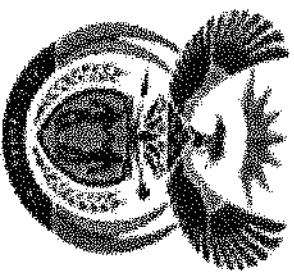


LIM 345 LOCAL MUNICIPALITY



SECTION 46 MISA
ANNUAL PERFORMANCE REPORT
2016/2017

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VISION

“A sustainable, spatially integrated and inclusive municipality with a vibrant, job creating local economy”

MISSION

To ensure the provision of sustainable basic services and infrastructure to improve the quality of life of our people and to grow the local economy for the benefit of all our citizens.

VALUES

**Transparency
Accountability
Responsive
Professional
Creative**

B. BACKGROUND

LIM 345 was established in terms of Section 12 of the Municipal Structures Act (No. 117 of 1998) (MSA), following the local government elections held on 3 August 2016. It is a category B municipality and a collective executive system, combined with a ward participatory system in terms of Section 9 of the MSA. Lim345 Local Municipality is a Category B, Executive Municipality, established in the year 2016 in terms of Local Government Municipal Structures Act No. 117 of 1998. In order to stress the inclusiveness of Lim345, the Municipality presides over two towns, 173 villages and areas between them, all with their own historical background, strength and weakness. As a Municipality, we unequivocally pledge an equal commitment to all areas that constitutes Lim 345 Municipal area. The Municipality consists of 36 wards (directly elected Councilors), 35 Proportional Representative Councilors and 33 Traditional Leaders.

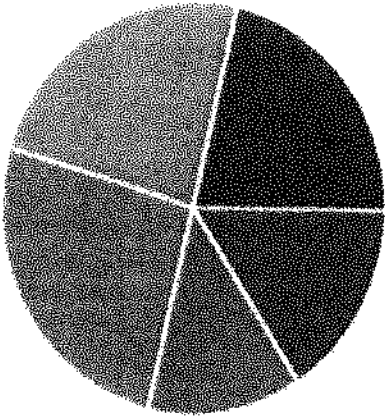
C. LEGISLATIVE FRAMEWORK

Section 46 (1) of Municipal Systems Act state that a municipality must prepare for each financial year an annual report consisting of (a) a performance report reflecting---

- i. the municipality's, and any service provider's, performance during that financial year, also in comparison with targets of and with performance in the previous financial year;
- ii. the development and service delivery priorities and the performance targets set by the municipality for the following financial year; and
- iii. measures that were or are to be taken to improve performance;

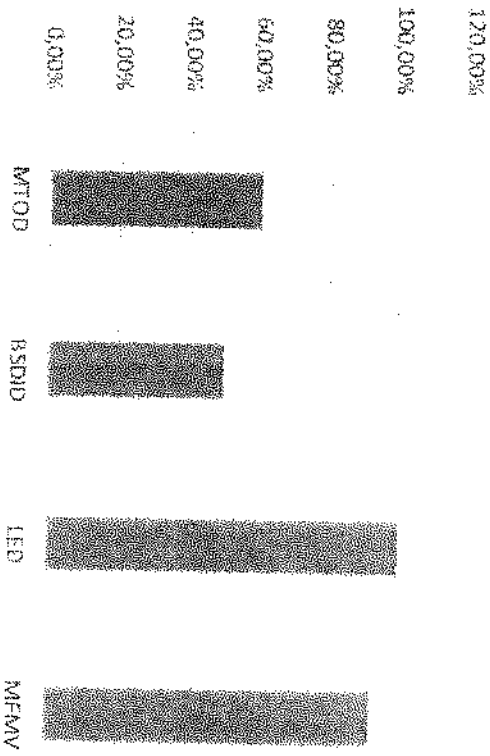
D. ANALYSIS

KEY PERFORMANCE AREA	ANNUAL TARGETS	# ACHIEVED	% ACHIEVED	# NOT ACHIEVED	% NOT ACHIEVED
MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	15	9	60.00%	6	40.00%
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	28	14	50.00%	14	50.00%
LOCAL ECONOMIC DEVELOPMENT	1	1	100.00%	0	0.00%
MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY	13	11	84.62%	2	15.38%
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	6	5	83.33%	1	16.67%
	63	40	63.07%	23	33.93%



