060
Other income	81 448 242	5%	1 839 088
Interest received	15 003 055	1%	16 007 311
	194 728 226		126 978 493
Revenue from non-exchange transaction			
Transfer revenue			
Government grants & subsidies	1 502 648 813	89%	1 303 813 770
Fines, penalties and forfeits	3 834		
	1 502 652 647		1 303 813 770
Total revenue	1 697 380 873		1 430 792 263



5.3. Expenditure

The total expenditure for the municipality in 2020/2021 was at R1 127 022 953 as compared to R1 071 346 621 in 2019/2020 financial year. The chart below indicates that personnel costs remain the largest item of expenditure in the 2020/2021 financial year at R407 232 659 at 36% as compared to R397 744 024, 2019/2020 financial year. This relates to the payment of salaries and allowances for staff members in the district.

General expenses are the second biggest expenditure item at R193 753 103 at 17% compared to R212 045 351 for the 2019/2020 financial year. The top five general expense items relate to provision of security, lease rental and operating lease, fuel and lubricants, laboratories, and chemicals and well as consulting professional services.

Bulk purchases become the third largest area in the expenditure items at R199 192 933 at 8% compared to R115 165 701 in the 2019/2020 financial year. Bulk purchases relate to purchase of electricity for water operations as well as purchase of water from various service providers for provision to communities.

Depreciation and amortisation become the fourth largest expenditure at R94 331 387 at 8% as compared to R107 361 215 in the previous financial year.

VIP Sanitation (contracted services) is the fifth largest area of expenditure at R76 969 790 at 7% compared to R58 983 449 in 2019/2020 financial year. The municipality has been constructing VIP Sanitation units in all the four local municipalities as part of dealing with the sanitation backlogs.

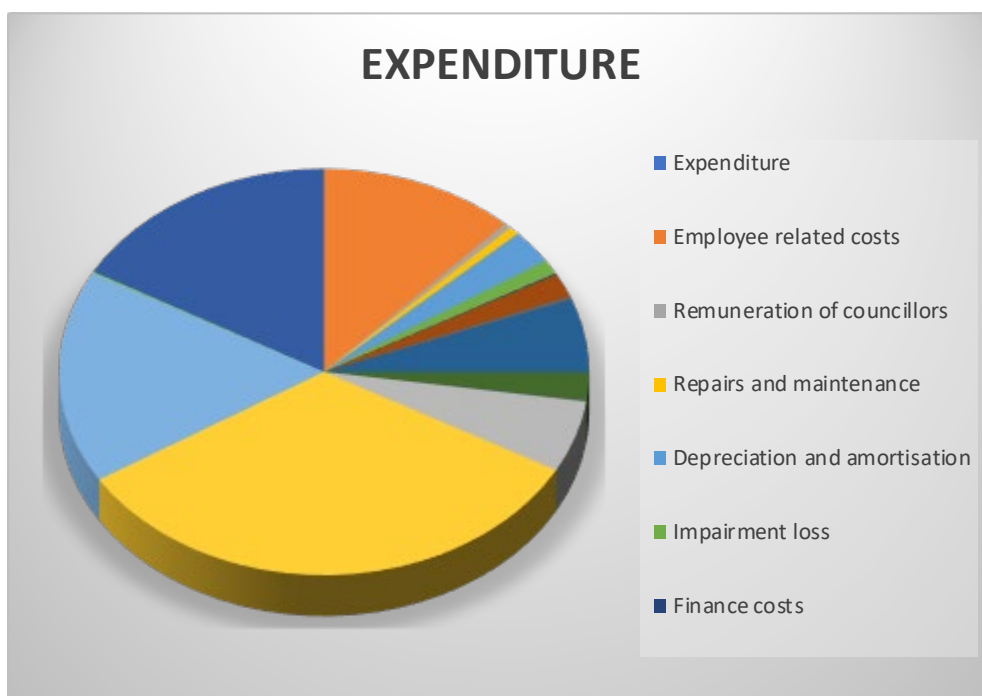
Lease rentals on operating lease becomes the sixth largest expenditure at R64 120 979 at 6% as compared to the previous year 2019/2020 at R55 253 928.

Repairs and maintenance become the seventh largest expenditure at R21 597 700 at 2% as compared to R32 854 123 in the previous financial year. The municipality infrastructure has worn out causing repairs and maintenance budget to increase.

