

WATERBERG DISTRICT MUNICIPALITY



DRAFT 2018/19 ANNUAL REPORT



Table of Contents

CHAPTER 1 –EXECUTIVE MAYOR FOREWORD AND EXECUTIVE SUMMARY.....	4
1.1 COMPONENT A – EXECUTIVE MAYOR’S FOREWORD.....	4
1.2 COMPONENT B- EXECUTIVE SUMMARY – MUNICIPAL MANAGER’S OVERVIEW	6
CHAPTER 2 -INTRODUCTION TO GOVERNANCE	11
2.1 COMPONENT A-POLITICAL AND ADMINISTRATIVE GOVERNANCE	12
2.2 COMPONENT B-INTER-GOVERNMENTAL RELATIONS (IGR)	18
2.3 COMPONENT C-PUBLIC ACCOUNTABILITY AND PARTICIPATION	18
2.4 COMPONENT D- CORPORATIVE GOVERNANCE OVERVIEW	19
CHAPTER 3-BASIC SERVICES DELIVERY (PERFORMANCE REPORT).....	21
3.1 COMPONENT A-BASIC SERVICE	21
3.2 COMPONENT B-TRANSPORT (INCLUDING VEHICLES LICENCING & PUBLIC BUS OPERATIONS	22
3.3 COMPONENT C-PLANNING AND DEVELOPMENT	22
3.4 COMPONENT D- MUNICIPAL SERVICES	25
3.5 COMPONENT E- ENVIRONMENTAL PROTECTION (MANAGEMENT).....	28
3.6 COMPONENT F- HEALTH INSPECTION, FOOD AND ABATTOIR LICENSING AND INSPECTION.....	29
3.7 COMPONENT G-SECURITY AND SAFETY	31
3.8 COMPONENT H- SPORTS AND RECREATION.....	33
3.9 COMPONENT I- CORPORATE POLICY, OFFICES AND OTHER OFFICES	35
3.10 COMPONENT J- MISCELLANEOUS	45
3.11 COMPONENT K-ORGANISATIONAL PERFORMANCE SCORE-CARD	48
CHAPTER 4.....	55
COMPONENT A –INTRODUCTION TO THE MUNICIPAL PERSONNEL.....	55
COMPONENT B-MANAGING THE MUNICIPAL WORKFORCE	55
COMPONENT C-CAPACITATING THE MUNICIPAL WORKFORCE	58
COMPONENT D-MANAGING THE WORKFORCE EXPENDITURE.....	59
CHAPTER 5- STATEMENT OF FINANCIAL PERFORMANCE	60
CHAPTER 6-AUDITOR GENERAL OPINION OF FINANCIAL STATEMENTS	69
GLOSSARY	107
APPENDICES	109
APPENDICES	110
APPENDIX B – COMMITTEES & COMMITTEE PURPOSES	115
APPENDIX C– THIRD TIER ADMINISTRATIVE STRUCTURE.....	115
APPENDIX D– FUNCTIONS OF MUNICIPALITY/ENTITY.....	115
APPENDIX E–WARD REPORTING.....	117
APPENDIX F1- WARD INFORMATION.....	117
APPENDIX F2- BASIC SERVICE PROVISION.....	117

APPENDIX F3- TOP FOUR SERVICE DELIVERY PRIORITY IN A WARD	117
APPENDIX G- RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2018/19	118
APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP	119
APPENDIX J- DISCLOSURE OF FINANCIAL INTEREST	119
APPENDIX K- REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE	120
APPENDIX K (II) – REVENUE COLLECTION PERFORMANCE BY SOURCE	120
APPENDIX L – CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG.....	120
APPENDIX M- CAPITAL EXPENDITURE – NEW & UPGRADE/ RENEWAL PROGRAMMES	120
APPENDIX M – CAPITAL EXPENDITURE – NEW ASSETS PROGRAMME	120
APPENDIX N –CAPITAL PROGRAMME BY PROJECT 2018/19	120
APPENDIX O - CAPITAL PROJECT BY WARD 2018/19.....	120
APPENDIX P – SERVICES CONNECTION BACKLOGS AT SCHOOLS AND CLINICS	121
APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION	121
APPENDIX R –DECLARATION OF LOAN AND GRANTS MADE BY THE MUNICIPALITY	122
APPENDIX S – DECLARATION OF RETURN NOT MADE IN DUE TIME UNDER MFMA S71	122
APPENDIX T PRESIDENTIAL OUTCOME FOR LOCAL GOVERNMENT	122
APPENDIX U - AUDITED ANNUAL FINANCIAL STATEMENTS 2018/2019	122

1.1 COMPONENT A – EXECUTIVE MAYOR’S FOREWORD

(a) Vision

“To be the energy hub and eco-tourism destination in Southern Africa”.

(b) Mission

“ To invest in a constituency of talented human capital who are motivated and innovative to build a sustainable economy in the field of energy, minerals and eco-tourism for the benefit of all our communities “

It gives pleasure to present the Annual Report of the Waterberg District Municipality for the 2018/19 Financial Year. The period under review has presented opportunities outweighed by our challenges. The fact that the Waterberg District Municipality is a category C1 municipality remains to outpace financial sustainability threats to the district.

Major planned service delivery projects continue to be compromised due to the municipality’s severe budgetary constraints. As the new financial year is about to unfold, our effectiveness and relevance will be put to test by way of transforming our plans as enshrined in the Integrated Development Plan (IDP) to correspond directly with the resources at our disposal and respond directly to quantifiable deliverables that will have an impact on our communities.

This can easily be achieved if we are all effective in discharging our responsibilities and strengthening oversight roles to ensure good governance and financial management.

Waterberg District Municipality is determined to reinforce its Performance Management System in order to regain the attainment of the Clean Audit in the 2019/2020 financial year. The district has consistently received Qualified Audit Opinions in the past two consecutive financial years. Through the introduction of new management, hard work and dedication, the opinion was able to migrate from Qualified to Unqualified for the Financial Year 2018/19.

We however remain committed to our resolve to migrate further from Unqualified to the Clean Audit in the next audit period. We are convinced that with the active role played by our Management, Council and Oversight Committees, our target will be easily achieved.

Immense gratitude should be given to the entire leadership of the Waterberg District Municipality for the unity, cooperation and commitment demonstrated throughout the financial year. The determination displayed by Management and the work force in general is truly appreciated.

Our special sincere appreciation is extended to our communities for their continued support and understanding.

The year ahead is full of many opportunities to explore as we strive to ensure that quality services that will bring dignity are delivered to our communities.

Together will take our district to greater heights.

S.M Mataboge
Executive Mayor

1.2 Component B- Executive summary – Municipal Manager’s Overview

1.2.1 Municipal Function, Population and Environment Overview

The Waterberg District Municipality is a Category C1 municipality located in the western part of the Limpopo Province. The district municipality shares its borders with the Capricorn District Municipality in the north and the Sekhukhune District Municipality in the east. The Southwestern boundary abuts the North West Province, while the Gauteng Province lies on the Southeastern side.

The District shares its five border control points with Botswana, namely Groblersbrug, Stockpoort, Derdepoort, Zanzibar and Platjan. Five local municipalities - Bela-Bela, Lephalale, Modimolle-Mookgophong, Mogalakwena and Thabazimbi, make up the Waterberg District Municipality, which has a ground surface area of about 45 110km ². (District SDF)



Location of Waterberg within the Limpopo province geographical map



Geographical Map of the District

The District is made-up of five local municipalities - Bela-Bela, Lephalale, Modimolle-Mookgophong, Mogalakwena and Thabazimbi as reflected in map above.

Below is the table which situate Waterberg District Municipality (WDM) within Limpopo Province as it relates to the Province in terms of coverage per square metre and population.

Table 1: DISTRICT IN COMPARISON WITH LIMPOPO PROVINCE

Municipality	Total area in km ²	% of total	Population	% of total
Waterberg	45 110	39	745757	13
Limpopo Province	126 323	100	5 404 868	100

1.2.2 Demographics

According to the Census 2011, the population growth rate was 1, 2% over a 10 year period, and according 2016 community survey the population rate increased to 9.8%

	Male	Female	Total 2011	Male	Female	Total 2016
Thabazimbi	42 773	29 072	71 845	57259	38973	96232
Lephalale	56 704	48 259	104 964	76528	60098	136626
Mookgophong	15 748	14 760	30 509	54393	53305	107698
Modimolle	30 614	29 760	60 373			
Bela-Bela	28 799	27 603	56 401	38961	37335	76296
Mogalakwena	137 512	158 285	295 796	154352	174553	328905
Waterberg	312 150	307 739	619 889	381493	364264	745757

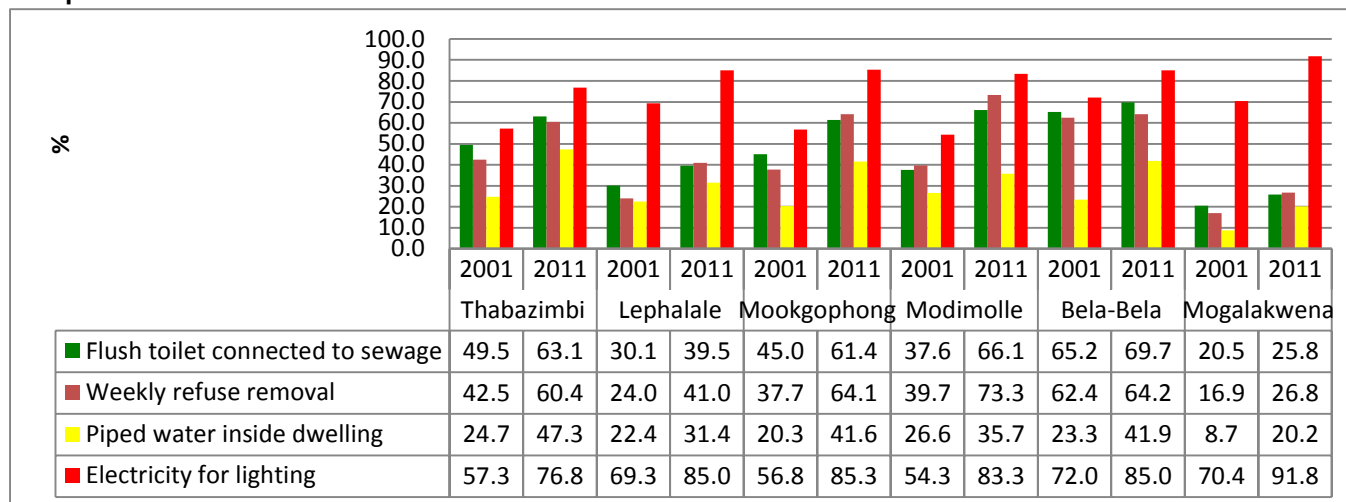
Figure1. Demographics: Census 2011 and community survey 2016

The district area is both a hot and semi-arid in nature. The rain falls mainly in January and December. There are a number of places of which its biodiversity is a source of tourism attraction. There are Municipalities which had been proclaimed by the Department of Environmental Affairs to be contributing to pollution within the as a result of mining activities which had raised some environmental concerns. The District Municipality has a mandate to deal with air quality issues. Such municipalities are as follows:

1.2.3 Service Delivery Overview.

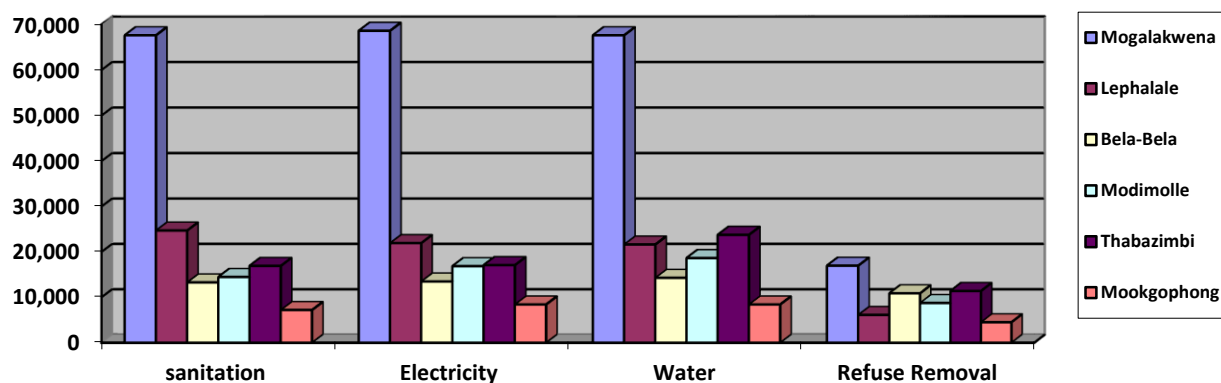
The service delivery of the municipality is mainly confined to the disaster management and firefighting services. Unlike the other district municipalities in the Province, Waterberg District Municipality it is not a water services authority. The 6 local municipalities are responsible for providing basic services.

The provision of basic services to households is summarized as follows:



Source : Stats SA 2011

Figure 2. Basic Services



1.2.4 Service Delivery Backlog

Municipality	Water	Sanitation	Electricity	Refuse Removal
Bela-Bela	2.64%	12%	12%	22.2%
Lephalale	3.21%	12.15%	6.2%	6.2%
Modimolle-Mookgophong	8.2%	4.28%	7.62%	79.2%
Mogalakwena	25%	25%	17%	59%
Thabazimbi	27%	34%	31%	33%
Waterberg	13%	15.7%	10.5%	52%

NB: The highest backlogs are recorded in Refuse Removal and Sanitation mainly because there are 198 villages in both Lephalale and Mogalakwena local municipalities.

1.2.5 Basic Services

Water

Municipality	Total HH	HH with access	% Backlog
Bela-Bela	21 354	21 134	2.64%
Modimolle-Mookgophong	28 977	28 047	3.21%
Mogalakwena	79 392	72 922	8.2%
Lephalale	43 002	32 109	25%
Thabazimbi	35 462	25 618	27%
Waterberg	208 190	179 830	13%

Sanitation

Municipality	Total HH	HH with access	% Backlog
Bela-Bela	21 354	18 791	12%
Modimolle-Mookgophong	28 977	25 454	12.15%
Mogalakwena	79 392	75 645	4.28%
Lephalale	43 002	32 426	25%
Thabazimbi	35 462	23 175	34%
Waterberg	208 190	175 491	15.7%

Electricity

Municipality	Total HH	HH with access	% Backlog
Bela-Bela	21 354	18 695	12%
Modimolle-Mookgophong	28 977	27 173	6.2%
Mogalakwena	79 392	78 105	7.62%
Lephalale	43 002	35 304	17%
Thabazimbi	35 462	27 041	31%
Waterberg	208 190	186 318	10.5%

Refuse Removal

Municipality	Total HH	HH with access	% Backlog
Bela-Bela	21 354	14 743	22.2%
Modimolle- Mookgophong	28 977	27 173	6.2%
Mogalakwena	79 392	16 500	79.2%
Lephalale	43 002	17 672	59%
Thabazimbi	35 462	23 872	33%
Waterberg	208 190	99 960	52%

1.2.6 Financial Health Overview

WDM is grant dependent which makes it difficult to generate its own revenue. Its management of financial resources is showcased by its qualified audit outcome.

The internal control systems are used diligently and financial policies are strictly followed.

Details	Original budget	Adjustments budget	Actual
Income :			

Grants	130 142 000	130 142 000	126 109 594
Transfers	-	-	3 152 842
Investment Revenue	10 311 000	11 400 000	10 575 486
Other	34 000	34 000	69 987
Services charges	2 070 000	2 070 000	929 198
Subtotal	142 557 000	143 646 000	140 837 276
Less Expenditure :			
Employee Cost	100 566 000	103 135 000	89 878 056
Remuneration of Councillors	8 654 000	10 296 000	10 233 945
Depreciation and amortisation	6 375 000	6 375 000	5 518 999
Project expenditure	7 410 000	7 410 000	6 131 817
General expenses	45 514 000	92 014 000	37 732 557
Subtotal	168 519 000	219 230 000	149 495 374
Surplus before taxation	(25 962 000)	(75 585 000)	(8 658 098)
Actual Amount on comparable Basis as presented in the Budget and Actual comparative statement	(25 962 000)	(75 585 000)	(8 658 098)

Operating ratios

The municipality has to devise ways and means of bringing the salaries and wages budget to the acceptable standard of 32 % failing which the core mandate of service delivery will be compromised seriously.

Actual Remuneration (Employee & Cllr) as a % of total operating expenditure R 100 112 001/150 777 566 =67%	
Actual Repairs and maintenance as a % of Property, Plant & Equipment (PPE) 3 561 893/69 475 397 =5.12%	R 3 561 893
Actual Current ratio: Current Assets vs Current Liabilities 169 013 046/77 633 272 = 46%	

1.2.7 Organizational Development (OD) Overview

Organizational development is beginning to grow in the municipal environment. As a result OD in its wide scope is still new and municipalities are beginning to appreciate its importance. As mentioned earlier, the PMS was not cascaded, a few People with Disabilities are appointed, and accessibility of the building, diversity management and important topics such as emotional intelligence, talent management and organizational culture still need some attention.

In general the municipality through its Human Resources Division is giving attention to issues of skills development through its Workplace Skills Plan whilst the Strategic Division is dealing with performance management issues. As a result the Senior Managers' performance reviews were conducted throughout the year.

1.2.8 Auditor General Report

WDM received unqualified audit report for **2018/19FY**. Management also work as a team and issues of audit queries are addressed throughout the year with the support of the political leadership and it is also a permanent item on the agenda of the institutional management , Chief Financial Officers' Forum and the Municipal Managers' Forum.

1.2.9 Statutory Annual Report Process

No	Activity	Time frame
1	Consideration of the 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 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 Report to Internal Audit and Auditor-General	
5	Audit/Performance Committee considers Draft Annual Report of Municipality	August
6	Mayor tables the unaudited Annual Report	
7	Municipality submits draft Annual Report including consolidated Annual Financial Statements and Performance Report to Auditor General	
8	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
9	Auditor General assesses draft Annual Report including consolidated Annual Statements and Performance data	November
10	Municipalities receive and start to address the Auditor General's Comments	
11	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor General's Report	
12	Audited Annual Report is made public and representations are invited	
13	Oversight Committee/ Municipal Public Accounts Committee assesses Annual Report	March
14	Council adopts Oversight Report	
15	Oversight Report is made public	
16	Oversight Report is submitted to Provincial Departments	
17	Commence of draft Budget/IDP finalization for next financial year: Annual Report and Oversight Report to be used as input	January

CHAPTER 2 -INTRODUCTION TO GOVERNANCE

Waterberg District Municipality is a category C municipality and has an Executive Mayoral System. The Council comprises of 35 councillors of which composed of directly and indirectly representatives and 2 traditional leaders. The majority of the councillors are from the ANC with DA and EFF and FF+ as opposition parties.

Throughout the year, the Municipal Manager as the head administration played his role in terms of section 55 of the Municipal Systems Act. Amongst many of his roles, the Municipal Manager was able to advise the political structures and political office bearers of the municipality and also carried out the decisions of the political structures and the political office bearers of the municipality. It is the responsibility of the Municipal Manager to advise council to take decisions which are in line with legislation and policies of the municipality.

The IDP review was used as main public participation tool which implemented /used to allow the communities to participate in the affairs of the municipality. The IDP Representative Fora were convened by the Office of the Municipal Manager, chaired by the Executive Mayor. The Ordinary Council meetings and the Portfolio were organized throughout the year and were chaired by the Mayoral Committee Members and eventually reported to the Mayoral Committee and the Council.

During the year under review, the Municipal Manager had also convened the Municipal Managers Forum which is attended by the local municipality municipal managers from the 5 local municipalities, the WDM section 57 managers and the senior managers of the 12 sector departments within the District. As a technical committee they prepare technical reports which are presented in the District Intergovernmental Relations Forum. This forum (District IGR Forum) also served as preparation for the Provincial IGR Forum whereby the Executive Mayors presented their District wide reports. EXCO Lekgotla decisions are discussed and implemented based on the reports. Discussions and resolutions presented at Exco Lekgotla are also presented at Min-Mec Meetings.

