



EPHRAIM  
MOGALE LOCAL  
MUNICIPALITY

**ANNUAL  
REPORT  
2015-16**

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## CHAPTER 1: MAYOR'S FORWARD AND EXECUTIVE SUMMARY

The EPMLM's annual report for the period 1 July 2015 to 30 June 2016 is presented in compliance with Treasury Regulations and according to 121 of the Municipal Finance Management Act 56 of 2003 and read with section 46 of the Municipal Systems Act of 2000. The Annual Report serves as a communication tool for providing broad information on activities carried out and services provided, and for comparing actual service delivery with projected service delivery. The information in this annual report will inform the community, and the wider public assess how the municipality has performed in relation to stewardship of community needs, efficiency, effectiveness, and cost-effectiveness of operations. Chapter 1 of the report provides Mayor's forward and an overview of the Municipal Manager with a brief summary of key service delivery essentials.

### COMPONENT A: MAYOR'S FOREWORD

#### 1.1 MAYOR'S FOREWORD

##### a. Vision

Viable and sustainable municipality that provides quality services and enhance economic growth.

##### b. Key Policy Developments

This report follows four years after the remarkable year of the local government elections (2011). These elections presented the Municipality with a challenge to review and assess whether a positive impact and a shift in the development of our communities has been made, in terms of the Council's existing vision and strategy. The review process required an innovative way of looking at issues at large. A new focus is on optimizing organizational performance to ensure a move towards organizational culture that adapts more easily to change.

Despite all challenges we will strive to continue rendering high quality services to our communities during 2016/2017 financial year. The Municipality committed itself to the principles of innovation and improved service delivery to take us forward into the future. EPMLM have obtained a qualified audit opinion during the 2015/2016 financial year.

##### c. Key Service Delivery Improvements

In the year under review the municipality successfully completed the following capital projects:

- Construction of Elandskraal Internal Streets.
- Construction of Puleng Internal Streets.

- Construction of Matilu Internal Streets.
- Construction of Moganyaka Internal Streets.
- Construction of Mohlalaotwane Internal Streets.
- Construction of Dichoeung Internal Streets.
- Concrete fencing of Marble Hall graveyard
- Fencing of seven cemeteries in the villages of Ga Masha , Malebitsa , Mmaneng, Ngwalemong A, Selebaneng , Tsimanyane, Mkganyaka.

#### **d. Public Participation**

The municipality has developed an annual public participation program. The program targets all 16 wards and specific villages. These meetings afford politicians opportunity to report back on progress made and direct contact with ordinary community members. The Municipality continued to develop and improve mechanisms to ensure a culture of participative governance as a priority. Cluster- Based consultation has been adopted as a form of participatory community action linked to the Integrated Development Planning (IDP) process. Ward committees enhances a more effective communication between the council and the community.

#### **e. Future Actions**

The speaker's office facilitated constant interaction with the communities by quarterly ward committee meetings with their constituencies, to get the problems encountered in their wards. The mayor's office also embarks on the mayoral outreach programs focusing on focal groups, i.e. women, children, disabilities, etc.

#### **f. Agreements / Partnerships (announcements on special partnerships initiated)**

During the period under review Classy Funeral Brokers allocated the municipality with 12 trophies for achieving top learners and Econ Oil & Energy also allocated 10 laptops for achieving top learners. This is part of our programme to interact with other State Owned Enterprises and the Private Sector to concluded meaningful partnerships that will be beneficial to both our municipalities and communities. In the anticipated future we hope this will lead to joint programmes and projects.

#### **g. Conclusion**

Whilst we acknowledge the progress made, we are also very conscious about the fact that some segments of communities are still living in depressing poverty, we remain committed and determined to persevere in realising the key focus areas that Council adopted in the IDP 2012- 2017. In terms of



our Vision, the Municipality wants to thank the community of EPMLM as well as all other stakeholders for their will to participate in the affairs of the Municipality. We appeal to all our stakeholders to continue to do so, by joining hands with the Municipality in an effort to make EPMLM “**Viabale and sustainable municipality that provides quality services**” .

**Table 1: Comparison of the two financial years; 2014/2015 and 2015/2016**

Ref No	KPA	2014/15			2015/16		
		Total KPI's Assessed	Targets Achieved	% Target Achieved	Total KPI's Assessed	Targets Achieved	% Target Achieved
1	Spatial Rationale	5	3	60%	9	4	44,4%
2	Basic Service Delivery and Infrastructure Development	4	3	75%	54	26	48,1%
3	Local Economic Development	35	30	86%	6	5	83,3%
4	Municipal Transformation and Institutional Development	47	31	66%	39	21	53,8%
5	Municipal Financial Viability and Management	9	7	78%	8	7	87,5%
6	Good Governance and Public Participation	16	13	81%	20	11	55,0%
	<b>Total</b>	<b>116</b>	<b>87</b>	<b>75%</b>	<b>136</b>	<b>74</b>	<b>54.4%</b>

All gratitude goes to the team (Executive Committee, Speaker, Chief Whip, and all Councilors, the Municipal Manager and Senior Managers, as well as the rest of the staff. Without the determination and commitment shown, EPMLM's vision would have never been realised.