The expenditure situation is displayed on the chart below:

TABLE 2: 2020/2021 EXPENDITURE

Expenditure			
Employee related costs	407 232 659	36%	397 744 024
Remuneration of councillors	15 042 796	1%	15 466 714
Repairs and maintenance	21 597 700	2%	32 854 123
Depreciation and amortisation	91 372 045	8%	107 361 215
Impairment loss	39 654 158	4%	44 550 684
Finance costs	3 553 862	0%	3 534 349
Lease rentals on operating lease	64 120 979	6%	55 253 928
Debt impairment	7 951 733	1%	21 630 741
Bad debts written off	66 913	0%	2 630 289
Bulk purchases	199 192 933	18%	115 165 701
Contract services	76 969 790	7%	58 983 449
Transfers and subsidies	2 556 298	0%	3 622 319
Loss on disposal of assets and liabilities	998 642	0%	503 734
General expenses	191 555 717	17%	208 871 339
Total expenditure	1 121 866 225		1 068 172 609
Operating surplus	575 514 648		362 619 654
Actuarial gains/losses	- 5 151 036		
Surplus for the year	570 363 612		362 619 654



Surplus

The surplus as declared in the 2020/2021 financial year was R587 186 884 compared to R359 445 642 in the 2019/2020 financial year.

Sekhukhune Development Agency received R2 556 298 compared to R3 622 319 in 2019/2020 financial year.

5.4. Asset management

The Municipality has during 2020/2021 financial year used the appointed service provider to deal with asset management matters over the 12 months. During 2020/2021 all the movable assets have been dealt with, 100% of immovable assets were verified and accounted for. The municipality is continuing the process to clean-up immovable assets during 2020/2021 and beyond. It must be emphasised that these immovable assets are mainly the water services infrastructure that were transferred to the district municipality during the establishment of water services authority and provider functions.

Thus, the municipality has a number of assets in the form of water and sanitation infrastructure (immovable assets) as well as those assets that are movable (office furniture and vehicles). In the 2020/2021 financial year the assets were at R4 000 588 824 as compared to the 2019/2020 financial year at R3 656 339 669. There was overall increase in the SDM assets. The total liabilities for the 2020/2021 financial year were at R5555 182 618 compared to 2019/2020 financial year which stood at R554 443 799.

5.5. Net asset position = Assets: Liabilities

The Municipality has during 2020/21 financial year used the appointed service provider to deal with asset management matters on a three (3) years contract. During 2020/21 all the movable assets have been dealt with, 80% of immovable assets were verified and accounted for. The municipality is continuing the process to clean-up immovable assets during 2021/2022 and beyond. 100% review of the 2020/21 Fixed Asset Register has been performed. It must be emphasised that these immovable assets are mainly the water services infrastructure that were adopted from DWA and transferred to the district municipality during the establishment of water services authority and provider functions.

Thus far the municipality has a number of assets in the form of water and sanitation infrastructure (immovable assets) as well as those assets that are movable (office furniture and vehicles). In the 2020/21 financial year the assets were at R3 992 303 161 as compared to the 2019/2020 financial year at R3 405 116 280. There was overall increase in the SDM assets. The 2020/21 Fixed Asset Register has been loaded on the Solar System for MSCOA Compliance and Additions for 2021/22 will be updated monthly on the system

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.6. Grants received

Sekhukhune District Municipality received an amount of R1 502 648 813 for 2020/2021 financial year as compared to R1 303 813 770 for 2019/2020 financial year. The grants were received as follows:

Municipal Infrastructure grant (MIG) to the tune of R460 140 845 for financial year 2020/2021 as compared to R418 108 385 for 2019/2020 financial year.

Rural Bulk Infrastructure Grant (RBIG) to the tune of R58 643 774 for financial year 2020/2021 as compared to R69 820 470 for 2019/2020 financial year.

Water Services Infrastructure Grant (WSIG) to the tune of R29 027 423 for 2020/2021 financial year as compared to the R38 646 349 received in 2019/20 financial year.

The operating grants received was an amount of R954 830 271 as compared with R777 238 566 for the 2019/2020 financial year. The operating grants were received as follows:

Equitable share received was R942 825 416 for 2020/2021 financial year as compared to R769 247 580 for 2019/2021 financial year.

Rural Roads Assets Management Grant (RRAMS) to the tune of R2 309 332 for financial year /2020/2021 as compared to R2 062 917 for the 2019/2020 financial year.