The implementation of the Performance Management System also serves as tool which is used to hold the Senior Managers accountable for their performances. The Municipal Manager himself assessed his Senior Managers and was assessed by the Executive Mayor. The IDP Representative Forum was used to report the performance of the

council to the community. Over and above all these, the Executive Mayor had also convened izimbizos to report back to the community on all matters of service delivery. To improve on the effectiveness of the process, after every imbizo, the Office of Executive Mayor drafted a follow up programme on all the issues that were raised.

2.1 Component A-Political and Administrative Governance

2.1.1 POLITICAL GOVERNANCE

Section 52 (a) of the Municipal Finance Management Act provides that the Mayor must provide general political guidance over the fiscal and financial affairs of the Municipality. The Mayoral Committee is also established in terms of Section 79 of the Municipal Structures Act. Section 80 committees namely Budget and Treasury Office, Transformation and Administration, Infrastructure Development, Planning and Economic Development, Special Projects and Community Committees are chaired by the Mayoral Committee members. Municipal Public Accounts Committee comprising of 10 members was established to play an oversight role and work closely with the Performance Audit Committee and the Audit Committee.

2.1.2 COUNCIL

Council is the legislative arm of the Municipality and highest decision making body over issues such as approval of the Budget and the IDP. These are functions that cannot be delegated to any Committees of the Council.

Update Council Picture

2.1.3 POLITICAL MANAGEMENT TEAM



Cllr S M Mataboge
Executive Mayor



Cllr K S Lamola
Speaker



Cllr M A Tsebe
Chief Whip

2.1.4 Mayoral Committee & Section 80 Committees

At least 5 meetings convened by the Portfolio Committees were able to process items for the Mayoral Committee and Council at least on a quarterly basis.

COUNCIL COMMITTEES [SECTION 80]

BUDGET & TREASURY	
Chairperson: T.A. Mashamaite	Members: (a) M.B. Baloyi (b) L. K Sathege (c) N. Laubscher (d)) R. Maropeng
TRANSFORMATION & ADMINISTRATION	
Chairperson: F.S. Hlungwane	Members: (a) R. N. Monene (b) M. S. Tefu (c) K. C. Khotsa (d)T.E. Monama
PLANNING & ECONOMIC DEVELOPMENT	
Chairperson: M. P. Sebatjane	Members: (a) S.C.G. Senosha (b) M.S. Thobane (c) R.D. Mampeule
INFRASTRUCTURE	
Chairperson : R. M. Radebe	Members: (a) M. J. Selokela (b) P. Molekwa (c) B. Mocke (d)) M.J. Matlala
SOCIAL DEVELOPMENT	
Chairperson: M. R. Boloka	Members: (a) B. N. Magongwa (b) M.D. Mochaki (c) M.T. Mogale (d) Inkosi V.N. Mahlangu
COMMUNITY SERVICES	
Chairperson: Vacant	Members: (a) K.H. Niewenhuis (b) D. Senosha

	(c) R.J. Mahoro (d) M.J. Kekana
SPECIAL PROJECTS	
Chairperson: K. R. Mokwena	Members: (a) F.Z. Esply (b) M.J. Gumede (c)) S.C. Majoko (d) Kgoshi L.V. Kekana

2.1.5 Section 79

Municipal Public Accounts Committee (MPAC)

MPAC comprising of 11 members was established in 2016 to play an overall oversight role and work closely with the Audit Committee and Performance Audit Committee. To formalize the role, Council had approved the terms of reference which are meant to guide the MPAC as to how it must do its business within the ambit of the law. The district-wide programme was developed to assist the local municipalities to perform their functions effectively within the correct timeframe. The committee met 4 times to deal with the business of the Annual Report.

Number	Position	Names	Political Party
1	Chairperson	Cllr N.S Montane	African National Congress
2	Member	Cllr M.J Gumede	African National Congress
3	Member	Cllr N. Laubscher	Democratic Alliance
4	Member	Cllr B.N Magongwa	Democratic Alliance
5	Member	Cllr S.C Majoko	Economic Freedom Fighters
6	Member	Cllr R.N Monene	African National Congress
7	Member	Cllr MJ Selokela	African National Congress
8	Member	Cllr M.S. Thobane	Economic Freedom Fighters
9	Member	Cllr KH Niewenhuis	FF+
10	Member	Cllr L.K Satege	African National Congress
11	Member	Cllr M.S Tefu	African National Congress

ESTABLISHMENT OF COUNCIL COMMITTEES [SECTION 79]

THICS MANAGEMENT COMMITTEE	
Chairperson: K.S. Lamola	Members: (a) S.M. Mataboge (b) M.A Tsebe (c) M.B. Baloyi (d) R. Maropeng

The following Audit Committee Members were appointed by Council for a period of three (3) years:

- i. Adv. J. L. Thubakgale
- ii. Mr. R. Tshimomola
- iii. Mr. GM Dhladhla

2.1.6 POLITICAL DECISION MAKING

Council had met 8 times during the financial year under review and 4 special council meetings and 4 ordinary council meetings were convened. Out of 19 Council resolutions taken 14 were resolved and 05 on progresses by June 2019. It is normal procedure for Portfolio Committee meetings to be convened before Council and some special Council of the decisions was on the tabling of the IDP/Budget/SDBIP and the Adjustments budget.

2.2 ADMINISTRATIVE GOVERNANCE

In terms of section 54A of the Municipal Systems Amendment Act, the Municipal Manager is appointed as the Accounting Officer. Apart from being head of administration, he is also important link with the political office bearer.

M.M Maluleka
Municipal Manager

The Office of Municipal Manager comprises of 2 divisions namely: Strategic Planning & Support and Internal Audit.



L.G Tloubatla
Chief Financial Officer:

Budget and Treasury Office comprises of 3 divisions namely: Supply Chain Management, Revenue Management, Reporting and Expenditure Management Division

Gustinah Matlala

Manager: Infrastructure Development.

The department comprises of 2 Divisions namely: Capital Programme & Road Maintenance

M.B Molekwa

Acting Manager: Planning & Economic Development:

The department comprises of 3 divisions namely: Development Planning, Economic Development and Abattoir.



P Makondo

Acting Manager: Social Development and Community Development:

The department comprises of 2 divisions namely: Municipal Health Service and Disaster Management.

GM. Seleka

Manager: Corporate Support & Shared Services:

The Department comprises of 3 divisions namely: Human Resources Management, Information and Communication Technology and Legal & Administration.

2.2 Component B-Inter-Governmental Relations (IGR)

2.2.1 DISTRICT INTERGOVERNMENTAL RELATIONS FORUM

Waterberg District Municipality is the coordinator of the Intergovernmental Relations in the District. An IGR framework was adopted in 2007 - which framework was used to give effect to the objects of the Intergovernmental Relations Framework Act. The Technical Committee of Senior Managers ,Sector Departments and Municipal Managers meet at least once a quarter and prepare reports which must be submitted to the Premier – Mayors Forum. Attendance by sector departments is a serious challenge and therefore hampers progress in terms of planning and service delivery.

2.2.2 PROVINCIAL INTERGOVERNMENTAL RELATIONS FORUM

The Province has initiated the Premier Mayors Forum which meets at least twice in a year. All 24 Mayors and the Municipal Managers and the Senior Managers meet and discuss issues of Governance. The Forum is attended by the District Mayors and the Municipal Managers. The Executive Mayor presents the technical report of the District before going to the Forum at the Province this forum.

2.2.3 NATIONAL INTERGOVERNMENTAL STRUCTURE

South Africa is a unitary state that is characterized by 3 spheres of government as enshrined in the Constitution of the Republic. All spheres are expected to cooperate with one another in the spirit of cooperative governance. These structures are helpful in that information and programmes are shared and alignment becomes the outcome of such efforts. All important decisions of the national intergovernmental forum should find expression in the lower IGR structures.

In general the Senior Managers at the District level need to appreciate the importance of IGR by attending themselves and avoid sending junior officials to IGR activities, which undermines the main thrust of such gatherings. The sector departments are expected to present reports to the Forum- which will show some of the IDP projects they are implementing, with regard to progress made.

2.3 Component C-Public Accountability and Participation

In terms of section 15 of the Municipal Structures Act requires a municipality must organize its administration to facilitate and promote a culture of accountability among its staff. Democratic governance entails reporting to the community and other stakeholders as to how the deployed resources have been used to deliver services.

2.3.1 PUBLIC MEETINGS

Nature and purpose of a meeting	Date of event/meeting	Number of participating Municipal Councillors	Number of Community members attending	Number of participating Municipal Administrators	Dates and manner of feedback given to Community
1 st IDP Representative Forum : Adoption of Framework	17/08/2018	28	6	13	17 August 2018- Verbal
2 nd IDP Representative Forum: Analysis Phase	23/11/2018	7	05	17	23 November 2018- Verbal
Executive Mayors Imbizo & Batho Pele Day	24/05/2019	28	105	22	24 May 2019-verbal
3 rd IDP Representative	26/03/2019	19	4	22	26 March 2019 - Verbal

Forum: Budget & IDP					
4 th IDP Representative Forum	21/05/2019	19	5	21	21 May 2019- Verbal

2.3.2 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment criteria	Yes / No
Does the municipality have impact outcome, input and output indicators?	Yes
Does the IDP have priorities objectives, KPIs and development strategies?	Yes
Does the IDP have multi- year targets	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to those of Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per SDBIP	Yes
Do the IDP KPIS align with the Provincial KPIs on the 12 outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the fourth quarter aligned submitted within stipulated time frames?	Yes

2.4 Component D- corporative Governance Overview

2.4.1 RISK MANAGEMENT

The Accounting Officer must ensure that the municipality has and maintains effective, efficient and transparent system of financial, risk management and internal control. Risk Management system is a valuable tool which increases an institution's prospects of success through minimizing negative outcomes and optimizing opportunities.

The municipality has reviewed its risk management policy in 2018 and the Audit Committee uses a risk based approach. A risk register entails a list of risks which senior managers should address. A risk management committee comprising of senior managers, divisional managers and an external chairperson is in place and has met consistently throughout the year.

Risk	Activity	Rating
1	Lack of integrated IT Systems	High
2	Loss of assets	High
3	Fraud and corruption	High
4	Appointment of incompetent officials	High
5	Poor capital spending	High

2.4.2 ANTI-CORRUPTION AND FRAUD

Anti-corruption and fraud strategy was developed, reviewed in 2017 and is being implemented. The vetting of SCM Officials goes a long way in reducing deviations which consequently helps the municipality to avoid irregular and unauthorized expenditures. No councilor is allowed to sit in the bid committees as prohibited by the Municipal Finance Management Act.

2.4.3 SUPPLY CHAIN MANAGEMENT

The Supply Chain Management Policy has been reviewed and is therefore in line with the MFMA Regulations. The Budget and Treasury Office is ensuring that the abovementioned be implemented without fear or favor. The 3 bid system is in place and the officials who sit in the committees have a fairly good understanding of the SCM processes and regulations. To reduce the possibility of fraud, SCM officials or members who sit in the tender committees have been vetted. The effective use of declaration of interest forms and regular reporting to Council on SCM Deviations is a necessary deterrent.

There are workshops conducted to ensure that officials involved on the Supply Chain matters are abreast with the new trends, developments and legislative environment guiding the Supply Chain Management Systems.

2.4.4 BY-LAWS

The procedure to develop a by-law is explicit in the Orders of Council document. The Corporate Services is best placed to lead a public participation process on the development of the by-laws. For the year under review no new by-law neither was develop nor was an old by-law reviewed. The delay of promulgation rests with COGHSTA and makes it difficult to enforce certain decisions- which decisions will lack legal force. Municipal Systems empowers municipal councils to pass and implement by-laws in order to improve their service of the communities within their areas of jurisdiction.

Newly developed	Revised	Public Participation conducted prior to the development of by-laws (Yes or No)	Dates of Public Participation	By-laws Gazetted Yes or No	Date of Publication
None	None	None	None	None	None

2.4.5 MUNICIPAL WEBSITE

The Information and Communication Technology is responsible for hosting the website with the assistance of SITA. In terms of the Municipal Systems Act a number of important documents must be put on the website to ensure that the community and other stake-holders access such information. It is updated on a regular basis.

Documents published on the municipal website	Yes or No	Date of publication
Current annual and adjustments budget and all budget related documents	Yes	Current annual Adjustment Budget March 2019
All current budget related policies	Yes	June 2019
2018/19 Annual Report	No	Not yet
The 2018/19 Annual Report published or to be published	No	Not yet
All current performance agreements in terms of section 57(1) (b) and resultant scorecards	Yes	2018/19 July 2018
All service delivery agreements of 2018/19	Yes	July 2018
All long term borrowing contracts	No	N/A
All quarterly reports tabled to Council All supply chain management contracts above a certain value	Yes	August 2018, January 2019 & April 2019 July 2019
Public Private Partnerships	No	N/A
Information statement listing all the assets over a prescribed value that have been disposed	No	N/A
Contracts to which subsection of 33 applies	No	N/A

2.4.6 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Waterberg District Municipality does not have a public satisfaction survey mechanism which can be used to assess the attitude or perceptions of the community on the services it renders. This lack of mechanism makes it

to be reactive and to rely too much on the Presidential and Premier hotlines. The IGR and Protocol Unit Division with the assistance of Strategic Support and Planning Unit is responsible for such matters.

Satisfaction Surveys could not be conducted in 2018/19 due to budgetary constraints

Subject matter of survey	Survey method	Survey date	Number of people included in survey	Survey result indicating satisfaction or better %
Overall satisfaction with				
(a) Municipality	None	NA	NA	NA

Chapter 3-Basic Services Delivery (Performance Report)

3.1 Component A-Basic Service

3.1.1 Water Provision

Waterberg District Municipality unlike the other district municipalities in the Province does not render any basic services. As a result of its lack of powers and function on these services, the role of the district municipality has been reduced to coordination of such services as water, electricity, sanitation and free basic services. Sporadically it is also assisting few local municipalities in implementing basic services projects when finances permit.

3.1.2 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL)

Waterberg District Municipality does not perform the function.

3.1.3 ELECTRICITY

Waterberg District Municipality does not perform the function.

3.1.4 HOUSING

Waterberg District Municipality does not perform the function.

3.1.5 FREE BASIC SERVICES AND INDIGENT SUPPORT

Since Waterberg District Municipality does not have to the powers to perform basic services, it its local municipalities that are rendering such services. According to 2018/19 District IDP, the locals provided indigents with free basic water and electricity services.

3.2 Component B-Transport (including vehicles licencing & Public Bus Operations)

Capital Expenditure 2018/19: Road Services					
					R' 000
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A	No roads projects for 18/19	-	-	-	-

Waterberg District Municipality has adopted an Integrated Transport Plan in 2007 and was reviewed in 2016. The powers and functions does not include licensing and public bus operation but gives direction regard integrated transport planning and the influence of infrastructure on economic development in particular and development in general. The process of finalising Road classification would go a long way in unlocking the potential of the district in sourcing extra funds to improve its road infrastructure.

3.2.1 GRAVEL ROAD INFRASTRUCTURE

Employees: Road Services					
Job Level	2018/19				
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0%
4 - 6	1	1	1	0	0
7 - 9	1	1	1	0	0
10 - 12	-	-	-	-	-
13 - 15	-	-	-	-	-
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	4	4	4	0	0%

3.2.2 DEVELOPMENT OF MUNICIPAL ROADS

The District roads were re-classified to be provincial roads by the MEC through provincial gazette.

3.3 Component C-Planning and Development

Lack of funds contributes to the fact that most of the SDF projects could not be initiated. In assisting the local municipalities to review their Central Business Districts, it cannot force them to implement them in their Integrated Development Plan. In general investment in Infrastructure development and dismantling of racial settlements are persistent. This poor funding also impacts on the local economic development. There are few resources really to commit to achieving the economic indicators relevant to the economy of the district.

3.3.1 PLANNING

The local municipalities are responsible for the implementation of their Land Use Management schemes.

Service Objectives	Outline Service Targets	2018/19		2018/19
		Target	Actual	
(i)	(ii)			
Determine planning application within a reasonable timescale	Approval or rejection of all build environment applications within a x weeks	Determination within x weeks	Determination within x weeks	Determination within 12 weeks
	Reduction in planning decisions overturned	X planning decisions overturned	X planning decisions overturned	5% planning decisions overturned

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

Details	2018/19			
	Actual	Original Budget	Adjustment Budget	Variance to Budget
Total Operational Revenue (excluding tariffs)	-	-	-	-
Expenditure:				
Employees	911 207	911 207	911 207	0%
Repairs and Maintenance	-	-	-	-
Other	-	-	-	-
Total Operational Expenditure	911 207	911 207	911 207	0%
Net Operational (Service) Expenditure	(911 207)	(911 207)	(911 207)	0%

Capital Projects				
	Budget	Adjustment Budget	Actual Expenditure	Total Project Value
Total All	624,000	-	38,198	
Project A	624,000	-	38,198	
Project B	-	-	-	-
Project C	-	-	-	-
Project D	-	-	-	-

3.3.2 LOCAL ECONOMIC DEVELOPMENT

Employees: Economic Development					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	2	2	2	0	0
7 - 9	-	-	-	-	-
10 - 12	-	-	-	-	-
13 - 15	-	-	-	-	-
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	3	3	3	0	0
Financial Performance 2018/19: Economic Development					
R'000					
Details	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	-	-	-	-	
Expenditure:					
Employees	3 509 609.56	4 025 430	4 025 430	3 040 061.05	24%
Repairs and Maintenance	-	-	-	-	-
Other	0.00	3 500	3 500	243.31	93%
Total Operational Expenditure	3 509 609.56	4 028 930	4 028 930	3 040 304.36	24%
Net Operational (Service) Expenditure	(3 509 609.56)	(4 028 930)	(4 028 930)	(3 040 304.36)	

Jobs Created during 2018/19 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives -	Jobs created	Jobs lost/displaced by other initiatives	Net total jobs created in year	Method of validating jobs created/lost
	No.	No.	No.	
Total (all initiatives)		-	-	-
Initiative A (18/19)	None	-	-	-
Initiative B (18/19)	-	-	-	-
Initiative C (18/19)	-	-	-	-
Job creation through EPWP* projects				
Year	EPWP Projects	Jobs created through EPWP projects		
	No.	No.		
2016/17	Ga-Seleka VIP	15		EPWP Report
2017/18	Rapotokwane VIP	15		EPWP Report
2018/19	No budget allocation for 2018/19	-		-

Local Economic Development Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2016/17		2017/18		2018/19	
		Target	Actual	Target	Actual	Target	Actual
Service Indicators							
(i)	(ii)						
Service Objectives; To ensure optimal utilisation of and adherence to space economy							
Job creation	Number of jobs created to LED Initiatives	15	33	0	0	0	0

3.4 Component D- Municipal Services

Waterberg District Municipality does not have powers and functions to render services such as libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

3.4.1 MUNICIPAL INFRASTRUCTURE GRANT EXPENDITURE

No Budget allocation 2018/19 financial year

Municipal Infrastructure Grant (MIG)* Expenditure 2018/19 on Service backlogs						R' 000
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Infrastructure - Road transport						
Roads, Pavements & Bridges	-	-	-	-	-	-
Storm water	-	-	-	-	-	-

Infrastructure – Electricity						
Generation	-	-	-	-	-	-
Transmission & Reticulation	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-
Infrastructure – Water						
Dams & Reservoirs	-	-	-	-	-	-
Water purification	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-
Infrastructure – Sanitation						
Reticulation	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-
Infrastructure – Other						
Waste Management	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Gas	-	-	-	-	-	-
Other Specify:	-	-	-	-	-	-
	-	-	-	-	-	-
Total	-	-	-	-	-	-

Employees: Local Economic Development Services				
Job Level	2018/19			
	Posts	Employees	Vacancies equivalents (fulltime)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	1	1	1	0
4 - 6	2	2	2	0
7 - 9	-	-	-	-
10 - 12	-	-	-	-
13 - 15	-	-	-	-
16 - 18	-	-	-	-
19 - 20	-	-	-	-
Total	3	3	3	0
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days refer to table A3 info will be on TB (trial balance) all vote which start with 16 are repairs & maintenance				

Financial Performance 2018/19: Local Economic Development Services					
R'000					
	Actual 2017/18	Original budget	Adjustment budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	-	-	-		-
Expenditure:					
Employees	3 509 609.56	4 025 430	4 025 430	3 040 061.05	24%
Repairs and Maintenance	-	-	-		-
Other	0.00	3 500	3 500	243.31	93%
Total Operational Expenditure	3 509 609.56	4 028 930	4 028 930	3 040 304.36	24%
Net Operational (Service) Expenditure	(3 509 609.56)	(4 028 930)	(4 028 930)	(3 040 304.36)	
Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

Local Economic Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2016/17		2017/18		2018/19	
		Target	Actual	Target	Actual	Target	Actual
Service Indicators							
Service Objective: To ensure optimal utilisation and adherence to space economy							
% of functional CTAS		100%	90%	100%	100%	0%	0%
# of publications		1	3	2	2	0	0
# of jobs created by LED		15	33	0	0	0	0
# of cooperatives supported		10	45	10	32	10	18

Employees: Local Economic Development					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	-	-
4 - 6	2	2	2	-	-
7 - 9	-	-	-	-	-
10 - 12	-	-	-	-	-
13 - 15	-	-	-	-	-
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	3	3	3	-	
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
T3.56.4					

Financial Performance: Local Economic Development					
					R'000
Details	2017/18	2018/19			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excluding tariffs)	-	-	-	-	
Expenditure:					
Employees	3 509 609.56	4 025 430	4 025 430	3 040 061.05	24%
Repairs and Maintenance	-	-	-	-	-
Other	0.00	3 500	3 500	243.31	93%
Total Operational Expenditure	3 509 609.56	4 028 930	4 028 930	3 040 304.36	24%
Net Operational (Service) Expenditure	(3 509 609.56)	(4 028 930)	(4 028 930)	(3 040 304.36)	
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

Capital Expenditure 2018/19: Local Economic Development

R' 000					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A	250 000	-	241 540	8 460	-
Project B	85 000	-	11 650	73 350	-
Project C	60 000	-	47 380	12 620	-
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

3.5 Component E- Environmental Protection (Management)

Child Care; Aged Care; Social Programmes Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2016/17		2017/18		2018/19	
		Target	Actual	Target	Actual	Target	Actual
Service Indicators							
Service Objective : To preserve and protect natural resources and promote public health							
# of health and hygiene awareness campaign conducted		50	55	10	15	10	11
% of funeral undertakers complying to standards		-	-	-	-	-	-
# of listed activities in terms of AQA		20	18	20	15	20	13
# of ambient air quality report submitted		2	3	3	3	6	8
Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the introduction of performance management arrangement by municipalities in which IDPs play a key role.							

