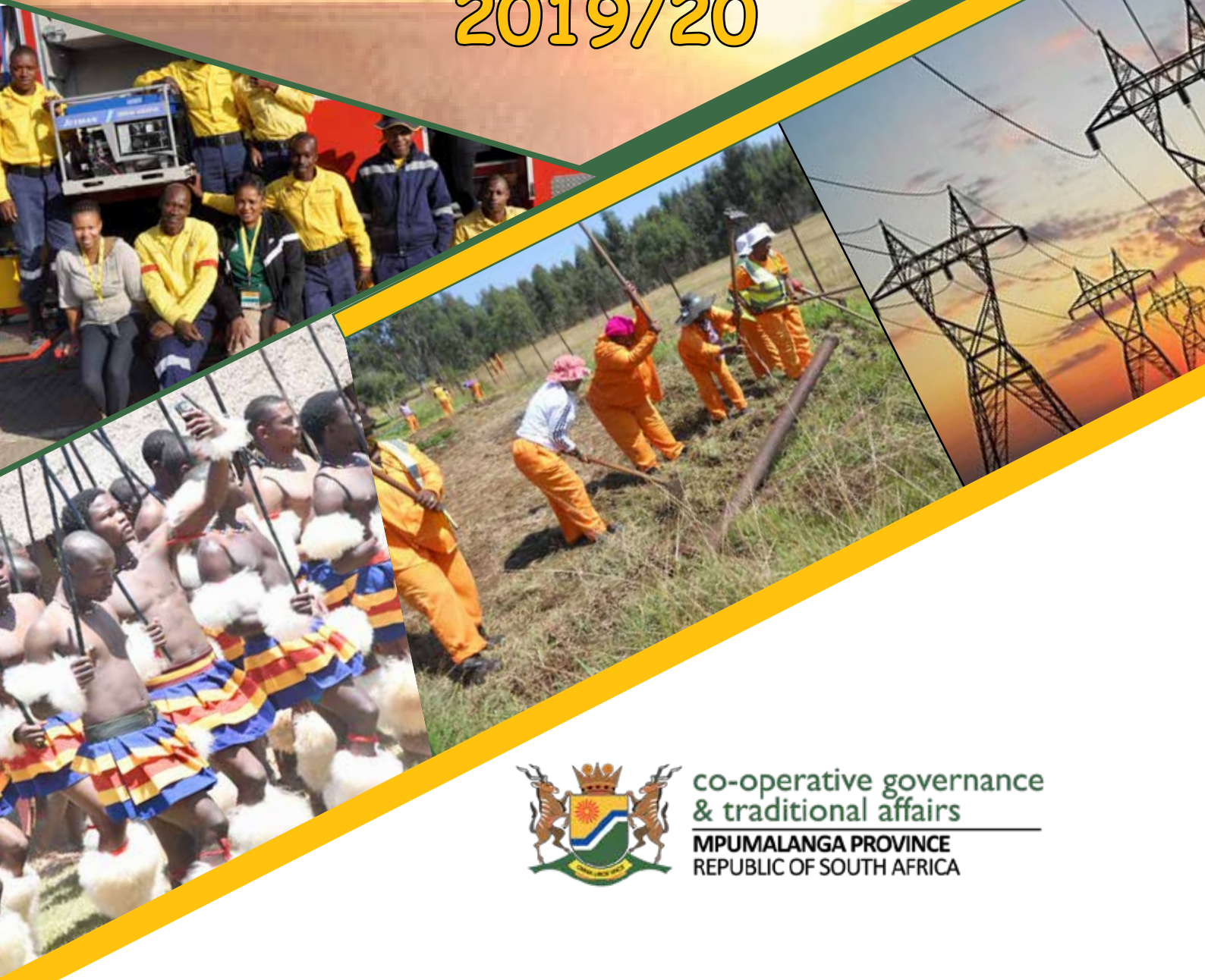


MPUMALANGA SECTION 47 REPORT

Consolidated
Annual Municipal Performance

2019/20



co-operative governance
& traditional affairs

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

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ABBREVIATIONS

5YLGSA	Five-year Local Government Strategic Agenda
ABCD	Asset Based Community Development
AFS	Annual Financial Statements
CDW	Community Development Worker
CWB	
CMIP	Consolidated Municipal Infrastructure Programme
DBSA	Development Bank of Southern Africa
DIF	District Mayors Intergovernmental Forum
DIM	District information management system
DM	District municipality
DORA	Division of Revenue Act
COGTA	Department of Cooperative Governance and Traditional Affairs
DWAF	Department of Water Affairs and Forestry
FBE	Free Basic Electricity
FBS	Free Basic Sanitation
FBW	Free Basic Water
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IGRFA	Intergovernmental Relations Framework Act
INP	Information Not Provided
IUDF	Integrated Urban Development Framework
KPA	Key Performance Area
KPI	Key performance indicator
LLF	Local Labour Forum
LED	Local Economic Development
LGSETA	Local Government Sector Education and Training Authority
MEC	Member of Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure grant
MMC	Member of the Mayoral Committee
MSA	Municipal Systems Act
MVA	Megavolt Amperes
NCBF	National Capacity Building Framework
NDP	National Development Plan
NMD	Notified Maximum Demand
NSDP	National Spatial Development Perspective
NSDF	National Spatial Development Framework
PDIs	Previously Disadvantaged Individuals
PDMC	Provincial Disaster Management Centre
PMS	Performance Management Systems
PMU	Project Management Unit
PSDF	Provincial Spatial Development Framework
PT	Provincial Treasury
RMFPC	Risk Management and Fraud Prevention Committee
SALGA	South African Local Government Association
SDF	Spatial Development Framework
SEDA	Small Entrepreneurship Development Agencies
SLP	Social Labour Plan
SMME	Small, Medium and Micro-enterprises
SSP	Sector Skills Plan
SPLUMA	Spatial Planning and Land Use Management Act 16 of 2013
URP	Urban Renewal Programme
WSA	Water Services Authority.

1. MEC'S EXECUTIVE SUMMARY



MS BP SHIBA (MPL)
**MEC: CO-OPERATIVE GOVERNANCE
AND TRADITIONAL AFFAIRS**

The Municipal Consolidated Performance report for 2019/20 financial year in Mpumalanga Province is compiled in line with the legislative obligations placed on the MEC for Local Government in Section 47 of the Local Government Municipal Systems Act, (Act No 32 of 2000).

In compliance with Section 154(1) and 155(6) of the Constitution of the Republic of South Africa 1996, and with Section 105 of the Local Government Municipal Structures Act 2000, the department has ensured that municipalities are supported to manage their own affairs, exercise their powers and perform their functions.

In the 2019/20 financial year the Department has intervened in terms of Section 106(1) (b) of the Municipal Systems Act in Govan Mbeki, Dr JS Moroka and Dr Pixley Ka Isaka Seme Local Municipalities, to investigate allegations of corruption and maladministration in order to restore public trust in government and pursuit of clean government.

The Department has worked closely with the Traditional Leadership in enhancing and elevating the spirit of participatory democracy within the Province. All houses have been supported to ensure that they are able to execute their responsibilities.

The Consolidated Municipal Annual Performance for 2019/20 is summarised as follows:

- Of the 125 senior management positions, 108 were filled, Performance agreements signed and submitted to the Department. Of the 108 posts, 36 are females and 72 are males respectively.
- The MIG allocation for the year under review was R1.81 billion and R1.77 billion was spent which equates to 98%.
- Through the support of the Department working with Provincial Treasury, Nkangala and Ehlanzeni Districts, and Steve Tshwete Municipality achieved clean audits.
- 28 029 jobs were created through the Community Works Programme (CWP).
- 19 Municipalities adopted their IDPs and Process Plans. Only Dr JS Moroka Local Municipality could not adopt its IDP and Process Plan.
- 11 Municipalities approved their anti-corruption and fraud prevention plans.
- 42 Traditional leaders participated in Municipal Councils in terms of section 81 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998).
- All municipalities have processed land use applications.
- Of the 400 Ward Committees, only 307 of them were functional.
- Funds were reprioritised to help curb the spread of the Covid-19 pandemic.

The report covers the above under good governance, delivery of basic services, integrated Development Planning and good financial management.

A handwritten signature in black ink, appearing to read 'BP Shiba', written over a horizontal line.

MRS BP SHIBA (MPL)

MEC: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

DATE: 19/08/2021

2. HOD'S EXECUTIVE SUMMARY OF PERFORMANCE



MR S NGUBANE
HEAD: CO-OPERATIVE GOVERNANCE
AND TRADITIONAL AFFAIRS

In the 2019/20 financial year the Department strengthened its support in some Municipalities by seconding qualified and competent senior officials to respond to administrative challenges, where the Municipal Managers, Corporate Services Directors and Chief Financial Officers posts were vacant for long periods due to various reasons such as resignations, suspensions or prolonged court cases.

The report shows both improvements and challenges on access to basic services. The government investment on infrastructure through various grants has contributed to the improvements on access to basic services, particularly water and sanitation. The Department will continue to support municipalities to fulfil their mandate as envisaged in section 152 of the Constitution of the Republic of South Africa, 1996.

The sixth administration led by the President of the Republic, His Excellency Matamela Cyril Ramaphosa pronounced on the development of a new approach to strengthen coordination, integration and implementation across the three spheres of government in order to dismantle working in silos. An approach referred to as the District Development Model (DDM) has been established in the Country and is also implemented in the Province. Each District and Metropolitan geographical area shall be required to develop a long range planning framework known as a One Plan through the DDM process.

Through the DDM, all resources from the spheres of government and private sector shall be mobilised into our District areas to facilitate for planning, budgeting, implementation and reporting necessary to achieve government outcomes and impact in the delivery of government services.

The District municipalities, as central role players in the coordination of the DDM, shall be supported by the Department in the 2020/21 financial year with the establishment of intergovernmental planning structures required to draft the One Plan which must be delivered and approved in the 2021/22 financial year.

In September 2019, the Department of COGTA concluded a Memorandum of Agreement (MOA) with Development Bank of Southern Africa (DBSA) regarding the establishment of the Provincial Project Management Unit (PPMU). In October 2020, DBSA appointed the Mpumalanga COGTA PPMU support team which consist of a, Civil Engineer, Town Planner, Electrical Engineer, Financial Expert and Programme Manager.

The Development Bank of Southern Africa (DBSA) through the PPMU is supporting Municipalities in programmes such as project preparation, master planning asset care, revenue enhancement and spatial restructuring.

To date, a total grant of R49 million has been approved by the DBSA to support Municipalities covering the above-mentioned programmes with the exception of the programmes, project preparation and master planning which are still under consideration for approval.

A handwritten signature in black ink, appearing to be 'S Ngubane', written over a horizontal line.

MR S NGUBANE
HEAD: CO-OPERATIVE GOVERNANCE AND TRADI-
TIONAL AFFAIRS

DATE: 19/08/2021

PART A

3. INTRODUCTION

3.1 Legislative Background

RSA Constitution, Act 108 of 1996

The Constitution of South Africa in S152(1) sets out five central objects for Local Government as outlined in subsections (a)-(e) below:

- a) To provide democratic and accountable government for local communities;
- b) To ensure the provision of services to communities in a sustainable manner;
- c) To promote social and economic development;
- d) To promote a safe and healthy environment; and
- e) To encourage the involvement of communities and community organisations in the matters of Local Government.

Section 152, subsection (2) enjoins a municipality to strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1). A municipality has thus, a constitutional duty to among others, generate revenues, build institutional and administrative capability to deploy its revenues to provide services to communities, deliver good governance, effective financial management, promote local economic development, and strengthen public participation. National and Provincial government is enjoined by the Constitution in S154 (1) by legislative or other measures, to support and strengthen the capacity of municipalities to manage their affairs, to exercise their powers and to perform their functions.

Municipal Systems Act, 2000 (Act 32 of 2000)

The Municipal Systems Act in terms of S11 (3) (i) empowers a municipality in exercising its legislative or executive authority to impose and recover rates, taxes, levies, duties, service fees and surcharges on fees, including setting and implementing tariff, rates and tax and debt collection policies. The importance of this executive authority and legislated function is to ensure a municipality generate necessary revenues for among others providing sustainable services to local communities.

In executing its functions to achieve the local objects outlined in the Constitution, a municipality is mandated in terms of Section 46 (1) to prepare for each financial year a performance report reflecting-

- (a) the performance of the municipality and of each external service provider during that financial year;
- (b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and
- (c) Measures taken to improve performance.

On the basis of the Annual Performance Report required in S46 (1), the MEC for local government must annually compile and submit to the Provincial Legislature and the Minister a consolidated report on the performance of municipalities in the Province as mandated in S47(1) of the MSA, 2000 (Act 32 of 2000). Subsection (2) of S47 directs that the consolidated report by the MEC must-

- a) identify municipalities that under performed during the year;
- b) propose remedial action to be taken; and
- c) be published in the Provincial Gazette

Municipal Finance Management Act, 2003 (Act 56 of 2003)

Section 121 (1) of the Municipal Finance Management Act (MFMA), 2003 mandates every municipality and municipal entity must for each year prepare an annual report in accordance with this chapter. S46(2) of the Municipal Systems Act, 2000 (Act 32 of 2000) states that the annual performance report of a municipality must form part of the Annual Report prepared in terms of S121(1) of the MFMA, 2003.

Informed and empowered by the legislative provisions summarised above, the MEC for local government in Mpumalanga has prepared the consolidated S47 report on municipal performance for the 2019/20 municipal financial year.

3.2 Limitations of the Report

- Exemptions by the Minister of Finance for municipalities from complying with deadlines in sections 126(1) and (2), 127(1) and (2), 129(1) and 133(2) of the Local Government Municipal Finance Management Act, 2003 (Act No 56 of 2003). Please note Circular 104 of the Municipal Finance Management Act No 56 of 2003.
- Delays by the Auditor General to issue Audit Report for municipalities.

- Delay in the tabling and adoption of Oversight Reports due to suspension of Council sittings because of the Covid-19 pandemic.
- Delay in the verification of information due to movement restrictions as well limited human capital in municipalities due to the Covid-19 pandemic.
- Gaps in the Section 46 reports which ultimately affects the compilation of the Section 47 report.

4. OVERVIEW OF THE DEMOGRAPHIC AND SOCIO-ECONOMIC PROFILES

4.1 DEMOGRAPHIC PROFILE

Based on Statistics SA, 2011, Mpumalanga had 4 039 837 inhabitants, the 2016 General Household Survey, herein referred to as the Community Survey (CS), places the total population at 4 335 966 that are residing in Mpumalanga with just over a million households accounting for an estimated 7,8% of the country's population. Of the above population in the province, Ehlanzeni District Municipality accounts for 40, 5% at 1, 75 million people, followed by Nkangala District Municipality at 33, 3% for an estimate 1, 45 million people and lastly, the Gert Sibande District Municipality accounting for the remainder of 26, 2% of the population at 1, 1 million people. Table 1 below provides a summary of the population in the province per district including the households breakdown. Sub-sections 4.1.1 to 4.1.3 provide a local level population breakdown per district area.

Table 1: Demographic Profile for Mpumalanga as per National Census, 2011 & CS SA 2016

NAME	POPULATION	%	HOUSEHOLDS AS PER STATS SA 2011	%	POPULATION	%	HOUSEHOLD AS PER COMMUNITY SURVEY 2016	%
Ehlanzeni District Municipality	1 688 614	41.8	445 087	41.4	1 754 931	40.5	483 902	39.2
Nkangala District Municipality	1 308 129	32.4	356 911	33.2	1 445 624	33.3	421 143	33.9
Gert Sibande District Municipality	1 043 094	25.8	273 490	25.4	1 135 411	26.2	333 815	26.9
Total	4 039 837	100	1 075 488	100	4 335 966	100	1 238 760	100

(Source: SERO Report and Community Survey 2016)

4.1.1 Ehlanzeni District Municipal Demographic Profile

Ehlanzeni District Municipality comprises of four (4) local municipalities namely, City of Mbombela, Nkomazi, Bushbuckridge and Thaba Chweu local municipalities. City of Mbombela Local Municipality accounts for the largest population estimate at 693 369 (39%) closely followed by Bushbuckridge Local Municipality with a population estimate of 548 760 (32%), Nkomazi Local Municipality at 410 907 (23%) and Thaba Chweu Local Municipality at 101 895 (5.8%) which is the smallest municipality within the District. In terms of the Community Survey 2016, the fastest and highest population growth is in City of Mbombela with 205 496 (42%) whilst Thaba Chweu accounts for the lowest within the district at 37 022 (9%).

Table 2 below provides a summary of the population estimates in the Ehlanzeni District Municipality as per the Community Survey 2016.

Table 2: Ehlanzeni District Demographic Profile

NAME	POPULATION	%	HOUSEHOLDS AS PER STATS SA 2011	%	POPULATION	%	HOUSEHOLD AS PER COMMUNITY SURVEY 2016	%
City of Mbombela Municipality	655 950	39	181 336	40	693 369	39	205 496	42
Bushbuckridge Municipality	541 248	32	134 197	30	548 760	32	137 419	28
Nkomazi Municipality	393 030	23	96 202	22	410 907	23	103 965	21
Thaba Chweu Municipality	98 387	6	33 352	8	101 895	6	37 022	9
Total	1 688 615	100	445 087	100	1 754 931	100	483 902	100

(Source: SERO Report and Community Survey 2016)

4.1.2 Nkangala District Demographic Profile

Nkangala District Municipality comprises six local municipalities namely, Emakhazeni, Steve Tshwete, Emalahleni, Victor Khanye, Thembisile Hani and Dr JS Moroka local municipalities. Emalahleni Local Municipality accounts for the largest population estimate at 455 228 (31.5%) followed by Thembisile Hani Local Municipality with a population

estimate of 333 331 (23%), Steve Tshwete Local Municipality at 278 749 (19.3%), Dr JS Moroka Municipality at 246 016 (17%). Victor Khanye Local Municipality at 84 151 (5.8%) and Emakhazeni Local Municipality at 48 149 (3.3%) are the two municipalities with lowest population figures within the District. In terms of population growth figures as per the Community Survey 2016, the municipality with highest population figures within the district is Emalahleni with 150 420 (36%) and Emakhazeni accounts for the lowest figures sitting at 14 633 (3%). Table 3 below provides a summary of the population estimates in the Nkangala District Municipality as per the Community Survey, 2016.

Table 3: Nkangala District Demographic Profile

NAME	POPULATION	%	HOUSEHOLDS AS PER STATS SA 2011	%	POPULATION	%	HOUSEHOLD AS PER COMMUNITY SURVEY 2016	%
Emalahleni Municipality	395 466	30	119 874	34	455 228	31.5	150 420	36
Thembisile Hani Municipality	310 458	23.7	75 634	21	333 331	23	82 740	20
Dr JS Moroka Municipality	249 705	19	62 162	17	246 016	17	62 367	15
Steve Tshwete Municipality	229 831	17	64 971	18	278 749	19.3	86 713	21
Victor Khanye Municipality	75 452	5.8	20 548	6	84 151	5.8	24 270	6
Emakhazeni	47 216	3.6	13 722	4	48 149	3.3	14 633	3
Total	1 308 108	100	356 911	100	1445 624	100	421 143	100

(Source: SERO Report and Community Survey 2016)

4.1.3 Gert Sibande District Demographic Profile

Gert Sibande District Municipality comprises of seven local municipalities namely, Chief Albert Luthuli, Msukaligwa, Mkhondo, Lekwa, Dr. Pixley Ka Isaka Seme, Dipaleseng and Govan Mbeki local municipalities. Govan Mbeki Local Municipality accounts for the largest population estimate of 340 091 (30%) followed by Mkhondo Local Municipality with a population estimate of 189 036 (17%), Chief Albert Luthuli Local Municipality at 187 630 (16%), Msukaligwa Local Municipality at 164 608 (15%), Lekwa Local Municipality at 123 419 (11%). Dr. Pixley Ka Isaka Seme Local Municipality at 85 395 (7%) and Dipaleseng Local Municipality at 45 232 (4%) are the two municipalities with lowest figures within the District. In terms of growth as per the community survey 2016 the highest is Govan Mbeki with 108 895 (32,6%). The lowest is Dipaleseng with 14 877 (4,5%). Table 4 below provides a summary of the population estimates in the Gert Sibande District Municipality as per the Community Survey 2016.

Table 4: Gert Sibande District Demographic Profile

NAME	POPULATION	%	HOUSEHOLDS AS PER STATS SA 2011	%	POPULATION	%	COMMUNITY SURVEY 2016	%
Govan Mbeki Municipality	294 538	28	83 874	31	340 091	30	108 894	32,6
Chief Albert Luthuli Municipality	186 010	18	47 705	18	187 630	16	53 480	16
Mkhondo Municipality	171 982	17	37 433	14	189 036	17	45 595	13,6
Msukaligwa Municipality	149 377	14	40 932	15	164 608	15	51 089	15,3
Lekwa Municipality	115 662	11	31 071	11	123 419	11	37 334	11,2
Dr Pixley Ka Isaka Seme Municipality	83 235	8	19 838	7	85 395	7	22 546	6,8
Dipaleseng Municipality	42 390	4	12 637	5	45 232	4	14 877	4,5
Total	1 043 194	100	273 490	100	1135 411	100	333 815	100

(Source: SERO Report and Household Community Survey 2016)

4.2 SOCIO-ECONOMIC PROFILE

4.2.1 Household Income

Table 5 below provides a summary of the average household income in the province broken down per local municipality as adapted from the Statistics SA figures of 2011 National Census. Steve Tshwete Local Municipality had the highest average household income in the province at R134 026, with Bushbuckridge Local Municipality the having lowest average household income of R36 569. The household income information will not change until the next stats SA Census in 2021.

Table 5: Average Household Income per Municipality

MUNICIPALITY	Stats SA Census(2001)	Stats SA Census(2011)	Rank
Steve Tshwete	R55 369	R134 026	1
Govan Mbeki	R47 983	R125 480	2
Emalahleni	R51 130	R120 492	3
Mbombela	R37 779	R92 663	4
Lekwa	R38 113	R88 440	5
Thaba Chweu	R35 795	R82 534	6
Msukaligwa	R31 461	R82 167	7
Victor Khanye	R35 281	R80 239	8
Emakhazeni	R36 170	R72 310	9
Dr. Pixley Ka Isaka Seme	R23 399	R64 990	10
Dipaleseng	R19 454	R61 492	11
Mkhondo	R26 935	R53 398	12
Chief Albert Luthuli	R22 832	R48 790	13
Thembisile Hani	R18 229	R45 864	14
Nkomazi	R19 195	R45 731	15
Dr. JS Moroka	R17 328	R40 421	16
Bushbuckridge	R17 041	R36 569	17

(Source: Stats SA 2011)

4.2.2 Unemployment and Socio-economic challenges

Ehlanzeni District's household income of R64 403 had the lowest among the districts as well as the provincial average of R77 597 per annum. Average household income in Gert Sibande District improved from R33 662 in 2001 to R84 177 in 2011. The Gert Sibande District household income of R84 177 in 2011 was the second highest among the 3 districts and better than the provincial average of R77 597 per annum. The average household income for Nkangala District improved from R35 177 in 2001 to R89 006 in 2011 and was ranked first of the 3 districts also the highest and better than the provincial average of R77 597 per annum.

The rate of female headed households in Ehlanzeni District was at 44.1% and child headed (10-17 years) households was at 1.2% in 2011. In Gert Sibande District the rate of female headed households was at 38.8% while child headed (10-17 years) households rate was at 0.7 % in 2011. Female headed households in Nkangala District was at 36.2% and child headed (10-17years) households was at 0.3% in 2011.

Unemployment rate for females in Ehlanzeni District was recorded at 41.0% and males 28.1%, youth unemployment rate high at 44.2%.The leading industries in terms of employment in the Ehlanzeni District are - trade (23.5%), community service (21.3%) and agriculture (13.7%). Unemployment rate for females in Nkangala District was recorded at 37.7% and males 24%, youth unemployment rate high at 39.6%.The leading industries in terms of employment in the Nkangala District were - trade (20.7%), mining (18.7%) and community service (16.8%). Unemployment rate for females in Gert Sibande District was recorded at 38.4% and males 22.1%, youth unemployment rate high at 38.4%. The leading industries in terms of employment in the Gert Sibande District were - trade (18.8%), community service (17%), mining (14.5%) and agriculture (13.9%).

Ehlanzeni District had the highest poverty rate 41.3% - 705 103 poor people. The Gert Sibande District had the second highest poverty rate 37.9% - 402 278 poor people though an improving trend had been recorded since 2001 and Nkangala District had the lowest poverty rate among the 3 districts of 30.6% - 412 259 poor people.

The district's contribution to Mpumalanga economy was 31% in 2012 providing the second highest of the 3 districts, with leading industries in terms of percentage contribution to Gert Sibande's economy being manufacturing (37.3%), mining (12.9%) and community services (11.9%). The leading industries in terms of percentage contribution to Ehlanzeni District's economy were finance (21.8%), community services (24.9%) and trade (17.3%). The leading industries in terms of percentage contribution to Nkangala's economy were mining (29.5%), finance (14.4%), community services (13.6%) and manufacturing (12.5%).

PART B

PART B

5. ANALYSIS OF MUNICIPAL KEY PERFORMANCE AREAS

In line with the Constitutional objects of local government this S47 report focuses on the analysis of municipal performance with respect to each object in order to assess areas of strength in each municipality as well as areas of weaknesses. The Departmental support programmes outlined in the Integrated Municipal Support Plan will then be focused on each municipality using the differentiated approach principle.

5.1 GOOD GOVERNANCE

Municipalities have a duty in terms of S152 (1) (a) of the Constitution to provide a democratic and accountable government for local communities. The hallmark of a democratic and accountable government is good governance characterised by political and administrative stability; functional governance and oversight committees; effective systems of internal control, such as internal audit committees, risk management and audit committees, IT governance, anti-corruption measures and functional Intergovernmental relations forums amongst others. This section provides a summary of the analysis of the performance of our municipalities in terms of good governance focusing on the characteristics of good governance outlined above.

Table 6: Analysis of Municipal Performance on Good Governance: Political Stability

Districts	Municipality	Political stability	
		Troika meeting	Council sitting
EHLANZENI	Bushbuckridge	Troika was functional and 17 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 09
	City of Mbombela	Troika was functional and 17 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 05
	Nkomazi	Troika was functional and 21 meetings were held	Council is sitting as per legislation council sittings are held 04
	Thaba Chweu	Troika was functional and 19 meetings were held	Council is sitting as per legislation and special council sittings are held 11
	Ehlanzeni	Troika was functional and 20 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 18
	District Total	94	47
GERT SIBANDE	Chief Albert Luthuli	Troika was functional and 20 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 13
	Dipaleseng	Troika was functional and 09 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 08
	Govan Mbeki	Troika was functional and 12 meetings were held	Council is sitting as per legislation and special council sittings are held after the minor challenge which was as a result of the division amongst councillors. 07 meetings held.
	Lekwa	Troika was functional and 09 meetings were held	Council is struggling to sit as per legislation due to the instability and the infighting of the councillors. 02 meetings held
	Mkhondo	Troika was functional and 14 meetings were held	Council is sitting as per legislation and special council sittings are held 10
	Msukaligwa	Troika was functional and 12 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 09
	Dr. Pixley Ka Isaka Seme	Troika was functional and 15 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 10
	Gert Sibande	Troika was functional and 25 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 09
	District Total	116	66
NKANGALA	Dr. JS Moroka	Troika was functional and 09 meetings were held	Council is struggling to sit as per legislation but sits occasionally with special council sittings. Number of meetings held is 09
	Emakhazeni	Troika was functional and 12 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 08
	Emalahleni	Troika was functional and 15 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 11
	Steve Tshwete	Troika was functional and 15 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 08
	Thembisile Hani	Troika was functional and 13 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 11
	Victor Khanye	Troika was functional and 12 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 08
	Nkangala District	Troika was functional and 16 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 10
	District Total	92	65

(Source: COGTA Municipal Admin Assessment Report)

5.1.1 Analysis of Municipal Performance on Good Governance: Political Stability

Findings

Functionality of municipal Troika and sitting of municipal councils is summarised below:

Ehlanzeni District

During this financial year, meetings were not as frequent in all the areas due to the pandemic. In Ehlanzeni district, all the local municipalities held Troika meetings, even though most of them were held virtually but the relationship was good. The finding indicated that only 94 Troika meetings were held altogether by the local municipalities as well as the Ehlanzeni district municipality.

Council sittings were held mostly virtually by all the municipalities in this district. The total number of council meetings held is 47. These meetings were held by the local municipalities and the Ehlanzeni district municipality.

Gert Sibande District

Due to the pandemic, there was a decline in the number of meetings held, however meetings were held virtually on a number of occasions. The relationship between the office bearers is good in all the municipalities. Lekwa has improved after its Troika was resuscitated and it's now sitting. A total number of Troika meetings held in this district were 116.

As a result of Covid-19 restrictions, most council sittings were held virtually. In all 66 council sittings were held during this financial year. Lekwa's Council was struggling to sit as per legislation due to the instability and the infighting of the councillors.

Nkangala District

In Nkangala District, Troika was functional in all its municipalities. The total numbers of Troika meetings held by all municipalities in this district were 92. The relationship is good.

The municipalities in this district were able to have council sittings even in the midst of the pandemic. 65 Virtual council sittings were successfully held.

In Dr JS Moroka the Council was struggling to sit as per legislation but sits occasionally with special council sittings.

Table 7: Analysis of Municipal performance on Good Governance: Functional Oversight Committees

DISTRICTS	Municipality	Municipal Public Accounts Committee (MPAC)	Functionality of Oversight Committees	
			S79 and S80 Committees	Audit Committee
EHLANZENI	Bushbuckridge	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional	<input type="checkbox"/> Audit committee was functional
	City of Mbombela	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional	<input type="checkbox"/> Audit committee was functional
	Nkomazi	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional	<input type="checkbox"/> Audit committee was functional
	Thaba Chweu	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional	<input type="checkbox"/> Audit committee was functional
	Ehlanzeni	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional	<input type="checkbox"/> Audit committee was functional
GERT SIBANDE	Chief Albert Luthuli	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional	<input type="checkbox"/> Audit committee was functional
	Dipaleseng	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional	<input type="checkbox"/> Audit committee was functional
	Govan Mbeki	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional	<input type="checkbox"/> Audit committee was functional
	Lekwa	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were not functional	<input type="checkbox"/> Audit committee was functional
	Mkhondo	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional	<input type="checkbox"/> Audit committee was functional
	Msukaligwa	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional	<input type="checkbox"/> Audit committee was functional
	Dr. Pixley Ka Isaka Seme	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional	<input type="checkbox"/> Audit committee was functional
	Gert Sibande	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional	<input type="checkbox"/> Audit committee was functional
NKANGALA	Emalahleni	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional	<input type="checkbox"/> Audit committee was functional
	Emakhazeni	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional, only the composition of Section 80 committee is still a challenge.	<input type="checkbox"/> Audit committee was functional
	Steve Tshwete	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 committees were functional	<input type="checkbox"/> Audit committee was functional
	Victor Khanye	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 committees were functional but Section 80 not established	<input type="checkbox"/> Audit committee was functional
	Dr. JS Moroka	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 not consistent in their functionality	<input type="checkbox"/> Audit committee was functional
	Thembisile Hani	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 not consistent in their functionality	<input type="checkbox"/> Audit committee was functional
	Nkangala	<input type="checkbox"/> MPAC is functional	<input type="checkbox"/> Section 79 and 80 not consistent in their functionality	<input type="checkbox"/> Audit committee was functional

(Source: Section 46 reports from municipalities)

5.1.2 Functionality of Oversight Committees

All twenty of our municipalities, have established Section 79 committees. All committees were established as per Section 79 of the Local Government Municipal Structures Act no.117 of 1998. They are all having schedules of their sittings and are complying with their schedules although some are not consistent in the calling of meetings but they do sit per quarter. There was an improvement with Lekwa regarding the sitting of Section 79 committees.

Municipal Public Accounts Committees have been established in all twenty municipalities. They were capacitated on their roles and responsibilities etc.

Regarding the establishment and functionality of Section 80 committees, Victor Khanye has not established Section 80 committees due to their small number of councillors in their municipality. Their MMCs form part of their Section 79 committees which is not proper.

Regarding the City of Mbombela local municipality, they have established Section 80 committees but don't call them Section 80 but Cluster committees. They are as a result of their Governance Model which they use.

Emakhazeni local municipality has established both Section 79 and 80 committees but their Section 80 committees are not well composed, they have officials as members of their committees in their composition. COGTA and SALGA PEC coordinated a meeting with the whole council to assist in rectifying the matter. The meeting was a futile exercise as the Executive Mayor didn't attend that meeting citing that the committees are working well for him. The MEC wrote a formal letter to the Executive Mayor to rectify it but they are still maintaining them as they are. The implication of not having section 80 committees is that the office of the Executive Mayor may be compromised, as these committees are committees of the Executive Mayor and they advise the Executive Mayor on how to best exercise his authority and perform his or her duties.

In Dr JS Moroka local municipality, Section 79 and 80 committees are established but have a challenge of sitting as most committees are struggling to sit. The Executive Council took a decision to place the municipality under Administration in terms of Section 139 of the Constitution.

Municipal Troika

Findings

For 2019/2020, Municipal Troika meetings experienced a drastic decline in the number of meetings held, they no longer meet to discuss petty and trivial issues like before, they now meet to discuss governance and service delivery issues. This was as a result of the intervention made by the Department in conjunction with SALGA and the Mpumalanga Provincial Legislature Speaker and Chief Whip who were instrumental in ensuring that the Troika Guidelines which were developed to assist Troika functionality is understood, adopted and implemented in their respective municipalities. They are now aware of the issues which must be covered and thus are improving. Instead of just having abrupt meetings, they now hold meetings and prioritise issues for discussion. Most Troika meetings are held before Council sittings or before Mayoral Committee sittings. The Guidelines also assist Troikas to not overlook issues of Governance and Service delivery which is of most importance in the functionality of any municipality.

Challenges that were noted with the functionality of the Troika's in the Province:

- The Department is waiting for the Amendment of the Local Municipal Structures Act which will give clarity of the Chief Whip's role since currently it's not well defined whereas the roles and responsibilities of the Speaker and the Executive Mayor are well defined in the Legislation. This tends to cause friction amongst the members as the Speaker would sometimes feel like the Chief Whip is encroaching into his or her duties.
- Most municipalities refuse to provide CoGTA with minutes due to the confidentiality of their meetings. This hampers effective monitoring.
- None submission of Troika reports by some municipalities

Recommendations

- Acceleration of the Amendment of Local Government Municipal Structures Act to give effect on the role of the Chief Whip
- Troika to adhere to Troika guidelines always
- Troika to submit quarterly reports to the MEC

MPACs

Challenges that were noted with MPACs

- Lack of continuity and loss of institutional memory as MPAC members, especially the chairpersons get deployed into different portfolios by their political parties. This leads to having to start afresh with capacitation of newly appointed members
- No dedicated staff members (Secretary & Researcher) and insufficient tools of trade to assist MPACs with administration
- Failure by administration to report on stipulated time.
- Lack of capacity building programmes for MPACs members on financial issues.
- Lack of understating of roles and responsibilities on MPACs vs other council committees.

Recommendations

- Acceleration of the Amendment of Local Government Municipal Structures Act.
- On-going training on roles and responsibilities for section 79 & 80 committees and MPACs
- Municipalities to make use of the MPAC Toolkit guidelines developed by National CoGTA, National Treasury, Provincial Treasury and Provincial COGTA, AGSA and SALGA to enhance MPAC functionality.
- Municipality to include MPAC support staff when they review their organogram.
- Municipal council to implement consequence management measures on those in administration who are failing to comply with reporting on time.
- Capacity building for MPACs on financial issues be prioritised.

Audit Committees

Challenges that were noted with audit committees:

- Staff shortages in internal Audit units.
- The term of the Audit committee in Dr JS Moroka has come to an end.
- Non implementation of Audit action plans and Audit Committee resolutions by municipalities

Recommendations

- The administrator at Dr JS Moroka to appoint the Audit committee.
- Municipalities to review Organisational Structure to cater for Internal Audit Units.
- Troika to monitor the implementation of Audit action plans and Audit Committee recommendations

Section 79 and 80 committees

Challenges that were noted with Section 79 & 80 committees:

- Some chairpersons of Section 79 committees do not call meetings citing lack of support from their administration.
- Section 80 committees not well composed as per legislation at Emakhazeni and Victor Khanye.
- Victor Khanye Local municipality did not establish Section 80 committees they have the Section 79 committees only.

Recommendations

- Inclusion of a clause in the Standing Rules and Orders of council that will ensure that Section 79 and 80 committee chairpersons call meetings adhering to their schedule or face consequences of not calling meetings (e.g. cutting their salary during that period when meetings were not called).
- MEC to re-engage Emakhazeni Local municipality to re-establish Section 80 committees and fix the composition issue.
- Victor Khanye Local municipality to establish Section 80 committees and be functional.
- SALGA and COGTA to develop a governance model for all municipalities in the whole province.

Support Interventions by National and Provincial government

- CoGTA is monitoring whether Troika meetings are held frequently as per schedule.
- The amendment to the Local Government Municipal Structures Act which provides for the creation of the office of the Whip of Council, will assist in institutional Troika functionality in municipalities.
- The municipal council in Lekwa has been dissolved following the section 139(7) intervention by National Government.
- The information sharing platform created by National Cogta is assisting all Provinces to learn and share experiences regarding functionality of Municipal Public Accounts Committees.

5.1.3 Anti-corruption Measures & Policies

Table 8: Anti-Corruption prevention plans implemented

District	Municipality	2017/18		2018/19		2019/20	
		Has council adopted the Anti-corruption Plan	Has council adopted the Anti-corruption Plan	Has council adopted the Anti-corruption Plan	Anti-Corruption Plan Compiled	Has council adopted the Anti-corruption Plan	Anti-Corruption Plan Compiled
EHLANZENI	Bushbuckridge	Yes	Yes	Yes,30 May 2018 (BLM182/30/05/18/2017/18)	Yes	No	No
	City of Mbombela	Yes	Yes	No	Yes,	Yes (A1 of 19 July 2019)	Yes
	Nkomazi	Yes	Yes	No	Yes,	Yes (A030, A027, A026/2019 of 19 July 2019)	Yes
	Thaba Chweu	Yes	Yes	No	Yes	Yes (A49/2019,A50/2019, A51/2019 of 31 July 2019)	Yes
	Ehlanzeni	Yes	Yes	No	Yes	Yes (A383,A389,A391)	Yes
GERT SIBANDE	Chief Albert Luthuli	Yes	Yes	Yes, May 2018 (CL1.077)	Yes	Yes, item (C07/05/19R) 28 May 2019	Yes
	Dipaleseng	Yes	Yes	Yes,31 July 2018 (C120/07/18)	Yes	No	Yes
	Govan Mbeki	Yes	Yes	No	Yes	No	No
	Lekwa	Yes	Yes	No	Yes	No	Yes
	Mkhondo	Yes	Yes	Yes,30 Aug 2017 (17/08/135A)	Yes	No ,approved by RMFPC and MM 23 May 2019	Yes
	Msulaligwa	No	Yes	Yes, 14 Dec 2018 (LM284/12/2018)	Yes	Yes (A298 of 29 Aug 2019)	Yes
	Dr. Pixley Ka Isaka Seme	Yes	Yes	Yes,(A147/2018 of Oct 2018)	Yes	No	No
Gert Sibande	Yes	Yes	Yes, 7 Dec 2017 (C108/12/2017)	Yes	Yes, (56/07/2019 of 25 July 2019)	Yes	
NKANGALA	Emalahleni	Yes	Yes	Yes, (A.104/18,A105/18, 106/18) 28 June 2018	Yes	Yes, (A.139/20/ of 30 May 2020)	Yes
	Emakhazeni	Yes	Yes	Yes,28 June 2018) (32/06/2018) 37/06/2018	Yes	Yes (62/05/2019 of 30 May 2019)	Yes
	Steve Tshwete	Yes	Yes	Yes, C17/09/2017 (C49/05/2018)	Yes	No	No
	Victor Khanye	Yes	Yes	Yes,17 July 2018 (A006/07/2018, A005/07/2018/ A002/07/2018)	Yes	Yes, A031/06/2019, A032/06/2019 of 2 July 2019	Yes
	Dr. JS Moroka	Yes	Yes	Yes,16 July 2018 (R335.07.2018)	Yes	No	Yes
	Thembisile Hani	Yes	Yes	Yes,28 June 2018 (TH-NDC 243/06/2018)	Yes	No	Yes
	Nkangala	Yes	Yes	Yes,25 April 2018 (DM-ND304/04/2018)	Yes	Yes , Item DM-ND353/05/2019 of 29 May 2019	Yes

(Source: Section 46 reports from municipalities)

Findings

- In the 2019/20 financial year, the department undertook an analysis of municipal compliance with the implementation of Anti-corruption measures developed by the above 20 Municipalities. The following were observed -
- That there is an improvement in terms of reviewed and adoption of Anti-Corruption Strategies and Policies in 1 Municipalities for 2019/20 (FY), 11 or 55% in 2019/20 reviewed and council adopted Anti-Corruption Strategies and Policies and 1 or 5% in 2019/20, Mkhondo LM, anti-corruption measures were approved by the Risk Management and Fraud Prevention Committee (RMFPC) and the Municipal Manager

However, the following municipalities:

- (1) or 5% Govan Mbeki LM last approved the strategy in 2015 and (7) or 35% LM's: Dr Pixley Ka Isaka Seme, Steve Tshwete, Bushbuckridge, Dipaleseng, Lekwa, Thembisile Hani and Dr JS Moroka last approved in 2018 for 2018/19 (FY).
- Of 8 LM's (4) LM's Thembisile Hani, Dr JS Moroka, Dipaleseng and Lekwa have a draft anti-corruption measures for 2019/20, 4 LM's Govan Mbeki, Dr Pixley Ka Isaka Seme, Steve Tshwete and Bushbuckridge have not reviewed or approved the Anti-Corruption Strategies and Policies for 2019/20 (FY), which is a serious concern.

