

Manapyan-Ext	LIM471_Ephraim Mogale	DC47_Sekhukhune	Limpopo	Household	R 1,646,516.82	52
Moganyaka Area	LIM471_Ephraim Mogale	DC47_Sekhukhune	Limpopo	Household	R 2,400,988.20	61
Mohlotsi	LIM471_Ephraim Mogale	DC47_Sekhukhune	Limpopo	Household	R 1,026,000.00	21
Seriting ext	LIM471_Ephraim Mogale	DC47_Sekhukhune	Limpopo	Household	R 798,000.00	16
Mabitsi B	LIM471_Ephraim Mogale	DC47_Sekhukhune	Limpopo	Household	R 1,368,000.00	36
Mmakgatle ext	LIM471_Ephraim Mogale	DC47_Sekhukhune	Limpopo	Household	R 741,000.00	15

2.3 DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM

SEKHUKHUNE AGRICULTURE PROJECT LIST

DIM	Implementing Agent			Location of Project		Commodity	Impact			Project start date	Project end date	Proposed Monitoring Mechanism			
	LM Name	PDA/DAFF	DRD LR	Project Description	Agrihub code		FPSU code	# the clients	# Jobs created				Cost of project 17/18		
Greater Sekhukhune	Ephraim Mogale		X	Tshotshetsa Lerotse Co-operative Dichoeung	LM-AH02	LM-AH02-FPSU004	grain & cotton (production inputs and machinery)	100	50	R 1,000,000.00	R 2,000,000.00	R1 500 000.00	Apr-17	Mar-20	Regular visits by Project Officers
	Ephraim Mogale		X	Matlala-Dichoeung Irrigation Scheme	LM-AH02	LM-AH02-FPSU004	grain & cotton (production inputs and machinery)	130	200	R 400,000.00	R 500,000.00	R1 500 000.00	Apr-17	Mar-20	Regular visits by Project Officers
	Ephraim Mogale		X	Mankaba agric co-op	LM-AH02	LM-AH02-FPSU002	Vegetables (production inputs)	8	5	R 400,000.00	R 500,000.00	R800 000.00	Apr-17	Mar-20	Regular visits by Project Officers
RID PROJECTS															
Ephraim Mogale		X	Elanskraal irrigation scheme	LM-AH02	LM-AH02-FPSU004	LM-AH02-FPSU004	Installation of 5x centre pivot	100	10	R 2,000,000.00	R-	R-	Apr-17	01-Jun	Regular Visits by consulting engineers
Ephraim Mogale		X	Dichoeung (Tshotshetsa Lerotse)	LM-AH02	LM-AH02-FPSU004	LM-AH02-FPSU004	Construction of a packhouse and a fence	100	10	R 3,000,000.00	R-	R-	Apr-17	01-Jun	Regular Visits by consulting engineers
RECAP PROJECTS															