Environmental Protection					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	-
4 - 6	1	2	2	0	100%
7 - 9	-	-	-	-	-
10 - 12	-	-	-	-	-
13 - 15	-	-	-	-	-
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	2	3	3	0	
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

Financial Performance 2018/19: Environmental Protection					
R'000					
Details	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	-	-	-	-	-
Expenditure:					
Employees	8 909 498.01	10 536 997	10 536 997	8 728 520.81	17%
Repairs and Maintenance	-	-	-	-	-
Other	0.00	2 500	2 500	0.00	100%
Total Operational Expenditure	8 909 498.01	10 539 497	10 539 497	8 728 520.81	17%
Net Operational (Service) Expenditure	(8 909 498.01)	(10 539 497)	(10 539 497)	(8 728 520.81)	
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

Capital Expenditure 2018/19: Environmental Protection					
R' 000					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	No projects				
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

3.6 Component F- Health Inspection, Food and Abattoir Licensing and Inspection

Health Inspection, Food and Abattoir Taken From IDP							
Service Objectives	Outline Service Targets	2016/17		2017/18		2018/19	
		Target	Actual	Target	Actual	Target	Actual
(i)	(ii)						
Service Objective : To preserve and protect natural resources and promote public health							
% of water samples collected and analysed		12	6/12	12	7/12	12	10/12
% of food samples collected and analysed		-	-	-	-	-	-
# of permitted landfill sites monitored		8	5/8	8	6/8	8	6/8
% of food outlets issued with certificate of compliance		100%	100% 99/99	100%	100% 101	100%	100% 87/87

Employees: Health inspection, food and abattoir licensing and inspection					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	1	1	1	0	0
4 – 6	7	8	6	2	25%
7 – 9	23	23	23	0	0
10 – 12	-	-	-	-	-
13 – 15	-	-	-	-	-
16 - 18	-	-	-	-	-
19 – 20	-	-	-	-	-
Total	31	32	30	2	25%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

T3.56.4

Financial Performance 2018/19: Health inspection, food and abattoir licensing and inspection					
R'000					
Details	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	-	-	-	-	-
Expenditure:					
Employees	8 909 498.01	10 536 997	10 536 997	8 728 520.81	17%
Repairs and Maintenance	-	-	-	-	-
Other	0.00	2 500	2 500	0.00	100%
Total Operational Expenditure	8 909 498.01	10 539 497	10 539 497	8 728 520.81	17%
Net Operational (Service) Expenditure	(8 909 498.01)	(10 539 497)	(10 539 497)	(8 728 520.81)	
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

Capital Expenditure 2018/19: Health inspection, food and abattoir licensing and inspection					
R' 000					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	No projects				
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

3.7 Component G-Security and Safety

Waterberg does not perform the function of safety and security.

FIRE FIGHTING

Firefighting Taken From IDP							
Service Objectives	Outline Service Targets	2016/17		2017/18		2018/19	
		Target	Actual	Target	Actual	Target	Actual
<i>Service Indicators</i>							
(i)	(ii)						
Service Objective: To coordinate and monitor infrastructure development for provision and access to services.							
Number of firefighting reports submitted by local municipalities	-	24	23	24	20	24	24
% of building plans approved	-	100%	100% 21/21	100%	100% 15/15	100%	100% 21/21
% of transport permits issued by local municipalities	-	N/A	-	-	-	-	-
Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the introduction of performance management arrangement by municipalities in which IDPs play a key role.							

Employees: Fire-fighting					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	-	-	-	-	-
4 - 6	4	5	5	0	0
7 - 9	1	1	1	0	0
10 - 12	-	-	-	-	-
13 - 15	-	-	-	-	-
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	5	6	6	-	-
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T3.56.4					
Financial Performance 2018/19: Fire-fighting					
R'000					
Details	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	-	-	-	-	-
Expenditure:					
Employees	7 879 652	9 301 208	9 301 208	7 888 793.52	15%
Repairs and Maintenance	-	-	-	-	-
Other	0.00	2 000	2 000	0.00	100%
Total	7 879 652	9 303 208	9 303 208	7 888 793.52	15%

Capital Expenditure 2018/19: Fire-fighting					
					R' 000
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A	45 000 000	-	29 380 183	34%	
Project B	250 000	-	00.00	100%	
Project C	-	-	-	-	-
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

Disaster Management

Disaster Management objectives Taken From IDP							
Service Objectives	Outline Service Targets	2016/17		2017/18		2018/19	
		Target	Actual	Target	Actual	Target	Actual
(i)	(ii)						
Service Objective: To coordinate and monitor for provision and access to services							
# of Disaster Management advisory forum meetings held	-	4	4	4	2	4	4
# of Disaster Management Annual Report submitted	-	1	1	1	1	1	1
% of transport permits issued by local municipalities		N/A	-	-	-	-	-
Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators' Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the introduction of performance management arrangement by municipalities in which IDPs play a key role.							

Employees: Disaster Management					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	-	-	-	-	-
4 - 6	2	2	2	-	-
7 - 9	11	11	11	-	-
10 - 12	-	-	-	-	-
13 - 15					
16 - 18	-		-	-	-
19 - 20					
Total	13	13	13	-	-
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
T3.56.4					

Financial Performance 2018/19: Disaster Management

R'000					
Details	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)		-	-		-
Expenditure:					
Employees	2 014 730	2 034 479	2 034 479	1 169 507.50	42%
Repairs and Maintenance	-	-	-	-	
Other	0.00	2 000	2 000	0.00	100%
Total Operational Expenditure	2 014 730	2 036 479	2 036 479	1 167 507.50	42%
Net Operational (Service) Expenditure	(2 014 730)	(2 036 479)	(2 036 479)	(1 169 507.50)	
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

Capital Expenditure 2018/19: Disaster Management					
R' 000					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

3.8 Component H- Sports and Recreation

Sport and Recreation objectives Taken From IDP							
Service Objectives	Outline Service Targets	2016/17		2017/18		2018/19	
		Target	Actual	Target	Actual	Target	Actual
(i)	(ii)						
Service Objective: To empower the community and instil a sense of ownership for development.							
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators' Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the introduction of performance management arrangement by municipalities in which IDPs play a key role.							

Employees: Sports and Recreation

Job Level	2018/19				
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	-	-	-	-	-
4 - 6	1	1	1	0	0
7 - 9					
10 - 12	-	-	-	-	-
13 - 15					
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	1	1	1	0	0

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.
T3.56.4

Financial Performance 2018/19 Sports and Recreation					
R'000					
Details	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	-	-	-		-
Expenditure:					
Employees	385 068.00	385 068.00	385 068.00		100%
Repairs and Maintenance	-	-	-		-
Other	-	-	-		-
Total Operational Expenditure	385 068.00	385 068.00	385 068.00		100%
Net Operational (Service) Expenditure	(385 068.00)	(385 068.00)	(385 068.00)		-
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

Capital Expenditure 2018/19: Sports and Recreation					
R' 000					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	-	-
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

3.9 Component I- Corporate Policy, Offices and Other Offices

The Executive and Council objectives taken from IDP							
Service Objectives	Outline Service Targets	2016/17		2017/18		2018/19	
		Target	Actual	Target	Actual	Target	Actual
<i>Service Indicators</i>							
(i)	(ii)						
Service Objective : To develop and implement integrated management and governance systems							
# of Council meetings held		4	8	4	9	4	7
% of Councils resolutions implemented		100%	93% 81/87	100%	90% 83/93	100%	74% 14/19
# of MPAC meetings held		4	4	4	4	4	6
# of IDP Representative Forum meetings held		4	4	4	4	4	4

Employees: Executive Support					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	4	4	4	0	0
4 - 6	5	5	5	0	0
7 - 9	2	2	2	0	0
10 - 12	2	2	2	0	0
13 - 15	-	-	-	-	-
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	12	13	13	0	100

Financial Performance 2018/19: Executive Support					
R'000					
Details	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	-	-	-	-	-
Expenditure:					
Employees	4 049 202.86	7 160 164	7 160 164	6 871 097.37	4%
Repairs and Maintenance	-				
Other	1 401.12	3 000	3 000	156.43	94%
Total Operational Expenditure	4 050 603.98	7 163 164	7 163 164	6 871 254	4%
Net Operational (Service) Expenditure	(4 050 603.98)	(7 163 164)	(7 163 164)	(6 871 254)	
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

Capital Expenditure 2018/19: Executive Support					
					R' 000
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 800 000.00	1 800 000.00	1 800 000.00	100%	
Project A	1 800.000.00	1 800 000.00	1 800 000.00	100%	--
Project B	-	-	-		-
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

Financial Services

Financial Service objectives taken From IDP							
Service Objectives	Outline Service Targets	2016/17		2017/18		2018/19	
		Target	Actual	Target	Actual	Target	Actual
Service Indicators							
(i)	(ii)						
Service Objective: To effectively manage finances and improve sustainability							
% of cost coverage	-	100%	703%	100%	658%	100%	502%
% of Capital budget	-	10%	45%	10%	25%	10%	31%
% of orders issued within 10 working days of receipt of requisition		100%	100%	100%	100%	100%	100%
# of MFMA S71 reports submitted on time		12	12	12	12	12	12

Employees: Financial Services

Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	4	5	5	0	0
4 - 6	2	2	2	0	0
7 - 9	4	5	5	0	0
10 - 12	5	5	5	0	0
13 - 15	-	-	-	-	-
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	15	17	17	-	-

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.
T3.56.4

Financial Performance 2018/19: Financial Services

R' 000

Details	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	134 553 313	142 557 000	143 646 000	140 837 276	2%
Expenditure:					
Employees	5 453 859.85	7 204 978	7 204 978	6 120 341.34	15%
Repairs and Maintenance	-	-	-		
Other	39 329.73	6 700	6 700	5 204.54	22%
Total Operational Expenditure	5 493 189.58	7 211 678	7 211 678	6 125 546	15%
Net Operational (Service) Expenditure	-	-	-		-

Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

Capital Expenditure 2018/19: Financial Services

R' 000

Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	No project -	-	-	-	
Project A	-	-	-	-	--
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).

HUMAN RESOURCE SERVICES

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

Human Resource Services Policy Objectives Taken From IDP									
Service Objectives	Outline Service	2015/16		2016/17		2017/18		2018/19	
	Targets								
Service Indicators		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Objective : To retain, attract the best human capital									
% of women employed by the municipality against total staff	50%	50%	55%	50%	100%	50%	55%	50%	56%
# of LLF meetings held	4	4	9	4	8	4	9	4	6
# of HR policies reviewed	2	2	10	2	5	2	8	8	11
% of injuries on duty attended within 5 days	100%	100%	100% 7/7	100%	100% 3/3	100%	100% 0/0	100%	100% 0/0

		Employees: Human Resource Services				
Job Level	2018/19					
	Posts	Employees		Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.		No.	%	
0 - 3	1	1		0	0%	
4 - 6	4	4		0	0%	
7 - 9	-	-		-	-	
10 - 12	-	-		-	-	
13 - 15	-	-		-	-	
16 - 18	-	-		-	-	
19 - 20	-	-		-	-	
Total	5	5		0	0%	
Financial Performance 2018/19: Human Resource Services						
R'000						
Details		2017/18	2018/19			
		Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)		-	-	-	-	-
Expenditure:						
Employees		6 797 622.24	8 091 382	8 091 382	6 459 684.50	20%
Repairs and Maintenance		-	-	-		
Other		10 469.26	9 700	9 700	6 275.85	35%
Total Operational Expenditure		6 808 091.50	8 101 082	8 101 082	6 465 961	20%
Net Operational (Service) Expenditure		(6 808 091.50)	(8 101 082)	(8 101 082)	(6 465 961)	
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						
Capital Expenditure 2018/19: Human Resource Services						
R' 000						
Capital Projects	2018/19					
	Budget	Adjustment Budget	Actual Expenditure		Variance from original budget	Total Project Value
Total All	-	-	-		-	-
Project A	-	-	-		-	-
Project B	-	-	-		-	-
Project C	-	-	-		-	-
Project D	-	-	-		-	-
Employees: Human Resource Services						
Job Level			2018/19			
	Posts	Employees		Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.		No.	%	
0 - 3	1	1		0	0%	

4 - 6	4	4		0	0%
7 - 9	-	-		-	-
10 - 12	-	-		-	-
13 - 15	-	-		-	-
16 - 18	-	-		-	-
19 - 20	-	-		-	-
Total	5	5		0	0%

Financial Performance 2018/19: Human Resource Services

R'000

Details	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	-		-		-
Expenditure:					
Employees	6 797 622.24	8 091 382	8 091 382	6 459 684.50	20%
Repairs and Maintenance	-	-	-		
Other	10 469.26	9 700	9 700	6 275.85	35%
Total Operational Expenditure	6 808 091.50	8 101 082	8 101 082	6 465 961	20%
Net Operational (Service) Expenditure	6 808 091.50	(8 101 082)	(8 101 082)	(6 465 961)	

Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

Capital Expenditure 2018/19: Human Resource Services

R' 000

Capital Projects	2017/18					
	Budget		Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	-	-	-
Project A	-	-	-	-	-	-
Project B	-	-	-	-	-	-
Project C	-	-	-	-	-	-
Project D	-	-	-	-	-	-

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The role of technology in improving the lives of all people has been confirmed by the NPD where it is recognised as one of the drivers of change. From the strategic session held in March 2013, it became very clear that ICT should grow to become one of the strategic departments on its own in the future. When ICTD is used correctly it can also assist to render more services, empower communities and reduce costs.

ICT Services Policy Objectives Taken From IDP

Service Objectives	Outline Service Targets	2016/17		2017/18		2018/19	
Service Indicators		Target	Actual	Target	Actual	Target	Actual
(i)	(ii)						

Service Objective: To develop and implement integrated management and governance system							
# of District ICT forum meetings held		4	4	4	4	4	5
% of uptime of key systems		95%	99.9%	95%	99.9%	95%	99.9%
% of developed systems assessed		100%	100%	100%	100%	100%	100%
% of EHP ICT problems reported and resolved		100%	100%	100%	100%	100%	100%

Employees: ICT Services				
Job Level	2018/19			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	-	-	-	-
4 - 6	2	2	0	0%
7 - 9	1	1	0	0
10 - 12	-	-	-	-
13 - 15	-	-	-	-
16 - 18	-	-	-	-
19 - 20	-	-	-	-
Total	3	3	0	0%

R'000				
Details	2018/19			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	-	-	-	-
Expenditure:				
Employees	8 091 382	8 091 382	6 459 684.50	20%
Repairs and Maintenance	-	-		
Other	9 700	9 700	6 275.85	35%
Total Operational Expenditure	8 101 082	8 101 082	6 465 961	20%
Net Operational (Service) Expenditure	(8 101 082)	(8 101 082)	(6 465 961)	
Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. An ICT service is subdivision of the Corporate support and shared services.				

Capital Expenditure 2018/19: ICT Services	
R' 000	
Capital Projects	2018/19

	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	1 456 000	1 456 000	481 728	67%	-	
Project A	756 000	756 000	481 728	67%	-	
Project B	700 000	700 000	0,00	100%	-	
Project C	-	-	-	-	-	
Project D	-	-	-	-	-	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).						
Employees: ICT Services						
Job Level	2018/19					
	Posts		Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.		No.	No.	%	
0 - 3	-		-	-	-	
4 - 6	2		2	0	0%	
7 - 9	1		1	0	0	
10 - 12	-		-	-	-	
13 - 15	-		-	-	-	
16 - 18	-		-	-	-	
19 - 20	-		-	-	-	
Total	3		3	0	0%	
Financial Performance 2018/19: ICT Services						
R'000						
Details		2018/19				
		Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue (excluding tariffs)		-	-	-	-	
Expenditure:						
Employees		8 091 382	8 091 382	6 459 684.50	20%	
Repairs and Maintenance		-	-			
Other		9 700	9 700	6 275.85	35%	
Total Operational Expenditure		8 101 082	8 101 082	6 465 961	20%	
Net Operational (Service) Expenditure		(8 101 082)	(8 101 082)	(6 465 961)		
Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						
Capital Expenditure 2018/19: ICT Services						
R' 000						
Capital Projects		2018/19				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All		1 456 000	1 456 000	481 728	67%	-
Project A		756 000	756 000	481 728	67%	-
Project B		700 000	700 000	0,00	100%	-
Project C		-	-	-	-	-
Project D		-	-	-	-	-

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).

The division of ICT with its lean staff is doing fairly well to provide support to all other departments. The maintenance of ICT structure is mainly performed by SITA and the best part of the year, the municipality did not experience any serious downtime.

PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

A GRAP compliance asset register was updated by the Budget and Treasury Office whilst the Corporate Services Department was responsible for its control.

Property ,legal, risk management and procurement Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2016/17		2017/18		2018/19	
		Target	Actual	Target	Actual	Target	Actual
(i)	(ii)						
Service Objective : To attract ,develop and retain best human capital and to coordinate governance systems?							
# of legal opinions developed internally	30%	30%	10%	30%	15%	30%	10%
% of corruption cases reported to SAPS	100%	100%	0%	100%	0%	100%	0%
% of projects specifications ready before end of financial year	100%	100%	20%	100%	10%	100%	10%
% of risks addressed	100%	100%	44%	100%	75%	100%	54%
Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. *Current Year' refers to the targets set in the 2018/19 Budget/IDP round. **Following Year' refers to the targets set in the 2019/20 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.							