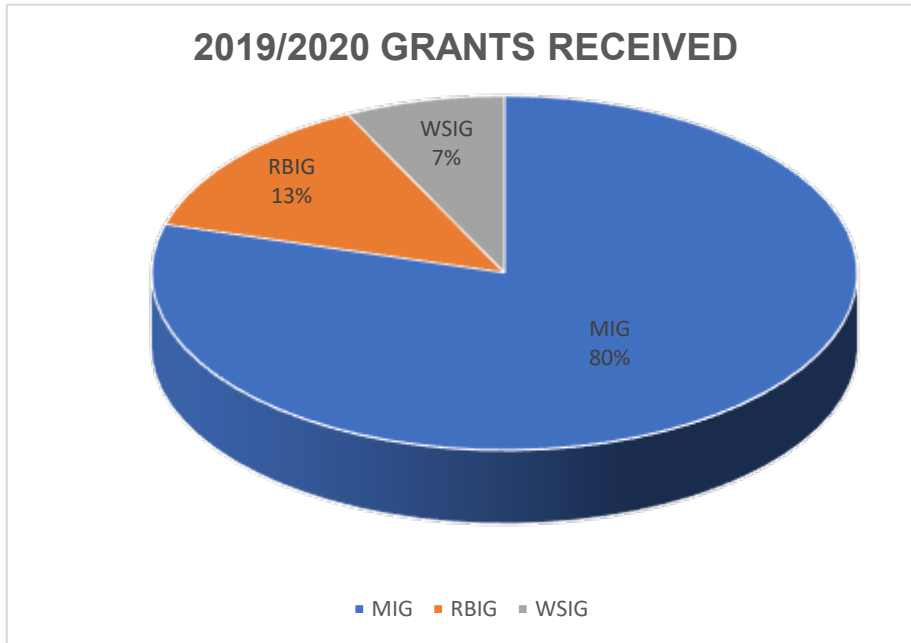
Expanded Public Works Programme (EPWP) to the tune of R6 294 000 for 2020/2021 financial year as compared to R2 665 000 for the 2019/2020 financial year.

Finance Management Grant (FMG) to the tune of R2 200 000 for the 2020/2021 financial year as compared to R1 788 045 for the 2019/2020 financial year.

Sources of finance for capital funding

Revenue source	Receipts 2020/2021 in million)	As percentage	Receipts 2019/2020 in million)
Municipal Infrastructure Grant (MIG)	460 140 845	90%	418 108 385
Regional Bulk Infrastructure Grant (RBIG)	58 643 774	119%	69 820 470
Water Services Infrastructure Grant (WSIG)	29 027 423	133%	38 646 349
TOTAL	547 812 042	96%	526 575 214

TABLE 3:



Municipal Infrastructure Grant (MIG) is the main source of funding for capital projects at 90% in the 2020/2021 financial year as depicted in the table above. The second highest is Regional Bulk Infrastructure Grant (RBIG) at 119% and Water Services Infrastructure Grant (WSIG) as the third which stood at 133% of the total capital funding in the 2020/2021 financial year.

5.7. Grant spending of projects

GRANT	NUMBER OF PROJECTS IMPLEMENTED	EXPENDITURE AS AT 30 JUNE 2020
MIG	12 projects and 5 VIP sanitation projects	R460 140 845
WSIG	12 intervention projects	R29 027 423
RBIG	08 bulk projects	R58 643 774

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5.8. UNSPENT GRANTS FOR 2018/2019

GRANT	AMOUNT NOT SPENT IN 2020/2021	AMOUNT NOT SPENT IN 2019/2020
MIG	5 874 155	R47 086 615
WSIG	24 444 244	R21 353 651
EPWP	(3 040)	(2 387)
RRAMS	-	R369 423
Municipal Disaster Management Grant	-	R127 074

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENT

5.9. Cash equivalents

By the end of the financial year 2020/2021 Sekhukhune District Municipality closed cash and cash equivalents of R237 402 088 as compared to R62 380 477 in 2019/2020 financial year.

Cash flow from investing activities (purchase of plant and equipment) stood at R457 253 142 at the end of the 2019/2020 financial year.

5.10. Investments

By the end of the 2020/2021 financial year the municipality has short term investment of R20 374 598 compared to R31 686 218 in 2019/2020 financial year

COMPONENT D: OTHER FINANCIAL MATTERS

5.11. Supply Chain Management

Procurement of goods and services done during the year were in compliance with supply chain management policy and regulations. All SCM issues reported under corporative governance.

