



co-operative governance  
& traditional affairs

MPUMALANGA PROVINCE  
REPUBLIC OF SOUTH AFRICA

2020/21

# MPUMALANGA SECTION 47 REPORT

CONSOLIDATED ANNUAL  
MUNICIPAL PERFORMANCE



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## i. ABBREVIATIONS

AFS	Annual Financial Statements
CDW	Community Development Worker
CWP	Community Works Programme
DBSA	Development Bank of Southern Africa
DM	District municipality
DORA	Division of Revenue Act
COGTA	Department of Cooperative Governance and Traditional Affairs
DWS	Department of Water and Sanitation
FBE	Free Basic Electricity
FBS	Free Basic Sanitation
FBW	Free Basic Water
IDP	Integrated Development Plan
IEC	Independent Electoral Commission
IGR	Intergovernmental Relations
IGRFA	Intergovernmental Relations Framework Act
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
NCBF	National Capacity Building Framework
NDP	National Development Plan
NMD	Notified Maximum Demand
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
TKLA	Traditional and Khoisan Leadership Act No.3 of 2019
URP	Urban Renewal Programme
WSA	Water Services Authority

## 1. MEC'S EXECUTIVE SUMMARY



**MR MJ MSIBI (MPL)**

**MEC: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS**

The Municipal Consolidated Performance Report shows both high and low performance in some key Performance Indicators, as well as a noticeable regression in providing basic services to our communities. The 2020/21 report is compiled in accordance with the legislative obligations imposed on the MEC for Local Government in Section 47 of the Local Government Municipal Systems Act (Act No 32 of 2000).

As a result, the Department will strengthen its obligations under Sections 154(1) and 155(6) of the Constitution of the Republic of South Africa 1996, as well as Section 105 of the Local Government Municipal Structures Act 2000. An obligation to support municipalities in managing their own affairs, exercising their powers, and carrying out their functions.

The demand in our communities for improved access to basic services such as water, sanitation, electricity, housing and roads persists. While we have made significant strides in addressing these challenges, we acknowledge that there is still much more work to be done. Many of our Municipalities are not able to meet the demands of communities for basic services. This is largely due to the population growth that is not matched by infrastructure growth and aging infrastructure. We will continue to monitor and support municipalities in expediting the implementation of these basic services.

In the 2021/22 financial year the National Department of Co-operative Governance (DCOG) did an assessment of the state of all municipalities in the country. 64 Municipalities were identified as dysfunctional of which 7 are from our Province (Lekwa, Thaba Chweu, Msukaligwa, Dipaleseng, Govan Mbeki, Dr JS Moroka and Emalaheni). Municipal Support and Intervention Plans have been developed to respond to the challenges. The Department will be providing more support to these municipalities.

In the 2021/22 financial year, the National Cabinet took a decision to intervene in Lekwa Local Municipality in accordance with Section 139(7) of the Constitution of the Republic of South Africa and Section 150 of the Local Government Municipal Finance Management Act, 2003.

In pursuit of good governance in our municipalities, the Department has also intervened in Govan Mbeki, Dr JS Moroka, and Dr Pixley Ka Isaka Seme Local Municipalities under Section 106(1) (b) of the Municipal Systems Act to investigate allegations of corruption and maladministration in order to restore public trust in government.

We are constantly working closely with the Traditional Leadership to enhance and elevate the spirit of participatory democracy within the Province, which will be strengthened by 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).

The Consolidated Municipal Annual Performance for 2020/21 can be summarised as follows:

- The Department is discharged with the responsibility of supporting all municipalities in the recruitment drive of their section 54 and 56 Managers.
- Municipal Infrastructure Grant (MIG) spending has shown improvement compared to the previous financial years. Municipalities have been able to spend 98% MIG expenditure by end of June 2021.
- Assisted Mkhondo, Bushbuckridge and Dr JS Moroka with the procurement of waste management equipment.
- The Department has noted a slight improvement in audit outcomes of municipalities as delivered by the office of the Auditor of General. In respect of district municipalities: 3 Clean Audit: Ehlanzeni DM, Nkangala DM and Gert Sibande DM; In respect of local municipalities: 1 Clean Audit (Steve Tshwete LM), 7 Unqualified with findings, 5 Qualified with findings, 1 Adverse and 3 Disclaimer opinions.
- 28 751 work opportunities were created through the Community Works Programme (CWP) in the 17 municipalities.
- All 20 Municipalities adopted their Process Plans and reviewed IDPs.
- Traditional leaders are participating in Municipal Councils in term of section 81 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998).
- Of the 400 Ward Committees, only 336 were re-constituted.

We will continue with our support plans to enable municipalities to accelerate service delivery in order to achieve responsive, accountable, effective and efficient local government.

Let's grow Mpumalanga together.

**MR MJ MSIBI (MPL)**

**MEC: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS**

**DATE:** 23/02/2023



## 2. HOD'S EXECUTIVE SUMMARY OF PERFORMANCE



**MR S NGUBANE**

**HEAD: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS**

The Section 47 of the Municipal Systems Act, 32 of 2000 gives an account of a consolidated performance of the municipalities in the 2020/21 financial year. This report highlights both improvements and challenges in access to basic services by communities of Mpumalanga.

Following the local government elections municipal councils were constituted and are meeting on a regular basis in all municipalities with some challenges in Mkhondo, Nkomazi and Msukaligwa local municipalities, however the department is continuing to provide support to resolve the challenges and restore stability to these Municipalities.

Ensuring that our municipalities employ people with requisite expertise and skills remains a priority for the department. In this regard we will continue to assist municipalities in the recruitment of section 54 and section 56 managers, as well as ensuring that they comply with relevant legislation.

The department will be re-establishing the Municipal Finance Directorate in order to strengthen municipal financial capabilities. This will enable us to provide more hands-on support and improve audit outcomes in municipalities.

Government infrastructure investment through various grants has contributed to improved access to basic services, particularly water and sanitation. The Department will continue to assist municipalities in carrying out their mandate as outlined in Section 152 of the Republic of South Africa's Constitution of 1996.

The District municipalities are critical to the coordination of the District Development Model (DDM). As a result, the department have supported the three districts in developing their District Development Model (DDM) profiles. These profiles serves as baseline data for integrated planning, budgeting, implementation and reporting across the three spheres of government through the One Plan.

To strengthen local government, Cabinet Ministers and

Deputy Ministers have been appointed to serve as District champions, working with Provincial and District political leaders to oversee all government efforts aimed at curbing the spread of the virus and saving our communities' livelihoods.

During the financial year under review, public consultations for the IDP reviews were conducted and have been subjected to evaluations after submission to the department. Thereafter, municipalities were given proposals and recommendations to consider based on the evaluations, in accordance with Section 32 of the Municipal Systems Act.

To ensure that planning is in line with current development trends and legislative requirements, the Department has initiated processes to review the SDFs of Nkangala District, Thembisile Hani, Dr JS Moroka, Victor Khanye, Emalahleini, and Emakhazeni Municipalities through the Development Bank of Southern Africa (DBSA).

The escalating debts owed by municipalities to Eskom and Department of Water and Sanitation remains a matter of great concern. Through our Intergovernmental Relations unit will continue to work with all relevant stakeholders to address this matter.

We will continue to prioritize rural communities that are still unable to access basic services and other government amenities. This will be accomplished by ensuring the development of DDM-aligned IDPs that respond directly to the needs of communities. As a result, our traditional leaders must be at the forefront of community development, with their participation in municipal planning serving the best interests of their traditional communities.

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

**MR S NGUBANE**

**HEAD: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS**

DATE: 15/02/2023

# ***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 the performance of the municipality and of each external service provider during that financial year; a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and 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 2020/21 municipal financial year.

#### 3.2 Limitations of the Report

- Delays by the Auditor General to issue Audit Report for municipalities.
- Delay in the tabling and adoption of Oversight Reports.
- Due to limited information on the Section 46 reports to compile the Section 47 report, some data was sourced from different units within the department and other government departments.
- Data for government debt was sourced from the National Local Government database
- Delay in the verification of information due to movement restrictions as well as limited human capital in municipalities due to the Covid-19 pandemic.

## 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
<b>Total</b>	<b>4 039 837</b>	<b>100</b>	<b>1 075 488</b>	<b>100</b>	<b>4 335 966</b>	<b>100</b>	<b>1 238 760</b>	<b>100</b>

(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
<b>Total</b>	<b>1 688 615</b>	<b>100</b>	<b>445 087</b>	<b>100</b>	<b>1 754 931</b>	<b>100</b>	<b>483 902</b>	<b>100</b>

(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
<b>Total</b>	<b>1 308 108</b>	<b>100</b>	<b>356 911</b>	<b>100</b>	<b>1445 624</b>	<b>100</b>	<b>421 143</b>	<b>100</b>

(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	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	83 235	8	19 838	7	85 395	7	22 546	6,8
Dipaleseng	42 390	4	12 637	5	45 232	4	14 877	4,5
<b>Total</b>	<b>1 043 194</b>	<b>100</b>	<b>273 490</b>	<b>100</b>	<b>1135 411</b>	<b>100</b>	<b>333 815</b>	<b>100</b>

(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	55 369	134 026	1
Govan Mbeki	47 983	125 480	2
Emalahleni	51 130	120 492	3
Mbombela	37 779	92 663	4
Lekwa	38 113	88 440	5
Thaba Chweu	35 795	82 534	6
Msukaligwa	31 461	82 167	7
Victor Khanye	35 281	80 239	8
Emakhazeni	36 170	72 310	9
Dr. Pixley Ka Isaka Seme	23 399	64 990	10
Dipaleseng	19 454	61 492	11
Mkhondo	26 935	53 398	12
Chief Albert Luthuli	22 832	48 790	13
Thembisile Hani	18 229	45 864	14
Nkomazi	19 195	45 731	15
Dr. JS Moroka	17 328	40 421	16
Bushbuckridge	17 041	36 569	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***  
**ANALYSIS OF MUNICIPAL KEY PERFORMANCE AREAS**

## 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 13 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 13
	City of Mbombela	Troika was functional and 18 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 11
	Nkomazi	Troika was functional and 16 meetings were held	Council is sitting as per legislation council sittings are held 12
	Thaba Chweu	Troika was functional and 14 meetings were held	Council is sitting as per legislation and special council sittings are held 16
	Ehlanzeni	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 14
	<b>District Total</b>	<b>73</b>	<b>66</b>
GERT SIBANDE	Chief Albert Luthuli	Troika was functional and 18 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 18
	Dipaleseng	Troika was functional and 11 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 13
	Govan Mbeki	Troika was functional and 14 meetings were held	Council is sitting as per legislation and special council sittings are held. 12 meetings were held
	Lekwa	Troika was functional and 07 meetings were held	Council is sitting and special sittings are held as and when there is a need. 07 meetings held
	Mkhondo	Troika was functional and 12 meetings were held	Council is sitting as per legislation and special council sittings are held 12
	Msukaligwa	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 15
	Dr. Pixley Ka Isaka Seme	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 14
	Gert Sibande	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 15
	<b>District Total</b>	<b>104</b>	<b>106</b>
NKANGALA	Dr. JS Moroka	Troika was functional and 09 meetings were held	Council has improved and sit as per legislation with special council when there is a need to. Number of meetings held is 12
	Emakhazeni	Troika was functional and 10 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 12
	Emalahleni	Troika was functional and 19 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 17
	Steve Tshwete	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 14
	Thembisile Hani	Troika was functional and 14 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 16
	Victor Khanye	Troika was functional and 08 meetings were held	Council is sitting as per legislation and special council sittings are held. Number of meetings held is 10
	<b>Nkangala District</b>	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 15
	<b>District Total</b>	<b>93</b>	<b>96</b>

(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**

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 73 Troika meetings were held altogether by the local municipalities as well as the Ehlanzeni district municipality compared to the 94 held in the previous financial year.

Although virtual meetings were still held whenever there was a need, Council sittings migrated from all round virtually to a more safely controlled sitting in the chamber by all the municipalities in this district. The total number of council meetings held is 66 compared to the 47 of the previous year.

#### **Gert Sibande District**

The number of meetings were slowly picking up as the use of virtual systems was getting popular and user friendly amongst councillors. The relationship between the office bearers is good in all the municipalities. The total number of Troika meetings held in this district were 104 and 106 council meetings held is for the year under review.

#### **Nkangala District**

In Nkangala District, Troika was functional in all its municipalities. The total number of Troika meetings held by all municipalities in this district were 93. The relationship is good.

The municipalities were slowly getting used to the virtual system of having meetings and the restrictions were relaxed to allow them to have meetings. There was an improvement with Dr JS Moroka local municipality where Council was struggling to sit previously.

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

DISTRICTS	Municipality	Functionality of Oversight Committees		
		Municipal Public Accounts Committee (MPAC)	S79 and S80 Committees	Audit Committee
EHLANZENI	Bushbuckridge	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
	City of Mbombela	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
	Nkomazi	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
	Thaba Chweu	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
	Ehlanzeni	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
GERT SIBANDE	Chief Albert Luthuli	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
	Dipaleseng	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
	Govan Mbeki	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
	Lekwa	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
	Mkhondo	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
	Msukaligwa	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
	Dr. Pixley Ka Isaka Seme	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
	Gert Sibande	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
NKANGALA	Emalahleni	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
	Emakhazeni	MPAC is functional	Section 79 and 80 committees were functional. Section 80 committee was not composed as per legislation.	Audit committee was functional
	Steve Tshwete	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
	Victor Khanye	MPAC is functional	Section 79 committees were functional but Section 80 not established	Audit committee was functional
	Dr. JS Moroka	MPAC is functional	Section 79 and 80 not adhering to schedule of their sitting	Audit committee was functional
	Thembisile Hani	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional
	Nkangala	MPAC is functional	Section 79 and 80 committees were functional	Audit committee was functional

(Source: Section 46 reports from municipalities)

### 5.1.2 Functionality of Oversight Committees

All seventeen local municipalities in the Province as well as the three district municipalities have established Section 79 committees which are functional except for the challenge in the sitting of Dr JS Moroka, who were not adhering to their sitting schedule. 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. There were some municipalities complying with their schedules and some municipalities which were not adhering to the schedule of meetings but they did manage to sit.

Municipal Public Accounts Committees have been established in all twenty municipalities. They were capacitated on their roles and responsibilities, Terms of References as well as on financial issues. The strategic partners (COGTA, SALGA, Provincial Treasury, AGSA) worked hand in hand in developing and executing the various workshops across all municipalities in the Province.

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

Emakhazeni local municipality has established both Section 79 and 80 committees but their Section 80 committees are not well composed as per the legislation, they have officials as members of their committees in their composition. 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 although there was an improvement. The Mayoral Committee in Dr JS Moroka had only two meetings which were only held during their first quarter but couldn't have meetings for the rest of the quarters.

## **Municipal Troika**

### **Findings**

The introduction of Troika Guidelines has been very effective. In 2020/2021, Municipal Troika relationship improved as they were getting used to the system of having virtual meetings. Troika Guidelines were developed to assist Troika functionality in all municipalities. They meet to discuss governance and service delivery issues. They are now aware of the issues which must be covered and thus are improving in their functionality. Instead of just having abrupt meetings, they now hold meetings and prioritise issues for discussion. In most municipalities, Troikas were sitting before Council sittings or before Mayoral Committee sittings or whenever there was an important issue that needs to be dealt with urgently.

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

- The functions of the Council Whip were not defined in the legislation, whereas the roles and responsibilities of the Speaker and the Executive Mayor were well defined in the Legislation. This used 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**

- Troika to adhere to Troika guidelines.
- Troika to submit quarterly reports to the MEC.
- Troika to adhere to the Local Government Municipal Structures Amendment Act no.03 of 2021 which clearly defines the roles and responsibilities of the Council Whip.

## **MPACs**

### **Challenges that were noted with MPACs**

- Institutional memory loss 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.
- Technical personnel dedicated (Secretary & Researcher) to MPAC and insufficient tools of trade to assist MPACs with administration
- Insufficient assistance by administration to provide reports for MPACs on stipulated time.
- Insufficient capacity building programmes for MPACs members.

### **Recommendations**

- The Local Government: Municipal Structures Amendment Act no.3 of 2021 to be applied especially in terms of Chief Whip functions and Municipal Public Accounts Committees which is now Section 79A of the Municipal Structures Act.
- On-going training on roles and responsibilities for section 79 & 80 committees and MPACs
- Municipalities to make continue using 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.
- Ongoing Capacity building programmes for MPACs.

## **Audit Committees**

### **Challenges that were noted with audit committees**

- Internal Audit units are under staffed.
- Failure to implement Audit action plans and Audit Committee resolutions by municipalities.

### **Recommendations**

- Organisational Structure to be reviewed by Municipalities to cater for Internal Audit Units.
- Continuous monitoring of the implementation of Audit action plans and Audit Committee recommendations in Municipalities by Troika.

## **Section 79 and 80 committees**

### **Challenges that were noted with Section 79 & 80 committees**

- Section 80 committees not well composed as per legislation at Emakhazeni and Victor Khanye.
- Chairpersons of Section 79 committees in other municipalities fail to adhere to their schedule of meetings due to lack of support from their administration.
- Victor Khanye Local municipality did not establish Section 80 committees they have the Section 79 committees only.

### **Recommendations**

- All the municipalities must review their 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 for COGTA and SALGA PEC to re-engage Emakhazeni Local municipality to fix the composition of section 80 committees.
- Victor Khanye Local municipality to establish Section 80 committees and be functional.