Employees: Property; Legal; Risk Management; and Procurement Services				
Job Level	2018/19			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	1	1	0	0
4 - 6	1	1	0	0
7 - 9	-	-	-	-
10 - 12	-	-	-	-
13 - 15	-	-	-	-
16 - 18	-	-	-	-
19 - 20	-	-	-	-
Total	2	2	0	-
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.				

Financial Performance 2018/19: Property; Legal; Risk Management; and Procurement Services					
R'000					
Details		2018/19			
	2017/18	Original	Adjustment	Actual	Variance
Total Operational Revenue (excluding tariffs)		-	-	-	
Expenditure:					
Employees	6 797 622.24	8 091 382	8 091 382	6 459 684.50	20%
Repairs and Maintenance	-	-	-		
Other	10 469.26	9 700	9 700	6 275.85	35%
Total Operational Expenditure	6 808 091.50	8 101 082	8 101 082	6 465 961	20%
Net Operational (Service) Expenditure	6 808 091.50	(8 101 082)	(8 101 082)	(6 465 961)	
Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. A legal service is division in the Corporate support and shared services.					
Capital Expenditure 2018/19: Property; Legal; Risk Management; and Procurement Services					
R' 000					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	No projects				
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
Employees: Property; Legal; Risk Management; and Procurement Services					
Job Level	2018/19				
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	%	
0 - 3	1	1	0	0	
4 - 6	1	1	0	0	
7 - 9	-	-	-	-	
10 - 12	-	-	-	-	
13 - 15	-	-	-	-	
16 - 18	-	-	-	-	
19 - 20	-	-	-	-	

Total	2	2	0	-	
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
Financial Performance 2018/19: Property; Legal; Risk Management; and Procurement Services					
R'000					
Details		2018/19			
	2017/18 Actual	Original	Adjustment	Actual	Variance
Total Operational Revenue (excluding tariffs)		-	-	-	
Expenditure:					
Employees	6 797 622.24	8 091 382	8 091 382	6 459 684.50	20%
Repairs and Maintenance	-	-	-		
Other	10 469.26	9 700	9 700	6 275.85	35%
Total Operational Expenditure	6 808 091.50	8 101 082	8 101 082	6 465 961	20%
Net Operational (Service) Expenditure	6 808 091.50	(8 101 082)	(8 101 082)	(6 465 961)	
Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
Capital Expenditure 2018/19: Property; Legal; Risk Management; and Procurement Services					
R' 000					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	No projects	-	-	-	-
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

3.10 Component J- Miscellaneous

Internal Audit Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2016/17		2017/18		2018/19	
		Target	Actual	Target	Actual	Target	Actual
Service Indicators							
(i)	(ii)						
Service Objective: To develop and implement integrated management and governance systems							
% of AG queries resolved		100%	98% 51/52	100%	100% 53/53	100%	82% 28/34
# of Audit Committee meetings		4	6	4	2	4	5
% of Internal audit queries resolved		100%	14/20 70%	100%	60% 6/10	100%	50% 5/10

Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the introduction of performance management arrangement by municipalities in which IDPs play a key role.

Employees: Internal Audit					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	2	2	2	0	0
7 - 9	-	-	-	-	-
10 - 12	-	-	-	-	-
13 - 15	2	2	2	0	-
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	5	5	5	0	-
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T3.56.4					

Financial Performance 2018/19: Internal Audit					
R'000					
Details	2018/19	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	-	-	-	-	-
Expenditure:					
Employees	2 923 134.07	5 054 793	5 054 793	3 342 847.93	33%
Repairs and Maintenance	-	-	-	-	-
Other	3 416.00	3 700	3 700	0.00	100%
Total Operational Expenditure	2 926 550.07	5 058 493	5 058 493	3 342 847.93	33%
Net Operational (Service) Expenditure	(2 926 550.07)	(5 058 493)	(5 058 493)	(3 342 847.93)	
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

Capital Expenditure 2018/19: Internal Audit					
R' 000					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	No projects				
Project A	-	-	-	-	--
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

Strategic Support and Planning objectives Taken From IDP								
Service Objectives	Outline Service Targets	2016/17		2017/18			2018/19	
		Target	Actual	Target		Actual	Target	Actual
Service Indicators								
(i)	(ii)							
Service Objective: To develop and implement integrated and management and governance systems								
# of performance assessments reports submitted	-	4	4	4	-	4	4	4
# of Monitoring and Evaluation Forum meetings held	-	4	4	4	-	4	4	4
% of highly rated IDP developed	-	100%	100%	100%	-	100%	100%	100%
# of Municipal Managers Forum meetings held	-	4	4	1	-	4	4	3
Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators' Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the introduction of performance management arrangement by municipalities in which IDPs play a key role.								

Employees: Strategic Support and Planning					
Job Level	2017/18	2018/19			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	2	2	2	0	0
7 - 9	1	1	1	0	0
10 - 12					
13 - 15	-				
16 - 18	-		-	-	-
19 - 20					
Total	4	4	4	0	0
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T3.56.4					

Financial Performance 2018/19: Strategic Support and Planning					
R'000					
Details	2017/18	2018/19			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	-	-	-		-
Expenditure:					
Employees	2 923 134.07	5 054 793	5 054 793	3 342 847.93	33%
Repairs and Maintenance	-	-	-	-	

Other	3 416.00	3 700	3 700	0.00	100%
Total Operational Expenditure	2 926 550.07	5 058 493	5 058 493	3 342 847.93	33%
Net Operational (Service) Expenditure	(2 926 550.07)	(5 058 493)	(5 058 493)	(3 342 847.93)	
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

Capital Expenditure 2018/19: Strategic Support and Planning					
R' 000					
Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	688 400	688 400	298 251	57%	
Project A	372 400	372 400	113 772	69.4%	
Project B	316 000	316 000	184 479	42%	
Project C	-	-	-	-	
Project D	-	-	-	-	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					

3.11 Component K-Organisational Performance Score-Card

2018/19 INSTITUTIONAL SCORE CARD

N O .	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Responsible department	Baseline	2018 /19 Annual Target	Actual performance	Variance	Remarks	Remedial Action	Evidence
1.	Spatial rationale	To coordinate spatial transformation	Integrated Planning	% Highly rated IDP	OMM	100 %	100 %	100% The 2018/19 IDP was rated high as per MEC report .	0%	Held the Strategic planning session on the 06 -08 March 2019 and the 3 rd IDP Rep Forum held 26 March 2019- Bela-Bela LM. The 4 th IDP Rep form held 21 May 2019 Or Tambo Hall.	None	Council resolution IDP
2.	Spatial rationale	To coordinate spatial transformation	Integrated Planning	% of IDP adopted by council by 31 May 2019	OMM	100 %	100 %	100% Final 2019/20 IDP approved 30 May 2019	0%	2019/20 Draft IDP tabled for approval on the 28 March 2019	None	Council resolution
3.	Basic service delivery	To coordinate & monitor Social and infrastructure	Municipal health	# of permitted land fill site monitored	SDCS	8	8	6/8	2	6/8 land fill site monitored for the year 2018/19	Adherence to the schedule to monitor the landfill site –all landfill sites	Reports, assessment report & Register

N O.	KPA	Strategic Objective	Program me / Focus area	Performance Indicators	Responsible department	Baseline	2018 /19 Annual Target	Actual performance	Variance	Remarks	Remedial Action	Evidence
		development for the provision & access to services									monitored on a regular basis	
4.	Financial management and viability	To effectively manage finances and resource mobilisation	Expenditure Management	% Operating budget variance in terms of SDBIP	ALL	8.1 %	10%	17.63 %	7.63%	The posts in the Municipal manager's office, Corporate, Infrastructure and Mayor's Office were only filled towards the end of the financial years and the two posts in the Budget and Treasury Department were only filled in the beginning of June 2019.	None	Annexure B Financial report
5.	Financial management and viability	To effectively manage finances and resource mobilisation	Expenditure Management	% Capital budget variance in terms of SDBIP	ALL	54%	10%	31%	29%	OMM- all projects completed savings are declared, PED –and CSSS declare savings due to cancellation of projects in the adjustment Budget. The Planning Tribunal was relaunched for 2019/20 Financial year.	None	Annexure D financial report
6.	Local Economic Development	To create a conducive environment for radical economic development	Job creation	% of LED forums resolutions implemented	PED	100 %	100 %	90% 9/10	10%	The outstanding – LEDET, LIBRA presentation in the next meeting	None	Minutes Attendance register
7.	Good Governance and Public Participation	To develop and implement	Monitoring and Evaluation	% of Submission of Annual Performance Report	OMM	100 %	100 %	100% 1/1	0%	Sec 46 report – Unaudited Performance report was	None	Submission letter

N O.	KPA	Strategic Objective	Program me / Focus area	Performance Indicators	Responsible department	Baseline	2018 /19 Annual Target	Actual performance	Variance	Remarks	Remedial Action	Evidence
	on	integrated management and governance systems		(sec 46 MSA) by 31 August 2018.						submitted to AG,NT,PT and CoGHSTA on 31 August 2018		
8.	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Auditing	% of AG - Audit outcome	ALL	100 %	100 %	50% Qualified Audit Opinion	50%	Qualifying paragraph-none investigation of the 2015/16, 2016/17 and 2017/18 UIFW by MPAC	None	Audit opinion
9.	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Auditing	Average % AG material audit queries resolved	ALL	100 %	100 %	98.14 % 53/54	1.86%	MPAC investigate the UIFW and recommended for review by the Financial Misconduct Board. The Board held a meeting 23 July 2019.	None	Audit action plan
10.	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Auditing	% Identified risk mitigated within timeframes as specified in risk plan	ALL	100 %	95%	40% 4/10	60%	6 risks were reviewed to be part of the 2019/20 financial year.	Develop strategy to mitigate identified risks with timeframe.	Risk register
11.	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Auditing	% of internal Audit finding resolved	ALL	85%	95%	88% 15/17	12%	15/17 2-outstanding internal Audit findings to be resolved in quarter 1 2019/20	None	Internal Audit action plan
12.	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Auditing	% of Audit Committee recommendations implemented	ALL	100 %	100 %	100% 28/28	0%	All 28/28 Resolutions were resolved for the FY 18/19	None	Audit Committee recommendations
13.	Good Governance and Public Participation	To develop and implement	Governance	% Council resolutions implemented within timeframes	ALL	100 %	100 %	74% 14/19	26%	The UIFW investigation (FMB Board), withdrawal	Management to Fastrack the resolution	Council resolutions implemented register

N O	KPA	Strategic Objective	Program me / Focus area	Performance Indicators	Responsible department	Baseline	2018 /19 Annual Target	Actual performance	Variance	Remarks	Remedial Action	Evidence
	on	integrated management and governance systems								resolution on PPP at Abattoir, Closure of WEDA bank Account and removal of Isuzu on the Assets register.	of all council resolution	
14.	Good Governance and Public Participation	To develop and implement integrated management and governance	Public Participation	# of IDP Representative Forum meetings convened	OMM	4	4	4/4	0	The 4 th IDP Rep Forum held 21 May 2019	None	Invitation Agenda Minutes Attendance register
15.	Good Governance and Public Participation	To develop and implement integrated management and governance	Governance	% of MPAC resolutions implemented	ALL	100 %	100 %	100% 18/18	0%	The 2015/16, 2016/17 and 2017/18 UIFW was investigate and Financial Misconduct board also further investigated as per the MPAC recommendation on 23 rd July 2019. Recommendations will be tabled in the next council meeting.	None	Resolution register
16.	Good Governance and Public Participation	To develop and implement integrated management and governance	Governance	# of Oversight report approved by council by 31 march	OMM	1	1	1/1	0	Oversight report approved by council 28 March 2019	None	Council resolution
17.	Transformation and Organisational Development	To attract, develop and retain ethical and best human capital	Human Resources Management	# of Senior Management with signed Performance Agreements	OMM	7	6	6/6	0	All 6/6 Managers signed the 2018/19 Performance agreement. The new CSSS Manager signed her performance agreement 19 December 2018.	None	Agreements

N O .	KPA	Strategic Objective	Program me / Focus area	Performance Indicators	Responsible department	Baseline	2018 /19 Annual Target	Actual performance	Variance	Remarks	Remedial Action	Evidence
18.	Transformation and Organisational Development	To attract, develop and retain ethical and best human capital	Human Resources Management	# of officials capacitated in terms of workplace skills	CSSS	21	10	41/10	(31)	41/10 officials were capacitated.	None	Report and Attendance register
19.	Transformation and Organisational Development	To attract, develop and retain ethical and best human capital	Human Resources Management	# of internship & learnership opportunities created	CSSS	4	4	5/4	(1)	3 position were filled in Q3	None	Contracts
20.	Transformation and Organisational Development	To attract, develop and retain ethical and best human capital	Organisational Development	% of approved SDBIP aligned with the IDP & Budget.	OMM	100 %	100 %	100%	0%	The approved 2019/20 SDBIP	None	Approved SDBIP
21.	Transformation and Organisational Development	To attract, develop and retain ethical and best human capital	Monitoring and Evaluation	# of Annual Performance evaluation conducted	OMM	1	1	0/1	1	Meeting postponed due none availability of members	Evolution s rescheduled for August 2019	Attendance register
22.	Transformation and Organisational Development	To attract, develop and retain ethical and best human capital	Monitoring and Evaluation	% of Annual report (sec 121) adopted & submitted to MEC by 31 March 2019	OMM	100 %	100 %	100% 1/1	0%	Final 2017/18 AR and Oversight approved 28 march 2019- Submission to the MEC 12 April 2019	None	Council resolution & submission letter

External service providers

- ✦ WDM has entered into service delivery agreements with local municipalities with regard to Disaster Management Services and firefighting Services.
- ✦ Table below show number of reports submitted quarterly for services rendered.

No.	Local Municipality	Baseline 2017/18	Target 2018/2019 reports	Actual report 2017/18
1.	Bela-Bela	4	4	4
2.	Modimolle -Modimolle	2	4	2
3.	Mogalakwena	2	4	2
4.	Lephalale	4	4	4
5.	Thabazimbi	2	4	4
	TOTAL	14	24	16

Other External service providers (top TEN)

✚ The table below shows the top ten external service provider

No.	Project Description	Date Awarded	Name of Service Provider/ Contractor	Duration of a contract	Project Completion date	Amount Awarded	Responsible department	Actual 18/19
1.	Repair and maintenance of WDM fleet and equipment	28-Feb-19	Dikala Services			Various charges based on types of services rendered	CSSS	R649,147.78
2.	Advertising agency	21-Feb-17	Ultimate Recruitment Services			R1,200,000	CSSS	R393,899.78
3.	Rental Of Building- Thabazimbi	01 May 2013	Bertie Joubert Properties	12 Months	Renewable Yearly	R 5350.00 plus 7% increase yearly	SDCD	R91,710.35
4.	Rental Of Building-mokopane	01 May 2013	Bergh & De Bruyn	12 Months	Renewable Yearly	R30 550.00 Plus 7% increase Yearly	SDCD	R704,635.40
5.	Compilation of 2016/17 afs and audit support: Compilation of weda and consolidated 2016/17 afs and audit support	25-Jul-17	Protea Consulting			R912 ,000 R570,000	BTO	R1,847,698.74
6.	Provision for security services	23 November 2015	Leledu Security Services	3 years	31 March 2019	R5 427 034.70	CSSS	R3,031,856.08
7.	Supply Of Digital Lines And Voip System	30 April 2014	Callsave	3 years	N/A	Charges Per Call	CSSS	R453,194.83
8.	Supply and delivery of specialised fire and rescue vehicles (red fleet) (with maintenances plan of r120 000km/5 years)	18-Apr-19	Bertobrite			R42,088,398.00	SDCD	R29,380,183.27
9.	Provision for security services	18-Apr-19	K T S General Traders	3 years		R12,769,979.04	CSSS	R815,859.78
10.	Maintenance Financial System	29 June 2015	Munsoft Pty Ltd	3 years	30 June 2016	750 000	BTO	R3,771,580.71
11.	Provision for Travel Agency	12-Jul-18	Dabula Travel				CSSS	R1,981,974.41

12	Provision for Travel Agency	12-Jul-18	Badiredi Travel			2,000,000.00	CSSS	R609,489.14
13	Provision of legal services	28-Feb-19	Mohale Attorneys			Various charges based on types of services rendered	CSSS	R935,364.47
14	RURAL ROAD ASSET MANAGEMENT SYSTEM	8-Mar-18	Aganang Consulting			5,841,739.13	ID	R2,132,969.57

Chapter 4

Component A –introduction to the Municipal Personnel

4.1.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Waterberg District Municipal has a staff component of 160 of which 72 are females' employees whose responsibility is to implement its Integrated Development Plan. The attempt to develop an organisational development strategy was meant to improve the effectiveness and efficiency of the municipality. More emphasis should place on forward planning and project management skills. The Human Resources Division provides all the HR functions to all employees within the organisation.

Number of positions for 2018/19 as at 30 June 2019								
	Department	Management	Technical	Labour	Support	Total	Vacant	% of vacant positions
1	Budget and Treasury Office	5	-	-	13	18	0	0.0
2	Office of Municipal Manager	3	-	-	7	10	1	0.15
3	Corporate Support and Shared Services	3	-	8	14	25	0	0.0
4	Planning and Economic Development	4	-	16	6	26	5	0.78
5	Infrastructure Development	2	1	-	1	4	0	0.04
6	Executive Support	4	-	-	13	17	0	1.44
7.	Social and Community Services	3	-	-	66	69	3	0.72
	Totals	24	1	24	120	169	9	5%

In general 94% of budgeted positions were filled at the end of the financial year.

Component B-Managing the Municipal Workforce

Employees as important assets of the municipality should be managed well and Senior Managers have a responsibility to motivate, guide and discipline other employees in order to implement the IDP successfully. Senior managers provide strategic leadership whilst divisional managers should supervise other employees and ensure there is operational efficiency. Training and development and reviewing and developing new policies are critical in improving the manner in which the staff is managed.

Employees					
Description	2017/18	2018/19			
	Employees	Approved Posts	Employees	Variance	Variance
	No.	No.	No.	No.	%
Water	-	-	-	-	-
Waste Water (Sanitation)	-	-	-	-	-
Electricity	-	-	-	-	-
Waste Management	-	-	-	-	-
Housing	-	-	-	-	-
Waste Water (Stormwater Drainage)	-	-	-	-	-
Roads	-	-	-	-	-
Transport	1	1	1	0	-
Planning	2	2	2	0	0%
Local Economic Development	3	3	3	0	0%
Planning (Strategic & Regulatory)	4	5	4	1	-
Infrastructure services	3	3	3	-	0%
Environmental Protection					
Municipal Health	31	32	31	1	0%
Security and Safety	24	31	30	1	-

Sport and Recreation	1	1	1	0	0%
Corporate Policy Offices and Other	82	91	85	6	0%
Totals	129	169	160	9	96
Vacancy Rate 2018/19					
Designations	*Total Posts	Approved	*Variances (Total time that vacancies exist using equivalents)	(Total fulltime	*Variances (as a proportion of total posts in each category)
	No.		No.		%
Municipal Manager	1		0		0
CFO	1		0		0
Other S57 Managers (excluding Finance Posts)	4		152.8 (2)		0
Other S57 Managers (Finance posts)	-		-		-
Municipal Police	-		-		-
Fire fighters	31		102.4		-
Divisional management: Levels 3 Posts)	18		0		
Senior Officials Levels 4-5 posts	13		102.4		0
Officers Level 6-8 posts)	60		102.4		4
Officers Levels 9- 15 (Finance posts)	41		4		0
Total	169		9		5.1
Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
Turn-over Rate					
Details	Total Appointments as of beginning of Financial Year		Terminations during the Financial Year		Turn-over Rate*
	No.		No.		
2014/15	22		5		3.9
2015/16	13		4		2.8
2016/17	31		9		6.04
2017/18	7		5		3
2018/19	23		5		3
* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year. The vacancy turnover rate of 5% is normal and since the Acting Managers sign performance until such time that positions are filled them to strive towards achieving the targets of the organisation.					