(Signed by : 

**Mayor: Kupa R**

## COMPONENT B: EXECUTIVE SUMMARY


### 1.1 MUNICIPAL MANAGER'S OVERVIEW



The preparation and publication of the Annual Report is a legislative requirement as per Section 46 of the Municipal Systems Act (MSA) 32 of 2000 and Section 121 of the Municipal Finance Management Act (MFMA) 56 of 2003. Section 46 (1) and (2) outlines the frequency of the Annual Report and what should be reflected therein; whilst Section 121 of the MFMA provides timeframes within which the report should be prepared and made available for perusal by the council and its committees. It further set out latest date by which the report should be approved by council and then ultimately be adopted and publicized an official service delivery report of the municipality. Again, in terms of section 121 of the MFMA the purpose of an annual report is:

- (a) To provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates;
- (b) To provide a report on performance against the budget of the municipality or municipal entity for that financial year; and
- (c) To promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.

Accordingly, my main role as an accounting officer in the preparation of this report was to ensure that the report is completed timely and that it accurately recount the key activities undertaken in the year reported hereon, giving a clear indication of achievements, non-achievement, challenges and opportunities realized in the course of undertaking such activities. On top of my mind; such achievements includes the improved audit opinion and the 100% MIG spending and successful completion of capital projects thereof. Amidst such achievement, there were challenges which we honestly reflected in the report. Of great importance is the fact the municipality has developed strategies to forge a successful way-forward in dealing with such challenges – thus giving me confidence that Ephraim Mogale Municipality will grow strong and continue to realise its vision in relation to the core business of the municipality which is service delivery to our people.

  
MATHEBELA MIM  
MUNICIPAL MANAGER

## 1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

The name of the municipality was changed to Ephraim Mogale Local Municipality by an amendment of section 12 notice in Provincial Gazette No 1721 by General notice 10 of 2010 on 28 January 2010 with new logo and slogan - RE HLABOLLA SETSHABA which means "We develop our people".

The EPMLM is composed of former Marble Hall New City council, Moutse West, Leeuwfontein/Moganyaka, portion of former Hlogotlou/Lepelle TRC, portion of former Greater Nebo North TRC, the entire area of former Middle Lepelle TRC, portion of Naboomspruit / Roedtan, Thusang TLC area and part of the former Springbokvlakte TLC.

The Municipality was established soon after the elections in December 2000 in terms of section 12 notice no.302 dated 1 October 2000. The municipality was a cross boundary municipality which comprises of 16 villages, Marble Hall town and farming areas in Mpumalanga and 2 Townships and 47 villages in Limpopo. The municipality has been incorporated in Limpopo province in accordance with proclamation no.422 dated 27 December 2005.

Ephraim Mogale Local Municipality, formerly known as Greater Marble Hall Local Municipality is a local municipality (category B4) within the Sekhukhune District Municipality, in Limpopo. The municipality's new name was adopted in January 2010 with a new slogan that says "Rehlabolla setshaba", meaning "We develop our people". The municipality is named after the struggle hero Ephraim Mogale. The municipality borders Makhuduthamaga Local Municipality in the south, Elias Motsoaledi Local Municipality in the east, Lepelle-Nkumpi Local Municipality in Capricorn District, Mookgopong Local Municipality in Waterberg and Mpumalanga's Dr. JS Moroka Local Municipality. It is situated about 150 km from Polokwane, 100 km from Mokopane, 145 km from Pretoria, and 250 km from Mbombela. The municipality is the second smallest of the five local municipalities in the district, constituting 14, 4% of the area with 1 911, 07 square kilometers of the district's 13 264 square kilometres. Land ownership is mostly traditional and the municipality is predominantly rural with about 56 settlements, most of which are villages. The municipality has 16 wards.

Municipal Powers and Functions		
Air Pollution	Building regulations	Local tourism
Child care facilities	Electricity reticulation	Public places
Municipal airport	Storm water	Refuse removal refuse dumps and solid waste disposal
Municipal planning	Trading regulations	Street trading
Municipal Public Transport	Beaches and amusement facilities	Street lighting
Pontoons & Ferries	Registration authority	Traffic and parking
Municipal parks and recreation	Local amenities	Facilities for the accommodation, care and burial of animals
Municipal roads	Local sports facilities	Fencing and fences
Noise pollution	Markets	Licensing of dogs
Pounds	Municipal Abattoirs	Licensing and control of undertakings that sell food to the public
Control of undertakings that sell liquor to the public	Control of public nuisance	Cleansing
Cemeteries, funeral parlours and crematoria	Billboards and the display of advertisements in public places	

Table 3: the table above depicts the powers and function of the municipality.

Municipal Population			
Population	2011	2001	Households
Total	123082	121327	Total
			2011
			24189

Table 4: the table above depicts Municipal Population according to census 2011 Household

## Natural Resources

Natural Resources	
Major Natural Resource	Relevance to Community
Land	Agricultural and Human Settlement
Dam	Tourism attraction, Agricultural use and Consumption
Minerals	Economic Empowerment and job creation
T 1.1.2.7	

### Ephraim Mogale Local Municipality Is Established to Perform the Following Functions:

- Municipal transformation and organizational development
- Basic service delivery and infrastructure
- Local economic development
- Financial viability
- Good governance and public participation
- Spatial Rationale