## **Support Interventions by National and Provincial government**

- 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 institutionalisation of Troika functionality in municipalities
- The information sharing platform created by National COGTA is assisting all Provinces to learn and share experiences regarding functionality of Municipal Public Accounts Committees which now includes all municipal council committees, Disclosure and Declarations, Code of Conduct and Breaches.

### 5.1.3 Anti-corruption Measures & Policies

**Table 8: Anti-Corruption prevention plans implemented**

District	Municipality	2018/19		2019/20		2020/21	
		Has council adopted the Anti-corruption Plan	Anti-Corruption Plan Compiled	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,30 MAY 2018 (BLM182/30/05/18/2017/18)	Yes	No	No	No	Yes
	City of Mbombela	No	Yes	Yes (A1 of 19 July 2019)	Yes	Yes (A12 of 30 October 2020)	Yes
	Nkomazi	No	Yes	Yes (A030,A027,A026/2019 of 19 July 2019)	Yes	Yes (NLM:SGM:A059/2021,A061/2021 ,A064/202021 of 25 June 2021)	Yes
	Thaba Chweu	No	Yes	Yes (A49/2019,A50/2019,A51/2019 of 31 July 2019)	Yes	Yes , (A116/2020 of 29 Oct 2020)	Yes
	Ehlanzeni	No	Yes	Yes (A383,A389,A391)	Yes	Yes, A 102/2021 23 September 2021	Yes
GERT SIBANDE	Chief Albert Luthuli	Yes, May 2018 (CL1.077)	Yes	Yes, item (C07/05/19R) 28 May 2019	Yes	Yes, Item CL28/05/2020) CL.49 of May 2020	Yes
	Dipaleseng	Yes,31 July 2018 (C120/07/18)	Yes	No	Yes	No	Yes
	Govan Mbeki	No	Yes	No	No	No	Yes
	Lekwa	No	Yes	No	Yes	Yes,(A53) of July 2020	Yes
	Mkhondo	Yes,30 Aug 2017 (17/08/135A)	Yes	No ,approved by RMFPC and MM 23 May 2019	Yes	Yes,(20/08/411A) of Aug 2020	Yes
	Mskaligwa	Yes, 14 Dec 2018 (LM284/12/2018)	Yes	Yes (A298 of 29 Aug 2019)	Yes	Yes,(A-467) of 30 June 2020	Yes
	Dr. Pixley Ka Isaka Seme	Yes,(A147/2018 of Oct 2018)	Yes	No	No	No	Yes
	Gert Sibande	Yes, 7 Dec 2017 (C108/12/2017 )	Yes	Yes, (56/07/2019 of 25 July 2019)	Yes	Yes,(C116/12/2020) of 3 Dec 2020	Yes
NKANGALA	Emalahleni	Yes, (A.104/18,A105/18,106/18) 28 June 2018	Yes	Yes,(A.139/20 of 20 May 2020)	Yes	Yes,(A.139/20) of 30 July 2020	Yes
	Emakhazeni	Yes,28 June 2018) (32/06/2018)37/06/2018	Yes	Yes (62/05/2019 of 30 May 2019)	Yes	Yes,(2607/2020) of 30 July 2020	Yes
	Steve Tshwete	Yes, C17/09/2017 (C49/05/2018)	Yes	No	No	Yes,(C27/03/2021) of 27 March 2021	Yes
	Victor Khanye	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	Yes,(A015,A1016,A013,A014,A012/09/2020) of 6 October 2020	Yes
	Dr. JS Moroka	Yes,16 July 2018 (R335.07.2018)	Yes	No	Yes	Yes,(465.07.2020ND) of 24 July 2020	Yes
	Thembisile Hani	Yes,28 June 2018 (TH-NDC 243/06/2018)	Yes	No	Yes	Yes,(TH-NDC 18/07/20) of 31 July 2020	Yes
	Nkangala	Yes,25 April 2018 (DM-ND304/04/2018)	Yes	Yes , Item DM-ND353/05/2019 of 29 May 2019	Yes	Yes,DM-ND323/05/2020 OF 27 May 2020	Yes

(Source: Section 46 reports from municipalities)

## Findings

In the 2020/21 financial year, the department undertook an analysis of municipal compliance with the implementation of Anti-corruption measures developed by the above twenty (20) Municipalities. The following were observed:

- That there is an improvement in terms of reviewed and adoption of Anti-Corruption Strategies and Policies in Municipalities when compared with the previous year.
- In 2019/20 (11 or 55%) and 2020/21 (16 or 80%) of 20 municipalities review and adopted their anticorruption measures by council.
- However, the following anti- corruption measures were last approved by council in 2014/15 and 2018/19 which is a serious concern:
  - 2014/15: Govan Mbeki
  - 2018/19: Dr Pixley Ka Isaka Seme, Bushbuckridge and Dipaleseng

## Challenges

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

- The following municipalities have outdated policies and strategies, Govan Mbeki, Dr Pixley Ka Isaka Seme, Bushbuckridge as well as Dipaleseng.
- Most Municipalities did not complete the anti-corruption assessment tool, which creates a challenge in completely assessing capacity and whether anti-corruption measures are implemented by municipalities.

## Recommendations

In view of the above the following were recommended:

- Municipalities to 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.
- Municipalities to annually review and approved anti- corruption measures together with the budget related policies.

## Support Interventions by National, Provincial government and other stakeholders

- In 2020/21, anti- corruption awareness was conducted at Thaba Chweu, Victor Khanye, Lekwa, Dr JS Moroka, Msukaligwa as per their request.
- The Department will continue monitoring Municipalities through the anti-corruption assessment tool to align with the Local Government Anti-Corruption Strategy and the Municipal Integrity Management Framework. The tool will also assist municipalities to assess their capacity to ensure the implementation of anti-corruption measures in general.
- The Department will monitor the implementation of the Strategy and the Framework by municipalities.
- Feedback was provided to all municipalities on the implementation of anti-corruption measures.

### 5.1.4 Intergovernmental Relations (IGR) during 2020/21 financial year

During the financial year 2020/2021, the functionality of Provincial and District political and technical IGR Structures gained traction due to the preparations towards the 2021 Local Government Elections that had to be attended to. There was an urgent need for collaboration, coordination, information sharing and resource mobilisation in order to consolidate the government-wide work that has been done over the past five years in the sector and also to create the necessary systems and conducive environment for the oncoming administration after the elections. The roles and responsibilities of the District Development Model functionaries became much more profound as they grappled with ensuring that major social, spatial, and economic challenges in our municipalities are addressed and are geared towards achieving the goals outlined in the context of Mpumalanga's Vision 2030 and in the National Development Plan.

It was during the 2020/2021 financial year that the Department emphasized to all its strategic partners that the District Development Model (DDM) is a practical Intergovernmental Relations (IGR) mechanism to enable all three spheres of government to work together with communities and stakeholders, to plan, budget and implement in unison. It was the considered view of the Department that in so doing the vexing service delivery challenges can be turned into

local level development opportunities through localised procurement and job creation which promotes and supports local businesses, and that involves communities. It was on that basis that all national and provincial departments were required to provide implementation plans and budgets that were intended to address local challenges and developmental opportunities whilst aligning with national, regional, continental and global goals and objectives.

It was on that basis that the Alignment and Harmonization of both IGR and DDM structures was conceptualised during the 2020/2021 financial year in order to minimize the disruption of programmes of political and technical champions and also to ensure that the collaboration and coordination of programmes that are pitched at a Strategic level is enhanced. The District Cluster Model was coined, supported and institutionalised in the three Districts of Gert Sibande, Nkangala and Ehlanzeni. The three Clusters of Governance and Administration, LED, Job Creation and Infrastructure. were established and Calendar of Meetings were scheduled in a manner that enhanced the participation of strategic decision-makers from National and Provincial government departments and state owned entities in all District Clusters. The finalisation of the Provincial IGR Strategic Implementation Plan is therefore critical in order to concretize this strategic collaboration and effective coordination of government-wide programmes and activities going forward.

#### 5.1.4 Effectiveness of Council Committees

**Table 9: Indicate effectiveness of Council Committees (2020/21)**

DISTRICT	Municipality	2020/21											
		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 Committee				
EHLANZENI	Bushbuckridge	Yes	Yes	Yes	13	10	32	None	None	Yes	Yes	Yes	Yes
	City of Mbombela	Yes	Yes	Yes	11	13	34	None	None	Yes	Yes	Yes	Yes
	Nkomazi	Yes	Yes	Yes	12	09	20	None	None	Yes	Yes	Yes	None
	Thaba Chweu	Yes	Yes	Yes	16	12	19	None	None	Yes	Yes	Yes	Yes
	Ehlanzeni	Yes	Yes	Yes	14	12	24	None	None	Yes	Yes	Yes	None
GERT SIBANDE	Chief Albert Luthuli	Yes	Yes	Yes	18	11	29	None	None	Yes	Yes	Yes	Yes
	Dipaleseng	Yes	Yes	Yes	13	08	18	None	None	Yes	Yes	Yes	Yes
	Govan Mbeki	Yes	Yes	Yes	12	10	23	02	None	Yes	Yes	Yes	Yes
	Lekwa	Yes	Yes	Yes	07	07	11	04	07	Yes	Yes	Yes	Yes
	Mkhondo	Yes	Yes	Yes	12	10	13	None	None	Yes	Yes	Yes	Yes
	Msukaligwa	Yes	Yes	Yes	15	12	31	None	None	Yes	Yes	Yes	Yes
	Dr Pixley Ka Isaka Seme	Yes	Yes	Yes	14	11	24	None	None	Yes	Yes	Yes	None
	Gert Sibande	Yes	Yes	Yes	15	13	27	None	None	Yes	Yes	Yes	None
NKANGALA	Emalahleni	Yes	Yes	Yes	17	15	32	None	None	Yes	Yes	Yes	None
	Emakhazeni	Yes	Yes	Yes	12	11	17	None	None	Yes	Yes	Yes	Yes
	Steve Tshwete	Yes	Yes	Yes	14	13	19	None	None	Yes	Yes	Yes	Yes
	Victor Khanye	Yes	Yes	Yes	10	08	12	None	None	Yes	Yes	Yes	Yes
	Dr. JS Moroka	Yes	Yes	Yes	12	02	07	04	09	Yes	Yes	Yes	None
	Thembisile Hani	Yes	Yes	Yes	16	12	28	None	None	Yes	Yes	Yes	Yes
	Nkangala District	Yes	Yes	Yes	15	14	27	None	None	Yes	Yes	Yes	None

(Source: COGTA Municipal Admin Reports)

#### 5.1.5 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, Lekwa, Msukaligwa, Govan Mbeki, Mkhondo, Victor Khanye, Dipaleseng, Emakhazeni, Steve Tshwete and Thembisile Hani.

**Delegations adopted**

- In the 2020/21 financial year, all 20 municipalities adopted their delegation registers.

**Roles of committees and political office bearers**

- In the 2020/21 financial year, all 20 municipalities had roles of political office bearers and committees defined.

**Code of conduct adopted for staff and councillors**

- In the 2020/21 financial year 20 municipalities had adopted the code of conduct for councillors and staff.

**Declaration of Councillors and Staff interest**

- In the 2020/21 financial year all municipalities had their councillors and staff declare their interest which is consistent to the previous financial year 2019/20.

**Challenges**

- Municipalities failing to enforce or fully implement credit control policies to councillors and officials owing municipalities still remains.
- Municipalities are not adhering to item 14 of Schedule 7 of the Municipal Structures Act, No.117 of 1998 as amended, which requires that a councillor may not be in arrears to the Municipality for rates and service charges for longer than three months.

**Recommendations**

- Municipalities to enforce credit control and debt collection policies to councillors and municipal officials who owe the municipality.
- Municipalities are advised to deduct the amount owed for services by councillors directly from their salaries on a monthly basis and submit a report to the MEC on a quarterly basis.



## 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 provides 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 2020/21 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.

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	2019/20							2020/21					
	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	195 765	94,9%	94,9%	117 999	57,2%	57,4%	206 136	195 765	95,3%	95,3%	117 999	57,4%
Bushbuckridge	136 780	127 735	93,4%	93,0%	131 410	96%	95,6%	136 780	130 538	95,0%	95,0%	131 410	95,6%
Nkomazi	103 965	87 476	84,1%	84,1%	100 667	96,8%	96,8%	103 965	88 837	85,4%	85,4%	101 387	97,5%
Thaba Chweu	37 022	35 665	96,3%	96,3%	36 740	99,2%	99,2%	37 022	35 665	96,3%	96,3%	36 740	99,2%
<b>EHLANZENI</b>	<b>483 903</b>	<b>446 641</b>	<b>92,2%</b>	<b>92,2%</b>	<b>386 816</b>	<b>79,9%</b>	<b>79,9%</b>	<b>483 903</b>	<b>450 805</b>	<b>93,2%</b>	<b>93,2%</b>	<b>387 536</b>	<b>80,1%</b>

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

#### Findings

Out of the **483 903** households in Ehlanzeni district for 2020/21 financial year, **450 805** households have access to potable water which indicates an increase by **4 164** households as compared to 2019/20 financial year. It is clear from the above table that during the period under review, there has been an increase in the number of households with access to water in Bushbuckridge and Nkomazi municipalities. The City of Mbombela and Thaba Chweu municipalities have maintained a constant figure as there were no completed water projects except for the refurbishment of the existing boreholes.

Out of **483 903** households, only **387 536** households are having access to sanitation in the 2020/21 FY compared to **386 816** households with access to sanitation in the previous financial year of 2019/20, this indicates an increase of **720** households. The Nkomazi municipality has improved access to sanitation in comparison with the 2019/20 figures whilst City of Mbombela, Bushbuckridge and Thaba Chweu municipalities have maintained their 2019 figures.

## Gert Sibande District

**Table 11: Number of households with access to Potable Water in Gert Sibande**

Municipality	2019/20							2020/21						
	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	
Govan Mbeki	108 894	107 191	98,4%	98,4%	108 168	99,3%	99,3%	108 894	108 894	100,0%	100,0%	108 168	99,3%	99,3%
Chief Albert Luthuli	53 480	43 656	81,6%	81,6%	53 480	100,0%	100,0%	53 480	48 484	90,7%	90,7%	53 480	100,0%	100,0%
Msukaligwa	51 089	48 551	95,0%	95,0%	49 935	97,7%	97,7%	51 089	48 551	95,0%	95,0%	50 592	99,0%	99,0%
Lekwa	37 334	34 987	93,7%	93,7%	36 220	97,0%	97,0%	37 334	34 987	93,7%	93,7%	36 220	97,0%	97,0%
Mkhondo	45 595	42 501	93,2%	93,2%	37 220	81,6%	81,6%	45 595	42 886	94,1%	94,1%	37 229	81,7%	81,7%
Dipaleseng	14 877	14 638	98,4%	98,4%	17 617	118,4%	118,4%	14 877	14 638	98,4%	98,4%	17 617	118,4%	118,4%
Dr Pixley Ka Isaka Seme	22 546	20 883	92,6%	92,6%	22 147	98,2%	98,2%	22 546	21 149	93,8%	93,8%	22 147	98,2%	98,2%
<b>GERT SIBANDE</b>	<b>333 815</b>	<b>312 407</b>	<b>93,6%</b>	<b>93,6%</b>	<b>324 785</b>	<b>97,3%</b>	<b>97,3%</b>	<b>333 815</b>	<b>319 589</b>	<b>95,7%</b>	<b>96,5%</b>	<b>324 820</b>	<b>97,3%</b>	<b>97,3%</b>

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

## Findings

Out of the **333 815** households in Gert Sibande District, **312 407** households had access to potable water in 2019/20 whilst in 2020/21 financial year households with access to water has improved to **319 589**. This indicates an increase of additional **7 182** households receiving access to water services.

The Govan Mbeki municipality has provided 108 894 households (100%) access to water Improvement on access to water has been realised also in Chief Albert Luthuli, Mkhondo and Dr Pixley Ka Isaka Seme municipalities.

Out of **333 815** households, a total of **324 820** households are having access to sanitation in the 2020/21 FY compared to **324 785** households with access to sanitation in the previous financial year of 2019/20. This includes the completion of the dignified sanitation services in Msukaligwa and Mkhondo municipalities. The rest of municipalities within Gert Sibande District maintained their 2019/20 figures. This is mainly due to the refurbishment and upgrade of bulk sanitation services which is to be concluded in June 2022.

## Nkangala District

**Table 12: Number of households with access to Potable Water in Nkangala**

Municipality	2019/20							2020/21						
	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	148 824	98,9%	98,9%	138 112	91,8%	91,8%	150 420	148 824	98,9%	98,9%	138 112	91,8%	91,8%
Thembisile Hani	82 740	77 972	94,2%	94,2%	80 623	97,4%	97,4%	82 740	77 972	94,2%	94,2%	80 623	97,4%	97,4%
Dr JS Moroka	62 367	57 669	92,5%	92,5%	61 599	98,8%	98,8%	62 367	57 669	92,5%	92,5%	61 599	98,8%	98,8%
Steve Tshwete	86 713	76 406	88,1%	88,1%	73 386	84,6%	84,6%	86 713	86 713	100,0%	100,0%	86 713	100,0%	100,0%
Emakhazeni	14 633	14 633	100,0%	100,0%	13 461	92,0%	92,0%	14 633	14 633	100,0%	100,0%	13 461	92,0%	92,0%
Victor Khanye	24 270	24 270	100,0%	100,0%	24 221	99,8%	99,8%	24 270	24 270	100,0%	100,0%	24 221	99,8%	99,8%
NKANGALA	421 143	399 774	94,9%	95,7%	391 402	92,9%	92,9%	421 143	410 081	97,4%	97,4%	404 729	96,1%	96,1%
<b>PRO-VINCIAL TOTAL</b>	<b>1 238 861</b>	<b>1 158 821</b>	<b>93,5%</b>	<b>94,6%</b>	<b>1 103 003</b>	<b>89,0%</b>	<b>89,0%</b>	<b>1 238 861</b>	<b>1 180 475</b>	<b>95,3%</b>	<b>95,3%</b>	<b>1 117 085</b>	<b>90,2%</b>	<b>90,2%</b>

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

### Findings

Out of the **421 143** households in Nkangala District in 2020/21 financial year, **410 081** households had access to potable water as compared to **399 774** household served with access to water in 2019/20 financial year, this indicates an increase by **10 307** households.