Ephraim Mogale		X				Malekereng Co-op	LM-AH02	LM-AH02-FPSU002	Vegetables (production inputs, irrigation and machinery)	30	5	R 749,765	R 824,742	R 907,216	Apr-17	Mar-18	Monthly monitoring & evaluation site visits
Ephraim Mogale		X				Mapotong project	LM-AH02	LM-AH02-FPSU004	Vegetables (production inputs, irrigation and machinery)	50	5	R 500,000	R 550,000	R 605,000	Apr-17	Mar-18	Monthly monitoring & evaluation site visits
LDARD PROJECTS																	
Ephraim Mogale	X					Phetwane	LM-AH02	LM-AH02-FPSU004	grains & fish (52	10	R 500,000.00	R-	R-	May-17	Feb-18	Project visit by agric advisors
Ephraim Mogale	X					Ephraim Mogale Vegetables	LM-AH02	LM-AH02-FPSU004	vegetables	20	12	R 150,000.00	R-	R-	May-17	Feb-18	Project visit by agric advisors
Ephraim Mogale	X					Ephraim Mogale Grains	LM-AH02	LM-AH02-FPSU004	grains	15	10	R 300,000.00	R-	R-	May-17	Feb-18	Project visit by agric advisors
Ephraim Mogale	X					Ephraim Mogale Poultry	LM-AH02	LM-AH02-FPSU004	poultry (production inputs)		6	R 250,000.00	R-	R-	May-17	Feb-18	Project visit by agric advisors
Ephraim Mogale	X					Rahlagane	LM-AH02	LM-AH02-FPSU004	grapes (construction of storeroom and ablation facility)	10	36	R 1,808,780.23	R-	R-	Jan-17	May-17	Site visits by Engineers Consulting Engineers & agric advisors
NARYSEC SKILLS DEVELOPMENT																	
Ephraim Mogale	X					NARYSEC Skills Development			Plant production, Animal Production, Mechanisation, meat processing, small business and finance, Fruit packaging, water and waste			R 964,100.00	R 1,295,440.00	R 867,600.00	Apr-17	Mar-20	site visit and monitoring by College and Service Provider

2.4 LEDET - ENVIRONMENT

PROJECT NAME	PROGRAMME NAME	PROJECT DESCRIPTION/TYPE OF STRUCTURE	PROGRAMME DESCRIPTION	DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	PROJECT/PROGRAMME DURATION		TOTAL BUDGET	EXPENDITURE TO DATE 2016/2017	MTEF FORWARD ESTIMATES		STATUS
						DATE START	DATE FINISH			2017 / 2018	2018 / 2019	
1.	Programme Name											
1.1 Green Municipality Competition	Environ ment Empowe rment	To promote implementation of the Green economy plan through awareness raising to Municipalities and other stakeholders	Assessment and auditing of the local municipalities performance in relation to Green economy	All	All Locals	July 2017	November 2017	R713 .000	None	R713	R755	Implement ation
2.	Programme Name											
2.1 Environment Capacity building and awareness	Environ ment Empowe rment Services	Create environment legislations, trends and plans knowledge capacity to stakeholders	Conduct environment capacity building workshop and seminars in the District.	Sekhukhune	All	April 2017	March 2018	R60 000				
2.2 Development of Environment Management Framework	Environ ment Impact Manage ment	Compile information which will provide land use zonation priorities including sensitive environment areas to assist during land use developments decision making		Sekhukhune	All	April 2017	March 2018	R1.5				Planning phase
2.3 Development of Bioregional Plan	Biodiver sity Manage ment	Development of a Biodiversity management guiding tool for the district	Promote sustainable use and protection of biological resource.	Sekhukhune	All	April 2017	March 2018	R500000				Planning phase

2.5 DEPARTMENT OF PUBLIC WORKS, ROADS & INFRASTRUCTURE

PROGRAMME NAME	PROJECT DESCRIPTION/TYPE OF STRUCTURE	PROGRAMME DESCRIPTION	DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	PROJECT/PROGRAMME DURATION		TOTAL BUDGET	EXPENDITURE TO DATE 2016/2017	MTEF FORWARD ESTIMATES		STATUS
					DATE START	DATE FINISH			2017 / 2018	2018 / 2019	
Construction Management Facility Revitalization Grant	Makeepsmei Clinic Upgrade	Clinic Upgrade	Sekhukhune	Marble Hall	2016/07/25	2017/09/25	R 25m	R 9.9m	R15.1m	R0	Construction

