

Draft Annual Report for 2015/2016

Presentation to communities of
Sekhukhune district

February 2017



SEKHUKHUNE
District Municipality

Presentation outline

- Vision and mission
- Legislative background
- Circulars
- Annexures to the annual report
- Municipal functions
- Population and households
- Governance
- Administration
- Intergovernmental Relations



Presentation outline

- Public accountability and reporting
- Job creation
- Sanitation provision
- De Hoop dam, SPLUMA and land for offices
- Senior management posts
- Bursaries
- Organisational annual performance
- Financial performance



Vision and mission

Vision

“Development oriented leader in service delivery”

Mission

“We provide creative development solutions in partnership with local municipalities, communities and other stakeholders through,

- A coordinated framework for district development planning
- Fostering active community involvement
- Creating a learning organisation conducive for development of human capital
- Enhancing sound intergovernmental relations through good governance
- Equitable distribution of resources



Legislative Framework

- **Section 46** of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) provides for the municipality to compile an annual report as part of its performance management system which shall also consist of an annual performance report



Legislative Framework

- **Section 121** of the Local Government Municipal Finance Management Act, 2003 (Act no 56 of 2003) provides that an annual report should provide a record of activities of the municipality as well as the performance of the budget including providing mechanisms to account to the local community



Circular for compilation of annual report

Circular 63 of MFMA (2012) provides guidelines for preparation of annual report, and states the contents:

1. Mayor's foreword and executive summary
2. Governance
3. Service delivery performance
4. Organisational development performance
5. Financial performance
6. Auditor General's findings



Annexures to the annual report

- Annual Financial statements for 2015/2016
- SDBIP Cumulative Performance Report 2015/2016
- Performance of Service Providers report 2015/2016
- Audit Committee report 2015/2016
- Sekhukhune Development Agency Report 2015/2016
- Oversight report on the annual report 2015/2016
- Community consultation report 2015/2016
- Audit Action plan 2015/2016



Municipal functions

- Fire fighting
- Local Tourism
- Municipal Airports except for Ephraim Mogale
- Municipal planning
- Municipal public transport
- Markets
- Municipal abattoirs
- Regional land fill sites
- Water and sanitation



Population in the district

Source: Community Survey 2016 and Census 2011

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



Households in the district

Source: Community Survey 2016 and Census 2011

MUNICIPALITY	HOUSEHOLDS 2011	HOUSEHOLDS 2016	AS PERCENTAGE
Fetakgomo	22 851	22 923	8%
Greater Tubatse	83 199	102 531	35%
Makhuduthamaga	65 217	64 769	22%
Elias Motsoaledi	60 251	66 330	23%
Ephraim Mogale	32 284	33 936	12%
Sekhukhune	263 802	290 489	100%



Governance structures

- Audit Committee
- Risk steering committee
- Portfolio committees
- Standing committees
- SDA Board



Administration (Top)

- Municipal manager
- Director Corporate services
- Director Community services
- Chief Financial Officer
- Director Planning and Economic Development
- Deputy Director Office of Executive Mayor
- Deputy Director office of the Speaker
- Chief Audit Executive



Intergovernmental relations

- Mayors Forum
- Municipal Managers forum
- Technical clusters
- Chief whip's forum
- Speaker's forum



Public accountability and reporting

- Mayoral outreaches
- Speakers outreaches
- IDP/Budget public consultations
- Annual Report public consultations



Job creation (municipal projects)

- **4 403 total employment created**
- 1 903 males (43%)
- 2 500 females (57%)
- 2 206 youth members (50%)
- 3 people with disabilities (less than 1%)



Job creation by gender



Sanitation provision

- ❖ 17 481 VIP toilets were provided to households across the district
- ❖ An amount of R242,4 million was used to achieve the target



De Hoop dam developments

- The department of water and sanitation has taken a resolution to declare that Sekhukhune District Municipality will be an implementing agent for the De Hoop dam resource management plan.
- This entails that all the developments inside and adjacent to the dam in respect of tourism and property development will be managed in terms of the De Hoop dam resource management plan. The plan is still undergoing approval processes in the department of water and sanitation before it is gazetted by the minister.