On sanitation services, out of the **421 143** households in the Nkangala District, **391 402** households had access to sanitation in 2019/20 financial year. In 2020/21 financial year, a total of **404 729** households has access to decent sanitation and this indicates that an additional of **13 327** households have been provided with access to sanitation services.

#### 5.2.1.2 Households with access to Free Basic Water

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

Local Municipality	2019/20				2020/21			
	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	9 348	9 348	100%	206 136	7 426	7 426	100%
Bushbuckridge	136 780	697	697	100%	136 780	2 307	2 307	100%
Nkomazi	103 965	20 986	20 986	100%	103 965	20 986	20 986	100%
Thaba Chweu	37 022	1 545	1 545	100%	37 022	2 055	2 055	100%
<b>TOTAL</b>	<b>483 903</b>	<b>32 576</b>	<b>32 576</b>	<b>100%</b>	<b>483 903</b>	<b>32 774</b>	<b>32 774</b>	<b>100%</b>

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

### Findings

The 2020/21 total number of **32 774** indigents within the Ehlanzeni district served with free basic water shows that there has been an increase on the number of indigents by **198** when compared to the 2019/20 total number of **32 576** indigents. In the City of Mbombela, there was a decrease of 1 922 indigents, which was attributed to slow registration for qualifying indigents due to the Covid-19 pandemic. In Thaba Chweu there was an increase of 510 indigents and in Bushbuckridge an increase of 1610 indigents. Only Nkomazi municipality recorded a constant figure of 20 986 indigents.

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

Local Municipality	2019/20				2020/21			
	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	11 049	11 049	100%	108 894	11 049	11 049	100%
Chief Albert Luthuli	53 480	290	290	100%	53 480	290	290	100%
Msukaligwa	51 089	6 227	6 227	100%	51 089	5 814	5 814	100%
Lekwa	37 334	3 937	3 937	100%	37 334	770	770	100%
Mkhondo	45 595	1 675	1 675	100%	45 595	1 475	1 475	100%
Dipaleseng	14 877	153	153	100%	14 877	153	153	100%
Dr Pixley Ka Isaka Seme	22 546	1 884	1 884	100%	22 546	1 248	1 248	100%
<b>TOTAL</b>	<b>333 815</b>	<b>25 215</b>	<b>25 215</b>	<b>100%</b>	<b>333 815</b>	<b>20 799</b>	<b>20 799</b>	<b>100%</b>

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

**Findings**

In 2020/21 financial year, a total of **20 799** indigents in Gert Sibande District were served with free basic water, this shows that there has been a decrease on the number of indigents by **4 416** when compared to the 2019/20 total number of **25 215** indigents. The decrease of indigents in municipalities within this district is recorded as follows: Msukaligwa (413), Lekwa (3 167), Mkhondo (200) and Dr Pixley Ka Isaka Seme (636). 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. On the other hand, Govan Mbeki, Dipaleseng and Chief Albert Luthuli municipalities maintained the constant number of indigents served in the previous financial year.

**Table 15: Status Quo on Free Basic Water in Nkangala District**

Local Municipality	2019/20				2020/21			
	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
Emalahleni	150 420	8 580	8 580	100%	150 420	5 655	5 655	100%
Thembelele Hani	82 740	56 572	56 572	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	18 538	18 538	100%	86 713	18 474	18 474	100%
Emakhazeni	14 633	3 490	3 490	100%	14 633	3 490	3 490	100%
Victor Khanye	24 270	3 583	3 583	100%	24 270	3 583	3 583	100%
<b>Total</b>	<b>421 143</b>	<b>95 157</b>	<b>95 157</b>	<b>100%</b>	<b>421 143</b>	<b>92 168</b>	<b>92 168</b>	<b>100%</b>
<b>Provincial Total</b>	<b>1 238 861</b>	<b>1 087 997</b>	<b>1 087 997</b>	<b>100%</b>	<b>1 238 861</b>	<b>145 741</b>	<b>145 741</b>	<b>100%</b>

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

**Findings**

In 2020/21 financial year, a total of **92 168** indigents in Nkangala District were served with free basic water. This shows that 100% of indigent households were served with free basic water. The performance of Nkangala district shows that there has been a decrease on the number of indigents by **2 989** when compared to the 2019/20 total number of **95 157** indigents. The decrease in Emalahleni (2 925) and Steve Tshwete (64) municipalities can be attributed to slow registration for qualifying indigents due to the Covid-19 pandemic.

### 5.2.1.3 Households with Free Basic Sanitation

**Table 16: Status Quo on Free Basic Sanitation in Ehlanzeni**

Local Municipality	2019/20				2020/21			
	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	9 348	9 348	100%	206 136	7 426	7 426	100%
Bushbuckridge	136 780	697	697	100%	136 780	2 307	2 307	100%
Nkomazi	103 965	20 986	20 986	100%	103 965	20 986	20 986	100%
Thaba Chweu	37 022	1 545	1 545	100%	37 022	2 055	2 055	100%
<b>TOTAL</b>	<b>483 903</b>	<b>32 576</b>	<b>32 576</b>	<b>100%</b>	<b>483 903</b>	<b>32 774</b>	<b>32 774</b>	<b>100%</b>

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

#### Findings

In 2020/21 financial year, a total of 32 774 indigents in Ehlanzeni District were served with free basic sanitation. This shows that 100% of indigent households were served with free basic sanitation as in 2019/20 when there were 32 576 indigents indicating an increase of 198. The increase within this district is recorded as follows: City of Mbombela has an increase of 1 922 indigents, Bushbuckridge increased by 1 610 indigents and Thaba Chweu municipality recorded an increase of 510 indigents.

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

Local Municipality	2019/20				2020/21			
	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	11 049	11 049	100%	108 894	11 049	11 049	100%
Chief Albert Luthuli	53 480	290	290	100%	53 480	290	290	100%
Msukaligwa	51 089	6 227	6 227	100%	51 089	5 814	5 814	100%
Lekwa	37 334	3 937	3 937	100%	37 334	770	770	100%
Mkhondo	45 595	1 675	1 675	100%	45 595	1 475	1 475	100%
Dipaleseng	14 877	153	153	100%	14 877	153	153	100%
Dr Pixley Ka Isaka Seme	22 546	1 884	1 884	100%	22 546	1 248	1 248	100%
<b>TOTAL</b>	<b>333 815</b>	<b>25 215</b>	<b>25 215</b>	<b>100%</b>	<b>333 815</b>	<b>20 799</b>	<b>20 799</b>	<b>100%</b>

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

#### Findings

In 2020/21 financial year, a total of **20 799** indigents in Gert Sibande District were served with free basic sanitation. In 2019/20 there were **25 215** indigent indicating a decrease of **4 416**. The decrease of indigents served with free basic sanitation across affected municipalities (Msukaligwa, Mkhondo, Lekwa, and Dr Pixley Ka Isaka Seme) is comparable with the decrease recorded in access to free basic water. The decrease can be attributed to slow registration of 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 Govan Mbeki, Chief Albert Luthuli and Dipaleseng, municipalities maintained the same number of indigents served with free basic sanitation in the 2019/20 financial year.

**Table 18: Status Quo on Free Basic Sanitation at Nkangala**

Local Municipality	2019/20				2020/21			
	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	8 580	8 580	100%	150 420	5 655	5 655	100%
Thembisile Hani	82 740	56 572	56 572	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	18 538	18 538	100%	86 713	18 474	18 474	100%
Emakhazeni	14 633	3 490	3 490	100%	14 633	3 490	3 490	100%
Victor Khanye	24 270	3 583	3 583	100%	24 270	3 583	3 583	100%
<b>Total</b>	<b>421 143</b>	<b>95 157</b>	<b>95 157</b>	<b>100%</b>	<b>421 143</b>	<b>92 168</b>	<b>92 168</b>	<b>100%</b>
<b>Provincial Total</b>	<b>1 238 861</b>	<b>152 948</b>	<b>152 948</b>	<b>100%</b>	<b>1 238 861</b>	<b>145 741</b>	<b>145 741</b>	<b>100%</b>

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

### Findings

In 2020/21 financial year, a total of **92 168** indigents in Nkangala District were served with free basic sanitation. In 2019/20, there were **95 157** indigents illustrating a decrease by **2 989** indigents. The decrease in Emalahleni (2 925) and Steve Tshwete (64) municipalities 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	2019/20				2020/21			
	Village/ Town	Number of Buckets	Project Value	Comments	Village/ Town	Number of Buckets	Project Value	Comments
Victor Khanye	Mandela Informal Settlement	49	Municipal operational budget	Municipality migrating to chemical toilet	Not applicable	Not applicable	Not applicable	Not applicable

(Source: Municipal Section 46 Report)

The municipality has completely eradicated the bucket system and has moved to chemical toilets. This is an improvement from 2019/20 financial year performance when the municipality had 49 recorded households using the bucket system. The Municipality is servicing a total of 245 chemical toilets which are emptied once a week.

#### 5.2.1.5 Households with access to Electricity Services

**Table 20: Households with access to electricity at Ehlanzeni**

Municipality	2019/20				2020/21			
	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	96,7%	96,7%	206 136	199 545	97,1%	97,1%
Bushbuckridge	136 780	136 780	100%	100%	136 780	136 780	100,0%	100,0%
Nkomazi	103 965	99 991	96,2%	96,2%	103 965	102 244	98,3%	98,3%
Thaba Chweu	37 022	33 261	89,84%	89,84%	37 022	33 622	90,8%	90,8%
<b>EHLANZENI</b>	<b>483 903</b>	<b>468 802</b>	<b>96,8%</b>	<b>96,8%</b>	<b>483 903</b>	<b>472 191</b>	<b>97,6%</b>	<b>97,6%</b>

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

## Findings

Of the **483 903** households in Ehlanzeni District, **472 191** households had access to electricity in 2020/21 financial year which indicates an increase of **3 389** compared to **468 802** households with access to electricity in the 2019/20 financial year. Improvement on households with access to electricity has been noted in the City of Mbombela, Nkomazi and Thaba Chweu municipalities.

**Table 21: Households with access to Electricity at Nkangala**

Municipality	2019/20				2020/21			
	Households Community Survey 2016	Municipal assessment report (Electricity)	%	To date	Households Community Survey 2016	Municipal assessment report (Electricity)	%	To date
Emalahleni	150 420	108 506	72,1%	72,1%	150 420	110 740	73,6%	73,6%
Thembisile Hani	82 740	80 839	97,7%	97,7%	82 740	82 169	99,3%	99,3%
Dr JS Moroka	62 367	61 858	99,2%	99,2%	62 367	61 858	99,2%	99,2%
Steve Tshwete	86 713	75 476	87,0%	87,0%	86 713	80 254	92,6%	92,6%
Emakhazeni	14 633	10 485	71,7%	71,7%	14 633	10 485	71,7%	71,7%
Victor Khanye	24 270	22 324	92,0%	92,0%	24 270	22 324	92,0%	92,0%
<b>Nkangala</b>	<b>421 143</b>	<b>359 488</b>	<b>85,4%</b>	<b>85,4%</b>	<b>421 143</b>	<b>367 830</b>	<b>87,3%</b>	<b>87,3%</b>

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

## Findings

In 2020/21 financial year, a total of **367 830** households had access to electricity. There is an addition of **8 342** households which have received access to electricity. Improvement on households with access to electricity has been noted in Emalahleni, Thembisile Hani and Steve Tshwete municipalities.

**Table 22: Households with access to electricity in Gert Sibande**

Municipality	2019/20				2020/21			
	Households Community Survey 2016	Municipal assessment report (Electricity)	%	To date	Households Community Survey 2016	Municipal assessment report (Electricity)	%	To date
Govan Mbeki	108 894	102 752	94,4%	94,4%	108 894	103 407	95,0%	95,0%
Chief Albert Luthuli	53 480	51 578	96,4%	96,4%	53 480	51 578	96,4%	96,4%
Lekwa	37 334	34 341	91,98%	91,98%	37 334	34 466	92,3%	92,3%
Mkhondo	45 595	28 568	62,7%	62,7%	45 595	39 977	87,7%	87,7%
Dipaleseng	14 877	13 827	92,94%	92,94%	14 877	13 827	92,9%	92,9%
Dr Pixley Ka Isaka Seme	22 546	20 270	89,9%	89,9%	22 546	20 585	91,3%	91,3%
Msukaligwa	51 089	45 878	89,8%	89,8%	51 089	45 975	90,0%	90,0%
<b>Gert Sibande</b>	<b>333 815</b>	<b>297 214</b>	<b>89,03%</b>	<b>89,03%</b>	<b>333 815</b>	<b>309 815</b>	<b>92,8%</b>	<b>92,8%</b>
<b>PROVINCIAL TOTAL</b>	<b>1 238 861</b>	<b>1 133 803</b>	<b>91,52%</b>	<b>91,52%</b>	<b>1 238 861</b>	<b>1 149 836</b>	<b>92,8%</b>	<b>92,8%</b>

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

## Findings

Out of the **333 815** households in Gert Sibande District in 2020/21 financial year, **309 815** households had access to electricity as compared to **297 214** households in 2019/20, this indicates an increase by **12 601** households.

Improvement on households with additional access to electricity has been noted in Govan Mbeki, Mkhondo, Lekwa, Dr Pixley Ka Isaka Seme, and Msukaligwa municipalities. Chief Albert Luthuli, and Dipaleseng municipalities maintained their access as compared to 2019/20 financial year.

### 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	2019/20				2020/21			
	Households Community Survey 2016	Municipal assessment report (Indigents)	Indigents served as of June 2020	%	Households Community Survey 2016	Section 46 reports (Indigents)	Indigents served as of June 2021	%
Govan Mbeki	108 894	11 049	11 049	100%	108 894	11 049	11 049	100%
Chief Albert Luthuli	53 480	290	290	100%	53 480	290	290	100%
Msukaligwa	51 089	6 227	6 227	100%	51 089	5 814	5 814	100%
Lekwa	37 334	3 937	3 937	100%	37 334	770	770	100%
Mkhondo	45 595	1 675	1 675	100%	45 595	1 475	1 475	100%
Dipaleseng	14 877	153	153	100%	14 877	153	153	100%
Dr Pixley Ka Isaka Seme	22 546	1 884	1 884	100%	22 546	1 248	1 248	100%
<b>Gert Sibande District</b>	<b>333 815</b>	<b>25 215</b>	<b>25 215</b>	<b>100%</b>	<b>333 815</b>	<b>20 799</b>	<b>20 799</b>	<b>100%</b>
Emalaheni	150 420	8 580	8 580	100%	150 420	5 655	5 655	100%
Thembisile Hani	82 740	56 572	56 572	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	18 538	18 538	100%	86 713	18 474	18 474	100%
Emakhazeni	14 633	3 490	3 490	100%	14 633	3 490	3 490	100%
Victor Khanye	24 270	3 583	3 583	100%	24 270	3 583	3 583	100%
<b>Nkangala District</b>	<b>421 143</b>	<b>95 157</b>	<b>95 157</b>	<b>100%</b>	<b>421 143</b>	<b>92 168</b>	<b>92 168</b>	<b>100%</b>
City of Mbombela	206 136	9 348	9 348	100%	206 136	7 426	7 426	100%
Bushbuckridge	136 780	697	697	100%	136 780	2 307	2 307	100%
Nkomazi	103 965	20 986	20 986	100%	103 965	20 986	20 986	100%
Thaba Chweu	37 022	1 545	1 545	100%	37 022	2 055	2 055	100%
<b>Ehlanzeni District</b>	<b>483 903</b>	<b>32 576</b>	<b>32 576</b>	<b>100%</b>	<b>483 903</b>	<b>32 774</b>	<b>32 774</b>	<b>100%</b>
<b>Provincial total</b>	<b>1 238 861</b>	<b>152 948</b>	<b>152 948</b>	<b>100%</b>	<b>1 238 861</b>	<b>145 741</b>	<b>145 741</b>	<b>100%</b>

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

### Findings

In 2020/21 financial year, there was a total of **145 741** indigents within the Province. **145 741** indigents were served with free basic electricity as end of June 2020/21 compared to **152 948** end of June 2019/20 financial year. This shows a decrease of **7 207** indigents in the Province. Municipalities that recorded decreases will have to improve their systems to ensure efficient and speedy consideration of applications for indigents.

### 5.2.1.7 Households with access to refuse removal

**Table 24: Households with access to refuse removal at Ehlanzeni**

Municipality	2019/20				2020/21			
	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	66 393	32,3%	32,3%	206 136	71 213	34,7%	34,7%
Bushbuckridge	136 780	34 372	25,0%	25,0%	136 780	41 980	30,7%	30,7%
Nkomazi	103 965	83 742	80,5%	80,5%	103 965	83 742	80,5%	80,5%
Thaba Chweu	37 022	11 089	30,0%	30,0%	37 022	21 048	56,9%	56,9%
<b>EHLANZENI</b>	<b>483 903</b>	<b>195 596</b>	<b>40,4%</b>	<b>40,4%</b>	<b>483 903</b>	<b>217 983</b>	<b>45,0%</b>	<b>45,0%</b>

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

### Findings

Out of the **483 903** households in Ehlanzeni District in 2020/21 financial year, **217 983** households had access to refuse removal as compared to **195 596** households in 2019/20 which indicates an increase of **22 387** households with access to refuse removal in 2020/21 financial year.