Challenges

Even though Feedback were provided in municipalities on the implementation of anti-corruption measures the challenges remain unchanged:

- o Councils did not prioritise the approval of the Risk Management related policies even though submissions were made on time
- o Assessment tools not completed by municipalities
- o Anti-Corruption measures are not fully effective in Municipalities.
- o Municipalities are silent in reporting the implementation of those approved Anti-corruption measures as well as submitting the approved implementation plans and progress made

Recommendations:

In view of the above the following were recommended:

- That all municipalities should align their current Anti-corruption plan and strategies with the reviewed Local Government Anti-Corruption Strategy of 2016 which is inclusive of the Municipal Integrity Framework
- Complete the assessment tool that is aimed at monitoring the implementation of the strategy and the framework by municipalities as well as to assist municipalities to assess their capacity and ensure the implementation of anti-corruption measures in general.
- That all councils consider the reports as and when they are submitted and make sure that Risk Management Policies / Strategies are reviewed annually and approved together with the budget related policies.
- Those municipalities who have not adopted their anti-corruption measures and plans must do so and report on the progress made.

Support Interventions by National and Provincial government

- DCoG, CoGTA, Office of the Premier, Provincial Treasury and SIU provided anti-corruption awareness when requested by municipalities. In 2019/20 Awareness conducted at Thaba Chweu, Victor Khanye, Mkhondo, Dr JS Moroka, and handed over posters and anti- corruptions strategies guidelines to all municipalities
- A monitoring tool has been developed to assist municipalities to align the Local Government Anti-Corruption Strategy and the Municipal Integrity Management Framework. The tool is aimed at monitoring the implementation of the Strategy and the Framework by municipalities. The tool will also assist municipalities to assess their capacity to ensure the implementation of anti-corruption measures in general.
- Continuous feedback on the implementation of anti-corruption measures is provided to municipalities.

5.1.4 Intergovernmental Relations (IGR) during 2019/20 financial year

During the financial year 2019/2020, the Department established a Provincial IGR Technical Steering Committee which was chaired by the Senior Manager: Municipal Administration and was composed of representatives from the three (3) District Municipalities and the South African Local Government Association (SALGA). Ehlanzeni District was represented in the Steering Committee by Mr B A Zulu, Mr B Nxumalo and Ms L Sithole, Gert Sibande District Municipality was represented by Advocate M. Nhlabathi and Ms B Dube, Nkangala District Municipality was represented by Mr T A Segoane and Mr ML Mahlangu and SALGA was represented by Mr M. Chauke

The Provincial IGR Technical Steering Committee was tasked with the responsibility of driving the development of the Provincial IGR Framework based on the resolutions that were taken during the Provincial IGR Indaba that was held during the 2018/2019 financial year. The Committee worked closely with IGR practitioners from all municipalities as well as other sector departments particularly the Office of the Premier. To this end, the Steering Committee managed to hold a two (2) day workshop at GSDM and developed the terms of reference of the Draft Provincial IGR Framework in line with the Constitution of the Republic of South Africa and the Intergovernmental Relations Act 13 of 2005. Key aspects of the Terms of Reference included benchmark/consultations with other Provinces regarding the draft Provincial IGR Framework, consultations with other IGR Practitioners as well as drafting a Proposed Draft Provincial IGR Concept document.

As part of implementation of the above Terms of reference, a study visit/consultation to Western Cape Province was undertaken by the Provincial IGR Technical Steering Committee during May 2019 wherein Professor B Mngomezulu was met, the Dullar Omar Institute in the University of the Western Cape was visited as well as the provincial Department of Local Government and Housing. During the visit to the Dullar Omar Institute as well as the Department of Local Government and Housing, interviews were conducted with relevant senior officials responsible for IGR to benchmark in terms of best practices. A documentary research and desktop analysis exercise was also conducted with Eastern Cape, Kwa- Zulu Natal and Gauteng Provinces with the purpose of correlating best practices. Lastly, a Concept document for the Proposed Draft Provincial IGR Framework was drafted and finalised for circulation to all Stakeholders for inputs.

The outline of the Proposed Draft Provincial IGR Framework in its current form is anchored in the Legislative Framework of Local Government such as the Constitution of the Republic of South Africa and the IGRFA, 2005. The Proposed Draft Provincial IGR Framework is aligned to the District Development Model (DDM) and also emphasizes collaboration, alignment, avoidance of silo planning and duplication as well interdependence of the three (3) spheres of government. The draft Framework is tailored as a socio-economic instrument to address the economic challenges of the Province aimed at reducing unemployment and lack of job opportunities in order to achieve the Mpumalanga Vision 2030. It proposes the direct involvement of grassroot structures and communities in government planning through the Ward Based Planning (WBP) process as well as the Asset Based Community Development (ABCD) model. The Proposed Draft Provincial IGR Framework has coherent governance, co-ordinated IGR Structures and Stakeholder mainstreaming and communications as its main pillars

5.1.5 Effectiveness of Council Committees

Table 9: Indicate effectiveness of Council Committees (2019/20)

DISTRICT	Municipality	2019/20											
		All admin delegations adopted	S59 MSA delegations adopted	Roles of Committees and Political Office Bearers	Meetings convened			No. of meetings where quorum was not achieved		Code of conduct adopted (council and staff)	Code communicated to community	Interest of councillors and staff declared	Councillors and Staff members in arrears with municipalities
					Council	Executive Mayoral committee	Portfolio committee	Council	Executive Mayoral Committee				
EHLANZENI	Bushbuckridge	Yes	Yes	Yes	9	10	32	None	None	Yes	Yes	Yes	Yes
	City of Mbombela	Yes	Yes	Yes	5	15	39	None	None	Yes	Yes	Yes	Yes
	Nkomazi	Yes	Yes	Yes	4	07	26	None	None	Yes	Yes	Yes	None
	Thaba Chweu	Yes	Yes	Yes	11	11	23	None	None	Yes	Yes	Yes	Yes
	Ehlanzeni	Yes	Yes	Yes	18	14	31	None	None	Yes	Yes	Yes	None
GERT SIBANDE	Chief Albert Luthuli	Yes	Yes	Yes	13	12	37	None	None	Yes	Yes	Yes	Yes
	Dipaleseng	Yes	Yes	Yes	8	09	28	None	None	Yes	Yes	Yes	Yes
	Govan Mbeki	Yes	Yes	Yes	7	11	31	None	None	Yes	Yes	Yes	Yes
	Lekwa	Yes	Yes	Yes	2	04	06	05	06	Yes	Yes	Yes	Yes
	Mkhondo	Yes	Yes	Yes	10	13	24	None	None	Yes	Yes	Yes	Yes
	Msukaligwa	Yes	Yes	Yes	9	10	41	None	None	Yes	Yes	Yes	Yes
	Dr Pixley Ka Isaka Seme	Yes	Yes	Yes	10	09	29	None	None	Yes	Yes	Yes	Yes
	Gert Sibande	Yes	Yes	Yes	9	12	39	None	None	Yes	Yes	Yes	None
NKANGALA	Emalahleni	Yes	Yes	Yes	11	16	41	None	None	Yes	Yes	Yes	Yes
	Emakhazeni	Yes	Yes	Yes	8	12	24	None	None	Yes	Yes	Yes	Yes
	Steve Tshwete	Yes	Yes	Yes	8	17	29	None	None	Yes	Yes	Yes	Yes
	Victor Khanye	Yes	Yes	Yes	8	09	28	None	None	Yes	Yes	Yes	Yes
	Dr. JS Moroka	Yes	Yes	Yes	9	06	06	03	04	Yes	Yes	Yes	None
	Thembisile Hani	Yes	Yes	Yes	11	13	31	None	None	Yes	Yes	Yes	Yes
	Nkangala District	Yes	Yes	Yes	10	12	31	None	None	Yes	Yes	Yes	None

(Source: COGTA Municipal Admin Reports)

Analysis on Performance of Council Committees

Findings

The following finding was made with regards to the performance of municipal committees that:

- There were councillors and staff members who were in arrears with the payment of municipal accounts this was found to be

the case in the following municipalities: Bushbuckridge, Thaba Chweu, City of Mbombela, Chief Albert Luthuli, Dr Pixley Ka Isaka Seme, Lekwa, Msukaligwa, Govan Mbeki, Mkhondo, Victor Khanye, Dipaleseng, Emalahleni, Emakhazeni, Steve Tshwete and Thembisile Hani,

Delegations adopted

- In the 2019/20 financial year all 20 municipalities adopted their delegation.

Roles of committees and political office bearers

- In the 2019/20 financial year all 20 municipalities had roles of political office bearers and committees defined.

Code of conduct adopted for staff and councillors

- In the 2019/20 financial year 20 municipalities had adopted the code of conduct for councillors and staff.

Declaration of Councillors and Staff interest

- In the 2019/20 financial year all municipalities had their councillors and staff declare their interest which shows consistency to the previous financial year 2018/19 where all municipalities had their councillors and staff declare their interest.

Challenges:

- Municipalities are failing to enforce or fully implement credit control policies to councillors and officials who owe the municipality

Recommendations

- Municipalities to enforce credit control and debt collection policies to councillors and municipal officials who owe the municipality.

5.2 BASIC SERVICES

5.2.1 Service Delivery and Infrastructure Development

The KPA entails the assessment of the ability of municipalities to deliver infrastructure and basic services. The KPA also assesses the role played by different sector departments both National and Provincial. Municipalities are at the forefront of service delivery. This chapter will provide an indication of the performance of municipalities in the provision of basic services.

The focal areas of this KPA are the following:

- Access to basic services: Access to potable water, Access to adequate sanitation, Access to refuse removal and Access to electricity
- Free basic services (FBS) and indigent policy implementation: Free basic water, Free basic sanitation, Free refuse removal and Access to free basic electricity

Performance of municipalities on Service Delivery and Infrastructure Development.

The Municipal Consolidated Performance report for 2019/20 seeks to provide an analysis of progress made by municipalities in the provision of basic services to provide for universal access to the communities served. It should be noted that households are not stagnant hence estimates are used for this report. The estimates on household's figures are based from Stats SA and the actual performance from municipal assessment reports and/or Section 46 reports. The report excludes the General Household Survey (GHS) 2019 (GHS) information solely because the survey only provides information at a provincial level than at a local municipality level. The department has taken into account the challenges faced by municipalities in the provision of services such as, the service delivery protests, insufficient bulk service for water and Electricity Notified Maximum Demand (NMD), low rainfall patterns which result in water shortages even though services have been provided.

In the assessment of 2018/19, it has been established that access to basic services was reported based on access to infrastructure, hence the difference in the performance of municipalities in the 2019/20 FY. The reporting of performance on access to basic services for the period under review is on access to the basic services as reported by municipalities than access to infrastructure.

5.2.1.1 Households with access to Potable Water and Sanitation: Ehlanzeni District

Table 10: Number of households with access to potable water in Ehlanzeni.

Municipality	2018/19						2019/20							
	Total No. of Households Community Survey 2016	Water		Sanitation		Total No. of Households Community Survey 2016	Water		Sanitation					
		Municipal assessment report	To date	Municipal assessment report	To date		Municipal assessment report	To date	Municipal assessment report	To date				
City of Mbombela	206 136	187 000	90.71%	90.71%	146 000	70.82%	70.82%	206 136	195 765	94.9%	94.9%	117 999	57,2%	57.4%
Bushbuckridge	136 780	126 940	92.81%	92.81%	134 870	98.60%	98.60%	136 780	127 735	93,4%	93.0%	131 410	96%	95.6%
Nkomazi	103 965	87 476	84.13%	84.13%	100 667	96.82%	96.82%	103 965	87 476	84,1%	84.13%	100 667	96.8%	96.8%
Thaba Chweu	37 022	18 975	51.25%	51.25%	36 740	99.24%	98.24%	37 022	35 665	96.3%	96.3%	36 740	99.2%	99.2%
EH-LANZENI	483 903	420 391	86.87%	86.87%	418 277	86.43%	86.43%	483 903	446 641	92.2%	92.2%	386 816	79.9%	79.9%

(Source: Stats SA, CS 2016, Municipal Assessment Report)

Findings

Out of the **483 903** households in Ehlanzeni district for 2019/20 financial year, **446 641** households have access to potable water which indicates an increase by **26 250** households. It is clear from the above table that during the period under review there has been an increase in access to water in the following municipalities; City of Mbombela,

Thaba Chweu and Bushbuckridge, with Nkomazi maintaining a constant figure.

As stated above, the increase in access to water in Bushbuckridge and City of Mbombela can be attributed to the improved bulk water provision through the Inyaka/Marite Bulk Water Supply, Nsikazi North Regional Bulk Water Supply, Construction and Installation of Packed Water Treatment Plant for Mlambongwane, Noordkaap, Emjindini and Shelangubo villages. The increase in water supply in Thaba Chweu is as a result of completed water projects. Although there has been increased in access to water, drought has made the supply of water inconsistent in most areas of the district.

Out of **483 903** households, only **386 816** households are having access to sanitation in the 2019/20 FY compared to **418 277** households with access to sanitation in the previous financial year of 2018/19, this indicates a decline of **31 461**(6.88%) households. In the 2019/20 financial year, the City of Mbombela and Bushbuckridge LMs recorded a decrease in access to sanitation due to ageing infrastructure and non-prioritisation of sanitation projects as reported by these municipalities. Although, these challenges may exist, the Department believes that the information as reported by these municipalities on the decline of access to sanitation may be misleading. The Department is of the view that the fact that the Bushbuckridge municipality is rural, most households have access to dry sanitation and efforts have been made in most parts of the municipality where water access has been improved for waterborne toilets to be provided. On the other hand, although the City of Mbombela has been experiencing water challenges due to drought, this on its own has not affected access to sanitation. The above Table 10 shows that access to sanitation in the City of Mbombela has decreased by 28 001 households which is an unrealistic significant number. The information submitted by the municipality on sanitation, questions record keeping on information concerning access to sanitation from the municipality. This municipality is more urban compared to Bushbuckridge and Nkomazi municipalities which are inherently rural. Therefore, access to waterborne toilet system is common and has been improving over the years.

Gert Sibande District

Table 11: Number of households with access to potable water in Gert Sibande

Municipality	2018/19							2019/20						
	Total No. of Households Community Survey 2016	Water			Sanitation			Total No. of Households Community Survey 2016	Water			Sanitation		
		Municipal assessment report	To date	To date	Municipal assessment report	To date	To date		Municipal assessment report	To date	To date	Municipal assessment report	To date	To date
Govan Mbeki	108 894	107 191	98.44%	98.44%	108 168	99.33%	99.33%	108 894	107 191	98.4%	98.4%	108 168	99.3%	99.3%
Chief Albert Luthuli	53 480	43 856	82%	82%	35 847	67.02%	67.02%	53 480	43 656	81.6%	81.6%	53 480	100.0%	100.0%
Msukaligwa	51 089	48 239	94.42%	94.42%	50 892	99.61%	99.61%	51 089	48 551	95.0%	95.0%	49 935	97.7%	97.7%
Lekwa	37 334	33 947	90.92%	90.92%	32 318	86.56%	85.56%	37 334	34 987	93.7%	93.7%	36 220	97.0%	97.0%
Mkhondo	45 595	41 705	91.46%	91.46%	37 400	82.02%	82.02%	45 595	42 501	93.2%	93.2%	37 220	81.6%	81.6%
Di-paleseng	14 877	14 638	98.40%	98.40%	13 976	93.94%	93.94%	14 877	14 638	98.4%	98.4%	17 617	118.4%	118.4%
Dr Pixley Ka Isaka Seme	22 546	20 833	92.40%	92.40%	21 968	97.43%	97.43%	22 546	20 883	92.6%	92.6%	22 147	98.2%	98.2%
GERT SIBANDE	333 815	310 409	92.98%	92.98%	300 569	90.04%	90.04%	333 815	312 407	93.6%	93.6%	324 785	97.3%	97.3%

(Source: Stats SA, CS 2016, Municipal Assessment Report)

Findings

Out of the **333 815** households in Gert Sibande District, **310 409** households had access to potable water in 2018/19. Out of the **333 815** households in Gert Sibande District, **312 407** households had access to water in 2019/20 which indicates an increase of **1998** households.

Govan Mbeki municipality maintained the same access to water whilst a slight decrease of 0.4% was realized in Chief Albert Luthuli due to water leakages and illegal water connections. In Msukaligwa there was an increase of 0.58% in access to water due to the installation of boreholes at Warburton. An increase of 2.78% in water supply has also been realised in Lekwa due to the upgrading of Standerton Water Bulk System phase 2 and the installation of

boreholes in farms. Mkhondo recorded an increase of 1.74% in water supply due to Water Bulk Line at Driefontein and Water pipeline and reticulation at Dr Pols. Dr Pixley ka Isaka Seme also recorded a slightly increase of 0.2% as a results of the completed construction of water reticulation with house connection in Ward 1 and Daggakraal.

Out of **333 815** households only **324 785** households are having access to sanitation in the 2019/20 FY compared to **300 569** household with access to sanitation in the previous financial year of 2018/19, this indicates an increase of **24 216(7.26%)** households.

On sanitation, Govan Mbeki municipality maintained the same access whilst a slight decrease of 1.91% was realized in Msukaligwa due to sewer spillages and network failures. An increase of 32.98% has been realised in Chief Albert Luthuli due to the construction of VIP toilets which benefitted 13 608 households and upgrading of Empuluzi WWTW which benefitted 5490 households. Lekwa recorded an increase of 6.44% in sanitation due to the upgrading of Standerton WWTW benefiting 19 827 households. Mkhondo recorded a decrease of 0.42% as a result of ageing infrastructure and lack of preventative maintenance. Dr Pixley Ka Isaka Seme also recorded an increase of 0.77% in sanitation due to the provision of toilets at Daggakraal, Hlanganani Trust Areas and Sinqobile benefitting 90 households. Dipaleseng municipality had two projects relating to sanitation, one being provision of 155 sewer connections in Siyathemba Extension 5 and 6 and the other being the provision of 280 sewer connections in Balfour North, hence there was an increase of 36.38% in sanitation.

Nkangala District

Table 12: Number of households with access to potable water in Nkangala

Municipality	2018/19							2019/20						
	Total No. of Households Community Survey 2016	Water			Sanitation			Total No. of Households Community Survey 2016	Water			Sanitation		
		Municipal assessment report	To date	To date	Municipal assessment report	To date	To date		Municipal assessment report	To date	To date	Municipal assessment report	To date	To date
Emalahleni	150 420	137 173	91.19%	91.19%	148 349	98.62%	98.62%	150 420	148 824	98.9%	98.9%	138 112	91.8%	91.8%
Thembisile Hani	82 740	82 653	99.89%	99.89%	80 623	97.44%	97.44%	82 740	77 972	94.2%	94.2%	80 623	97.4%	97.4%
Dr JS Moroka	62 367	49 770	79.80%	79.80%	33 795	54.19%	54.19%	62 367	57 669	92.5%	92.5%	61 599	98.8%	98.8%
Steve Tshwete	86 713	86 713	100%	100%	81 912	94.46%	94.46%	86 713	76 406	88.1%	88.1%	73 386	84.6%	84.6%
Emakhazeni	14 633	13 903	95.01%	95.01%	13 459	91.97%	91.97%	14 633	14 633	100.0%	100.0%	13 461	92.0%	92.0%
Victor Khanye	24 270	22 608	93.15%	93.15%	24 221	99.80%	99.80%	24 270	24 270	100.0%	100.0%	24 221	99.8%	99.8%
NKANGALA	421 143	392 820	93.27%	93.27%	382 359	90.79%	90.79%	421 143	399 774	94.9%	95.7%	391 402	92.9%	92.9%
PROVINCIAL TOTAL	1 238 861	1 123 620	90.69%	88.75%	1 101 205	88.88%	88.88%	1 238 861	1 158 821	93.5%	94.6%	1 103 003	89.0%	89.0%

(Source: Stats SA, CS 2016, Municipal Assessment Report)

Findings

Out of the **421 143** households in Nkangala District, **399 774** households had access to potable water in 2019/20 which is an increase of **6 954** households.

Emalahleni has increased in the provision of water due to the projects that took place in Empumelweni and KwaGuqa Extension 10 Water distribution network benefiting 1 825 households. However, there is an issue of bulk water provision that require attention. The Thembisile Hani Municipality has realised a decrease in water provision due to no water source for water supply. The municipality highly depend on Rand Water and City of Tshwane for supply which is inconsistent. The Steve Tshwete municipality is identified having decreased in the provision of water due to the poor maintenance of the Vaalbank WTW and inadequate water supply in Somaphepha and Doornkop. The Dr JS Moroka municipality had an increase of 12.7% in the provision of water due to the upgrade and extension of reticulation network in the Waalkraal Cluster, upgrading of Bloedfoentein water scheme in phase 2 and basic borehole water supply for Mathanjana Village. The municipality recorded an increase amidst drought which resulted in the Mkhombo dam which supplies the municipality with water recording less 3% capacity during the period under review. The Emakhazeni Local Municipality achieved an increase of 4.99% in water provision because of the provision of water reticulation at Leewforntern, Doyer and Schietpat farms. Victor Khanye Local Municipality registered

an increase of 6.85% in the delivery of water services as a result of the provision of boreholes at Delmas, which benefitted 16 917 households.

Out of the **421 143** households in the Nkangala District, **391 402** households had access to sanitation in 2019/20 which an increase of **9 043** households.

The Emalahleni municipality has decreased in the provision of sanitation because 6 out of 8 WWTWs are non-compliant due to poor maintenance and the 2 compliant WWTWs are overloaded with insufficient bulk treatment capacity. Although the Emalahleni municipality has recorded a decrease on access to sanitation due to system failure as reported by the municipality, the Department is of the view that this decrease is not necessarily a decrease but a disruption or interruption of sanitation services to households emanating from a system failure. The Dr JS Moroka municipality has increased in the provision of sanitation by 27 804 households, through the provision of CWB toilets. The Steve Tshwete municipality has decreased in the provision of sanitation due to increased population resulting to illegal connections thereby affecting the performance of the infrastructure system.

5.2.1.2 Households with access to Free Basic Water

Table 13: Status Quo on Free Basic Water in Ehlanzeni District

Local Municipality	2018/19				2019/20			
	Households Community Survey 2016	Municipal assessment report (Indigents)	Served FBW With	% Served with FBW	Households Community Survey 2016	Section 46 Reports (Indigents)	Served FBW With	% Served with FBW
City of Mbombela	206 136	14 262	14 262	100%	206 136	9 348	9 348	100%
Bushbuckridge	136 780	6 660	6 660	100%	136 780	697	697	100%
Nkomazi	103 965	12 951	12 951	100%	103 965	20 986	20 986	100%
Thaba Chweu	37 022	3 455	3 455	100%	37 022	1 545	1 545	100%
TOTAL	483 903	37 328	37 328	100%	483 903	32 576	32 576	100%

(Source: Stats SA, CS 2016, Municipal Section 46 Reports)

Findings

The 2019/20 total number (**32 576**) of indigents within the Ehlanzeni district served with free basic water shows that there has been a decrease on the number of indigents by 4 752 when compared to the 2018/19 total number (**37 328**) of indigents. In the City of Mbombela, the decrease has been 34%, in Thaba Chweu, the decrease has been 55% and in Bushbuckridge the decrease has been 89%. The decrease can be attributed to slow registration for qualifying indigents due to the Covid-19 pandemic. This has also been caused by the new normal that changed the way in which applications were received in some municipalities. Only Nkomazi municipality recorded an increase of 38% of indigents served with free basic water. The Nkomazi municipality displayed that amidst Covid-19 challenges service delivery must remain a priority.

Table 14: Status Quo on Free Basic Water in Gert Sibande District

Local Municipality	2018/19				2019/20			
	Households Community Survey 2016	Municipal assessment report (Indigents)	Served FBW With	% Served with FBW	Households Community Survey 2016	Section 46 Reports (Indigents)	Served with FBW	% Served with FBW
Govan Mbeki	108 894	12 253	12 253	100%	108 894	11 049	11 049	100%
Chief Albert Luthuli	53 480	17 059	17 059	100%	53 480	290	290	100%
Msukaligwa	51 089	11 388	11 388	100%	51 089	6 227	6 227	100%
Lekwa	37 334	3 937	3 937	100%	37 334	3 937	3 937	100%
Mkhondo	45 595	442	442	100%	45 595	1 675	1 675	100%
Dipaleseng	14 877	1 071	1 071	100%	14 877	153	153	100%
Dr Pixley Ka Isaka Seme	22 546	1 880	1 880	100%	22 546	1 884	1 884	100%
TOTAL	333 815	48 030	48 030	100%	333 815	25 215	25 215	100%

(Source: Stats SA, CS 2016, Municipal Section 46 Reports)

Findings

In 2019/20 financial year, a total of **25 215** indigents in Gert Sibande District all were served with free basic water. This shows that 100% of indigent households were served with free basic water. The 2019/20 total number (**25 215**) of indigents within the Gert Sibande district served with free basic water shows that there has been a decrease on the number of indigents by 22 815 when compared to the 2018/19 total number (**48 030**) of indigents. The decrease in municipalities within this district is recorded in percentages as follows: Govan Mbeki (10%), Chief Albert Luthuli (99%), Msukaligwa (45%), and Dipaleseng (85%). The decrease can be attributed to slow registration for qualifying indigents due to the Covid-19 pandemic. This has also been caused by the new normal that changed the way in which applications were received in some municipalities. However, increases on the number of indigents served within this district have been recorded in Dr Pixley Ka Isaka Seme by 1% (84 indigents). On the other hand, Lekwa municipality maintained the constant number of 3937 indigents served in the previous period (2018/19) of assessment.

Table 15 Status Quo on Free Basic Water in Nkangala District

Local Municipality	2018/19				2019/20			
	Households Community Survey 2016	Municipal assessment report (Indigents)	Served With FBW	% Served with FBW	Households Community Survey 2016	Section 46 Reports (Indigents)	Served with FBW	% Served with FBW
Emalahleni	150 420	9 773	9 773	100%	150 420	8 580	8 580	100%
Thembelesile Hani	82 740	5 529	5 529	100%	82 740	56 572	56 572	100%
Dr JS Moroka	62 367	4 394	4 394	100%	62 367	4 394	4 394	100%
Steve Tshwete	86 713	14 617	14 617	100%	86 713	18 538	18 538	100%
Emakhazeni	14 633	2 537	2 537	100%	14 633	3 490	3 490	100%
Victor Khanye	24 270	2 571	2 571	100%	24 270	3 583	3 583	100%
Total	421 143	39 421	39 421	100%	421 143	95 157	95 157	100%
Provincial Total	1 238 861	124 779	124 779	100%	1 238 861	152 948	152 948	100%

(Source: Stats SA, CS 2016, Municipal Section 46 Reports)

Findings

In 2019/20 financial year, a total of **95 157** indigents in Nkangala District all were served with free basic water. This shows that 100% of indigent households were served with free basic water. The 2019/20 total number (**152 948**) of indigents served with free basic water within Nkangala district shows that there has been an increase on the number of indigents by 55 736 when compared to the 2018/19 total number (**39 421**) of indigents. The decrease in Emalahleni (by 12%) can be attributed to slow registration for qualifying indigents due to the Covid19 pandemic. The general increase of indigents who received free basic water shows that most municipalities in the district had effective systems in place to facilitate efficient registration of indigents.

5.2.1.3 Households with Free Basic Sanitation

Table 16: Status Quo on Free Basic Sanitation in Ehlanzeni

Local Municipality	2018/19				2019/20			
	Households Community Survey 2016	Municipal assessment report (Indigents)	Served with FBS	% Served with FBS	Households Community Survey 2016	Section 46 Reports (Indigents)	Served with FBS	% Served with FBS
City of Mbombela	206 136	14 262	14 262	100%	206 136	9 348	9 348	100%
Bushbuckridge	136 780	6 660	6 660	100%	136 780	697	697	100%
Nkomazi	103 965	12 951	12 951	100%	103 965	20 986	20 986	100%
Thaba Chweu	37 022	3 455	3 455	100%	37 022	1 545	1 545	100%
TOTAL	483 903	37 328	37 328	100%	483 903	32 576	32 576	100%

(Source: Stats SA, CS 2016, Municipal Section 46 Report)

Findings

In 2019/20 financial year, a total of **32 576** indigents in Ehlanzeni District all were served with free basic sanitation. This shows that 100% of indigent households were served with free basic sanitation as in 2018/19 when there were **37 328** indigents indicating a decrease of **4 752**. The decrease in municipalities within this district is recorded in percentages as follows: City of Mbombela (34%), Bushbuckridge (89%), and Thaba Chweu (55%). The decrease can be attributed to slow registration for qualifying indigents due to the Covid-19 pandemic. This has also been caused by the new normal that changed the way in which applications were received in some municipalities. Comparably with free access to water, Nkomazi municipality recorded an increase of 38%.

Table 17: Status Quo on Free Basic Sanitation in Gert Sibande

Local Municipality	2018/19				2019/20			
	Households Community Survey 2016	Municipal assessment report (Indigents)	Served with FBS	% Served with FBS	Households Community Survey 2016	Section 46 Reports (Indigents)	Served with FBS	% Served with FBS
Govan Mbeki	108 894	12 253	12 253	100%	108 894	11 049	11 049	100%
Chief Albert Luthuli	53 480	17 059	17 059	100%	53 480	290	290	100%
Msukaligwa	51 089	11 388	11 388	100%	51 089	6 227	6 227	100%
Lekwa	37 334	3 937	3 937	100%	37 334	3 937	3 937	100%
Mkhondo	45 595	442	442	100%	45 595	1 675	1 675	100%
Dipaleseng	14 877	1 071	1 071	100%	14 877	153	153	100%
Dr Pixley Ka Isaka Seme	22 546	1 880	1 880	100%	22 546	1 884	1 884	100%
TOTAL	333 815	48 030	48 030	100%	333 815	25 215	25 215	100%

(Source: Stats SA, CS 2016, Municipal Section 46 Report)

Findings

In 2019/20 financial year, a total of **25 215** indigents in Gert Sibande District all were served with free basic sanitation. This shows that 100% of indigent households were served with free basic sanitation as in 2018/19 when there were **48 030** indigent indicating a decrease of **22 815**. The decrease of indigents served with free basic sanitation across affected municipalities is comparable with the decrease recorded in access to free basic water. The decrease can be attributed to slow registration for qualifying indigents due to the Covid-19 pandemic. This has also been caused by the new normal that changed the way in which applications were received in some municipalities. The increase in the number of indigents accessing free basic sanitation is recorded only in Dr Pixley Ka Isaka Seme which is only 1% (84). The Lekwa municipality maintained the same number of indigents (3937) served with free basic sanitation in the 2018/19 financial year.

Table 18: Status Quo on Free Basic Sanitation at Nkangala

Local Municipality	2018/19				2019/20			
	Households Community Survey 2016	Municipal assessment report (Indigents)	Served with FBS	% Served with FBS	Households Community Survey 2016	Section 46 Reports (Indigents)	Served with FBS	% Served with FBS
Emalahleni	150 420	9 773	9 773	100%	150 420	8 580	8 580	100%
Thembisile Hani	82 740	5 529	5 529	100%	82 740	56 572	56 572	100%
Dr JS Moroka	62 367	4 394	4 394	100%	62 367	4 394	4 394	100%
Steve Tshwete	86 713	14 617	14 617	100%	86 713	18 538	18 538	100%
Emakhazeni	14 633	2 537	2 537	100%	14 633	3 490	3 490	100%
Victor Khanye	24 270	2 571	2 571	100%	24 270	3 583	3 583	100%
Total	421 143	39 421	39 421	100%	421 143	95 157	95 157	100%
Provincial Total	1 238 861	124 779	124 779	100%	1 238 861	152 948	152 948	100%

(Source: Stats SA, CS 2016, Municipal Section 46 Report)

Findings

In 2019/20 financial year, a total of **95 157** indigents in Nkangala District all were served with free basic sanitation. This shows that 100% of indigent households were served with free basic sanitation as in 2018/19 when there were **39 421** indigents illustrating an increase of **55 736**. The decrease in Emalahleni (by 12%) can be attributed to slow registration for qualifying indigents due to the Covid19 pandemic. The general increase of indigents who received free basic sanitation shows that most municipalities in the district had effective systems in place to facilitate efficient registration of indigent households.

5.2.1.4 Bucket System Eradication

Table 19: Indicate Bucket System

Municipality	2018/19				2019/20			
	Village/ Town	Number of Buckets	Project Value	Comments	Village/ Town	Number of Buckets	Project Value	Comments
Victor Khanye	Mandela and Brak- fontein	39	Municipal operational budget	Municipality migrating to chemical toilet	Mandela Informal Settle- ment	49	Municipal oper- ational budget	Municipality migrating to chemical toilet

(Source: Section 46 report)

There has been a bucket system re-emergence at Victor Khanye municipality, which resulted in 49 bucket systems in 2019/20 due to illegal land invasion in Mandela and Brakfontein Informal settlement. This is despite the efforts that Provincial Government had made to eradicate the bucket system in these areas completely, by relocating the informal settlement from this area to Botleng Ext 6 & 7.

5.2.1.5 Households with access to Electricity Services

Table 20: Households with access to electricity at Ehlanzeni

Municipality	2018/19				2019/20			
	Households Community Survey 2016	Municipal assessment report (Electricity)	%	To date	Households Community Survey 2016	Municipal assessment report (Electricity)	%	To date
City of Mbombela	206 136	198 770	96.42%	96.42%	206 136	198 770	96,7%	96,7%
Bushbuckridge	136 780	136 780	100%	100%	136 780	136 780	100%	100%
Nkomazi	103 965	102 244	96.38%	96.38%	103 965	99 991	96,2%	96,2%
Thaba Chweu	37 022	33 502	89.79%	89.79%	37 022	33 261	89,84%	89,84%
EHLANZENI	483 903	471 296	97.39%	97.39%	483 903	468 802	96,8%	96,8%

(Source: Stats SA, CS 2016, Municipal Assessment Report)

Findings

There was a decrease in the access to electricity at Nkomazi Local Municipality because of the illegal connections and distribution losses. Another reason was that electricity bulk infrastructure is unable to cope with the high demand for electricity which results in power interruptions and low voltage. There was slight decrease in the access to electricity in Thaba Chweu Local Municipality of 0.05% and 0.18% in Nkomazi Local Municipality.

Table 21: Households with access to electricity at Nkangala

Municipality	2018/19				2019/20			
	Households Community Survey 2016	Municipal assessment report (Electricity)	%	To date	Households Community Survey 2016	Municipal assessment report (Electricity)	%	To date
Emalahleni	150 420	108 270	71.97%	71.97%	150 420	108 506	72,1%	72,1%
Thembisile Hani	82 740	79 122	95.62%	95.62%	82 740	80 839	97,7%	97,7%
Dr JS Moroka	62 367	61 858	99.18%	99.18%	62 367	61 858	99,2%	99,2%
Steve Tshwete	86 713	79 638	91.84%	91.84%	86 713	75 476	87,0%	87,0%
Emakhazeni	14 633	12 707	86.84%	86.84%	14 633	10 485	71,7%	71,7%
Victor Khanye	24 270	22 324	91.98%	91.98%	24 270	22 324	92,0%	92,0%
Nkangala	421 143	363 919	86.41%	86.41%	421 143	359 488	85.4%	85.4%

(Source: Stats SA, CS 2016, Municipal Assessment Report)

Findings

The Emalahleni Local Municipality has registered a slight increase of 0.13% access to electricity due to electrification of households in 7 Wards and the installation of solar light in Cacadu, Dordrecht and Indwe. Steve Tshwete Local

Municipality had a decrease in the access to electricity because the demand exceeded the Eskom NMD by 55 MVA. Emakhazeni Local Municipality also had a decrease due to illegal connections and distribution losses. The Them-bisile Hani Local Municipality had a slight increase of 2.08% of in the access to electricity due to new connections.

Table 22: Households with access to electricity in Gert Sibande

Municipality	2018/19				2019/20			
	Households Community Survey 2016	Municipal assessment report (Electricity)	%	To date	Households Community Survey 2016	Municipal assessment report (Electricity)	%	To date
Govan Mbeki	108 894	94 619	86.89%	86.89%	108 894	102 752	94.4%	94.4%
Chief Albert Luthuli	53 480	51 578	96.44%	96.44%	53 480	51 578	96.4%	96.4%
Lekwa	37 334	34 341	91.98%	91.98%	37 334	34 341	91.98%	91.98%
Mkhondo	45 595	38 234	83.85%	83.85%	45 595	28 568	62.7%	62.7%
Dipaleseng	14 877	13 827	92.94%	92.94%	14 877	13 827	92.94%	92.94%
Dr Pixley Ka Isaka Seme	22 546	20 284	89.96%	89.96%	22 546	20 270	89.9%	89.9%
Msukaligwa	51 089	45 314	88.69%	88.69%	51 089	45 878	89.8%	89.8%
Gert Sibande	333 815	307 113	92%	92%	333 815	297 214	89.03%	89.03%
PROVINCIAL TOTAL	1 238 861	1 142 328	90.23%	90.23%	1 238 861	1 133 803	91.52%	91.52%

(Source: Stats SA, CS 2016, Municipal Assessment Report)

Findings

Out of the **333 815** households in Gert Sibande District in 2019/20 financial year, **297 214** households had access to electricity as compared to **307 113** households in 2018/19, this indicates a decrease by **9 899** households.

Govan Mbeki Local Municipality increased its access to electricity by 7.51% as a result of new electrification of households. Mkhondo and Dr Pixley Ka Isaka Seme registered a decrease to due to the illegal connections which led to distribution losses. Chief Albert Luthuli, Lekwa, Dipaleseng, and Msukaligwa maintained their access.

5.2.1.6 Households with access to Free Basic Electricity

Table 23: Households with access to Free Basic Electricity

HOUSEHOLDS WITH ACCESS TO FREE BASIC ELECTRICITY								
Municipality	2018/19				2019/20			
	Households Community Survey 2016	Municipal assessment report (Indigents)	Indigents served as of June 2019	%	Households Community Survey 2016	Section 46 reports (Indigents)	Indigents served as of June 2020	%
Govan Mbeki	108 894	12 253	12 253	100%	108 894	11 049	11 049	100%
Chief Albert Luthuli	53 480	17 059	17 059	100%	53 480	290	290	100%
Msukaligwa	51 089	11 388	11 388	100%	51 089	6 227	6 227	100%
Lekwa	37 334	3 937	3 937	100%	37 334	3 937	3 937	100%
Mkhondo	45 595	442	442	100%	45 595	1 675	1 675	100%
Dipaleseng	14 877	1 071	1 071	100%	14 877	153	153	100%
Dr Pixley Ka Isaka Seme	22 546	1 880	1 880	100%	22 546	1 884	1 884	100%
Gert Sibande District	333 815	48 030	48 030	100%	333 815	25 215	25 215	100%
Emalahleni	150 420	9 773	9 773	100%	150 420	8 580	8 580	100%
Them-bisile Hani	82 740	5 529	5 529	100%	82 740	56 572	56 572	100%
Dr JS Moroka	62 367	4 394	4 394	100%	62 367	4 394	4 394	100%
Steve Tshwete	86 713	14 617	14 617	100%	86 713	18 538	18 538	100%
Emakhazeni	14 633	2 537	2 537	100%	14 633	3 490	3 490	100%
Victor Khanye	24 270	2 571	2 571	100%	24 270	3 583	3 583	100%
Nkangala District	421 143	39 421	39 421	100%	421 143	95 157	95 157	100%
City of Mbombela	206 136	14 262	14 262	100%	206 136	9 348	9 348	100%
Bushbuckridge	136 780	6 660	6 660	100%	136 780	697	697	100%
Nkomazi	103 965	12 951	12 951	100%	103 965	20 986	20 986	100%
Thaba Chweu	37 022	3 455	3 455	100%	37 022	1 545	1 545	100%
Ehlanzeni District	483 903	37 328	37 328	100%	483 903	32 576	32 576	100%
Provincial total	1 238 861	124 779	124 779	100%	1 238 861	152 948	152 948	100%

(Source: Stats SA, CS 2016, Municipal Section 46 Reports)

Findings

In 2019/20 financial year, there was a total of **152 948** indigents of which **152 948** indigents were served with free basic electricity as compared to **124 779** indigents that were served in 2018/19 financial year, this shows an increase of **28 169** indigents in the province. Although on the overall, there has been an increase in the number of indigent households that have received free basic electricity, municipalities (Govan Mbeki, Chief Albert Luthuli, Msukaligwa, Dipaleseng, Emalahleni, City of Mbombela, Bushbuckridge and Thaba Chweu) that recorded decreases have to improve their systems to ensure efficient and speedy consideration of applications by households amidst Covid19.