SPLUMA

- Sekhukhune District Municipality established the district development planning tribunal which deals with land use and development applications in the 4 local municipalities namely:

Elias Motsoaledi, Greater Tubatse/Fetakgomo, Makhuduthamaga, Ephraim Mogale

- The district development planning tribunal is not yet functional due to the delayed finalisation of SPLUMA by-laws by local municipalities



LAND FOR MUNICIPAL OFFICES

- Sekhukhune District Municipality has agreed with Bapedi ba Mamone traditional authority for the allocation of 50 hectares of land for development of municipal offices on a 99 year lease agreement
- The details of the agreement will be finalised with the traditional authority and a sod turning ceremony will be undertaken before the 30th of June 2017
- The municipality has established a technical team that will engage national treasury and COGHSTA on the appropriate funding model for the offices



Senior management posts

- 7 senior management posts
- 6 positions filled
- 1 vacant post
- 14% vacancy rate



Bursaries

- 41 beneficiary students assisted
- Expenditure of approximately R3 million



Annual performance

Department	Number of annual targets	Targets achieved	Targets not achieved	Percentage achievement
Budget and Treasury	14	10	4	71%
Community Services	25	24	1	96%
Corporate services	41	31	10	75%
Infrastructure and water	64	22	42	34%

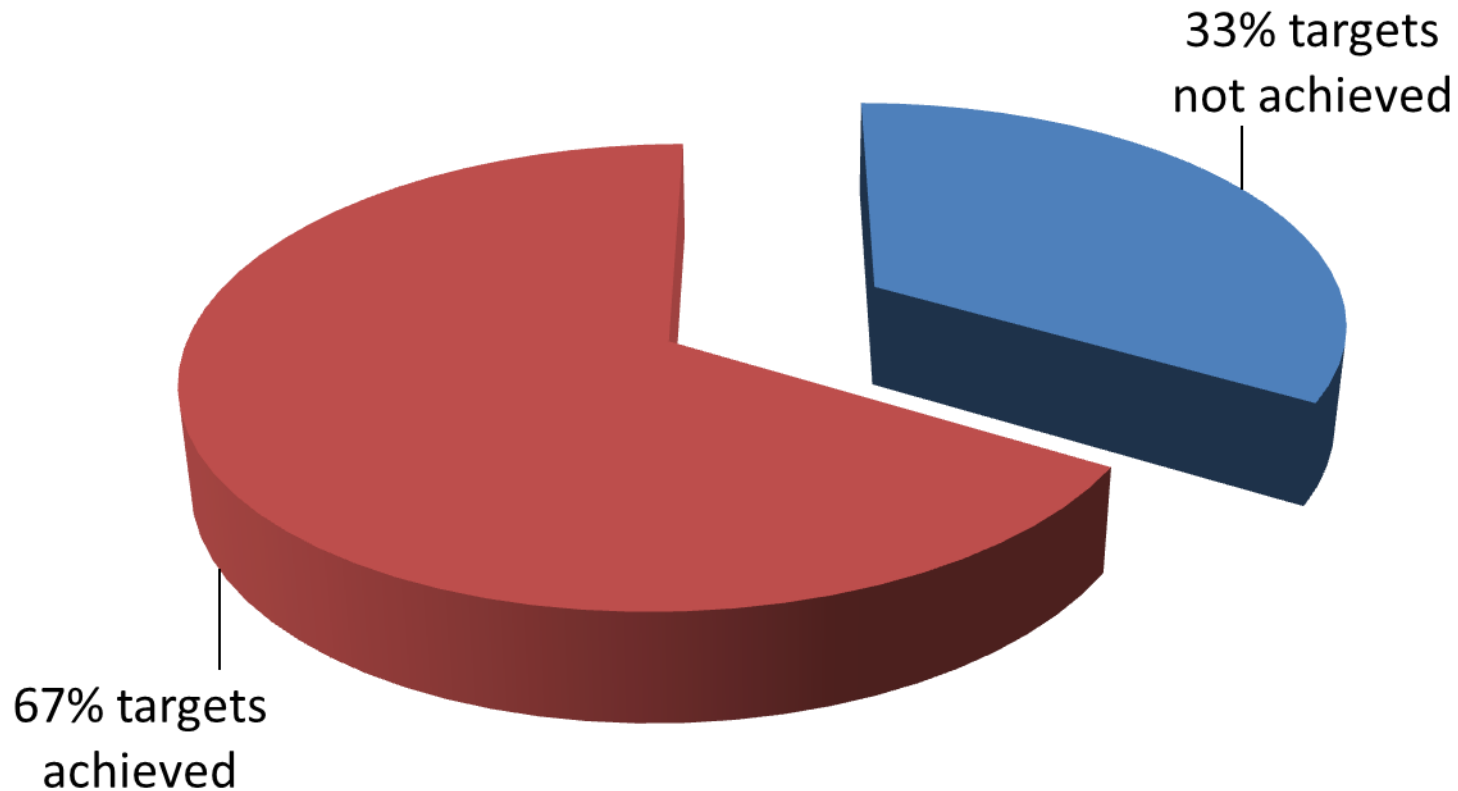


Annual performance continued

Department	Number of annual targets	Targets achieved	Targets not achieved	Percentage achievement
Office of Municipal manager	18	15	3	83%
Office of Executive Mayor	21	17	4	80%
Planning and Economic Development	19	16	3	84%
Office of the speaker	13	8	5	61%
TOTAL	215	143	72	67%