The City of Mbombela, Bushbuckridge and Thaba Chweu municipalities have improved access to refuse removal with Nkomazi municipality maintaining its access figure of **83 742** households.



**Table 25: Households with access to refuse removal at Nkangala**

Municipality	2019/20				2020/21			
	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	102 829	68,4%	68,4%	150 420	102 829	68,4%	68,4%
Thembisile Hani	82 740	32 675	39,5%	39,5%	82 740	52 641	63,6%	63,6%
Dr JS Moroka	62 367	13 561	21,7%	21,7%	62 367	13 561	21,7%	21,7%
Steve Tshwete	86 713	74 496	85,9%	85,9%	86 713	74 874	86,3%	86,3%
Emakhazeni	14 633	14 600	99,8%	99,8%	14 633	14 600	99,8%	99,8%
Victor Khanye	24 270	19 069	78,6%	78,6%	24 270	19 069	78,6%	78,6%
<b>Nkangala</b>	<b>421 143</b>	<b>252 032</b>	<b>59,84%</b>	<b>59,84%</b>	<b>421 143</b>	<b>277 574</b>	<b>65,9%</b>	<b>65,9%</b>

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

### Findings

Out of the **421 143** households in Nkangala District in 2020/21 financial year **277 574** households had access to refuse removal as compared to **252 032** households in 2019/20 which indicates an increase of **25 542** households in the 2020/21 financial year.

In 2020/21 financial year, improvement on access to refuse removal has been noted in Thembisile Hani municipality and Steve Tshwete municipality, whilst the rest of the municipalities maintained constant figures of 2019/20 financial year.

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

Municipality	2019/20				2020/21			
	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	81 150	74,5%	74,5%	108 894	81 150	74,5%	74,5%
Chief Albert Luthuli	53 480	12 909	24,1%	24,1%	53 480	13 611	25,5%	25,5%
Msuligwa	51 089	34 231	67,0%	67,0%	51 089	35 161	68,8%	68,8%
Lekwa	37 334	25 946	69,5%	69,5%	37 334	30 158	80,8%	80,8%
Mkhondo	45 595	30 726	67,4%	67,4%	45 595	30 894	67,8%	67,8%
Dipaleseng	14 877	13 624	91,6%	91,6%	14 877	13 624	91,6%	91,6%
Dr Pixley Ka Isaka Seme	22 546	20 660	91,6%	91,6%	22 546	20 660	91,6%	91,6%
<b>Gert Sibande</b>	<b>333 815</b>	<b>219 246</b>	<b>65,7%</b>	<b>65,7%</b>	<b>333 815</b>	<b>225 258</b>	<b>67,5%</b>	<b>67,5%</b>
<b>PROVINCIAL TOTAL</b>	<b>1 238 861</b>	<b>672 072</b>	<b>54,2%</b>	<b>54,2%</b>	<b>1 238 861</b>	<b>720 815</b>	<b>58,2%</b>	<b>58,2%</b>

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

### Findings

Out of the **333 815** households in Gert Sibande District in 2020/21 financial year **225 258** households had access to refuse removal as compared to **219 246** in 2019/20 which indicates an increase of **6 012** households served with access to refuse removal.

In 2020/21 financial year, improvement on access to refuse removal has been noted in Chief Albert Luthuli, Msuligwa, Lekwa and Mkhondo municipalities, whilst the rest of the municipalities maintained constant figures of 2019/20 financial year.

### 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	2019/20				2020/21			
	Households Community Survey 2016	Municipal assessment report (Indigents)	Indigents served as of June 2020	%	Households Community Survey 2016	Section 46 reports (Indigents)	Indigents served as of June 2021	%
Govan Mbeki	108 894	12 253	12 253	100%	108 894	12 253	12 253	100%
Chief Albert Luthuli	53 480	17 059	17 059	100%	53 480	17 059	17 059	100%
Msukaligwa	51 089	11 388	11 388	100%	51 089	1 475	1 475	100%
Lekwa	37 334	3 937	3 937	100%	37 334	3 937	3 937	100%
Mkhondo	45 595	442	442	100%	45 595	1 475	1 475	100%
Dipaleseng	14 877	1 071	1 071	100%	14 877	1 071	1 071	100%
Dr Pixley Ka Isaka Seme	22 546	1 880	1 880	100%	22 546	1 248	1 248	100%
<b>Gert Sibande District</b>	<b>333 815</b>	<b>48 030</b>	<b>48 030</b>	<b>100%</b>	<b>333 815</b>	<b>38 518</b>	<b>38 518</b>	<b>100%</b>
Emalahleni	150 420	9 773	9 773	100%	150 420	5 655	5 655	100%
Thembisile Hani	82 740	5 529	5 529	100%	82 740	5 529	5 529	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	10 640	10 640	100%
Emakhazeni	14 633	2 537	2 537	100%	14 633	2 537	2 537	100%
Victor Khanye	24 270	2 571	2 571	100%	24 270	2 571	2 571	100%
<b>Nkangala District</b>	<b>421 143</b>	<b>39 421</b>	<b>39 421</b>	<b>100%</b>	<b>421 143</b>	<b>31 326</b>	<b>31 326</b>	<b>100%</b>
City of Mbombela	206 136	9 348	9 348	100%	206 136	2 904	2 904	100%
Bushbuckridge	136 780	697	697	100%	136 780	2 307	2 307	100%
Nkomazi	103 965	20 986	20 986	100%	103 965	20 986	20 986	100%
Thaba Chweu	37 022	1 545	1 545	100%	37 022	2 055	2 055	100%
<b>Ehlanzeni District</b>	<b>483 903</b>	<b>32 576</b>	<b>32 576</b>	<b>100%</b>	<b>483 903</b>	<b>28 252</b>	<b>28 252</b>	<b>100%</b>
<b>Provincial total</b>	<b>1 238 861</b>	<b>152 948</b>	<b>152 948</b>	<b>100%</b>	<b>1 238 861</b>	<b>98 096</b>	<b>98 096</b>	<b>100%</b>

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

#### Findings

There was a total of **98 096** indigents of which **98 096** indigents were served with free basic refuse removal as end of June 2020/21 compared to **152 948** in the previous financial year. This shows a decrease of **54 852** 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	2019/20			2020/21		
	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	3 985	770	3 215
Bushbuckridge	4 640	374	4 266	4 640	374	4 266
Nkomazi	2 265	277.70	1 987.3	2 578	284.40	2 293.6
Thaba Chweu	582	190	392.6	556	163.40	392.6
<b>Totals</b>	<b>11 336</b>	<b>1 569.7</b>	<b>9 766.9</b>	<b>11 759</b>	<b>1 591.80</b>	<b>10 167.2</b>

(Source: Municipal Section 46 Report)

#### Findings

In 2020/21 financial year, there was a total of **11 759** Kilometres of roads at Ehlanzeni district as a whole, **1 591.80** was either tarred or paved and **10 167.20** kilometres remained gravelled.

## Gert Sibande District

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

Municipality	2019/20			2020/21		
	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	508,9	398,1
Chief Albert Luthuli	656	128	528	649	121	407
Msukaligwa	599,9	254,56	345,90	401,67	257,33	144,34
Lekwa	423	175	248	423	252	180
Mkhondo	980	554,5	425,50	982	554,50	427,50
Dipaleseng	INP	INP	INP	318,7	97	221,70
Dr. Pixley Ka Isaka Seme	278	85	193	293,54	100,54	193
<b>Totals</b>	<b>3 842,9</b>	<b>1 705,06</b>	<b>2 138,4</b>	<b>3 975,91</b>	<b>1 891,27</b>	<b>1 971,64</b>

(Source: Municipal Section 46 Report)

### Findings

In 2020/21 financial year there was a total of **3 975,91** Kilometres of roads at Gert Sibande district as a whole, **1 891,27** kilometres was either tarred or paved and, **1 971,64** kilometres remained gravelled.

## Nkangala District

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

Municipality	2019/20			2020/21		
	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	1003	426	1 429	999	430
Thembisile Hani	2520,07	250	1 892,9	2 535,17	265,4	2 269,77
Dr JS Moroka	INP	191	2 719	2910	190	2 720
Steve Tshwete	837,98	693,7	244,3	838,03	707,36	130,67
Emakhazeni	2 620,17	27,41	2 592,76	2617,36	24,6	2 592,76
Victor Khanye	345	133	250	345	132,9	212.1
<b>Totals</b>	<b>7 752,22</b>	<b>2 298,11</b>	<b>8 124,96</b>	<b>10 674,56</b>	<b>2 319,26</b>	<b>8 355,30</b>

(Source: Municipal Section 46 Report)

### Findings

In 2020/21 financial year, there was a total of **10 674,56** Kilometres of roads at Nkangala district as a whole, **2 319,26** kilometres was either tarred or paved and, **8 355,30** kilometres remained gravelled.

### Analysis of performance on Service Delivery and Infrastructure Development

- Out of the 483 903 households in Ehlanzeni district for 2020/21 financial year, 450 805 households have access to portable water which indicates an increase by 4 164 households as compared to 2019/20 financial year. There has been an increase in access to water in Bushbuckridge and Nkomazi municipalities whilst City of Mbombela and Thaba Chweu municipalities maintaining a constant figure.
- Out of 483 903 households, only 387 536 households had access to sanitation in the 2020/21 financial year compared to 386 816 households with access to sanitation in the previous financial year of 2019/20, this indicates an increase of 720 households.
- Out of the 333 815 households in Gert Sibande District, 312 407 households had access to potable water in 2019/20 whilst in 2020/21 financial year households with access to water had improved to 319 589. This indicates an increase of additional 7 182 households receiving access to water services.
- Out of 333 815 households, a total of 324 820 households had access to sanitation in the 2020/21 financial year compared to 324 785 households with access to sanitation in the previous financial year of 2019/20. This

includes the completion of the dignified sanitation services in Msukaligwa and Mkhondo municipalities. The rest of municipalities within Gert Sibande District maintained their 2019/20 figures. This is mainly due to the refurbishment and upgrade of bulk sanitation services to be completed in June 2022.

- Out of the 421 143 households in Nkangala District in 2020/21 financial year, 410 081 households had access to potable water as compared to 399 774 households served with access to water in 2019/20 financial year, this indicates an increase by 10 307 households.
- On sanitation services, out of the 421 143 households in the Nkangala District, 391 402 households had access to sanitation in 2019/20 financial year. In 2020/21 financial year, a total of 404 729 households had access to decent sanitation and this indicates that an additional of 13 327 households have been provided with access to sanitation services.
- The 2020/21 total number of 32 774 indigents within the Ehlanzeni district served with free basic water shows that there has been an increase on the number of indigents by 198 when compared to the 2019/20 total number of 32 576 indigents. In the City of Mbombela municipality, there was a decrease of 1 922 indigents, which was attributed to slow registration for qualifying indigents due to the Covid-19 pandemic. In Thaba Chweu municipality there was an increase of 510 indigents whilst Bushbuckridge municipality an increase of 1 610 indigents was recorded. Only Nkomazi municipality recorded a constant figure of 20 986 indigents.
- In 2020/21 financial year, a total of **20 799** indigents in Gert Sibande District were served with free basic water, this shows that there has been a decrease on the number of indigents by **4 416** when compared to the 2019/20 total number of **25 215** indigents. The decrease of indigents in municipalities within this district is recorded as follows: Msukaligwa (413), Lekwa (3 167), Mkhondo (200) and Dr Pixley Ka Isaka Seme (636). The decrease can be attributed to slow registration for qualifying indigents due to the Covid-19 pandemic.
- In 2020/21 financial year, a total of **92 168** indigents in Nkangala District were served with free basic water. This shows that 100% of indigent households were served with free basic water. The performance of the Nkangala district shows that there has been a decrease on the number of indigents by 2 989 when compared to the 2019/20 total number of **95 157** indigents. The decrease in Emalahleni (2 925) and Steve Tshwete (64) municipalities can be attributed to slow registration for qualifying indigents due to the Covid-19 pandemic.
- In 2020/21 financial year, a total of 32 774 indigents in Ehlanzeni District were served with free basic sanitation. This shows that 100% of indigent households were served with free basic sanitation as in 2019/20 when there were 32 576 indigents indicating an increase of 198.
- In 2020/21 financial year, a total of **20 799** indigents in Gert Sibande District were served with free basic sanitation. In 2019/20 financial year there were 25 **215** indigents indicating a decrease of **4 416**.
- In 2020/21 financial year, a total of **92 168** indigents in Nkangala District were served with free basic sanitation. In 2019/20 financial year, there were **95 157** indigents illustrating a decrease by **2 989** indigents.
- The Victor Khanye municipality has completely eradicated the bucket system and has moved to chemical toilets. A total of 245 chemical toilets are emptied once a week.
- Of the 483 903 households in Ehlanzeni District, **472 191** households had access to electricity in 2020/21 financial year which indicates an increase of **3 389** compared to 468 802 households with access to electricity in the 2019/20 financial year.
- In 2020/21 financial year, a total of **367 830** households had access to electricity. There is an addition of **8 342** households which have received access to electricity. Improvement on households with access to electricity has been noted in Emalahleni, Thembisile Hani and Steve Tshwete municipalities.
- Out of the 333 815 households in Gert Sibande District in 2020/21 financial year, 309 815 households had access to electricity as compared to 297 214 households in 2019/20, this indicates an increase by 12 601 households.
- In 2020/21 financial year, there was a total of **145 741** indigents within the Province. **145 741** indigents were served with free basic electricity as end of June 2020/21 compared to **152 948** end of June 2019/20 financial year. This shows a decrease of **7 207** indigents in the Province. Municipalities that recorded decreases will have to improve their systems to ensure efficient and speedy consideration of applications for indigents.
- Out of the 483 903 households in Ehlanzeni District in 2020/21 financial year, 217 983 households had access to refuse removal as compared to 195 596 households in 2019/20 which indicates an increase of 22 387 households with access to refuse removal in 2020/21 financial year.
- Out of the 421 143 households in Nkangala District in 2020/21 financial year 277 574 households had access to refuse removal as compared to 252 032 households in 2019/20 which indicates an increase of 25 542 households in the 2020/21 financial year.
- In 2020/21 financial year, improvement on access to refuse removal has been noted in Thembisile Hani and Steve Tshwete municipalities, whilst the rest of the municipalities maintained constant figures of 2019/20 financial year.

- Out of the 333 815 households in Gert Sibande District in 2020/21 financial year 225 258 households had access to refuse removal as compared to 219 246 in 2019/20 which indicates an increase of 6 012 households served with access to refuse removal during the 2020/21 financial year.
- In 2020/21 financial year, there was a total of **10 674,56** Kilometres of roads at Nkangala district as a whole, **2 319,26** kilometres was either tarred or paved and, **8 355,30** kilometres remained gravelled
- In 2020/21 financial year there was a total of **3 975,91** Kilometres of roads at Gert Sibande district as a whole, **1 891,27** kilometres was either tarred or paved and **1 971,64** kilometres remained gravelled.
- In 2020/21 financial year, there was a total of **11 759** Kilometres of roads at Ehlanzeni district as a whole, **1 591,8** was either tarred or paved and **10 167,2** kilometres remained gravelled.

#### **Challenges on access to water**

- Lack of water master plans in municipalities
- Aged infrastructure resulting in collapsing infrastructure system
- Vandalism of the existing infrastructure, drilling of pipes during illegal connections resulting in excessive water distribution losses.
- Inconsistent water supply due to limited bulk infrastructure and pipe leakages in the network.
- Inadequate budget to maintain and repair the assets as required by Treasury (8% of total assets be utilised for repairs and maintenance).
- Lack of technical capacity in municipalities as evidenced by poor infrastructure planning and implementation of infrastructure projects.

#### **Recommendations on water**

- Development of water master plans, and management plans to reduce non-revenue water.
- Municipalities to enforce their by-laws to curb illegal connections and improve security of infrastructure to prevent vandalism and theft.
- Appointment of qualified artisans and process controllers including capacity building in municipalities
- Municipalities to budget for Operations & Maintenance in line with the 8% budget norm.

#### **Water Interventions**

- COGTA is intervening in terms of project preparation, master planning, asset care, revenue enhancement to improve planning, implementation and maintenance of water infrastructure.
- Municipal project managers are supported to improve performance on the implementation infrastructure projects funded through various grants (MIG, IUDG, RBIG and WSIG).

#### **Challenges on access to Sanitation**

- Slow pace on the implementation of bulk infrastructure for sanitation to improve connections to waterborne toilet systems.
- Sewer spillages and overflowing of Waste Water Treatment Works remains a challenge in Govan Mbeki, Msukaligwa, Lekwa, Emalahleni (Industrial Park) and Dr Pixley Ka Isaka Seme (in Amersfoort).
- Inadequate allocation of operations and maintenance budgets to sustain existing infrastructure.
- Technical capacity, in particular process controllers which are inadequate for the operation of Waste Water Treatment Works

#### **Recommendations on sanitation**

- Prioritizing the implementation of 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 budget adequately 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**

- High Eskom debts in Govan Mbeki, Lekwa, Mkhondo, Msukaligwa and Dipaleseng, Emalahleni, Victor Khanye, Thaba Chweu, and City of Mbombela municipalities.
- Demand for electricity is above the allocated notified maximum demand.
- Scourge of illegal connections and damage to electrical infrastructure.