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

The Training and Development was reviewed and implemented by the Human Resources Division in line with the Workplace Skills Plan.

6.2.1 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty						
Type of injury	Injury Taken	Leave	Employees using injury leave	Average injury leave taken per employee	Average Leave per employee	Injury per Total Estimated Cost
	Days	No.	%	Days	R'000	
Required basic medical attention only	-	-	-	-	-	
Temporary total disablement	14	5	0,06	2,8	R 6000.00	
Permanent disablement	-	-	-	-	-	
Fatal	-	-	-	-	-	
Total	14	5	0,06	2,8	R 6000.00	
Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 11-15)	133	10.36	7	24	8.04	
Skilled (Levels 10)	0	17.66	0	4	5.5	
Highly skilled production (levels 7- 9)	241	14.5	16	45	7.70	
Officers (levels 4-6)	100	14.10	11	40	8.8	
Divisional management (Levels 3)	43	19.08	7	18	11.8	
MM and S57	8	10.75	1	4	6.14	
Total	568	86.45%	122	129	8.32	
* - Number of employees in post at the beginning of the year						
*Average calculated by taking sick leave in column 2 divided by total employees in column 5						

6.2.2 POLICIES

For the period under review at least 7 were reviewed and approved by Council

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Leave Management	100%	100%	30 May 2019
2	Employment Practices	100%	100%	30 May 2019
3	Conditional Grant	100%	100%	30 May 2019
4	Training and Development	100%	100%	30 May 2019
5	S&T	100%	100%	30 May 2019
6	Cell phone allowance	100%	100%	30 May 2019
7	Fleet management	100%	100%	30 May 2019
Use name of local policies if different from above and at any other HR policies not listed.				

The HR system is able to keep a record of all employees and monthly basis reconciliation is made. There no serious abuses of sick leave since it is also managed in terms of the Collective Agreement. In terms of the nature of services which the municipal services rendered there no fatalities even in fire-fighting and disaster management services

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
N/A	N/A	N/A	N/A	N/A
Disciplinary Action Taken on Cases of Financial Misconduct				
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised	
-	-	-	-	-
2015/16	-	-	-	-
2016/17	-	-	-	-
2017/18	-	-	-	-

Component C-Capacitating the Municipal Workforce

In general all employees are given the opportunity to improve their knowledge and skills on the tasks they are required to perform in terms of their job descriptions. The skills audit conducted by the HRD Officer goes a long in trying to align training with the Integrated Development Plan. The municipality has initiated a project on Organisational Development and Return on Investment Strategies which be completed in new financial year. HRD is initiating a tool which will measure return on investment more seriously.

6.3.1 Skills Development and Training as at 30 June 2019

Management Level	G	Employee On 30/06/19	Leanship	Skills Programme And other short courses	Others forms of training	Total
			Actual 2018/19	Actual 2018/19	Target	Actual 2018/19
MM and S57	M	-	-	-	-	-
	F	2	2	-	-	2
Councillor	M	-	-	-	-	-
	F	-	-	-	-	-
DMs and SOs	M	-	-	-	-	-
	F	-	-	-	-	-
Technicians and Associate professionals	M	-	-	-	-	-
	F	-	-	-	-	-
Associate Professionals	M	-	-	-	-	-
	F	-	-	-	-	-
Professionals	M	2	-	2	-	2
	F	3	-	3	-	3
Unskilled	M	12	1	11	-	12
	F	9	1	8	-	9
Subtotal	M	14	1	13	-	14
	F	14	3	11	-	14
Total		28	4	24	-	28

Component D-Managing the Workforce Expenditure

6.1.1 Skills Development: Expenditure

Management Level	G	Employee as at 30/06/19	Leanership		Skills Development		Other forms		Total
			Original budget	Actual budget	Original Budget	Actual budget	Original budget	Actual budget	
MM and S5&	M	-	-	-					-
	F	2	R 88391	R 88391	-	-	-	-	R 88391
Councillors	F	-	-	-	-	-	-	-	-
	M	-	-	-	-	-	-	-	-
DMs and SOs	M	4	-	-	-	-	-	-	-
	F	-	-	-	-	-	-	-	-
Technicians and Associate professionals	M	-	-	-	-	-	-	-	-
	F	-	-	-	-	-	-	-	-
Professionals	M	2	-	-	R 4758	R 4758	-	-	R 4758
	F	3	-	-	R 7137	R 7137	-	-	R 7173
Unskilled	M	12	R 44200	R 44200	R 62137	R 62137	-	-	R 106337
	F	9	R 44200	R 44200	R 22153	R 22153	-	-	R 66353
Subtotals	M	14				-	-	-	
	F	14				-	-	-	
Totals		28	R 176791	R 176791	R 96185	R 96185		-	R 198944

6.1.2. Finance Skills Development Competency Progress Report

Description	A Total # of officials employed	B Total # of employees(Entity)	Consolidation Of A& B	Consolidated competency assessments completed by A+B	Consolidated total # of officials whose performance agreements comply with regulations	Consolidated Total# of officials who meet the prescribed competency level
Finance officials	18	0	18	13	1	13
Accounting Officer	1	0	1	1	1	1
Chief Financial Officer	0	0	0	0	0	0
Senior Managers	4	0	4	2	4	2
Divisional Managers	13	0	13	12	0	12
Other officials	0	0	0	0	0	0
Heads of Supply Chain Management Unit	1	0	1	1	0	1
Total	37	0	37	29	6	28

COMPONENT A

STATEMENTS OF FINANCIAL PERFORMANCE ENDED 30 JUNE 2019

7.1 STATEMENTS OF FINANCIAL PERFORMANCE 2018/19 FY

	Note(s)	2019	Restated 2018
Assets			
Current Assets			
Cash and cash equivalents	3	88 703 683	97 044 887
Trade and other receivables from exchange transactions	4	54 978	54 978
Receivables from non-exchange transactions	5	5 243 890	216 891
Inventories	6	106 467	105 129
Held-to-maturity investments	7	-	34 584 686
VAT receivable	8	4 267 014	1 767 428
		98 376 032	133 773 999
Non-Current Assets			
Property, plant and equipment	9	69 911 189	48 655 097
Intangible assets	10	1 753 202	1 906 122
Non-current receivables	11	54 777	54 777
		71 719 168	50 615 996
Non-Current Assets		71 719 168	50 615 996
Current Assets		98 376 032	133 773 999
Total Assets		170 095 200	184 389 995
Liabilities			
Current Liabilities			
Payables from exchange transactions	12	12 652 366	6 334 941
Other payables from non-exchange transactions	13	12 669 653	11 009 561
Consumer deposits	14	2 000	2 000
Employee benefit obligation	16	728 992	642 745
Unspent conditional grants and receipts	15	114 581	8 724 433
Long service award liability	17	510 933	243 149
		26 678 525	26 956 829
Non-Current Liabilities			
Employee benefit obligation	16	26 162 441	24 335 143
Long service award liability	17	3 499 835	3 148 467
		29 662 276	27 483 610
Non-Current Liabilities		29 662 276	27 483 610
Current Liabilities		26 678 525	26 956 829
Total Liabilities		56 340 801	54 440 439
Assets		170 095 200	184 389 995
Liabilities		(56 340 801)	(54 440 439)
Net Assets		113 754 399	129 949 556
Accumulated surplus		113 754 399	129 949 556
	Note(s)	2018	2017

Revenue

Revenue from exchange transactions

Service charges		1 061 089	915 947
Interest earned - External investments	19	11 490 576	14 558 987
Interest earned - Receivables	19	64	88
Other income	20	26 561	138 414

Total revenue from exchange transactions

12 578 290 15 613 436

Revenue from non-exchange transactions

Transfer revenue

Government grants & subsidies	21	121 975 023	125 360 300
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Total revenue

134 553 313 140 973 736

Expenditure

Employee related costs	23	(81 931 295)	(72 955 070)
Remuneration of councillors	24	(7 893 985)	(6 768 848)
Post-retirement health care expenditure		(2 089 719)	(744 742)
Long-service award expenditure		(563 421)	(950 230)
Depreciation and amortisation	25	(6 415 577)	(6 197 671)
Repairs and maintenance		(3 282 072)	(2 308 454)
Contracted services	27	(7 488 107)	(13 520 885)
Project expenditure	29	(10 026 646)	(15 944 574)
General Expenses	28	(22 023 318)	(18 396 398)

Total expenditure

(141 714 140)(137 786 872)

Loss on disposal of assets

- (13 940)

Surplus (deficit) for the year

(7 160 827) (3 172 924)

7.2 GRANTS

Grant Performance

Description	2017/18	2018/19			2018/19 Variance %	
	Actual	Original budget	Adjustments budget	Actual expenditure	Original Budget	Adjustment Budget
Operational transfers and grants	R	R	R	R	%	%
National Government	R	R	R	R	%	%
Equitable share	113 372 513	122 853 000	122 853 000	122 853 994	100%	0%
Municipal System Improvement	-	-	-	-	0%	0%
EPWP incentive	-	-	-	-	0%	0%
Financial Management	1 250 000	1 000 000	1 000 000	1 000 000	100%	0%
MIG (PMU)	-	-	-	-	0	0
Rural Roads Assets Management Grant	1 549 910	2 133 000	2 133 000	2 133 0000	100%	0%
MWIG	-	-	-	-	-	-
MIG	1 500 000	-	-	-	-	0%
Provincial Government	-	-	-	-	0	0
LEDET	200 045	-	-	-	-	-
LGSETA	102 600	122 600	122 600	122 600	100%	0%
Wildlife Centre	-	-	-	-	-	-
Tourism Grant	-	-	-	-	-	-
Other Grants providers (Mayor's Golf day)	-	-	-	-	-	-
Total Operating transfers	147 813 891	126 109 594	126 109 594	126 109 594	100%	0%

7.3 ASSET MANAGEMENT

The Municipal Council has adopted an Asset Management Policy in 2009 which policy is reviewable every year to accommodate the necessary changes.

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED IN 2018/19

Asset 1

Name of asset	Specialised vehicles
Description	Supply and Delivery of specialised fire and rescue vehicle (red fleet)
Asset type	Vehicle
Key Staff involved	Fire-fighters
Staff responsible	Chief Fire Officer
Key Issues	6 fire tracks procured

Asset value	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
R45 000 000						45 000 000

Capital implications	Increased capital Assets
Future purpose of the asset	Fire-fighting and rescue vehicle
Key issues	8 months project
Policy in place to manage asset	Asset management policy, Norms and standard for fire-fighting

Asset 2

Name of asset	Supply and delivery of hydrant flow meter(fire pump)
Description	Hydrant flow meter
Asset type	Water meter to control and measure flow
Key Staff involved	Fire-fighters
Staff responsible	Chief Fire Officer
Key Issues	None

Asset value	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
250 000						250 000

Capital implications	Increased capital Assets
Future purpose of the asset	Fire-fighting
Key issues	8 months project
Policy in place to manage asset	Asset management policy, Norms and standard for fire-fighting

Asset 3

Name of asset	Donated Land
Description	Land on which Lephalale Disaster Management is built
Asset type	Property
Key Staff involved	Disaster Management Officer
Staff responsible	Fire Prevention Officer
Key Issues	

Asset value	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
200 000						

Capital implications	The land will appreciate
Future purpose of the asset	Extension of disaster management centre
Key issues	None
Policy in place to manage asset	Yes

Repairs and maintenance expenditure for 2018/19

Repairs and maintenance expenditure	Original budget	Adjustments budget	Actual	Variance
	450 000	450 000	938 170 .00	45%

7.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Ratio	Basis of calculation	2016/17	2017/18	2018/19
Liquidity current ratio	Current assets/current liabilities	2.26%	19%	18%
Cost Coverage	Available cash + investments/ Monthly fixed operations	703%	658%	231%
Service debtors to revenue	Total outstanding service debtors/annual revenue for services	2%	5%	6%
Debt coverage	Total operating-operating grants/ debt service payment due within financial year	2%	5%	7%
Capital charges to operating	Interest and principal paid/operating expenditure	0%	0%	0%
Employee costs	Employee costs/ Total revenue- capital revenue	46.4%	48.3%	67%
Solvability	Total assets/total liabilities		28.18%	28%

COMPONENT B

SPENDING AGAINST CAPITAL BUDGET

7.5 CAPITAL EXPENDITURE

	% of expenditure budget	Original budget R	Adjustments Budget R	Actual R
Capital expenditure on IDP	72%	62 526 608	62 526 608	45 196 026
Operating expenditure on IDP	82%	157 048 899	162 307 962	133 687 246
Total expenditure	77%	219 575 507	224 834 570	178 883 272

7.6 SOURCES OF FINANCE

Details	2017/18 Actual	2018/19 Original budget	2018/19 Adjustments budget	2018/19 Actual	Variance in %
1.External loans	-	-	-	-	-
2.Public contribution and donations	-	-	-	-	-
3.Grants and subsidies	134 553 313	130 142 000	130 142 000	126 109 594	3%
4. Other	-	-	-	-	-
Total	-	-	-	-	-
Entity	-	-	-	-	-

1.External loans	-	-	-	-	-
2.Public contribution and donations	-	-	-	-	-
3.Grants and subsidies	-	-	-	-	-
4.Other	-	-	-	-	-
Total	-	-	-	-	-

7.7 CAPITAL SPENDING ON 3 LARGEST PROJECTS

2018/19				Variance current year	
Name of project	Original budget	Adjustments budget	Actual expenditure	Original budget %	Adjustments budget %
A	45 000 000	45 000 000	25 547 985	57%	0%
B	2 133 000	2 133 000	2 133 000	100%	0%
C					

Name of project - A

Objective of the project: Supply and Delivery of specialised fire and rescue vehicle (red fleet)

Future challenges: none

Anticipates citizen benefits: Mitigation of loss of lives and property

Name of project - B

Objective of the project; Rural Road Asset Management System (RRMS)

Delays- none

Future challenges: Employment of Graduates.

BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Households

Type of service	Service above minimum standards		Service below minimum standards	
	No of HHs	% of HHs	No of HHs	% of HHs
Water	Not applicable	Not applicable	Not applicable	Not applicable
Electricity	Not applicable	Not applicable	Not applicable	Not applicable
Sanitation	Not applicable	Not applicable	Not applicable	Not applicable
Refuse removal	Not applicable	Not applicable	Not applicable	Not applicable

COMPONENT C

CASH FLOW MANAGEMENT AND INVESTMENTS

7.8 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

The importance of cash management lies in the fact that the municipality will have cash available to enable it to meet its obligations. It also enables the municipality to have a cash backed budget which is more about having the money in the bank rather than the cash which is expected to be collected from the debtors.

	Note(s)	2019	2018
Cash flows from operating activities			
Receipts			
Sale of goods and services		929 198	163 005
Grants		117 499 742	120 668 930
Interest income - Investments		10 575 655	12 581 241
Other receipts		69 987	26 625
		129 074 582	133 439 801
Payments			
Employee costs		(98 451 911)	(89 825 280)
Suppliers		(47 362 182)	(41 370 149)
		(145 814 093)	(131 195 429)
Total receipts		129 074 582	133 439 801
Total payments		(145 814 093)	(131 195 429)
Net cash flows from operating activities	29	(16 739 511)	2 244 372
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(26 143 608)	(2 073 381)
Loss from sale of property, plant and equipment	9	-	567 573
Purchase of other intangible assets	10	(42 771)	(78 000)
Decrease/(Increase) in Held-to-maturity investments		34 584 686	-
Net cash flows from investing activities		8 398 307	(1 583 808)
Cash flows from financing activities			
Decrease/(Increase) in Held-to-maturity investments		-	1 593 407
Net cash flows from financing activities		-	1 593 407
Net increase/(decrease) in cash and cash equivalents		(8 341 204)	2 253 971
Cash and cash equivalents at the beginning of the year		97 044 887	94 790 916
Cash and cash equivalents at the end of the year	3	88 703 683	97 044 887
	Note(s)	2018	2017

Cash flows from operating activities

Receipts

Sale of goods and services	1 009 692	917 541
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Grants		141 152 000	146 387 600
Interest income - Investments		11 490 575	14 558 987
Interest income - receivables		64	88
Other receipts		129 161	140 496
VAT receipts		11 635 485	9585 409
		165 416 977	171 588 527
Payments			
Employee costs		(88 582 833)	(78 527 741)
Suppliers		(26 763 259)	(19 503 950)
Other payments for VAT		(6 102 513)	(12 465 030)
Project expenditure		(8 124 973)	(16 142 267)
Thabazimbi project expenditure		(15 791 399)	(62 458 973)
Contracted services		(7 488 107)	(13 520 885)
Other payments		(11 737 768)	(4 072 886)
		(164 590 852)	(206 676 198)
Net cash flows from operating activities	30	826 127	35 101 611
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(1 178 228)	(253 689)
Purchase of other intangible assets	10	(78 000)	(6 131)
Net cash flows from investing activities		(1 256 228)	(273 760)
Cash flows from financing activities			
Decrease/(Increase) in Held-to-maturity investments		1 593 407	(6 061 657)
Net cash flows from financing activities		1 593 407	(6 061 657)
Net increase/(decrease) in cash and cash equivalents		1 163 306	(41 423 088)
Cash and cash equivalents at the beginning of the year		94 790 916	136 214 004
Cash and cash equivalents at the end of the year	3	95 954 222	94 790 916

7.9 BORROWING AND INVESTMENTS

	2016/17 Actual	2017/18 Actual	2018/19
Securities- National Government	-	-	-
Listed	-	-	-
Deposits	-	-	-
Deposit- Public Investment Commission	-	-	=
Bank acceptance certificates	-	-	-
Negotiable certificates	-	-	-
Other	-	-	-

7.10 PUBLIC PRIVATE PARTNERSHIPS

None

COMPONENT D

OTHER FINANCIAL MATTERS

7.11 SUPPLY CHAIN MANAGEMENT

The municipality has established a functional Supply Chain Management Unit which is implementing the SCM regulations and policy without fear or favour. The unit has only 1 official who have not yet meet the National Treasury Competency Agreements. The municipality is implementing a 3 committee bid system of which no councillors are allowed to sit on. The committee members have been vetted. The Auditor General has not raise any serious queries about the functionality of the Supply Chain Management Unit under the leadership of the Chief Financial Officer.

COMPONENT A

AUDITOR-GENERAL OPINION 2017/18

REPORT OF THE AUDITOR-GENERAL TO LIMPOPO PROVINCIAL LEGISLATURE AND THE COUNCIL OF WATERBERG DISTRICT MUNICIPALITY

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

QUALIFIED OPINION

1. I have audited the financial statements of the Waterberg District Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2018, the statement of financial performance, statement of changes in net assets and cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matter described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Waterberg District Municipality as at 30 June 2018, and its financial performance and cash flows for the year then ended in accordance with South African standard of Generally Recognised Accounting Practice (SA Standard of GRAP) and the requirements of the Municipal Finance Management Act of South Africa (Act No. 56 of 2003) (MFMA) and Division Of Revenue Act of South Africa, 2017 (Act No.3 of 2017) (DORA).

BASIS FOR QUALIFIED OPINION

IRREGULAR EXPENDITURE

3. The municipality did not include the particulars of all irregular expenditure in the notes to the financial statements as required by section 125(2)(d)(i) of the Municipal Finance Management Act of South Africa (Act No. 56 of 2003) (MFMA). Furthermore, the municipality did not implement adequate internal control systems to identify and record all instances of irregular expenditure in both the current and prior years. This resulted in the irregular expenditure disclosure being understated. The full extent of the misstatement of irregular expenditure to be disclosed could not be quantified as it was impracticable to do so. Consequently, I was unable to determine the extent of adjustments necessary to the opening and closing balance of irregular expenditure disclosure stated at R 20 310 958 (2017: R 19 981 639) in note 32 to the financial statements.