Roads Infrastructure

PROGRAMME NAME	PROJECT DESCRIPTION/TYPE OF STRUCTURE	PROGRAMME DESCRIPTION	DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	PROJECT/PROGRAMME DURATION		TOTAL BUDGET	EXPENDITURE TO DATE	MTEF FORWARD ESTIMATES		STATUS
					DATE START	DATE FINISH			2017 / 2018	2018 / 2019	
Routine Road Maintenance	Household Routine Maintenance at Ephraim Mogale Municipality	Household based Road Maintenance	Sekhukhune	Ephraim Mogale	June 2017	May 2018	R 12m	R 0.00	R 12m	R 13m	At Procurement stage
EPWP Programme	Sekhukhune General Maintenance	EPWP	Sekhukhune	Sekhukhune	2-May-2017	13-Oct-2017	R 1,135,100	-	-	-	NEW

2.6 ROADS AGENCY LIMPOPO SOC LTD

PROGRAMME NAME	PROJECT DESCRIPTION/TYPE OF STRUCTURE	PROGRAMME DESCRIPTION	DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	PROJECT/PROGRAMME DURATION		TOTAL BUDGET	EXPENDITURE TO DATE	MTEF FORWARD ESTIMATES		STATUS
					DATE START	DATE FINISH			2017 / 2018	2018 / 2019	
Upgrades and additions											
T630B	Tshikanosi to Malebitsa	Upgrade (gravel to tar)	Sekhukhune	Ephraim Mogale	01/04/2017	31/03/2020	127 500	843	10 000	12 500	Feasibility
Rehabilitation, renovations and refurbishments											
T697B	Arable to Marble Hall (D2534)	Rehabilitation	Sekhukhune	Ephraim Mogale	01/04/2016	31/03/2017	34 501	29 600			Feasibility
Maintenance and repairs											
T852	Philadeiphia Hospital to Marble Hall (D1948)	Maintenance	Sekhukhune	Ephraim Mogale	01/04/2014	31/03/2017	7 000		3 000	1 500	Feasibility
T909 (b)	Installation of road signs, road marking, traffic calming, fencing, solar street lights and pothole patching	Maintenance	Sekhukhune	Various	01/04/2017	31/03/2018	8 500		2 500	1 500	Feasibility
T911	Gravel roads improvement, using technology to support infrastructure delivery for gravel roads	Maintenance	Sekhukhune	Various	01/04/2017	31/03/2018	10 000		3 000	1 500	Feasibility

2.7 DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

Project name	Programme	Municipality / District	New / Maintenance / Total Maintenance	Implementing Agent	Outputs	Implementation Period and Budget
Tompi Seleka - Small stock	CASP	Ephraim Mogale	Repair	LDARD	Repairing and renovation of small-stock structures	2500
Tompi Seleka Milking Parlour	CASP	Ephraim Mogale	Repair	LDARD	Upgrading of milking parlour	2557

Tompi Seleka Poultry	CASP	Ephraim Mogale	Repair	LDARD	Repairing and renovation of Poultry	2698
Tompi Seleka upgrade of Mzana cluster 2 hostel	CASP	Ephraim Mogale	Repair	LDARD	Repair and upgrade of Mzana cluster 2 Hostel (18 beds)	250
Tompi Seleka upgrade of Mzana cluster 4 hostel	CASP	Ephraim Mogale	Repair	LDARD	Repair and upgrade of Mzana cluster 4 hostel (18 beds)	250
Tompi Seleka Nursery	ES	Ephraim Mogale	Repair	LDARD	Repair of nursery	1 000
Rahlagane Table Grape	CASP	Ephraim Mogale	New	LDARD	Construction of ablutio facilities	1 020
Fish-Processing facility	CASP	Ephraim Mogale	New	LDARD	Completion of fish processing facility	5 369