5.2.1.7 Households with access to refuse removal

Table 24: Households with access to refuse removal at Ehlanzeni

Municipality	2018/19				2019/20			
	Households Community Survey 2016	Municipal assessment report (Refuse Removal)	%	To date	Households Community Survey 2016	Municipal assessment report (Refuse Removal)	%	To date
City of Mbombela	206 136	65 950	31.99%	31.99%	206 136	66 393	32,3%	32,3%
Bushbuckridge	136 780	41 780	30.55%	30.55%	136 780	34 372	25,0%	25,0%
Nkomazi	103 965	83 742	80.55%	80.55%	103 965	83 742	80,5%	80,5%
Thaba Chweu	37 022	22 346	60.36%	60.36%	37 022	11 089	30,0%	30,0%
EHLANZENI	483 903	213 818	44.18%	44.18%	483 903	195 596	40,4%	40,4%

(Source: Stats SA, CS 2016, Municipal Assessment Report)

Findings

Out of the **483 903** households in Ehlanzeni District in 2019/20 financial year, **195 596** households had access to refuse removal as compared to **213 818** households in 2018/19 which indicates a decrease of **18 222** households in refuse removal 2019/20 financial year.

City of Mbombela has an increase of 0.31% in refuse removal because of the expansion of waste collection to rural areas. Bushbuckridge and Thaba Chweu had a decreased of 5.55% and 30.36% respectively in access to refuse removal as urban areas are prioritised over rural areas.

Table 25: Households with access to refuse removal at Nkangala

Municipality	2018/19				2019/20			
	Households Community Survey 2016	Municipal assessment report (refuse removal)	%	To date	Households Community Survey 2016	Municipal assessment report (refuse removal)	%	To date
Emalahleni	150 420	95 114	63.23%	63.23%	150 420	102 829	68,4%	68,4%
Thembelele Hani	82 740	32 675	39.49%	39.49%	82 740	32 675	39,5%	39,5%
Dr JS Moroka	62 367	13 561	21.74%	21.74%	62 367	13 561	21,7%	21,7%
Steve Tshwete	86 713	74 097	85.45%	85.45%	86 713	74 496	85,9%	85,9%
Emakhazeni	14 633	12 404	84.77%	84.77%	14 633	14 600	99.8%	99.8%
Victor Khanye	24 270	24 181	99.63%	99.63%	24 270	19 069	78.6%	78.6%
Nkangala	421 143	252 032	59.84%	59.84%	421 143	257 230	61,1%	61,1%

(Source: Stats SA, CS 2016, Municipal Assessment Report)

Findings

Out of the **421 143** households in Nkangala District in 2019/20 financial year **257 230** households had access to refuse removal as compared to **252 032** households in 2018/19 which indicates an increase of **5 198** households in the 2019/20 financial year.

Emalahleni, Steve Tshwete and Emakhazeni have registered an increase in refuse removal as a result of addition skip bins in the rural areas and rehabilitation of waste disposal sites at Emakhazeni. Victor Khanye registered a decrease of 21.03% due to the constant breaking down of their waste collection fleets.

Table 26: Households with access to refuse removal in Gert Sibande

Municipality	2018/19				2019/20			
	Households Community Survey 2016	Municipal assessment report (Refuse Removal)	%	To date	Households Community Survey 2016	Municipal assessment report (Refuse Removal)	%	To date
Govan Mbeki	108 894	83 471	76.65%	76.65%	108 894	81 150	74.5%	74.5%
Chief Albert Luthuli	53 480	13 409	25.07%	25.07%	53 480	12 909	24.1%	24.1%
Msukaligwa	51 089	34 231	67%	67%	51 089	34 231	67.0%	67.0%
Lekwa	37 334	25 946	69.50%	69.50%	37 334	25 946	69.5%	69.5%
Mkhondo	45 595	30 567	67.04%	67.04%	45 595	30 726	67.40%	67.40%
Dipaleseng	14 877	13 624	91.5%	91.5%	14 877	13 624	91.6%	91.6%
Dr Pixley Ka Isaka Seme	22 546	20 660	91.63%	91.63%	22 546	20 660	91.6%	91.6%
Gert Sibande	333 815	221 908	66.48%	66.48%	333 815	219 246	65.7%	65.7%
PROVINCIAL TOTAL	1 238 861	687 758	55.51%	55.51%	1 238 861	672 072	54.2%	54.2%

(Source: Stats SA, CS 2016, Municipal Assessment Report)

Findings

Out of the **333 815** households in Gert Sibande District in 2019/20 financial year **219 246** households had access to refuse removal as compared to **221 908** households in 2018/19 which indicates decrease of **2 662** households to refuse removal 2019/20 financial year.

Govan Mbeki and Chief Albert had a decrease of 2.15% and 0.97% in refuse removal as a result of poor operation and maintenance of waste management yellow fleet. Mkhondo had a slight increase of 0.36%. Msukaligwa, Lekwa, Dipaleseng and Dr Pixley Ka Isaka Seme maintained their access to refuse removal.

5.2.1.8 Households with access to Free Basic Refuse Removal

Table 27: Households with access to Free Basic refuse removal

HOUSEHOLDS WITH ACCESS TO FREE BASIC REFUSE REMOVAL								
Municipality	2018/19				2019/20			
	Households Community Survey 2016	Municipal assessment report (Indigents)	Indigents served as of June 2019	%	Households Community Survey 2016	Section 46 reports (Indigents)	Indigents served as of June 2020	%
Govan Mbeki	108 894	12 253	12 253	100%	108 894	11 049	11 049	100%
Chief Albert Luthuli	53 480	17 059	17 059	100%	53 480	290	290	100%
Msukaligwa	51 089	11 388	11 388	100%	51 089	6 227	6 227	100%
Lekwa	37 334	3 937	3 937	100%	37 334	3 937	3 937	100%
Mkhondo	45 595	442	442	100%	45 595	1 675	1 675	100%
Dipaleseng	14 877	1 071	1 071	100%	14 877	153	153	100%
Dr Pixley Ka Isaka Seme	22 546	1 880	1 880	100%	22 546	1 884	1 884	100%
Gert Sibande District	333 815	48 030	48 030	100%	333 815	25 215	25 215	100%
Emalahleni	150 420	9 773	9 773	100%	150 420	8 580	8 580	100%
Thembisile Hani	82 740	5 529	5 529	100%	82 740	56 572	56 572	100%
Dr JS Moroka	62 367	4 394	4 394	100%	62 367	4 394	4 394	100%
Steve Tshwete	86 713	14 617	14 617	100%	86 713	18 538	18 538	100%
Emakhazeni	14 633	2 537	2 537	100%	14 633	3 490	3 490	100%
Victor Khanye	24 270	2 571	2 571	100%	24 270	3 583	3 583	100%
Nkangala District	421 143	39 421	39 421	100%	421 143	95 157	95 157	100%
City of Mbombela	206 136	14 262	14 262	100%	206 136	9 348	9 348	100%
Bushbuckridge	136 780	6 660	6 660	100%	136 780	697	697	100%
Nkomazi	103 965	12 951	12 951	100%	103 965	20 986	20 986	100%
Thaba Chweu	37 022	3 455	3 455	100%	37 022	1 545	1 545	100%
Ehlanzeni District	483 903	37 328	37 328	100%	483 903	32 576	32 576	100%
Provincial total	1 238 861	124 779	124 779	100%	1 238 861	152 948	152 948	100%

(Source: Stats SA, CS 2016, Municipal Section 46 Reports)

Findings

In 2019/20 financial year there was a total of **152 948** indigents of which **152 948** indigents were served with free basic refuse removal as compared to **124 779** indigents that were served in 2018/19 financial year, this shows an increase of **28 169** indigents in the province.

5.2.1.9 Accessible KMs of Roads

Ehlanzeni District

Table 28: Total KM of tarred and gravel roads in Ehlanzeni

Municipality	2018/19			2019/20		
	Total municipal Roads and Km	Total Roads and Km (Tarred, concrete and paved)	Total Road and Km Gravelled	Total municipal Roads and Km	Total Roads and Km (Tarred, concrete and paved)	Total Road and Km Gravelled
City of Mbombela	3 849	728	3 121	3 849	728	3 121
Bushbuckridge	4 640	358	4 282	4 640	374	4 266
Nkomazi	2 265	277.7	1 987.3	2 265	277.7	1 987.3
Thaba Chweu	582	167	415	582	190	392.6
Totals	11 336	1 530.7	7 823.3	11 336	1 569.7	9 766.9

(Source: Municipal Section 46 Report)

Findings

In 2019/20 financial year, there was a total of **11 336** Kilometres of roads at Ehlanzeni district as a whole, **1 569.7** was either tarred or paved and, **9 766.9** kilometres remained gravelled.

Gert Sibande District

Table 29: Total KM of tarred and gravel roads in Gert Sibande

Municipality	2018/19			2019/20		
	Total municipal Roads and Km	Total Roads and Km (Tarred, concrete and paved)	Total Road and Km Gravelled	Total municipal Roads and Km	Total Roads and Km (Tarred, concrete and paved)	Total Road and Km Gravelled
Govan Mbeki	908	508	398	908	508	398
Chief Albert Luthuli	656	128	528	656	128	528
Msukaligwa	599.9	254	354,5	599.9	254.56	345.9
Lekwa	423	175	248	423	175	248
Mkhondo	980	554.5	425,5	980	554.5	425,5
Dipaleseng	317.85	96.75	221.1	INP	INP	INP
Dr. Pixley Ka Isaka Seme	278	89	189	278	85	193
Totals	4 162 .75	1 805.25	2 364.1	3 842.9	1 705.06	2 1384

(Source: Municipal Section 46 Report)

Findings

In 2019/20 financial year there was a total of **3 824.9** Kilometres of roads at Gert Sibande district as a whole, **1 705.06** was either tarred or paved and, **2 1384** kilometres remained gravelled.

Nkangala District

Table 30: Total KM of tarred and gravel roads in Nkangala

Municipality	2018/19			2019/20		
	Total municipal Roads and Km	Total Roads and Km (Tarred, concrete and paved)	Total Road and Km Gravelled	Total municipal Roads and Km	Total Roads and Km (Tarred, concrete and paved)	Total Road and Km Gravelled
Emalahleni	1 429	1 003	426	1429	1007	422
Thembisile Hani	2 142.9	250	1892.9	2520,07	250.3	2269.77
Dr JS Moroka	2 910	191	2 719	INP	INP	INP
Steve Tshwete	938	693.7	244.3	837.98	700.69	137.34
Emakhazeni	2 620.17	27.41	2 592.76	2 620.17	27.41	2 592.76
Victor Khanye	383	133	250	345	132	213
Totals	10 423.07	2298.11	8124.96	7752.22	2117.4	5634.87

(Source: *Municipal Section 46 Report*)

Findings

- In 2019/20 financial year, there was a total of **7 752.22** Kilometres of roads at Nkangala district as a whole, **2 117.4** kilometres was either tarred or paved and, **5 634.87** kilometres remained gravelled.

Analysis of performance on Service Delivery and Infrastructure Development

- Out of the 483 903 households in Ehlanzeni district for 2019/20 financial year, 446 641 households have access to portable water which indicates an increase by 26 250 households compared to 2018/19. There has been an increase in access to water in the following municipalities; City of Mbombela, Thaba Chweu and Bushbuckridge, with Nkomazi maintaining a constant figure.
- Out of 483 903 households, only 386 816 households have access to sanitation in the 2019/20 FY compared to 418 277 households with access to sanitation in the previous financial year of 2018/19, this indicates a decline of 31 461(6.88%) households. In the 2019/20 financial year, the City of Mbombela and Bushbuckridge recorded a decrease in access to sanitation due to ageing infrastructure and non-prioritisation of sanitation projects. The water challenges also contribute to the difficulties experienced by communities on sanitation.
- Out of the 333 815 households in Gert Sibande District, 310 409 households had access to potable water in 2018/19. Out of the 333 815 households in Gert Sibande District, 312 407 households had access to water in 2019/20 which indicates an increase of 1998 households. Out of 333 815 households only 324 785 households are having access to sanitation in the 2019/20 FY compared to 300 569 households with access to sanitation in the previous financial year of 2018/19, this indicates an increase of 24 216(7.26%) households.
- Out of the 421 143 households in Nkangala District, 399 774 households had access to potable water in 2019/20 with an increase of 6 954 households. Out of the 421 143 households in Gert Sibande District, 391 402 households had access to sanitation in 2019/20 with an increase of 9 043 households.
- The 2019/20 total number (32 576) of indigents within the Ehlanzeni district were served with free basic water shows that there has been a decrease on the number of indigents by 4 752 when compared to the 2018/19 total number (37 328) of indigents. In the City of Mbombela, the decrease has been 34%, in Thaba Chweu, the decrease has been 55% and in Bushbuckridge the decrease has been 89%. The decrease can be attributed to slow registration for qualifying indigents due to the Covid-19 pandemic.
- In 2019/20 financial year, a total of 25 215 indigents in Gert Sibande District all were served with free basic water. This shows that 100% of indigent households were served with free basic water. The 2019/20 total number (25 215) of indigents within the Gert Sibande district served with free basic water shows that there has been a decrease on the number of indigents by 22 815 when compared to the 2018/19 total number (48 030) of indigents.
- In 2019/20 financial year, a total of 95 157 indigents in Nkangala District all were served with free basic water. This shows that 100% of indigent households were served with free basic water. The 2019/20 total number (152 948) of indigents served with free basic water within Nkangala district shows that there has been an increase on the number of indigents by 55 736 when compared to the 2018/19 total number (39 421) of indigents.
- In 2019/20 financial year, a total of 32 576 indigents in Ehlanzeni District all were served with free basic sanitation. This shows that 100% of indigent households were served with free basic sanitation as in 2018/19 when there were 37 328 indigents indicating a decrease of 4 752.
- In 2019/20 financial year, a total of 25 215 indigents in Gert Sibande District all were served with free basic sanitation. This shows that 100% of indigent households were served with free basic sanitation as in 2018/19 when there were 48 030 indigent indicating a decrease of 22 815.
- In 2019/20 financial year, a total of 95 157 indigents in Nkangala District all were served with free basic sanitation. This shows that 100% of indigent households were served with free basic sanitation as in 2018/19 when there were 39 421 indigents illustrating an increase of 55 736.
- There has been a bucket system re-emergence at Victor Khanye municipality, which resulted in 49 bucket systems in 2019/20 due to illegal land invasion in Mandela and Brakfontein Informal settlement. This is despite the efforts that Provincial Government had made to eradicate the bucket system in these areas completely, by relocating the informal settlement from this area to Botleng Ext 6 & 7.
- There was a decrease in the access to electricity at Nkomazi Local Municipality because of the illegal connections and distribution losses. Another reason was that electricity bulk infrastructure is unable to cope with the high demand for electricity which results in power interruptions and low voltage. There was slight decrease in the access to electricity in Thaba Chweu Local Municipality of 0.05% and 0.18% in Nkomazi Local Municipality.
- The Emalahleni Local Municipality has registered a slight increase of 0.13% access to electricity due to electrification of households in 7 Wards and the installation of solar light in Cacadu, Dordrecht and Indwe. Steve Tshwete Local Municipality had a decrease in the access to electricity because the demand exceeded the Eskom NMD by 55 MVA. Emakhazeni Local Municipality also had a decrease due to illegal connections and distribution losses. The Thembisile Hani Local Municipality had a slight increase of 2.08% in the access to electricity due to new connections.
- Out of the 333 815 households in Gert Sibande District in 2019/20 financial year 297 214 had access to electricity as compared to 307 113 in 2018/19, this indicates a decrease by 9 899.
- In 2019/20 financial year there was a total of 152 948 indigents of which 152 948 were served with free basic electricity as compared to 124 779 that were served in 2018/19 financial year, this shows an increase of 28 169 in the province.

- Out of the 483 903 households in Ehlanzeni District in 2019/20 financial year, 195 596 had access to refuse removal as compared to 213 818 in 2018/19 which indicates a decrease of 18 222 in refuse removal 2019/20 financial year
- Out of the 421 143 households in Nkangala District in 2019/20 financial year 257 230 had access to refuse removal as compared to 252 032 in 2018/19 which indicates an increase of 5 198 in the 2019/20 financial year.
- Out of the 333 815 households in Gert Sibande District in 2019/20 financial year 219 246 had access to refuse removal as compared to 221 908 in 2018/19 which indicates decrease of 2 662 to refuse removal 2019/20 financial year.
- In 2019/20 financial year there was a total of 152 948 indigents of which 152 948 were served with free basic refuse removal as compared to 124 779 that were served in 2018/19 financial year, this shows an decrease of 28 169 in the province.
- In 2019/20 financial year there was a total of 7 752.22 Kilometres of roads at Nkangala district as a whole, 2 117.4 kilometres was either tarred or paved and, 5 634.87 kilometres remained gravelled.
- In 2019/20 financial year there was a total of 3 824.9 Kilometres of roads at Gert Sibande district as a whole, 1 705.06 was either tarred or paved and, 2 1384 kilometres remained gravelled.
- In 2019/20 financial year there was a total of 11 336 Kilometres of roads at Ehlanzeni district as a whole, 1 569.7 was either tarred or paved and, 9 766.9 kilometres remained gravelled.

Challenges on access to water

- Continued drought affected performance of municipalities on the supply of water which contributed to consistent supply of water to municipalities such as City of Mbombela, Chief Albert Luthuli, Nkomazi, Lekwa, Bushbuckridge, Emalahleni, Dr JS Moroka and Thembisile Hani
- The lack of water master plans in municipalities remains an issue which point out the source for challenges of inadequate or under capacity bulk infrastructure (dams, reservoirs, waste water treatment works and water treatment works).
- Excessive technical water loss due to leakages and constant pipe bursts as a result of aged infrastructure for example asbestos pipes. Illegal and unauthorized connections to the municipal bulk Infrastructure also contributes to water losses
- Technical capacity, in particular process controllers which are inadequate for the operation of water treatment works.
- Failure to address the management of non-revenue water.-
- During this period only Chief Albert Luthuli LM (8%) and Dr Pixley Ka Isaka Seme LM (21%) complied with the norm of 8% which is an indication that there is poor budgeting for operations and maintenance.
- Municipalities such as Bushbuckridge, Thaba Chweu, Nkomazi, Lekwa, Emalahleni, Msukaligwa, and Emakhaseni local municipalities operating beyond bulk infrastructure capacity.

Recommendations on water

- Development of water master plans, and management plans to reduce non-revenue water.
- Appointment of qualified artisans and process controllers including capacity building in municipalities
- Continuous water sampling to ensure water quality.
- Municipalities to budget for Operations & Maintenance in line with the 8% budget norm.
- Municipality to continue provide alternative water supply to communities affected by drought through drilling of boreholes and the use of water tinkering.

Water Interventions

- COGTA in partnership with DBSA through the Provincial Project Management Unit to support municipalities with master planning, asset care and project preparation to improve planning, implementation and maintenance of water infrastructure.
- Resources will be mobilized through the District Development Model to address water challenges.
- Mobilization of the national DCOG to increase MIG grant funding for municipalities.
- COGTA to provide Technical support to project management units in municipalities to improve performance on project implementation.
- COGTA working Districts, DWS and MISA to continue undertake functionality assessments of all Reservoirs, Water Treatment Works, Waste Water Treatment Works, water leakages and pipe bursts to provide guidance on required remedial actions;

- COGTA in partnership with DBSA through the Provincial Project Management Unit to support municipalities with master planning, asset care and project preparation to improve planning, implementation and maintenance of water infrastructure.
- Mobilization of DWS to expedite the processes of developing the Regional Dam within the Ehlanzeni district.

Challenges on access to Sanitation

- Slow pace on the implementation of bulk infrastructure sanitation to improve connections to waterborne toilet systems.
- Sewer spillages and overflowing of Waste Water Treatment Works remains a challenge in Govan Mbeki, Msukaligwa and Emalahleni (Industrial Park), Mkhondo (Eziphunzini), and Dr Pixley Ka Isaka Seme (in Amersfoort), City of Mbombela and Nkomazi municipalities.
- Municipal bulk infrastructure in particular waste water treatment works operating beyond capacity resulting in sewer spillages and pollution of the water resource.
- Emakhazeni, Dr JS Moroka and Thembisile Hani, Dr Pixley Ka Isaka Seme, Dipaleseng, Lekwa, Bushbuckridge and Nkomazi municipalities have sanitation challenges in farm areas.
- Technical capacity, in particular process controllers which are inadequate for the operation of waste water treatment works
- Non availability of Wastewater Risk Abatement plans.

Recommendations on sanitation

- Prioritizing the implementation bulk infrastructure for sanitation to improve access to communities.
- Reprioritization of projects implemented through grant funding to address sewer spillages.
- Mobilization of other sectors such as DWS, DHS and the private sector through the DDM to support municipalities in addressing sewer spillages.
- Municipalities to adopt plans for the implementation of sanitation projects in farm and rural areas.
- Municipalities to budget for Operations & Maintenance in line with the 8% budget norm.
- Appointment of qualified artisans and process controllers including capacity building in municipalities:

Support interventions by National and Provincial Governments on Sanitation

- Increase on grant funding (MIG, RBIG and WSIG) to support improvement on sanitation infrastructure.
- The Department of COGTA working with the Department of Human Settlement (DHS) to integrate infrastructure for basic services in the implementation of integrated human settlements by DHS.
- COGTA in partnership with DBSA through the Provincial Project Management Unit to support municipalities with master planning, asset care and project preparation to improve planning, implementation and maintenance of sanitation infrastructure.

Challenges on access to Electricity

- Huge Eskom debts in Govan Mbeki, Lekwa, Mkhondo, Msukaligwa, Dipaleseng, Emalahleni, Victor Khanye, Thaba Chweu, and City of Mbombela, municipalities.
- High technical and none technical losses which had largely contributed on revenue collections losses continues
- Poor infrastructure maintenance
- Notified maximum demand exceedances.
- Illegal connections and electrical infrastructure theft remains evident and increased amidst Covid19 that affected most households economically.
- Exceedances on the notified maximum demand resulting in municipalities such as Lekwa, Msukaligwa, and Govan Mbeki implementing local rotational load shedding.

Recommendations on Electricity

- Development and adoption of repayment plans for Eskom debts
- Municipalities to apply to Eskom for the increase of notified maximum demand.
- Development of Electricity Master Plans to proactively address future demand capacity for electricity bulk infrastructure systems
- COGTA supported by Treasury to continue plays a reconciliatory role between ESKOM and the municipalities.
- Municipalities to budget for the maintenance of electricity infrastructure to reduce technical electricity losses.
- Development, adoption and enforcement of electricity by-law will assist municipalities in reducing illegal connections and electricity theft.

- Municipalities to improve on billing systems to effectively recover cost of electricity supply.

Electricity Interventions

- Eskom, COGTA, Provincial Treasury and municipalities to continue supporting municipalities on the reduction of Eskom debt.
- Mobilization of municipalities to consider augmenting electricity through the implementation of alternative energy solutions.
- Repayment Agreements with Eskom to be coordinated by COGTA and Provincial Treasury. Both CoGTA and Provincial Treasury to continue to monitoring adherence and full implementation of repayment agreements on a monthly and quarterly basis.
- COGTA to engage NERSA to address and support cost of supply studies submitted by municipalities for approval.
- Local municipalities to adopt plans for the auditing of pre-paid meters to improve revenue collections.
- COGTA through PPMU supported by MISA and districts to audit the functionality of municipal electricity substations.
- Community education driven by the political heads of municipalities to be promoted to address the problem of illegal connection and electricity theft.
- COGTA in partnership with DBSA through the Provincial Project Management Unit to support municipalities with master planning, asset care and project preparation to improve planning, implementation and maintenance of electricity infrastructure.

Challenges on access to refuse removal

- Poor prioritization of waste removal by all municipalities
- State of and inadequate waste management fleet in municipalities.
- Outdated Integrated Waste Management Plans and By-laws.
- Poor operations and management of waste management facilities: non-compliant with environmental legislation (e.g. non-determination of airspace, cover material, equipment, and technical expertise), waste license conditions and expiring of existing issued licenses.

Recommendations

- Ring-fencing of budget for waste management
- Prioritization of waste management services in line with the basic services in terms of planning, development and implementation including waste management fleet.
- Review, implementation and enforcement of Integrated Waste Management Plans and By-laws.
- Compliance with the environmental legislation which promotes the protection and preservation of natural resources.
- Allocate budget through the MIG Programme for the purchase of fleet waste management fleet.
- Private sector mobilization to support municipalities on waste management initiatives.

Interventions of access to refuse removal

COGTA in partnership with Department Agriculture Rural Development Land and Environmental Affairs and Department of Environmental Affairs have developed a Provincial Waste Management Action Plan to support municipalities in addressing the above challenges;

COGTA supporting business plans submitted through MIG for waste management fleet.

5.3 SPATIAL RATIONALE

Given the far-reaching and stubbornly persistent imprints and impacts of the colonial and Apartheid pasts on our present, the **2030-National Development Plan (NDP)** is of central importance to realising a very different future. The NDP, as an all-encompassing comprehensive national development plan (1) speaks to the multitude of needs and challenges facing the country, their underlying causes and factors inhibiting change, and (2) provides detailed guidance on responding to all of these.

It is especially Chapter 8 of the NDP – Transforming Human Settlement and the National Space Economy – that makes specific reference to the need for a “national spatial development framework”.

Following on from this guidance, government prepared policy and legislation that speaks to and gives further expression to (especially) Chapter 8 of the NDP. These instruments, which cover (1) settlement planning, (2) place-making, and (3) land-use and land-use management are the **2016-Integrated Urban Development Framework (IUDF)** and the **Spatial Planning and Land Use Management Act, 2013 (SPLUMA)**.

The Spatial Planning and Land Use Management Act, 2013 (SPLUMA), was introduced to “provide a framework for spatial planning and land use management” in South Africa. As such, it not only seeks to attend to and rectify the fragmented, irrational, unfair and unequal apartheid planning system inherited from the Apartheid era, but also its consequences in space. As in the case of the IUDF, this means the active pursuit of (1) spatial transformation, (2) social and economic inclusion, and (3) equal opportunities and equal access to government services and the amenities that settlements offer.

The SPLUMA requires that a municipal spatial development framework must be prepared, by each tier of government, more importantly by municipalities, as part of their integrated Development Plan (IDP) in accordance with the provisions of the Municipal Systems Act. A municipal Spatial Development Framework (SDF) must, amongst others, give effect to the development principles of SPLUMA being spatial justice, spatial sustainability, efficiency, spatial resilience and good administration.

The continued implementation of IDP projects which are not informed by the directives of the various SDF's is a major “Draw-Back” in the province's effort in addressing the past imbalances and to the achievements of the Spatial Transformation. The prioritisation of the capital investments framework through the IUDF is yet another government initiative intended to foster sustainable development in the province.

Section 15 of SPLUMA requires that each province develops a Provincial Spatial Development Framework (PSDF). In this regard, the department has, in co-operation with the Office of the Premier, the Department of Economic Development and Tourism and the Department of Rural Development and Land Reform, finalised the PSDF in March 2019, which was subsequently approved by the Executive Council. The purpose of the PSDF is, amongst others, to guide district and local municipalities in the review of their SDFs, development in general and to facilitate the alignment of initiatives from the various stakeholders. The implementation of the PSDF commenced immediately after its approval resulting in the initiating of processes for the development of the Provincial Human Settlement Master Plan and the preparation of a regional spatial development framework which will cut across various municipalities in the province.

Table 31: Indicate municipalities with approved SDFs

DISTRICT	Municipality	2017/18			2018/19			2019/20		
		SDF's approved	SDF's submitted	SDF 's implemented	SDF's approved	SDF's submitted	SDF 's implemented	SDF's approved	SDF's submitted	SDF 's implemented
EHLANZENI	Bushbuckridge	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	City of Mbombela	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Nkomazi	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Thaba Chweu	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Ehlanzeni District	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GERT SIBANDE	Chief Albert Luthuli	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Dipaleseng	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Govan Mbeki	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Lekwa	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Mkhondo	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Msukaligwa	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Dr. Pixley Ka Isaka Seme	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Gert Sibande	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
NKANGALA	Emalahleni	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Emakhazeni	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Steve Tshwete	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Victor Khanye	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Dr. JS Moroka	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Thembisile Hani	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Nkangala District	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

(Source: COGTA/Municipal SPLUMA and Land Use Management assessment report and municipal surveys)

5.3.1 Findings on Spatial Development Frameworks

All municipalities in the Province have maintained a good record with regard to having approved Spatial Development Frameworks (SDFs) for the past three financial years. A number of municipalities have reviewed their SDFs, some are still in process, to be SPLUMA compliant since the Act came into operation in 2015.

In this regard, the department has assisted with the review of the SDFs of Dipaleseng, Msukaligwa and Dr Pixley Ka Isaka Seme Local Municipalities during the 2019/20 financial year. The department will continue to focus its attention to support all municipalities in ensuring that developments are in line with the respective Spatial Development Frameworks, that municipal SDFs are aligned to the Provincial Spatial Development Framework and that SDFs are effectively implemented through municipal IDPs, Land Use Schemes and land development decisions by Municipal Planning Tribunals and Authorised Officials.

Challenges

The following challenges were recorded:

- Municipalities with SDFs that are not SPLUMA compliance appear not prioritizing the review of these SDFs.
- Alignment of IDP projects and programmes to Spatial Development Framework strategic interventions ad projects remains a problem;
- SDF strategies and projects not fully implemented.
- Land invasion resulting in informal settlements within strategic areas identified for other uses.

Table 32: Municipal performance on SPLUMA implementation (land use management)

DISTRICT	Municipality	SPLUMA area of implementation						
		Process applications	Process Appeals	Process Building plans	Process Outdoor advertisements	Conducting enforcement	Adopted SPLUMA LUS	Comment
EHLANZENI	Bushbuckridge	Yes	No	Yes	Yes	No	No	Municipality has not received any appeal yet. Law enforcement not conducted. LUS comply with SPLUMA requirements but not adopted in terms of SPLUMA.
	City of Mbombela	Yes	Yes	Yes	Yes	Yes	No	A draft SPLUMA LUS was prepared and adopted by Council.
	Nkomazi	Yes	No	Yes	Yes	No	Yes	No appeal was submitted to the municipality during the period under review. Law enforcement was weak. The Municipality adopted a SPLUMA compliant LUS which required promulgation.
	Thaba Chweu	Yes	Yes	Yes	Yes	Yes	Yes	Municipality has implemented SPLUMA as required.
GERT SIBANDE	Chief Albert Luthuli	Yes	No	Yes	No	Yes	Yes	No appeal was submitted to the municipality during the period under review. No outdoor advertising regulation took place. Law enforcement improved during the 2019/20 financial year.
	Dipaleseng	Yes	No	Yes	No	Yes	No	No appeal was submitted to the municipality during the period under review. No outdoor advertising regulation took place. Law enforcement improved during the 2019/20 financial year. The Municipality finalised its draft SPLUMA LUS.
	Govan Mbeki	Yes	No	Yes	Yes	Yes	No	An appeal structure is in place but no appeals were received during the period. LUS comply with SPLUMA requirements but not adopted to SPLUMA
	Mkhondo	Yes	No	Yes	Yes	No	Yes	No appeal was submitted to the municipality during the period under review. Law enforcement was visible. The Municipality adopted its SPLUMA compliant LUS which required promulgation.
	Lekwa	Yes	No	Yes	Yes	No	No	No appeal was submitted to the municipality during the period under review. Law enforcement not fully conducted. The Municipality finalised its draft SPLUMA compliant LUS.
	Msukaligwa	Yes	Yes	Yes	Yes	Yes	No	The municipality implemented in a process to finalise its draft SPLUMA compliant LUS.
	Dr Pixley Ka Isaka Seme	Yes	No	Yes	No	No	No	No appeal was submitted to the municipality during the period under review. No outdoor advertising regulation. Law enforcement very poor. The district municipality supported the municipality to initiate a process of preparing its SPLUMA compliant LUS.
NKANGALA	Emalahleni	Yes	Yes	Yes	Yes	Yes	Yes	Municipality has implemented SPLUMA as required.
	Steve Tshwete	Yes	No	Yes	Yes	Yes	No	No appeal was submitted to the municipality during the period under review. The municipality initiated a process to prepare a SPLUMA compliant LUS
	Emakhazeni	Yes	No	Yes	No	Yes	No	No appeal was submitted to the municipality during the period under review. No implementation of outdoor advertising regulation. Law enforcement not fully conducted. The Municipality finalised its draft SPLUMA compliant LUS.
	Victor Khanye	Yes	No	Yes	No	No	No	No appeal was submitted to the municipality during the period under review. No implementation of outdoor advertising regulation. Law enforcement not fully conducted. The Municipality finalised its draft SPLUMA compliant LUS.
	Dr. JS Moroka	Yes	No	Yes	Yes	No	No	No appeal was submitted to the municipality during the period under review. Law enforcement not fully conducted. The Municipality finalised its draft SPLUMA compliant LUS.
	Thembisile Hani	Yes	No	Yes	No	No	No	No appeal was submitted to the municipality during the period under review. No implementation of outdoor advertising regulation. Law enforcement not fully conducted. The Municipality finalised its draft SPLUMA compliant LUS.

(Source: COGTA/Municipal SPLUMA and Land Use Management assessment report and municipal surveys)

5.3.2 Analysis of municipal performance on SPLUMA implementation (land use management)

Findings

- The City of Mbombela, Thaba Chweu, Msukaligwa and Emalahleni municipalities are the local authorities that received appeals against decisions taken on development applications. The appeals against these decisions relates to either the quality of decisions or the magnitude of applications that differ between municipalities.
- All municipalities have implemented building control functions with challenges on efficiency regarding decisions in the processing of building plans.
- The implementation of outdoor advertising remains a challenge in municipalities such as the Chief Albert Luthuli, Dipaleseng, Pixley ka Isaka Seme, Emakhazeni, Victor Khanye and Thembisile Hani). These municipalities miss an opportunity to generate income from the advertisers.
- Only Local municipalities such as City of Mbombela, Thaba Chweu, Chief Albert Luthuli, Dipaleseng, Govan Mbeki, Msukaligwa, Emalahleni and Steve Tshwete and Emakhazeni implemented enforcement. The absence of dedicated personnel or non-existence of enforcement units contributed to most municipalities being unable to implement enforcement. During the period under review, only Nkomazi, Thaba Chweu, Chief Albert Luthuli, Mkhondo and Emalahleni municipalities adopted SPLUMA compliant Land Use Schemes. Bushbuckridge and Govan Mbeki municipalities have land use schemes that comply with SPLUMA requirements, but these schemes were adopted in terms of old order legislation. Processes were put in place to have non-SPLUMA compliant land use schemes reviewed and adopted in terms of SPLUMA. All other municipalities initiated processes to prepare land use schemes and some of these LUSs are scheduled for adoption in the 2020/21 financial year.

Challenges

- The slow pace of municipalities to perform administrative tasks still remain a challenge as in some instances it is evident that SPLUMA time frames for processing of applications are exceeded.
- The staff component of municipalities to effectively implement SPLUMA, especially from an administrative, technical and compliance point of view is insufficient.
- Officials and office holders in the different SPLUMA roles are under capacitated and lack the necessary skills.
- The slow pace of municipalities to adopt SPLUMA LUS's accordance with the 30 June 2020 deadline stipulated in the Act.

Recommendations

- COGTA in collaboration with the District continues to monitor and support Municipalities on land use management in line with SPLUMA in order to address the challenges and shortcomings.

Support Interventions by National and Provincial government

- Continuous monitoring of municipalities on SPLUMA implementation by Department of Rural Development and Land Reform and COGTA
- Support by COGTA, SALGA and Department of Rural Development and Land Reform through training on the different areas of SPLUMA including training of Appeal Authorities as well as Councillors on land use management and spatial planning.
- Technical support to those municipalities to finalise and adopt SPLUMA LUS prior to 30 June 2020.

5.4 INTEGRATED DEVELOPMENT PLANNING COORDINATION

5.4.1 Legislative Framework

The Constitution of the Republic of South Africa 1996, Section 154 and 155 obligates national and provincial governments by legislation or other measures to provide for monitoring, support and strengthen the capacity of municipalities to perform their functions and manage their own affairs. The Department of Cooperative Governance and Traditional Affairs, in particular has a mandate as per the Municipal Systems Act No. 32 of 2000, Section 31 (a-c) and Section 105 (1)(c)

Section 31 (a-c) requires the department to –

- a) monitor municipalities in the process of the development or review of Integrated Development Plans (IDPs);
- b) assist them with the planning, drafting, adoption and review of its IDPs; and
- c) facilitate the co-ordination and alignment of IDPs of different municipalities, district and its locals municipalities within its areas and with the plans, strategies and programme of National and Provincial organs of state; and

Section 105 1 (c) mandates that the department must –

c) Assess the support needed by municipalities to manage their own affairs, exercise their powers and perform their functions.

5.4.2 Monitoring the IDP review process

The IDP directorate within the department has continued to monitor and support municipalities on the review of IDPs and the 2019-20 financial year represented the third year of review of IDPs for the 2020-21 financial year. In order to ensure that municipalities fulfil the above legislative requirements following the prescribed process, the department conducted monitoring on a monthly and quarterly basis in all the twenty municipalities of the Province.

The department has previously developed five monitoring tools on the planning, drafting, adoption and review of IDPs and has further supported district municipalities to establish district-based IDP structures which are also used to monitor progress on the IDP process and provision of required support to struggling municipalities. The following structures are functional in the three districts:

District	Structure	Participants
Ehlanzeni	IDP Managers Forum	IDP Managers, CoGTA, OTP & SALGA
Nkangala	IDP Technical Committee	IDP/PMS Managers, CoGTA, OTP
Gert Sibande	IDP Managers Committee	IDP Managers, CoGTA, OTP & SALGA

The centralisation of monitoring and support of the municipal planning process through the above structures has assisted the department to provide a close supervision in municipalities on the IDP process. It has also limited the number of meetings convened by the department and provided the department an opportunity to coordinate and mobilise various stakeholders to offer support to municipalities on specific sectoral issues affecting integrated planning. Compliance to the provisions of legislation on IDP was further supported for achievement by the implementation of IDP frameworks and process plans adopted by municipalities in line with performance targets set in the Annual Performance Plan (APP) of the department in each financial year on monitoring and support interventions.

The department also plays an active role in ensuring that, where gaps have been identified and challenges encountered during monitoring process of strategy review, support is promptly provided to struggling municipalities through acceleration plans to safeguard that they are in line with the requirements of laws and regulations governing IDPs. This was particularly crucial during the year under review as it was the penultimate review of IDPs by Councils as required in line with Section 34 of the Act.

5.4.3 Process followed on the review of IDPs

Legislative requirements on local government planning requires that Municipal Councils must develop the process to be followed with clear timelines on the development and review of IDPs in terms of Section 27, 28 and 29 of the Municipal Systems Act. Process plans are developed by local municipalities after district municipalities have developed planning framework to guide the integration process between Category B and C municipalities. The development of the process to be followed is developed and reviewed in consultation with communities and other key stakeholders.

It should be noted that only one municipality in the Province, viz, Dr JS Moroka, was unable to adopt a process plan to guide the review of its IDP during the 2019/20 financial year. The municipality experienced a number of service delivery and institutional challenges which have affected the functionality of the Municipal Council, provision of basic services to communities and the approval of the process plan and other key decisions were not spared. Numerous attempts by the department to intervene and have Council convene its ordinary and special meetings were not successful due to the nature of the internal challenges, including letters sent to the municipality to have the Council sitting and functioning to take care of its business and provision of services to communities. Table 30 below indicates the status of approval of the prescribed process by the twenty Municipal Councils in the Province:

Table 33: Status on the adoption of the process followed on IDP review

Municipality	Date of Council sitting for adoption	Council resolution number	Submission date to COGTA
2019/20			
Nkangala	24 July 2019	DM-ND21/07/2019	07 August 2019
Dr JS Moroka	Not adopted	None	N/A
Emakhazeni	29 August 2019	25/08/2019	03 September 2019
Emalahleni	25 August 2019	A. 119/19	26 August 2019
Steve Tshwete	20 August 2019	C03/08/2019	27 August 2019
Thembisile Hani	30 August 2019	TH-NDC 40/08/2019	04 September 2019
Victor Khanye	22 August 2019	S002/08/2019	12 September 2019
Gert Sibande	25 July 2019	C52/07/2019	02 August 2019
Chief Albert Luthuli	29 August 2019	LM 439/08/2019	10 September 2019
Dipaleseng	30 August 2019	C207/08/19	30 August 2019
Dr Pixley Kalsaka Seme	30 July 2019	A128/2019	12 August 2019
Govan Mbeki	29 August 2019	A080/08/2019.	04 September 2019
Lekwa	30 August 2019	A58/08/2019	06 September 2019
Mkhondo	30 August 2019	19/08/325A	05 September 2019
Msukaligwa	29 August 2019	LM 439/08/2019	10 August 2019
Ehlanzeni	29 August 2019	A449/2019	05 September 2019
Bushbuckridge	29 August 2019	BLM42/29/08/19/2019/20	06 September 2019
City of Mbombela	23 August 2019	A3/2019	28 August 2019
Nkomazi	30 August 2019	NLM:S-GCM: A071/2019	13 September 2019
Thaba Chweu	31 July 2019	A90/ 2019	13 August 2019

(Source: Mpumalanga CoGTA IDP Directorate monitoring report, September 2019)

5.4.4 Analysis on compliance with the IDP process

Despite challenges posed by the emergence of the Covid19 pandemic on the municipal planning processes during the third quarter of the municipal budget year, all municipalities in the province had managed to adopt final IDPs for the 2020/21 before the start of the financial year in July 2020. Covid19 led to the declaration of a National Disaster by the President of the Republic in line with the Disaster Management Act. Regulations were developed and a National Lockdown was declared in the Republic. This happened when municipalities were in the process of finalising the review of their IDPs through the tabling of draft IDPs and budget for consultation with stakeholders before final reviewed document could be adopted by Councils.