CONTEXT FOR THE OPINION

4. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the separate financial statements section of this auditor's report.
5. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

EMPHASIS OF MATTERS

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

RESTATEMENT OF CORRESPONDING FIGURES

8. The corresponding figures for 30 June 2017 were restated as a result of an error in the receipts and payments disclosed in the cash flow statement of the municipality at, and for the year ended, 30 June 2018.

OTHER MATTERS

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

UNAUDITED SUPPLEMENTARY SCHEDULES

10. The supplementary information set out on pages xx to xx does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

UNAUDITED DISCLOSURE NOTES

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

RESPONSIBILITIES OF THE PARTY FOR THE FINANCIAL STATEMENTS

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework and the requirements of the South African Standards of Generally Recognised Accounting Practice (GRAP), Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2017 (Act No. 3 of 2017) (DORA) , and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

AUDITOR-GENERAL'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate,

they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

INTRODUCTION AND SCOPE

16. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
17. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
18. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priorities presented in the annual performance report of the municipality for the year ended 30 June 2018:

Development priorities	Pages in the annual performance report
Key Performance Area (KPA) 2: Basic service delivery	x – x
KPA 4: Local economic development	x – x

19. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
20. The material findings in respect of the usefulness and reliability of the selected development priorities are as follows:

KPA 2: Basic service delivery

Municipal health: % food outlets issued with certificates of compliance (for outlets that comply with set standard)

21. I was unable to obtain sufficient appropriate audit evidence that clearly defined the predetermined source information to be used when measuring the actual achievement of 100%. This was due to a

lack of technical indicator descriptions and formal standard operating procedures or documented system descriptions. I was unable to test whether the indicator was well-defined by alternative means. Consequently, I was unable to determine whether any adjustments were required to the achievement of 100% (101/101 certificates of acceptability were issued for the year 2017/18) as reported in the annual performance report.

Percentage of Local Economic Development forum resolutions implemented

22. The achievement for the percentage of local economic development forum resolutions implemented reported in the organisational performance scorecard was 48%. However, the supporting evidence provided did not agree to the reported achievement and indicated an achievement of 42% instead.

KPA 4: Local economic development

Job creation: Number of jobs created through Expanded Public Works Programme (EPWP)

23. The achievement for target number of jobs created through EPWP reported in the annual performance report was 15 jobs. However, the supporting evidence provided did not agree to the reported achievement and indicated an achievement of 9 jobs created through EPWP.

Other matter

24. I draw attention to the matters below.

Achievement of planned targets

25. Refer to the annual performance report on pages **x to x** for information on the achievement of planned targets for the year and explanations provided for the under and overachievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 21, 22 and 23 of this report.

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

Introduction and scope

26. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
27. The material findings on compliance with specific matters in key legislations are as follows:

Annual financial statements, performance and annual report

28. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

Consequence management

29. Irregular expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.
30. Losses resulting from irregular expenditure were certified by council as irrecoverable without having conducted an investigation to determine the recoverability of the expenditure, in contravention of section 32(2)(b) of the MFMA.

Expenditure management

31. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
32. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The full extent of the irregular expenditure could not be quantified as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by the municipality not demonstrating the benefits or discounts of participating in contracts secured by another organ of state.

Procurement and contract management

33. Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of SCM regulation 17(a) and (c). Similar non-compliance was also reported in the prior year.
34. Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1). Similar non-compliance was also reported in the prior year.
35. The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA. Similar non-compliance was also reported in the prior year.

Strategic planning and performance

36. Annual performance objectives and indicators were not established for Waterberg Economic Development Agency, as required by section 93B(a) of the MSA.
37. The performance of Waterberg Economic Development Agency was not monitored and reviewed as part of the annual budget process, as required by section 93B(b) of the MSA.

Other information

38. The accounting officer is responsible for the other information. The other information comprises the information included in the annual. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in this auditor's report.
39. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

40. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

INTERNAL CONTROL DEFICIENCIES

41. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report:
42. Reviews conducted on the annual financial statements and performance report did not detect or prevent the risks of material misstatements identified during the audit process. Management's slow response in resolving prior year findings and inability to follow a pro-active approach have resulted in material misstatements in the annual financial statements, performance reports and material non-compliance with laws and regulations.
43. The municipality developed a plan to address internal and external audit findings, but the plan was not adhered to and/or timeously implemented to address matters reported in the prior year.
44. Senior management did not adequately oversee the operations of the municipality, as the financial statements and annual performance report contained material misstatements not detected by the municipality's own system of internal control.
45. There was inadequate human resource planning, skills assessment and evaluation of performance to mitigate the municipality's reliance on consultants.
46. The implementation of the supply chain management processes and procedures were inadequate resulting in irregular expenditure. There was also inadequate review and monitoring of compliance with applicable laws and regulations relating to various other key areas within the municipality.
47. The municipality did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.
48. Those charged with governance did not provide adequate oversight over the effectiveness of the internal control environment, including financial and performance reporting and compliance with laws and regulations.

Pretoria

17 January 2019



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Report of the auditor-general to Limpopo provincial legislature and the council of Waterberg District Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Waterberg District Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2018, the statement of financial performance, statement of changes in net assets and cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matter described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Waterberg District Municipality as at 30 June 2018, and its financial performance and cash flows for the year then ended in accordance with South African standard of Generally Recognised Accounting Practice (SA Standard of GRAP) and the requirements of the Municipal Finance Management Act of South Africa (Act No. 56 of 2003) (MFMA) and Division Of Revenue Act of South Africa, 2017 (Act No.3 of 2017) (DORA).

Basis for qualified opinion

Irregular expenditure

3. The municipality did not include the particulars of all irregular expenditure in the notes to the financial statements as required by section 125(2)(d)(i) of the Municipal Finance Management Act of South Africa (Act No. 56 of 2003) (MFMA). Furthermore, the municipality did not implement adequate internal control systems to identify and record all instances of irregular expenditure in both the current and prior years. This resulted in the irregular expenditure disclosure being understated. The full extent of the misstatement of irregular expenditure to be disclosed could not be quantified as it was impracticable to do so. Consequently, I was unable to determine the extent of adjustments necessary to the opening and closing balance of irregular expenditure disclosure stated at R 20 310 958 (2017: R 19 981 639) in note 32 to the financial statements.

Context for the opinion

4. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the separate financial statements section of this auditor's report.
5. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

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

Restatement of corresponding figures

8. The corresponding figures for 30 June 2017 were restated as a result of an error in the receipts and payments disclosed in the cash flow statement of the municipality at, and for the year ended, 30 June 2018.

Other matters

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

Unaudited supplementary schedules

10. The supplementary information set out on pages **xx to xx** does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Unaudited disclosure notes

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

Responsibilities of the party for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework and the requirements of the South African Standards of Generally Recognised Accounting Practice (GRAP), Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2017 (Act No. 3 of 2017) (DORA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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

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

Report on the audit of the annual performance report

Introduction and scope

16. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
17. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
18. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priorities presented in the annual performance report of the municipality for the year ended 30 June 2018:

Development priorities	Pages in the annual performance report
Key Performance Area (KPA) 2: Basic service delivery	x – x
KPA 4: Local economic development	x – x

19. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and

related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

20. The material findings in respect of the usefulness and reliability of the selected development priorities are as follows:

KPA 2: Basic service delivery

Municipal health: % food outlets issued with certificates of compliance (for outlets that comply with set standard)

21. I was unable to obtain sufficient appropriate audit evidence that clearly defined the predetermined source information to be used when measuring the actual achievement of 100%. This was due to a lack of technical indicator descriptions and formal standard operating procedures or documented system descriptions. I was unable to test whether the indicator was well-defined by alternative means. Consequently, I was unable to determine whether any adjustments were required to the achievement of 100% (101/101 certificates of acceptability were issued for the year 2017/18) as reported in the annual performance report.

Percentage of Local Economic Development forum resolutions implemented

22. The achievement for the percentage of local economic development forum resolutions implemented reported in the organisational performance scorecard was 48%. However, the supporting evidence provided did not agree to the reported achievement and indicated an achievement of 42% instead.

KPA 4: Local economic development

Job creation: Number of jobs created through Expanded Public Works Programme (EPWP)

23. The achievement for target number of jobs created through EPWP reported in the annual performance report was 15 jobs. However, the supporting evidence provided did not agree to the reported achievement and indicated an achievement of 9 jobs created through EPWP.

Other matter

24. I draw attention to the matters below.

Achievement of planned targets

25. Refer to the annual performance report on pages **x to x** for information on the achievement of planned targets for the year and explanations provided for the under and overachievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 21, 22 and 23 of this report.

Report on the audit of compliance with legislation

Introduction and scope

26. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
27. The material findings on compliance with specific matters in key legislations are as follows:

Annual financial statements, performance and annual report

28. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

Consequence management

29. Irregular expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.
30. Losses resulting from irregular expenditure were certified by council as irrecoverable without having conducted an investigation to determine the recoverability of the expenditure, in contravention of section 32(2)(b) of the MFMA.

Expenditure management

31. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
32. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The full extent of the irregular expenditure could not be quantified as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by the municipality not demonstrating the benefits or discounts of participating in contracts secured by another organ of state.

Procurement and contract management

33. Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of SCM regulation 17(a) and (c). Similar non-compliance was also reported in the prior year.
34. Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 38(1). Similar non-compliance was also reported in the prior year.

35. The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA. Similar non-compliance was also reported in the prior year.

Strategic planning and performance

36. Annual performance objectives and indicators were not established for Waterberg Economic Development Agency, as required by section 93B(a) of the MSA.
37. The performance of Waterberg Economic Development Agency was not monitored and reviewed as part of the annual budget process, as required by section 93B(b) of the MSA.

Other information

38. The accounting officer is responsible for the other information. The other information comprises the information included in the annual. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in this auditor's report.
39. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
40. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

Internal control deficiencies

41. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report:
42. Reviews conducted on the annual financial statements and performance report did not detect or prevent the risks of material misstatements identified during the audit process. Management's slow response in resolving prior year findings and inability to follow a pro-active approach have resulted in material misstatements in the annual financial statements, performance reports and material non-compliance with laws and regulations.
43. The municipality developed a plan to address internal and external audit findings, but the plan was not adhered to and/or timeously implemented to address matters reported in the prior year.
44. Senior management did not adequately oversee the operations of the municipality, as the financial statements and annual performance report contained material misstatements not detected by the municipality's own system of internal control.

45. There was inadequate human resource planning, skills assessment and evaluation of performance to mitigate the municipality's reliance on consultants.
46. The implementation of the supply chain management processes and procedures were inadequate resulting in irregular expenditure. There was also inadequate review and monitoring of compliance with applicable laws and regulations relating to various other key areas within the municipality.
47. The municipality did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.
48. Those charged with governance did not provide adequate oversight over the effectiveness of the internal control environment, including financial and performance reporting and compliance with laws and regulations.

Auditor General

Pretoria

17 January 2019



Auditing to build public confidence

COMPONENT B

AUDITOR-GENERAL OPINION 2018/19

COMPONENT C

Audit committee Report 2018/19

WATERBERG DISTRICT MUNICIPALITY'S AUDIT COMMITTEE (AC) ANNUAL REPORT TO COUNCIL FOR PERIOD ENDED 30 JUNE 2019

1. INTRODUCTION

The Audit Committee of Waterberg District Municipality was established by Municipal Council in accordance with section 166 (1) of the Municipal Finance Management Act (MFMA). The Audit Committee operates as an independent advisory body to the Council, Political Office bearers, Accounting Officer, Management and staff, thereby assisting Council in its oversight role. The role, functions, and authority of the Audit Committee are prescribed in terms of section 166 (2) of the Act, National Treasury's Risk Management Framework and Circular 65 issued by National Treasury.

2. AUDIT COMMITTEE FIDUCIARY DUTIES

In terms of Section 166 of the Municipal Finance Management Act (No. 56 of 2003), the Audit Committee must:

- (a) advise the Municipal Council, the political office-bearers, the Accounting Officer and the management staff of the municipality on matters relating to:-
 - (i) *Internal financial controls and internal audit;*
 - (ii) *Risk management;*
 - (iii) *Accounting policies;*
 - (iv) *The adequacy, reliability and accuracy of financial reporting and information;*
 - (v) *Performance management;*
 - (vi) *Effective governance;*
 - (vii) *Compliance with the MFMA, the DORA and any other applicable legislation;*
 - (viii) *Performance evaluation; and*
 - (ix) *Any other issues referred to it by the municipality*
- (b) review the annual financial statements to provide the council of the municipality with an authoritative and credible view of the financial position of the municipality, its effectiveness and its overall level of compliance with the MFMA, the DORA and any other applicable legislation;
- (c) respond to the Council on any issues raised by the Auditor-General in the audit report;

(d) carry out such investigations into the financial affairs of the municipality as the council of the municipality may request;

(e) perform such other functions as may be prescribed

3. AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The AC, consisting of independent outside members listed below, meets at least four times per annum as per its approved terms of reference, additional special meetings were called as and when the need arises.

Members

Name and Surname	Position	Number of meetings attended
Adv J.L Thubakgale	AC Chairperson	5 of 5
GM Dhladhla	AC Member	5 of 5
R Tshimomola	AC Member	4 of 5

4. AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee (AC) reports that it has complied with its responsibilities arising from Section 166 of the Municipal Finance Management Act and Circular 65 issued by National Treasury. The AC also reports that it has adopted appropriate formal terms of reference as its AC Charter, and it has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

5. EFFECTIVENESS OF INTERNAL CONTROL

AC's review of the effectiveness of the internal control revealed that there is a room for improvement in the system of internal control of the municipality. Internal audit findings and AGSA findings revealed a regression in system of internal control in respect of financial management/reporting, performance management and reporting, and compliance with laws and regulations. Notwithstanding the above, the Audit Committee notes management's commitment to correct the deficiencies.

6. IN YEAR/MONTHLY MONITORING REPORT

The municipality has monthly and quarterly reporting system to the Council as required by the Municipal Finance Management Act (MFMA). Monitoring and reviews of performance information were periodically in the year under review.

7. RISK MANAGEMENT

The AC is of the opinion that the status of Risk Management is satisfactory; however, continuous management of risks by risk owners and continuous improvement on the risk management processes is encouraged.

8. FINANCIAL MANAGEMENT

The AC used a set of uniform key financial ratios and norms suitable and applicable to municipalities as articulated in MFMA circular no. 71 to assess the financial health and viability of the district municipality. The review revealed that district is not financial viable as is grant dependent in terms of revenue.

9. COMPLIANCE WITH LAWS AND REGULATIONS

A number of non-compliance with the enabling laws and regulations were revealed during the year. Thus, there is a room for improvement in so far as establishing an effective system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance. Thus, the AC recommended implementation of compliance management system and framework in order to addresses the issues of non-compliance.

10. INTERNAL AUDIT

The Internal Audit reported to the Municipal Manager administratively and functionally independently reported to the Audit Committee in the execution of their duties during the 2018/19 Financial Year. There were no restrictions imposed to the Internal Audit in the execution of their duties.

The AC is satisfied with the effectiveness of Internal Audit. The above conclusion is based on:

- Reviewal with management and approval the internal audit charter, strategic and operational plans, internal audit activities, staffing (including competence and qualifications), and organisational structure of the Internal Audit Unit;
- Implementation of the approved the annual internal audit plan and all major changes to the plan.
- There were no unjustified restrictions or limitations on work of the internal audit caused by the unit.
- Review the internal audit budget, resource plan, activities, and organizational structure of the internal audit function;
- Compliance with the IIA's international standards for the professional practice by Internal Auditing unit

11. EXTERNAL AUDIT

11.1 The AC did review the Auditor-General 's proposed audit scope and approach, including coordination of audit effort with internal audit in respect of 2018/19 financial year; and on a regular basis, met separately with the Auditor-General to discuss any matters that the committee or auditors believe should be discussed privately.

11.2 The AC evaluated management responses to the reports or findings of the Auditor-General (Action plan to address prior year findings) on quarterly basis and gave inputs and advice on how best to addressed the findings raised by the AGSA.

11.3 At the time of submission of the annual financial statements and performance report to AGSA for audit, all the AGSA findings were resolved as at 31 August 2019.

- a. AC interacted with Final Audit and Management Letter issued by AGSA and concurs with AGSA's observations. WDM has received an unqualified audit opinion with findings.

12. PERFORMANCE MANAGEMENT

The AC reviewed effectiveness and functionality of the performance management system and it appears to be functional. However, there is a room for improvement in so far as achievement of planned targets is concerned, usefulness and reliability of performance information as well as management's adequate review and monitoring of performance management information/reports.

13. FINANCIAL REPORTING

The AC reviewed the quality, accuracy, uselessness, reliability and appropriateness of monthly, quarterly and annual financial reporting and observed that there is a room for improvement in so far as compliance with section 122 of the MFMA and management's review and monitoring of financial reports.

14. IT GOVERNANCE

The AC did review current IT governance and arrangement and noted there is a room for improvement in so far as fully implementation of ICT Governance Framework.

15. IMPLEMENTATIONS OF AUDIT COMMITTEE RESOLUTIONS

As at the end of the year, all Audit Committee resolutions were implemented satisfactorily.

16. IMPLEMENTATION OF COUNCIL RESOLUTIONS

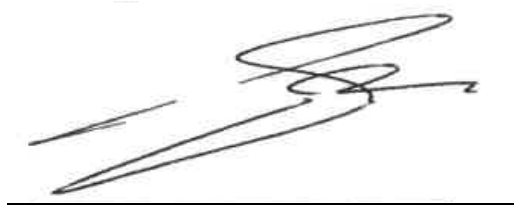
As at the end of the year a large number of Council resolutions were implemented and however, the AC recommends development and implementation of Council resolutions management systems and possible automation of the management of council resolutions.

17. LEADERSHIP

Municipality Council did provide somewhat effective leadership based on a culture of honest and good governance. However there is a room for improvement in so far as management's oversight on the financial statements, performance reporting and compliance with laws and regulations governing the district municipality.

18. CONCLUSION

The AC wishes to acknowledge the commitment from Council, management and staff of the municipality. We would also like to thank the Executive Mayor for his support, Councilors, senior management for their efforts and internal audit for their contribution.



Adv J.L. Thubakgale

Waterberg District Municipality

Chairperson of the Audit Committee

10 December 2019

COMPONENT D

6.1 Follow up on Audit General report 2018/19

Municipality	Waterberg District Municipality	Resolved Outstanding Total	No	%
Financial Year	2019/20		28	82
Audit Opinion	Unqualified		6	18
Reporting Period	18/19		34	100

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
	Annexure A: Matters affecting the auditor's report (1-4)							
	Other Material Non-compliance							
	Expenditure management (1-2)							
1 Pg 34	Payments not made within 30 days. The 12 suppliers as identified by AGSA were paid after 30 days of the receipt of invoice. This resulted in non-compliance with the MFMA and reportable non-compliance.	The Accounting Officer did not take reasonable steps to ensure that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement.	Invoices will be stamped and dated upon receipt and thereafter make regular follow ups to ensure that invoices are paid within 30 days.	30/11/2019	30/06/2020	CFO	In progress	Do we have any payments made after 30 days in Q1 and Q2?