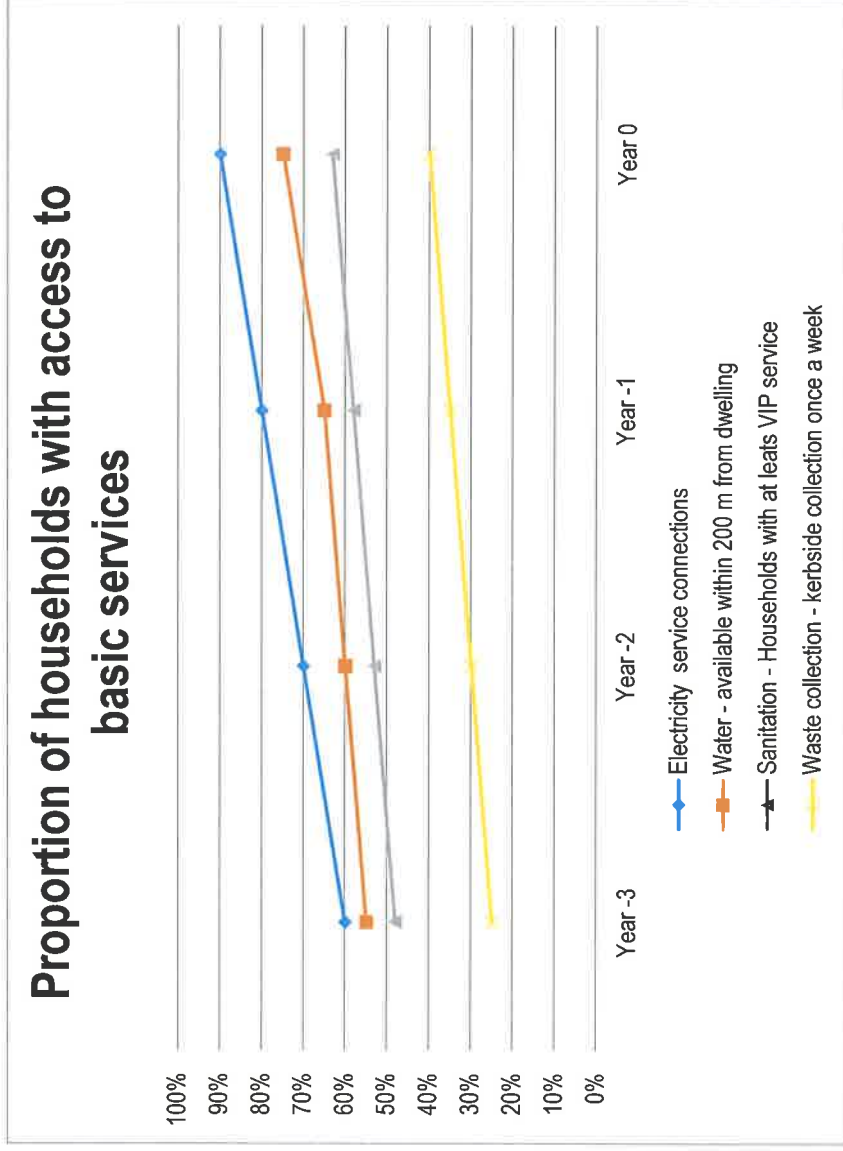
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## 1.3 SERVICE DELIVERY OVERVIEW

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The municipality's core business is to provide safe and sound road infrastructure network and uninterrupted electricity network to its community. Water and Sanitation are provided by Sekhukhune District Municipality and electricity is provided by Eskom in the rural parts of the municipality.

Proportion of Households with minimum level of Basic services				
	Year -3	Year -2	Year -1	Year 0
Electricity service connections				
Water - available within 200 m from dwelling	60%	70%	80%	90%
Sanitation - Households with at least VIP service	55%	60%	65%	75%
Waste collection - kerbside collection once a week	48%	53%	58%	63%
	25%	30%	35%	40%



## The Backlog on Services

With regard to the provision of free basic water, SDM is providing to approximately 90% of households.

**Water**

EPMLM Households	28 313	%Backlog	87%
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**Sanitation**

The provision of sanitation in EPMLM faces considerable challenges at present. The situation is more of a concern that it was the cases with water.

The municipality has different households that use different types of toilet facilities. In town the municipality uses flushing toilets while in the rural areas there are few households that use flushing toilets. The rest of the population in the rural areas of the municipality use pit latrines.

EPMLM Households	29 346	%Backlog	90%
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**Electricity**

EPMLM Households	33 936	Backlog	909
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**Public lighting backlog**

EPMLM Villages	56	Backlog	39
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**1.4 FINANCIAL HEALTH OVERVIEW**

Financial Overview – 2015/2016			
Details R'000	Original Budget	Adjustment Budget	Actual
Income	102 461	98 405	96 034
Grants	154 713	177 725	168 270
Taxes, levies and tariffs	0	0	0
Other	0	0	0
<b>Sub-Total</b>	<b>257 174</b>	<b>276 130</b>	<b>264 304</b>
Less Expenditure	283 016	298 835	196 668
<b>Net Total</b>	<b>(25 841)</b>	<b>(22 705)</b>	<b>67 636</b>

**Operating Ratios**



Detail	%
Employee Costs	95%
Repairs & maintenance	62%
Finance charges and Depreciation	102%

KPA and Indicator	Municipal Achievement		
	2013/14	2014/15	2015/16
Cost coverage (Total operating revenue –operating grants received)/ debt service payments due within a year	5.3	3.9	2.4
Service debtors to revenue –(Total outstanding service debtors/ revenue received for services)	0.2	0.4	0.9
Cost coverage ( Available cash +investments)/ Monthly fixed operating expenditure	0.6	0.9	1
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	51%	55%	73%