2.8 DEPARTMENT OF SPORT, ARTS AND CULTURE

Local Municipality (Where each project will be taking place)	Project / Programme	BUDGET 2017-2020		
		Budget	Budget 2018-19	Budget 2019-20
All Local Municipalities	Artist workshop, Flea Market, Film Show and I can sing	R 820 000.00	R 820 000.00	R 820 000.00
Ephraim Mogale	Provision and maintenance of ICT equipment's at Marble Hall Library	R12 832. 00	R12 832. 00	R12 832. 00
Ephraim Mogale	Maintenance of existing library staff (x1 Library Assistant)	R 147 803.82	R 156 524.25	R 165 289.60
All Local Municipalities	Rural Sport Development programme capacity building	R106 000 per LM	R 112 254.00 per LM	R 118 000 per LM
Ephraim Mogale	Procurement of library materials	R 117 000.00	R 197 730.00	R 308 458.80
All Local Municipalities	Clubs support	R 531 000.00	R 562 329.00	R 593 000.00
All Local Municipalities	District Academy of sport support	R 730 000.00	R 773 070.00	R 816 000.00
Ephraim Mogale	Support to Municipal Indigenous games	R 35 000.00	R 37 065.00	R 39 000.00
Ephraim Mogale	Building recreation capacity (Eilandskraal Hub)	R 28 000.00	R 29 652.00	R 31 312.00

2. ANNUAL BUDGET FOR ASSESSMENT OF MUNICIPAL FINANCIAL STATUS 2017/18-2021-2022

Grants and Subsidies

The Municipality will receive the following Grants as per the Division of revenue Bill:-

ITEM DESCRIPTION	ADJUSTMENT BUDGET 2016/2017	DRAFT BUDGET 2017/2018	FORECAST 2018/2019	FORECAST 2019/2020
GRANTS & SUBSIDIES				
EQUITABLE SHARE	117,556,000.00	123,766,000.00	129,255,000.00	132,946,000.00
GRANT: MIG	31,917,000.00	44,810,000.00	35,775,000.00	37,670,000.00
GRANT: FINANCIAL MANAGEMENT	1,810,000.00	2,145,000.00	2,400,000.00	2,660,000.00
EPWP INCENTIVE GRANT	1,258,000.00	1,447,000.00	-	-
Total Grant & Subsidies	152,541,000.00	172,168,000.00	167,430,000.00	173,276,000.00

Investments

- Investment policy was adopted by council on 29 May 2014, the reviewed policy has been submitted for approval with other budget related policies for 2017/18 financial year.
- All investments will be made in line with the investment policy.
- On a quarterly basis the Chief Financial Officer submit to council report reflecting information on the council's investment portfolio, including the type of investment, interest rates, period of investment and a summary of the exposures to particular financial institutions. The CFO must submit once a year a certificate of compliance that no gifts, commission or other consideration was received for investments made.
- The CFO must keep an investment register for all investments made.
- The municipality is banking with the following institutions:
 - Absa
 - Fnb
 - Nedbank
 - Primary Bank Account
 - Grants Received
 - Investment

Audits

2014/2015	2015/2016	2016/2017
Disclaimer	Disclaimer	Qualified

The municipality has improved 2016/2017 audit opinion, after getting three years consecutive disclaimers. Action plan has been developed to improve the 2017/2018 audit opinion since the municipality obtained qualified opinion in 2016/2017 financial year.

Revenue Management

The municipality continues to render services which are legislated primarily by the Constitution of the Republic of South Africa and Municipal Finance Management Act and Legislations.

Municipal revenue comprises of own revenue and grants. Own revenue contribute more 47% of total revenue for 2017/2018 financial year. The municipality main sources of revenue are as follows,

- Property Rates;
- Electricity,
- Refuse as well as other income.

The municipal revenue across the board has increased by average of 6.1% in year under review. All the grants revenue is dealt with in terms of the requirement of DORA. The municipality apply indigent policy to cater for the indigent population of Ephraim Mogale Local Municipality.

Electricity and property rates remain the major source of own revenue for the municipality.

The only municipal service charges the municipality provide to the community is refuse removal. Water and sanitation has now been taken fully over by the District Municipality.

The outstanding debtors amounted to R 65.2 million during 2015/16 audit, the average payment rate is 82%. The municipality is implementing its Debt Management and Credit Control Policy using its own internal capacity and debt collector appointed by the municipality.