% ACHIEVED

* MTOD * BSDID * LED * MFMV * GGPP



% ACHIEVED

E-KPA 1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Priority Area	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
1.1. Organisational Design and Human Resources										
Organisational Design and Human Resources	% review of the organisational structure Review by June 2017.	N/A	Organisational structure developed by June 2017	Corporate Service	R 500 000.00	Council resolution	Target Achieved	Organisational structure was developed by June 2017	None	None
Organisational Design and Human Resources	% posts evaluated by June 2017	N/A	100% posts evaluated by June 2017	Corporate Service	Included in the above	Council resolution	Target Not Achieved	11% (41/343) posts were evaluated by June 2017	None	None
Policies and By-Laws	Number of HR policies rationalized	None	24 HR policies rationalized by 30 September 2016	Corporate Service	OPEX	Council resolution on rationalized	Target Achieved	24 HR policies were rationalized by 30 September 2016	None	None
Policies and By-Laws	Number of critical by-laws rationalized	None	7 by laws rationalized by 30 September 2016	Corporate Service	OPEX	Council resolution on rationalized.	Target Achieved	7 by laws were rationalized by 30 September 2016	None	None
1.2. Integrated Development Planning										
Integrated Development Planning	IDP /Budget Framework and Process Plan	None	Process plan for 17/18 IDP/BUDGET developed	Municipal Manager	OPEX	IDP Process plan adopted by council	Target Achieved	Process plan for 17/18 IDP/BUDGET developed	None	None
Integrated Development Planning	Draft IDP Console and submitted to Council by 31 March 2017	None	Draft 2017/18 IDP/BUDGET in place	Municipal Manager	OPEX	Council Resolution	Target Achieved	Draft 2017/18 IDP/BUDGET was in place	None	None
Integrated Development Planning	Approved of final IDP	None	Final IDP/BUDGET for 2017/18 financial year adopted	Municipal Manager	OPEX	Council Resolution	Target Achieved	Final IDP/BUDGET for 2017/18 financial year was adopted	None	None
Integrated Development Planning	MSCOA	None	MSCOA Readiness	Municipal Manager	OPEX	MSCOA report	Target Achieved	MSCOA Readiness done (The municipality was on MSCOA by 30 June 2017	None	None

1.3. Performance Management Systems										
Performance Management Systems	Organisational Performance Management Framework approved by Council	None	Organisational Performance Management Framework developed by June 2017	Corporate Service	OP-EX	Approved Organisational Performance Management Framework	Target Not Achieved	Organisational Performance Management Framework was developed by June 2017	None	None
Performance Management Systems	Number of Back to Basics reports compiled.	None	8	Municipal Manager	OP-EX	Reports	Target Not Achieved	Non report was done	Lack of personnel to compile the report	To appoint 41 personnel by 31 December 2017
1.4 Skills Development										
Skills Development	Work Place Skills Plan Developed by June 2017	None	Work Skills Plan developed.	Corporate Service	OP-EX	Approved WSP	Target Achieved	Workplace Skills Plan was developed	None	None
Skills Development	% training sessions conducted for councillors	None	100% training sessions conducted by June 2017	Corporate Service	Training budget	Reports	Target Not Achieved	0% training sessions conducted by June 2017	Lack of personnel to coordinate the processes	To appoint 41 personnel by 31 December 2017
Skills Development	% training sessions conducted for officials	None	100% training sessions conducted by June 2017	Corporate Service	Training budget	Reports	Target Not Achieved	0% training sessions conducted by June 2017	Lack of personnel to coordinate the processes	To appoint 41 personnel by 31 December 2017
Level management services	Number of vehicles purchased for political offices	None	1 mayoral vehicle purchased.	Corporate Service	R 1.2M	Invoice	Target Achieved	1 mayoral vehicle was purchased.	None	None
Legal service, compliance and control environment	% litigations extended.	None	100% litigations attended by June 2017	Corporate Services	OP-EX	Reports	Target Achieved	There were no litigations against the Municipality	None	None