Municipalities had to adapt to the 'new normal' during the State of National Disaster and Lockdown relying on virtual conferencing platforms such as Starleaf, Microsoft Teams and Zoom in order to convene Council meetings to adopt final IDPs and annual budgets for the 2020/21 financial year. All twenty municipalities in the Province were able to table final reviewed IDPs before respective Municipal Councils for adoption through the virtual platform by end of June 2020. The adopted documents were submitted to the MEC by municipalities within ten days of adoption in accordance with the appropriate legislative prescripts. Fourteen municipalities were successful in adopting reviewed IDPs by the end of May 2020 through this platform with only Chief Albert Luthuli, Victor Khanye, Ehlanzeni, Lekwa, City of Mbombela and Dr JS Moroka adopting reviewed IDPs in June 2020.

The summary of the status quo with regards to the adoption of 2020/21 final reviewed IDPs are provided in Table 31 below:

Table 34: Status on the third review of municipal IDPs

District	Municipality	Tabling to Council	Council Resolution	Submission to MEC
EHLANZENI DISTRICT	Ehlanzeni DM	18 June 2020	A/65/2020	26 June 2020
	Bushbuckridge	29 May 2020	BLM105/29/05/2020/2019/2020	08 June 2020
	City of Mbombela	29 June 2020	A1/2020	09 July 2020
	Nkomazi	28 May 2020	NML:S-GCM: A044/2020	06 June 2020
	Thaba Chweu	29 May 2020	A41/2020	08 June 2020

District	Municipality	Tabling to Council	Council Resolution	Submission to MEC
GERT SIBANDE DISTRICT	Gert Sibande	28 May 2020	C42/05/2020	07 June 2020
	Chief Albert Luthuli	04 June 2020	CL1.068	12 June 2020
	Dipaleseng	29 May 2020	C75/05/2020	04 June 2020
	Dr. Pixley Ka Isaka Seme	29 May 2020	A53/2000	10 June 2020
	Govan Mbeki	28 May 2020	A028/05/2020	05 June 2020
	Lekwa	29 June 2020	A4&A5	08 July 2020
	Mkhondo	27 May 2020	20/05/389A	03 June 2020
	Msukaligwa	28 May 2020	LM668/05/2020	06 June 2020
NKANGALA DISTRICT	Nkangala	27 May 2020	DM-ND322/05/2020	05 June 2020
	Dr JS Moroka	30 June 2020	R457.06.2020ND	7 July 2020
	Emakhazeni	28 May 2020	57/05/2020	08 June 2020
	Emalahleni	28 May 2020	A.070/19	08 June 2020
	Steve Tshwete	29 May 2020	SC44/05/202020	06 June 2020
	Thembisile Hani	28 May 2020	TH/NDC146/05/2020	05 June 2020
	Victor Khanye	11 June 2020	A012/05/2020	12 June 2020

(Source: Mpumalanga CoGTA IDP Directorate monitoring report, June 2020)

5.4.4.1 Challenges and interventions during the IDP review process

The Covid-19 disruptions also affected the traditional mechanisms, processes and procedures which municipalities previously utilized in engaging communities and stakeholders on draft IDPs and budgets which are normally conducted through public gatherings in each ward of the Province to ascertain inputs, opinions and recommendations from residents and other affected parties. Regulations on the National Lockdown implemented as a result of the National State of Disaster discouraged municipalities from convening public gatherings such as consultations on draft IDPs and annual budgets in order to practice social distancing required in reducing the spread of infections from the Covid-19 virus. The involvement of communities on the IDP and budget is regulated in law and as such municipalities had to identify and develop alternative mechanisms and procedures for public consultations.

In support of municipalities in this regard, the department issued a communiqué to municipalities guiding them on processes to follow in public participation during the National Lockdown period. Through the MEC, the IDP and Communication Directorates issued a public media statement on alternative mechanisms on involving the public on the IDPs and they included, amongst others, the following:

- ✓ Email addresses;
- ✓ Municipal websites;
- ✓ Social media such as Facebook, Twitter and WhatsApp;
- ✓ Short Message Service (SMS);
- ✓ Drop boxes in strategic public places such as Offices of Traditional Authorities;
- ✓ Dedicated telephone lines and voice-notes; and
- ✓ Radio interviews, presentations and Q&A.

Municipalities used these mechanisms effectively in communicating the aspirations, needs and priorities of their communities on development and service delivery issues affecting them after having posted copies of their draft IDPs on websites, summarising copies of the IDPs for distribution through WhatsApp and other electronic methods to collect comments on their proposals and inputs. The inputs from the public were considered by municipalities and included in reviewed IDPs before they were finalized and adopted by Municipal Councils for implementation.

Challenges and interventions during the assessments of IDPs include the following:

Assessment of 2020/21 reviewed IDPs

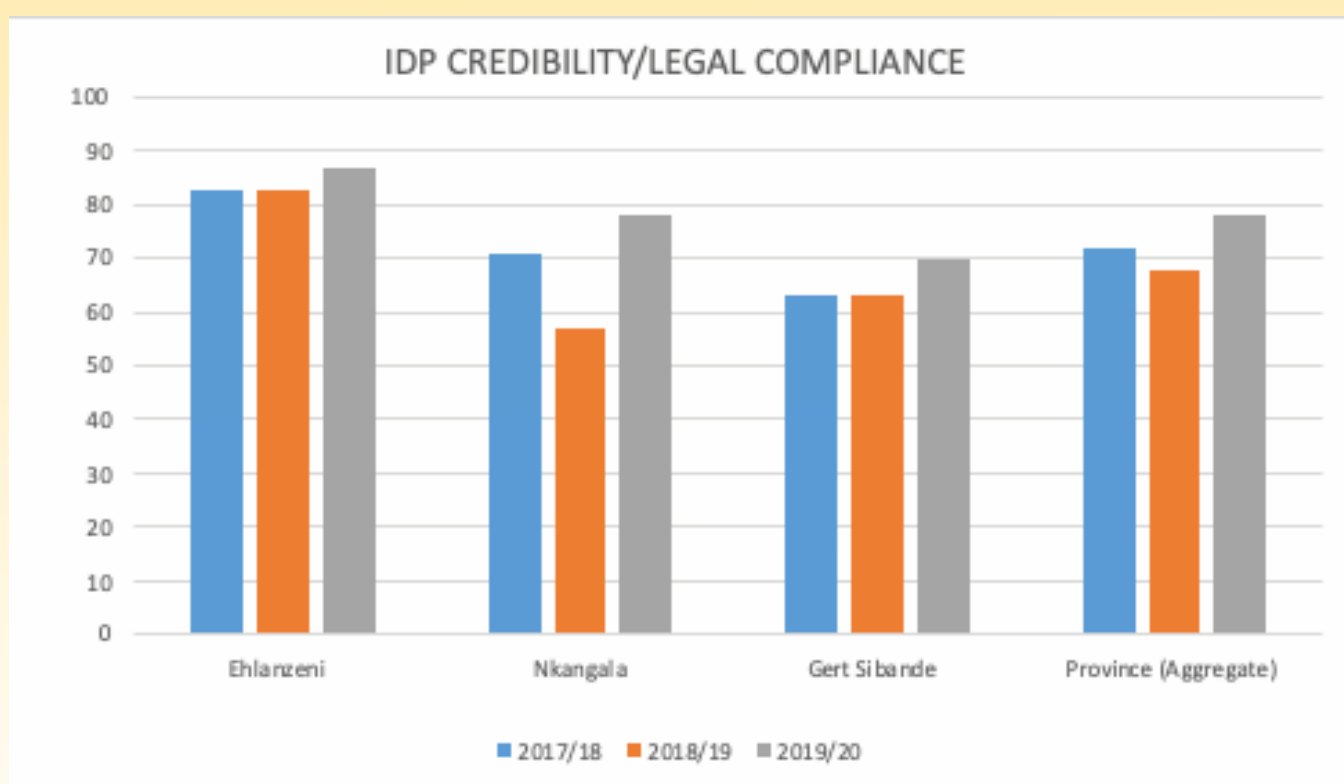
It should be noted that the Province experienced disruptions on the annual assessment process after IDPs tabled before Councils were submitted to the department for evaluations in June 2020. This was after the President of the Republic; His Excellency CM Ramaphosa declared a National State of Disaster on 15 March 2020 and the subsequent announcement a National Lockdown which began on the 27 March 2020 after the outbreak of Covid-19 Corona Virus in the country. The Disaster Management Regulations implemented as a result of the National State of Disaster discouraged the department from convening assessments of IDPs through physical meetings. Traditionally, the department coordinates various stakeholders such as sector departments, SALGA, GIZ and municipalities to

attend the IDP assessments in each district. Due to the implementation of the Disaster Management Regulations on Covid-19, the department could not convene such sessions in order to practice social distancing and comply with regulations.

The department, nevertheless, developed creative mechanisms to ensure that 2020/21 IDPs submitted to the department are evaluated as part of support provided to municipalities. The Directorate embarked on a process of assessing the IDPs through its own officials and some sector departments remotely. The assessments were conducted during the month of June 2020 in order to urgently cover issues relating to Covid-19 preparedness, response and recovery and other pressing issues such as infrastructure asset maintenance, land invasion, District Development Model and Gender-based Violence and Femicide amongst many other pressing planning issues.

Assessment on Legislative Compliance

It should be noted that most municipalities are gradually improving in addressing legislative compliance issues previously raised by the MEC in terms of the process followed in the review of IDPs. Some are still struggling in terms of content, in particular on issues relating to sector plans which are outdated and no funding is available to review them. The department engaged the Municipal Infrastructure Support Agent (MISA) and the Development Bank of Southern Africa (DBSA) regarding support to municipalities on the development of master plans for key services such as water, electricity and roads.

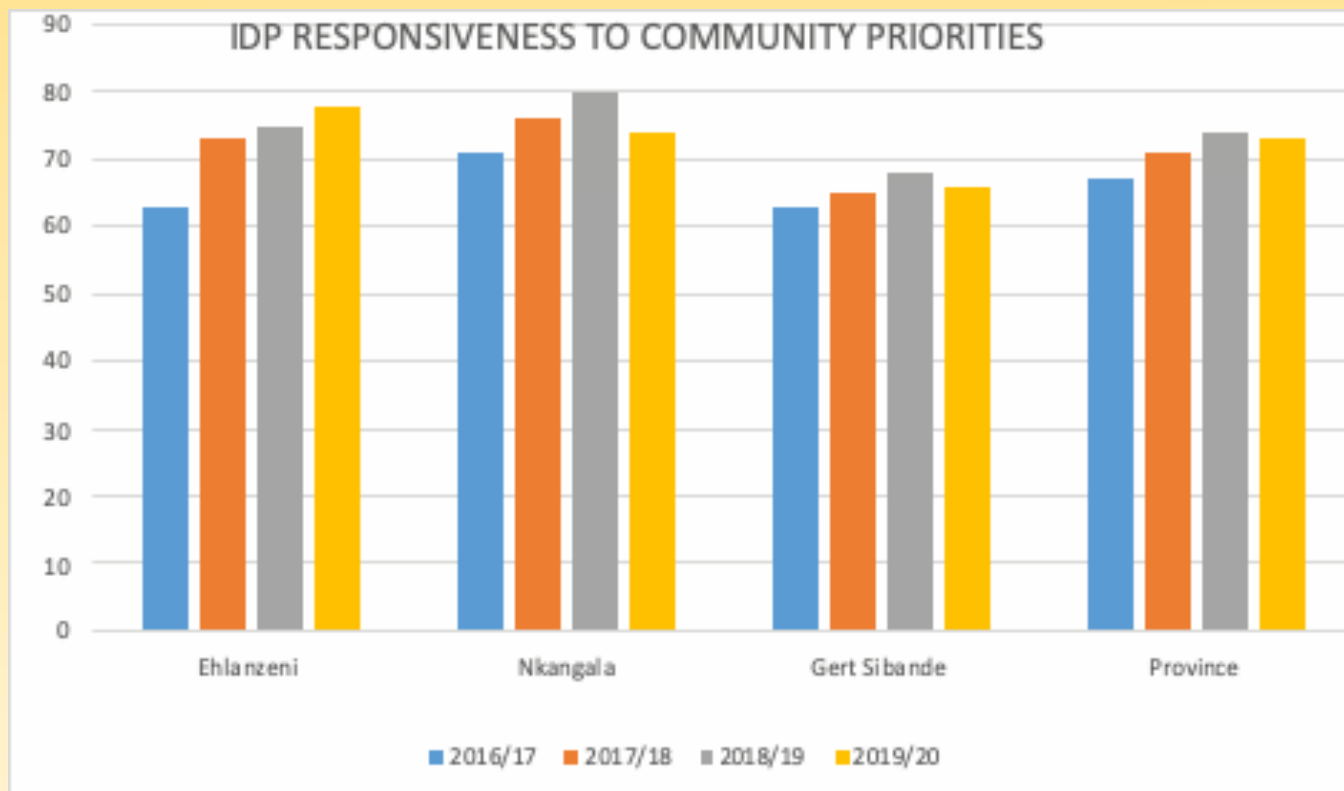


DISTRICT	2017/18	2018/19	2019/20
Ehlanzeni	83%	83%	87%
Nkangala	71%	57%	78%
Gert Sibande	63%	63%	70%
Province (Aggregate)	72%	68%	78%

Assessment on Outcomes

With regards to responsiveness to the needs of communities through outcomes, municipalities are able to plan and allocate resources on key service delivery priorities such as water, sanitation, roads and electricity. Solid waste removal is still a major concern as there are no strategies to extend the service to areas which are not served by municipalities and no budget is allocated in most municipalities. Municipalities had identified prioritised projects in their reviewed draft IDPs for 2020/21 financial year of strategy implementation. Most of these projects are identified for implementation through conditional grants such as the Municipal Infrastructure Grant (MIG) Implementation Plan for the next three years (2020/21- 2022/23), Integrated National Electrification Programme (INEP) and Water Services Infrastructure Grant (WSIG).

Some of these MIG projects have already been registered in the MIS (Management Information System) system while others are currently running projects implemented in phases/multiple years. Allocations from sector departments such as the Department Public Works, Roads and Transport and Department Human Settlements are also included to support municipalities on identified priorities. Only a few municipalities have reasonably allocated own funding for their capital expenditure in the 2020 financial year. The majority of priorities are funded through grants.



DISTRICT	2016/17	2017/18	2018/19	2019/20
Ehlanzeni	67%	73%	75%	78%
Nkangala	71%	76%	80%	74%
Gert Sibande	63%	65%	68%	66%
Province (Aggregate)	67%	71%	74%	73%

Recommendations

The following proposals have been recommended to address some of the identified challenges during the review of IDPs:

- ❖ All municipalities were required to adjust their 2020/21 reviewed IDPs in terms of Section 32 (2) of the Municipal Systems Act to address, amongst others, the following key service delivery issues:
 - illegal land occupation through appropriate policies and programmes
 - infrastructure maintenance through plans and adequate budgeting for operations and maintenance;
 - identification of land required to develop new cemeteries or extending existing ones;
 - development of programmes and budgets to address the scourge of Gender- Based Violence and Femicide;
 - Consider plans to recover and respond to the effects of the Covid19 pandemic.
- ❖ Municipalities and sector departments advised to prioritise the integration of the District Development Model (DDM) in their IDPs and APPs respectively to strengthen coordination and integration across the three spheres of government.

5.4.5 Support interventions by the department during the year under review

- ❖ Assessment of 2020/21 reviewed IDPs and issuing of MEC proposals in line with Section 32 of the Municipal Systems Act;
- ❖ Facilitation of integration of service delivery plans across the three spheres of government for incorporation in municipal IDPs to address community priorities and development challenges;

- ❖ Implementation of the Rural Development Chapter for Integration in IDPs to accelerate service delivery in rural and farming communities;
- ❖ Appraisal of MIG projects included in IDPs in line with priorities identified by communities during IDP consultations;
- ❖ Support to Emalahleni and Steve Tshwete local municipalities with mining towns on monitoring the implementation of the Mineral and Petroleum Resources Development Act (MPRDA) in line with the integration and alignment of Social and Labour Plans (SLPs) with priorities in their IDPs.
- ❖ Conducted workshops and participated in strategic planning sessions of struggling municipalities with Office of the Premier, to address the alignment of IDPs with the 2019-24 Medium Term Strategic Framework (MTSF).

5.5 Developed Disaster Management Policy Frameworks and Plans

5.5.1 Legislative background

- The primary responsibility for disaster management in SA rests with government;

In terms of section 41(1) (b) of the constitution of the RSA, all spheres of government and all organs of state within each sphere must- (b) secure the well-being of the people of the Republic;

Part A of Schedule 4 of the constitution identifies disaster management and related issues as areas of concurrent National and Provincial legislative competencies.

Local government is also empowered to deal with a number of functions which are closely related to disaster management under part B of Schedule 4 & 5 of the Constitution , section 152 (1) (d) of the Constitution requires local government to promote a safe and healthy environment.

The Disaster Management Act No.57 of 2002 (Ascended to 30 December, 2002) and the date of commencement: 1 July, 2004)

The Act has been updated to government Gazette 39943 dated 22 April, 2016, as amended by Disaster Management Amendment Act, No.16 of 2015, Section 51, 52 & 53 is explicit as to what is required from Local Municipalities which is to establish a disaster management advisory forum, develop disaster management plans to be aligned with those of other organs of state and be consistent with the PDMF & NDMF.

“Disaster Management” is a continuous and integrated multi-sectoral, multi-disciplinary process of planning and implementation of measures aimed at-

- a) Preventing or reducing the risk of disasters;
- b) Mitigating the severity or consequences of disasters;
- c) Emergency preparedness;
- d) A rapid and effective response to disasters; and
- e) Post-disaster recovery and rehabilitation;

With regards to functions and support to municipalities,

- ✓ Provincial Disaster Management Centre (PDMC) supports LMs with issues concerning disasters and disaster management;
- ✓ Promote an integrated and co-ordinated approach to disaster management; with special emphasis on prevention and mitigation;
- ✓ Sharing of information concerning disasters, impending disasters and disaster management;
- ✓ Advisory and consultation on issues concerning disasters and disaster management;
- ✓ Recommendations regarding the funding of post-disaster recovery and rehabilitation;
- ✓ Assessment and making of recommendations to the National Disaster Management Centre (NDMC) on the declaration of any event as either a local disaster or not;
- ✓ Monitoring of response, recovery and rehabilitation of damaged infrastructure;
- ✓ Humanitarian relief
- ✓ Coordination of interventions by other organs of state or entities;
- ✓ Capacity building, training and awareness;

- ✓ Liaison and coordination of activities with National Centre and the municipal disaster management centres in the province.
- ✓ Monitoring of compliance with DM Act;
- ✓ Assessment of Fire Capacity Function;
- ✓ Compilation of reports and business plans for disaster grants and other matters related.

Table 35: Indicate municipalities with Disaster Management Policy Framework and Plans

District	Municipality	2018/19			2019/20		
		Disaster Management Centre fully established and fully functional	District Disaster Management framework	Disaster Management Plans finalised	Disaster Management Centre fully established and fully functional	Local Disaster Management framework	Disaster Management Plans
EHLANZENI	Bushbuckridge	The District in consultation with the local municipality has established a Satellite DMC which coordinates the function of disaster management.	Municipality is catered in as required by Section 42 (2) of the DM Act by District Framework	DMP prepared in terms of section 53 (3) of DM Act	The District in consultation with the local municipality has established a Satellite DMC which coordinates the function of disaster management	Municipality is catered for as required by Section 42 (2) of the DM Act by District Framework	DMP prepared in terms of section 53 (3) of DM Act
	City of Mbombela	The District in consultation with the local municipality has established a Satellite DMC which coordinates the function of disaster management	Municipality is catered in as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act	The District in consultation with the local municipality has established a Satellite DMC which coordinates the function of disaster management	Municipality is catered for as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act
	Nkomazi	The District in consultation with the local municipality has established a Satellite DMC which coordinates the function of disaster management	Municipality is catered in as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act	The District in consultation with the local municipality has established a Satellite DMC which coordinates the function of disaster management	Municipality is catered for as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act
	Thaba Chweu	The District in consultation with the local municipality has established a Satellite DMC which coordinates the function of disaster management	Municipality is catered in as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act	The District in consultation with the local municipality has established a Satellite DMC which coordinates the function of disaster management	Municipality is catered for as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act
	Ehlanzeni District	DDMC established in line with section 43 (1) of DM Act	DDMF developed in line with section 42 of DM Act & aligned with Provincial & National DMFs	DMP prepared in terms of section 53 of DM Act	DDMC established in line with section 43 (1) of DM Act	DDMF developed in line with section 42 (2) of DM Act & aligned with Provincial & National DMFs	DMP prepared in terms of section 53 of DM Act

District	Municipality	2018/19			2019/20		
		Disaster Management Centre fully established and fully functional	District Disaster Management framework work	Disaster Management Plans finalised	Disaster Management Centre fully established and fully functional	Local Disaster Management framework	Disaster Management Plans
GERT SIBANDE	Chief Albert Luthuli	The District in consultation with the local municipality has established a Satellite DMC which coordinates the function of disaster management	Municipality is catered in as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act	The District in consultation with the local municipality has established a Satellite DMC which coordinates the function of disaster management	Municipality is catered for as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act
	Dipaleseng	The District in consultation with the local municipality has established a Satellite DMC which coordinates the function of disaster management	Municipality is catered in as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act	Municipality is catered for as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act	Municipality is catered for as required by Section 42 (2) of the DM Act by district Framework
	Govan Mbeki	Satellite DMC established and functional in line with section 43 (4) of the DM Act	Municipality is catered in as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act	Municipality is catered for as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act	Municipality is catered for as required by Section 42 (2) of the DM Act by district Framework
	Lekwa	No DMC, the function is coordinated in a Fire Station.	Municipality is catered in as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act	Municipality is catered for as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act	Municipality is catered for as required by Section 42 (2) of the DM Act by district Framework
	Mkhondo	The District in consultation with the local municipality has established a Satellite DMC which coordinates the function of disaster management	Local catered in terms of Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act	The District in consultation with the local municipality has established a Satellite DMC which coordinates the function of disaster management	Local catered in terms of Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act
	Msukaligwa	No DMC. The function is coordinated in a Fire Station	Municipality is catered in as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act	No DMC. The function is coordinated in a Fire Station	Municipality is catered for as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act
	Dr. Pixley Ka Isaka Seme	No DMC. The function is coordinated in a Fire Station. The DDMC in the process of establishing a satellite DMC.	Municipality is catered in as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act	No DMC. The function is coordinated in a Fire Station. The DDMC in the process of establishing a satellite DMC.	Municipality is catered for as required by Section 42 (2) of the DM Act by district Framework	DMP prepared in terms of section 53 (3) of DM Act
	Gert Sibande	The District municipality does not have a fully functional DMC as required, however, coordinates disaster management activities in the district main head offices.	DDMF developed in line with section 42 of DM Act & aligned with Provincial & National DMFs		The District municipality does not have a fully functional DMC as required, however, coordinates disaster management activities in the district main head offices.	DDMF developed in line with section 42 (2) of DM Act & aligned with Provincial & National DMFs	DMP prepared in terms of section 53 of DM Act

District	Municipality	2018/19			2019/20		
		Disaster Management Centre fully established and fully functional	District Disaster Management framework work	Disaster Management Plans finalised	Disaster Management Centre fully established and fully functional	Local Disaster Management framework	Disaster Management Plans
NKANGALA	Emalahleni	No DMC. The function is coordinated in a Fire Station. The DDMC in the process of establishing a satellite DMC.	Municipality is catered in as required by Section 42 (2) of the DM Act by District Framework	DMP prepared in terms of section 53 (3) of DM Act	No DMC. The function is coordinated in a Fire Station. The DDMC in the process of establishing a satellite DMC.	Municipality is catered for as required by Section 42 (2) of the DM Act by District Framework	DMP prepared in terms of section 53 (3) of DM Act
	Emakhazeni	No DMC, the function is coordinated in a Fire Station. The DDMC in the process of establishing a satellite DMC.	Municipality is catered in as required by Section 42 (2) of the DM Act by District Framework	DMP prepared in terms of section 53 (3) of DM Act	No DMC, the function is coordinated in a Fire Station. The DDMC in the process of establishing a satellite DMC.	Municipality is catered for as required by Section 42 (2) of the DM Act by District Framework	DMP prepared in terms of section 53 (3) of DM Act
	Steve Tshwete	No DMC. The function is coordinated in a Fire Station. The DDMC in the process of establishing a satellite DMC.	Municipality is catered in as required by Section 42 (2) of the DM Act by District Framework	DMP prepared in terms of section 53 (3) of DM Act	No DMC. The function is coordinated in a Fire Station. The DDMC in the process of establishing a satellite DMC.	Municipality is catered for as required by Section 42 (2) of the DM Act by District Framework	DMP prepared in terms of section 53 (3) of DM Act
	Victor Khanye	No DMC. The function is coordinated in a Fire Station. The DDMC in the process of establishing a satellite DMC.	Municipality is catered in as required by Section 42 (2) of the DM Act by District Framework	DMP prepared in terms of section 53 (3) of DM Act	No DMC. The function is coordinated in a Fire Station. The DDMC in the process of establishing a satellite DMC.	Municipality is catered for as required by Section 42 (2) of the DM Act by District Framework	DMP prepared in terms of section 53 (3) of DM Act
	Dr.JS Moroka	No DMC. The function is coordinated in the municipal offices	Municipality is catered in as required by Section 42 (2) of the DM Act by District Framework	DMP prepared in terms of section 53 (3) of DM Act	No DMC. The function is coordinated in the municipal offices	Municipality is catered for as required by Section 42 (2) of the DM Act by District Framework	DMP prepared in terms of section 53 (3) of DM Act
	Thembisile Hani	No DMC. The function is coordinated in the municipal offices.	Municipality is catered in as required by Section 42 (2) of the DM Act by District Framework	DMP prepared in terms of section 53 (3) of DM Act	No DMC. The function is coordinated in the municipal offices	Municipality is catered for as required by Section 42 (2) of the DM Act by District Framework	DMP prepared in terms of section 53 (3) of DM Act
	Nkangala District	DDMC established in line with section 43 (1) of DM Act	DDMF developed in line with section 42 of DM Act & aligned with Provincial & National DMF	DMP prepared in terms of section 53 (3) of DM Act	DDMC established in line with section 43 (1) of DM Act	DDMF developed in line with section 42 (2) of DM Act & aligned with Provincial & National DMF	DMP prepared in terms of section 53 of DM Act

**Not a statutory obligation for Local Municipalities to have Disaster Management Framework: (Source: Section 46 reports from municipalities)*

5.5.2 Analysis of municipalities' performance on readiness to mitigate disasters

Disaster Management Centres

All three Districts Municipalities performed their disaster management function as required by the Act, however, it should be noted that the Gert Sibande District during the process under review was in the process of establishing its DMC to comply with the Act.

Declared Disasters

The three district disaster management centres including the provincial disaster management centre responded the following declared disasters:

1. The National Drought Disaster declared on the 04 March 2020

A number of municipalities were affected by drought with the worse affected municipalities which includes Dr JS Moroka, Thembisile Hani and City of Mbombela amongst others. The municipalities prioritized a number of projects for the refurbishment and drilling of boreholes as a response to the disaster. This period saw a number of municipalities increasing the supply of water to communities through water tankers as an interim solution.

2. The National Covid-19 disaster declared on the 15 March 2020

The district disaster management centres supported by the provincial disaster management centre responded by activating all governance structures required for the management of disaster including the establishment of the Local/District Coronavirus Command Centres and Local/District Coronavirus Command Councils, preparation and submission of preparedness plans to the PDMC. These structures coordinated the provision of PPEs to communities, fumigation of public facilities, provision of shelter, provision of humanitarian relief, enforcement of Covid19 Regulation and provision of basic services, in particular water and sanitation.

There were no local disasters that were declared during the period under review.

Disaster Management Frameworks

Ehlanzeni, Gert and Nkangala district municipalities do have policy frameworks and are aligned with Provincial and National Disaster Management frameworks.

Disaster Management Plans

All the municipalities have disaster management plans in place.

Challenges

- Insufficient budget to implement other disaster management recourses i.e., personnel, humanitarian reliefs and equipment.
- No reporting or late submission of required information by municipalities;
- Shortage of PPEs to mitigate the spread of the pandemic;
- Lack of proper coordination of external interventions to prepare and counter act the pandemic.
- Insufficient resources for services across municipalities.

Recommendations

- Provision of sufficient budget to cater for the challenges reflected above.

Support Interventions by National and Provincial government

- Covid-19 activities coordination
- Disaster risk reduction campaign in all Municipalities
- Implementation and monitoring of drought projects.

5.6 LOCAL ECONOMIC DEVELOPMENT

The purpose of local economic development (LED) is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation (World Bank Primer, 2000)

LED is an approach towards economic development which allows and encourages local people to work together to achieve sustainable economic growth and development and thereby bringing economic benefits and improved quality of life for all residents in a local municipal area. As a Programme, LED is intended to maximise the economic potential of all municipal localities throughout the country and to enhance the resilience of the macro-economic growth through increased local economic growth, employment creation and development initiatives within the context of sustainable development.

LED empowers and ensures local participation. Local people can play an active part in planning their own economic future, LED ensures that local business are involved in the process and are more open to play an active role in partnerships with local communities. In addition, LED ensures that local development is locality based and focused on local comparative advantages, it allows for more resilient local economies and LED could create local opportunities and local jobs, thereby improving the local quality of life

South Africa's current development policy is focussed on "developmental" local government and with a "pro-poor" emphasis. Local government has been pro-actively encouraged through the Constitution (1996) to intervene and to play a leading role in job creation and reduction of poverty through LED. The main constraints in delivering results in "pro-poor" implementation are poor analysis of local economies, unsustainable community projects, lack of capacity and lack of resources (Nel & Rogerson, 2005)

Both concepts of "pro-poor" and "pro-growth" need to be addressed as an integrated LED policy approach. A pro-growth policy could be equated to creating an enabling environment for economic development while "pro-poor" policy equates to poverty alleviation through job creation and social-welfare safety nets (Nel & Rogerson, 2005). According to Blakely and Bradshaw (2002), the two main approaches to LED include a corporate centred approach with a focus on formal business and industrial development, and an alternative approach with a focus on the poor section of a community. Whatever the approach, LED policy should focus on an increase in the number and variety of job opportunities and diversification of economic activities. Local government need to assume an active role in this process (Blakely & Bradshaw, 2002)

A progressive policy and legal framework does not however guarantee successful LED process and implementation. For LED to be effective, appropriate institutional arrangements must exist within municipalities to take the laws and policies and transform them into locally meaningful interventions in collaboration with all relevant stakeholders/actors.

The establishment of LED units in all local municipalities in terms of capacity, skills and position in the municipal structure is priority. Introductory LED skills training for all councillors and senior officials to create improved awareness are proposed. CDW's are a key component of LED implementation. Such officials need to be more involved in the LED units and need specialized training. Ward committees, in conjunction with CDWs need to be operational and have to be trained in the basic concepts of rural development and LED. Municipal LED portfolio committees and stakeholder forums need to be fully functional with regular meetings, driven by the LED unit

5.6.1 Performance of municipalities on Local Economic Development

5.6.1.1 Capacity for planning and implementing LED functions in municipalities through an effective LED Unit

The institutional capacity to lead and manage LED is a crucial element that is fundamental to the success of different municipalities in this KPI. Municipalities are building this capacity in a variety of ways including establishing dedicated LED units and appointing LED managers, and in some municipalities, Local Economic Development Agencies are as special purpose vehicles established outside the municipal offices to unlock economic development potential of a municipality.

Table 36: Capacity of planning and implementing LED functions in municipalities through effective LED Unit

Districts	Municipality	2017/18		2018/19		2019/20	
		No of posts approved	No of filled posts	No of posts approved	No of filled posts	No of posts approved	No of filled posts
EHLANZENI	Bushbuckridge	9	4	9	2	2	1
	City of Mbombela	42	8	42	3	1	1
	Nkomazi	10	4	10	1	1	1
	Thaba Chweu	2	1	2	1	1	1
	Ehlanzeni DM	15	7	15	2	2	2
	TOTAL	78	24	78	9	7	6
GERT SIBANDE	Chief Albert Luthuli	8	3	8	1	0	0
	Dipaleseng	3	1	3	1	1	1
	Govan Mbeki	5	2	5	2	2	1
	Lekwa	2	1	1	1	2	1
	Mkhondo	2	2	2	1	1	1
	Msukaligwa	4	3	3	1	1	1
	Dr. Pixley Ka Isaka Seme	2	1	2	0	1	0
	Gert Sibande DM	13	12	13	1	0	0
	TOTAL	39	25	37	8	8	5
NKANGALA	Emalahleni	5	5	2	1	2	2
	Emakhazeni	5	2	5	1	1	1
	Steve Tshwete	3	2	1	1	1	1
	Victor Khanye	2	2	2	1	1	1
	Dr. JS Moroka	2	1	2	0	0	0
	Thembisile Hani	3	3	2	1	1	0
	Nkangala DM	11	6	6	3	1	1
	TOTAL	31	21	20	8	7	6
PROVINCIAL TOTALS	148	70	135	25	17	22	

(Source: Section 46 reports from municipalities)

5.6.1.2 Analysis of Capacity of planning and implementing LED functions in Municipalities

Findings

- In as far as the capacity of municipalities to implement LED is concerned, the following findings were made, within the Ehlanzeni District, 7 posts were approved during the 2019/20 FY and 6 filled, while 8 posts were approved and 5 filled within the Gert Sibande District. Lastly, 7 posts were approved within the Nkangala District and 6 were filled. All municipalities have LED Units in place with at least 1 official. The significant changes and improvement in LED posts filled is as a result of recruitment done by all Municipalities during the year under review.

5.6.2 Existence of LED strategies and plans

Table 37: Indicate municipalities with LED strategies and plans

DISTRICT	Municipality	2017/18			2018/19			2019/20			State reason for non-compliance on any of the components
		LED strategy reviewed /developed	LED strategy approved	LED strategy implemented	LED strategy reviewed /developed	LED strategy approved	LED strategy implemented	LED strategy reviewed /developed	LED strategy approved	LED strategy implemented	
EHLANZENI	Bushbuckridge	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	None
	City of Mbombela	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	None
	Nkomazi	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Limited financial resources to finance project implementation. SEZ development is underway and will improve local economic development
	Thaba Chweu	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Limited financial resources to finance project implementation and limited support from the LED Agency.
	Ehlanzeni	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GERT SIBANDE	Chief Albert Luthuli	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Inadequate financial resources to finance project implementation
	Dipaleseng	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Insufficient financial resources to finance project implementation
	Govan Mbeki	yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	None
	Lekwa	No	Yes	No	Yes	Yes	No	Yes	Yes	Yes	None
	Mkhondo	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	None
	Msukaligwa	No	No	No	Yes	Yes	No	Yes	Yes	Yes	Inadequate financial resources to finance project implementation
	Dr. Pixley Ka Isaka Seme	Yes	Yes	No	Yes	Yes	No	Yes	Yes	Yes	None
	Gert Sibande	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	None
NKANGALA	Emalahleni	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	None
	Emakhazeni	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	None
	Steve Tshwete	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	None
	Victor Khanye	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	None
	Dr. JS Moroka	Yes	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Limited financial resources to finance project implementation
	Thembisile Hani	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Inadequate financial resources to finance project implementation
	Nkangala	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	None

(Source: COGTA LED Unit report)

5.6.2.1 Analysis of the existence and implementation of Local Economic Development (LED) strategies

Findings

- In the 2018/19 financial year, 7 municipalities in the province were implementing LED Strategies with the exception of Bushbuckridge, Nkomazi, Chief Albert Luthuli, Dipaleseng, Lekwa, Msukaligwa, Dr Pixley Ka Isaka Seme, Gert Sibande, Emalahleni, Victor Khanye, Dr JS Moroka and Thembisile local municipalities. However, in 2019/20 financial year, there is an improvement in the number of municipalities implementing LED Strategies. 13 municipalities in the province were implementing LED strategies with the exception of Dr JS Moroka, Thembisile Hani, Msukaligwa, Dipaleseng, Chief Albert Luthuli, Thaba Chweu and Nkomazi local municipalities.

5.6.3 Functionality of LED stakeholder forum

Table 38: Municipalities with functional LED stakeholder forum

Districts	Municipality	LED Forums functional 2017/18	LED Forums functional 2018/19	LED Forums functional 2019/20
EHLANZENI	Bushbuckridge	Yes	Yes	No
	City of Mbombela	Yes	Yes	Yes
	Nkomazi	Yes	Yes	Yes
	Thaba Chweu	Yes	Yes	Yes
	Ehlanzeni	Yes	Yes	Yes
GERT SIBANDE	Chief Albert Luthuli	Yes	Yes	Yes
	Dipaleseng	Yes	Yes	Yes
	Govan Mbeki	Yes	Yes	Yes
	Lekwa	Yes	No	No
	Mkhondo	Yes	Yes	Yes
	Msukaligwa	No	No	No
	Dr. Pixley Ka Isaka Seme	No	Yes	Yes
	Gert Sibande	Yes	Yes	Yes
NKANGALA DISTRICT	Emalahleni	Yes	Yes	Yes
	Emakhazeni	Yes	Yes	Yes
	Steve Tshwete	Yes	Yes	Yes
	Victor Khanye	Yes	Yes	Yes
	Dr.JS Moroka	Yes	Yes	Yes
	Thembisile Hani	Yes	Yes	Yes
	Nkangala	Yes	Yes	Yes

(Section 46 reports from municipalities)

5.6.3.1 Analysis on the existence Local Economic Development Forums in municipalities

Findings

- In 2018/19 Msukaligwa and Lekwa had no active LED Stakeholder Forums. Msukaligwa and Lekwa Local Municipalities were beset by internal governance and political problems which led to the LED Stakeholder Forums not sitting during the year under review. Attempts by COGTA and DEDET to launch the LED Forum were always met by disruptions from concerned groups and the leadership of the LED Forum in Lekwa was at loggerheads with the municipality on implementation of the municipal procurement policy. In the 2019/20 Msukaligwa and Lekwa LED Stakeholder Forums were not functional as a result of LED governance problems as an edition Bushbuckridge LED forum was also not functional.