Revenue sources

Electricity and property rates remain the major source of own revenue for the municipality.

The only municipal service charges that municipality provide to the community is refuse removal. Water and sanitation has now been taken fully over by the District Municipality.

	Adjusted Budget 2016/17	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20
Revenue By Source				
Property rates	30,057,755	35,127,971	37,200,522	39,358,152
Service charges - electricity revenue	47,637,497	52,908,024	57,110,016	61,644,813
Service charges - refuse	4,359,567	4,968,405	5,261,541	5,566,710
Rental of facilities and equipment	143,498	151,965	160,454	169,884
Interest earned - external investments	6,534,678	6,933,293	7,342,358	7,277,134
Interest earned - outstanding debtors	4,747,068	5,036,639	5,333,801	5,643,161
Fines, penalties and forfeits	247,660	262,539	278,029	294,155
Licences and permits	3,121,158	3,181,453	3,369,158	3,564,570
Agency services	7,034,723	7,635,500	8,085,993	8,554,983
Transfers and subsidies	120,624,000	127,358,000	131,655,000	135,606,000
Other revenue	2,940,901	827,730	870,936	1,412,531
Gains on disposal of PPE	600,000			
Transfers and subsidies - capital	31,917,000	44,810,000	35,775,000	37,670,000
Total Revenue	259,965,505	289,201,519	292,442,808	306,762,093

Debtors Management

The municipality collect an average of 82% of revenue across the municipality however the challenge has always been the collection of historical debts. Debt collector has currently been appointed to deal with the situation. The municipality has positive liquidity ratio which means the municipality is able to honour its obligation in a period of 90 days without the challenge.

Billing

Billing system is in place at the municipality and marked improvement in the quality of billing statements has been observed. The municipality always starts by billing on a test system to avoid incorrect billing before billing on a live system.

Expenditure Management

The municipality is currently settling its creditors within 30 days after receipt of an invoice as required by the MFMA section 65(e) read with circular 49 issued by National Treasury. Currently municipal make payments on a daily basis to eradicate any possible backlogs. The municipality has also developed a centralized email to receive invoices to avoid any delays in paying those invoices.

Expenditure trend

Expenditure	2013/2014	2014/2015	2015/2016
Capital expenditure	168,264,595	178,873,710	248,255,847
Operations and maintenance expenditure	34,742,309	46,508,203	65,507,958
Total	203,006,904	225,381,913	313,763,805

There are six key factors that have been taken into consideration in the compilation of the 2017/21 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity
- The increase in the cost of remuneration by 7.6%.
- The 82% average payment rate.

Capital Expenditure

Capital Expenditure - Functional	Adjusted Budget	Budget Year 2016/17	Budget Year 2017/18	Budget Year 2018/19
Capital Expenditure				
Governance and administration	1,938,000.00	2,090,000.00	121,900.00	129,214.00
Executive and council	900,000.00	1,050,000.00		
Finance and administration	1,038,000.00	1,040,000.00	121,900.00	129,214.00
Internal audit	-			
Community and public safety	3,760,000.00	3,570,000.00	1,785,422.00	2,059,110.00
Community and social services	1,300,000.00	2,470,000.00	1,785,422.00	2,059,110.00
Sport and recreation	250,000.00			
Public safety	2,090,000.00	900,000.00		
Housing	120,000.00	200,000.00		
Economic and environmental services	57,957,309.40	50,535,000.00	57,438,053.00	49,997,826.00
Planning and development				
Road transport	57,957,309.40	50,535,000.00	57,438,053.00	49,997,826.00
Environmental protection				
Trading services	6,270,710.00	3,590,000.00	4,321,800.00	10,843,000.00
Energy sources	4,900,710.00	2,200,000.00	2,753,000.00	10,843,000.00
Waste management	1,370,000.00	1,390,000.00	1,568,800.00	
Other				
Total Capital Expenditure - Functional	69,926,019.40	59,785,000.00	63,667,175.00	63,029,150.00
Funded by:				
National Government	40,324,309.40	44,810,000.00	35,775,000.00	37,670,000.00
Transfers recognised - capital	40,324,309.40	44,810,000.00	35,775,000.00	37,670,000.00
Internally generated funds	29,601,710.00	14,975,000.00	27,892,175.00	25,359,150.00
Total Capital Funding	69,926,019.40	59,785,000.00	63,667,175.00	63,029,150.00