F. KPA 2 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

2.1. Implementation of MIG projects

Priority Area	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Roads and Stormwater	Level of project implementation	None	Shubri To Vayboom Road Road And Storm Water Completed by June 2017	Technical Service	0	Completion certificate	Target Not Achieved	Shubri To Vayboom Road Road And Storm Water was not Completed by June 2017	The budget for the project was taken to Malankulele B section due refusal by the Yvwart Community	To budget for the project when the Community of Yvwart
Roads and Stormwater	Level of project implementation	None	Sasaramni stadium upgraded by June 2017	Technical Service	R26 400,000.00	Completion certificate	Target not Achieved	Sasaramni stadium not fully upgraded (75%)	There was additional scope of work	Grant extension of time until the 30 of August 2017
Roads and Stormwater	Level of project implementation	None	Xikundu Ring Road completed by June 2017	Technical Service	R37 000,000.00	Completion certificate	Target Not Achieved	Xikundu Ring Road completed (75% - 4km tarred, 3km earth work done)	Delays by SAINRAL at intersection and rainfall	Grant extension of time until the 30 of October 2017
Roads and Stormwater	Level of project implementation	None	Malankulele B Extension Street upgrading started	Technical Services	R66,000,000.00	Appointment Letters, Completion Certificate	Target Achieved	Commissioner Contractor to implement done	None	None

2.2. Roads

Roads and Stormwater	Report to the Portfolio Committee on the progress of forward regarding projects for 2017/18	None	2	Technical Service	Operational	Technical report compiled	Target Achieved	2	None	None
Roads and Stormwater	Report to the Portfolio Committee on the maintenance and repairs conducted	None	3	Technical Service	Operational	Reports	Target Achieved	3	None	None

2.3. Waste Management										
Waste Management	Procurement of equipment	None	Four(5) plant/equipment purchased by June 2017 (2 water tankers, 1 grader, 1 skip loader and 1 Waste removal truck)	Community service	R4 500,000	Delivery invoice	Target Not Achieved	5 plant/equipment were not purchased (2 water tankers, 1 grader, 1 skip loader and 1 Waste removal truck)	Lack of personnel to coordinate the process	To purchase the equipments by December 2017
Waste Management	Provide free basic refuse removal to villages with sustained refuse removal services by June 2017	None	Refuse removal collected in 42 villages by June 2017.	Community Service	OP/EX	Quarterly reports	Target Achieved	Refuse removal was collected in more than 42 villages	Continuous breakdown of waste management vehicles	To purchase the equipments by December 2017
Waste Management	Number of businesses and government departments with sustained refuse removal service by June 2017	None	20 business centres receiving waste removal per week by June 2017	Community Service	OP/EX	Quarterly reports	Target Achieved	More than 20 business centres were receiving waste removal	Continuous breakdown of waste management vehicles	To purchase the equipments by December 2017
Waste Management	Number of campaigns	None	20	Community Service	OP/EX	Campaign pictures and attendance register	Target Not Achieved	4 environmental campaigns conducted	Lack of personnel to coordinate the process	To conduct campaigns by December 2017
Waste Management	License landfill site	None	License landfill site	Community Service	R 10 000 000.00	Completion certificate	Target Achieved	The license for the landfill site was not secured.	Delays in the appointment of engineer and contractor	To appoint engineer and contractor by December 2017
Waste Management	Number of trained healthy and safety representatives by June 2017	None	20	Community Service	OP/EX	Training report	Target Not Achieved	No training conducted	Lack of personnel to coordinate the process	To do the training by December 2017
Waste Management	Number of safety inspections conducted by June 2017	None	12	Community Service	OP/EX	Inspection report	Target Not Achieved	No safety inspection conducted	Lack of personnel to coordinate the process	To do the training by December 2017
2.4. Park, Public open Space and Cemeteries										
Park, Public open Space and Cemeteries	Percentage graves provided by June 2017	None	100% graves provided by June 2017	Community Service	OP/EX	Quarterly reports	Target Achieved	100% graves provided	None	None

Traffic and Licensing	Percentage application for learner driver's permit issued by June 2017	None	100% learner driver's permit issued by June 2017	Community Service	OPEx	E-ratis report	Target Achieved	100% learner driver's permit issued	None	None
Traffic and Licensing	% drivers licenses issued by June 2017	None	100% drivers licenses issued by June 2017	Community Service	OPEx	E-ratis report	Target Achieved	100% drivers licenses issued	None	None
Traffic and Licensing	% motor vehicles tested by June 2017	None	100% motor vehicles tested by June 2017		OPEx	Quarterly report	Target Achieved	100% motor vehicles tested	None	None
Dignified Living	Number of sports facilities maintained by June 2017	None	5 sports facilities/ Madawala, Merve, Melarnukhe, Boxing GYM and Tennis court) maintained by June 2017	Community service	OPEx	Quarterly reports	Target Achieved	5 sports facilities/ Madawala, Merve, Melarnukhe, Boxing GYM and Tennis court) maintained	None	None
Dignified Living	Number of municipal building gardens maintained	None	4 (DCO, Vavani, Technical and Traffic central/municipal building gardens maintained	Community service	OPEx	Quarterly reports	Target Not Achieved	3 (DCO, Technical and Traffic centres) municipal building gardens maintained, Vavani is not being maintained due to the strike.	None	None