Challenges in LED Strategy implementation & LED forum

- Municipal Internal capacity has improved but more is expected from the LED Units to facilitate the review of LED Strategies and implementation of identified LED Projects in order to stimulate economies and create new jobs.
- LED units is not allocated sufficient resources to facilitate LED
- Msukaligwa and Lekwa Local Municipalities are without LED Stakeholder Forums
- Lack of LED governance & consequent low business confidence affects business sector investment and creation of employment opportunities

Recommendations

It hereby recommended that:

- Municipalities should consider budgeting for the LED initiatives in line with section 153 (a) of the Constitution, “a municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community. Set aside budget for facilitating LED planning and implementation.
- LED Agencies to help facilitate the implementation of identified LED catalytic projects
- SALGA and COGTA to strengthen the LED Units including political LED heads with capacity building programmes
- COGTA and the Districts to strengthen all LED Stakeholder Forums to be impact oriented
- Establish partnerships mainly with the private sector to leverage resources for designing and implementation of identified LED Projects Collaborate with Private Sector for partnership
- Give Priority to LED (KPA) to be part of the Municipal Managers key performance indicator in the performance contract and evaluated annually on pre-determined key performance deliverables
- The Municipal LED forums should be strengthened at planning & implementation through improved participation of key stakeholders including business in order to allow for joint planning, implementation and integration of identified LED Projects into the IDPs with clear annual targets and budgets
- Municipalities must prioritise LED posts on organograms

Interventions

- Lekwa Local Municipality has since relaunched its LED Stakeholder Forum with the assistance of COGTA
- Msukaligwa LED Strategy Review has been completed with the assistance of the Gert Sibande District and COGTA. COGTA is also assisting Msukaligwa to have this LED Strategy as effective as it can through the FRP Municipal Support Programme. In this regard, the District is also developing a District Economic Recovery Plan to ensure identification and implementation of high impact projects through the District Development Model

5.6.4 Plans to stimulate second economy

SMMEs supported

The following activities were undertaken to create opportunities for Small, Medium and Micro Enterprise by the unit in the 2019/ 20 financial year:

Table 39: Indicate activities in support of SMME by Municipalities

Districts	Municipality	Activity	Outcome
GERT SIBANDE	Chief Albert Luthuli	<input type="checkbox"/> SMME support	<input type="checkbox"/> 221 formal business (Tuck-shops) and 455 informal business traders (hawkers) permits issued during covid-19 in level 3 & 4 for all units in the municipality. <input type="checkbox"/> 2 cooperatives and SMMEs supported.
	Msukaligwa	<input type="checkbox"/> SMMEs supported	<input type="checkbox"/> 12 SMME supported and registered on municipal database
	Lekwa	<input type="checkbox"/> SMMEs supported	<input type="checkbox"/> SMMEs not supported
	Govan Mbeki	<input type="checkbox"/> SMME and Cooperative incubator programme	<input type="checkbox"/> The emergence of COVID 19 pandemic has disrupted the incubation program; however recovery plan will be put in place to resuscitate the program.
	Dipaleseng	<input type="checkbox"/> No report	<input type="checkbox"/> No report
	Mkhondo	<input type="checkbox"/> Cooperative day/ SMME fair <input type="checkbox"/> Tourism	<input type="checkbox"/> 8 SMMEs and Cooperatives supported.
	Pixley Ka Isaka Seme	<input type="checkbox"/> Cooperatives and SMMEs training	<input type="checkbox"/> The municipality in partnership with government stakeholders formed 449 cooperatives and SMMEs.
	Gert Sibande District	<input type="checkbox"/> Visible support and promotion of SMMEs(-financial and non-financial)	<input type="checkbox"/> Siyathuthuka Enterprise Development continued to support 5 cooperative's to grow their business namely: Silobela Bakery, Power on Hands, Madi's Primary Agricultural, Nodindwa Family Agricultural, and Young Nature Minders Primary Cooperatives. <input type="checkbox"/> Engagement with partners like Sasol continued and relationships are improved

Districts	Municipality	Activity	Outcome
NKANGALA	Victor Khanye	☐ SMMEs and Cooperatives development	☐ 58 SMMEs Benefited in a business start-up workshop in partnership with RCBA. 30 Young people benefited from Enterprise development training in partnership with NYDA.
	Emakhazeni	☐ SMME development	☐ The agreement forged by the municipality with Exxaro towards the establishment of the Belfast Enterprise Development centre. This centre was incubating, mentoring and up skilling 17 SMMEs.
	Dr JS Moroka	☐ No report	☐ No report
	Thembisile Hani	☐ Training and support for 20 Cooperatives and 23 SMME on tourism and financial management	☐ The municipality collaborated with a number of sector departments (DEDET, Department of Rural Development and Land Reform, Nkangala District Municipality and the South African National Roads Agency Limited (SANRAL) to train SMME's and cooperatives. The SMME's and Cooperatives were mainly trained in: ☐ Financial Management ☐ Business Management, ☐ Corporate Management & Business Start Up ☐ Entrepreneurial skills ☐ Managing Teams ☐ Pricing Construction Contracts and ☐ Documentation
	Emalahleni	☐ Promotion of SMMEs and cooperatives development	☐ 312 Support SMMEs and cooperatives through training and workshops
	Nkangala District	☐ Improve Economic Development	☐ 15 SMMEs, Cooperatives and informal Traders supported with tools and equipment
	Steve Tshwete	☐ Job creation ☐ SMME survey	☐ 3 Skills development programmes were coordinated ☐ 2 SMME Surveys concluded.
	EHLANZENI	Thaba Chweu	☐ SMME's training and Mentorship Programme Support
Bushbuckridge		☐ SMMEs and cooperatives	☐ 195 SMME's supported
Nkomazi		☐ SMME's development	☐ Working together with SEDA the municipality embarked on a drive to identify, register, capacitate and empower small businesses. The SMMEs are involved in Manufacturing, agriculture, mining, crafts and arts, hospitality and logistics. ☐ The municipality has further developed a SMME database which is used enrol newly registered businesses and they are supported and mentored on an ongoing basis.
City of Mbombela		☐ Support SMMEs through training and workshops	☐ 2 Cooperatives supported
Ehlanzeni District		☐ SMMEs supported through mentorship programmes	☐ 4 SMMEs were supported

(Source: Section 46 Reports)

5.6.4.1 Analysis on the municipal plans to stimulate second economy

Findings

- In 2019/20 financial year all municipalities have implemented plans/activities to stimulate second economy, either on their own or through the support of public or private sector, except for Lekwa which had no plans to support SMMEs. Dr JS Moroka and Dipaleseng Local municipalities did not submitted their reports.

Challenges

- SMMEs are not given preference when there are job opportunities in municipalities
- SMMEs lack the necessary skill and experience
- LED units are not playing their role in facilitating linkages between big business opportunities and SMMEs.
- The emergence of COVID 19 pandemic has disrupted the most programmes of SMMEs.
- SMMEs and Cooperatives not being able to access the start-up capital.

Recommendations

- Capacity Building for SMMEs and Cooperatives is essential in order to improve skill and experience profile, to increase access to opportunities. Joint venturing between Big companies and SMMEs should be encouraged for skills transfer
- Municipal Supply Chain Policies should be strengthened to give first preference to local enterprises and also give effect to National Treasury Preferential Procurement Regulation of 30% for local SMMEs where applicable
- Municipal LED Units should play more meaningful role in facilitating linkages between big business opportunities and SMMEs. Registering SMMEs into business databases should be simplified and understood well.
- Permits should be provided continuously to the SMMEs and Cooperatives to allow them movement and operations during the pandemic.
- DEDET, COGTA and Districts should facilitate the access to relief programmes of Presidential stimulus package offered by through the department of Small Business Development and SEFA.

5.6.5 No. of employment opportunities created through Extended Public Works Programmes (EPWP)

Table 40: Indicate No of employment opportunities created through EPWP

District	Municipality	2018/19										2019/20					
		Person years of work including training	Person years of work including training	Gross number of work opportunities created	% of youth	% of women	% of people with disabilities	Work opportunities created through MIG allocation	opportunities created through CWP Programme	Person years of work including training	Person years of work including training	Gross number of work opportunities created	% of youth	% of women	% of people with disabilities	Work opportunities created through MIG allocation	opportunities created through CWP Programme
EHLANZENI	Bushbuckridge	230	0	752	66.89%	50.80%	0.13%	706	3264	474	0	1.289	74.32%	58.11%	0.00%	795	3267
	City of Mbombela	262	9	1.130	64.95%	50.26%	0.71%	746	2959	611	0	1.373	49.31%	54.92%	0.73%	380	2963
	Nkomazi	308	0	1.158	52.07%	39.55%	0.52%	314	2485	792	0	2.026	48.02%	45.06%	0.30%	301	2485
	Thaba Chweu	43	0	146	61.64%	54.11%	1.37%	132	1156	142	0	287	49.31%	60.28%	1.39%	162	1164
	Ehlanzeni	73	0	263	54.75%	58.93%	3.42%	2044	9864	255	0	352	55.68%	61.65%	2.56%	1638	9879
	Chief Albert Luthuli	119	0	316	55.06%	36.39%	0.00%	216	3082	81	0	194	69.07%	54.12%	0.00%	102	3291
	Dipaleseng	61	0	223	61.88%	42.60%	1.79%	139	1145	90	0	182	52.75%	52.75%	0.55%	82	1167
	Govan Mbeki	21	0	114	58.77%	56.14%	0.88%	100	1162	73	0	217	58.99%	42.40%	1.84%	130	1175
	Lekwa	5	0	29	75.86%	48.27%	0.00%	116	1000	241	0	527	53.70%	47.06%	1.52%	128	1102
	Mkhondo	100	0	382	71.20%	34.03%	0.78%	71	1733	152	29	371	64.42%	45.82%	0.27%	78	1734
GERT SIBANDE	Msukaligwa	70	0	442	70.81%	45.25%	1.13%	243	1250	155	0	501	62.87%	45.51%	0.00%	168	1256
	Dr. Pixley Ka Isaka Seme	28	0	144	68.75%	40.97	0.69%	138	1160	31	0	157	64.33%	47.77%	1.27%	125	1165
	Gert Sibande	58	0	470	67.66%	67.87%	0.00%	1023	10532	259	0	402	58.46%	60.94%	1.24%	868	10890
	Emalahleni	195	0	773	51.35%	41.78%	0.00%	270	1049	742	9	1.222	44.19%	50.90%	1.88%	71	1049
	Thembisile Hani	47	0	157	68.79%	56.05	4.46%	397	1339	120	0	237	73.42%	60.76%	0.42%	221	1345
	Emakhazeni	30	0	178	52.81%	52.25%	0.00%	38	1176	51	0	162	66.05%	51.23%	0.00%	31	1179
	Steve Tshwete	206	0	753	59.63%	28.68%	0.00%	144	1023	460	0	1.214	59.72%	33.44%	0.08%	177	1030
	Victor Khanye	57	0	237	47.26%	67.93%	0.42%	64	1000	296	0	736	47.55%	63.99%	1.09%	241	1043
	Dr. JS Moroka	126	0	447	30.65%	72.48%	0.00%	249	1610	76	0	262	51.14%	68.70%	0.00%	531	1614
	Nkangala	46	37	219	74.43%	51.60%	1.37%	1162	7197	213	79	521	71.98%	51.44%	0.19%	1272	7260

(Source: 2019/20 Audited EPWP Annual Performance Report from Public Works)

5.6.5.1 Analysis of municipalities' performance on number of employment opportunities created through Extended Public Works Programmes (EPWP).

Findings

- In 2019/20, there were 28 029 Work Opportunities created through the Community Works Programme. Ehlanzeni Local Municipalities accounted for 9 879, Local Municipalities in Gert Sibande created 10 890 and Nkangala Local Municipalities created 7260.

Challenges in Implementation of Extended Public Works Programme (EPWP)

- High poverty and unemployment rates
- No Exit Strategy for participants

Recommendations

- Partnerships with the business sector through CSIs or SLPs are necessary to augment the impact of public employment programmes
- Exit Strategies are needed to elevate participants to their own business initiatives for sustainable income and livelihood. As some participants exit, more space is opened to recruit other impoverished community members

Support Interventions by National and Provincial government

- The Provincial COGTA developed and finalized a Provincial Anti-Poverty Strategy to address poverty, unemployment and inequality.
- Provincial CoGTA created 140 work opportunities in Bushbuckridge (35), Dipaleseng (35), Mkhondo (35) and Nkomazi (35) Local Municipalities and supported municipalities through the implementation of Extended Public Works Programme (EPWP), Youth Waste Management Project. The Department was able to contribute to the Incentive Grant provided by Public Works and additional work opportunities with one additional Municipality. The Department further established partnerships with the business sector to help strengthen the impact derived from the implementation of the Youth Waste Management Project. Partnerships were established with Old Mutual, TRAC N4, and Voices on Youth.
- National and Provincial COGTA supported the implementation of Community Works Programme (CWP) and 28 029 work opportunities were created in all 17 Local Municipalities

5.7 FINANCIAL MANAGEMENT

5.7.1 Municipal Financial viability and Management

Profound fiscal efficacy, discipline, prudence and monitoring all provide a sound basis for the delivery of all the key and fundamental municipal objectives. It is therefore imperative that municipalities not only purport to portray but embrace an intrinsic and frugal duty to maximize revenue potential while transparently managing public finances as set out in the Municipal Finance Management Act 2003, and the Municipal Property Rates Act 2004 following the proper International Accounting Standards as prescribed in policy and regulation. The guidelines set therein provide for effective accountability, evident financial sustainability and a financial viability conducive to infrastructure investment and service delivery.

5.7.2 Performance of municipalities on financial viability and management

This is the main prescribed key performance indicator. It is therefore compulsory for all municipalities to submit annual reports on achievements or challenges encountered in achieving according to ratios set in the 2001 Regulations.

The financial viability of Local Government is measured using three key performance indicators:

- a) **Debt coverage**, which denotes the rate at which a municipality is able to meet its debt service payments with the financial year from its own sources of revenue. A municipality should have 20% debt coverage;
- b) **Outstanding service debts to revenue** refer to the ability of a municipality to service its debts dependent on the rate at which the municipality collects amounts owed to it. In other words it represents the ratio of outstanding debtors to total revenue;
- c) **Cash flow** measures the rate at which municipalities can cover their costs. That is the debtor collection rates, which result in sufficient cash to enable the municipalities to meet their day to day operational costs. It is mandatory for municipalities to determine cash flow requirements to maintain operations and also have adequate measures to foresee the need to alter operations as required.

5.7.2.1 Status of the audit outcome

Table 41: Indicate municipalities audit outcomes

Districts	Municipality	Audit Opinion 2017/18				Audit Opinion 2018/19				Audit Opinion 2019/20			
		Unqualified	Qualified	Disclaimer	Adverse	Unqualified	Qualified	Disclaimer	Adverse	Unqualified	Qualified	Disclaimer	Adverse
EHLANZENI	Bushbuckridge		Yes			Yes				Yes			
	City of Mbombela	Yes					Yes			Yes			
	Nkomazi	Yes				Yes				Yes			
	Thaba Chweu		Yes			Yes					Yes		
	Ehlanzeni district	Yes				Yes				Yes (Clean)			
GERT SIBANDE	Chief Albert Luthuli	Yes				Yes				Yes			
	Dipaleseng		Yes					Yes				Yes	
	Govan Mbeki			Yes				Yes				Yes	
	Lekwa		Yes					Yes				Yes	
	Mkhondo		Yes				Yes				Yes		
	Msukaligwa				Yes				Yes				Yes
	Dr. Pixley Ka Isaka Seme	Yes						Yes				Yes	
	Gert Sibande District	Yes (Clean)				Yes (Clean)				Yes			
NKANGALA	Emalahleni		Yes				Yes				Yes		
	Emakhazeni		Yes					Yes					Yes
	Steve Tshwete	Yes				Yes				Yes (Clean)			
	Victor Khanye		Yes					Yes			Yes		
	Dr. JS Moroka				Yes			Yes				Yes	
	Thembisile Hani		Yes				Yes				Yes		
	Nkangala	Yes				Yes (Clean)				Yes (Clean)			

(Source Auditor General Report 2017/18, 2018/19 and 2019/20)

Status	2018/19					2019/20				
	Unqualified with no findings	Unqualified with findings	Qualified with findings	Dis-claimed with findings	Adverse with findings	Unqualified with no findings	Unqualified with findings	Qualified with findings	Dis-claimed with findings	Adverse with findings
Improved	Nkangala DM	Bush-buckridge LM				Ehlanzeni DM, Steve Tshwete LM,	City of Mbombela,			
Unchanged	Gert Sibande DM	Ehlanzeni DM, Nkomazi LM, Thaba Chweu LM Steve Tshwete LM, Chief Albert Luthuli LM,	Emalahleni LM, Thembisile Hani LM, Mkhondo LM	Msukaligwa LM, Govan Mbeki LM, Dr JS Moroka		Nkangala DM,	Nkomazi LM, Chief Albert Luthuli LM, Bush-buckridge LM	Mkhondo LM, Emalahleni LM,Victor Khanye LM Thembisile Hani LM,	Govan Mbeki LM, Dipaliseng LM, Lekwa LM, Dr Pixley Ka Isaka Seme LM, Dr JS Moroka	
Regressed			City of Mbombela,	Victor Khanye LM , Emakhazeni LM, Dipaliseng LM, Lekwa LM and Dr Pixley Ka Isaka Seme LM			Gert Sibande DM	Thaba Chweu LM		Msukaligwa LM, Emakhazeni LM,
Total	2	6	4	8	-	3	5	5	5	2

(Source Auditor General Report 2018/19 and 2019/20)

5.7.2.2 Analyses of the Audit Outcomes

Findings

- In respect of district municipalities: 2 Clean Audit: Ehlanzeni DM and Nkangala DM and 1 Unqualified opinion with findings: Gert Sibande DM ;
- In respect of local municipalities: 1 Clean Audit (Steve Tshwete LM), 5 Unqualified with findings, 5 Qualified with findings, 2 Adverse and 5 Disclaimer opinions.

The breakdown of the audit outcomes per municipalities is as follows:

- 3 Municipalities (Ehlanzeni, Steve Tshwete and City of Mbombela) improved from the prior year;
- 13 Municipalities remained unchanged from the previous year namely: Nkangala DM, Chief Albert Luthuli LM, Nkomazi LM, Bushbuckridge LM, Thembisile Hani LM, Mkhondo LM, and Emalahleni LM; Victor Kanye LM, Govan Mbeki LM, Dipaleseng LM, Lekwa LM Dr Pixley ka Isaka Seme LM. Dr JS Moroka
- 4 Municipalities regressed namely Msukaligwa LM, Gert Sibande DM, Emakhazeni LM, and Thaba Chweu LM

Status of compliance with legislation over the past three years

- In 2017/18 financial year 19 (95%) out of 20 municipalities were with findings and only 1 was without findings.
- In 2018/19 financial year 19 (95%) out of 20 municipalities were with findings and only 1 was without findings.
- In 2019/20 financial year 17 out of 20 (85%) municipalities were with findings and only 3 were without findings.

Summary of 2019/20 Municipal Audit Outcomes

There are **1 794** audit findings raised by the AGSA during 2019/20 audit process.

- The total number of **999 or 56%** of the audit findings relate to misstatements of Annual Financial Statements which is the highest concern raised by AGSA. The findings on this focus area can be linked to the capacity of the CFOs and Finance Officials responsible for preparation of financial statements within the Municipalities.
- Non Compliance with Laws and Regulations is rated as the second highest of the problematic areas within our Municipalities, especially Supply Chain Management matters which account for **339 or 19%** of the total issues raised by the Office of the Auditor General. The findings on this focus area can be linked to lack or insufficient consequence management within the Municipalities.
- Internal Control deficiencies is rated as the third highest of issues affecting our municipalities with **325 or 18%** of the total findings. All Municipalities have been affected by this finding. The findings on this focus area can be linked to lack or insufficient consequence management within the Municipalities.
- Misstatement of Annual Report is rated fourth with a total finding of **127 or 7%** followed by Service Delivery with **4 or 0.2%** of the total findings. The findings on this focus area can be linked to the capacity of the Planning Units and inadequate oversight and Leadership within the Municipalities.

Summary of 2019/20 Municipal Audit Outcomes per District

- Gert Sibande Municipalities take a lead with **404 or 40%** on the misstatement of Annual Financial Statements, Annual Report misstatements with **(48 or 38%)** as well as on Non Compliance with Laws and Regulations with **(147 or 43%)** issues raised by the Auditor General and, followed by Nkangala Municipalities **(382 or 38%)** and Ehlanzeni Municipalities **(213 or 21%)**.
- The Analysis revealed that Ehlanzeni Municipalities are rated the highest on Internal Control with **(147 or 43%)**, and rated second on Annual Report misstatements **(45 or 35%)** and lowest on Non Compliance with Laws and Regulations **(88 or 26%)**.
- Nkangala Municipalities are rated the second highest on Non Compliance with Laws and Regulations **(104 or 31%)**, as well as on Service delivery **(2 or 50%)**, and rated the lowest on Annual Report misstatements **(34 or 27%)** and on Internal Control Deficiencies **(4 or 18%)** challenges.

Municipalities who registered highest number of audit findings are as follows;

1. Thaba Chweu LM accounts for 192 or 11% of the total findings
2. Emakhazeni LM accounts for 173 or 10% of the total findings
3. Dipaleseng LM accounts for 161 or 9% of the total findings
4. Dr JS Moroka LM accounts for 137 or 8% of the total findings
5. Bushbuckridge LM accounts for 132 or 7% of the total findings
6. Msukaligwa LM accounts for 109 or 6% of the total findings

7. Emalahleni LM accounts for 98 or 5% of the total findings
8. Nkomazi LM accounts for 95 or 5% of the total findings
9. Govan Mbeki LM accounts for 92 or 5% of the total findings
10. Victor Khanye LM accounts for 89 or 5% of the total findings

Key observation on issues raised by AGSA in Nkangala District

- Emakhazeni LM takes a lead with 114 or 30% findings on the misstatement of Annual Financial Statements issues raised by the Auditor General, followed by Dr JS Moroka LM (86 or 23%), Victor Khanye LM (69 or 18%), eMalahleni LM with (67 or 18%), Thembisile Hani LM (27 or 7%), Steve Tshwete LM (11 or 3%), Nkangala DM account for 8 or 2%, as per the AGSA report.
- Dr JS Moroka LM is rated highest with (29 or 28%) issues of Non Compliance with Laws and Regulations, followed by Emakhazeni LM (24 or 23%), eMalahleni LM with (19 or 18%), Victor Kanye LM with (15 or 14%), Thembisile Hani LM (11 or 11%), Steve Tshwete LM (4 or 4%) and Nkangala DM (2 or 2%), as per the AGSA report.
- The Analysis revealed that Thembisile Hani LM is rated highest on Internal Control Deficiencies with 32 or 39% findings, followed by Emakhazeni LM (29 or 35%), Dr JS Moroka LM with (13 or 16%), Nkangala DM (4 or 5%), Victor Khanye LM (3 or 4%), Steve Tshwete LM and eMalahleni LM tally with (1 or 1%) as per the AGSA report.
- The Municipality with highest issues on Annual Report Misstatements is eMalahleni LM with 11 or 32% of the total findings, followed by Dr JS Moroka LM (9 or 26%), Emakhazeni LM (6 or 18%), Thembisile Hani LM (5 or 15%), Victor Khanye LM (2 or 6%), Steve Tshwete LM (1 or 3%) and Nkangala DM have no findings as per the AGSA report..
- Steve Tshwete LM has two (2) findings and is the only municipality with Service Delivery issues within the District.

Key observation on issues raised by AGSA in Gert Sibande District

- Dipaleseng LM takes a lead with 114 or 29% of findings on the misstatement of Annual Financial Statements as raised by the Auditor General, followed by Govan Mbeki LM (55 or 14%), Msukalikwa LM (51 or 13%), Lekwa LM (50 or 12%), Mkhondo LM (45 or 11%), Dr Pixley Ka Isaka Seme LM (43 or 11%), Chief Albert Luthuli LM (40 or 10%) and Gert Sibande DM (4 or 1%) as per the AGSA report.
- Msukaligwa LM registered the highest number of issues on Non Compliance with Laws and Regulations (35 or 24%) of the total findings, followed by Dipaleseng LM (29 or 20%), Chief Albert Luthuli LM and Lekwa LM tally with (21 or 14%), Dr Pixley Ka Isaka Seme LM (12 or 8%), Govan Mbeki LM (11 or 7%) Mkhondo LM (10 or 7%), Gert Sibande DM (8 or 5%) as per the AGSA report.
- The Analysis revealed that Govan Mbeki LM is rated highest on Internal Control Deficiencies with 21 or 22% findings, followed by Gert Sibande DM (19 or 20%), Msukalikwa LM and Dipaleseng LM tally (14 or 15%), Chief Albert Luthuli LM (12 or 13%), Dr Pixley Ka Isaka Seme LM (8 or 8%), Mkhondo LM (7 or 7%), and Lekwa LM have no findings as per the AGSA report.
- The Municipality with highest issues on Annual Report Misstatements is Mkhondo LM with 14 or 29% of the total findings, followed by Lekwa LM (11 or 23%), Msukalikwa LM (9 or 19%), Chief Albert Luthuli LM (6 or 13%), Govan Mbeki LM (5 or 10%), Dipaleseng LM (2 or 4%) and Dr Pixley Ka Isaka Seme LM (1 or 2%) Gert Sibande DM have no findings as per the AGSA report.
- Mkhondo LM has two (2) findings and is the only municipality with Service Delivery issues within the District.

Key observation on issues raised by AGSA in Ehlanzeni District

- Thaba Chweu LM takes a lead with 96 or 45% of findings on the misstatement of Annual Financial Statements as raised by the Auditor General, followed by Bushbuckridge LM (50 or 23%), City of Mbombela (36 or 17%), Nkomazi LM (25 or 12%),and Ehlanzeni DM with (6 or 3%).
- In terms of the Analysis Bushbuckridge LM is rated highest on Internal Control Deficiencies with 49 or 33% findings, followed by Nkomazi LM (47 or 32%), Thaba Chweu LM with (45 or 31%), Ehlanzeni DM (6 or 4%), and City of Mbombela have no findings reported.
- Thaba Chweu LM registered the highest number of issues on Non Compliance with Laws and Regulations (42 or 48%), followed by Bushbuckridge LM (22 or 25%), Nkomazi LM (15 or 17%), City of Mbombela (8 or 9%) and Ehlanzeni DM with (1 or 1%).

- ❑ The Municipality with highest issues on Annual Report Misstatements is City of Mbombela with 17 or 38% of the total findings, Bushbuckridge LM (11 or 24%), Thaba Chweu LM (9 or 20%), Nkomazi LM (8 or 18%) and Ehlanzeni DM did not record any finding as per the AGSA report.
- ❑ There were no findings reported on Service Delivery issues within the District.

Recommendations

- ❑ Provincial Treasury to support municipalities to develop guidelines for risk management committees.
- ❑ Accounting officers to monitor the implementation of risk management committee recommendations.
- ❑ Internal Audit plans to be submit Provincial Treasury for review and feedback.
- ❑ Effective use of financial Intense in accordance with FMG guidelines to argument support with BTO.
- ❑ Political and administrative by-in to play an effective role in monitoring the implementation of Audit Action plans
- ❑ Municipalities to develop reduction strategies for UIF&W.
- ❑ Municipalities to appoint young professionals and engineers to assist with asset registers;
- ❑ Provincial Treasury will follow-up and assist municipalities to conclude action plans for FMCMM and incorporate into audit action plans;
- ❑ Constant monitoring of audit action plans by Provincial Government (PT & COGTA);
- ❑ Provincial Government must conduct an investigation in line with section 106(1)(b) of Municipal Systems Act no. 32 of 2000 and enforce consequence management within municipalities;
- ❑ Deploy a competent individual or team of professionals to deal with the internal controls and non-compliance on SCM matters and any other financial matters within municipalities

Interventions

- ❑ Audit Action Plan Templates was developed for the 2020/21 audit findings;
- ❑ All municipalities have sent back completed audit action plans;
- ❑ PT reviewed the action plans to ensure that all AG findings were adequately addressed;
- ❑ PT established a Technical Steering Committee as well as a MFMA Steering Committee for coordinating all support to municipalities;
- ❑ Coordinating structure has been established.
- ❑ HODs of COGTA and PT to play a closer engagement and monitoring role of municipalities.
- ❑ All performance contract managers of section 54&56 managers to include clause that address Audit outcomes.
- ❑ Municipalities to enforce consequence management fo transgression on financial transgression and misconduct.
- ❑ PT to train MPAC and disciplinary board on roles and responsibilities to effectively deal with UIF&W.

5.7.3 Percentage of Capital budget expenditure

Table 42: Indicate % of municipal Capital Budget Expenditure

District	2017/18				2018/19				2019/20				
	R'000 Original budget	Adjusted	Actuals YTD	%	R'000 Original budget	Adjusted	Actuals YTD	%	R'000 Original budget	Adjusted	Actuals YTD	%	
EHLANZENI	Bushbuckridge	553,041	553,041	445,208	81%	559,596	546,219	462,548	85%	608,893	573,853	434,637	76%
	Mbombela	607,134	592,979	528,560	89%	630,592	630,593	514,961	82%	581,073	667,873	531,264	80%
	Nkomazi	259,174	281,525	169,766	60%	281,923	281,923	249,868	89%	321,610	329,488	272,610	83%
	Thaba Chweu	112,170	116,769	88,834	76%	112,132	112,132	713,364	636%	650,000	650,000	961,173	148%
GERT SIBANDE	EHLANZENI	44,547	39,267	25,813	66%	2,600	2,561	1,934	0%	4,200	7,450	5,745	77%
	Chief Albert Luthuli	418,141	367,635	106,196	29%	146,283	138,756	87,756	63%	134,986	134,986	199,685	148%
	Dipaleseng	40,122	40,122	25,347	63%	44,884	44,884	4,958	11%	-	142,188	89,130	-
	Govan Mbeki	104,396	104,396	48,686	47%	-	-	-	-	142,188	142,188	89,130	63%
GERT SIBANDE	Lekwa	65,828	65,828	34,363	52%	53,491	107,532	86,863	81%	147,358	147,358	24,275	100%
	Mkhondo	125,604	135,699	122,174	90%	115,703	115,703	133,966	116%	195,149	156,552	106,269	68%
	Msukaligwa	68,452	73,055	67,173	92%	94,284	103,330	107,723	104%	42,045	42,045	42,045	100%
	Dr. Pixley Ka Isaka Seme	41,429	41,351	41,351	100%	60,978	61,866	59,861	97%	-	-	-	-
NKANGALA	GERT SIBANDE	0	0	9,464	100%	-	-	32,073	100%	-	-	-	-
	Emalaheni	245,503	244,438	175,548	0%	241,812	256,316	177,193	69%	251,008	249,324	211,249	85%
	Emakhazeni	55,484	56,259	51,847	92%	58,527	78,027	135,262	173%	88,323	176,647	57,752	33%
	Steve Tshwete	282,174	290,154	268,129	92%	378,010	394,645	392,789	100%	483,297	472,255	462,851	98%
NKANGALA	Victor Khanye	5,171	5,171	18,294	100%	-	-	14,488	100%	-	-	59,020	100%
	Dr. JS Moroka	123,602	123,602	100,920	82%	-	-	-	-	-	-	-	-
	Thembisile Hani	153,363	156,325	109,062	70%	153,983	166,505	164,950	99%	167,648	199,443	196,058	98%
	NKANGALA	29,384	25,498	21,447	84%	33,248	30,746	19,792	64%	36,600	43,897	36,259	83%
Provincial	3,334,719	3,313,114	2,458,182	74%	2,968,046	3,071,738	3,360,349	109%	3,854,378	3,993,359	3,782,087	95%	

(Source: Section 46 reports from municipalities)

5.7.3.1 Provincial Analysis of Capital Budget Expenditure

Findings

- The total capital budget was R3, **993**, 359.00 and R3, **782**, 087.00 was spent, which is 95% in 2019/20 which is an increase in allocation of R921 621.00 and an increase in expenditure of R 421 738.00, when compared to the total capital budget of R3, 071,738.00 and R3, **360**,349.00, which is 109%.

Challenges

- Municipalities are still not properly planning for capital projects;
- Municipalities improve capital spending by implementing the approved SDBIP
- Budget, IDP and SDBIP not aligned;
- Unfunded Projects approved and implemented;
- Due to cash flow challenges municipalities tend to use grant funding for operational expenses;
- Municipal budgets were not cash backed;
- Low capital spending due to due to Supply Chain Management inefficiencies and low revenue collection.

Recommendations

- Municipalities to ring-fence MIG funding for only MIG projects;
- Municipalities to plan in advance for projects to start with implementation as early as the commencement of the financial year;
- Provincial Treasury to continue providing technical support on financial planning;
- Municipalities submit section 71 returns to enable meaningful provincial consolidation;
- Hands on support on development and implementation of IDP and Budget process plans;
- Proper analyses and assessment of the mid-year budget reviews and draft budgets for 2020/21;
- Establishment and implementation of Cash Flow Management Teams and Cash Flow Management Tool;
- Support municipalities with development and implementation of IDP and Budget process plans.

Interventions

- Provincial Treasury provided technical support on financial planning and COGTA provided support on project management;
- COGTA in partnership with DWS, MISA and other stakeholders assisted municipalities on capital projects;
- PT supported municipalities with revenue enhancement and reprioritisation of budget;
- All municipalities were supported in ensuring draft budgets developed, credible realistic and if not funded, a plan approved by the municipal councils to get municipalities funded over MTREF;
- Section 71 reports analysed for all municipalities and written feedback provided on a monthly basis;
- Budget framework reviewed and provided to municipalities;
- All municipal midyear budget performance analysed and feedback provided to municipalities.

5.7.4. Total municipal own revenue as a percentage of the actual budget

Table 43: Indicate total municipal own revenue as % of actual budget

Districts	Municipality					2017-2018					2018-2019					2019-2020					
	Budget	Adjustment Budget	Actual Expenditure	%	Budget	Adjustment Budget	Actual Expenditure	%	Budget	Adjustment Budget	Actual Expenditure	%	Budget	Adjustment Budget	Actual Expenditure	%	Budget	Adjustment Budget	Actual Expenditure	%	
EHLANZENI	Bushbuckridge	1,582,979	1,641,179	1,623,705	99%	1,693,934	1,807,434	1,629,559	90%	1,871,971	1,871,971	1,720,039	92%	2,864,567	3,074,804	3,313,575	108%	1,264,844	1,194,576	1,187,440	99%
	Mbombela	3,331,379	3,290,446	2,931,081	89%	2,800,491	2,830,491	2,852,760	101%	2,864,567	3,074,804	3,313,575	108%	1,136,890	1,194,576	1,187,440	99%	640,250	601,296	600,009	100%
	Nkomazi	1,062,168	1,069,179	1,099,522	103%	1,115,025	1,165,181	1,136,890	98%	1,264,844	1,194,576	1,187,440	99%	564,342	601,296	600,009	100%	268,440	269,693	273,677	101%
	Thaba Chweu	655,811	671,552	552,456	82%	699,329	618,573	564,342	91%	640,250	601,296	600,009	100%	256,884	269,693	273,677	101%	640,250	601,296	600,009	100%
	Ehlanzeni DM	249,364	247,512	248,473	100%	255,391	254,004	256,884	101%	268,440	269,693	273,677	101%	6,440,435	7,012,340	7,094,740	101%	6,910,072	7,012,340	7,094,740	101%
Total	6,881,701	6,919,868	6,455,237	93%	6,564,170	6,675,683	6,440,435	96%	6,910,072	7,012,340	7,094,740	101%	6,910,072	7,012,340	7,094,740	101%	6,910,072	7,012,340	7,094,740	101%	
GERT SIBANDE	Chief Albert Luthuli	418,140	445,534	571,114	128%	589,878	596,925	766,243	128%	749,816	769,833	592,489	77%	271,722	404,386	396,555	98%	1,062,673	509,548	498,625	98%
	Dipaleseng	199,926	199,926	335,503	168%	210,687	216,974	271,722	125%	193,174	404,386	396,555	98%	-	-	498,625	98%	1,062,673	509,548	498,625	98%
	Govan Mbeki	1,647,931	1,647,931	1,729,450	105%	-	-	-	-	-	-	-	-	693,771	916,606	771,070	84%	916,606	916,606	771,070	84%
	Lekwa	679,949	632,458	587,165	93%	817,260	692,851	693,771	100%	916,606	916,606	771,070	84%	665,188	739,836	681,791	92%	686,317	739,836	681,791	92%
	Mkhondo	601,872	622,273	599,359	96%	581,700	612,165	665,188	109%	686,317	739,836	681,791	92%	742,489	899,473	850,876	95%	871,039	899,473	850,876	95%
	Msukaligwa	609,066	608,022	681,393	112%	677,377	669,388	742,489	111%	871,039	899,473	850,876	95%	348,768	425,490	445,723	105%	438,365	425,490	445,723	105%
	Dr Pixley Ka Isaka Seme	297,500	297,500	336,906	113%	478,685	478,685	348,768	73%	438,365	425,490	445,723	105%	522,108	336,441	327,822	97%	336,961	336,441	327,822	97%
Total	4,875,269	4,906,679	5,292,326	108%	3,828,245	3,791,490	4,010,289	106%	5,254,951	5,001,613	4,564,951	91%	5,254,951	5,001,613	4,564,951	91%	5,254,951	5,001,613	4,564,951	91%	
NKANGALA	Emalahleni	3,144,176	3,123,229	2,800,996	90%	3,277,577	2,956,526	3,313,745	112%	3,371,709	3,369,135	3,270,004	97%	385,411	384,622	413,565	108%	375,623	384,622	413,565	108%
	Emakhazeni	233,419	240,807	321,010	133%	314,667	312,918	385,411	123%	375,623	384,622	413,565	108%	1,613,149	1,033,515	1,073,129	104%	1,022,533	1,033,515	1,073,129	104%
	Steve Tshwete	1,409,357	1,459,687	1,473,413	101%	1,574,552	1,629,197	1,613,149	99%	1,629,197	1,629,197	1,613,149	99%	446,104	608,611	589,983	97%	488,236	608,611	589,983	97%
	Victor Khanye	469,709	471,259	342,840	73%	450,148	463,218	446,104	96%	463,218	463,218	446,104	96%	-	598,941	713,336	119%	598,941	598,941	713,336	119%
	Dr. JS Moroka	541,345	561,605	677,839	121%	-	-	-	-	-	-	-	-	760,963	955,499	887,981	93%	916,741	955,499	887,981	93%
Thembisile Hani	759,985	762,656	814,816	107%	862,978	810,634	760,963	94%	810,634	810,634	760,963	94%	394,513	404,902	409,710	101%	389,290	404,902	409,710	101%	
Total	6,929,099	6,991,593	6,820,133	98%	6,853,665	6,555,844	6,913,885	105%	7,163,073	7,355,225	7,357,708	100%	7,163,073	7,355,225	7,357,708	100%	7,163,073	7,355,225	7,357,708	100%	
TOTAL INCOME AGAINST BUDGET	18,686,069	18,818,140	18,567,696	99%	17,246,080	17,023,017	17,364,609	102%	17,246,080	17,023,017	17,364,609	102%	17,246,080	17,023,017	17,364,609	102%	17,246,080	17,023,017	17,364,609	102%	

(Source: Section 46 reports from municipalities)

5.7.4.1 Provincial Analysis own revenue as a percentage of the actual budget

Findings

The following findings were made on municipal revenue as a percentage of the actual budget it amounted to **R 19, 017,399.00** as at June 2020 constituting **98%** spent own revenue in the province.

Challenges

Failure by municipalities to implement revenue enhancement strategies and credit control policies, which resulted in:

- Negative/low cash flow balances.
- Escalation of debtors' book.
- Escalation of bulk accounts (Water and Eskom).
- Non-payment of creditors within 30 days.
- Unrealistic anticipated revenue projections.
- Expenditure and commitments not linked to revenue collections (Available cash).
- Poor revenue collection.
- Incorrect billing.
- Municipalities do not reconcile valuation rolls to billing systems.
- High number Indigents.
- Resistance by consumers to pay.

Recommendations

- PT/NT to monitor the implementation of the financial recovery plans at the above mentioned municipalities;
- Continues reconciliations between municipalities' valuation rolls and their billing systems;
- Identify properties not billed / incorrectly billed through the GIS;
- Municipalities must prioritise spending the operational budget on revenue generating activities;
- Municipalities to prioritise collection of business debt in order to maximise revenue;
- Municipalities implement credit control policies and by-laws to collect revenue from households;
- Municipalities should institutionalise revenue enhancement;
- Establishment and implementation of Cash Flow Management Teams and Cash Flow Management Tool;
- Development and implementation of creditor payment plans;
- Analyse SLAs for all appointed consultants to ensure they are performance based and there is value for money;
- Municipalities expedite the finalisation and adoption of financial policies and by-laws;
- Implementation of SOP's for revenue management;
- The four MFIP advisors appointed by NT will assist with the roll out of the SOP's at municipalities.