#### 1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW



Human resource services for the municipality are reasonably effective and efficient, and relatively meet the expectations of the community at large. The department is responsible for attracting skilled workforce, motivating workforce to perform the required tasks and continuous capacity building of personnel

Category	Number	year 2015/2016
Total posts on the organogram	269	
Total number of employees	232	
Total number of vacancies	37	
Number of terminations	0	
Number of retirements	2	
Resignations	2	
Death	1	
Contract ended	1	
Retention/Promotions	3	

#### Committees Established to Strengthen Human Resource Management

- OHS Committee
- EAP Committee
- Employment Equity Committee
- Training Committee
- Local Labour Forum
- Editorial Committee
- Housing Committee
- Essential Services Committee

#### Bursaries Awarded

NO	Names	Ward	Village	School	Project	Year	Institution	Outcome	Cost
1	Matlala Thabang	12	Mmakgatl e	St Paul	BSC in Biology & Agricultural Science	2016	University of Pretoria	Final year	R55 000.00
2	Maluleka Johana P	08	Moganya ka	Ngwanakw ena	BSC in Agriculture & Plant Production	2016	University of Limpopo	Third year	R39 400.00
3	Magaela Glotinah Puseletso	08	Moganya ka	Ngwanakw ena	BSC in Agriculture & Plant Production	2016	University of Limpopo	Third year	R52 679.00
4	Mphetu Danies	15	Elandskr aal	Lepelle	BSC Mathematical Science	2016	University of Pretoria	Third	R55 000.00
5	Mogadima Baron Moekaneng	11	Rakgoadi	Mokoneam abula	Civil Engineering	2016	University of Johannesburg	Second year	R32 424.88
6	Malope Zanele	08	Leeuwfontein	Mahlonteb e	Becom Economics & Management	2016	University of Limpopo	Second year	R38 328.97
7	Makeke Charity M	12	Mabitsi A	Puputle	Diploma in Accounting	2016	Tshwane University of Technology	Third year	R15 929.22
8	Nkoana Seleka KP	01	Malebitsa	Kgagatlou	MBCHB Degree	2016	Sefako Makgato Health Science University	Second year	R91 703.00
9	Maserumule Modibo Wendy	11	Rakgoadi	Ngwanamashile	BSC in Financial Mathematics	2015	University of North West	First year	R39 578.72
10	Moeng Cornelius G	11	Rakgoadi	Mokoneam abula	Bachelor in Mining Engineering	2015	University of Pretoria	First year	R44 058.33
11	Kgwale Lesly	08	Moganya ka	Ngwanakw ena	Bachelor of Science Biology Chemistry	2015	University of Venda	First year	R34 860.00
12	Napo Fortunate Rorisang	02	Keerom	St Paul	B,Com Financial Services	2015	University of Pretoria	First year	R55 000.00

NO	Names	Ward	Village	School	Project	Year	Institution	Outcome	Cost
13	Chidi Thabiso Polone	15	Elandskraal	Lepelle	MBCHB Degree	2015	University of Stellenbosch	First year	R42 844.50
14	Hopyani Kagiso G	16	Letebejena	Kotole	LLB Degree	2015	University of Johannesburg	First year	R47 532.05
15	Matlala Pinyana Khutso	11	Makhutso	Moreri Choenyana	BSC in Life Science	2015	Sefako Makgato Health Science University	First year	R55 000.00
16	Mmakola Mathome Otto	11	Rakgoadi	Mokoneamabula	Bachelor of Science	2015	University of Witwatersrand	First year	R59 606.00
17	Tiaka Mpho Letlakane	10	Mmakgatlhe	Hututu	Bachelor of Science	2016	University of Witwatersrand	First year	R86 501.00

#### 1.6 AUDITOR GENERAL REPORT

The Municipality committed itself to the principles of innovation and improved service delivery to take us forward into the future. EPMLM have obtained a qualified audit opinion during the 2015/2016 financial year.

See Chapter 6: Auditor-General Report 2015/16

#### 1.7 STATUORY ANNUAL REPORT PROCESS

Table 16: statutory annual report process

No	Activity	Date	Responsibility
1	Finalise 4 <sup>th</sup> quarter report for previous financial year	July 2016	Management /Municipal Manager
2	Submit draft annual report to internal audit and Auditor General	August 2016	Municipal Manager
3	Audit/Performance Committee considers draft annual report of Municipality	August 2016	Municipal Manager
4	Mayor tables the unaudited annual report	August 2016	Mayor
5	Municipality submits draft annual report, including the consolidated annual financial statements and the performance report, to the Auditor General	August 2015	Municipal Manager
6	Auditor General assesses draft annual report, including the consolidated annual financial statements and performance data	August – 28 November 2016	Auditor General
7	Municipalities receive and start to address the Auditor General's Comments	November 2016	Municipal Manager
8	MPAC Committee assesses the annual report	March 2017	MPAC Chairperson
9	Mayor tables annual report and audited financial statements to council, complete with the Auditor General's Report	January 2017	Mayor
10	Audited annual report is made public and representation is invited	January 2017	Municipal Manager
11	Council adopts oversight report	March 2017	Council
12	Oversight report is made public	April 2017	Municipal Manager
13	Oversight report is submitted to relevant provincial councils	April 2017	Municipal Manager

It is also a compliance issue to meet the deadlines, as non-compliance will result in a negative audit opinion for the municipality. Meeting deadlines also assists with receiving feedback,

comments and inputs from relevant stakeholders, and helps with rectifying mistakes whilst learning good practice at the same time.