### **Recommendations on Electricity**

- Development and adoption of repayment plans for Eskom debts
- Development of Electricity Master Plans to proactively address future demand capacity for electricity bulk infrastructure systems
- COGTA supported by Treasury to continue to play a reconciliatory role between ESKOM and municipalities.
- Development, adoption and enforcement of electricity by-law will assist municipalities in reducing illegal connections and electricity theft.

### **Electricity Interventions**

- Eskom, COGTA, Provincial Treasury and municipalities to continue supporting municipalities on the reduction of Eskom debt.
- Repayments Agreements have been developed and signed with ESKOM. Both CoGTA and Provincial Treasury are monitoring adherence and its full implementation on a quarterly basis.
- Revenue enhancement and credit control plans have been developed and are both currently being implemented and monitored to ensure implementation.
- LMs are being advised to consider the installation of pre-paid and smart metering systems to improve revenue collections.
- 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**

- Lack of prioritization of waste management interventions by municipalities.
- 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**

- Implementation and enforcement of Integrated Waste Management Plans and By-laws.
- Municipalities to allocate budget through the MIG Programme for the purchase of fleet waste management fleet to increase access to waste removal.

### **Interventions of access to refuse removal**

COGTA has reviewed the MIG Policy Framework to allow for 1% to be set aside for waste management fleet. Furthermore, the department is implementing the Youth Waste Management and Community Work Programme (CWP) to address issues of Waste Management.

### 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 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.

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 Provincial Spatial Development Framework (PSDF) in March 2019, which was approved by the Executive Council in September 2019. 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 it was *gazetted* in March 2020, resulting in the development of the Provincial Human Settlement Master Plan and the preparation of a Regional Spatial Development Framework currently in progress which will cut across various municipalities in the province.

Land use management seeks to ensure that the spatial plans developed, to achieve specific spatial objectives, are realised through land use regulation. Instruments in SPLUMA used in land use management mainly include land use schemes (LUS) and decision making structures (authorised official, planning tribunal and appeals authority) as well as the processing of applications to these structures by municipalities and enforcement of the LUS.

**Table 31: Indicate municipalities with approved SDFs**

DISTRICT	Municipality	2018/19			2019/20			2020/21		
		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 Spatial Development Frameworks (SDFs) approved, submitted and implemented 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 will be supporting the review of the SDFs of Nkangala and Gert Sibande District Municipalities and Dr JS Moroka, Thembisile Hani, Emakhazeni, Victor Khanye, Emalahleni, Govan Mbeki and Thaba Chweu Local Municipalities.

### Challenges

The following challenges were recorded:

- The non-alignment of Infrastructure Master Plans to Priority Development Areas identified in SDFs;
- The incremental introduction and implementation of spatial planning and land use management tools (SDFs and Land Use Schemes) to areas previously excluded i.e. slums, informal settlements, traditional authority areas are a challenge;
- Alignment of IDP projects and programmes to Spatial Development Framework strategic interventions and projects remain a problem;
- SDF strategies and projects not fully implemented.
- Land invasion resulting in the mushrooming of informal settlements in identified strategic development areas, thereby preventing spatial transformation.



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

DISTRICT	Municipality	SPLUMA area of implementation						Comment
		Process applications	Process Appeals	Process Building plans	Process Outdoor advertisements	Conducting enforcement	Adopted SLUMA LUS	
EHLANZENI	Bushbuckridge	Yes	No	No	No	No	No	No appeals, building plans and outdoor advertisements were processed during the reporting cycle. No SPLUMA compliant LUS adopted. It was reported that development applications were processed and enforcement is partially taking place.  SPLUMA is not being implemented effectively.
	City of Mbombela	Yes	Yes	Yes	Yes	Yes	Yes	All elements pertaining to SPLUMA are being addressed and SPLUMA is therefore implemented effectively.
	Nkomazi	Yes	No	Yes	Yes	No	Yes	No appeal was submitted to the municipality during the period under review. Law enforcement was weak as the law is only partially enforced. The Municipality adopted a SPLUMA compliant LUS which required promulgation.
	Thaba Chweu	Yes	No	Yes	Yes	No	Yes	No appeal was submitted to the municipality during the period. All other elements pertaining to SPLUMA are being addressed. With exception of law enforcement in terms of land use.
GERT SIBANDE	Chief Albert Luthuli	Yes	No	Yes	No	Yes	Yes	The municipality did not process any appeal or outdoor advertisement application during the reporting cycle as no such application was received. The performance in terms of SPLUMA implementation can therefore be regarded as effective.
	Dipaleseng	Yes	No	Yes	No	Yes	No	No appeal was submitted to the municipality during the period under review and no outdoor advertising regulation took place. Finalised the draft LUS to serve before council for approval resolution.
	Govan Mbeki	Yes	Yes	Yes	Yes	Yes	Yes	All elements of SPLUMA are implemented. All elements pertaining to SPLUMA are being addressed and SPLUMA is therefore implemented effectively.
	Mkhondo	Yes	No	Yes	No	Yes	Yes	No appeal was submitted to the municipality during the period under review. Outdoor advertising was not regulated by the municipality. The Municipality adopted its SPLUMA compliant LUS which required promulgation.
	Lekwa	Partial	No	No	No	Yes	Yes	Applications are partially being processed whilst no appeals were received. No building control or outdoor advertising took place during the period. There are definite shortcomings in the effectiveness of SPLUMA implementation.
	Msukaligwa	Yes	No	Yes	Yes	Yes	Yes	All elements of SPLUMA are implemented. The municipality however did not receive any appeal. SPLUMA implementation is effective.
	Dr Pixley Ka Isaka Seme	Partial	No	Yes	No	No	No	Only building plans are being processed whilst all other elements of SPLUMA are being neglected. The LUS review process is underway. SPLUMA is not being implemented effectively.

DISTRICT	Municipality	SPLUMA area of implementation						Comment
		Process applications	Process Appeals	Process Building plans	Process Outdoor advertisements	Conducting enforcement	Adopted SLUMA LUS	
NKANGALA	Emalahleni	Yes	No	Yes	No	Yes	Yes	The Municipality implemented SPLUMA as required, except for outdoor advertising which needs to be regulated. No appeal received during the review period.
	Steve Tshwete	Yes	No	Yes	Yes	Yes	Yes	No appeals were received but in terms of other areas, SPLUMA is being implemented effectively.
	Emakhazeni	Yes	No	No	No	No	Yes	No building control, implementation of outdoor advertising regulation or law enforcement conducted. No appeals received. District is assisting in the implementation of land use management. The municipality is, therefore not yet effective in terms of SPLUMA implementation.
	Victor Khanye	Yes	No	Yes	No	No	Yes	No implementation of outdoor advertising regulation. Law enforcement conducted partially. No appeals received. District is assisting in the implementation of land use management. The municipality is, therefore not yet effective in terms of SPLUMA implementation.
	Dr. JS Moroka	Yes	No	No	No	No	Yes	No building control, regulation of outdoor advertising or implementation of law enforcement conducted. No appeals received. District is assisting in the implementation of land use management. The municipality is, therefore not yet effective in terms of SPLUMA implementation.
	Thembisile Hani	Yes	No	No	No	No	Yes	No building control, regulation of outdoor advertising or implementation of law enforcement conducted. No appeals received. District is assisting in the implementation of land use management. The municipality is, therefore not yet effective in terms of SPLUMA implementation.

(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

- All municipalities were able to process land use and development applications in terms of SPLUMA during the period of reporting. Lekwa and Dr Pixley ka Isaka Seme municipalities were however not fully effective in this regard.
- The City of Mbombela and Govan Mbeki municipalities received and processed appeals against decisions taken on development applications.
- All municipalities except Bushbuckridge, Lekwa, Emakhazeni, Dr JS Moroka and Thembisile Hani municipalities implemented building control.
- The implementation of outdoor advertising remains a challenge in municipalities such as Bushbuckridge, Chief Albert Luthuli, Dipaleseng, Mkhondo, Lekwa, Dr Pixley ka Isaka Seme, Emalahleni, Emakhazeni, Victor Khanye, Dr S Moroka and Thembisile Hani. These municipalities miss an opportunity to generate income from the use of public space by advertisers.
- Only local municipalities such as City of Mbombela, Chief Albert Luthuli, Dipaleseng, Govan Mbeki, Mkhondo, Lekwa, Dr Pixley ka Isaka Seme, Emalahleni and Steve Tshwete implemented enforcement of land use management policies.
- Most municipalities performed well in terms of adopting SPLUMA compliant land use schemes. Only Bushbuckridge, Dipaleseng and Dr Pixley ka Isaka Seme are in process to prepare and finalise their land use schemes. It is anticipated that these municipalities will have adopted land use schemes by July 2022.

## **Challenges**

- The inability of some municipalities to adapt and find ways to perform and operate during the state of disaster contributed towards their poor performance in terms of SPLUMA implementation.
- The staff component of municipalities to effectively implement SPLUMA, especially from an administrative, technical and compliance point of view is insufficient. This is especially the case with land use enforcement where in many instances, no dedicated personnel exist to perform such function.
- Officials and office holders in the different SPLUMA roles are under capacitated and lack the necessary skills.
- Bushbuckridge, Dipaleseng and Dr. Pixley ka Isaka Seme municipalities need to improve and speed up processes to complete and adopt their SPLUMA compliant LUS's. The deadline or the adoption of SPLUMA LUS's was moved to July 2022.

## **Recommendations**

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

## **Support Interventions by National and Provincial government**

- Continuous monitoring of municipalities on SPLUMA implementation by the Department of Agriculture, Land Reform and Rural Development, SALGA 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 the Bushbuckridge, Dipaleseng and Dr Pixley Ka Isaka Seme municipalities to finalise and adopt SPLUMA LUS prior to 30 June 2022.

## 5.4 INTEGRATED DEVELOPMENT PLANNING COORDINATION

### 5.4.1 Legislative Framework

The Municipal Systems Act 32 of 2000 Section 34 (a-b) mandates a Municipal Council to review its IDP in accordance with a prescribed process. Sections 27, 28, 29 of the Municipal Systems Act and Section 21 (a) and (b) of the Municipal Finance Management Act, No. 56 of 2003 indicate the requirements for the prescribed process for planning, drafting, adoption and review of the IDPs by a municipality.

Section 31 (a-b), mandates the *'the MEC for local government in the province may, subject to any other law regulating provincial supervision of local government –*

- a) *"monitor the process followed by a municipality in terms of section 29.*
- b) *assist a municipality with the planning, drafting, adoption and review of its Integrated Development Plan.*

In addition, Section 32 mandates the MEC after receiving the copy of the IDP to request the relevant municipal council to comply with the process referred to in section 29, or with the specific provision of the Act relating to the process of drafting and amending the IDP if the municipality has failed to comply with that process or provision and to adjust or amend the plan after such compliance. All municipalities complied with Section 29 of the Act and adopted IDPs following the prescribed process.

The IDP Directorate is tasked with the departmental functions of monitoring the process followed to develop and review IDPs. In ensuring compliance with the process as per Section 31 (a-b) and Section 32, the directorate embarked on the following engagement with district and local municipalities in the province:

### 5.4.2 Monitoring the IDP review process

In ensuring that the department and municipalities fulfil the above legislative requirements, the IDP directorate monitored the IDP review process in 20 municipalities on a monthly basis during the period of the State of National Disaster and National Lockdown pronounced by the President of the Republic, His Excellency MC Ramaphosa in March 2020 as a result of the Covid-19 pandemic. Guiding municipalities to comply with the provisions of the Section 27, 28, 29 of the MSA and Section 21 (a) and (b) of the MFMA as indicated above required that the department hold district engagements virtually whereby municipalities were provided with support on the processes to be followed in the next review of the IDPs in line with the three Districts' IDP/Budget/PMS frameworks.

This was conducted in collaboration with district municipalities through their IDP Managers committees/fora where in IDP coordinators and managers from local municipalities participate on a quarterly. Ad-hoc meetings were often convened by the district municipalities to address emerging planning issues or challenges experienced in the IDP review process. The department, through the IDP directorate, participated in the three district structures to monitor the IDP review process and provide technical advice on matters raised by communities.

The engagements emphasized the importance of ensuring that municipalities conclude all their IDP review public participation processes by end of November 2020 to make ample time for the development of credible situational analysis to inform the strategy review process in addressing other emerging challenges. It was advised that such meetings must be conducted through electronic medium in order to mitigate risks associated with physical meetings which might trample on Covid-19 Disaster Management Regulations. This was also to validate that the review process runs parallel with provincial planning process to influence and inform sector departments on municipal priorities for 2021/22 IDPs.

In terms of reporting on performance of implementation of the frameworks and process plans, centralised monthly monitoring reports were coordinated and consolidated at the district level with performance reports submitted to the department by district IDP Managers clearly indicating areas of focus for intervention in municipalities who were not complying with the prescribed processes. Some of the support interventions in municipalities by the department on the IDP review process were based on the findings of this monitoring process.

The IDP directorate continuously monitored the IDP review process for the 2021/22 IDPs to ensure the implementation of the IDP frameworks and process plan and subsequently proper review of the IDPs by municipalities in line with community priorities and legal requirements. This culminated in the review of standardised monthly monitoring tools by the directorate which focused primary on the following aspects of the IDP review process:

- Scheduled IDP community consultative meetings through electronic medium and Ward Committees;
- Platform for stakeholder/sector participation in the IDP review process through the virtual conferencing platform;
- Prescribed methodology followed in the review of the IDP (A.S.P.I.A.); and
- Tabling of IDP related documents for Council's approval (frameworks, process plans and IDPs).

### 5.4.3 Process followed on the review and adoption of 2021-22

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 was developed and reviewed in consultation with communities and other key stakeholders.

In terms of the status quo on the adoption of frameworks and process plans, only Chief Albert Luthuli and Lekwa local municipalities failed to comply with legislative requirements on the adoption of the process to be followed on the review of the IDP and preparation of annual budget. A close monitoring close monitoring was conducted by the directorate on the municipality to ensure that it adopts a process plan as a matter of urgency. None-compliance letters were issued to the two municipalities urging them to convene special Council meetings to adopt the plan as a matter of urgency. Table 33 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 adoption/proposed date for adoption	Council resolution number	Date of submission to COGTA	Date of public consultation on draft process plan (MSA Section 28 (2))	Date public notice issued/to be issued (MSA Section 28 (2))	Publication method (newspaper, notice board, website, etc.)
<b>NKANGALA DISTRICT</b>						
Nkangala	29 July 2020	DM-ND29/07/2020	19 August 2020	22/05/2020–30/06/2020	11 & 14 August 2020	Sowetan and local newspaper, Website
Dr JS Moroka	31 August 2020	R545.08.2020	10 August 2020	12 November 2020	10 August 2020	Notice boards, municipal website
Emakhazeni	27 August 2020	02/08/2020	03 September 2020	05-24 August 2020	05 August 2020	Municipal website
Emalahleni	21 August 2020	A.169.20	02 September 2020	31 July 2020	27 August 2020	Witbank news, municipal website and municipal building/offices
Steve Tshwete	13 August 2020	C02/08/2020	02 September 2020	13 August 2020	04 September 2020	Newspaper, website
Thembisile Hani	31 August 2020	THNDC 48/08/2020	05 September 2020	04-08 August 2020	10 September 2020	Local newspaper, website
Victor Khanye	25 June 2020	S 004/06/2020	30 June 2020	August /Sept 2020	30 June 2020	
<b>GERT SIBANDE DISTRICT</b>						
Gert Sibande	27 August 2020	C74/08/2020	01 September 2020	13 July 2020	01 September 2020	GSDM Website
Chief Albert Luthuli	31 October 2020	LM 338/10/2020	31 October 2020	August-September 2020	05 November 2020	Website, library, local newspaper
Dipaleseng	31 August 2020	C135/08/20	04 September 2020	September-November 2020	04 September 2020	Municipal website
Dr Pixley Kalsaka Seme	28 July 2020	A/106/2020	04 August 2020	Did not consult due to Covid19.	21 August 2020	Local Newspaper
Govan Mbeki	27 August 2020	A53/08/20	03 September 2020	September-November 2020	09 September 2020	Newspaper, notice board
Lekwa	10 October 2020	A61/10/2020	15 October 2020	15-20 September 2020	11 October 2020	Public library, website, notice boards
Msuligwa	27 August 2020	LM 746/08/2020	02 September 2020	02 September 2020	02 September 2020	Municipal Facebook page, Municipal website and notice boards.
Mkhondo	27 August 2020	20/08/417A.	04 September 2020	04 September 2020	04 September 2020	Municipal Facebook page, Municipal website & notice boards

Municipality	Date of adoption/proposed date for adoption	Council resolution number	Date of submission to COGTA	Date of public consultation on draft process plan (MSA Section 28 (2))	Date public notice issued/to be issued (MSA Section 28 (2))	Publication method (newspaper, notice board, website, etc.)
<b>EHLANZENI DISTRICT</b>						
Ehlanzeni	27 August 2020	A 94/2020	28 August 2020	16 July 2020	02 September 2020	Mpumalanga News paper
Bushbuckridge	28 August 2020	BLM 58/06/08/2020/2021	10/09/2020	September to December 2020	10 September 2020	Newspaper, notice, website and radio.
City of Mbombela	25 August 2020	A3	02/09/2020	04 August 2020	04 August 2020	Newspaper and website
Nkomazi	26 August 2020	S-GCM: A079/2020	04 September 2020	September 2020	10 September 2020	Local Newspaper and municipal website
Thaba Chweu	13 August 2020	A53/2020	24 August 2020	The month of July with internal departments, i.e. Budget, PMS, EDM.	27 August 2020	Newspaper and website
Ehlanzeni	27 August 2020	A 94/2020	28 August 2020	16 July 2020	02 September 2020	Mpumalanga News paper

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

#### 5.4.4 Analysis on compliance with the IDP process

All twenty municipalities were able to table the final reviewed IDPs before respective Municipal Councils for adoption by end of June 2021. Eighteen municipalities were successful in adopting reviewed IDPs by 31 of May 2021. Only Dr JS Moroka and Lekwa local municipalities adopted reviewed IDPs in June 2021. These two municipalities have been experiencing challenges during the strategy review process with the latter having been placed under the administration of National Cabinet in terms of Section 139 (7) of the Constitution. This was after a private company had taken the municipality to court and a damning court judgment was issued due to its failure to meet its legislative obligations on provision of basic services which has affected livelihoods.