Interventions

- Financial recovery plan for Emalahleni LM has been developed by National Treasury with the support of Provincial Treasury and other provincial and national sector departments.
- Financial recovery plans also to be developed at Govan Mbeki LM, Lekwa LM, Msukaligwa LM, Thaba Chweu LM, Victor Khanye LM, Mkhondo LM and Emakhazeni LM.
- These financial recovery plans will increase municipalities' revenue, decrease their expenditure and ensure that they are financially viable and able to pay their creditors within 30 days.
- Provincial Treasury also appointed service providers to support the following 5 municipalities to reconcile their valuation rolls with their billing systems:
 - Emalahleni LM;
 - Emakhazeni LM;
 - Msukaligwa LM;
 - Thaba Chweu LM; and
 - Victor Khanye LM.
- Municipalities' property rates revenue will increase after conclusion of the project.
- National Treasury appointed a MFIP advisor in the province to support municipalities to increase their revenue

5.7.5 Rate of municipal debt reduction

Table 44: Indicate % rate of municipal debt reduction

District	Municipality	2018-2019						2019-2020					
		Water & Electricity	Sewage & Refuse	Housing	Rates & Other	Total	Reduction or increase in debts	Water & Electricity	Sewage & Refuse	Housing	Rates & Other	Total	Reduction or increase in debts
EHLANZENI	Bushbuckridge	195,056	68,730	2,602	524,611	790,999	55%	139,559	66,918	2,602	592,838	801,917	1%
	Mbombela	194,242	42,229	-	16,152	252,623	-19%	299,588	52,156	-	69,592	421,336	67%
	Nkomazi	23,827	4,425	-	6,160	34,412	-13%	29,420	5,573	-	7,702	42,695	24%
	Thaba Chweu	137,815	58,998	6,963	138,709	342,485	132%	202,152	80,289	8,756	164,019	455,216	33%
Sub Total	550,940.00	174,382.00	9,565.00	685,632.00	1,420,519	41%	670,719.00	204,936.00	11,358.00	834,151.00	1,721,164	21%	
GERT SIBANDE	Chief Albert Luthuli	12,695	40,532	-	4,152	57,379	-89%	9,160	34,023	-	4,080	47,263	-18%
	Dipaleseng	122,110	131,482	-	120,643	374,235	20%	160,193	170,594	-	1,251	332,038	-11%
	Govan Mbeki	-	-	-	-	-	-100%	1,062,673	509,548	-	498,625	2,070,846	-
	Lekwa	374,137	175,732	-	440,807	990,676	32%	524,531	253,370	-	437,192	1,215,093	23%
	Mkhondo	192,175	107,113	-	99,329	398,617	50%	247,655	125,176	-	123,471	496,302	25%
	Msukaligwa	290,917	186,246	-	203,814	680,977	46%	339,314	221,979	-	193,639	754,932	11%
Dr Pixley Ka Isaka Seme	134,308	89,374	-	316,707	540,389	42%	238,941	149,639	-	154,538	543,118	1%	
Sub Total	1,126,342	730,479	-	1,185,452	3,042,273	-14%	2,582,467	1,464,329	-	1,412,796	5,459,592	79%	
NKANGALA	Emalahleni	2,653,681	936,370	-	728,272	4,318,323	19%	2,969,901	1,064,996	-	1,090,777	5,125,674	19%
	Emakhazeni	89,505	37,529	-	162,929	289,963	154%	105,012	50,564	-	278,306	433,882	50%
	Steve Tshwete	39,074	19,467	-	14,177	72,718	-58%	83,261	119,563	-	23,624	226,448	211%
	Victor Kkhanye	416,994	46,996	-	686,371	1,150,361	129%	275,667	51,188	-	350,373	326,855	-72%
	Dr JS Moroka	138,946	54,583	-	277,466	470,995	69%	212,189	65,323	-	-	627,885	33%
Thembisile Hani	540,353	211,904	-	307,259	1,059,516	33%	717,228.00	299,931.00	-	286,891.00	1,304,050	23%	
Sub Total	3,878,553	1,306,849	-	2,176,474	7,361,876	18%	4,363,258	1,651,565	-	2,029,971	8,044,794	9%	
Total Debts	5,555,835	2,211,710	9,565	4,047,558	11,824,668	9%	7,616,444	3,320,830	11,358	4,276,918	15,225,550	29%	

(Source: Section 46 reports from municipalities)

5.7.5.1 Provincial Analysis on the rate of municipal debt reduction

Findings

All municipalities were owed a total sum of **R 15 225 550.00** in the **2018/19** financial and **R 11 824 668.00** in **2018/19** which indicates a significant increase of **R 3,400,882.00** or **29%** in municipal debt.

Challenges

- Information on invoices sent to government departments are incomplete, resulting in government departments not paying their government debt to municipalities;
- Municipalities are slow on data cleansing;
- Incorrect indigent registers;
- Illegal connections and losses not investigated by the Technical Units within the municipalities;
- Ineffective debtors collection systems within the municipality, which negatively affect its cash flow, service delivery and increased debt book;
- Incorrect data and inaccurate billing;
- Non-compliance with laws and regulations;
- Customer affordability to pay municipal debts.
- Poor reconciliation and cash flow management on ESKOM debts.

Recommendations

- Continued support by PT to ensure that government departments pay their debt to municipalities;
- Deploy a competent individual or team of professionals to review, develop and implement the debt collection systems and policies of municipalities;
- Review, develop and fully implement the Revenue Enhancement Strategy;
- Appoint a debt collector to focus on the debts impairment or irrecoverable debts;
- Channel all Electricity Collections to ESKOM on weekly basis;
- Full implementation and compliance to mSCOA;
- Implementation of standard operating procedures for revenue management by municipalities;
- PT to assist and guide municipalities to phase in tariffs as affordability by consumers should be taken into consideration;
- Municipalities to conduct physical inspection of properties where services are terminated;
- Municipalities to establish special municipal inspection teams to monitor illegal connections;
- Linkage of valuation roll with the billing system;
- Assessment of tariff structures;
- Update property database and accurate billing.

National and Provincial Interventions

- PT to support municipalities to provide complete and accurate accounts to government departments;
- NT with the support of PT develop financial recovery plans;
- Municipalities guided and supported to comply with MPRA;
- 20 In-year financial management reports analysed per month and feedback provided to municipalities to implement corrective measures;
- NERSA workshop was conducted to assist municipalities with the D-forms.

5.7.6 Coordinated payments made to Municipalities by sector departments as at July 2019- June 2020

Table 45: Co-ordinated payments made to DR JS MOROKA LOCAL MUNICIPALITY

Name of Department	Total amount outstanding	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest
Office of Premier	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-
Cooperative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	17 352 277	751 726	745 747	679 961	15 174 843	-	16 614 577	-	737 700
Economic Development and Tourism	-	-	-	-	-	-	-	-	-
Education	5 421 325	117 572	115 521	133 839	5 054 393	-	3 629 027	-	1 792 298
Public Works,Roads and Transport	24 688 254	823 020	814 669	802 298	22 248 267	-	19 338 294	-	5 349 960
Community Safety Security and Liaison	-	-	-	-	-	-	-	-	-
Health (Clinics)	2 810	747	742	738	583	-	-	2 754	55
Health (Hospitals)	196	196	-	-	-	-	-	-	-
Culture Sport and Recreation	-	-	-	-	-	-	-	-	-
Social Development	-	-	-	-	-	-	-	-	-
Human Settlements	-	-	-	-	-	-	-	-	-
Sub T total	47 464 862	1 693 260	1 676 680	1 616 836	42 478 087	-	39 581 898	2 754	7 880 013
SANPARKS(Kruger National Park)	-	-	-	-	-	-	-	-	-
National Department of Public Works	69 051	7 862	7 385	7 073	46 731	-	20 080	38 442	10 529
National Department of Rural Development and Land Reform	1 531 555	39 509	39 233	38 957	1 413 855	-	1 064 939	152 652	313 964
Sub Total	1 600 605	47 372	46 618	46 030	1 460 585	-	1 085 019	191 093	324 493
Total	49 065 467	1 740 632	1 723 298	1 662 866	43 938 672	-	40 666 917	193 847	8 204 506
SARS offices	-	-	-	-	-	-	-	-	-
Water Board/ affairs	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-
Sanral	-	-	-	-	-	-	-	-	-
University	3 010 442	383 449	379 504	555 350	1 692 139	-	464 874	2 254 744	290 824
AND	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-
Sub Total	3 010 442	383 449	379 504	555 350	1 692 139	-	464 874	2 254 744	290 824
This Should balance to SECTION 71 Report Totals	52 075 909	2 124 080	2 102 802	2 218 215	45 630 811	-	41 131 791	2 448 592	8 495 330

(Source: National Local Government Database)

Table 46: Co-ordinated payments made to EMAKHAZENI LOCAL MUNICIPALITY

Name of Department	Total amount outstanding	0-30 Days	30+60 Days	60+90 Days	90 Days and over	Payments received for the month	Rates	Service	Interest
Office of Premier	-								
Finance	-								
Cooperative Governance and Traditional Affairs	-								
Agriculture, Rural Development Land and Environmental Affairs(DARDLA)	-	-	-	-	-	-	-	-	-
Economic Development and Tourism	-								
Education	1 962 695	517 501	384 440	562 725	498 029	(1 510 888)		(1 510 888)	3 405
Public Works, Roads and Transport(PWRT)	1 224 021	11 946	1 192 346	9 481	10 248	(1 099 038)	(1 099 038)	-	293
Community Safety Security and Liaison	7 185	1 804	1 801	1 794	1 787	-	-	-	-
Health (Clinics)	76 220	14 290	13 474	24 228	24 228	(26 411)	-	(26 411)	-
Health (Hospitals)	451 462	95 581	91 627	132 127	132 127	(91 627)		(91 627)	25
Culture Sport and Recreation	-								
Social Development	254 801	63 683	63 544	63 987	63 588	(209 665)		(209 665)	55
Human Settlements	-								
Sub Total	3 976 384	704 805	1 747 231	794 342	730 006	(2 937 628)	(1 099 038)	(1 838 590)	3 779
SANPARKS(Kruger National Park)	-								
National Department of Public Works	1 578 325	182 210	1 062 712	152 016	181 387	(178 209)		(178 209)	15 999
National Department of Rural Development and Land Reform	2 121 549	2 121 549	-	-	-	-			
Sub Total	3 699 874	2 303 759	1 062 712	152 016	181 387	(178 209)	-	(178 209)	15 999
Total	7 676 258	3 008 563	2 809 943	946 358	911 393	(3 115 837)	(1 099 038)	(2 016 799)	19 778
SARS offices									
Water Board/Affairs									
Other Municipality									
Sanral									
AND									
AND									
AND									
Sub Total	-	-	-	-	-	-	-	-	-
This should balance to Section71 Report Totals	7 676 258	3 008 563	2 809 943	946 358	911 393	(3 115 837)	(1 099 038)	(2 016 799)	19 778

(Source: National Local Government Database)

Table 47: Co-ordinated payments made to EMALAHLENI LOCAL MUNICIPALITY

Name of Department	Total amount	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Payments received	Rates	Services	Interest
Office of Premier	-								
Finance	-								
Cooperative Governance and Traditional Affairs	-								
Agriculture, Rural Development Land and Environmental Affairs	7 520 468	141 035	148 419	148 215	7 082 798	(6 778)	909 998	3 393 879	3 216 591
Economic Development and Tourism	-								
Education	16 299 004	1 093 923	938 253	648 268	13 618 560	(860 895)	1 740 034	695 773	13 863 197
Public Works, Roads and Transport	28 482 071	553 485	954 156	933 107	26 041 323	(771 827)	3 440 580	12 505 140	12 536 351
Community Safety Security and Liaison	-								
Health (Clinics)	2 188 363	(142 866)	7 196	7 196	2 316 837	(1 679 957)	468 061	832 596	887 706
Health (Hospitals)	2 718 648	1 130 126	1 567 920	15 175	5 426	-	7 808	14 379	2 696 461
Culture Sport and Recreation	-								
Social Development	-								
Human Settlements	367 404	(43 256)	9 660	9 601	391 399	-	83 309	26 972	257 123
Sub Total	57 575 957	2 732 448	3 625 603	1 761 562	49 456 344	(3 319 458)	6 649 791	17 468 738	33 457 429
SANPARKS(Kruger National Park)	-								
National Department of Public Works	4 010 983	202 438	478 744	469 858	2 859 943	(474 667)	422 760	2 722 624	865 599
National Department of Rural Development and Land Reform	-								
Sub Total	4 010 983	202 438	478 744	469 858	2 859 943	(474 667)	422 760	2 722 624	865 599
Total	61 586 941	2 934 886	4 104 348	2 231 420	52 316 287	(3 794 125)	7 072 551	20 191 362	34 323 027
SARS offices	1 254 244	70 749	326 320	162 965	694 211	(138 211)	93 427	318 924	841 894
Water Board/ affairs	2 633 936	-	-	-	2 633 936	-	824 471	-	1 809 465
Transnet	6 686 846	(18 346)	885 096	187 712	4 900 292	-	1 052 894	1 003 068	4 630 885
SANRAL									
AND									
AND									
Sub Total	10 575 026	52 403	1 211 415	350 677	8 228 439	(138 211)	9 043 343	21 513 353	41 605 271
This should balance to Section71 Report Totals	72 161 967	2 987 289	5 315 763	2 582 096	60 544 726	(3 932 336)	16 115 894	41 704 715	75 928 298

(Source: National Local Government Database)

Table 48: Co-ordinated payments made to STEVE TSHWETE LOCAL MUNICIPALITY

Name of Department	Total amount outstanding	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest
Office of Premier	-								
Finance	-								
Cooperative Governance and Traditional Affairs	-								
Agriculture, Rural Development, Land and Environmental Affairs	-								
Economic Development and Tourism	-								
Education	837 164	28 285	29 411	29 489	749 980			822 730	14 434
Public Works, Roads and Transport	3 816 348	670 631	681 617	537 441	1 926 658	(151 064)	899 787	2 912 851	3 710
Community Safety Security and Liaison	57 391	13 097	15 300	15 216	13 778			57 391	
Health (Clinics)	472 864	51 917	55 605	30 207	335 135			472 153	711
Health (Hospitals)	451 611	451 565	45				480	451 131	
Culture Sport and Recreation	126 768	13 633	10 614	10 682	91 839			126 768	
Social Development	496 117	11 989	18 800	18 337	446 990		2 416	448 654	45 046
Human Settlements	-								
Sub Total	6 258 262	1 241 119	811 392	641 372	3 564 379	(151 064)	902 683	5 291 678	63 901
SANPARKS(Kruger National Park)	-								
National Department of Public Works	2 192 603	1 792 579	187 924	3 797	208 302	(2 774)	573 336	1 617 596	1 670
National Department of Rural Development and Land Reform	64 319	11 906	11 906	11 906	28 600		64 117	23	180
Sub Total	2 256 922	1 804 486	199 830	15 703	236 902	(2 774)	637 453	1 617 619	1 850
Total	8 515 183	3 045 604	1 011 223	657 075	3 801 281	(153 838)	1 540 136	6 909 297	65 751
SARS offices									
Water Board/ affairs									
Other Municipality									
Sansal									
AND									
AND									
AND									
Sub Total	-	-	-	-	-	-	-	-	-
This Should balance to SECTION 71 Report Totals	8 515 183	3 045 604	1 011 223	657 075	3 801 281	(153 838)	1 540 136	6 909 297	65 751

(Source: National Local Government Database)

Table 49: Co-ordinated payments made to THEMBISILE HANI LOCAL MUNICIPALITIES

Name of Department	Total amount outstanding	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest
Office of Premier	35 220	572	568	565	33 515	-			
Finance	407	407	-	-	-	-			
Cooperative Governance and Traditional Affairs	-	-	-	-	-	-			
Agriculture, Rural Development Land and Environmental	63 086	2 894	2 873	2 852	54 467	-			
Economic Development and Tourism	407	407	-	-	-	-			
Education	18 991 854	865 097	820 066	812 551	16 494 140	(172 034)			
Public Works, Roads and Transport	3 254	3 254	-	-	-	-			
Community Safety Security and Liaison	2 019	1 014	1 005	-	-	(3 076)			
Health (Clinics)	112 860	9 625	27	27	103 182	(7 074)			
Health (Hospitals)	113 329	58 044	1 544	1 539	52 202	(13 098)			
Culture Sport and Recreation	13 775	1 515	1 502	1 490	9 267	-			
Social Development	4 957	849	842	835	2 430	-			
Human Settlements	407	407	-	-	-	(2 071)			
Sub Total	19 341 575	944 085	828 428	819 859	16 749 204	(197 354)			
SANPARKS(Kruger National Park)	-	-	-	-	-	-			
National Department of Public Works	974 205	47 003	28 461	28 458	870 283	(20 106)			
National Department of Rural Development and Land Reform	55 288 161	1 766 136	1 732 724	1 728 981	50 060 320	-			
Sub Total	56 262 366	1 813 138	1 761 185	1 757 439	50 930 604	(20 106)			
Total	75 603 941	2 757 223	2 589 613	2 577 298	67 679 808	(217 460)			
SARS offices	-	-	-	-	-	-			
Water Board/ affairs	-	-	-	-	-	-			
Other Municipality	80 150 495	561 330	561 840	562 889	78 464 437	-			
SANRAL	-	-	-	-	-	-			
AND	-	-	-	-	-	-			
AND	-	-	-	-	-	-			
AND	-	-	-	-	-	-			
Sub Total	80 150 495	561 330	561 840	562 889	78 464 437	-			
This Should balance to SECTION 71 Report Totals	155 754 436	3 318 553	3 151 453	3 140 186	146 144 244	(217 460)			

(Source: National Local Government Database)

Table 50: Co-ordinated payments made to VICTOR KHANYE LOCAL MUNICIPALITY

Name of Department	Total amount outstanding	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest	Rental Fee
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Cooperative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	30 485	4 966	3 700	3 902	17 918	(5 160)	-	30 485	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-	-
Education	902 562	103 238	136 395	95 131	567 798	(252 454)	-	884 616	-	17 946
Public Works,Roads and Transport	2 421 210	545 533	448 392	442 777	984 508	(5 164)	2 405 831	-	-	-
Community Safety Security and Liaison	23 285	696	692	743	21 153	-	-	23 285	-	-
Health (Clinics)	7 786 077	134 050	63 793	63 793	7 524 441	(46 256)	46 256	-	-	7 783 823
Health (Hospitals)	329 317	329 317	-	-	-	(109 041)	-	330 639	-	-
Culture Sport and Recreation	-	-	-	-	-	-	-	-	-	-
Social Development	(4 076)	-	-	-	(4 076)	-	-	-	-	(4 076)
Human Settlements	-	-	-	-	-	-	-	-	-	-
Sub Total	11 488 860	1 117 800	652 972	606 346	9 111 742	(418 075)	2 452 087	1 269 026	-	7 797 693
National Department of Rural Development and Land Reform	393 084	23 294	23 095	22 895	323 800	-	393 084	-	-	-
National Department of Public Works	234 263	144 839	9 516	2 403	77 505	(179 947)	193 899	105 406	-	-
National Department of Public Works (Rental)	3 280 920	-	-	-	3 280 920	-	-	-	-	3 280 920
Sub Total	3 908 267	168 133	32 611	25 297	3 682 225	(179 947)	586 982	105 406	-	3 280 920
Total	15 397 127	1 285 933	685 583	631 644	12 793 968	(598 022)	3 039 069	1 374 432	-	11 078 614
SASSA	(14 897)	(3 063)	(3 063)	(3 063)	(5 709)	(3 063)	-	-	-	(14 897)
SANRAL	24 869	(29)	1 853	696	22 348	(36 686)	24 869	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-	-
Sansal	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
Sub Total	9 972	(3 092)	(1 210)	(2 367)	16 640	(39 749)	24 869	-	-	(14 897)
This Should balance to SECTION 71 Report Totals	15 407 099	1 282 841	684 373	629 277	12 810 607	(637 771)	3 063 937	1 374 432	-	11 063 717

(Source: National Local Government Database)

Table 51: Consolidated co-ordinated payments made to NKANGALA DISTRICT municipalities

NKANGALA DISTRICT MUNICIPALITIES TOTAL GOVERNMENT DEBT										
NKANGALA DISTRICT - GOVERNMENT DEBT AS AT 30 June 2020										
Name of Department	Total amount outstanding	0-30 Days	30 - 60 Days	60 -90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest	
Office of Premier	35 220	572	568	565	33 515	-	-	-	-	-
Finance	407	407	-	-	-	-	-	-	-	-
Cooperative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	24 966 316	900 621	900 739	834 930	22 330 026	(11 938)	17 524 574	3 424 364	3 954 291	-
Economic Development and Tourism	407	407	-	-	-	-	-	-	-	-
Education	44 414 604	2 725 616	2 424 086	2 282 002	36 982 900	(2 796 271)	5 369 061	892 231	15 673 334	-
Public Works, Roads and Transport	60 635 159	2 607 870	4 091 180	2 725 105	51 211 004	(2 027 093)	24 985 454	15 417 991	17 890 314	-
Community Safety Security and Liaison	89 880	16 611	18 798	17 753	36 717	(3 076)	-	80 676	-	-
Health (Clinics)	10 639 193	67 763	140 836	126 188	10 304 406	(1 759 699)	514 317	1 281 092	888 472	-
Health (Hospitals)	4 064 562	2 064 829	1 661 136	148 842	189 756	(213 766)	8 288	704 522	2 696 486	-
Culture Sport and Recreation	469 859	344 465	12 117	12 172	101 106	(109 041)	-	457 408	-	-
Social Development	755 874	76 521	83 186	83 159	513 008	(209 665)	2 416	238 990	45 101	-
Human Settlements	363 736	42 849	9 660	9 601	387 324	(2 071)	83 309	357 611	257 123	-
Sub Total	146 435 217	8 762 832	9 342 306	6 240 316	122 089 762	(7 132 620)	48 487 420	22 884 885	41 405 122	41 405 122
SANPARKS(Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	9 478 138	2 232 092	2 418 199	661 201	4 166 646	(675 756)	1 016 177	4 200 453	893 796	-
National Department of Rural Development and Land Reform	70 494 443	5 056 900	2 436 835	2 386 191	60 614 517	(418 075)	3 581 142	1 421 700	314 144	-
Sub Total	79 972 581	7 288 992	4 855 034	3 047 392	64 781 163	(1 093 830)	4 597 319	5 622 153	1 207 940	1 207 940
Total	226 407 798	16 051 825	14 197 340	9 287 709	186 870 925	(8 226 450)	53 084 739	28 477 038	42 613 062	42 613 062

(Source: National Local Government Database)

Table 52: Co-ordinated payments made to DIPALESENG LOCAL MUNICIPALITY

Name of Department	Total amount outstanding	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest
Office of Premier	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-
Cooperative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	-	-	-	-	-	-	-	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-
Education	1 819 868	53 617	54 293	33 626	1 678 333	(4 674)	556 730	813 870	449 268
Public Works, Roads and Transport	285 918	11 531	13 093	3 792	257 501	-	1 685	166 404	117 828
Community Safety Security and Liaison	188 450	56 315	6 492	1 149	124 494	(49 559)	-	144 419	44 030
Health (Clinics)	13 573	3 772	5 305	2 453	2 044	(8 769)	-	13 094	479
Health (Hospitals)	-	-	-	-	-	-	-	-	-
Culture Sport and Recreation	-	-	-	-	-	-	-	-	-
Social Development	(82 197)	(3 620)	(2 443)	-	(76 134)	(17 177)	-	(82 197)	-
Human Settlements	-	-	-	-	-	-	-	-	-
Sub Total	2 225 613	121 615	76 740	41 020	1 986 238	(80 180)	558 416	1 055 591	611 606
SANPARKS(Kruger National Park)	-	-	-	-	-	-	-	-	-
National Department of Public Works	(299 090)	(12 751)	(105 170)	(448 616)	267 448	(14 561)	152 296	(481 404)	30 017
National Department of Rural Development and Land Reform	4 176 828	206 138	425 110	210 251	3 335 329	-	3 877 236	(432 304)	731 896
Sub Total	3 877 738	193 386	319 940	(238 365)	3 602 777	(14 561)	4 029 532	(913 707)	761 914
Total	6 103 351	315 001	396 680	(197 345)	5 589 015	(94 741)	4 587 948	141 884	1 373 519
SARS offices	-	-	-	-	-	-	-	-	-
Water Board/ affairs	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-
Sanral	9 730	6 977	436	215	2 103	(5 525)	9 561	-	169
AND	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-
Sub Total	9 730	6 977	436	215	2 103	(5 525)	9 561	-	169
This Should balance to SECTION 71 Report Totals	6 113 081	321 978	397 116	(197 130)	5 591 118	(100 265)	4 597 508	141 884	1 373 688

(Source: National Local Government Database)

Table 53: Co-ordinated payments made to DR PIXLEY KA ISAKA SEME LOCAL MUNICIPALITY

Name of Department	Total amount outstanding	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest
Office of Premier	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-
Cooperative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-
Agriculture,Rural Development Land and Environmental Affairs	244	244	-	-	-	-	-	244	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-
Education	2 603 292	133 377	127 130	144 729	2 198 056	(169 800)	1 321 862	610 131	671 299
Public Works,Roads and Transport	3 693 785	120 388	48 766	48 457	3 476 173	(369 953)	2 086 559	411 483	1 195 672
Community Safety Security and Liaison	4 270	3 365	905	-	-	(5 000)	-	4 250	21
Health (Clinics)	(25 332)	(21 065)	(4 410)	-	143	(17 887)	-	0	143
Health (Hospitals)	5 555	5 238	2	2	314	(463 101)	-	5 391	164
Culture Sport and Recreation	-	-	-	-	-	-	-	-	-
Social Development	10 441	10 441	-	-	-	(31 795)	-	10 441	-
Human Settlements	-	-	-	-	-	-	-	-	-
Sub Total	6 292 256	251 989	172 393	193 188	5 674 686	(1 057 536)	3 408 421	1 041 940	1 867 300
SANPARKS(Kruger National Park)	-	-	-	-	-	-	-	-	-
National Department of Public Works	19 459 819	1 083 454	196 569	180 086	17 999 709	(611 709)	10 590 618	2 190 498	6 676 602
National Department of Rural Development and Land Reform	10 904 263	116 705	115 440	114 417	10 557 701	(4 706)	7 470 621	34 873	3 398 770
Sub Total	30 364 082	1 200 159	312 010	294 502	28 557 410	(616 415)	18 061 239	2 225 371	10 075 372
Total	36 656 338	1 452 148	484 403	487 690	34 232 096	(1 673 951)	21 469 660	3 267 310	11 942 672
SARS offices	-	-	-	-	-	-	-	-	-
Water Board/ affairs	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-
SANRAL	110	25	24	11	50	-	101	-	9
SASSA	91 866	15 021	14 419	14 431	47 995	-	-	88 660	3 206
AND	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-
Sub Total	91 976	15 046	14 443	14 442	48 045	-	101	88 660	3 214
This Should balance to SECTION 71 Report Totals	36 748 314	1 467 194	498 846	502 133	34 280 141	(1 673 951)	21 469 761	3 355 970	11 945 886

(Source: National Local Government Database)

Table 54: Co-ordinated payments made to LEKWA LOCAL MUNICIPALITY

Name of Department	Total amount outstanding	0-30 Days	30 - 60 Days	60 -90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest
Office of Premier	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-
Cooperative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development, Land and Environmental Affairs	-	-	-	-	-	-	-	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-
Education	7 532 798	834 900	355 446	315 612	6 026 840	(24 599)	331	5 817 793	881 801
Public Works, Roads and Transport	3 974 039	316 671	482 633	207 872	2 966 864	(660 216)	2 716 912	1 061 811	552 553
Community Safety Security and Liaison	-	-	-	-	-	-	-	-	-
Health (Clinics)	112 361	55 281	55 827	1 164	88	-	506	96 987	314
Health (Hospitals)	1 411 390	480 203	493 185	54 078	383 924	-	-	1 060 421	63 622
Culture Sport and Recreation	-	-	-	-	-	-	-	-	-
Social Development	-	-	-	-	-	-	-	-	-
Human Settlements	-	-	-	-	-	-	-	-	-
Sub Total	13 030 588	1 687 055	1 387 091	578 726	9 377 716	(684 815)	2 717 748	8 037 012	1 498 290
SANPARKS(Kruger National Park)	-	-	-	-	-	-	-	-	-
National Department of Public Works	6 089 106	1 024 558	322 938	197 277	4 544 333	(179 881)	3 423 445	1 369 893	1 392 395
National Department of Rural Development and Land Reform	5 909 765	263 528	236 271	236 576	5 173 390	(20 217)	4 950 393	210 239	738 646
Sub Total	11 998 872	1 288 086	559 209	433 854	9 717 723	(200 098)	8 373 838	1 580 133	2 131 041
Total	25 029 460	2 975 140	1 946 300	1 012 580	19 095 439	(884 913)	11 091 586	9 617 144	3 629 331
SARS offices	2 271	(807)	2 034	1 044	-	-	-	3 562	43
Water Board/ affairs	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-
Sanral	142 029	1 477	1 471	1 486	137 595	-	56 832	-	14 182
AND	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-
Sub Total	144 300	670	3 504	2 530	137 595	-	56 832	3 562	14 225
This Should balance to SECTION 71 Report Totals	25 173 759	2 975 811	1 949 805	1 015 110	19 233 034	(884 913)	11 148 418	9 620 707	3 643 557

(Source: National Local Government Database)

Table 55: Co-ordinated payments made to CHIEF ALBERT LUTHULI LOCAL MUNICIPALITY

Name of Department	Total amount outstanding	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest
Office of Premier	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-
Cooperative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development, Land and Environmental Affairs	(3 034)	1 367	(4 401)	-	-	-	(3 034)	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-
Education	7 137 911	227 408	2 688 527	2 498 527	1 723 448	(3 393)	227 408	6 819 942	87 168
Public Works, Roads and Transport	11 785 308	790 572	4 033 798	3 785 308	3 175 630	(551 877)	7 745 017	3 411 835	76 579
Community Safety Security and Liaison	36 377	19 369	9 369	8 639	(1 000)	-	-	30 623	5 754
Health (Clinics)	133 507	60 337	73 086	84	-	(82 413)	-	41 094	10 000
Health (Hospitals)	248 358	155 673	145 675	(56 990)	4 000	(117 476)	-	120 609	10 272
Culture Sport and Recreation	-	-	-	-	-	-	-	-	-
Social Development	47 957	6 725	58 688	(52 365)	34 909	-	-	47 957	-
Human Settlements	6 902	369	6 533	-	-	(5 036)	-	1 772	94
Sub Total	19 393 285	1 261 819	7 011 275	6 183 204	4 936 987	(760 196)	7 969 391	10 473 832	189 866
SANPARKS(Kruger National Park)	-	-	-	-	-	-	-	-	-
National Department of Public Works	4 660 314	358 141	1 828 825	1 236 674	1 236 674	(1 833 073)	2 540 157	268 218	18 866
NATIONAL Department of Rural Development and Land Reform	16 657 789	6 161 270	4 386 657	3 374 942	2 734 920	(2 635 836)	14 021 953	-	-
Sub Total	21 318 102	6 519 411	6 215 482	4 611 616	3 971 593	(4 468 909)	16 562 110	268 218	18 866
Total	40 711 388	7 781 230	13 226 757	10 794 820	8 908 581	(5 229 104)	24 531 500	10 742 051	208 732
SARS offices									
Water Board/ affairs									
Other Municipality									
SANRAL									
AND									
AND									
AND									
Sub Total	-	-	-	-	-	-	-	-	-
SECTION 71 Report Totals	40 711 388	7 781 230	13 226 757	10 794 820	8 908 581	(5 229 104)	24 531 500	10 742 051	208 732

(Source: National Local Government Database)

Table 56: Co-ordinated payments made to MKHONDO LOCAL MUNICIPALITY

Name of Department	Total amount outstanding	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest
Office of Premier	-								-
Finance	2 873	2 873	-	-	-	(7 670)	116	2 756	-
Cooperative Governance and Traditional Affairs	-								-
Agriculture, Rural Development Land and Environmental Affairs	189 143	97 364	80 848	10 712	219	-	-	189 143	-
Economic Development and Tourism	-								-
Education	756 762	277 125	14 050	39 632	425 955	(68 917)	-	756 762	-
Provincial Public Works, Roads and Transport	564 838	429 565	5 358	8 501	121 414	(804 963)	564 838	-	-
Community Safety Security and Liaison	-								-
Health (Clinics)	(147 809)	(103 507)	-	-	(44 302)	(166 071)	-	(147 809)	-
Health (Hospitals)	(82 997)	(83 068)	70	-	-	(434 737)	-	(82 997)	-
Culture Sport and Recreation	-								-
Social Development	44 410	24 057	13 093	506	6 754	(68 053)	-	44 410	-
Human Settlements	-								-
Sub Total	1 327 219	644 409	113 419	59 352	510 039	(1 550 411)	564 954	762 265	-
SANPARKS(Kruger National Park)									-
National Department of Public Works	1 137 286	228 822	22 833	16 580	869 051	(1 111 046)	833 120	304 166	-
National Department of Rural Development and Land Reform	268 327	24 817	(15 136)	7 890	250 757	(2 421 825)	268 327	-	-
Sub Total	1 405 613	253 638	7 697	24 470	1 119 808	(3 532 871)	1 101 447	304 166	-
Total	2 732 832	898 047	121 116	83 821	1 629 847	(5 083 282)	1 666 401	1 066 431	-
SARS offices									
Water Board/ affairs									
Other Municipality									
SANRAL									
AND									
AND									
AND									
Sub Total	-	-	-	-	-	-	-	-	-
This Should balance to SECTION 71 Report Totals	2 732 832	898 047	121 116	83 821	1 629 847	(5 083 282)	1 666 401	1 066 431	-

(Source: National Local Government Database)

Table 57: Co-ordinated payments made to MSUKALIGWA LOCAL MUNICIPALITY

Name of Department	Total amount outstanding	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Credit Balance	Rates	Services	Interest
Office of Premier	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-
Cooperative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	29 025	54 029	-	-	-	(25 005)	-	29 025	-
Economic Development and Tourism	5 232	2 985	2 247	-	-	-	-	5 232	-
Education	146 001	64 969	44 975	36 056	-	-	-	146 001	-
Public Works, Roads and Transport	4 815 605	1 398 568	1 362 049	1 228 275	826 714	-	4 815 605	-	-
Community Safety Security and Liaison	-	-	-	-	-	-	-	-	-
Health (Clinics)	437 271	69 319	84 310	75 751	207 891	-	-	437 271	-
Health (Hospitals)	524 959	467 824	21 086	25 956	10 092	-	-	524 959	-
Culture Sport and Recreation	32 546	21 073	11 472	-	-	-	-	32 546	-
Social Development	331 942	74 702	53 256	30 383	173 601	-	-	331 942	-
Human Settlements	14 326	14 326	-	-	-	-	-	14 326	-
Sub Total	6 336 906	2 167 794	1 579 396	1 396 422	1 218 298	(25 005)	4 815 605	1 521 301	-
SANPARKS(Kruger National Park)	-	-	-	-	-	-	-	-	-
National Department of Public Works	2 481 669	901 249	1 580 420	-	-	-	-	2 481 669	-
National Department of Rural Development and Land Reform	12 769 169	660 500	655 690	650 895	10 802 084	-	12 769 169	-	-
Sub Total	15 250 837	1 561 749	2 236 110	650 895	10 802 084	-	12 769 169	2 481 669	-
Total	21 587 744	3 729 543	3 815 506	2 047 316	12 020 382	(25 005)	17 584 774	4 002 970	-
Water Board/ affairs									
Other Municipality									
Sanral									
AND									
AND									
AND									
Sub Total	-	-	-	-	-	-	-	-	-
This Should balance to SECTION 71 Report Totals	21 587 744	3 729 543	3 815 506	2 047 316	12 020 382	(25 005)	17 584 774	4 002 970	-

(Source: National Local Government Database)

Table 58: Co-ordinated payments made to GOVAN MBEKI LOCAL MUNICIPALITY

Name of Department	Total amount outstanding	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest
Office of Premier	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-
Cooperative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development, Land and Environmental Affairs	-	-	-	-	-	-	-	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-
Education	5 648 252	923 062	294 985	578 131	3 852 075	-	-	-	-
Public Works, Roads and Transport	-	-	-	-	-	-	-	-	-
Community Safety Security and Liaison	175 736	14 319	7 858	65 185	88 373	-	-	-	-
Health (Clinics)	420 270	178 044	26 372	34 158	181 696	-	-	-	-
Health (Hospitals)	1 006 408	517 605	488 803	-	-	-	-	-	-
Culture Sport and Recreation	-	-	-	-	-	-	-	-	-
Social Development	-	-	-	-	-	-	-	-	-
Human Settlements	-	-	-	-	-	-	-	-	-
Sub Total	7 250 666	1 633 030	818 018	677 474	4 122 144	-	-	-	-
SANPARKS(Kruger National Park)	-	-	-	-	-	-	-	-	-
National Department of Public Works	1 566 567	1 492 933	53 172	5 376	15 085	(1 557 128)	-	-	-
National Department of Rural Development and Land Reform	-	-	-	-	-	-	74 369	-	-
Sub Total	1 566 567	1 492 933	53 172	5 376	15 085	(1 557 128)	74 369	-	-
Total	8 817 233	3 125 963	871 190	682 851	4 137 230	(1 557 128)	74 369	-	-
SARS offices	-	-	-	-	-	-	-	-	-
Water Board/ affairs	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-
Sansal	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-
This Should balance to SECTION 71 Report Totals	8 817 233	3 125 963	871 190	682 851	4 137 230	(1 557 128)	74 369	-	-

(Source: National Local Government Database)

Table 59: Consolidated co-ordinated payments made to GERT SIBANDE DISTRICT MUNICIPALITIES

GERT SIBANDE DISTRICT MUNICIPALITIES TOTAL GOVERNMENT DEBT										
GERT SIBANDE DISTRICT - GOVERNMENT DEBT AS AT 30 JUNE 2020										
Name of Department	Total amount outstanding	0-30 Days	30 - 60 Days	60 -90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	2 873	2 873	-	-	-	(7 670)	116	2 756	-	-
Cooperative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture,Rural Development Land and Environmental Affairs	240 382	153 005	76 447	10 712	219	(25 005)	(3 034)	218 412	-	-
Economic Development and Tourism	5 232	2 985	2 247	-	-	-	-	5 232	-	-
Education	25 644 884	2 514 457	3 579 406	3 646 315	15 904 706	(271 383)	2 106 331	14 964 499	2 089 536	-
Public Works,Roads and Transport	25 119 494	3 067 295	5 945 697	5 282 205	10 824 297	(2 387 009)	17 930 617	5 051 533	1 942 633	-
Community Safety Security and Liaison	404 833	93 368	24 624	74 973	211 867	(54 559)	2 086 559	586 525	1 245 457	-
Health (Clinics)	943 841	242 180	240 491	113 610	347 560	(275 140)	506	444 886	10 813	-
Health (Hospitals)	3 113 672	1 543 475	1 148 821	23 046	398 330	(1 015 315)	-	1 622 992	74 037	-
Culture Sport and Recreation	32 546	21 073	11 472	-	-	-	-	37 936	164	-
Social Development	352 553	112 306	122 594	(21 476)	139 130	(117 026)	-	342 112	-	-
Human Settlements	21 228	14 695	6 533	-	-	(5 036)	-	26 540	94	-
Sub Total	55 881 537	7 767 710	11 158 332	9 129 385	27 826 109	(4 158 142)	22 121 094	23 303 424	5 362 735	-
SANPARKS(Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	41 184 777	6 100 962	4 222 526	1 384 654	29 476 635	(5 487 278)	20 963 080	7 502 935	9 510 275	-
National Department of Rural Development and Land Reform	56 595 907	7 696 487	6 040 303	4 831 547	38 027 570	(5 102 801)	48 382 461	23 048	5 607 958	-
Sub Total	97 780 683	13 797 449	10 262 828	6 216 201	67 504 205	(10 590 078)	69 345 541	7 525 982	15 118 234	-
Total	153 662 221	21 565 159	21 421 161	15 345 586	95 330 314	(14 748 220)	91 466 635	30 829 406	20 480 968	-

(Source: National Local Government Database)

Table 60: Co-ordinated payments made to BUSHBUCKRIDGE LOCAL MUNICIPALITY

Name of Department	Total amount outstanding	0-30 Days	30 - 60 Days	60 - 90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest
Office of Premier	-	-	-	-	-	-			
Finance	-	-	-	-	-	-			
Cooperative Governance and Traditional Affairs	-	-	-	-	-	-			
Agriculture, Rural Development Land and Environmental Affairs	52 216	2 540	2 008	2 540	45 126				
Economic Development and Tourism	4 851 076	106 582	106 582	106 582	4 531 330				
Education	10 844 956	146 067	121 720	113 731	10 463 438				
Public Works, Roads and Transport	554 257 932	4 091 609	4 060 226	4 174 584	541 931 512	(34 876 694)			
Community Safety Security and Liaison	470 672	470 672	-	-	-	-			
Health (Clinics)	-	-	-	-	-	-			
Health (Hospitals)	23 613 249	2 436 945	557 904	559 900	20 058 500				
Culture Sport and Recreation	-	-	-	-	-	-			
Social Development	-	-	-	-	-	-			
Human Settlements	-	-	-	-	-	-			
Sub Total	594 090 100	7 254 416	4 848 440	4 957 338	577 029 906	(34 876 694)			
SANPARKS(Kruger National Park)	42 341 975	359 066	359 066	359 066	41 264 776	-			
National Department of Public Works	4 028 471	66 068	35 370	61 060	3 865 973	(208 624)			
National Department of Rural Development and Land Reform	271 207 919	1 218 538	1 218 538	1 208 631	267 562 212	(5 052 888)			
Sub Total	317 578 365	1 643 672	1 612 974	1 628 757	312 692 962	(5 261 511)			
Total	911 668 465	8 898 088	6 461 415	6 586 094	889 722 868	(40 138 205)			
SARS offices									
Water Board/ affairs									
Other Municipality									
SANRAL									
AND									
AND									
AND									
Sub Total	-	-	-	-	-	-			
This Should balance to SECTION 71 Report Totals	911 668 465	8 898 088	6 461 415	6 586 094	889 722 868	(40 138 205)			

(Source: National Local Government Database)