The alignment of IDP, budget and the performance system is important, as the three documents are the strategic documents of the municipality. They serve as a guiding tool to determine whether the municipality is working towards achieving its set goals and objectives, while using the budget in the correct manner, so as to avoid wasting public funds. This is done through the performance management, where there will be quarterly reporting about the performance of the municipality and whether the budget is still aligned to the set objectives, or if it is being spent on something that is not helping achieve set objectives and goals. Performance management helps to give an early indication of non-performance, and allows for the taking of corrective measures as soon as possible.

## CHAPTER 2 - GOVERNANCE

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## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Constitution section 151 (3) states that the council of municipality has the right to govern on its own initiative, the local government affairs of the local community. EPHMLM Council comprises of the political and administrative components responsible for decision-making and implementation respectively. The Mayor is the political head of the Institution and the Speaker is the head of council. The Municipality has all the powers assigned to it in terms of the Constitution as well as relevant national and provincial legislations. The municipality has the authority to take any possible actions to effectively exercise powers assigned to it.

### Overview

The municipality is a category B municipality with an Executive Committee system with 32 Councillors, 16 ward Councillors and 16 PR Councillors. The municipality has 6 full time Councillors, namely the Mayor who heads the Executive committee, the Speaker who is head of Council, the Chief Whip, and two executive committee members. The Executive Committee consist of 6 members including the Mayor. The 5 members of the executive committee are heads of each of the portfolio committees namely, Budget & Treasury Office, Infrastructure Services, Corporate Services, Community Services and Planning & Economic Development. The Chairpersons of each of this committees form the Chairperson of Chairpersons committee

All items emanating from the 5 departments are submitted to Executive committee and recommendations from executive committee are submitted via the portfolio committees to council for consideration.

The municipality have an Audit committee that provides opinions and recommendations on financial processes and performance and provides comments on the annual report to MPAC a committee established to provide council with an oversight report on the annual report. The oversight report get published once it has been considered by Council for comments by members of the public.

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### 2.1. POLITICAL GOVERNANCE

The municipality is composed by the Mayor Cllr Mmakola MY, Speaker Cllr Modisha LB and 06 Executive committee members and other councillors. There are also Section 80 & 79 committees that process all the issues before they go to council.

The Municipality consists of 32 councillors, of both elected (ward representatives) and proportional (councillors). Each of the ward councillors chairs a ward committee as part of the Ward Precatory System that brings participation down to community level. Ward councillors play a central role in the communication process between the communities they represent and the council, reporting back regularly through ward meetings and assisting the community in identifying needs and priority areas of development which feed into the municipalities planning process. The new demarcation increases the wards from 14 to 16 and from 27 councillors to 32 respectively. A full list of Councillors is attached as Appendix A, while appendix B sets out committees and their purposes.

It must be noted though that some Councillors were replaced by others during the financial year under review, for different reasons. The following Councillors were affected:

Surname & Initials	Party	Reason	Replacement
Cllr Monyamane E M	ANC	Resigned	Cllr N. Phahlane
Cllr Sebothoma O E	ANC	Deceased	Cllr J. Kekana
Cllr Matabane	MP	Deceased	Cllr Mothwa N M
Cllr Esson B A	DA	Deceased	Cllr R. Lentsoane

#### Executive Committee

The Mayor of the Municipality, Councillor Mmakola MY, assisted by the Executive Committee, heads the executive arm of the Municipality. Although accountable for the strategic direction and performance of the Municipality, the Mayor operates in consultation with the Executive Committee.

MAJORAL COMMITTEE
EXECUTIVE COMMITTEE
<ul style="list-style-type: none"> <li>• Cllr. M Y Mmakola</li> <li>• Cllr. F. Matlala,</li> <li>• Cllr. M.G. Phefadi,</li> <li>• Cllr. T.S. Makitla,</li> <li>• Cllr. S.T. Mahlobogoane,</li> <li>• Cllr E.M. Monyamane / Cllr K. Seoka</li> </ul>

The table below categorises the Councillors within their specific political parties and wards for the 2015/2016 financial year:



Surname & initials	Position	Party	Contacts
Cllr Mmakola M Y	Mayor	ANC	082 575 5363
Cllr Modisha L B	Speaker	ANC	082 575 5207
Cllr Ratau M F	Chiefwhip	ANC	082 578 0256
Cllr Monyamane E M /Cllr N. Phahlane	EXCO	ANC	072 260 3717
Cllr Matlala F	EXCO/Ward Councillor	ANC	082 575 6617
Cllr Mahlobogoane S T	EXCO	ANC	082 764 1429
Cllr Phefadi M G	EXCO/PR	DA	076 092 4415
Cllr Makitla T S	EXCO/PR	MP	073 636 3967
Cllr Bokaba H S	Ward Councillor (1)	ANC	083 359 8111
Cllr Kekaka M M	Ward Councillor (2)	ANC	073 628 2333
Cllr Ranoto P	Ward Councillor (3)	ANC	072 491 2982
Cllr Sebothoma O E / Cllr J. Kekana	Ward Councillor (4)	ANC	082 587 5283
Cllr Matlala F	Ward Councillor (5)	ANC	082 575 6617
Cllr Tshiguvho E M	Ward Councillor (6)	ANC	076 383 7656
Cllr Mphahlele L J	Ward Councillor (7)	ANC	073 134 5467
Cllr Makanyane G N	Ward Councillor (8)	ANC	079 966 5551
Cllr Ndobeni N R	Ward Councillor (9)	ANC	079 176 7256
Cllr Morwaswi E M	Ward Councillor (10)	INDEPE NDENT	076 236 8921
Cllr Seoka K M	Ward Councillor (11)	ANC	082 719 1740
Cllr Phala M G	Ward Councillor (12)	ANC	076 091 8774
Cllr Mashego B G	Ward Councillor (13)	ANC	072 146 4994