Overall performance chart

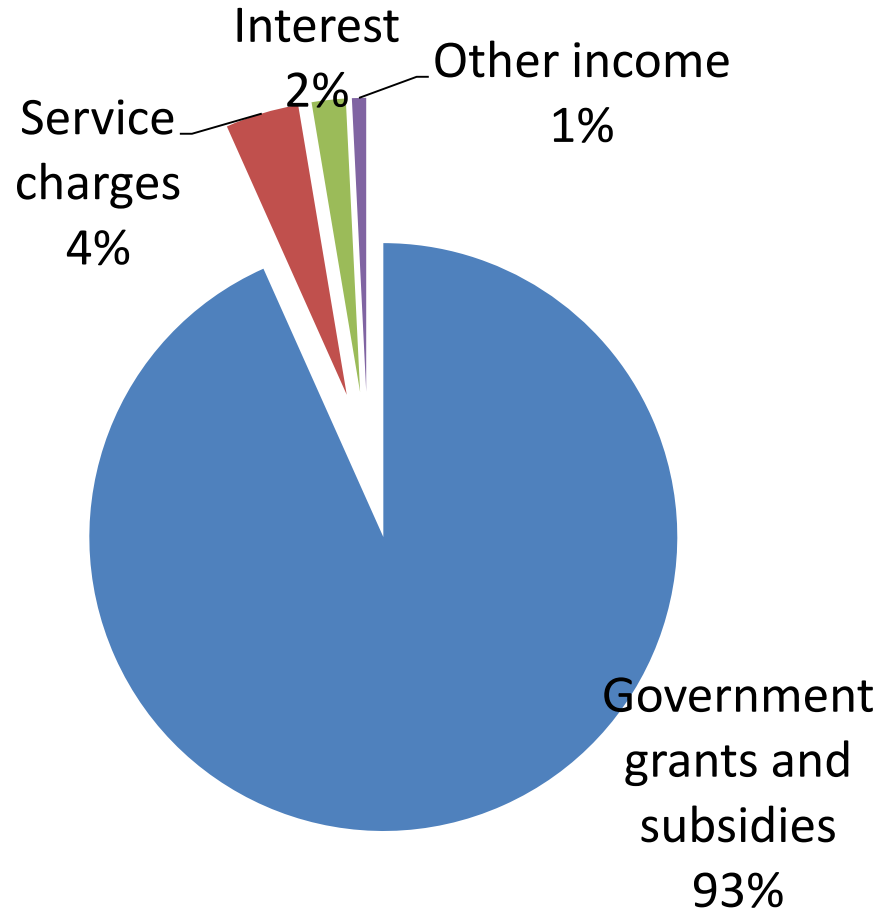
Overall performance for 2015-2016



Revenue Sources

Source	2015/2016	As %
Government grants and subsidies	R1,2 billion	93%
Service charges	R51,7 million	4%
Interest	R24 million	2%
Other income (e.g. tender document sales)	R10 million	1%
Total	R1, 286 billion	100%