5.12. Bid Committees

It is the competency of the Municipal Manager to appoint bid committees in the municipality. All bid committees were established and functioned fairly well. The following committees were established:

- Specification
- Quotation
- Evaluation
- Adjudication

5.13. Oversight role of Council

The municipality has the following committees to play oversight role to Council and its committees:

- Rules committee enforces council rules during council meetings.
- Petition committee attend to petitions submitted to the municipality and reports to council.
- Ethics committee looks into the conduct of councillors.
- Municipal Public Account Committee (MPAC) ensures accountability of administration to council and Audit committee which advices the municipal council, the political office bearers the accounting officer and the management staff of the municipality as reflected in section 166(2) of MFMA.

5.14. GRAP Compliance

The annual financial statements (AFS) have been prepared according to GRAP standards as required by the Municipal Finance Management Act, of 2003.

CHAPTER SIX: AUDITOR GENERAL FINDINGS AND OPINION

COMPONENT A: 2020/2021 AUDITOR GENERAL OPINION AND FINDINGS

6.1. 2020/2021 financial year Auditor General South Africa (AGSA) Report and findings

Awaiting Auditor General Final Report.

COMPONENT B: 2019/2020 AUDITOR GENERAL OPINION

6.2. Auditor General South Africa (AGSA) Report 2019/2020 financial year

During the 2019/2020 financial year the Auditor General of South Africa issued a Qualified Audit opinion 12 matters raised, with 18 matters of emphasis. As the municipality we maintained the previous opinion with increase in matters of emphasis. In terms of the management letter more than 100 issues inclusive of the audit report were raised. The action plan is developed to address the issues raised by the Auditor General.

In terms of audit of performance information only Basic Service Delivery key performance area was audited. Qualified Audit Opinion was issued. The challenges of accurate evidence and limitation of scope were recorded and led to the municipality to maintain the Qualified Audit Opinion.

6.3. Auditor General South Africa Report progress on findings for 2019/2020 financial year

The municipality had 105 issues from audit report and management letter inclusive of audit of pre-determined objectives. 85 issues were resolved however Internal Audit confirmed 81% of issues resolved with the outstanding of 20 issues unresolved.

CONCLUSIONS

The annual report for 2020/2021 financial year is hereby presented to reflect the performance of the municipality during the period under review. Many challenges remain to be resolved and it requires the collaboration of all stakeholders to put their shoulders behind the wheel to ensure that service delivery is achieved whilst at the same time proper administrative systems and processes are also put in place to comply with best practices.

This annual report must not be read in isolation, the annexures to the annual report as stated below are also central towards overall understanding of the annual report namely:

Annexure A: Audited Annual Financial Statement 2020/2021

Annexure B: Audit Report SDM & ADA

Annexure C: SDBIP Cumulative Performance Report 2020/2021

Annexure D: Performance of Service Providers Report 2020/2021

Annexure E: Sekhukhune Development Agency Annual Report 2020/2021

Annexure F: Community consultation Report 2020/2021

Annexure G: Audit Committee Report 2020/2021

Annexure H: Audit Action Plan 2020/2021

Annexure I: Oversight Report 2020/2021

Glossary

Annual Financial Statement: the statement that reflects the financial position of the municipality regarding the revenue and expenditures, the statement also shows

whether the municipality will be able to operate in the next twelve months based on its assets and liabilities using a formula on financial ratio to determine health.

Annual Report: report that is compiled by the municipality indicating overall performance of the organisation in all key areas of service delivery and institutional performance, the report is compiled in terms of Local Government Municipal Finance Management Act, 2003 and submitted in the beginning of the third quarter of the municipal financial year to Council and other legally established structures for review and consideration

Governance: refers to establishment and implementation of systems, processes, and procedures to ensure that the municipality and/or organisation complies with the laws, protocols, codes, standards for the purposes of managing risk and internal controls which applies here in South Africa and internationally

Integrated Development Plan (IDP): A five-year strategic plan undertaken by a municipality outlining the key projects and programmes to be implemented by the Council which is prepared in accordance with the Local Government Municipal Systems Act, 2000 (Act 32 of 2000). The IDP can be reviewed annually in accordance with a prescribed process.

Risk Assessment: overall process of risk identification, risk quantification and risk evaluation in order to identify potential opportunities and minimise loss

Risk management: the identification and evaluation of actual and potential risk areas as they pertain to the organisation as a total entity, followed by a process of either avoidance, termination and transfer, tolerance, exploitation, or mitigation of each risk, or a response that is a combination or *integration*.

Service Delivery and Budget Implementation Plan (SDBIP): this refers to a detailed plan compiled by a municipality indicating the processes, measurement, indicators and targets that will be followed in implementing the IDP.

Supply Chain Management: known and recorded systems and procedures for procurement of goods and services that are being followed by the municipality in line with the Preferential Procurement Framework Act