Surname & Initials	Position	Party	Contacts
Clr Chauke M S	Ward Councillor (14)	INDEPE NDENT	079 856 2769
Clr Bogopa J H	Ward Councillor (15)	ANC	073 422 0326
Clr Sehlola E T	Ward Councillor (16)	ANC	082 723 3290
Clr Molotshwa F K	PR Councillor	PAC	073 215 6106
Clr Nchabeleng M J	PR Councillor	COPE	073 504 3771
Clr Mampane /Clr Mothwa N M	PR Councillor	MP	076 212 3429
Clr Mamogobo S C	PR Councillor	ANC	073 432 0566
Clr Mokonyane M J	PR Councillor	MP	071 457 1010
Clr Seono M R	PR Councillor	ANC	082 575 5274
Clr Esson B A /Clr R. Lentsoane	PR Councillor	DA	073 377 8640
Clr Mabaso W M	PR Councillor	ANC	079 264 0800
Clr Kekana K N	PR Councillor	ANC	079 681 9533

## 2.2 ADMINISTRATIVE GOVERNANCE

## Introduction

The administration is headed by the Municipal Manager who is the accounting officer and have 5 departments, namely; Budget & Treasury, Infrastructure Services, Corporate Services, Community Services and Planning & Economic Development headed by section 56 Managers who report directly to the Municipal Manager. Internal Audit division has been established and the Chief Internal Auditor reports directly to the Municipal Manager. Senior Management as well as Management meetings are held to co-ordinate service delivery and evaluate and monitor performance of the administration. Evaluation and Adjudication bid committees are in place to ensure that tenders are dealt with in terms of supply chain management processes to ensure that projects are implemented in accordance with Budget/IDP/SDBIP.

## Ephraim Mogale Local Municipality Top Management

Designation	Name	Gender	Competency
Municipal Manager	Monica Mathebela	F	BED Hons; CPMD; Certificate in Human Resources; Higher Diploma in Education
Director Corporate Services	Makoko Lekola	M	BA, Certificate in Business Management, MFMP, Certificate in Government Communication & Marketing, Certificate in Supply Chain Management
Chief Financial Officer	Khabo Ramosibi	F	CPMD; National Diploma in Cost Management & Accounting; Certificate in Business Skills; Certificate in Supply Chain Management
Director Economic Development and Planning	Vacant		
Director Infrastructure Services	Mahubila Radingwana	F	B-Tech Transport Management (Civil); B-Tech Environmental Engineering; Diploma in Transport Management; Certificate in Supply Chain Management;
Director Community vices	Vacant		

## Portfolio Committee's

Section 80 committees are permanent committees that specialise in a specific functional area of the municipality and may in some instances make decisions on specific functional issues depending on whether delegations have been granted to them. They are appointed to advise the mayor on policy matters and any other matter to be considered by the mayor. Section 79 committees are permanent committees appointed to advise the Municipal Council.

The name and portfolio of each Member of the Executive Committee is listed in the table below for the period 01 July 2015 – 30 June 2016:

Corporate Services Portfolio Committee			
No.	Name of councillors	Designation	Cell numbers
1	Cllr N R Ndobeni	Chairperson	0791767256
2	Cllr M E Morwaswi	Member	0762368921
3	Cllr L J Mphahlele	Member	0731345467
4	Cllr F K Molotshwa	Member	0732156106
5	Cllr B G Mashego	Member	0721464994
6	Cllr S C Mamogobo	Member	0734320566
7	Kgoshigadi M.P. Rahlagane	Royalty	0768621976
8	Cllr F Matlala	EXCO member	0825756617
Budget and Treasury Portfolio Committee			
1	Cllr W M Mabaso	Chairperson	0792640800
2	Cllr B A Esson	Member	0733778640
3	Cllr K N Kekana	Member	0796819533
4	Cllr M M Kekana	Member	0736282333
5	Cllr M J Mokonyane	Member	0714571010
6	Cllr S T Mahlobogoane	EXCO Member	0827641429
7	Kgoshi P.K. Kekana	Royalty	N/A
Planning and Economic Development Portfolio Committee			
1	Cllr E T Sehlola	Chairperson	0827233290
2	Cllr G N Makanyane	Member	0799665551
3	Cllr M J Nchabeleng	Member	0735043771
4	Cllr J H Bogopa	Member	0734220326