The situation was slightly different in the Dr JS Moroka local municipality as the Provincial Executive released it from Section 139 administration in April 2021 and some work needed to be done to ensure that there was alignment between the planning and budgeting process before the IDP and Budget could be adopted hence the delay in adopting the two document at the end of June 2021. Table 31 below, gives the summary of the status quo on the adoption of the 2021-22 reviewed IDPs:

**Table 34: Status on the adoption of 2021-22 reviewed IDPs**

MUNICIPALITY	DATE OF FINAL IDP ADOPTION	COUNCIL RESOLUTION NO.	SUBMISSION TO MEC WITHIN 10 DAYS (MSA Sec. 32 (1))	DATE OF PUBLICATION OF NOTICE WITHIN 14 DAYS OF ADOPTION (MSA Sec. 25 (4))
Ehlanzeni	28 May 2021	A 36/2021	04 June 2021	09 and 10 June 2021
Bushbuckridge	27 May 2021	BLM/161/27/05/2021/2020/2021	09 June 2021	11 June 2021
City of Mbombela	31 May 2021	A2/2021	10 June 2021	14 June 2021
Nkomazi	31 May 2021	NLM: S-GCM: A038/2021	08 June 2021	11 June 2021
Thaba Chweu	28 May 2021	A83/2021	07 June 2021	11 June 2021
<b>Nkangala</b>	26 May 2021	DM-ND400/05/2021	3 June 2021	01 & 04 June 2021
Dr JS Moroka	30 June 2021	R602.06.2021ND	07 July 2021	12 July 2021
Emakhazeni	27 May 2021	34/05/2021	04 June 2021	07 June 2021
Emalaheni	27 May 2021	A.092/21	04 June 2021	03 June 2021
Steve Tshwete	25 May 2021	C35/05/2021	31 May 2021	04 June 2021
Thembisile Hani	31 May 2021	THNDC151/05/2021	10 June 2021	13 June 2021
Victor Khanye	28 May 2021	S 004/05/2021	14 June 2021	10 June 2021
<b>Gert Sibande District</b>	27 May 2021	C36/05/2021	06 June 2021	04 June 2021
Chief Albert Luthuli	25 May 2021	CL1.070	04 June 2021	04 June 2021

MUNICIPALITY	DATE OF FINAL IDP ADOPTION	COUNCIL RESOLUTION NO.	SUBMISSION TO MEC WITHIN 10 DAYS (MSA Sec. 32 (1))	DATE OF PUBLICATION OF NOTICE WITHIN 14 DAYS OF ADOPTION (MSA Sec. 25 (4))
Dipaleseng	31 May 2021	C117/05/2021	10 June 2021	09 May 2021
Dr. Pixley Kalsaka Seme	31 May 2021	A141/2021	04 June 2021	11 June 2021
Govan Mbeki	27 May 2021	A058/05/2021	04 June 2021	04 June 2021
Lekwa	30 June 2021	A57/30/06/2021	10 June 2021	12 July 2021
Mkhondo	26 May 2021	21/05/486 A IDP	03 June 2021	04 June 2021
Msukaligwa	28 May 2021	LM 998/05/2021	07 June 2021	10 June 2021

(Source: Mpumalanga CoGTA IDP Directorate monitoring report, June 2021)

#### 5.4.4.1 Challenges and interventions during the IDP review process

The traditional mechanisms, processes and procedures previously used by municipalities to interact with communities and stakeholders on draft IDPs and budgets which are normally conducted through public gatherings in each ward throughout the Province to get inputs, opinions and recommendations from the public and other affected parties were affected and disrupted by Covid-19. The National Lockdown Regulations implemented following the National State of Disaster, disheartened municipalities from convening public gatherings such as consultations on draft IDPs and annual budgets due to the COVID-19 protocols of practicing social distancing required to reduce the spread of Covid-19 virus. Due to the disruptions, municipalities identified and developed alternative mechanisms and procedures to conduct public consultations because the involvement of communities on the IDP and budget is regulated in law.

The department issued out a directive to municipalities to guide them on processes to be followed when conducting the public participation during the National Lockdown period. This was done as a way of supporting municipalities by the department. The following were the alternative mechanisms outlined in the public statement issued by the IDP and Communication Directorates through the MEC, to guide the involvement on the public on the IDPs:

- ✓ 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.

All the municipalities in the province complied with the legislative requirements by compiling the schedules for consultations on the next cycle of the IDP review process by September 2020. However, the Ward and zonal level public consultations could not be held during the lockdown period due to social distancing. Some municipalities could not finalize their schedules of IDP review community consultative meetings as Speakers of the affected Councils were still consulting on the best methods for community engagement which shall ensure that all wards are adequately reached. Copies of the confirmed schedules were submitted to the department in October 2020 after being finalized by the Office of the Speakers. Further engagements with communities on the review of IDPs were held by municipalities through the IDP representative/stakeholder meetings by representation of Ward Councillors and Ward Committees in virtual conferencing platforms. A schedule of municipalities' public consultation meetings on the fourth cycle of IDP review process was developed.

**The following are the challenges and interventions during the assessments of IDPs:**

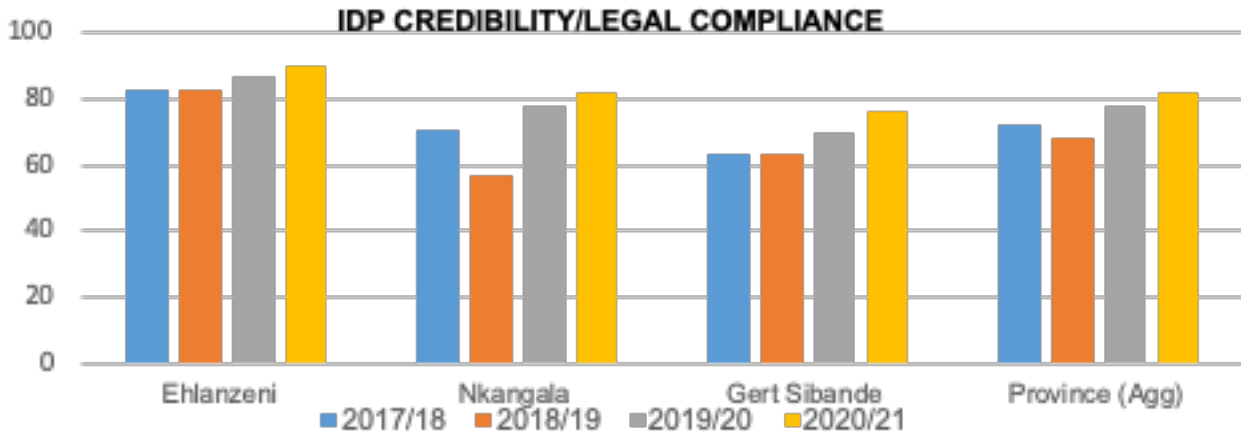
#### **Assessment of the 2021-22 reviewed IDPs**

1. 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 2021-22 Draft IDPs submitted to the department are evaluated as part of support provided to municipalities.

- In ensuring that there is compliance with the applicable Covid-19 protocols on social distancing, the assessment team members individually and as small groups, remotely evaluate the Draft IDPs on their key performance areas lead by the KPA leaders. KPA groups were encouraged to organise themselves in terms of remote evaluation and small group assessments during the allocated timeline to finalize the assessments.

### 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. The below picture gives an overview of the IDP credibility/legal compliance.



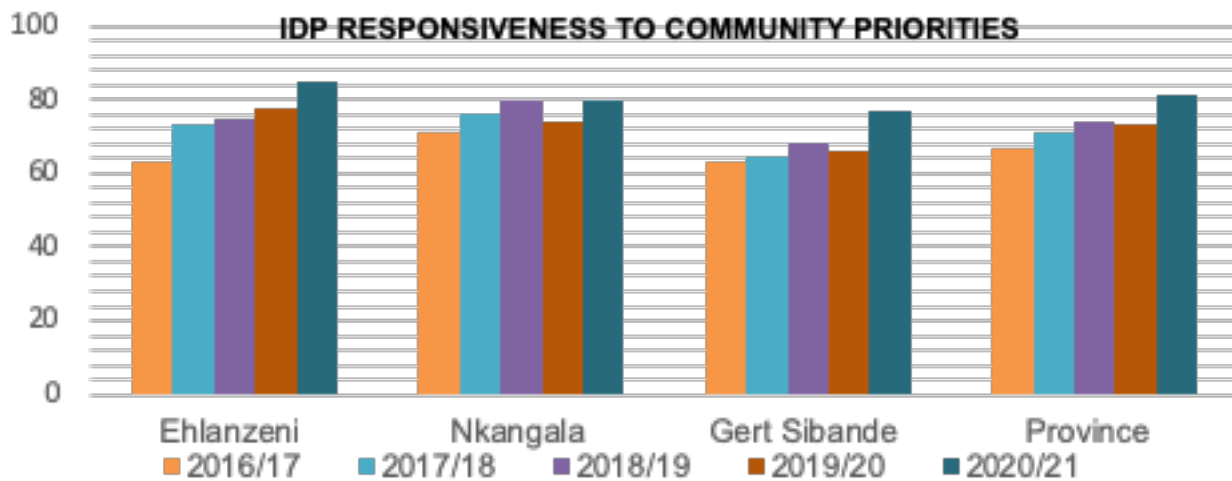
DISTRICT	2017/18	2018/19	2019/20	2020/21
Ehlanzeni	83%	83%	87%	90%
Nkangala	71%	57%	78%	82%
Gert Sibande	63%	63%	70%	76%
<b>Province (Aggregate)</b>	<b>72%</b>	<b>68%</b>	<b>78%</b>	<b>82%</b>

### Assessment on Outcomes

The municipalities are able to plan and allocate resources on key service delivery priorities such as water, sanitation, roads and electricity to respond to the needs of communities through outcomes. Solid waste removal is still a major concern as there are no strategies to extend the service to areas which are not serviced by municipalities and no budget is allocated in most municipalities. Municipalities had identified prioritised projects in their reviewed draft IDPs for 2021-22 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 (2021/22- 2023/24), 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) 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 2021/22 financial year. The majority of priorities are funded through grants. The picture below depicts the IDP responsiveness to community priorities.





DISTRICT	2017/18	2018/19	2019/20	2020/21
Ehlanzeni	73%	75%	78%	85%
Nkangala	76%	80%	74%	80%
Gert Sibande	65%	68%	66%	77%
<b>Province (Aggregate)</b>	<b>71%</b>	<b>74%</b>	<b>73%</b>	<b>81%</b>

### Recommendations

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

- All municipalities to adjust their 2021-22 developed 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.
  - Alignment of the IDP with the DDM One Plans
  - Consider the issues of economic reconstruction and recovery plan
- 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

- The department issued out the assessments of 2021/22 reviewed IDPs and MECs comments in accordance 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;
- Supported the District on the development and approval of the DDM One Plans.
- Conducted workshops and participated in the municipal strategic planning sessions 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.

## 5.6.2 Developed Disaster Management Policy Frameworks and Plans

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

District	Municipality	2019/20			2020/21		
		Disaster Management Centre fully established and fully functional	Local Disaster Management framework	Disaster Management Plans	Disaster Management Centre fully established and fully functional	Local Disaster Management framework	Disaster Management Plans
EHLANZENI	Bushbuck-ridge	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	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 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	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 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	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 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	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
	<b>Ehlanzeni District</b>	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 of DM Act & aligned with Provincial & National DMFs	DMP prepared in terms of section 53 of DM Act

District	Municipality	2019/20			2020/21		
		Disaster Management Centre fully established and fully functional	Local Disaster Management framework	Disaster Management Plans	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 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	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 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	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
	Govan Mbeki	Satellite DMC established and functional in line with section 43 (4) of the 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	Satellite DMC established and functional in line with section 43 (4) of the 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
	Lekwa	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	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
	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
	Msulaligwa	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	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 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	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
	<b>Gert Sibande</b>	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	DMP prepared in terms of section 53 of DM Act	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	DMP prepared in terms of section 53 of DM Act

District	Municipality	2019/20			2020/21		
		Disaster Management Centre fully established and fully functional	Local Disaster Management framework	Disaster Management Plans	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 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	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 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	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 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	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 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	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 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	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 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	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
	<b>Nkangala District</b>	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 of DM Act	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 of DM Act

(Source: Section 46 reports from municipalities)

#### 5.4.6 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, with the exception of Gert Sibande District, which is still in the process of establishing its own DMC and is currently working from Msukaligwa DMC. It is also important to note that is not a statutory obligation for local municipalities to have the Disaster Management Framework. Local Municipalities are catered for as required by Section 42 (2) of the DM Act by District Framework.

## **Disaster Management Frameworks**

Ehlanzeni, Gert and Nkangala district municipalities do have policy framework 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.

## **Recommendations**

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

## **Support Interventions by National and Provincial government**

- Global Climate Change initiatives and activity coordination
- Disaster risk reduction campaigns in all Municipalities
- Implementation and monitoring of drought projects

## **5.6 LOCAL ECONOMIC DEVELOPMENT**

Sections 152(c) and 153(a) of the South African Constitution mandate local government to promote social and economic development. This duty is elaborated in the White Paper on Local Government in this regard, local government is responsible for taking active steps to ensure that the overall economic and social conditions of the locality are conducive to the creation of employment opportunities. However, local government is not directly responsible for creating jobs, as set out in the White Paper. Instead, municipalities can provide 'special economic services' by facilitating and coordinating local economic development (LED). In terms of the state of the LED function of municipalities in South Africa, various reviews have revealed that this role is not fully understood. For instance, the 2015 State of Local Government Report found the function to be erratic and inconsistent.

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. It is also worth noting that the outbreak of the Covid-19 pandemic in March 2020 had devastating effects to the economy, municipal performance and revenue collection. According to figures from Statistics South Africa, the economy contracted 51% on annualised basis in the second quarter of 2020, the three months through June. This was the biggest downward cycle since World War II. The Treasury has forecasted a debt to GDP ratio of 81.8% in 2020, and the budget deficit to reach 14.6%.

The unemployment rate rose close to 50% post-Covid-19. The Business Unity South Africa (BUSA) forecast was up to four million jobs lost. At least a third of formal businesses collapsed because of Covid-19. The United Nations Development Programme in a recent analysis of the South African economy said Covid-19 pushed around 54% households out of formal jobs into poverty. Government's Covid-19 stimulus package have not been deployed quickly, efficiently and imaginatively. This means that large numbers of business, jobs and opportunities had already been lost before they could access government Covid-19 relief.

## 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 effectively facilitate LED at local government is a crucial element in growing municipal economies, creating new jobs, retaining and attracting business and SMME/Cooperatives impact oriented, amongst other key objectives. 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 established as special purpose vehicles to help compliment the achieving of Municipal LED Objectives.

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

Districts	Municipality	2018/19		2019/20		2020/21	
		No of posts approved	No of filled posts	No of posts approved	No of filled posts	No of posts approved	No of filled posts
<b>EHLANZENI</b>	Bushbuckridge	9	2	9	2	7	0
	City of Mbombela	42	3	42	3	1	1
	Nkomazi	10	1	10	1	2	2
	Thaba Chweu	2	1	2	1	1	0
	Ehlanzeni DM	15	2	15	2	0	0
	<b>TOTAL</b>	<b>78</b>	<b>9</b>	<b>78</b>	<b>9</b>	<b>11</b>	<b>3</b>
<b>GERT SIBANDE</b>	Chief Albert Luthuli	8	1	8	1	2	1
	Dipaleseng	3	1	3	1	1	1
	Govan Mbeki	5	2	5	2	2	0
	Lekwa	1	1	1	1	1	1
	Mkhondo	2	1	2	1	1	1
	Msukaligwa	3	1	3	1	2	1
	Dr. Pixley Ka Isaka Seme	2	0	2	0	1	1
	Gert Sibande DM	13	1	13	1	0	0
	<b>TOTAL</b>	<b>37</b>	<b>8</b>	<b>37</b>	<b>8</b>	<b>10</b>	<b>6</b>
<b>NKANGALA</b>	Emalahleni	2	1	2	1	1	0
	Emakhazeni	5	1	5	1	1	1
	Steve Tshwete	1	1	1	1	0	0
	Victor Khanye	2	1	2	1	1	0
	Dr. JS Moroka	2	0	2	0	1	0
	Thembisile Hani	2	1	2	1	0	0
	Nkangala DM	6	3	6	3	0	0
	<b>TOTAL</b>	<b>20</b>	<b>8</b>	<b>20</b>	<b>8</b>	<b>4</b>	<b>1</b>
<b>PROVINCIAL TOTALS</b>	<b>148</b>	<b>135</b>	<b>25</b>	<b>135</b>	<b>25</b>	<b>10</b>	

(Source: Section 46 reports from municipalities)

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

#### Findings

- The picture depicted by the table above shows a low level of approval and appointment of LED Officials across the Province during the 2020/21 financial year. This state of affairs is largely attributed to the negative impact caused by the Covid-19 pandemic on Municipal finances, expenditure, and a host of new priorities in supporting ailing SMMEs and the informal sector, amongst other problems brought about by the pandemic outbreak during the year under review. In 2020/2021, local municipalities had less vacant positions in their approved organogram. Ehlanzeni District Municipalities had a total of 11 approvals and only 3 appointments. Gert Sibande District Municipalities had a total of 10 and 6 appointments. Lastly, Nkangala District Municipalities had 4 approvals and only 1 appointment during the year under review.
- It must be further noted that all municipalities have LED Units in place, however not all positions are filled. The Department, together with SALGA and other relevant stakeholders shall continue to roll-out LED capacity building programmes aimed at improving both LED planning and implementation/facilitating.