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
2 Pg 36	Irregular expenditure not prevented as required by MFMA AGSA noted that note 31 on Irregular expenditure reflected expenditure to the value of R12 284 371 for the 2018/19 financial year which was indicated to be incurred from services procured through a contract secured by another organ of state. Which contravenes with section 62(1) (d) results in a non-compliance with the MFMA.	The Accounting Officer did not put monitoring controls in place that ensure the required compliance with SCM Regulation 32 and the prevention of the incurring of irregular expenditure.	All irregular contracts will not be renewed upon expiry.	30/11/2019	30/06/2020	CFO	In progress	Did we renew any contracts that could result in Irregular expenditure in Q1 and Q2?
	Strategic planning and performance management							
3 Pg 37	The Municipality did not ensure that Waterberg Economic Development Agency prepared annual objectives and indicators in an annual performance plan and report on them. Furthermore, the performance of the municipal entity was not monitored as required by the act.	The Accounting Officer did not adequately review and monitor compliance with applicable laws and regulations and as such did not apply the requirements of the MSA.	No action will be taken. WEDA has been de-established as per the council resolution A211/2019 of 30 May 2019 since it was not fully operational and there were no key performance indicators established.	30/11/2019	30/11/2019	MM	Completed	Done.
	Human Resource Management							

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
4 Pg 38	Declaration of interest not performed within the required period. During the assessment of HR compliance it was noted that the Mr MM Maluleka was appointed on the 2 nd January 2019, and however signed his declaration of interest on the 28 th March 2019. This therefore reflected that the document was signed beyond a period of 60 days and was an instance of non-compliance with the above indicated regulation.	The Accounting Officer did not ensure that compliance with Section 36(1)(a) of the Local government regulations on appointment and conditions of employment of senior managers which indicates that a senior manager must within 60 days after his or her appointment employment declare his or her benefits and interests is consistently complied to.	Management will implement the controls to track the days the declarations are made by senior managers subsequent to appointment to be within 60 days.	30/11/2019	30/06/2020	MCSSS	Completed	Done. CFO was appointed on the 01 December 2019, signed the declaration of interest on xxx together with performance agreement which was within 60 days subsequent to appointment.
Annexure B - Other Important Matters								
Financial Statement Related Findings								
Property, Plant and Equipment								

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
5 Pg 40	Misstatement in the property, plant and equipment disclosure note. During the audit of property, plant and equipment a transaction was identified relating to the acquisition of specialised fire and rescue vehicles worth R 24 879 582.00 which was disclosed on note 9 of the AFS as “<i>other changes, movements</i>” within motor vehicles. Upon enquiry with management, it was indicated that the assets are still under construction and are not yet ready for use. As the assets are still under construction and are not ready for use as intended by management, they should be separately disclosed as capital work in progress in accordance with paragraph 87 of GRAP 17. The above amount results in an overstatement of Motor Vehicles and inadequate disclosure of Work-in-progress in note 9 pertaining to Property, plant and equipment.	The Accounting Officer did not ensure correct classification and disclosure of assets under construction and not ready for use as intended. Management did not ensure that the MFMA and GRAP requirements are fully complied with.	The Property, plant and equipment note will be adjusted to reflect appropriate disclosure in accordance with GRAP 17.	30/11/2019	30/11/2019	CFO	Completed	Done. Processed adjusting journal.
6 Pg 42	Incorrect calculation of depreciation During the audit of a sample of items of property, plant and equipment, the depreciation charge was recalculated and the following misstatements were noted: Result in a projected understatement of depreciation of old assets amounting to R62 702.87 and a projected overstatement of the depreciation for newly acquired assets amounting to R31 648.14.	The CFO did not, in some instances, ensure that the depreciation is calculated on the depreciable amount after reducing the residual value, as well as ensuring that the depreciation for the year is calculated for the correct period in which the asset was ready for use.	Management has assessed the entire population and the error is only on identified assets.	30/11/2019	30/11/2019	CFO	Completed	Done. Adjustments were verified for accuracy and completeness on receipt of the final AFS by AG.

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
7 Pg 45	Misclassification of Plant and machinery assets as Office equipment. Some items relating to plant and machinery (Skid units) were incorrectly classified as office equipment, as their description did not meet the asset category they have been classified in. A classification misstatement of R95 479.83 was noted. The misstatement was further projected to the entire office equipment population and a projected classification misstatement of R342 831.42 was noted.	The CFO did not adequately prepare accurate and complete financial reports that are supported and evidenced by reliable information, as the errors in the classification of the assets were not timeously detected and corrected.	Revisit the asset register and correct classification with proposed journal.	30/11/2019	30/11/2019	CFO	Completed	Done. Adjustments were made and journal processed.
8 Pg 47	Assets not found on the asset register. 3 assets selected for the asset verification could not be traced to the asset register. Given the nature of the assets that could not be traced, such should have been classified as office equipment in the asset register, resulted in a projected overstatement amounting to R125 287.	The CFO should ensure that there are controls in place to monitor the assets register and ensure completeness of the municipality's asset register.	Management will revisit the asset (office equipment) population (100%) in the next financial year and ensure that each asset being used at the municipality is accounted for in the asset register through an internal assets.	30/11/2019	30/06/2020	CFO	In progress	
	Intangible Assets							

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
9 Pg 49	Overstatement of intangible assets. 1. Some assets were identified on the asset register, which have been fully amortised and the assets were no longer in use as they were replaced with an improved and more recent version of the software. 2. The following assets, 1 <i>Windows Server 2003 R2 license with 15 CAL licenses</i> and 6 <i>Windows Server 2003 R2 licenses</i> were identified with a closing balance, however, the assets have exceeded their useful lives as indicated in the asset register and had not been derecognised from the asset register.	The CFO did not adequately ensure that only items that still meet the definition and recognition criteria of an intangible asset are recognised as such. Inadequate review was made of the intangible asset register to ensure that items that are no longer in use are derecognised.	Management will adjust the financial statements and intangible assets register to reflect appropriate disclosure in accordance with GRAP 17. Processing adjusting journals & external review of Financial Statements	30/11/2019	30/11/2019	CFO	Completed	Done. Adjusting journals were processed.
	Receivables							
10 Pg 53	Receivables not assessed for impairment. Receivables have not been assessed for impairment as required by GRAP 104, even though they have not had any movements during the current financial year. This has resulted in the receivables from exchange transactions and non-current receivables being overstated to the extent of the possible impairment not being processed.	Management did not adequately prepare financial statements in accordance with GRAP 104 measurement requirements.	WDM will develop and implement a policy on receivables impairment for the implementation in the 2019/20 financial year.	30/11/2019	31/03/2020	CFO	In progress	
	VAT receivable							

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
11 Pg 54	Overstatement of VAT receivable. The municipality disclosed a VAT Receivable amounting to R6 265 546 of which R2 000 000 was an amount paid by WDM over to Eskom on behalf of Thabazimbi Local Municipality. Furthermore the Eskom invoice that WDM assisted in settling (Invoice No.965273519158 dated 2018/10/02) and noted that the invoice was addressed to Thabazimbi Local Municipality for services rendered which did not provide any indication of being related to the waste water treatment works project. Therefore, the supply of services was from Eskom to Thabazimbi and not WDM.	Inadequate verification of amounts reported in the AFS for compliance with GRAP standards and alignment with the VAT Act.	Management will adjust the financial statements accordingly to rectify the error.	30/11/2019	30/11/2019	CFO	Completed	Done. Adjustment journals were processed.
12 Pg 80	No disclosure of VAT accounting policy. The Municipality had no accounting policy disclosure on the AFS submitted for audit. The above results in non-compliance with GRAP disclosure requirements being a qualitative misstatement to the AFS.	Management did not adequately ensure that adequate reviews are performed to enhance the quality of the financial statements submitted for audit.	Management will update the policy disclosure on VAT accordingly.	30/11/2019	30/11/2019	CFO	Completed	Done. The policy disclosure was updated.
	Cash and cash equivalents							

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
13 Pg 59	Receivables from non-exchange transactions incorrectly recognized as cash and cash equivalents. A Council resolution was passed to de-establish the Waterberg Economic Development Agency (WEDA) on the 30th of May 2019. As a result, all the funds in WEDA's bank account were to be transferred into Waterberg District Municipality's bank account. As at year end, the R3 152 842 was not yet received by the municipality, however the amount was incorrectly recognised as cash and cash equivalents as if already received instead of being recognised as a receivable from non-exchange transactions in the Statement of Financial Position at financial year end.	Management did not prepare regular, accurate and complete financial reports that are supported and evidenced by reliable information and in all aspects and comply with the accounting reporting framework. Proper review processes to identify inaccuracies and non-compliance in the financial statements were not implemented.	Management will adjust the financial statements and update the disclosure on cash and cash equivalent and receivables from non-exchange transactions on the financial statements.	30/11/2019	30/11/2019	MM	Completed	Done. Adjusting journals were processed to correct the error.
	Payables from exchange transactions							

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
14 Pg 60	Understatement of payables. The municipality received claims from Bela-Bela Local Municipality for seven months for fire-fighting services that were rendered by Bela-Bela Local Municipality on behalf of WDM during the 2018/2019 financial year. WDM received the seven claims amounting to R123 470.74 from Bela-Bela Local Municipality, however these invoices were not recorded as payables from exchange transactions in the WDM's creditors listing and in the financial statements for the year ended 30 June 2019. Subsequent the following unrecorded payables were noted: Thabazimbi local municipality – R103 318,33 Mogalakwena local municipality - R3 209 891,52	Inadequately implementation of controls over monthly processing and reconciling of transactions to ensure proper record keeping.	To process a journal and update the creditors listing accordingly. A follow up to be conducted on all fire fighting claims from the district where applicable to ensure the completeness of payables.	30/11/2019	30/11/2019	CFO	Completed	Done. A journal was processed and creditors listing was updated.
15 Pg 62	Overstatement of payables from exchange transactions. The SALGA annual delegation fees outstanding were overstated at financial year end and this misstatement resulted in an overstatement of payables from exchange transactions by R2 009 881.74 in the annual financial statements and an overstatement of the account debited on the payment being processed on Munsoft.	Management did not adequately prepare regular, accurate and complete financial reports that are supported and evidenced by reliable information. Monthly reconciliation processes were not adequately implemented to ensure that errors are detected and corrected timeously.	Management will process the necessary adjustment to correct the overstatement identified and investigate the contra account affected by the overstatement.	30/11/2019	30/11/2019	CFO	Completed	Done. Journals were processed to correct payables and expenditure error.

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
	Revenue							
16 Pg 64	Council approved abattoir tariffs not implemented. Council approved new tariffs to be implemented from the 1st of July 2018 with the annual budget on the 31st of May 2018. These tariffs were also published to the public with other financial reports on the municipality's website. However, during the audit of revenue from exchange transactions, we noted that the tariffs have not been changed on the Munsoft system (billing) since the 1st of July 2015. This has resulted in a projected understatement of revenue from exchange transactions recognised for the 2018/19 financial year amounting to R30 524.13.	Inadequately review and monitoring of the revenue billing to ensure that the Council approved new tariffs were implemented.	Management has revisited the 100% population to quantify the misstatement. An item is enroot to Council recommending Council to write off the unbilled revenue. The Service charges note will be adjusted to reflect appropriate disclosure in accordance with approved tariffs.	30/11/2019	30/11/2019	CFO	In progress	Adjusting journal were processed.
	Impairment loss							
17 Pg 65	Impairment loss not determined for motor vehicles. In the physical verification of motor vehicles certain assets indicated a clear indication of impairment however these assets were not impaired, as there is no impairment charge that has been made to the asset to reduce its current carrying value. Due to the fact that no impairment loss has been provided, the valuation of motor vehicles can be concluded to be overstated, and the impairment expenditure in the income statement understated consequently.	Inadequate preparation of accurate and complete financial reports that are supported and evidenced by reliable information, and that are prepared in accordance with the accounting framework.	Management reviewed the impairment on all assets with impairment conditions. Management to amend the financial statements to disclose the appropriate impairment.	30/11/2019	30/11/2019	CFO	Completed	Done. Adjustments were made.

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
18 Pg 70	Impairment loss not determined for land and building items. Land and buildings: it was evidenced that an asset had clear indication of impairment. The asset has however not been impaired, as there is no impairment charge that has been made to the asset to reduce its current carrying value. The misstatement will result in the overstatement of the class of assets Land and Buildings and the understatement of impairment expenditure with an amount of R325 085.	Inadequate preparation of accurate and complete financial reports that are supported and evidenced by reliable information.	Management disagree. No action to be taken. Management had viewed the damage as not significant hence the Municipality has retained a retention on the upgrades performed. and awaits the service provider to fix the defects. Building maintenance service providers have been appointed.	30/11/2019	30/11/2019	CFO	Completed	Done.
	Commitments							
19 Pg 72	Overstatement of commitments disclosed. Commitments disclosed on note 34 of the AFS, it was noted that an amount of R3 652 654 was disclosed as commitments that are not yet contracted for and authorised by accounting officer. This resulted in an overstatement of commitments disclosed in the annual financial statements amounting to R3 652 654, which is material.	The accounting officer did not ensure that the disclosure in the annual financial statements are aligned with the requirements of GRAP and the accounting policy applied in preparation of the AFS	Management will amend the financial statements and only disclose appropriate commitments.	30/11/2019	30/11/2019	CFO	Completed	Done. Adjustments were made.

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
20 Pg 73	Incomplete commitments disclosed in the AFS. It was identified that some Contractual agreements included in the contract register were not paid in full as at financial year end and were not included in the commitments schedule and commitments disclosure note. Thus resulting in the disclosure note 34 being understated by R17 641 856.	The Accounting Officer did not maintain regular, accurate and complete financial information that is supported and evidenced by reliable information, to ensure accuracy and completeness of commitments disclosed at financial year end.	Management will amend the financial statements and only disclose appropriate commitments.	30/11/2019	30/11/2019	CFO	Completed	Done. Adjustments were made.
	Irregular expenditure							
21 Pg 74	Misstatements noted in the disclosure of financial statements submitted for audit. Irregular Expenditure: The note indicates that the amount of R32 984 416 was condoned, whereas through inspection of Council minutes of meetings held on 11 July 2019 and 29 August 2019, it was noted that the irregular expenditure was written off and not condoned. Irregular expenditure balance was understated by R912 000, as well as the description of the condonement being misstated as a result that the Municipality included the irregular expenditure item pertaining to Protea Consultants that was recommended by the Financial Misconduct and Disciplinary Board to be fully investigated was accordingly not written off by Council. The item was however included in the amount disclosed as condoned for the 2018/19 financial year (R32 987 416), being both for the 2017/18 financial year (R912 000), and the 2018/19 financial year (R1 847 699).	The Accounting Officer did not maintain regular, accurate and complete financial information that is supported and evidenced by reliable information.	Management will adjust the irregular expenditure disclosure on the financial statements accordingly.	30/11/2019	30/11/2019	CFO	Completed	Done. Adjustments were made.
	Unauthorised expenditure							

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
22 Pg 77	Unauthorised expenditure- overspending identified. The final budget for councillors remuneration was exceeded by R1 237 945 as disclosed in the statement of comparison of budget and actual amounts, there was however no unauthorised expenditure disclosed. No funds were budgeted for transfers and subsidies expenditure, however R6 131 817 was spent as disclosed in the statement of comparison of budget and actual amounts with no unauthorised expenditure disclosed.	The Accounting Officer did not, in some instances, adequately implement proper record keeping controls in a timely manner to ensure that complete, relevant and accurate information is available to support financial and performance reporting. The Accounting Officer did not include roll-over amounts in their final budget.	A virement was processed within the department during the financial year after the approval of the Councillors Upper Limits. Changes were made on the financial statements, however the budget vs actuals working paper is a manual spreadsheet on the caseware (financial statements) and therefore was not properly updated. To adjust the AFS on budget vs actuals to reflect the correct disclosure.	30/11/2019	30/11/2019	CFO	Completed	Done. Adjustments were made.
	Contingent liabilities							
23 Pg 79	Legal fees incorrectly disclosed as contingent liabilities in the annual financial statements. Contingent Liabilities disclosed on note 35, we noted that the transactions with Mohale Incorporated for legal services that they rendered to the municipality during the year were incorrectly disclosed as contingent liabilities. This resulted in an overstatement of contingent liabilities disclosed in the annual financial statements amounting to R1 219 336.	Proper review processes were inadequately implemented which were required to identify inaccuracies and ensure compliance with the accounting framework in the financial statements preparation.	Management will process the necessary adjustment in the financial statements to accurately disclose appropriate contingencies.	30/11/2019	30/11/2019	CFO	Completed	Done. Adjustments were made.
	Prior period error							

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
24 Pg 82	Misstatement in the prior period error note. In the review of the prior period error note there were material casting misstatement on disclosure note 41 Irregular Expenditure, this resulted in a material misstatement to the disclosure note. A difference of R9M of an opening balance on Irregular Expenditure was identified.	The Accounting Officer did not adequately ensure that adequate reviews are performed to enhance the quality of the financial statements submitted for audit.	Management will process the necessary amendments to correct the misstatement identified.	30/11/2019	30/06/2020	CFO	Completed	Done. The financial statements disclosure note was updated.
25 Pg 78	Understatement of WEDA payable. This finding was raised in the prior year and adjustments to rectify the finding were not processed. Council approved the funding of WEDA by R3 000 000 for the 2017/18 financial period. Item 2.2/30/05/2017 In terms of this resolution an amount of R 3 000 000 was approved to be transferred to the bank account of the Waterberg Economic Development Agency (WEDA). Upon inspection of all of the bank statements of WEDA it was noted that no transfer was made to WEDA of these amounts. WDM incurred an expenditure of R1 077 102.00 for WEDA. An amount of R1 922 898.00 is still owed to WEDA by WDM resulting in WDM trade and other payables understated by an amount of R1 922 898.	The Accounting Officer did not ensure that controls in place were inadequate in ensuring that all transactions are accounted for in accordance with GRAP requirements.	Management will update the disclosure provided in the financial statements particularly the statement of financial position and its related notes accordingly for WDM and WEDA.	30/11/2019	30/11/2019	CFO	Completed	Done. The AFS were updated.
	Risk management							

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
26 Pg 84	Misstatements noted in the Risk Management disclosure. Risk Management disclosure note, the following discrepancy was noted: Balance as per note 37 (Risk Management) R2 137 776,00 Balance as per note 3 (Cash and Cash equivalents) R3 077 233,00 Difference R939 457,00	The Accounting Officer did not adequately ensure that adequate reviews are performed to enhance the quality of the financial statements submitted for audit.	Management will update the financial statements Risk Management disclosure. Note.	30/11/2019	30/11/2019	CFO	Completed	Done. The AFS were updated.
	Going concern							
27 Pg 86	Incorrect narrative in going concern disclosure (note 38) Note 38, <i>Going Concern</i> , stated that total liabilities exceed its assets by R 120 760 245. This is incorrect as the total assets exceed the total liabilities by R120 760 245 in the statement of financial position for the year ended 30 June 2019.	The Accounting Officer did not adequately ensure that adequate reviews are performed to enhance the quality of the financial statements submitted for audit.	Management will re-visit the disclosures made in the financial statements to ensure compliance with GRAP requirements. Management to update the financial statements on disclosures.	30/11/2019	30/11/2019	CFO	Completed	Done. The AFS were updated.
	Cash flow statement							

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
28 Pg 87	Misstatements on the Cash Flow statement. Cash flow statement- the following differences were noted in the amounts disclosed in the AFS and resulted in non-compliance with MFMA and GRAP and will have the following impact on the cash flow statement: • Cash generated from other receipts is overstated with an amount of R10 900,00 • Cash paid to suppliers is overstated with an amount of -R1 595 721,00 • Purchase of property, plant and equipment is overstated with an amount of -R10 899,00 • Purchase of other intangible assets is overstated with an amount of -R1 270,00 • Cash and cash equivalents at the beginning of the year is overstated with an amount of R255 498,00 • The adjustment of amortisation is overstated with an amount of R1 270,00 • The adjustment for transfers is understated with an amount of -R3 141 942,00 • Adjustment other payables (non-exchange) is understated with an amount of -R1 598 983,00	The CFO did not identify errors in the calculations performed to support the amounts disclosed on the cash flow statement.	Management will process the necessary adjustments to rectify the errors on the cash flow statement.	30/11/2019	30/11/2019	CFO	Completed	Done. Adjustments were made.
	High level review							

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
29 Pg 90	Misstatements noted in the disclosure of financial statements submitted for audit. High level review of the financial statements the following material misstatements in disclosure were noted: Note 20, <i>Government grants and subsidies</i>, stated an amount of R2 133 000 received for the Rural Road Asset Management Grant. This did not tie back to the detail of the note where only R 579 090 was recorded as the amount spent. The amount of remuneration of councillors in note 23 amounts to R8 101 250 while the statement of financial performance indicates a total of R10 233 945.	The Accounting Officer did not ensure that adequate reviews are performed to enhance the quality of the financial statements submitted for audit.	Management will re-visit the disclosures made in the financial statements to ensure compliance with the National Treasury GRAP checklist. Management to update the financial statements disclosure accordingly.	30/11/2019	30/11/2019	CFO	Completed	Done. The AFS were updated.
	Predetermined Objectives							
	Audit of performance information							

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
30 Pg 92	Indicators relating to the core functions of the municipality not included in the APR. In the audit of predetermined objectives for core functions which were carried out by the municipality for Disaster Management & Fire-fighting Services and Abattoir but did not have any indicators to measure performance in the annual performance report. The indicator <i>Percentage of food outlets with issued certificates of compliance</i> relating to the municipal core function of municipal health and environmental management (priority number one in the IDP and SDBIP) was removed from the APR in the current year.	The Accounting Officer did not ensure adequate controls are in place to monitor the completeness of planned indicators and targets, which are subsequently reported on in the annual performance report.	Management will elevate the indicators on fire-fighting, Disaster management and Abattoir from departmental SDBIP to institutional SDBIP. The indicators on the core functions of municipality will be included in the SDBIP that will be reported in the APR in subsequent financial years (2020/21).	30/11/2019	30/06/2020	DM:SSP	In progress	
31 Pg 94	Reported development objectives are not consistent when compared to planned objectives. In predetermined objectives we noted the following differences between the objectives reported in the annual performance report and the objectives indicated in the service delivery budget and implementation plan (SDBIP) for Spatial Rationale; Financial Management and Viability and Local Economic Development.	Ineffective controls in detecting and correcting errors in the annual performance report before being submitted for audit purposes.	Management will process the necessary adjustments to the annual performance report to rectify the errors identified.	30/11/2019	30/11/2019	DM:SSP	Completed	Done. Adjustments were made.