Table 61: Co-ordinated payments made to CITY OF MBOMBELA LOCAL MUNICIPALITY

Name of Department	Total amount outstanding	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest
Office of Premier	-								
Finance	-								
Cooperative Governance and Traditional Affairs	-								
Agriculture,Rural Development Land and Environmental Affairs	-								
Economic Development and Tourism	153 209 037	5 017 390	4 686 410	5 238 400	138 266 837		102 394	137 513 867	15 592 777
Education	18 074 653	1 736 772	851 154	969 175	14 517 552		2 550 045	13 008 731	2 515 877
Public Works,Roads and Transport	24 392 620	5 278 014	4 156 217	1 843 024	13 115 365		9 434 518	12 440 769	2 517 333
Community Safety Security and Liaison	-								
Health (Clinics)	-								
Health (Hospitals)	6 146 975	345 606	302 085	121 642	5 377 642		209 413	4 745 975	1 191 587
Culture Sport and Recreation	-								
Social Development	1 128 870	106 504	96 983	133 230	792 154		7 408	1 079 513	41 949
Human Settlements	-								
Sub Total	202 952 155	12 484 286	10 092 849	8 305 471	172 069 549	-	12 303 777	168 788 856	21 859 523
SANPARKS(Kruger National Park)	-								
National Department of Public Works	46 505 230	4 399 136	3 008 133	2 988 292	36 109 668		29 892 589	10 110 638	6 502 003
National Department of Rural Development and Land Reform	20 883 713	390 190	387 841	386 786	19 718 896		15 129 378	16 977	5 737 358
Sub Total	67 388 943	4 789 325	3 395 974	3 375 079	55 828 564	-	45 021 967	10 127 615	12 239 361
Total	270 341 098	17 273 612	13 488 823	11 680 550	227 898 114	-	57 325 744	178 916 471	34 098 884
SARS offices	-								
Water Board/ affairs	-								
Other Municipality	-								
SANRAL	-								
National Agriculture, Forestry and Fisheries	25 074	4 367	7 457	7 132	6 118			24 749	325
AND	-								
AND	-								
	25 074	4 367	7 457	7 132	6 118	-	-	24 749	325
	270 366 172	17 277 979	13 496 279	11 687 682	227 904 231	-	57 325 744	178 941 219	34 099 209

(Source: National Local Government Database)

Table 62: Co-ordinated payments made to NKOMAZI LOCAL MUNICIPALITY

Name of Department	Total amount outstanding	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest
Office of Premier	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-
Cooperative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-
Agriculture,Rural Development Land and Environmental Affairs	6 503	-	4 195	2 309	-	-	1 977	4 278	248
Economic Development and Tourism	-	-	-	-	-	-	-	-	-
Education	1 290 641	56 086	54 289	69 279	1 110 988	-	171 434	1 116 804	2 403
Public Works,Roads and Transport	12 845 693	1 081 806	1 034 977	842 743	9 886 167	-	11 276 046	184 958	1 384 689
Community Safety Security and Liaison	-	-	-	-	-	-	-	-	-
Health (Clinics)	14 202	4 449	40	40	9 673	-	1 147	13 054	-
Health (Hospitals)	387 453	387 453	-	-	-	-	-	387 453	-
Culture Sport and Recreation	-	-	-	-	-	-	-	-	-
Social Development	-	-	-	-	-	-	-	-	-
Human Settlements	-	-	-	-	-	-	-	-	-
Sub Total	14 544 491	1 529 793	1 093 500	914 370	11 006 828	-	11 450 605	1 706 546	1 387 340
SANPARKS(Kruger National Park)	-	-	-	-	-	-	-	-	-
National Department of Public Works	4 943 060	297 573	182 298	127 037	4 336 153	-	2 935 387	1 151 847	855 826
National Department of Rural Development and Land Reform	12 897 574	1 448 355	1 140 996	1 129 885	9 178 338	-	11 685 133	-	1 212 441
Sub Total	17 840 634	1 745 928	1 323 294	1 256 921	13 514 491	-	14 620 520	1 151 847	2 068 267
Total	32 385 125	3 275 721	2 416 795	2 171 292	24 521 318	-	26 071 125	2 958 394	3 455 607
SARS offices	-	-	-	-	-	-	-	-	-
Water Board/ affairs	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-
Sanral	3 845 011	136 277	135 459	134 640	3 438 636	-	3 396 479	-	448 532
unverified	10 943 111	553 552	548 631	548 564	9 292 364	-	9 228 747	500 028	1 214 336
AND	-	-	-	-	-	-	-	-	-
Sub Total	14 788 122	689 828	684 090	683 203	12 731 000	-	12 625 226	500 028	1 662 868
This Should balance to SECTION 71 Report Tools	47 173 247	3 965 549	3 100 885	2 854 495	37 252 318	-	38 696 351	3 358 422	5 118 475

(Source: National Local Government Database)

Table 63: Co-ordinated payments made to THABA CHWEU MUNICIPALITY

Name of Department	Total amount outstanding	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Payments received for the month	Rates	Services	Interest
Office of Premier	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-
Cooperative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-
Agriculture,Rural Development Land and Environmental Affairs	2 489	2 488	1	-	-	-	-	2 489	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-
Education	1 508 900	224 091	135 986	142 264	1 006 559	-	-	1 508 900	-
Public Works,Roads and Transport	3 526 639	48 165	76 456	55 565	3 346 453	-	2 923 712	602 926	-
Community Safety Security and Liaison	73 032	11 590	44 727	8 286	8 429	-	-	73 032	-
Health (Clinics)	77 223	24 057	30 650	22 517	-	-	-	77 223	-
Health (Hospitals)	408 052	267 251	95 990	44 811	-	-	-	408 052	-
Culture Sport and Recreation	95 158	546	579	579	93 455	-	95 158	-	-
Social Development	155 167	7 939	8 948	7 264	131 016	-	-	155 167	-
Human Settlements	-	-	-	-	-	-	-	-	-
Sub Total	5 846 659	586 126	393 337	281 284	4 585 912	-	3 018 870	2 827 788	-
SANPARKS(Kruger National Park)	-	-	-	-	-	-	-	-	-
National Department of Public Works	9 296 942	332 318	333 050	121 552	8 510 022	-	8 926 833	370 110	-
National Department of Rural Development and Land Reform	4 890 109	44 888	46 177	46 083	4 752 961	-	4 890 109	-	-
Sub Total	14 187 051	377 206	379 227	167 635	13 262 983	-	13 816 941	370 110	-
Total	20 033 710	963 332	772 564	448 919	17 848 895	-	16 835 812	3 197 898	-
SARS offices	-	-	-	-	-	-	-	-	-
Water Board/ affairs	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-
SANRAL	16 608	85	89	89	16 344	-	16 608	-	-
AND	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-
Sub Total	16 608	85	89	89	16 344	-	16 608	-	-
This Should balance to SECTION 71 Report Totals	20 050 317	963 417	772 653	449 009	17 865 238	-	16 852 420	3 197 898	-

(Source: National Local Government Database)

Table 64: Consolidated co-ordinated payments made to EHLANZENI DISTRICT municipalities

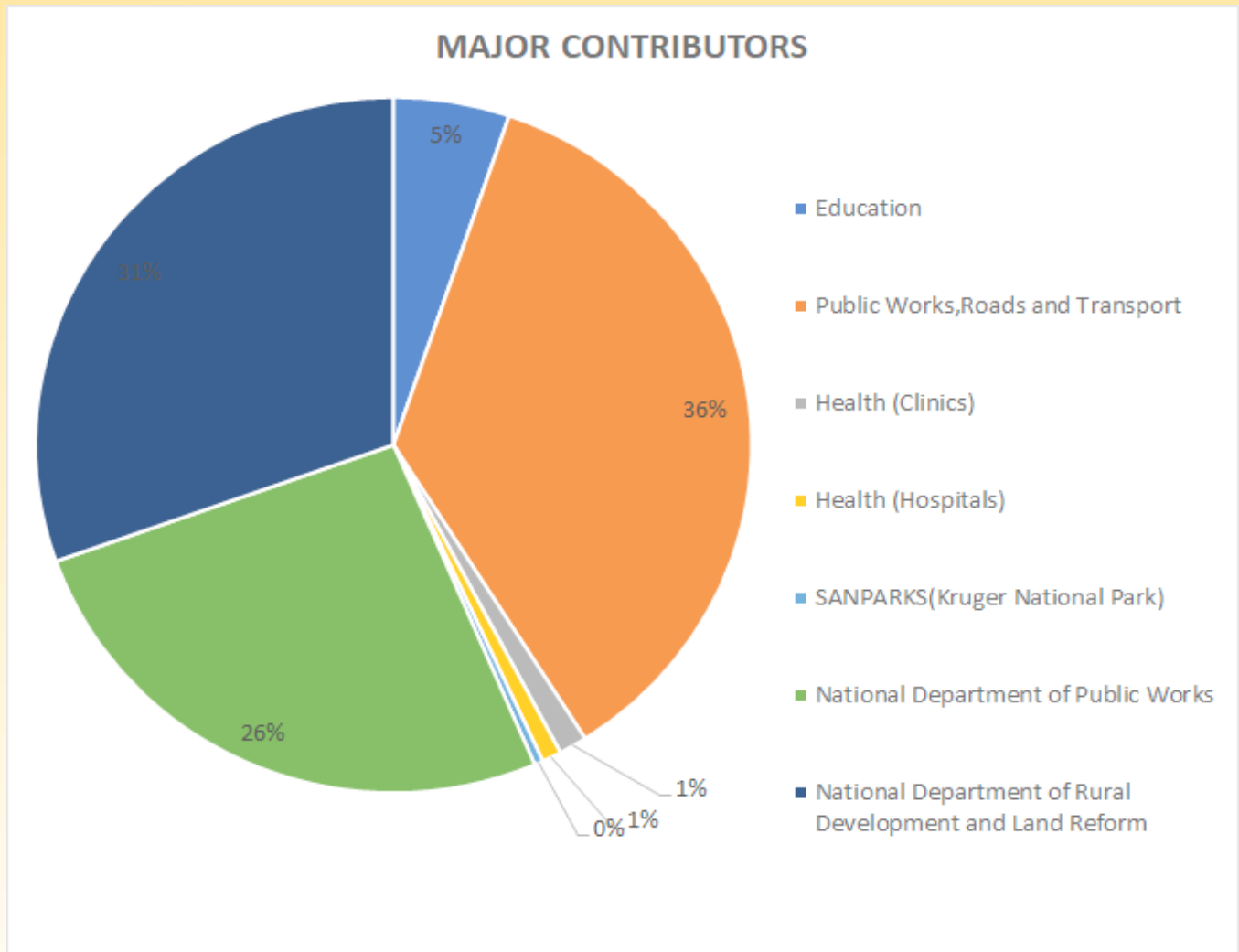
Name of Department	Total amount	0+30 Days	30 + 60 Days	60 +90 Days	90 Days and over	Payments received	Rates	Services	Interest
Office of Premier	-								
Finance	-								
Cooperative Governance and Traditional Affairs	-								
Agriculture,Rural Development Land and Environmental Affairs	7 520 468	141 035	148 419	148 215	7 082 798	(6 778)	909 998	3 393 879	3 216 591
Economic Development and Tourism	-								
Education	16 299 004	1 093 923	938 253	648 268	13 618 560	(860 895)	1 740 034	695 773	13 863 197
Public Works,Roads and Transport	28 482 071	553 485	954 156	933 107	26 041 323	(771 827)	3 440 580	12 505 140	12 536 351
Community Safety Security and Liaison	-								
Health (Clinics)	2 188 363	(142 866)	7 196	7 196	2 316 837	(1 679 957)	468 061	832 596	887 706
Health (Hospitals)	2 718 648	1 130 126	1 567 920	15 175	5 426	-	7 808	14 379	2 696 461
Culture Sport and Recreation	-								
Social Development	-								
Human Settlements	367 404	(43 256)	9 660	9 601	391 399	-	83 309	26 972	257 123
Sub Total	57 575 957	2 732 448	3 625 603	1 761 562	49 456 344	(3 319 458)	6 649 791	17 468 738	33 457 429
SANPARKS(Kruger National Park)	-								
National Department of Public Works	4 010 983	202 438	478 744	469 858	2 859 943	(474 667)	422 760	2 722 624	865 599
National Department of Rural Development and Land Reform	-								
Sub Total	4 010 983	202 438	478 744	469 858	2 859 943	(474 667)	422 760	2 722 624	865 599
Total	61 586 941	2 934 886	4 104 348	2 231 420	52 316 287	(3 794 125)	7 072 551	20 191 362	34 323 027
SARS offices	1 254 244	70 749	326 320	162 965	694 211	(138 211)	93 427	318 924	841 894
Water Board/ affairs	2 633 936	-	-	-	2 633 936	-	824 471	-	1 809 465
Transnet	6 686 846	(18 346)	885 096	187 712	4 900 292	-	1 052 894	1 003 068	4 630 885
SANRAL									
AND									
AND									
Sub Total	10 575 026	52 403	1 211 415	350 677	8 228 439	(138 211)	9 043 343	21 513 353	41 605 271
This should balance to Section71 Report Totals	72 161 967	2 987 289	5 315 763	2 582 096	60 544 726	(3 932 336)	16 115 894	41 704 715	75 928 298

(Source: National Local Government Database)

5.7.6.1 Provincial Analysis on payments made to municipalities by sector departments

Findings

- The total aggregate debt based on balance submitted by municipalities in the Province amounted to R1, 974 billion.
- The Provincial Department that reported as the highest contributor to the outstanding debt is the Provincial Department of Public Works, Roads and Transport with debt amounting to R691,6 million and the National department reported with the highest reported debt is National Department of Rural Development and Land Reform with an amount of R588,5 million.
- The major contributors to this debt are as follows:



- For the period ending June 2020 an amount of R23,6 Million was paid to municipalities in the Province.
- Provincial Treasury is concerned by late submission of monthly government debt report template by some Municipalities,
- Delays from municipalities in submission of property rates schedules to Provincial Public Works, National Public Works and National Rural Development and Land Reform
- Most municipalities are not proactive in submitting the monthly government debt report on the standard template to PT. Hence municipalities are urged to submit the information when they submit their monthly budget statement in terms of section 71 of the MFMA (10 working days after the end of each month)
- All municipalities submitted information and below are tables indicating the status of the Government Debt in all three districts for the period under review.

Recommendations

- Municipalities use standard template to report the monthly outstanding government debt and split the outstanding debt into rates, services and interest as per the template

- Municipalities proactively submit the monthly government debt report template on a monthly basis when submitting the section 71 reports.
- Municipalities also submit the signed off monthly reports by CFO and MM to certify the correctness of information.
- Municipalities promptly submit the property rates schedules to Provincial Public Works, National Public Works and National Rural Development and Land Reform
- Municipal officials maintain rapport with the officials within sector departments to promptly recover the arrear debt on monthly basis
- Departments to enter into payment agreements with municipalities;
- Elevate on a monthly basis the Government debt to the respective Department through the office of the MEC;
- Municipalities reconcile their Government debt and ensure accurate reports;

National and Provincial Interventions

- Provincial Treasury convenes quarterly Provincial Government Debt Forum with sector departments and municipalities to encourage departments to honour their debt commitments and municipalities to submit reconciled monthly debt reports.
- Provincial Treasury is urging departments to engage with municipalities at the level of Accounting Officers to try to resolve the disputes and settle all undisputed amounts

5.7.7 Submission of Annual Financial Statements for 2019/20 Financial Year

Table 65: Submission of AFS for 2019/20 FY

Name of Municipality	2018/19		Date of AFS submission to AG by the municipality	2019/20		Date of AFS submission to AG by the municipality
	Has the municipality concluded and submitted the AFS to the AG?			Has the municipality concluded and submitted the AFS to the AG?		
	Y	N		Y	N	
Chief Albert Luthuli	Yes		31/08/2019	Yes		31 October 2020
Mskaligwa	Yes		31/08/2019	Yes		31 October 2020
Mkhondo	Yes		31/08/2019	Yes		31 October 2020
Dr Pixley Ka Isaka Seme	Yes		31/08/2019	Yes		31 October 2020
Lekwa	Yes		31/08/2019	Yes		31 October 2020
Dipaleseng	Yes		31/08/2019	Yes		31 October 2020
Govan Mbeki		No		Yes		31 October 2020
Gert Sibande District	Yes		31/08/2019	Yes		31 October 2020
Victor Khanye	Yes		31/08/2019	Yes		31 October 2020
Emalaheni	Yes		31/08/2019	Yes		31 October 2020
Steve Tshwete	Yes		31/08/2019	Yes		31 October 2020
Emakhazeni	Yes		31/08/2019	Yes		31 October 2020
Thembisile Hani	Yes		31/08/2019	Yes		31 October 2020
Dr. JS Moroka		No		Yes		31 October 2020
Nkangala District	Yes		31/08/2019	Yes		31 October 2020
Bushbuckridge	Yes		31/08/2019	Yes		31 October 2020
Thaba Chweu	Yes		31/08/2019	Yes		31 October 2020
City of Mbombela	Yes		31/08/2019	Yes		31 October 2020
Nkomazi	Yes		31/08/2019	Yes		31 October 2020
Ehlanzeni District	Yes		31/08/2019	Yes		31 October 2020
Total	18	2		20	0	

(Source: AG 2019/20 Audit Outcomes)

5.7.7.1 Analysis on the preparation and submission of AFS

All municipalities met the statutory deadline of 31 October 2020 to submit the annual financial statements to the Auditor.

5.7.8 Use of consultants to prepare AFS

Table 66: Indicate municipalities that utilized consultants to prepare AFS

Name of Municipality	2018/19				2019/20			
	Did the municipality use a consultant to compile AFS?		CFO appointed		Did the municipality use a consultant to compile AFS?		CFO appointed	
	Yes	No	Yes	Acting	Yes	No	Yes	Acting
Chief Albert Luthuli		No	Yes			No	Yes	
Msukaligwa	Yes		Yes		Yes		Yes	
Mkhondo	Yes		Yes		Yes		Yes	
Dr. Pixley Ka Isaka Seme	Yes		Yes		Yes		Yes	
Lekwa	Yes			Yes	Yes			Yes
Dipaleseng		No	Yes		Yes		Yes	
Govan Mbeki		No	Yes			No	Yes	
Gert Sibande District		No	Yes			No	Yes	
Victor Khanye	Yes		Yes		Yes		Yes	
Emalahleni	Yes		Yes			No	Yes	
Steve Tshwete		No	Yes			No		Yes
Emakhazeni		No	Yes		Yes		Yes	
Thembisile Hani	Yes		Yes		Yes		Yes	
Dr.JS Moroka	Yes		Yes		Yes		Yes	
Nkangala District		No	Yes			No	Yes	
Bushbuckridge	Yes			Yes		No	Yes	
Thaba Chweu	Yes		Yes		Yes		Yes	
City of Mbombela		No	Yes			No	Yes	
Nkomazi	Yes			Yes		No	Yes	
Ehlanzeni District		No		Yes		No	Yes	
Total	11	9	16	4	10	10	18	2

(PT Consolidated Municipal Report: 2020)

5.7.8.1 Analysis on the use of consultants when preparing AFS

10 out of 20 municipalities used consultants to prepare annual financial statements in the year under review: Msukaligwa, Mkhondo, Pixley Ka Isaka Seme, Lekwa, Victor Khanye, Emakhazeni, Thembisile Hani, Dr JS Moroka, Thaba Chweu and Dipaleseng. 2 out of 20 municipalities had acting chief financial officers during 2019/20 financial year, namely: Lekwa and Steve Tshwete.

5.7.9 Timely submission of the Annual Report for the 2019/20 Financial Year

MFMA Circular 63 requires municipalities to submit the draft Annual Report together with the Annual Financial Statements by the 31st of October 2020 for auditing purposes. It should be noted that the Auditor General also audits the performance information.

Table 67: Submission of the 2019/20 Annual Report

Name of Municipality	2018/19		2019/20	
	Did the municipality submit the draft Annual Report together with the AFS to the AG by 31 August 2019?		Did the municipality submit the draft Annual Report together with the AFS to the AG by 31 October 2020?	
	Y	N	Y	N
Chief Albert Luthuli	Yes		Yes	
Msukaligwa	Yes		Yes	
Mkhondo	Yes		Yes	
Dr. Pixley Ka Isaka Seme	Yes		Yes	
Lekwa	Yes		Yes	
Dipaleseng	Yes		Yes	
Govan Mbeki		No	Yes	
Gert Sibande District	Yes		Yes	

Name of Municipality	2018/19		2019/20	
	Did the municipality submit the draft Annual Report together with the AFS to the AG by 31 August 2019?		Did the municipality submit the draft Annual Report together with the AFS to the AG by 31 October 2020?	
	Y	N	Y	N
Victor Khanye	Yes		Yes	
Emalahleni	Yes		Yes	
Steve Tshwete	Yes		Yes	
Emakhazeni	Yes		Yes	
Thembisile Hani	Yes		Yes	
Dr. JS Moroka		No	Yes	
Nkangala District	Yes		Yes	
Bushbuckridge	Yes		Yes	
Thaba Chweu	Yes		Yes	
City of Mbombela	Yes		Yes	
Nkomazi	Yes		Yes	
Ehlanzeni District	Yes		Yes	
Total	18	2	20	

(Source: AG 2019/20 Audit Outcomes)

5.7.9.1 Provincial Analysis

Findings

- All 20 municipalities submitted the unaudited 2019/20 Annual Reports together with the Annual Financial Statements by the statutory deadline of 31 October 2020.

Challenges

- None

Recommendations

- None

Interventions

- None

5.7.10% Municipal Infrastructure Grant Budget approximately spent

Table 68: MIG Expenditure patterns from Municipalities as confirmed through COGTA monitoring systems.

Municipality	2017/18			2018/19			2019/20		
	Allocations R'000	Amount spent R'000	% spent	Allocations R'000	Amount spent R'000	% spent	Allocations R'000	Amount spent R'000	% spent
Bushbuckridge	394 080	394 080	100%	365 988	365 988	100%	374 040	374 040	100%
City of Mbombela	339 939	329 232	97%	336 980	336 980	100%	333 753	333 753	100%
Nkomazi	233 857	198 778	85%	220 261	219 619	100%	225 063	225 063	100%
Thaba Chweu	48 179	46 880	97%	43 851	43 851	100%	47 382	47 382	100%
Ehlanzeni	1016 055	968 970	95%	967 080	966 438	100%	980 238	980 238	100%
Chief Albert Luthuli	88 616	88 616	100%	85 281	85 281	100%	87 072	87 072	100%
Dipaleseng	29 076	29 076	100%	35 480	35 480	100%	18 816	18 816	100%
Govan Mbeki	42 796	42 611	100%	56 651	52 981	94%	68 803	66 747	97%
Lekwa	19 293	19 293	100%	28 034	28 034	100%	28 844	28 844	100%
Mkhondo	102 215	102 215	100%	76 735	76 735	100%	78 336	78 336	100%
Msukaligwa	53 608	53 608	100%	51 669	50 154	97%	52 710	52 710	100%
Dr. Pixley Ka Isaka Seme	29 327	29 193	100%	25 956	25 115	97%	26 424	24 303	92%
Gert Sibande	364 931	364 612	100%	359 806	353 780	98%	361 005	356 828	99%
Emalahleni	110 815	110 815	100%	120 967	120 967	100%	119 975	119 975	100%
Emakhazeni	18 484	18 484	100%	19 946	19 876	100%	29 235	29 235	100%
Steve Tshwete	50 557	50 557	100%	52 240	52 240	100%	49 716	49 716	100%
Victor Khanye	25 286	25 286	100%	24 477	24 477	100%	24 912	24 912	100%
Dr. JS Moroka	132 371	132 371	100%	122 491	116 299	95%	125 111	86 314	69%
Thembisile Hani	136 562	136 562	100%	124 345	124 321	100%	123 429	123 429	100%
Nkangala	474 075	474 075	100%	464 466	458 180	99%	472 378	433 581	92%
TOTAL	1855 061	1807 657	97%	1791 352	1778 398	99%	1 813 621	1 770 647	98%

Source: Section 46 reports from municipalities

5.7.10.1 Provincial Analysis on Municipal Infrastructure Grant (MIG) Spending

Findings

- The following findings were made on the ability of municipalities to spend the MIG. In 2017/18 financial year municipalities were allocated **R1.86 billion** and were able to spend **R1.81 billion**, which was **97%** and in 2018/19 financial year, municipalities were allocated with **R1.79 billion** and **R1.78 billion, (99%)** was recorded as an expenditure as at end of June 2019. The municipal MIG allocation for 2019/20 financial year was **R1.81 billion** and an amount of **R1.77 billion (98%)** was recorded as an expenditure as at end of June 2020.
- A total of 3 municipalities were unable to spend 100% of their allocations by the end of their financial year and these were DR Pixley Ka Isaka Seme, Govan Mbeki and DR JS Moroka municipalities.

Challenge

- There was a slightly decline of performance from 99% expenditure in 2018/19 financial year to 98% in 2019/20 financial year, This was mainly caused by the delays in implementation of water and sanitation projects, which were reprioritised for implementation as an intervention to COVID 19 pandemic.

Recommendation

- Municipalities to plan ahead for infrastructure implementation.
- BID specification and BID adjudication committees to sit regularly to consider projects for contracting
- Improve contract management at municipal level.

5.8 PUBLIC PARTICIPATION

Section 152(1) (e) of the Constitution enjoins municipalities to encourage the involvement of communities and community organisations in the matters of local government. In order to formalise the involvement of the communities and community organisations in matters of local government, the Municipal structures Act 1998 (Act 117 of 1998) in terms of section 73 provides for the establishment of Ward Committees, which must have members not more than ten representative of all the community sectors within the ward. Section 74 outlines the functions of the Ward Committee to include among others making recommendations on any matter affecting its ward to the ward councillor (as the chairperson of the ward committee) or through the ward councillor to the council.

The Executive Mayors of municipalities are expected to lead community engagement programmes to attend to matters of community service delivery. However, the Speaker is expected to coordinate the functioning of all Ward Committees in each ward within the municipality in order to ensure full participation of communities in matters of governance. This section therefore analyse the performance of municipalities in putting people first through the assessment of the existence of and effectiveness of ward committees in processing community needs. Furthermore, the Department has appointed Community Development Workers in the province to assist the Ward Councillor in processing matters of service delivery in liaison with and interaction with the Ward Committees.

5.8.1 Functionality of Ward Committees

Table 69: Indicate municipalities' with functional ward committees

DISTRICT	Municipality	2017/18			2018/19			2019/20		
		No of Ward committees	No of functional ward committees	% of functional ward committees	No of Ward committees	No of functional ward committees	% of functional ward committees	No of Ward committees	No of functional ward committees	% of functional ward committees
EHLANZENI	City of Mbombela	45	35	78%	45	30	67%	45	34	75%
	Nkomazi	33	31	94%	33	02	06%	33	32	96%
	Bushbuckridge	38	35	92%	38	31	82%	38	38	100%
	Thaba Chweu	14	11	77%	14	07	50%	14	07	50%
NKANGALA	Emakhazeni	08	06	75%	08	07	88%	08	08	100%
	Steve Tshwete	29	29	100%	29	27	93%	29	23	79%
	Dr J S Moroka	31	31	100%	31	16	52%	31	02	06%
	Emalahleni	34	27	79%	34	22	65%	34	13	38%
	Thembisile Hani	32	12	38%	32	32	100%	32	32	100%
	Victor Khanye	09	09	100%	09	02	22%	09	09	100%
GERT SIBANDE	Chief Albert Luthuli	25	25	100%	25	23	92%	25	23	92%
	Msukaligwa	19	14	74%	19	18	95%	19	18	94%
	Lekwa	15	13	87%	15	11	73%	15	14	93%
	Govan Mbeki	32	19	59%	32	12	38%	32	25	78%
	Dipaleseng	06	06	100%	06	06	100%	06	06	100%
	Mkhondo	19	16	84%	19	15	79%	19	12	63%
	Dr Pixley Ka Isaka Seme	11	07	64%	11	06	55%	11	11	100%
TOTAL		400	326	81%	400	267	67%	400	307	76%

(Source: Section 46 reports from municipalities)

5.8.1.1 Analysis on Functionality of Ward Committees

Findings

The following findings were made that in 2019/20 Financial year out 400 ward committees only 307 (76%) were functional indicative of the improvement in the functionality of ward committees, in 2017/18 Financial year out 400 ward committees only 326 (81%) ward committees were functional, in 2018/19 Financial year out 400 ward committees only 267(66%) ward committees were functional and in 2019/20 Financial year out 400 ward committees only 307 (76%) ward committees were functional. The significant decline on the functionality of ward committees in the four municipalities was caused by the following, which have since been resolved:

- Lack of commitment and ineffectiveness of ward committees which has a negative impact on the functionality of Ward Committees
- Non-attendance to issues raised and lack of disciplinary steps by municipalities against those that do not adhere to ward committees code of conduct
- Failure to implement corrective measure by Municipal Speakers to councillors who fail to convene ward committee meetings or community meetings as per schedule 1 of the Municipal Systems Act.

Challenges

The non-performance and functionality of ward committees were as a result of the following reasons:

- Lack of commitment and ineffectiveness of ward committees which has a negative impact on the functionality of Ward Committees
- Non-attendance to issues raised and lack of disciplinary steps by municipalities against those that do not adhere to ward committees code of conduct

Recommendations

- Enforcement of policies and legislations that compel ward councillors to convene ward committees and community meetings.
- Ensure compliance of ward committee members to their code of conduct by the office of the Speakers

Interventions

- Capacity development was provided to non-functional ward committees
- Report back to all affected municipalities was done for support to non-functional ward committees

5.8.1.2 Community Development Workers (CDWs)

The Community Development Workers (CDWs) programme is a Presidential project announced by President Mbeki in his State of the Nation Address in February 2003 and was launched in 2004. It involves the deployment of CDWs in wards within the municipalities to assist in strengthening the democratic social contract, advocating an organized voice for the poor and improvement of government community social networks.

Community Development Workers (CDW) serve as a channel for the provision of integrated information on government services and provide a channel for ensuring that community issues are taken forward at all levels of government. Community Development Workers (CDWs) play an important role in providing linkages between local communities and government services. These workers are defined as civil servants who are passionate about serving their local communities. As such, they have vast grassroots knowledge about local conditions and serve as a valuable resource to make service delivery more effective. Communities, especially in impoverished areas, are often unaware of their basic minimum service rights related to grant applications, service cuts and school enrolments. CDWs play a crucial role in this regard, informing local communities about government services and assisting in the clearing of service delivery backlogs. This means that these workers form an important communication link between government and communities in order to mobilize their communities to become active participants in government programmes.

5.8.1.2.1 Status on the availability and performance of CDWs

Analysis on Performance of CDWs

Findings

There are 426 CDWs in the province; however there is a vacancy rate of 65. It can be recorded that all CDWs are performing their duties as expected; however in some wards CDWs have passed on and have not been replaced.

Challenges

- Failure to deal with shortage of CDWs caused by death and/or resignations
- Inadequate tools of trade such as office space, stationery, etc.

Recommendations

- The Chief Directorate Municipal Support to once again make an official request for the filling of all vacant CDW posts
- The municipality in collaboration with the department must provide the necessary tools of trade

Support interventions by Provincial government

- The Chief Directorate Municipal Support has motivated for the filling of all vacant CDW posts

5.9 ADMINISTRATIVE & INSTITUTIONAL CAPACITY

5.9.1 Institutional Development and Transformation

The Department will continue to support and monitor municipalities with respect to human capital issues with a particular focus on recruitment, selection, performance and retention of suitably qualified personnel. The Department also monitors and supports municipalities in order to ensure adherence to employment equity Act as planned targets for women, youth and people with disabilities. Municipalities are also expected to develop and approve organisational structures that are relevant to their service delivery projections, align them to their powers and functions and manage their performance on a regular basis.

Objectives of the KPA

The objectives of the KPA are to render HR support to municipalities on recruitment, capacity building, selection, retention, performance management and organisational designs.

5.9.2 Performance of Municipalities on Institutional Development

Vacancy Rate in Senior Management approved posts as of June 2020

Table 70: Vacancy Rate in Senior Management Posts as of June 2020 per District

District	2018/19						2019/20					
	Total no. Posts	Posts filled	Males	Females	Posts Vacant	% of Vacancy rate	Total no. Posts	Posts filled	Males	Females	Posts Vacant	% of Vacancy rate
Ehlanzeni	40	35	25	10	5	12%	47	42	32	10	5	11%
Gert Sibande	47	35	28	7	12	26%	38	31	17	14	7	18%
Nkangala	38	36	20	16	2	5%	40	35	23	12	5	13%
Total	125	106	73	33	19	15%	125	108	72	36	17	14%

(Source: Section 46 reports from municipalities)

5.9.2.2 Vacancy rate and filling of Section 54A & 56 Managers posts per District

Ehlanzeni District

Table 71: Vacancy Rate and Filling of 54A & 56 Managers posts

Posts	2018/19			2019/20		
	No of posts approved	No of posts filled	No of vacancies	No of posts approved	No of posts filled	No of vacancies
Municipal Manager	5	4	1	5	5	0
Deputy Municipal Manager	2	2	0	2	2	0
Secretary of council	1	1	0	1	1	0
Chief Financial Officer	5	4	1	5	5	0
Technical Services	5	5	0	5	5	0
Corporate Services	5	4	1	5	3	2
Community Services	5	5	0	5	3	2
Development and Planning	5	5	0	5	5	0
Service Centre Co-ordination	1	1	0	1	1	0
Energy Services	1	1	0	1	1	0
Water and Sanitation	1	1	0	1	1	0
Strategic Support	1	1	0	1	1	0
LED TOURISM	1	1	0	1	1	0
Public Safety	1	0	1	1	1	0
Legal Services	1	0	1	1	0	1
Total	40	35	5	40	35	5

(Source: Section 46 reports from municipalities)

Findings

In 2019/20 Ehlanzeni district had (40) approved section 54A & 56 posts, only 35 posts were filled and 5 were vacant and the vacancy rate was at 14%.

Gert Sibande

Table 72: Filling of 54A & 56 Managers

Posts	2018/19			2019/20		
	No of posts approved	No of posts filled	No of vacancies	No of posts approved	No of posts filled	No of vacancies
Municipal Manager	8	8	0	8	7	1
Chief Financial Officer	8	7	1	8	7	1
Technical	8	4	4	8	7	1
Corporate Services	8	6	2	8	7	1
Community Services	8	5	3	8	8	0
Development and Planning	7	5	2	7	6	1
TOTAL	47	35	12	47	42	5

(Source: Section 46 reports from municipalities)

Findings

In 2019/20 Gert Sibande district had 47 approved section 54A & 56 posts and fourth two 42 were filled, five 5 were vacant. The vacancy rate stood at 10.63%.

Nkangala District

Table 73: Filling of 54A & 56 Managers in Nkangala

Posts	2018/19			2019/20		
	No of posts approved	No of posts filled	No of vacancies	No of posts approved	No of posts filled	No of vacancies
Municipal Manager	7	6	1	7	6	1
Chief Financial Officer	7	7	0	7	6	1
Technical	7	7	0	7	6	1
Corporate Services	7	7	0	7	5	2
Development Planning	3	3	0	3	3	0
Community Services	6	6	0	6	4	2
Environmental waste management	1	1	0	1	1	0
TOTAL	38	37	1	38	31	7

(Source: Section 46 reports from municipalities)

Findings

Nkangala district had 38 approved section 54A & 56 posts only thirty one (31) were filled and seven (7) vacant 2019/20 financial the vacancy rate is at 18.42%.

5.9.2.3 Analysis of Performance on Institutional Development Findings

Findings

In 2019/20 there were 125 approved senior managers posts in the province of that 108 post were filled and 17 were vacant. Out of the 108 posts 36 were female and 72 male.

Challenges in the filling of vacant posts

- Municipalities are delaying the recruitment process of filling senior managers' post.

Recommendations

- Municipalities must fill vacant posts within a reasonable period.

Support interventions by National and Provincial government

- The filling of senior managers' posts must a standing item when there's MUNMEC and MUNMAN so that municipalities can give progress on the filling of vacant Senior Managers positions.
- The department supports municipalities during the selection and recruitment as and when requested.

5.9.3 Municipalities meeting employment equity targets

This indicator is solely to determine the targets that the municipalities have either successfully achieved or partly achieved, as stipulated in their employment equity plans approved by the municipal councils. It incorporates the General Key Performance Indicator prescribed by the Minister in terms of Regulation 10 (e) of the Municipal Performance Management Regulations of 2001 which reads as follows:

"Number of people employed from employment equity target groups employed in the three highest levels of management in compliance with the municipality's employment equity plan".

Table 74: Filling of 54A & 56 Managers

Districts	Municipality	2017/18		2018/19		2019/20	
		No. of Section 54A & 56 Post Approved	Females appointed in Section 54A & 56 Posts	No. of Section 54A & 56 Post Approved	Females appointed in Section 54A & 56 Posts	No. of Section 54A & 56 Post Approved	Females appointed in Section 54A & 56 Posts
	Ehlanzeni	7	2	7	2	7	2
	Thaba Chweu	6	2	6	2	6	2
	City of Mbombela	15	1	15	2	15	3
	Nkomazi	6	2	6	2	6	2
	Bushbuckridge	6	1	6	2	6	3
	TOTAL	40	8	40	10	40	12
	Gert Sibande	6	1	6	1	6	1
	Chief Albert Luthuli	6	0	6	0	6	0
	Msukaligwa	6	1	6	2	6	2
	Lekwa	6	2	6	2	6	2
	Mkhondo	6	0	6	0	6	1
	Dipaleseng	6	1	6	1	6	1
	Dr. Pixley Ka Isaka Seme	5	1	5	0	5	1
	Govan Mbeki	6	0	6	1	6	2
	TOTAL	47	6	47	7	47	10
	Nkangala	6	4	6	4	6	4
	Victor Khanye	5	2	5	2	5	2
	Emalahleni	7	2	7	3	7	3
	Steve Tshwete	5	1	5	1	5	1
	Emakhazeni	4	1	4	2	4	1
	Thembisile Hani	5	2	6	3	6	3
	Dr. JS Moroka	5	1	5	1	5	0
	TOTAL	37	13	38	16	38	14

(Source: Section 46 reports from municipalities)

5.9.3.1 Analysis of municipalities meeting employment equity targets

Findings

With regards to the compliance by municipalities with the Employment Equity Act. There has been a steady decrease in the appointment of female section 56 managers. In 2019/20 financial year there was a decrease of 17 appointed female section 56 managers compared to 33 of 2018/19. Nkangala and Ehlanzeni Districts had the lowest female appointed section 56 managers.

Challenges

Municipalities experienced the following challenge:

- Gender representation is not a priority when municipalities are filling senior managers' posts, hence there are more male senior managers as compared to female managers in municipalities.

Recommendations

- Municipalities are encouraged to comply with the Employment Equity Act and appoint female senior managers

Support interventions by National and Provincial government

- National CoGTA to ensure compliance with Employment Equity Act should form part of the Performance agreement of the municipal manager and Director Corporate services.

5.9.4 Employment of people with disabilities

Table 75: Employment of People with Disabilities

DISTRICTS	Municipality	2017/18	2018/19	2019/20
		No. of appointed people with disabilities	No. of appointed people with disabilities	No. of appointed people with disabilities
EHLANZENI	Bushbuckridge	12	12	12
	City of Mbombela	10	10	11
	Nkomazi	6	6	4
	Thaba Chweu	9	8	8
	Ehlanzeni	1	0	3
	TOTAL	38	36	38
GERT SIBANDE	Chief Albert Luthuli	2	1	1
	Dipaleseng	5	5	5
	Govan Mbeki	18	17	17
	Lekwa	3	3	2
	Mkhondo	11	11	12
	Msukaligwa	3	5	4
	Dr. Pixley Ka Isaka Seme	4	0	2
	Gert Sibande	2	2	2
	TOTAL	44	44	45
NKANGALA	Emalahleni	21	21	15
	Emakhazeni	2	2	2
	Steve Tshwete	25	27	25
	Victor Khanye	5	5	5
	Dr. JS Moroka	0	0	0
	Thembisile Hani	7	9	9
	Nkangala	3	4	4
TOTAL	65	68	60	

Source: Section 46 reports from municipalities)

5.9.4.1 Analysis on employment of people with disability

Findings

- All municipalities across the three districts for the past three financial years have been able to fill posts with people with disabilities. 143 posts were filled with people with disabilities. The top five (5) municipalities with the highest number of employees with disabilities are:
- Steve Tshwete at twenty five (25) followed by
- Govan Mbeki with 17
- Emalahleni with 15
- Bushbuckridge with 12 employees of disability
- Mkhondo with 12 and
- Dr JS Moroka municipality has performed dismally in this area with only zero (0) post designated for this group

Challenges

- Municipalities have no strategy in place to attract and recruit people with disabilities.

Recommendations

- Municipalities to develop a strategy in order to mitigate the challenge of not attracting people with disabilities.

Intervention by the National and Provincial departments

- CoGTA to share the database of people with disabilities from the Office of the Premier with Municipalities to assist them in their recruitment processes.