2.5. Human Settlement and Spatial Planning

Human Settlement and Property Management	Municipal Planning Tribunal established by 30 June 2017.	None	Establishment and Operation of Municipal Planning Tribunal by the 30 June 2017	Planning and Development	OPEx	Appointment letters	Target Not Achieved	The Municipality requested to be part of Makrada Tribunal in May 2017.	Makrada Municipality did not respond to the letter by June 2017	The Municipality reached the Makrada resolution and request to join the Wharibe District Municipality Tribunal
Human Settlement and Property Management	Spatial Development Planning Framework	None	Approved SDF by 30 June 2017	Planning and Development	OPEx	Council Resolution that SDF is approved	Target Not Achieved	A service provider is appointed to do SDF	Delays in securing a service provider through regulations 32	A section 32 of SCM Regulations was secured with Lephalale Municipality
Human Settlement and Property Management	Land Use Management Scheme	None	Approved Land Use Management Scheme by the 30 June 2017	Planning and Development	OPEx	Council Resolution	Target Not Achieved	A service provider is appointed to do and Land Use Scheme	Delays in securing a service provider through regulations 32	A section 32 SCM Regulations was secured with Musina Municipality
Human Settlement and Property Management	Report quarterly to the Portfolio on the process of land use applications in terms of the relevant legislations (SPLUMA)	None	2	Planning and Development	OPEx	Report Approved General Plan	Target Not Achieved	No report was written to the portfolio committee	There were no complete application to be approved by the authorised official due to lack of knowledge by the applicants	To conduct awareness campaign on the processes of obtaining approval for a development application

Human Settlement and Property Management	Approved Business Park, Matlamule Ext E (56 Erfs)	Draft GP Approved Layout Plan	Proclaimed Township	Planning and Development	OPEX	Opening of Township register	Target not achieved	Engagement meetings were held with the Consultant appointed by Thulamela for status quo report	Delays in starting with the reappointment processes	To appoint the consultants that was appointed by Thulamela to finalise the approval of the General Plan
Human Settlement and Property Management	Municipal Valuation Roll	None	Approved Valuation Roll	Planning and Development	OPEX	Council Resolution	Target achieved	Valuation Roll was approved	None	None
Human Settlement and Property Management	Matlamule extension B (Not proclaimed)	Draft GP Approved Layout	Proclaimed Township	Planning and Development	OPEX	Notice Approved General Plan	Target not achieved	Engagement meetings were held with the Consultant appointed by Thulamela for status quo report	Delays in starting with the reappointment processes	To appoint the consultants that was appointed by Thulamela to finalise the approval of the General Plan
Human Settlement and Property Management	Percentage of building plans received and processed by June 2017	None	Percentage of building plans approved by June 2017.	Planning and Development	OPEX	Opening of Township register	Target achieved	10/10 building plans were approved	None	General Plan
Human Settlement and Property Management	Number of illegal activities and land invasion cases attended	None	1	Community Service	OPEX	Quarterly reports	Target achieved	The were no cases of land invasion	None	None

G. KPA 3 LOCAL ECONOMIC DEVELOPMENT

Priority Area	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Local Economic Development	Providing training and workshops for entrepreneurs/ SME and Cooperatives	None	5	Planning and Development	OPEX		Target achieved	5 trainings were conducted (Durban Indaba, Tourism Capacity building in Musina, YEAP, NYDA, Farmani	None	None