5	Cllr O E Sebothoma	Member	0825875283
6	Cllr Tshighuvho E.M.	Member	076 383 7656
7	Cllr T Makitla	EXCO Member	0736363967
<b>Community Services Portfolio Committee</b>			
1	Cllr M R Seono	Chairperson	0825755274
2	Cllr E M Tshiguvho	Member	076 383 7656
3	Cllr N Z Mampane / <b>Cllr N.M. Mothwa</b>	Member	0762123429
4	Cllr M S Chauke	Member	0798562769
5	Cllr M G Phefadi	EXCO Member	0760924415
6	Cllr B G Mashego	Member	0721464994
7	Kgoshi M.M. Matlala	Royalty	0721719416
<b>Infrastructure Portfolio Committee</b>			
1	Cllr K M Seoka	Chairperson	0827191740
2	Cllr N Z Mampane / <b>Cllr N.M. Mothwa</b>	Member	0762123429
3	Cllr K N Kekana	Member	0796819533
R	Cllr P Molotshwa	Member	0732156106
5	Cllr H S M Bokaba	Member	0833598111
6	M.E. Monyamane	EXCO Member	072 260 3717
7	Kgoshi M Mashung	Royalty	N/A
<b>Chairperson of Chairpersons</b>			
1	Cllr P Ranoto	Chairperson	0724912982
2	Cllr K M Seoka	Member	Infrastructure Services 0827191740

3	Cllr E T Sehlola	Member	Planning and ED	0827233290
4	Cllr W M Mabaso	Member	Budget & Treasury Office	0792640800
5	Cllr M R Seono	Member	Community Services	0825755274
6	Cllr N R Ndobeni	Member	Corporate Services	0791767256
7	Cllr M G Phala	Chairperson	MPAC	0760918774

#### Rules and Ethics Committee

1	Cllr L B Modisha	Chairperson		0825755207
2	Cllr O E Sebothoma	Member		0825875283
3	Cllr M G Phala	Member		0760918774
4	Cllr E T Sehlola	Member		0827191740
5	Cllr M M Kekana	Member		0736282333
6	Cllr F K Molotshwa	Member		0732156106
7	Kgoshi Lehwelere-Matlala M.A	Royalty		0845530220

#### Municipal Public Accounts Committee

1	Cllr M G Phala	Chairperson		0760918774
2	Cllr B G Mashego	Member		0721464994
3	Cllr M J Nchabeleng	Member		0735043771
4	Cllr J H Bogopa	Member		0734220326
5	Cllr M M Kekana	Member		0736282333
6	Cllr O E Sebothoma	Member		0825875283
7	Cllr K N Kekana	Member		0796819533
8	Cllr S C Mamogobo	Member		0734320566

9	Cllr M J Mokonyane	Member	0714571010
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## COMPONENT B: INTERGOVERNMENTAL RELATIONS

### 2.3 INTERGOVERNMENTAL RELATIONS

#### Introduction

There are platforms established to maintain relationship between all three spheres of government. The purpose of the platforms is consultation with various interest groups and all other key stakeholders to insure that sectorial issues and projects are well captured within the IDP of the municipality for implementation.

#### 2.3.1. District and Provincial Intergovernmental Structures

District and Provincial Intergovernmental Structures	Provincial Intergovernmental Structures
<ul style="list-style-type: none"> <li>• District Monitoring and Evaluation forum</li> <li>• Mayor's forum</li> <li>• Municipal manager's forum</li> <li>• Debt forum</li> <li>• CFO's forum</li> <li>• IDP forum</li> </ul>	<ul style="list-style-type: none"> <li>• Provincial Monitoring and Evaluation forum</li> <li>• Premier mayor's forum</li> <li>• Municipal Manager's forum</li> <li>• Debt forum</li> <li>• CFO's forum</li> <li>• IDP forum, etc</li> </ul>

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION



The Council performs the legislative functions. They focus on legislative, oversight and participatory roles, and have delegated its executive function to the Mayor and the Executive Committee. Their primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, councillors are also actively involved in community work and the various social development programmes in the Municipal Area.

## 2.4 PUBLIC MEETINGS

Public Meetings
Nature and purpose of meeting held in 2015/16
Draft IDP/Budget Consultations
Draft Annual Report Consultations
Back to Basics
Mayoral Outreach
Batho-Pele Build-up Programmes
T 2.4.3

### Communication, Participation and Forums

Local Government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments, all impose an obligation on Local Government communicators and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

The communities, on the other hand, have a right and a responsibility to participate in local government affairs and decision-making and ample provision is made in the above-mentioned legislation for them to exercise their right in this respect. Our democratic government is committed to the principle of **Batho Pele** and this, means that those we elect to represent us (Councillors at the municipal level) and those who are employed to serve us ( municipal officials at municipal level) must always put people first in what they do.

South Africa has adopted a system of developmental local government, which addresses the inequalities, and backlogs of the past while ensuring that everyone has access to basic services, to opportunities and an improved quality of life. To be successful, communications must focus on the issues that are shown to impact on the residents' perceptions, quality of service, and value for money and efficiencies. They should ideally look to close the communication-consultation loop.

Good customer care is of fundamental importance to any organisation, and analysis here shows that local residents view the municipality's people relations in a negative light. A successful Communication Strategy therefore links the people to the municipality's programme for the year.

Below is a communication checklist of the compliance to the communication requirements:

Communication Activity	Yes/No
Communication Unit	Yes
Communication Strategy	Yes
Communication Policy	Yes
Customer Satisfaction Surveys	Yes
Functional Complaint Management Systems	Yes
Newsletters distributed at least quarterly	4 Quarters

Section 16 of the Municipal Systems Act (MSA) refers specifically to the development of a culture of community participation within municipalities. It states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance. For this purpose it must encourage and create conditions for the local community to participate in the affairs of the municipality. Such participation is required in terms of:

- the preparation, implementation and review of the IDP;
- establishment, implementation and review of the performance management system;
- monitoring and review of the performance, including the outcomes and impact of such performance; and
- Preparation of the municipal budget.