5.9.5 Employment of employees that are aged 35 or younger in the province

Table 76: Employees aged between 35 or younger

Districts	Municipality	2017/18			2018/19			2019/20		
		Total approved posts	No. of posts occupied by staff aged 35 & younger	% of posts occupied by staff aged 35 & younger	Total approved posts	No. of posts occupied by staff aged 35 & younger	% of posts occupied by staff aged 35 & younger	Total approved posts	No. of posts occupied by staff aged 35 & younger	% of posts occupied by staff aged 35 & younger
EHLANZENI	Bushbuckridge	1751	277	16%	1762	626	36%	1899	626	33%
	City of Mbombela	5490	380	7%	5207	438	8%	5990	347	6%
	Nkomazi	1121	435	39%	1135	436	38%	1454	435	30%
	Thaba Chweu	670	71	11%	670	127	19%	670	127	19%
	Ehlanzeni	222	35	16%	152	35	23%	248	35	14%
	TOTAL	9254	1198	13%	8926	1662	19%	10261	1570	15%
GERT SIBANDE	Chief Albert Luthuli	478	236	49%	543	128	24%	543	128	24%
	Dipaleseng	304	42	14%	306	35	11%	272	39	14%
	Govan Mbeki	2139	145	8%	2139	164	8%	2139	147	7%
	Lekwa	1034	87	8%	1034	84	8%	1055	71	7%
	Mkhondo	769	206	27%	769	266	35%	804	145	7%
	Msukaligwa	827	73	12%	1250	210	17%	1290	106	8%
	Dr. Pixley Ka Isaka Seme	375	41	9%	375	39	10%	373	43	12%
	Gert Sibande	344	150	44%	343	115	34%	392	119	30%
	TOTAL	6 270	980	16%	6759	1041	15%	6868	798	12%
NKANGALA	Emalahleni	3343	270	8%	1684	218	13%	1619	231	14%
	Emakhazeni	431	85	19%	406	78	19%	406	78	19%
	Steve Tshwete	1613	381	24%	1685	411	24%	1703	401	19%
	Victor Khanye	532	97	18%	541	124	23%	541	83	15%
	Dr. JS Moroka	986	121	12%	886	109	12%	886	109	12%
	Thembisile Hani	419	75	18%	419	77	18%	419	26	6%
	Nkangala	294	126	43%	293	126	43%	305	144	47%
	TOTAL	7 618	1 155	15%	5941	1143	19%	5879	1072	18%
GRAND TOTAL	24 142	3 333	14%	21 626	3 846	18%	23008	3440	15%	

(Source: Section 46 reports from municipalities)

5.9.5.1 Analysis on employment of people aged 35 and younger in the province

Findings

- In the 2019/20 financial year 3440 posts were filled by people aged 35 and younger across all municipalities in the province.

Challenges

- The requirement of experience even in junior positions in municipalities.
- Lack of retention strategy in retaining skilled youth.

Recommendations

- Municipalities to relax experience requirements on lower level posts.
- Municipalities to implement effective retention strategy to retain skilled youth.

Interventions by National and Provincial department

- Continuous monitoring in ensuring that skilled youth are appointed on entry level posts and are retained by municipalities

5.10 MUNICIPAL CAPACITY BUILDING

The Municipal Capacity Building Unit derives its constitutional mandate from section 155 (1) of the Constitution of the Republic of South Africa 1996, which states: *“The national and provincial governments, by legislative and other measures, must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.”* It is also the responsibility of the Unit to monitor, support and advise municipalities to prioritize matters of skills development, such as the continuous payments of the 1% total annual salaries of employees to the South African Revenue Services (SARS), which contributes to the Skills Development Levy. The skills development levy is used by municipalities to train and develop municipal employees in order to hone their skills and perform their functions better.

Capacity building is a continuous process of learning and development of one’s self, not only to perform the strategic objectives of the organization but, also about personal growth and career pathing. The Unit is charged with the responsibility to ensure that, municipal officials and councillors continuously receive skills development programmes that will contribute meaningfully to their area of work and create lifelong learning and development. All skills programmes offered to municipalities are credit bearing, this is done so as to afford officials/councillors the latitude to turn a skills programme into a full qualification if and when resources permit.

In order to plan better and ensure that all resources meant for training and development from municipalities and stakeholders are used efficiently and effectively, to avoid duplication and eliminate trainings that may be implemented for compliance purposes and, “budget dumping”, we have centralised all training programmes into the Workplace Skills Plan (WSP) which is the training plan of the municipality. All stakeholders and partners in skills development are encouraged to submit their trainings programmes to be incorporated into the WSP prior to being implemented.

The department continues to encourage and remind municipalities to utilize the budget allocation meant for skills development for that purpose, and to desist from diverting grant allocations and the municipal budget set aside for training for other purposes. Capacity building is everybody’s business in the municipality and should not be left in the hands of the Skills Development Facilitator (SDF) only, because a skilled force is a powerful and performing force and we will continue to advocate for that.

5.10.1 Integrated Capacity Building Plans Implementation

Table 77: % of Municipalities with Integrated Capacity Building Plan implemented

DISTRICT	Municipality	Management level	2017/18		2018/19		2019/20	
			Total No of staff approved for training	Total No of staff trained	Total No of staff approved for training	No. of staff trained	Total No of staff approved for training	No. of staff trained
EHLANZENI	Bushbuckridge	Councillors	76	26	30	28	30	11
		Senior Management level	6	6	38	29	11	32
		Lower level employees	115	115	281	207	144	81
		Technicians and professional	109	109	131	60	85	43
		TOTAL	306	256	480	324	270	167
	City of Mbombela	Councillors	0	0	0	0	0	0
		Senior Management level	20	14	14	11	14	13
		Lower level employees	252	247	53	53	18	18
		Technicians and professional	18	18	4	4	23	20
		TOTAL	290	279	71	68	55	51
	Thaba Chweu	Councillors	27	27	27	27	27	27
		Senior Management level	4	4	18	133	4	4
		Lower level employees	56	40	25	25	56	40
		Technicians and professional	22	22	44	44	22	22
		TOTAL	109	93	114	229	109	93
	Nkomazi	Councillors	65	60	65	10	45	45
		Senior Management level	32	32	30	30	45	45
		Lower level employees	1029	500	210	210	320	320
		Technicians and professional	59	58	35	35	45	45
		TOTAL	1185	650	340	275	455	455
Ehlanzeni District	Councillors	25	24	15	8	12	4	
	Senior Management level	40	23	29	18	14	12	
	Lower level employees	50	17	44	25	12	20	
	Technicians and professional	68	38	61	57	36	39	
	TOTAL	183	102	149	115	74	75	
GERT SIBANDE	Chief Albert Luthuli	Councillors	49	02	20	09	51	51
		Senior Management level	06	01	04	0	05	01
		Lower level employees	241	26	40	31	40	24
		Technicians and professional	147	46	0	0	10	05
		TOTAL	443	75	64	40	106	81
	Dipaleseng	Councillors	12	5	5	3	8	6
		Senior Management level	15	9	12	10	3	2
		Lower level employees	145	17	70	50	89	33
		Technicians and professional	20	14	20	3	10	4
		TOTAL	192	45	107	66	110	45
	Govan Mbeki	Councillors	63	40	62	24	52	4
		Senior Management level	35	9	0	2	5	2
		Lower level employees	990	43	350	120	501	120
		Technicians and professional	174	28	25	30	48	21
		TOTAL	1334	120	437	176	606	147

DISTRICT	Municipality	Management level	2017/18		2018/19		2019/20	
			Total No of staff approved for training	Total No of staff trained	Total No of staff approved for training	No. of staff trained	Total No of staff approved for training	No. of staff trained
GERT SIBANDE DISTRICT	Lekwa	Councillors	30	0	15	04	20	10
		Senior Management level	19	18	3	0	21	6
		Lower level employees	156	67	76	12	130	46
		Technicians and professional	44	17	7	9	26	11
		TOTAL	249	102	101	25	197	73
	Mkhondo	Councillors	38	23	38	38	38	24
		Senior Management level	26	17	27	18	33	11
		Lower level employees	338	74	332	59	360	71
		Technicians and professional	122	30	126	44	98	22
		TOTAL	528	144	523	159	529	128
	Msukaligwa	Councillors	38	19	38	16	38	13
		Senior Management level	6	01	30	24	25	9
		Lower level employees	42	06	262	32	63	32
		Technicians and professional	10	07	56	25	21	6
		TOTAL	96	33	386	97	147	60
	Dr. Pixley Ka Isaka Seme	Councillors	21	7	21	21	21	12
		Senior Management level	21	17	13	06	05	1
		Lower level employees	259	120	78	65	55	31
		Technicians and professional	4	4	09	07	22	12
		TOTAL	305	148	121	99	103	56
GERT SIBANDE DISTRICT	Councillors	19	12	0	0	0	0	
	Senior Management level	6	4	17	22	38	33	
	Lower level employees	97	72	71	42	112	65	
	Technicians and professional	126	61	92	49	13	7	
	TOTAL	248	149	180	113	202	105	

DISTRICT	Municipality	Management level	2017/18		2018/19		2019/20	
			Total No of staff approved for training	Total No of staff trained	Total No of staff approved for training	No. of staff trained	Total No of staff approved for training	No. of staff trained
NKANGALA DISTRICT	Emalahleni	Councillors	68	56	56	9	11	7
		Senior Management level	79	55	55	44	4	56
		Lower level employees	1047	350	307	174	263	238
		Technicians and professional	336	158	158	134	110	117
		TOTAL	1 530	619	576	361	388	418
	Emakha-zeni	Councillors	15	9	15	02	15	10
		Senior Management level	18	2	3	01	10	08
		Lower level employees	145	30	24	21	30	11
		Technicians and professional	102	8	36	68	20	18
		TOTAL	280	49	78	92	65	47
	Steve Tshwete	Councillors	18	01	314	13	51	0
		Senior Management level	6	10	04	06	6	31
		Lower level employees	341	183	288	161	289	180
		Technicians and professional	60	85	113	39	68	192
		TOTAL	425	279	719	218	414	403
	Victor Khanye	Councillors	17	7	17	02	01	01
		Senior Management level	4	4	9	8	18	11
		Lower level employees	166	30	98	98	47	41
		Technicians and professional	58	60	7	7	21	14
		TOTAL	245	101	131	115	87	67
	Dr. JS Moroka	Councillors	62	62	61	2	61	10
		Senior Management level	04	0	29	0	29	0
		Lower level employees	502	42	369	30	369	22
		Technicians and professional	30	11	113	3	113	6
		TOTAL	587	53	572	35	572	38
	Thembisile Hani	Councillors	64	5	20	4	30	0
		Senior Management level	6	2	4	1	4	1
		Lower level employees	274	72	49	156	98	30
Technicians and professional		102	63	40	90	67	26	
TOTAL		446	142	113	251	199	57	
NKANGALA DM	Councillors	30	12	22	20	22	2	
	Senior Management level	20	07	24	12	15	9	
	Lower level employees	120	32	97	38	115	61	
	Technicians and professional	35	19	28	11	25	10	
	TOTAL	205	70	171	81	177	82	

This focus area is in response to one of the prescribed key performance indicators in terms of the Municipal Performance Management Regulations of 2001. All municipalities are obliged to report on progress in building skills capacity to deliver according to their developmental mandate.

5.10.2 Analysis of performance on Institutional Development and Transformation

Findings

- Out of 4865 staff members approved for training In the Province, only 2648 staff members were trained in 2019/2020 financial year which is an increase when compared to the previous year.
- Out of 963 staff members planned for training in Ehlanzeni District, only 841 staff members were trained in 2019/20 compared to 1 011 which were trained in 2018/19 and this indicates a decrease of 170 in personnel trained.
- Out of 2000 staff members planned for training in Gert Sibande District, only 695 were trained in 2019/20 compared to 775 which were trained in 2018/19 and this indicates an increase of 80 in personnel trained.
- Out of 1 902 staff members planned for training in Nkangala District, only 1 112 were trained in 2019/20 compared to 1 153 which were trained in 2018/19 and this indicates a decrease of 41 in personnel trained.

Challenges

- Delays of certification or non-certification by some Service Providers.
- Non-attendance by some Senior Managers and Councillors which leads to fruitless and wasteful expenditure and the non-submission of Portfolio of Evidence.
- Slow procurement processes in procuring service providers by SCM.
- Municipalities not using the 1% budget for trainings and diversion of funds to other municipal priorities
- Municipal unrest caused the delayed on trainings.
- Late disbursement of trainings funds by LGSETA.
- Imposing trainings to municipalities by Sector Departments instead of including trainings onto the workplace skills plan (WSP's).

Recommendations

- Enforcement of consequence management such as recovering of the spent money for non-compliance
- Fast-track the SCM process.
- Municipalities to make provision for trainings in their budgets.
- The late disbursement of training funds will be raised with LGSETA
- Municipalities to implement trainings that are in their workplace skills plan (WSP's).

Interventions by National and Provincial department

- Local Government SETA continued to provide funding for accredited trainings for both councillors and officials (Mandatory grant)
- COGTA to ensure that municipalities comply to ring-fence 1% budget for trainings
- COGTA to follow up with National DCoG the upgrading of the GAP Skills Tool for Skills Tool.

5.11 IMPLEMENTATION OF PERFORMANCE MANAGEMENT SYSTEMS FRAMEWORK

EHLANZENI

Table 78: Performance Management System Implementation in Ehlanzeni District

Names of Municipality	PMS Framework developed/ reviewed and adopted by council (state date of adoption)	Analysed IDP and engaged with community	Adopted SDBIP linked to IDP?	Number of Section 57 Performance contract signed	Number of Section 57 managers with signed Performance Agreements	PMS audited by an Internal Auditor for functionality and legal compliance?	Appointed Performance Audit Committee (PAC)	Submitted council oversight reports and made public	Submitted quarterly performance report	Cascaded PMS to lower level below section 56	State reasons for non-compliance on any of these components
Bushbuckridge	Yes	Yes	Yes	6	6	Yes	Yes	Yes	Yes	Yes	None
City of Mbombela	Yes	Yes	Yes	15	15	Yes	Yes	Yes	Yes	No	Insufficient budget to cascade
Nkomazi	Yes	Yes	Yes	6	6	Yes	Yes	Yes	Yes	No	Lack of capacity to cascade PMS to lower levels
Thaba Chweu	Yes	Yes	Yes	6	6	Yes	Yes	Yes	Yes	No	No division responsible to deal with IPMS
Ehlanzeni District	Yes	Yes	Yes	7	7	Yes	Yes	Yes	Yes	Yes	None
Total	5	5	5	40	40	5	5	5	5	2	

(Source: Section 46 reports from municipalities)

Table 79: Performance Management System Implementation in Gert Sibande District

Names of Municipality	PMS Framework developed/ reviewed and adopted by council (state date of adoption)	Analysed IDP and engaged with community	Adopted SDBIP linked to IDP?	Number of Section 57 Performance contract signed	Number of Section 57 managers with signed Performance Agreements	PMS audited by an Internal Auditor for functionality and legal compliance?	Appointed Performance Audit Committee (PAC)	Submitted council oversight reports and made public	Submitted quarterly performance report	Cascaded PMS to lower level below section 56	State reasons for non-compliance on any of these components
Chief Albert Luthuli	Yes	Yes	Yes	6	6	Yes	Yes	Yes	Yes	Yes Level 4	Shortage of staff to implement PMS. There are plans to cascade to other levels and Job description have been finalised.
Dipaleseng	Yes	Yes	Yes	6	6	Yes	Yes	Yes	Yes	No	PMS Unit not fully functional, establishment of PMS Unit.
Govan Mbeki	Yes	Yes	Yes	6	6	Yes	Yes	Yes	Yes	No	Job descriptions need to be finalized for all employees before full implementation can take place. .
Lekwa	Yes	Yes	Yes	6	6	Yes	Yes	Yes	Yes	No	PMS unit understaff, there is no agreement in the municipality on how PMS Should located (between HRM and PMS Unit)
Mkhondo	Yes	Yes	Yes	6	6	Yes	Yes	Yes	Yes	No	The municipality is no longer cascading PMS (4&5) to lower levels.
Msukaligwa	Yes	Yes	Yes	7	7	No	No	Yes	Yes	No	Finalisation of Job Descriptions
Dr. Pixley Ka Isaka Seme	Yes	Yes	Yes	5	5	Yes	Yes	Yes	Yes	No	Finalisation of Job Descriptions and Lack of staff
Gert Sibande District	Yes	Yes	Yes	6	6	Yes	Yes	Yes	Yes	Yes	None
Total	8	8	8	48	48	7	7	8	8	2	

(Source: Section 46 reports from municipalities)

Table 80: Performance Management System Implementation in Nkangala District

Names of Municipality	PMS Framework developed/ reviewed and adopted by council(state date of adoption)	Analysed IDP and engaged with community	Adopted SDBIP linked to IDP?	Number of Section 57 Performance contract signed	Number of Section 57 managers with signed Performance Agreements	PMS audited by an Internal Auditor for functionality and legal compliance?	Appointed Performance Audit Committee(PAC)	Submitted council oversight reports and made public	Submitted quarterly performance report	Cascaded PMS to lower level below section 56	State reasons for non-compliance on any of these components
Emalahleni	Yes	Yes	Yes	7	7	Yes	Yes	Yes	Yes	Yes level 1-3	Shortage of staff to implement PMS to lower levels and lack of by in from staff members.
Emakhazeni	Yes	Yes	Yes	4	4	Yes	Yes	Yes	Yes	Yes Level 1-2	Shortage of staff to implement PMS to lower levels
Steve Tshwete	Yes	Yes	Yes	5	5	Yes	Yes	Yes	Yes	Yes level 1-4	The municipality is in a process of cascading down to lower levels in 3 phases
Victor Khanye	Yes	Yes	Yes	5	5	Yes	Yes	Yes	Yes	No	Shortage of staff to implement PMS to lower levels
Dr. JS Moroka	No	Yes	Yes	5	5	Yes	Yes	Yes	Yes	No	Policy in place but the municipality is struggling with the implementation due to shortage of staff both at executive management and operational level.
Thembisile Hani	Yes	Yes	Yes	5	5	Yes	Yes	Yes	Yes	No	Job evaluation process is not finalised
Nkangala District	Yes	Yes	Yes	6	6	Yes	Yes	Yes	Yes	Yes	None
Total	6	7	7	37	37	7	7	7	7	4	

(Source: Section 46 reports from municipalities)

5.11.1 Analysis on the implementation of PMS in municipalities

Findings

The following findings have been made with regard to the implementation of the PMS in municipalities in the four (4) financial years there is steady increase in the cascading of PMS to staff lower than section 54 and 56 managers. In 2016/17 financial year seven (7) municipalities, cascaded PMS to officials lower than section 54 and 56 managers. In 2017/18 Emakhazeni followed in cascading PMS up to level 1-2..and in 2018/19 Emalahleni followed in cascading PMS to level 3 bringing to 9 Municipalities cascading. In 2019/20 financial year eight (8) municipalities, cascaded PMS to officials lower than section 54 and 56 managers due to Mkhondo LM which is no longer cascading PMS to lower levels.

Challenges

- PMS not cascaded to lower levels
- There is limited resource in municipalities to perform the PMS function.
- Lack of consultation in policy development /reviewal
- Failure by other municipalities to review their PMS policies
- Some municipalities encountering problems with Rating Calculator.
- Delay in the finalisation of Job Evaluation hence job descriptions not signed in most municipalities.
- Location of Individual Performance Management System (PMS vs HR)
- Lack of process plan towards assessments (steps to follow) and lack of electronic system or automated system.

Recommendations

- Municipalities to cascade Performance Management System to lower levels.
- Municipalities to fast-track the filling of PMS vacant posts.
- Municipalities to allocate budget and establish PMS units.
- Advice municipalities to involve staff members during reviewal of the PMS Framework.
- Municipalities to develop process plan towards cascading PMS
- Municipalities must have electronic or automated system to implement PMS

Support interventions by National and Provincial government

- SALGA trained municipalities on TASK and has provided municipalities with relevant template with the development of job descriptions.
- SALGA to develop the scoring instrument for staff below section 56 managers

5.12 PARTICIPATION OF TRADITIONAL COUNCILS/LEADERS IN MUNICIPAL AFFAIRS

In terms of Section 81 of the Municipal Structures Act and Mpumalanga Traditional Leadership and Governance Act, gazetted traditional leaders are required to participate in municipal affairs including the following structures: council sittings, IDP meetings, Ward Committees and Spatial Planning etc.

Table 81: Participation of Traditional councils/leaders in Municipal affairs

No.	District	Municipality	Names of Traditional Leaders gazetted to participate in District and Local Municipalities	Traditional Council	Participation in Municipal Affairs			
					Council Sittings	IDP	Ward Committees	Spatial Planning
1.	Gert Sibande District Municipality	Albert Luthuli Local Municipality	Inkhosi Cambridge Makhosonke Dlamini (Local)	Embhuleni				
2.			Mpumelelo Bheki Mnisi (Local) (deceased)	Mantjolo			x	
3.			Inkhosi Sifiso Lucky Nkosi (Local)	Enkhoba	x			
4.			Inkhosi Teyane Philimon Nkosi (Local)	Ebutsini				
5.			Inkhosi Thulani David Nkosi (Local)	Somcuba Bhevula				
6.			Inkhosi Khokhayi Johannes Malaza (Local)	Mandlamakulu				
7.			Inkhosi Rooi Abneri Nkosi (Local)	Enikwakuyengwa				
8.			Inkhosi Samuel Mandla Mnisi (District)	Duma			x	
9.			Inkhosi Alphious Jabulani Shabalala (District)	Mandlangampisi	✓			
10.			Inkhosi Joseph Vusi Nhlapho (Local and district)	Mpsikazi	✓			
11.			Inkhosi Thandulwazi Moses Nkosi (District)	Ndlela			x	
12.		Mkhondo Local Municipality		Inkosi Thulani Bhekizizwe Mthethwa (Local)	Madabukela			
13.				Inkosi Mandla Andries Mahlobo (Local and district)	Kwa-Ndwalaza			
14.				Inkosi Bongani Vincent Yende (Local)	Mahlaphahla-pha			
15.				Inkosi Michael Themba Yende (Local and district)	Ogenyaneni	✓		
16.		Pixley Ka Seme Local Municipality		Morena Liphatoana Edward Moloj (Local and district)	Lekgoetla			x
17.	Nkangala District Municipality	Thembisile Hani Local Municipality	Ikosi Funwako Jan Mabhena (Local and District)	Manala Mbhongo	x		x	
18.			Ikosi Bongani Robert Mahlangu (Local and District)	Ndzundza Somphalali				
19.			Ikosi Vembie William Mahlangu (Local and District)	Ndzundza Fene				
20.			Ikosi Samsuswa Abraham Mabena (Local)	Manala Mgibe			x	
21.		Dr JS Moroka Local Municipality		Ikosi Siphon Etwell Mahlangu (Local and District)	Ndzundza Mabusa	x		
22.				Kgosi Ntokolo Justinus Maloka (Local and District)	Bakgatla Ba Maloka			x
23.				Kgosi Makoe Stephen Chaane (Local and District)	Bakgatla Ba Seabe			
24.				Kgosi Mamakhudu Gloria Lefifi (Local and District)	Barolong Ba Lefifi			x
25.				Kgosi Jeffrey Thlame Moepi (Local and District)	Bakgatla Ba Moepi			
26.				Ikosi Cecil Monnanyana Mahlangu (Local and District)	Bakgatla Ba Maloka			x

No.	District	Municipality	Names of Traditional Leaders gazetted to participate in District and Local Municipalities	Traditional Council	Participation in Municipal Affairs			
					Council Sitings	IDP	Ward Committees	Spatial Planning
27.	Ehlanzeni District Municipality	Bushbuckridge Local Municipality	Kgoshi Mishack Obert Mashego (Local and District)	Moreipuso			x	
28.			Kgoshi Reuben Nkotobona Chiloane (Local)	Sethlare	x			
29.			Kgoshi Abuti Lackson Chiloane (Local)	Moletele	x			
30.			Kgoshi Edwin Siphon Malele (Local and District)	Siphon Edwin Malele	x			
31.			Kgoshi Lameck Mathupa Mokoena (Local)	Mathibela				
32.			Hosi Theophilus Magwagwaza Mnisi (Local and District) (deceased)	Mnisi			x	
33.			Hosi Madala Lloddy Nkuna (Local and District)	Hoxane				
34.			Hosi Mpisana Erick Nxumalo (Local and District) (deceased)	Amashangana			x	
35.	City of Mbombela Local Municipality		Inkosi Sicela Audacious Nkosi (Local and District)	Mpakeni				x
36.			Inkosi Hlungu Richard Nkosi (Local and District)	Msogwaba				
37.			Inkosi Mbangiso Isaac Mdluli (Local and District)	Mdluli				
38.			Inkosi Tikhontele Solomon Dlamini (Local)	Lomshiyon			x	
39.			Inkosi Robert Majaji Mbuyane (Local and District)	Mbuyane	✓			
40.			Inkosi Thami Freedom Mashego (Local and District)	Masoyi	x			x
41.			Inkosi Benedict Sive Khumalo (Local and District)	Gutshwa				
42.			Inkosi Kenneth Mawa Nkosi (Local and District)	Emjindini			x	
43.	Nkomazi Local Municipality		Inkhosi Sandile Godfrey Ngomane (Local)	Hhoyi				
44.			Inkhosi Shushu Ommeck Ngomane (Local) (deceased)	Siboshwa	x		x	
45.			Inkhosi Sokelezwe Hendry Mkhathshwa (Local)	Mhlaba				
46.			Inkhosi Khulile Nomvula Mkhathshwa (Local and District)	Mawewe	x		x	
47.			Inkhosi Mandlenkosi Sibusiso Mahlalela (Local)	Mlambo				
48.			Inkhosi Sizwe Mkhulu Ngomane (Local)	Kwa-Lugedlane				
49.			Inkhosi Mduduzi Emanuel Shongwe (Local)	Matsamo				
50.	Thaba Chweu Local Municipality		Kgosi Tumelo Ephraim Mashile (Local)	Mashilane				
51.			Kgosikgadi Patricia Ngawana Mokou Mohlala (Local)	Mohlala Morudi	x	x	x	x
52.			Kgoshi Frederick Mogane (Local and District)	Mogane				x

Findings

During 2019/20 financial year, the following traditional councils/leaders were supported to participate in municipal affairs:

- Traditional leaders have been proclaimed to participate in municipal councils By provincial notice 97 of 2016, No. 2748
- 42 Traditional Leaders supported to participate in municipal councils
- 55 Traditional Councils supported to participate in the IDP processes
- 35 Traditional Councils mobilised to participate in ward committees
- 47 TCs mobilized to participate in spatial planning

Challenges

- Inconsistency of traditional leaders/councils participation in the three districts
- Non-attendance of traditional leaders in local municipalities
- Non adherence of the local municipalities in the implementation of Section 81 of the Municipal Structures Act.

Recommendations

- Non-compliant municipalities must be engaged to ensure compliance with the Section 81 of the Municipal Structures Act.

Intervention

- Mpumalanga Cogta must continuously mobilise traditional leaders/councils to participate in municipal affairs.
- Mpumalanga must encourage municipalities to comply with the Section 81 of the Municipal Structures Act.

PART C

6. SUMMARY OF FINDINGS

6.1 KEY CHALLENGES AND RECOMMENDATIONS PER KPA

Table 82: Key challenges and recommendations per Key Performance Area (KPA)

Key challenges and recommendations per Key Performance Area (KPA)					
KPA 1: Institutional Development and Transform- ation	Focal Area	District	Municipality	Challenges	Recommendations
	Filling of S57 Managers	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> ☐ Municipalities are delaying the recruitment process of filling senior managers' post. 	<ul style="list-style-type: none"> ☐ Municipalities must fill vacant posts within a reasonable period. ☐ The filling of senior managers' posts must a standing item when there's MUNMEC and MUNMAN so that municipalities can give progress on the filling of vacant Senior Managers positions.
	PMS	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> ☐ PMS not cascaded to lower levels ☐ There is limited resource in municipalities to perform the PMS function. ☐ Delay in finalisation of job Evaluation, hence Job descriptions not signed in most municipalities 	<ul style="list-style-type: none"> ☐ Municipalities to cascade Performance Management System to lower levels ☐ Municipalities to fast track the filling of all PMS vacant posts. ☐ SALGA trained municipalities on TASK and has provided municipalities with relevant template with the development of job descriptions.

Table 83: Key challenges and recommendations per Key Performance Area (KPA)

Key challenges and recommendations per Key Performance Area (KPA)					
	Focal Area	District	Municipality	Challenges	Recommendations
KPA 2: Service Delivery and Infrastruc- ture Develop- ment	Water	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> ☐ During this period only Chief Albert Luthuli LM (8%) and Dr Pixley Ka Isaka Seme LM (21%) complied with the norm of 8% which is an indication that there is poor budgeting for operations and maintenance. ☐ The lack of water master plans in municipalities remains an issue which point out the source for challenges of inadequate or under capacity bulk infrastructure (dams, reservoirs, waste water treatment works and water treatment works). 	<ul style="list-style-type: none"> ☐ Municipalities to budget for Operations & Maintenance in line with the 8% budget norm ☐ Development of water master plans, and management plans to reduce non-revenue water.
	Sanitation	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> ☐ Slow pace on the implementation of bulk infrastructure sanitation to improve connections to waterborne toilet systems. ☐ Technical capacity, in particular process controllers which are inadequate for the operation of waste water treatment works 	<ul style="list-style-type: none"> ☐ Prioritizing the implementation bulk infrastructure for sanitation to improve access to communities ☐ Appointment of qualified artisans and process controllers including capacity building in municipalities
	Electricity	Gert Sibande, Nkangala and Ehlanzeni		<ul style="list-style-type: none"> ☐ Huge Eskom debts in Govan Mbeki, Lekwa, Mkhondo, Msukaligwa, Dipaleseng, Emalahleni, Victor Khanye, Thaba Chweu, and City of Mbombela, municipalities. ☐ Illegal connections and electrical infrastructure theft remains evident and increased amidst Covid19 that affected most households economically. 	<ul style="list-style-type: none"> ☐ Development and adoption of repayment plans for Eskom debts. ☐ Development, adoption and enforcement of electricity by-law will assist municipalities in reducing illegal connections and electricity theft.

Table 84: Key challenges and recommendations per Key Performance Area (KPA)

Key challenges and recommendations per Key Performance Area (KPA)					
	Focal Area	District	Municipality	Challenges	Recommendations
KPA 3: Local Economic development	LED strategy	Gert Sibande, Ehlanzeni and Nkangala	All municipalities	<ul style="list-style-type: none"> ☐ Lack of Municipal capacity and inadequate funding often lead to the poor implementation of LED Strategies. Implementation requires good governance and internal capacity to establish partnerships with key stakeholders for the implementation of projects 	<ul style="list-style-type: none"> ☐ Municipalities should consider budgeting for the LED initiatives in line with section 153 (a) of the Constitution, “a municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community. Set aside budget for facilitating LED planning and implementation. ☐ The Municipal LED forums should be strengthened at planning & implementation through improved participation of key stakeholders including business in order to allow for joint planning, implementation and integration of identified LED Projects into the IDPs with clear annual targets and budgets

Table 85: Key challenges and recommendations per Key Performance Area (KPA)

Key challenges and recommendations per Key Performance Area (KPA)					
	Focal Area	District	Municipality	Challenges	Recommendations
KPA 4: Municipal Financial Viability and Management	Audit Outcomes	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> ☐ 3 Municipalities (Ehlanzeni, Steve Tshwete and City of Mbombela) improved from the prior year; ☐ 13 Municipalities remained unchanged from the previous year namely: Nkangala DM, Chief Albert Luthuli LM, Nkomazi LM, Bushbuckridge LM, Thembisile Hani LM, Mkhondo LM, and Emaahlani LM; Victor Kanye LM, Govan Mbeki LM, Dipaleseng LM, Lekwa LM Dr Pixley ka Isaka Seme LM. Dr JS Moroka ☐ 4 Municipalities regressed namely Msukaligwa LM, Gert Sibande DM, Emakhazeni LM, and Thaba Chweu LM 	<ul style="list-style-type: none"> ☐ Audit Action Plan Templates was developed for the 2020/21 audit findings; ☐ All municipalities have sent back completed audit action plans; ☐ Provincial Treasury to support municipalities to develop guidelines for risk management committees. ☐ Accounting officers to monitor the implementation of risk management committee recommendations. ☐ Internal Audit plans to be submit Provincial Treasury for review and feedback. ☐ Effective use of financial Intense in accordance with FMG guidelines to argument support with BTO. ☐ Political and administrative by-in to play an effective role in monitoring the implementation of Audit Action plans ☐ Municipalities to develop reduction strategies for UIF&W.
	Government debt	Gert Sibande, Nkangala and Ehlanzeni	All municipalities	<ul style="list-style-type: none"> ☐ The total aggregate debt based on balance submitted by municipalities in the Province amounted to R1, 974 billion. ☐ The Provincial Department that reported as the highest contributor to the outstanding debt is the Provincial Department of Public Works, Roads and Transport with debt amounting to R691, 6 million and the National department reported with the highest reported debt is National Department of Rural Development and Land Reform with an amount of R588, 5 million. 	<ul style="list-style-type: none"> ☐ Provincial Treasury convenes quarterly Provincial Government Debt Forum with sector departments and municipalities to encourage departments to honour their debt commitments and municipalities to submit reconciled monthly debt reports. ☐ Provincial Treasury is urging departments to engage with municipalities at the level of Accounting Officers to try to resolve the disputes and settle all undisputed amounts

Table 86: Key challenges and recommendations per Key Performance Area (KPA)

Key challenges and recommendations per Key Performance Area (KPA)					
	Focal Area	District	Municipality	Challenges	Recommendations
KPA 5: Good Governance and Public Participation	Public Participation	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> <input type="checkbox"/> Lack of commitment and ineffectiveness of ward committees which has a negative impact on the functionality of Ward Committees <input type="checkbox"/> Non-attendance to issues raised and lack of disciplinary steps by municipalities against those that do not adhere to ward committees code of conduct <input type="checkbox"/> Failure to deal with shortage of CDWs caused by death and/or resignations <input type="checkbox"/> Inadequate tools of trade such as office space, stationery, etc. 	<ul style="list-style-type: none"> <input type="checkbox"/> Enforcement of policies and legislations that compel ward councillors to convene ward committees and community meetings. <input type="checkbox"/> Ensure compliance of ward committee members to their code of conduct by the office of the Speakers <input type="checkbox"/> The Chief Directorate Municipal Support to once again make an official request for the filling of all vacant CDW posts <input type="checkbox"/> The municipality in collaboration with the department must provide the necessary tools of trade.
	Good governance	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> <input type="checkbox"/> The Department is waiting for the Amendment of the Local Municipal Structures Act which will give clarity of the Chief Whip's role since currently it's not well defined whereas the roles and responsibilities of the Speaker and the Executive Mayor are well defined in the Legislation 	<ul style="list-style-type: none"> <input type="checkbox"/> Acceleration of the Amendment of Local Government Municipal Structures Act to give effect on the role of the Chief Whip

Table 87: Key challenges and recommendations per Key Performance Area (KPA)

Key challenges and recommendations per Key Performance Area (KPA)					
	Focal Area	District	Municipality	Challenges	Recommendations
KPA 6: Cross cutting Interventions	Disaster Management	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> <input type="checkbox"/> Lack of budget <input type="checkbox"/> No reporting at all or late submission of required information ; <input type="checkbox"/> Assisted with PPEs to mitigate the spread of the pandemic; <input type="checkbox"/> Co-ordination of external interventions to prepare and counter act the pandemic. <input type="checkbox"/> Prioritising their budgets to address the devastating damages of Eloise and future budget for DRR. 	<ul style="list-style-type: none"> <input type="checkbox"/> Provision of sufficient budget to cater the challenges reflected above. <input type="checkbox"/> Covid-19 activities coordination <input type="checkbox"/> Disaster risk reduction campaign in all Municipalities <input type="checkbox"/> Implementation and monitoring of drought projects.
	SPLUMA	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> <input type="checkbox"/> The slow pace of municipalities to perform administrative tasks still remain a challenge as in some instances it is evident that SPLUMA time frames for processing of applications are exceeded. <input type="checkbox"/> The slow pace of municipalities to adopt SPLUMA LUS's accordance with the 30 June 2020 deadline stipulated in the Act. 	<ul style="list-style-type: none"> <input type="checkbox"/> COGTA in collaboration with the District continues to monitor and support Municipalities on land use management in line with SPLUMA in order to address the challenges and shortcomings
	IDP	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> <input type="checkbox"/> It should be noted that only one municipality in the Province, viz, Dr JS Moroka, was unable to adopt a process plan to guide the review of its IDP during the 2019/20 financial year. <input type="checkbox"/> The Covid-19 disruptions also affected the traditional mechanisms, processes and procedures which municipalities previously utilized in engaging communities and stakeholders on draft IDPs and budgets which are normally conducted through public gatherings in each ward of the Province. 	<ul style="list-style-type: none"> <input type="checkbox"/> The department has since appointed an administrator to run the municipality and perform constitutional obligations <input type="checkbox"/> All municipalities were required to adjust their 2020/21 reviewed IDPs in terms of Section 32 (2) of the Municipal Systems Act to address, amongst others, to consider plans to recover and respond to the effects of the Covid19 pandemic.

6.2 CONCLUSION

We acknowledge the efforts that municipalities are putting in place to accelerate and improve service delivery through MIG spending in 2019/2020 financial year. However the Department encourages municipalities to adhere to the Division of Revenue Act and the MIG Framework. The Department will in the 2021/2022 financial year assess and approve capital projects timeously to promote speedy implementation of basic service infrastructure projects aimed at enhancing the livelihood of our communities. Bulk infrastructure for water and sanitation remains a challenge faced by most municipalities as clearly reflected in the report and the Department working with the Department of Water and Sanitation will continue exploring interventions (technical and financial) to support municipalities. In addition, the Department working with the Development Bank of Southern Africa through the newly established Provincial Project Management Unit will provide the much needed support to municipalities in respect of programmes such as asset care, master planning, project preparation, revenue enhancement and spatial restructuring.

The Department is noting the poor audit outcomes of municipalities as delivered by the office of the Auditor General. The Department will in conjunction with Provincial Treasury, SALGA support municipalities who have received the disclaimed or adverse audit opinion to develop their audit action plans. These will be closely monitored in terms of section 131 of the MFMA and relevant progress report will be provided to the relevant authorities. The Department and Provincial Treasury have developed an Integrated Audit Improvement Plan to help improve the audit outcomes of municipalities. The necessary co-operation from all stakeholders, we should see an improvement in the audit outcomes.

As part of improving the department's capacity to respond to the challenges faced by municipalities, the department will re-establish the municipal finance directorate. The department will appoint a team of local government experts who can be dispatched to intervene in municipalities as and when the need arises. These experts will be qualified in financial, technical and administrative expertise.

The Department will be working closely with the Traditional Leaders to enhance and elevate the spirit of participatory democracy within the Province. The Traditional Leaders will also be supported in the implementation of the Traditional and Khoisan Leadership Act, 2019 (Act No.3 of 2019) and Customary Initiation Act, 2021 (Act No.2 of 2021).

Our district municipalities, as central role players in the coordination of the District Development Model (DDM), shall be supported by the department in the 2020/2021 financial year with the establishment of intergovernmental planning structures required to draft the One Plans which must be delivered and approved in the 2021/2022 financial year. The DDM requires the establishment of DDM Technical Teams and DDM councils across the district municipality including the province. These structures shall be the centre of coordinating service delivery efforts from various sectors including the business community.

With regards to the Covid-19 pandemic intervention, the Department working with sector Departments and social partners will continue through the Provincial Coronavirus Command Centre to coordinate and support efforts by all stakeholders in the province to mitigate the spread and transmission of the virus. This will also include disaster management campaigns across the province for the communities to adhere to the lock down regulations. The Department through the Provincial Disaster Management Centre is committed to respond to any disaster that may affect the province.

The country has seen catastrophic economic meltdown in municipalities as a result of Covid19. With the assistance of the Presidential stimulus package and all adopted economic recovery plans, the Department will in conjunction with the Department of Economic Development assist municipalities to revive their economic activity and the livelihood of communities.

The 201/20 financial year marks the fourth year of the current term of local government. In the past four years we have seen huge strides in delivering quality basic services, improving public participation, and building institutional capacity, however there still challenges with regard to improving the financial performance of municipalities, improving audit outcomes, strengthening oversight, stopping land invasions, and ensuring that suitably qualified personnel are employed.

In the 2020/21 financial we will continue to support municipalities address the challenges they are faced with. One of our key focus areas will be assisting municipalities prepare for the next local government elections. The department will provide the necessary support to the Independent Electoral Commission (IEC) to ensure free and fair elections. A Provincial Task Team will be established to oversee and ensure that all voting stations have basic services i.e., water, sanitation, network coverage and access roads.

On a quarterly basis the department monitors the performance of municipalities using the score card. We have identified some weaknesses on the score card and we will be improving it. The department strongly believes that if we have strong monitoring mechanism, we will be able to identify challenges early and put in place the correct interventions.

The Department will continue to provide the necessary support to all municipalities to discharge their functions as stated in Chapter 6 of the Constitution of the Republic of South Africa, 1996.

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