H. KPA 4 MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY

Priority Area	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Budget and Reporting	Number of monthly budget statements prepared and submitted as required by MFMA	NONE	12 monthly budgets reports prepared by June 2017	Chief Financial Officer	OPEX	Section 71 reports	Target achieved	11 monthly budgets reports were prepared	Not all reports were submitted within legislative timelines	To appoint personnel by December 2017
Budget and Reporting	Number of financial management policies reviewed and adopted by council	NONE	9 financial management related policies reviewed and adopted by council by June 2017	Chief Financial Officer	OPEX	Council Resolution	Target achieved	9 financial management related policies were reviewed and adopted	None	None
Budget and Reporting	Number of mid-year budget assessment approved by council	None	1 mid-year budget assessment approved by council by January 2017	Chief Financial Officer	OPEX	Council resolution	Target achieved	1 mid-year budget assessment was approved	None	None
Budget and Reporting	Number of annual budget approved by council	None	1 annual budget approved by council by June 2017	Chief Financial Officer	OPEX	Council resolution	Target achieved	1 annual budget was approved by council	None	None
Expenditure Management	Percentage of payment made to creditors within 30 days receipt of invoice	None	100% payment made to creditors within 30 days of receipt of the correct invoice	Chief Financial Officer	OPEX	Creditors Agency Analysis	Target Not achieved	95% payment made to creditors within 30 days of receipt of the correct invoice	Lack of personnel to capture the claims within timeframe	To appoint personnel by December 2017
Revenue Management	Number of tariff structures developed	1	1 tariff structure developed and adopted by May 2017	Chief Financial Officer	OPEX	Reviewed tariff structure	Target Achieved	1 tariff structure developed and adopted by May 2017	None	None
Asset Management	# Deadline to conduct municipal assets verification	0	Asset verification report submitted to council by 30 June 2017	Chief Financial Officer	OPEX	Asset verification report	Target Achieved	Asset verification report submitted to council by 30 June 2017	None	None
Supply Chain Management	Capacitate SCM unit	0	SCM training facilitated	Chief Financial Officer	OPEX	Training Reports/Attendance register	Target Achieved	SCM training was facilitated	None	None

Supply Chain Management	% Timeliness appointment of service providers with 90 days in accordance with SCM prescriptive	0	100% compliance to SCM prescripts	Chief Financial Officer	OPEX	Tenders awarded report	Target Not Achieved	Not all SCM prescripts were complied with	Lack of capacity and knowledge to assist in applying SCM compliance issues	To train the existing staff and appoint experienced and qualified personnel
Revenue Management	Consolidated billed revenue and debtor's information from Thulamela and Makhado	New	1 consolidated revenue report	Chief Financial Officer	OPEX	Revenue Report	Target Achieved	1 consolidated revenue report done	None	None
MSCOA	Improved Municipal compliance to MSCOA	New	MSCOA readiness to go live by 30 June 2017		OPEX	MSCOA reports	Target Achieved	MSCOA readiness to go live by 30 June 2017	None	None
Expenditure Management	% of municipality capital budget actually spent on capital projects by 30 June 2017	0	100%	Chief Financial Officer	CAPEX	Section 71 reports/ M/G reports	Target Achieved	85% (78 464 631/719 970 000) capital budget was spent	Non implementation and Non completion of certain capital projects	To ensure forward planning in the financial year 2017/2018.
Budget and Reporting	Number of Budget adjustment conducted	0	1 Adjustment budget report	Chief Financial Officer	OPEX	Council resolution	Target Achieved	2 Adjustment budget report done	None	None

1. KPA 5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Priority Area	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
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5.1. Council and Executive Committee

Council Services	Effective functioning of Council	None	Scheduled Council meetings held	Corporate Service	OPEX	Minutes, Attendance Registers	Target achieved	Scheduled Council meetings were held (8 meetings)	None	None
Council Services	Effective functioning of the Executive Committee	None	Scheduled Executive meetings held	Corporate Service	OPEX	Minutes, Attendance Registers	Target achieved	Scheduled Executive meetings were held (8 meetings)	None	None

5.2. Public Participation and Ward Committees

Public Participation	IDP Rep Forum	None	IDP Rep Forum Meetings held	Municipal Manager	OPEX	Attendance Register	Target achieved	Number of IDP Rep Forum Meetings held (2 meetings)	None	None
Public Participation	Effective function of ward committee	None	Ward committee reports compiled	Municipal Manager		Ward Committee Report	Target achieved	Number of ward committee reports (272 meetings)	None	None
Public Participation	Mayoral Initiatives	None	Mayor Initiatives held	Municipal Manager	OPEX	Attendance registers, Imbizo reports	Target achieved	2 Mayoral Initiatives were held	None	None
Auditing	Effective Function of audit committees	None	Audit Committee Meetings Held	Municipal Manager	OPEX	Attendance Register and AC reports	Target Not achieved	No Audit Committees held	None	None

K. CONCLUSION

In Conclusion LIM345 Municipality overall performance for the financial year 2016/2017 was at 77%. The Municipality has put in place measures for improvement to ensure that unachieved targets are mitigated before the end of the financial year 2017/2018.



T.C. NGOBENI
MUNICIPAL MANAGER