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
32 Pg 96	Misstatement in achievement reported: Local Economic Development. The indicator % of <i>LED forum resolutions implemented</i> within the Local economic development priority, the resolution was not included in the denominator used in the calculation of the reported achievement of 90%.	The controls in place were ineffective in detecting and correcting errors in the annual performance report before being submitted for audit purposes.	Management will adjust the annual performance report to reflect the correct achievement for the indicator.	30/11/2019	30/11/2019	DM:SSP	Completed	Done. Adjustments were made.
33 Pg 97	Annual performance report does not include measures to improve performance. In the audit of performance information the annual performance report did not include measures to improve performance for the basic service delivery indicated performance indicator, even though the reported achievement has remained unchanged over the 2017/18 and 2018/19 financial year. Number of permitted land fill site monitored	Inadequate review of controls to ensure the accuracy of achievements reported in the annual performance report.	Management will process the necessary adjustment to the annual performance report to rectify the omission identified. For 19/20 financial year, corrective measures have been implemented by monitoring all 8 landfill sites during the first quarter and reports were issued.	30/11/2019	31/12/2019	DM:SSP	Completed	Done. Adjustments were made. All 8 landfill sites were monitored during the first quarter of 19/20.
	ADMINISTRATIVE MATTERS							
	Contract Management							

No	Description of Finding	Root Cause	Action Plan Description	Start Date	Completion Date	Position	Progress [Completed; In Progress; Not Yet Started]	Narrative to Progress
34 Pg 99	Contract register not managed effectively. In testing contract agreements in doing the contract management compliance assessment the amounts per the contract register did not agree to the amounts as per the signed contracts/agreements between the Waterberg District Municipality and the suppliers.GKB Design Associates (Sports Facility) with a difference of -R2 250 328,00 Munsoft (Accounting System) with a difference of -R1 436 688,38	Supply Chain management did not adequately exercise oversight responsibility regarding financial reporting and related internal controls pertaining to the effective management of contract registers.	The contract amounts have been erroneously incorrectly typed on the register. The register will be updated to reflect the correct amounts.	30/11/2019	30/11/2019	CFO	Completed	Done. Contract register was updated.

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are “ <i>what we use to do the work</i> ”. They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	• Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are “ <i>what we wish to achieve</i> ”.
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as “ <i>what we produce or deliver</i> ”. An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in

	terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: <i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i> <i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE
APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES
APPENDIX C – THIRD TIER ADMINISTRATIVE STRUCTURE
APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY
APPENDIX E – WARD REPORTING
APPENDIX F – WARD INFORMATION
APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2008/09
APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS
APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE
APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS
APPENDIX K – REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE
APPENDIX K(i) – REVENUE COLLECTION PERFORMANCE BY VOTE
APPENDIX K(ii) – REVENUE COLLECTION PERFORMANCE BY SOURCE
APPENDIX L – CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG
APPENDIX M – CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES
APPENDIX M(i) – CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME
APPENDIX M(ii) – CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME
APPENDIX N – CAPITAL PROGRAMME BY PROJECT end June 2014
APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2008/09
APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS
APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION
APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY
APPENDIX S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71
APPENDIX T _ PERFFORMANCE REPORT

APPENDICES

WATERBERG DISTRICT MUNICIPALITY

ATTENDANCE OF SPECIAL AND ORDINARY COUNCIL MEETINGS: JULY 2018– JUNE 2019

	SURNAME & INITIALS	23 Aug 18 (Ordinary)	06 Dec 18 (Ordinary)	29 Jan 19 (Special)	28 Feb 19 (Special)	28 Mar 19 (Ordinary)	30 May 19 (Ordinary)	Special=2 Ordinary =4 TOTAL = 6		
								ATTEND	APOLOGY	ABSENT
1.	Baloyi M.B	Present	Present	Present	Present	Present	Present	6	0	0
2.	Boloka M.R	Present	Present	Present	Present	Present	Present	6	0	0
3.	Esply F.Z	Present	Present	Present	Absent	Present	Apology	4	1	1
4.	Gumede M.J	Present	Present	Present	Present	Present	Present	6	0	0
5.	Hlungwane F.S	Present	Present	Present	Present	Present	Present	6	0	0
6.	Khotsa K.C	Present	Present	Present	Present	Present	Present	6	0	0
7.	Lamola K.S	Present	Present	Present	Present	Present	Present	6	0	0
8.	Kekana M.J.	Present	Present	Present	Present	Present	Present	6	0	0
9.	Laubscher N.	Present	Present	Present	Present	Present	Present	6	0	0
10.	Magongwa B.N	Present	Present	Present	Present	Present	Present	6	0	0
11.	Mampeule R.D	Present	Present	Present	Apology	Absent	Apology	3	2	1
12.	Maropeng R	Apology	Apology	Present	Apology	Apology	Apology	1	5	0
13.	Mataboge S.M	Present	Present	Present	Present	Apology	Present	5	1	0
14.	Mashamaite T.A	Present	Present	Present	Present	Apology	Apology	4	2	0
15.	Mocke B.	Present	Present	Present	Present	Present	Present	6	0	0
16.	Mogale M.T	Apology	Present	Absent	Absent	Apology	Apology	1	3	2
17.	Majoko S.C	Apology	Present	Present	Apology	Present	Present	4	2	0
18.	Mokwena K.R	Present	Present	Present	Present	Present	Present	6	0	0
19.	Molekwa P.	Present	Absent	Present	Present	Absent	Present	4	0	2
20.	Monama T.E	Present	Present	Absent	Present	Apology	Present	4	1	1
21.	Monene R.N	Present	Present	Present	Present	Present	Present	6	0	0

WATERBERG DISTRICT MUNICIPALITY

ATTENDANCE OF SPECIAL AND ORDINARY COUNCIL MEETINGS: JULY 2018 – JUNE 2019

	SURNAME & INITIALS	23 Aug 18 (Ordinary)	06 Dec 18 (Ordinary)	29 Jan 19 (Special)	28 Feb 19 (Special)	28 Mar 19 (Ordinary)	30 May 19 (Ordinary)	Special=2 Ordinary =4		
								TOTAL = 6		
								ATTEND	APOLOGY	ABSENT
22.	Montane N.S	Apology	Present	Present	Present	Present	Present	5	1	0
23.	Monyamane N.S	Present	Present	Present	Present	Apology	Resignation	4	1	1
24.	Motsepe C.C.S	Present	Present	Present	Absent	Apology	Resignation	3	1	2
25.	Mphahlele S.R	Present	Present	Present	Present	Present	Present	6	0	0
26.	Niewenhuis K.H	Present	Present	Present	Present	Present	Present	6	0	0
27.	Radebe R.M	Present	Present	Present	Present	Present	Present	6	0	0
28.	Satege L.K	Present	Present	Apology	Present	Present	Present	5	1	0
29.	Sebatjane M.P	Apology	Apology	Present	Present	Present	Present	4	2	0
30.	Selokela M.J	Present	Absent	Present	Present	Present	Present	5	0	1
31.	Senosha D.	Present	Present	Present	Present	Present	Present	6	0	0
32.	Senosha S.C.G	Present	Present	Present	Present	Absent	Present	5	0	1
33.	Tefu M.S	Present	Present	Apology	Absent	Absent	Absent	2	1	3
34.	Thobane M.S	Present	Present	Apology	Absent	Present	Present	4	1	1
35.	Tsebe M.A	Present	Present	Present	Present	Present	Present	6	0	0
36.	Kgoshi Kekana L.V	Present	Present	Absent	Apology	Apology	Present	3	2	1
37.	Kgoshi Mahlangu V.N	Present	Absent	Present	Present	Apology	Apology	3	2	1

ATTENDANCE OF PORTFOLIO COMMITTEE – 2018/19

BUDGET AND TREASURY									
	SURNAME & INITIALS	02 Aug 18	31 Oct 18	13 Feb 19	02 May 19	21 May 19 (Special)	TOTAL = 5		
							ATTEND	APO	ABS
1.	Mashamaite T.A	Present	Present	Present	Present	Present	5	0	0
2.	Baloyi M.B	Present	Present	Present	Present	Present	5	0	0
3.	Satege L.K	Absent	Present	Present	Present	Absent	3	0	2
4.	Laubscher N	Apology	Present	Present	Present	Present	4	1	0
5.	Majoko S.C	Present	Apology	Apology	Absent	Present	2	2	1

TRANSFORMATION AND ADMINISTRATION									
	SURNAME & INITIALS	24 July 18	06 Nov 18	12 Feb 19	29 Apr 19	Total = 4			
						ATTEND	APO	ABS	
1	Hlungwane F.S	Present	Present	Present	Present	4	0	0	
2	Monene R.N	Present	Present	Present	Present	4	0	0	
3	Khotsa K.C	Present	Present	Present	Present	4	0	0	
4	Monama T.E	Absent	Present	Absent	Present	2	0	2	
5	Tefu M.S	Present	Present	Absent	Absent	2	0	2	

INFRASTRUCTURE DEVELOPMENT									
	SURNAME & INITIALS	23 July 18	31 Oct 18	11 Feb 19	03 May 19	Total = 4			
						ATTEND	APO	ABS	
1	Radebe R.M	Present	Present	Present	Present	4	0	0	
2	Selokela M.J	Present	Present	Present	Present	4	0	0	
3	Molekwa P	Present	Present	Present	Present	4	0	0	
4	Mocke B	Absent	Present	Present	Present	3	0	1	
5	Motsepe C.C.S	Present	Absent	Present	Apology	2	1	1	

PLANNING AND ECONOMIC DEVELOPMENT								
	SURNAME & INITIALS	25 Jul 18	06 Nov 18	13 Feb 19	30 Apr 19	Total =4		
						ATTEND	APO	ABS
1	Sebatjane M.P	Present	Present	Present	Present	4	0	0
2	Senosha S.C.G	Present	Present	Present	Present	4	0	0
3	Thobane M.S	Present	Present	Present	Present	4	0	0
4	Mampeule R.D	Present	Absent	Present	Present	3	0	1

SOCIAL DEVELOPMENT								
	SURNAME & INITIALS	26 July 18	01 Nov 18	14 Feb 19	02 May 19	Total =4		
						ATTEND	APO	ABS
1	Boloka M.R	Apology	Present	Present	Present	3	1	0
2	Magongwa B.N	Present	Present	Present	Present	4	0	0
3	Mphahlele S.R	Present	Present	Present	Absent	3	0	1
4	Mogale M.T	Present	Apology	Apology	Absent	1	2	1
5	Mahlangu V.N (Kgoshi)	Apology	Apology	Present	Absent			

COMMUNITY SERVICES								
	SURNAME & INITIALS	26 July 18	01 Nov 18	14 Feb 19	03 May 19	Total =4		
						ATTEND	APO	ABS
1	Monyamane N.S	Present	Present	Apology	Present	3	1	0
2	Niewenhuis K.H	Present	Present	Present	Apology	3	1	0
3	Senosha D	Present	Present	Present	Present	4	0	0
4	Kekana M.J	Absent	Present	Present	Present	3	0	1

SPECIAL PROJECTS								
	SURNAME & INITIALS	31 July 18	06 Nov 18	15 Feb 19	03 May 19	Total =4		
						ATTEND	APO	ABS
1	Mokwena K.R	Present	Present	Present	Present	4	0	0
2	Gumede M.J	Present	Present	Present	Present	4	0	0
3	Esply F.Z	Absent	Present	Apology	Absent	1	1	2
4	Maropeng R	Present	Apology	Apology	Absent	1	2	1
5	Kekana L.V. (Kgoshi)	Present	Absent	Apology	Present	2	1	1

APPENDIX B – COMMITTEES & COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Municipal Public Accounts Committee	Accountability and oversight role
Audit Committee	Auditing of financial and non-financial matters
Geographic Names	Changing of names of streets and public institutions
Public Participation	Ensure Public Involvement
Rules & Ethics	Ensure adherence to rule, ethics and legislation
Budget & Treasury	Ensure adherence to MFMA

APPENDIX C– THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Office of the Municipal Manager	Municipal Manager : MM Maluleka
Budget & Treasury Office	Chief Financial Officer : L.G Tloubatla
Infrastructure Development	Manager : G Matlala
Planning & Economic Development	Acting Manager : B. Molekwa
Social Development and Community Services	Acting Manager : P. Makondo
Corporate Support & Shared Services	Manager: G.M Seleka

APPENDIX D– FUNCTIONS OF MUNICIPALITY/ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution	No	
Building regulations	No	
Child care facilities	No	
Electricity and gas reticulation	No	
Fire-fighting services	Yes	
Local tourism	No	
Municipal airports	No	
Municipal planning	Yes	
Municipal health services	Yes	
Municipal public transport	Yes	

Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	No	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	
Storm water management systems in built-up areas	No	
Trading regulations	No	
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	No	

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 5, Part B functions:		
Beaches and amusement facilities	No	
Billboards and the display of advertisements in public places	No	
Cemeteries, funeral parlours and crematoria	No	
Cleansing	No	
Control of public nuisances	No	
Control of undertakings that sell liquor to the public	No	
Facilities for the accommodation, care and burial of animals	No	
Fencing and fences	No	
Licensing of dogs	No	
Licensing and control of undertakings that sell food to the public	No	
Local amenities	No	
Local sport facilities	No	
Markets	No	
Municipal abattoirs	Yes	
Municipal parks and recreation	No	
Municipal roads	No	
Noise pollution	No	
Pounds	No	
Public places	No	
Refuse removal, refuse dumps and solid waste disposal	No	
Street trading	No	
Street lighting	No	
Traffic and parking	No	
* If municipality: indicate (yes or No); * If entity: Provide name of entity		T D

APPENDIX E- WARD REPORTING

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

APPENDIX F1- WARD INFORMATION

Ward Title: Ward Name (Number)

Capital Projects: Seven Largest in 2018/19(Full List at Appendix N)					R' 000
No.	Project Name and detail	Start Date	End Date	Total Value	
	Not applicable	Not applicable	Not applicable	R000	

APPENDIX F2- BASIC SERVICE PROVISION

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery	Not applicable	Not applicable	Not applicable	Not applicable	
Households without minimum service delivery	Not applicable	Not applicable	Not applicable	Not applicable	
Total Households*	Not applicable	Not applicable	Not applicable	Not applicable	
Houses completed in year					

APPENDIX F3- Top Four Service Delivery Priority in a Ward

APPENDIX F3 – Top Four Service Delivery Priorities for Ward (Highest Priority First)		
Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2018/19
	Not applicable	Not applicable
		T F.3

APPENDIX G- Recommendations of the Municipal Audit Committee 2018/19

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2018/19	Recommendations adopted (enter Yes); not adopted (provide explanation)
20 August 2018	Project Status Report: The reasons for not spending on office equipment and IT equipment should be provided.	Adopted and Implemented
	Request for a report on the analysis of Overtime for the Municipality.	Adopted and Implemented
	Management should review the 4 th quarter Performance Report and send an addendum to the Audit Committee.	Adopted and Implemented
	The Chief Internal Auditor should include the following projects in the Annual Internal Audit Plan: Payroll; Disaster Management and Environmental Health.	Adopted and Implemented
29 August 2018	WEDA: The AC request that an Accounting Officers report be drafted indicating implementation plan and by when will the agency be fully functional.	Adopted and Implemented
20 November 2018	Performance Management: Provide explanations for indicators that are not achieved.	Adopted and Implemented
	The Audit Committee Charter be updated with inputs made before it can be tabled to Council for approval.	Adopted and Implemented
15 March 2019	A report on the Investment Portfolio for the Municipality and the Municipality's Investment Policy.	Adopted and Implemented
	An Overtime audit project to be added to an audit plan and the Payroll audit to be withdrawn.	Adopted and Implemented
	Risk Management Committee Chairperson should attend Audit Committee meeting to discuss challenges facing the Risk Management Committee.	Adopted and Implemented
30 April 2019	Risk Management reports should include the Risk Register, Risk Strategy and Risk Management Implementation Plan.	Adopted and Implemented
	Unauthorised Irregular and Fruitless expenditure should be a standing item on the Audit Committee agenda.	Adopted and Implemented

APPENDIX H – Long Term contracts and Public Private Partnership

APPENDIX J- Disclosure of Financial interest

APPENDIX K- Revenue Collection Performance By Vote and By Source

See the attached 2018/19 Audited Annual Financial Statement

APPENDIX K (ii) – Revenue Collection Performance By Source

See the attached 2018/19 Audited Annual Financial Statement

APPENDIX L – Conditional Grants Received: Excluding MIG

See the attached 2018/19 Audited Annual Financial Statement

APPENDIX M- Capital Expenditure – New & Upgrade/ Renewal Programmes

See the attached 2018/19 Audited Annual Financial Statement

APPENDIX M – Capital Expenditure – New Assets Programme

See the attached 2018/19 Audited Annual Financial Statement

APPENDIX N –Capital Programme by Project 2018/19

Not applicable

APPENDIX O - Capital Project by Ward 2018/19

Capital Programme by Project by Ward 2017/18		
		R' 000
Capital Project	Ward(s) affected	Works completed (Yes/No)
Water	N/A	
"Project A"	N/A	
Sanitation/Sewerage	N/A	
Electricity	N/A	
Refuse removal	N/A	
Economic development	N/A	
Environment	N/A	
Health	N/A	
Safety and Security	N/A	

APPENDIX P – Services Connection Backlogs at schools and Clinics

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
Not applicable	NA	NA	NA	NA
Clinics (NAMES, LOCATIONS)				
Not applicable	NA	NA	NA	NA
Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.				T P

APPENDIX Q – Service Backlogs Experienced by the Community where another Sphere of Government is responsible for Service Provision

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics:	N/A	
Housing:		
Licencing and Testing Centre:	N/A	
Reservoirs		
Schools (Primary and High):	N/A	
Sports Fields:	N/A	
		T Q

APPENDIX R –Declaration of Loan and Grants made by the Municipality

Declaration of Loans and Grants made by the municipality 2018/19				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2018/19 R' 000	Total Amount committed over previous and future years
None	None	None	None	None
* Loans/Grants - whether in cash or in kind				T R

APPENDIX S – Declaration of Return not made in Due Time under MFMA s71

APPENDIX T Presidential outcome for local Government

APPENDIX U - Audited Annual Financial Statements 2018/2019

See the attached 2018/19 financial statement