Total capital expenditure for 2017/2018: R 59 785 000.00

The Municipal Infrastructure Grant will fund 75% of capital expenditure and 25% will be funded from own in 2017/2018 financial year. Capital budget is highly financed by MIG over the MTRF.

Asset and Liability Management

Municipality has established asset management unit which will be fully functional in 2017/2018 financial year. Currently the unit is a key sub-function within the SCM division.

The unit is responsible to oversee the assets with total value of R860 Million at net book value.

The municipal asset register has the following key components;

1. Investment property
2. Community and infrastructure assets;
3. Movable assets;
4. Finance lease assets;
6. Heritage assets;
8. Land
9. And other assets.

Municipality verifies assets on an ongoing basis. Assets are recorded either at fair value, cost or depreciated replacement cost.

In general the community wealth of the municipality amounts to R 941, 5 Million. The total assets amount to R 1 024 889 036 whilst the total liabilities amount to R 941 Million

CHAPTER 12 - INTERGRATION PHASE

The requirement of the IDP process is to achieve integration with the initiatives of other sphere of government, alignment between projects and programs and legislative requirement of sectorial legislation. The major output of this phase is the integration of plans and programmes. The following is an update on the status of such plans.

Status of the plans

Status of the plans Sector Plan	Date of approval	Last date of review	Current status
SDF	27/06/2007	N/A	Functional
Organisational Performance Management System	25/11/2010	N/A	Functional
LED Strategy	N/A	N/A	N/A
LUMS	2008	N/A	Functional
5 years Financial plan	N/A	N/A	N/A
5 years Infrastructure Plan	N/A	N/A	N/A
Waste Management Plan	30/09/2003	N/A	Functional
Integrated Environmental Plan	29/03/2005	N/A	Functional
Integrated Transport Plan	N/A	N/A	N/A
Draft HIV/AIDS policy	N/A	N/A	N/A
Energy Master Plan	N/A	N/A	N/A
Road Master Plan	N/A	N/A	N/A
Municipal Infrastructure Investment Framework	N/A	N/A	N/A
Public Participation/Communication Strategy	27/06/2013	N/A	Functional
Work skills Plan	N/A	N/A	Functional
Employment Equity Plan	11/12/2014	N/A	Functional
Housing Plan	N/A	N/A	N/A

Audit Action Plan	Annually	31 March 2016	Functional
Risk Management Strategy	N/A	N/A	Waiting for Council Approval
Anti-corruption plan	N/A	N/A	Waiting for Council Approval
Disaster Management Plan	26/09/2006	N/A	Functional
Institutional plan	N/A	N/A	Functional
PMS Framework	25/11/2010	09/06/2016	Functional
Safety and Security Strategy	N/A	N/A	N/A
Telecommunication Strategy	N/A	N/A	N/A
Organisational Performance Management System	N/A	N/A	N/A
Human Settlement Plan	N/A	N/A	N/A
Integrated Transport Plan	N/A	N/A	N/A

Chapter 12 APPROVAL

Ephraim Mogale Local Municipality addressed gaps that were identified by adopting a developmental approach and by insuring that it can respond to and meet the challenges it faces as an organization. It has developed its strategic focus within its integrated developmental processes with programs based on both national KPAs and municipal strategies.

Signed



CLLR C.R. KUPA
MAYOR

25 | 09 | 2017
DATE