Revenue sources chart



Capital grants

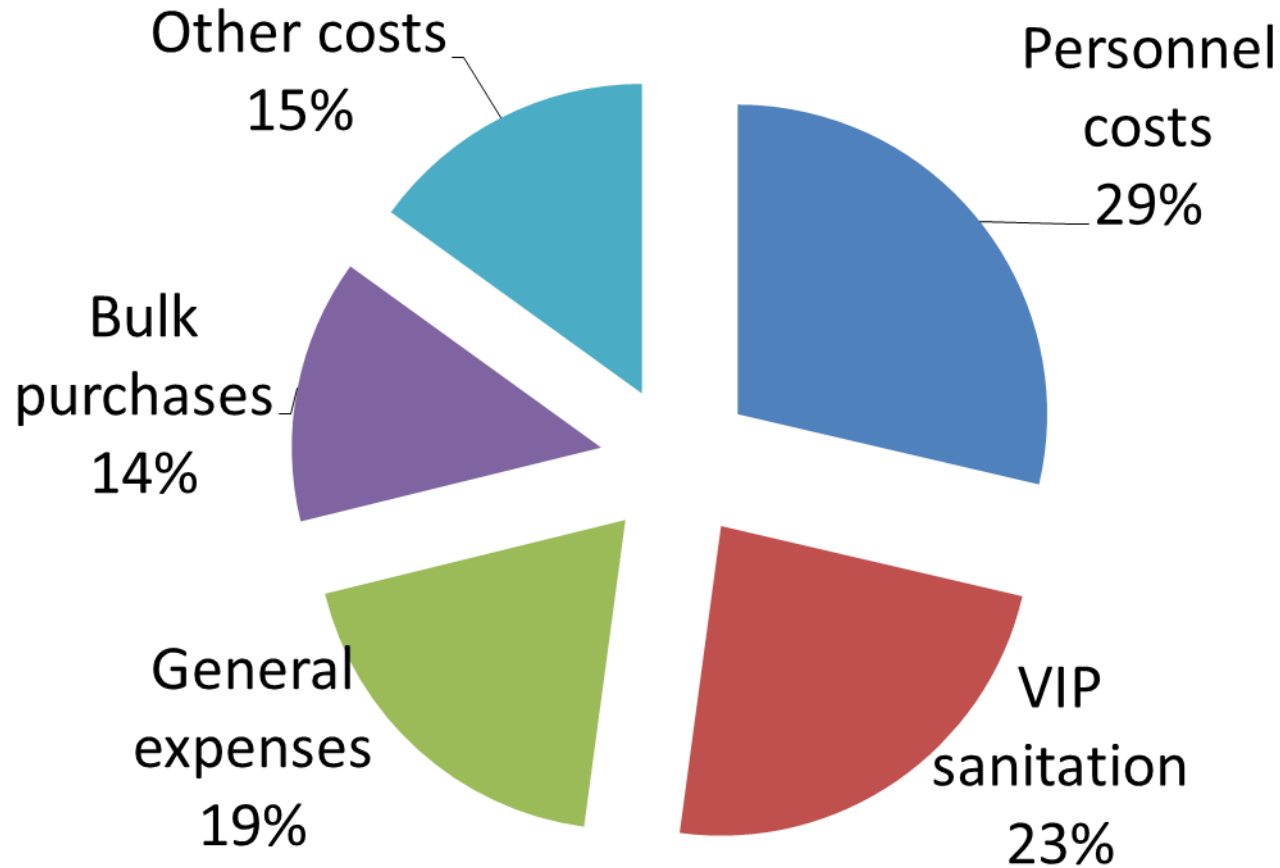
Grant	2015/2016	As %
Municipal Infrastructure grant(MIG)	R462,8 million	73%
Regional Bulk Infrastructure Grant(RBIG)	R153,5 million	24%
Water Service Operating Grant (WSOG)	R12,5 million	2%
Rural House Holds Infrastructure Grant (RHIG)	R5,6 million	1%
Rural Transport Services and Infrastructure Grant (RTSIG)	R2,2 million	Less than 1%
TOTAL	636,9 million	100%



Expenditure Items

Item	2015/2016	As %
Personnel costs	R295 million	29%
VIP sanitation	R242 million	23%
General expenses	R 196 million	19%
Bulk Purchases	R142 million	14%
Other costs (e.g repairs, debts)	R155 million	15%
Total expenditure	R1 billion	100%

Expenditure chart



Net assets

	2015/2016	2014/2015
NET ASSETS	R2,3 billion	R2 billion



Auditor General's report

- 2015/2016: Unqualified
- 2014/2015: Unqualified
- 2013/2014: Unqualified



Public Participation Programme

Date	Time	Venue	Municipality	Stakeholder group
13/02/2017	11h00	Makhudutha maga council chamber	Makhudutha maga	Magoši
14/02/2017	18h00	Burgersfort Municipal Chamber	LIM476	Business, labour and rate payers
	17h30	Groblersdal Municipal Chamber	Elias Motsoaledi	
	17h30	Marble Hall Municipal Chamber	Ephraim Mogale	



Public Participation Programme cont...

Date	Time	Venue	Municipality	Stakeholder group
15/02/2017	11h00	Batubatse Primary school	LIM 476	General public
	11h00	Moses Mabothe Hall	LIM 476	General Public
	11h00	Jane Furse Comprehensive school	Makhuduthamaga	General public
16/02/2017	11h00	Mamphokgo Primary School	Ephraim Mogale	General public
	11h00	Bosele school for the blind	Elias Motsoaledi	General public

Conclusion

- The draft annual report for 2015/2016 is being taken through the public participation process
- Comments and inputs should be forwarded before the 28th February 2017 to Khomotso Robinson at robinsonk@sekhukhune.gov.za, contact number 0132627409