During the 2015/2016 financial year, the Office of the Speaker facilitated the capacitating of ward committees in all of the 16 wards in Ephraim Mogale. To ensure functionality, training to the ward committee members was provided by SALGALGSETA facilitators, guidelines on operational matters were issued by the Speaker and oversight at ward committee meetings provided by personal attendances by the Speaker and/or his authorised personnel. By constant supervision from the Office of the Speaker it was ensured that ward committee meetings and report back at public meetings were held in each ward in addition to the IDP related meetings and budgetary consultative meetings held in clustered wards.

## 2.5 IDP PARTICIPATION AND ALIGNMENT



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

#### COMPONENT D: CORPORATE GOVERNANCE

Ephraim Mogale local municipality is having an organizational structure that was approved by Council during the adoption of the IDP and budget. The structure has approved posts as follows:

- Created/ approved post = 269
- Filled posts = 232
- Vacant = 37

Council has delegated its administration duties to the Municipal Manager who has five departmental heads in charge of the following departments:

- Corporate Services.
- Economic Development and Planning
- Community Services
- Infrastructure development , and
- Budget and Treasury

There are supportive functions that are attached to the office of the Municipal Manager, whose main aim is to ensure compliance and efficiency of systems and processes. They are as follows:

- Risk Management and Internal Audit.
- Audit Committee

#### **Audit Committee**

The internal audit institutional framework has been solidified by having a fully-fledged Audit Committee with a diverse set of skills and competencies, namely an Advocate with expertise in labor and general legal matters, an attorney with mercantile law expertise and vast experience in SCM legalities and public sector legal matters. The 2 Chartered Accountants with vast experience in both corporate and public sectors, and an Risk Management Specialist with vast experience in the Public Sector and Private Sector environments; well learned in corporate compliance and policy formation. The five are:

- Advocate T Malatji (Chairperson and labor law expert)
- Mr M Letsela (SCM legal expert)
- Ms M Ramataboe (Risk Management expert)
- Mr Z Fihlani (CA financial reporting expert)
- Mr T Matabane (CA financial and Budget reporting expert)

The committee has been serving the municipality for almost three years now and their contract will be ending in February 2017. Municipality is already working on the appointment of the new committee to ensure smooth transition.

During the year reported hereon; the committee held 4 ordinary meetings and 3 special meetings. In the meetings, the committee did a sterling job in carrying out its advisory duties in matters relating to internal control, risk management and effective governance and the oversight and advisory on performance management matters as per section 45 of the Municipal Systems Act. The following are some of the key resolutions and/or recommendations made by the committee in the aforesaid meetings

- That the municipality make budget provisions to capacitate internal audit unit by appointing Manager and Internal Auditor
- That the municipality establish a risk management unit and appoint the chief risk officer and risk officer
- That the municipality consider establishing a standalone asset management unit separated from the SCM.
- Recommended internal audit policy documents to council for approval.
- Recommended risk management policy documents to council for approval.
- Recommended the Audit Improvement Action Plan to council for approval.
- Approved the municipality's strategic risk register
- Approved the internal audit's three year strategic and annual internal audit plan.

#### **Internal Audit Unit**

Internal Audit is an independent, objective, assurance and consulting activity designed to add value and improve the municipality's operations. The unit assists the municipality in accomplishing its objectives through a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, system of the internal control and governance processes. By its nature, Internal Audit Unit is a governance structure which facilitates improvement on service delivery vehicle by reviewing the design and effectiveness of the system of internal controls around the core mandate and support functions of the municipality. Its role is critical in promoting and enhancing control environment through auditing and recommending solutions to management.

For many years since its establishment; the unit has always been a one-official unit made only of the Chief Internal Auditor. That has in the 3<sup>rd</sup> Quarter of the year reported herein changed; the unit now is composed of the Chief Internal Auditor and the Internal Auditor. However, our capacity is still limited and as a result the unit was not able to fully implement its annual audit plan – hence the Auditor General's conclusion that the unit was not able to complete all the planned audits and fulfill all of its responsibilities due to understaffing for the greater part of the year and thus impeding negatively on the effectiveness of the audit committee. The following internal audit reports were issued during the year:

- Audit of Performance Information 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Quarter
- Recruitment, Selection and Placement processes
- Appointment of Acting Municipal Manager
- Report on the implementation of the Audit Improvement Action Plan
- Compliance reviews on MFMA, MSA, MSTA, DoRA and MPRA
- Supply chain Management

The municipality has allocated resource to appoint a service provider on a co-sourcing arrangement in order to supplement the internal capacity. It is anticipated that with such arrangement the internal audit function of the municipality will be able to broaden its scope and work coverage and thus be able to discharge all its legislative duties.

## 2.6 RISK MANAGEMENT

Ephraim Mogale Municipality in the financial year reported hereon, has managed to establish the risk management function as per MFMA Section 62 (i) (c) which requires a municipality to have and maintain an effective, efficient and transparent system of risk management. The risk management unit has been successfully established, necessary enablers such as policy documents and oversight committee have been developed and/or set.

Building on; the municipality now seeks to approach risk management as more than just a compliance matter, but rather a value add function which should be fully embedded in the municipality's operations across. The philosophy is that risk management is as much about identifying opportunities as avoiding or mitigating losses. In our recently reviewed strategy; Risk Management is articulated as a logical and systematic process of establishing the context, identifying, analyzing, evaluating, treating, monitoring and communicating risks associated with any activity, function or process, in a way that enables an organization to minimize losses and maximize opportunities.