### 5.6.2 Existence of LED strategies and plans

**Table 37: Indicate municipalities with LED strategies and plans**

DISTRICT	Municipality	2018/19			2019/20			2020/21			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	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	City of Mbombela	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Nkomazi	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Thaba Chweu	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Ehlanzeni	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
GERT SIBANDE	Chief Albert Luthuli	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Dipaleseng	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Govan Mbeki	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Lekwa	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Mkhondo	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Msukaligwa	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Dr. Pixley Ka Isaka Seme	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Gert Sibande	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
NKANGALA	Emalahleni	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Emakhazeni	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Steve Tshwete	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Victor Khanye	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Dr. JS Moroka	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Thembisile Hani	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable
	Nkangala	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable

(Source: COGTA LED Unit report)

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

#### Findings

- In 2020/2021, although all municipalities had LED strategies, the actual implementation of LED Strategies is stalled due to the Covid-19. It should be noted that majority of the municipal LED Strategies requires review and some complete new development to cater for the new socio-economic situation which had been influenced by the global pandemic of Covid 19.
- The local government election of November 2021, has enable the various Councils to re-commit on LED implementation and focusing on the new normal.



- In responding to the growing trend of poverty rate due to economic meltdown, local government is expected to develop Economic Reconstruction and Recovery Plans which are aligned to the District Development Plans. This strategic direction will enable the struggling economies at local level to be resuscitated.

### 5.6.3 Functionality of LED stakeholder forum

**Table 38: Municipalities with functional LED stakeholder forum**

Districts	Municipality	LED Forums functional 2018/19	LED Forums functional 2019/20	LED Forums functional 2020/21
<b>EHLANZENI</b>	Bushbuckridge	Yes	No	No
	City of Mbombela	Yes	Yes	Yes
	Nkomazi	Yes	Yes	Yes
	Thaba Chweu	Yes	Yes	Yes
	Ehlanzeni	Yes	Yes	Yes
<b>GERT SIBANDE</b>	Chief Albert Luthuli	Yes	Yes	Yes
	Dipaleseng	Yes	Yes	Yes
	Govan Mbeki	Yes	Yes	Yes
	Lekwa	No	No	No
	Mkhondo	Yes	Yes	Yes
	Msukaligwa	No	No	No
	Dr. Pixley Ka Isaka Seme	Yes	Yes	Yes
	Gert Sibande	Yes	Yes	Yes
<b>NKANGALA DISTRICT</b>	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 the 2020/21 Msukaligwa and Lekwa LED Stakeholder Forums were not functional as a result of LED governance problems. 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.
- Covid 19 pandemic affected the normal functionality of LED Forums in the Province
- LED units is not allocated sufficient resources to facilitate LED
- Msukaligwa, Lekwa and Bushbuckridge are without LED Stakeholder Forums
- Lack of LED governance & consequent low business confidence affects business sector investment and creation of employment opportunities
- The municipal organogram has not been reviewed to cater for the current socio-economic challenges.

##### 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.
- Municipalities to prioritize development of Economic Reconstruction and Recovery Plans in line with the Provincial Reconstruction and Recovery Plan.
- Improved IGR coordination at the district level through the DDM work streams.

### 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
- The Department will support Bushbuckridge and Msukaligwa to launch their LED forums.

### 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 2020/21 financial year:

**Table 39: Indicate activities in support of SMME by Municipalities**

Districts	Municipality	Activity	Outcome
GERT SIBANDE	Chief Albert Luthuli	• SMMEs and Co-operatives support	• SMMEs and Co-operatives were appointed and supported during the year.
	Msukaligwa	• Number of Local SMMEs and Co-operatives supported and registered	• 8 SMMEs and Co-operatives supported
	Lekwa	• SMMEs and Co-operatives support	• Provided support on Agricultural and tourism industries to address the economic challenges • Supported SMMEs and Co-operatives to contribute on economic Development
	Govan Mbeki	• SMME and Co-operative incubator programme	• Township and Rural Entrepreneur Programme assist SMME's with business licenses and operating permits.
	Dipaleseng	• SMMEs support	• 220 local SMME contractors benefitted from the capital infrastructure projects
	Mkhondo	• SMMEs support	• 19 woman owned SMMEs were granted development programme • 3 expo convened to benefit the SMMEs
	Pixley Ka Isaka Seme	• Co-operatives and SMMEs training	• The municipality in partnership with government stakeholders have trained a total of 169 f cooperatives and SMMEs.
	Gert Sibande District	• SMMEs support	• 08 SMMEs participated in the District Enterprise Development Programme

Districts	Municipality	Activity	Outcome
<b>NKANGALA</b>	Victor Khanye	<ul style="list-style-type: none"> <li>SMMEs and Co-operatives development</li> </ul>	<ul style="list-style-type: none"> <li>Provided local SMMEs and Informal business with start-up stock</li> <li>Working together Department of Small Business Development , provided business equipment to 30 local SMMEs</li> </ul>
	Emakhazeni	<ul style="list-style-type: none"> <li>SMMEs and Co-operatives development</li> </ul>	<ul style="list-style-type: none"> <li>Belfast Enterprise Development centre continued to develop and accommodate all SMME's</li> </ul>
	Dr JS Moroka	<ul style="list-style-type: none"> <li>SMME's support</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of incubator programme for the development and training of co-operatives</li> </ul>
	Thembisile Hani	<ul style="list-style-type: none"> <li>Training and support for Co-operatives and SMME'S</li> </ul>	<ul style="list-style-type: none"> <li>The LED Unit arranged a number of trainings for the co-operatives and SMME'S. the unit invited and 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 co-operatives. The SMME's and Co-operatives were mainly trained in: <ul style="list-style-type: none"> <li>Financial Management</li> <li>Business Management,</li> <li>Corporate Management &amp;</li> <li>Business Start Up</li> <li>Entrepreneurial skills</li> <li>Managing Teams</li> <li>Pricing Construction Contracts</li> </ul> </li> </ul>
	Emalahleni	<ul style="list-style-type: none"> <li>SMME and Co-operatives Strategy</li> </ul>	<ul style="list-style-type: none"> <li>300 Job opportunities created through SLP</li> <li>Refurbish Educational Centre at Nature Reserve</li> </ul>
	Nkangala District	<ul style="list-style-type: none"> <li>Routine horticultural and gardening</li> <li>Construction of Gamorwe to Mthambothini vehicle bridge</li> </ul>	<ul style="list-style-type: none"> <li>6 work opportunities created</li> <li>24 work opportunities created</li> </ul>
	Steve Tshwete	<ul style="list-style-type: none"> <li>Tourism, mining, SMME Survey</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of Boxer Store</li> <li>Monitoring tool on SLP implementation developed to monitor the active participation of all SMME within the municipality.</li> <li>Allocated 7 warehouses to local SMMEs on manufacturing to support Township Economy.</li> <li>Partnered with NEF on a R50 Million grant funding towards SMME.</li> <li>Developed a One-Stop Service centre to support all SMMEs on business processes</li> <li>Training conducted on File plan and financial management to SMMEs trading on manufacturing steel and fabrication.</li> </ul>
<b>EHLANZENI</b>	Thaba Chweu	<ul style="list-style-type: none"> <li>SMME development</li> </ul>	<ul style="list-style-type: none"> <li>SMMEs attended NHRRC training</li> <li>SANRAL stakeholder engagement with SMMEs</li> <li>SMMEs mentorship programme by Ehlanzeni District</li> </ul>
	Bushbuckridge	<ul style="list-style-type: none"> <li>SMME development</li> </ul>	<ul style="list-style-type: none"> <li>Economic research</li> <li>Tourism sector promotion through workshops and awareness</li> <li>Investment, business promotions and summits</li> <li>LED planning, implementation and monitoring</li> </ul>
	Nkomazi	<ul style="list-style-type: none"> <li>SMME development</li> </ul>	<ul style="list-style-type: none"> <li>Initiatives promoting tourism</li> <li>Collaboration with SEDA</li> </ul>
	City of Mbombela	<ul style="list-style-type: none"> <li>SMMEs supported</li> </ul>	<ul style="list-style-type: none"> <li>SMMEs allocated business spaces within the CBD within the City of Mbombela as ongoing support.</li> <li>Business licences issued for operating within the CBD as ongoing support.</li> </ul>
	Ehlanzeni District	<ul style="list-style-type: none"> <li>Stakeholder engagement</li> </ul>	<ul style="list-style-type: none"> <li>Thaleda supported by handover of first AID level 2 certificate</li> <li>5 Guest houses supported with grading</li> <li>Small scale farmers were supported by Support Programme</li> </ul>

(Source: Municipal Section 46 Reports)

### 5.6.4.1 Analysis on the municipal plans to stimulate second economy

#### Findings

- In 2020/21 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.

#### 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.
- Lack of LED working groups dealing with SMMEs
- Lack of support from various Business Chambers
- Lack of monitoring of the SLP implementation in municipalities where there are mining houses operations
- Minimum coordination and facilitation by municipalities with the funding institution and organs of state e.g. SEFA, Department of Small Business etc.
- Lack of by-laws developed towards supporting SMMEs

#### 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.
- The Department will promote partnership with the private sector to improve LED infrastructure services.

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	2020/21																
	Municipality	2019/20	Person years of work including training	Person Years of 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 training	Gross number of work opportunities created	% of youth	% of women	% of people with disabilities	Work opportunities created through MIG allocation
EHLANZENI	Bushbuckridge	474	0	1 289	74.32%	58.11%	0.00%	795	3 267	278	0	637	72.21%	58.55%	0.16%	1 106	3 254
	City of Mbombela	611	0	1 373	49.31%	54.92%	0.73%	380	2 963	656	0	1 068	40.07%	45.60%	0.75%	476	3 134
	Nkomazi	792	0	2 026	48.02%	45.06%	0.30%	301	2 485	247	0	683	55.64%	54.62%	1.61%	285	2 228
	Thaba Chweu	142	0	287	49.31%	60.28%	1.39%	162	1 164	65	0	238	50.84%	65.55%	3.78%	102	1 248
	<b>Ehlanzeni</b>	<b>255</b>	<b>0</b>	<b>352</b>	<b>55.68%</b>	<b>61.65%</b>	<b>2.56%</b>	<b>1 638</b>	<b>9 879</b>	<b>140</b>	<b>0</b>	<b>308</b>	<b>71.10%</b>	<b>57.14%</b>	<b>1.62%</b>	<b>1 969</b>	<b>9 864</b>
	Chief Albert Luthuli	81	0	194	69.07%	54.12%	0.00%	102	3 291	41	0	212	68.40%	45.75%	0.47%	132	3 242
	Dipaleseng	90	0	182	52.75%	52.75%	0.55%	82	1 167	60	0	121	53.72%	57.02%	0.83%	93	1 102
	Govan Mbeki	73	0	217	58.99%	42.40%	1.84%	130	1 175	115	0	306	57.19%	37.91%	2.94%	86	1 220
	Lekwa	241	0	527	53.70%	47.06%	1.52%	128	1 102	119	0	226	43.34%	38.28%	1.77%	46	1 094
	Mkhondo	152	29	371	64.42%	45.82%	0.27%	78	1 734	163	0	474	62.87%	46.20%	0.42%	157	1 948
GERT SIBANDE	Msukaligwa	155	0	501	62.87%	45.51%	0.00%	168	1 256	108	0	330	69.39%	47.27%	0.97%	188	1 435
	Dr. Pixley Ka Isaka Seme	31	0	157	64.33%	47.77%	1.27%	125	1 165	55	0	185	64.40%	47.03%	0.00%	162	1 262
	<b>Gert Sibande</b>	<b>259</b>	<b>0</b>	<b>402</b>	<b>58.46%</b>	<b>60.94%</b>	<b>1.24%</b>	<b>868</b>	<b>1 015</b>	<b>159</b>	<b>0</b>	<b>478</b>	<b>49.58%</b>	<b>66.94%</b>	<b>2.51%</b>	<b>864</b>	<b>11 303</b>
	Emalahleni	742	9	1 222	44.19%	50.90%	1.88%	71	1 049	404	1	1 089	38.29%	50.96%	1.74%	169	1 311
	Thembisile Hani	120	0	237	73.42%	60.76%	0.42%	221	1 345	136	0	429	65.97%	46.85%	1.68%	330	1 378
NKANGALA	Emakhazeni	51	0	162	66.05%	51.23%	0.00%	31	1 179	45	0	191	60.73%	47.12%	0.52%	66	1 018
	Steve Tshwete	460	0	1 214	59.72%	33.44%	0.08%	177	1 030	329	9	1 288	61.64%	26.55%	0.00%	222	1 239
	Victor Khanye	296	0	736	47.55%	63.99%	1.09%	241	1 043	140	0	452	47.12%	60.18%	1.55%	182	1 071
	Dr. JS Moroka	76	0	262	51.14%	68.70%	0.00%	531	1 614	51	0	449	42.78%	75.28%	0.22%	528	1 567
	<b>Nkangala</b>	<b>213</b>	<b>79</b>	<b>521</b>	<b>71.98%</b>	<b>51.44%</b>	<b>0.19%</b>	<b>1 272</b>	<b>7 260</b>	<b>102</b>	<b>13</b>	<b>332</b>	<b>68.67%</b>	<b>53.91%</b>	<b>0.30%</b>	<b>1 275</b>	<b>7 584</b>

(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 2020/21, there were 28 751 Work Opportunities created through the Community Works Programme. Ehlanzeni Local Municipalities accounted for 9 864, Local Municipalities in Gert Sibande created 11 303 and Nkangala Local Municipalities created 7 584.

#### **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:

- 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;
- 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;
- 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 2018/19				Audit Opinion 2019/20				Audit Opinion 2020/21			
		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(Clean)				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				Yes(Clean)			
NKANGALA	Emalahleni		Yes				Yes				Yes		
	Emakhazeni				Yes				Yes				Yes
	Steve Tshwete	Yes				Yes(Clean)				Yes(Clean)			
	Victor Khanye			Yes			Yes				Yes		
	Dr. JS Moroka			Yes				Yes				Yes	
	Thembisile Hani		Yes				Yes			Yes			
	Nkangala	Yes(Clean)				Yes(Clean)				Yes(Clean)			

(Source Auditor General Report 2018/19, 2019/20 and 2020/21)

Status	2019/20					2020/21				
	Unqualified with no findings	Unqualified with findings	Qualified with findings	Disclaimed with findings	Adverse with findings	Unqualified with no findings	Unqualified with findings	Qualified with findings	Disclaimed with findings	Adverse with findings
Improved	Ehlanzeni DM, Steve Tshwete LM,	City of Mbombela,				Gert Sibande DM	Mkhondo LM, Thaba Chweu LM, Thembisile Hani LM	Dr Pixley Ka Isaka Seme LM, Govan Mbeki LM		
Unchanged	Nkangala DM,	Nkomazi LM, Chief Albert Luthuli LM, Bushbuckridge 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		Ehlanzeni DM, Steve Tshwete LM, Nkangala DM	Bushbuckridge LM, City of Mbombela, Nkomazi LM, Chief Albert Luthuli LM	Emalahleni LM, Victor Khanye LM, Msukaligwa LM	Dipaliseng LM, Lekwa LM, Dr JS Moroka	Emakhazeni LM,
Regressed		Gert Sibande DM	Thaba Chweu LM		Msukaligwa LM, Emakhazeni LM					
<b>Total</b>	<b>3</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>2</b>	<b>4</b>	<b>7</b>	<b>5</b>	<b>3</b>	<b>1</b>

(Source Auditor General Report 2019/20 and 2020/21)

### 5.7.2.2 Analysis of the Audit Outcomes

#### Findings

- In respect of district municipalities: 3 Clean Audit: Ehlanzeni DM, Nkangala DM and Gert Sibande DM;
- In respect of local municipalities: 1 Clean Audit (Steve Tshwete LM), 7 Unqualified with findings, 5 Qualified with findings, 1 Adverse and 3 Disclaimer opinions.

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

- 7 Municipalities (Gert Sibande DM, Thaba Chweu LM, Dr Pixely Ka Isaka Seme LM, Govan Mbeki LM, Mkhondo LM, Msukaligwa LM, and Thembisile Hani LM) improved from the prior year;
- 13 Municipalities remained unchanged from the previous year namely: Ehlanzeni DM, Steve Tshwete LM, Nkangala DM, Bushbuckridge LM, City of Mbombela, Nkomazi LM, Chief Albert Luthuli, LM Emalahleni LM, Victor Khanye LM, Dipaliseng LM, Lekwa LM, Dr JS Moroka LM, Emakhazeni LM,

#### Status of compliance with legislation over the past three years

- 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 (85%) out of 20 municipalities were with findings and only 3 was without findings.
- In 2020/21 financial year 16 out of 20 (80%) municipalities were with findings and only 4 were without findings.

#### Summary of 2020/21 Municipal Audit Outcomes

There are **1 521** audit findings raised by the AGSA during 2020/21 audit process.

- ❑ The total number of **664 or 44%** 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 **373 or 25%** 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 second highest tally with Non-compliance with Laws and regulations. These are issues affecting our municipalities with **373 or 25%** 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 **94 or 6%** followed by Service Delivery with **17 or 1%** 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 2020/21 Municipal Audit Outcomes per District**

- ❑ Gert Sibande Municipalities take a lead with **301 or 45%** on the misstatement of Annual Financial Statements, Annual Report misstatements with **(46 or 49%)** as well as on Services Delivery with **(12 or 71%)** issues raised by the Auditor General and, followed by Nkangala Municipalities **(216 or 33%)** and Ehlanzeni Municipalities **(147 or 22%)**.
- ❑ The Analysis revealed that Nkangala Municipalities are rated the highest on Internal Control with **(162 or 43%)**, and rated second on misstatement of Annual Financial Statements **(216 or 33%)** and also rated highest on Non Compliance with Laws and Regulations **(213 or 57%)**.
- ❑ Ehlanzeni Municipalities are rated the second highest on Annual Report misstatements **(36 or 38%)** and rated the lowest on Non Compliance with Laws and Regulations **(58 or 16%)**, Service delivery **(2 or 12%)**, and on Internal Control Deficiencies **(78 or 21%)** challenges.

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

1. Thembile Hani LM accounts for 214 or 14% of the total findings
2. Dr JS Moroka LM accounts for 152 or 9% of the total findings
3. Dipaleseng LM accounts for 139 or 9% of the total findings
4. Bushbuckridge LM accounts for 108 or 7% of the total findings
5. Emakhazeni LM accounts for 107 or 7% of the total findings
6. Lekwa LM accounts for 101 or 6% of the total findings
7. Govan Mbeki LM accounts for 85 or 5% of the total findings
8. Nkomazi LM accounts for 78 or 5% of the findings
9. Emalahleni LM accounts for 73 or 4% of the total findings
10. Thaba Chweu LM accounts for 68 or 4% of the total findings

### **Key observation on issues raised by AGSA in Nkangala District**

- Emalahleni LM takes a lead with 61 or 28% findings on the misstatement of Annual Financial Statements issues raised by the Auditor General, followed by Emakhazeni LM (54 or 25), Dr JS Moroka LM (50 or 23%), Victor Khanye LM (30 or 14%), Thembisile Hani LM (13 or 6%), Steve Tshwete LM (8 or 4%), Nkangala DM has no issues as per the AGSA report.
- Thembisile Hani LM is rated highest with (165 or 77%) issues of Non Compliance with Laws and Regulations, followed by Emakhazeni LM (15 or 7%), Dr JS Moroka LM with (14 or 7%), Emalahleni LM with (12 or 6%), Victor Kanye LM with (5 or 2%), Steve Tshwete LM (2 or 1%) and Nkangala DM (0 or 0%), as per the AGSA report.
- The Analysis revealed that Dr JS Moroka LM is rated highest on Internal Control Deficiencies with 86 or 53% findings, followed by Emakhazeni LM (36 or 22%), Thembisile Hani LM with (30 or 19%), Nkangala DM (8 or 5%), Steve Tshwete LM (2 or 1%), Victor Khanye LM and Emalahleni LM both Account's for (0 or 0%) as per the AGSA report.
- The Municipality with highest issues on Annual Report Misstatements is Victor Khanye LM with 5 or 42% of the total findings, followed by Thembisile Hani LM (3 or 25%), Dr JS Moroka LM (2 or 17%), Emakhazeni LM (2 or 17%), Nkangala DM, Emalahleni LM and Steve Tshwete have no findings as per the AGSA report.
- Thembisile Hani LM has three (3) findings and is the only municipality with Service Delivery issues within the District.

### **Key observation on issues raised by AGSA in Gert Sibande District**

- Dipaliseng LM takes a lead with 71 or 24% of findings on the misstatement of Annual Financial Statements as raised by the Auditor General, followed by Lekwa LM (63 or 21%), Govan Mbeki LM (48 or 16%), and Dr Pixley Ka Isaka Seme LM (32 or 11%) Msukaligwa LM (31 or 10%), Mkhondo LM (28 or 9%), Chief Albert Luthuli LM (26 or 9%) and Gert Sibande DM (2 or 1%) as per the AGSA report.
- Dipaleseng LM registered the highest number of issues on Non Compliance with Laws and Regulations (30 or 29%) of the total findings, followed by Msukaligwa LM (16 or 16%), Govan Mbeki LM (15 or 15%), Lekwa LM (14 or 14%), Mkhondo LM (12 or 12%), Chief Albert Luthuli LM (10 or 10%), Pixley Ka Isaka Seme LM (4 or 4%), and Gert Sibande DM (1 or 1%) as per the AGSA report.

- The Analysis revealed that Dr Pixley Isaka Seme LM is rated highest on Internal Control Deficiencies with 28 or 21% findings, followed by Dipaleseng LM (24 or 18%), Lekwa (19 or 14%), Chief Albert Luthuli (17 or 13%), Msukaligwa LM (13 or 10%), Gert Sibande DM (12 or 9%), Mkhondo LM (12 or 9%), and Govan Mbeki (8 or 6%) as per the AGSA report.
- The Municipality with highest issues on Annual Report Misstatements is Dipaleseng LM with 14 or 30% of the total findings, followed by Chief Albert Luthuli LM (11 or 24%), Msukaligwa LM (8 or 17%), Govan Mbeki LM (5 or 11%), Lekwa LM (5 or 11%), Mkhondo LM (2 or 4%), and Pixley Ka Isaka Seme LM (1 or 2%), and Gert Sibande DM have no findings as per the AGSA report.
- Govan Mbeki LM has two (9) findings, Dr Pixley Ka Isaka Seme LM has three (3), and are the only two (2) municipalities with Service Delivery issues within the District.

### **Key observation on issues raised by AGSA in Ehlanzeni District**

- Bushbuckridge LM takes a lead with 53 or 36% of findings on the misstatement of Annual Financial Statements as raised by the Auditor General, followed by Nkomazi LM (40 or 27%), City of Mbombela (36 or 24%), Thaba Chweu LM (18 or 12%), and Ehlanzeni DM with (0 or 0%).
- In terms of the Analysis Bushbuckridge LM is rated highest on Internal Control Deficiencies with 36 or 46% findings, followed by Nkomazi LM (23 or 29%), Thaba Chweu LM with (16 or 21%), Ehlanzeni DM (3 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 (30 or 52%), followed by Bushbuckridge LM (14 or 24%), City of Mbombela (8 or 14%) Nkomazi LM (5 or 9%), and Ehlanzeni DM with (1 or 2%).
- The Municipality with highest issues on Annual Report Misstatements is City of Mbombela with 17 or 47% of the total findings, Nkomazi LM (10 or 28%), Bushbuckridge LM (5 or 14%), Thaba Chweu LM (4 or 11%), and Ehlanzeni DM did not record any finding as per the AGSA report.
- Ehlanzeni District recorded 2 or 100% findings 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 submitted to Provincial Treasury for review and feedback.
- Effective use of financial Intense in accordance with FMG guidelines to augment 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 were 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
- 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 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	Municipality	2018/19			2019/20			2020/21			
		R'000			R'000			R'000			
		Original budget	Adjusted	Actuals YTD	Original budget	Adjusted	Actuals YTD	Original budget	Adjusted	Actuals YTD	%
FHLANZENI	Bushbuckridge	559 596	546 219	462 548	608 893	573 853	434 637	660 832	609 152	594 195	98%
	City of Mbombela	630 592	630 593	514 961	581 073	667 873	531 264	410 444	549 544	466 801	85%
	Nkomazi	281 923	281 923	249 868	321 610	329 488	272 610	328 728	355 919	253 734	71%
	Thaba Chweu	112 132	112 132	713 364	650 000	650 000	961 173	62 273	77 128	83 069	108%
	Ehlanzeni	2 600	2 561	1 934	4 200	7 450	5 745	211 616	221 924	194 789	88%
	Chief Albert Luthuli	146 283	138 756	87 756	134 986	134 986	199 685	315 049	315 049	366 918	116%
	Dipaleseng	44 884	44 884	4 958	-	-	-	460 162	460 162	763 109	166%
GFRT SIBANDE	Govan Mbeki	0	0	0	142 188	142 188	89 130	-	-	125 481	100%
	Lekwa	53 491	107 532	86 863	-	-	24 275	51 623	51 623	41 139	80%
	Mkhondo	115 703	115 703	133 966	147 358	147 358	92 065	158 556	200 417	135 386	68%
	Msukaligwa	94 284	103 330	107 723	195 149	156 552	106 269	176 248	223 777	170 742	76%
	Dr. Pixley Ka Isaka	60 978	61 866	59 861	42 045	42 045	42 045	-	-	34 664	0%
	Seme	0	0	32 073	-	-	-	-	-	-	100%
	Gert Sibande	241 812	256 316	177 193	251 008	249 324	211 249	245 771	269 796	176 711	65%
NKANGALA	Emalaheni	58 527	78 027	135 262	88 323	176 647	57 752	131 517	121 020	100 439	83%
	Emakhazeni	378 010	394 645	392 789	483 297	472 255	462 851	122 220	153 916	195 906	127%
	Steve Tshwete	0	0	14 488	-	-	59 020	44 275	51 775	44 855	100%
	Victor Khanye	0	0	0	118 000	118 000	128 681	89 380	89 380	219 609	246%
	Dr. JS Moroka	153 983	166 505	164 950	167 648	199 443	196 058	174 846	238 173	218 012	92%
	Thembisile Hani	33 248	30 746	19 792	36 600	43 897	36 259	24 005	30 806	27 105	88%
	Nkangala	2 968 046	3 071 738	3 360 349	3 972 378	4 111 359	3 910 768	3 667 545	4 019 561	4 212 664	105%
<b>Provincial TOTAL</b>											

(Source: Municipal Section 46 reports)

### 5.7.3.1 Provincial Analysis of Capital Budget Expenditure

#### Findings

- The total capital budget was R4, 019, 561.00 and R4, 212, 664 was spent, which is 105% in 2020/21 which is a decrease in allocation of R91 817 and an increase in expenditure of R 301 896.00, when compared to the total capital budget of R4, 111 ,359 and R3, 910, 768, which is 95%.

#### 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	2018-2019 R'000				2019-2020 R'000				2020-2021 R'000			
		Budget	Adjustment Budget	Actual Expenditure	%	Budget	Adjustment Budget	Actual Expenditure	%	Budget	Adjustment Budget	Actual Expenditure	%
EHLANZENI	Bushbuckridge	1 693 934	1 807 434	1 629 559	90%	1 871 971	1 871 971	1 720 039	92%	2 041 579	2 041 166	1 972 267	96%
	City of Mbombela	2 800 491	2 830 491	2 852 760	101%	2 864 567	3 074 804	3 313 575	108%	3 581 579	3 745 260	3 678 814	98%
	Nkomazi	1 115 025	1 165 181	1 136 890	98%	1 264 844	1 194 576	1 187 440	99%	1 230 869	1 355 881	1 313 638	97%
	Thaba Chweu	699 329	618 573	564 342	91%	640 250	601 296	600 009	100%	625 438	700 085	665 653	95%
	Ehlanzeni DM	255 391	254 004	256 884	101%	268 440	269 693	273 677	101%	282 043	301 884	298 189	99%
<b>Total</b>		<b>6 564 170</b>	<b>6 675 683</b>	<b>6 440 435</b>	<b>96%</b>	<b>6 910 072</b>	<b>7 012 340</b>	<b>7 094 740</b>	<b>101%</b>	<b>7 761 508</b>	<b>8 150 276</b>	<b>7 928 561</b>	<b>97%</b>
GERT SIBANDE	Chief Albert Luthuli	418 140	445 534	571 114	128%	749 816	769 833	592 489	77%	974 909	967 484	1 041 235	108%
	Dipaleseng	199 926	199 926	335 503	168%	193 174	404 386	396 555	98%	341 851	357 010	374 949	105%
	Govan Mbeki	1 647 931	1 647 931	1 729 450	105%	1 062 673	509 548	498 625	98%	2 432 912	2 432 912	2 094 906	86%
	Lekwa	679 949	632 458	587 165	93%	916 606	916 606	771 070	84%	1 123 457	1 109 227	896 427	81%
	Mkhondo	601 872	622 273	599 359	96%	686 317	739 836	681 791	92%	689 449	662 893	772 739	117%
GERT SIBANDE	Msakaligwa	609 066	608 022	681 393	112%	871 039	899 473	850 876	95%	928 674	930 832	970 664	104%
	Dr Pixley Ka Isaka Seme	297 500	297 500	336 906	113%	438 365	425 490	445 723	105%	395 718	395 496	413 351	105%
	Gert Sibande	420 885	453 035	451 436	100%	336 961	336 441	327 822	97%	342 138	337 688	341 181	101%
	<b>Total</b>	<b>4 875 269</b>	<b>4 906 679</b>	<b>5 292 326</b>	<b>108%</b>	<b>5 254 951</b>	<b>5 001 613</b>	<b>4 564 951</b>	<b>91%</b>	<b>7 229 108</b>	<b>7 193 542</b>	<b>6 905 452</b>	<b>96%</b>
	Emaahlani	3 277 577	2 956 526	3 313 745	112%	3 371 709	3 369 135	3 270 004	97%	3 658 193	3 593 347	3 490 317	97%
NKANGALA	Emakhaseni	314 667	312 918	385 411	123%	375 623	375 623	384 622	102%	322 062	393 159	388 868	99%
	Steve Tshwete	1 574 552	1 629 197	1 613 149	99%	1 022 533	1 033 515	1 073 129	104%	1 780 404	1 815 291	1 783 746	98%
	Victor Khanye	450 148	463 218	446 104	96%	488 236	608 611	589 983	97%	613 528	617 886	614 647	99%
	Dr. JS Moroka	0	0	0	0%	598 941	598 941	713 336	119%	644 010	644 010	759 321	118%
	Thembisile Hani	862 978	810 634	760 963	94%	916 741	955 499	713 336	75%	859 254	975 973	983 334	101%
NKANGALA DM		373 743	383 351	394 513	103%	389 290	404 902	409 710	101%	431 435	437 423	414 079	95%
	<b>Total</b>	<b>6 853 665</b>	<b>6 555 844</b>	<b>6 913 885</b>	<b>105%</b>	<b>7 163 073</b>	<b>7 346 226</b>	<b>7 154 120</b>	<b>97%</b>	<b>8 308 886,00</b>	<b>8 477 089,00</b>	<b>8 434 312,00</b>	<b>99%</b>
<b>TOTAL INCOME AGAINST BUDGET</b>		<b>18 293 104</b>	<b>18 138 206</b>	<b>18 646 646</b>	<b>103%</b>	<b>19 328 096</b>	<b>19 360 179</b>	<b>18 813 811</b>	<b>97%</b>	<b>23 299 502,00</b>	<b>23 820 907,00</b>	<b>23 268 325,00</b>	<b>98%</b>

(Source: Municipal Section 46 reports)

### 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 23,268,325.00** as at June 2021 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 debtor's 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 were also developed at Govan Mbeki LM, Lekwa LM, Msukaligwa LM and Thaba Chweu LM.
- Lekwa Local Municipality was put under National Administration in terms of section 139(7) of the Constitution as a result of a High Court Order. This was as a result of failure by Municipality to implement the Mandatory FRP.
- 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 57 municipalities to reconcile their valuation rolls with their billing systems:
  - Emalahleni LM
  - Emakhazeni LM
  - Msukaligwa LM
  - Thaba Chweu LM
  - Victor Khanye LM
  - Govan Mbeki LM and
  - Mkhondo 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	2019-2020 R'000						2020-2021 R'000					
		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	139 559	66 918	2 602	592 838	801 917	57%	194 656	55 904	2 602	688 226	941 388	17%
	City of Mbombela	299 588	52 156	-	69 592	421 336	35%	221 680	49 602	-	5 073	276 355	-34%
	Nkomazi	29 420	5 573	-	7 702	42 695	8%	30 779	6 160	-	6 915	43 854	3%
	Thaba Chweu	202 152	80 289	8 756	164 019	455 216	208%	234 332	97 236	11 547	7 817	350 932	-23%
	Ehlanzeni												
<b>Sub Total</b>		<b>670 719,00</b>	<b>204 936,00</b>	<b>11 358,00</b>	<b>834 151,00</b>	<b>1 721 164</b>	<b>71%</b>	<b>681 447,00</b>	<b>208 902,00</b>	<b>14 149,00</b>	<b>708 031,00</b>	<b>1 612 529</b>	<b>-6%</b>
GERT SIBANDE	Chief Albert Luthuli	9 160	34 023	-	4 080	47 263	-91%	54 312	157 815	-	10 437	222 564	371%
	Dipaleseng	160 193	170 594	-	1 251	332 038	7%	176 858	201 043	1 582	106 232	485 715	46%
	Govan Mbeki	1 062 673	509 548	-	498 625	2 070 846	140%	1 349 238	665 790	-	419 829	2 434 857	18%
	Lekwa	524 531	253 370	-	437 192	1 215 093	61%	581 120	307 663	-	518 018	1 406 801	16%
	Mkhondo	247 655	125 176	-	123 471	496 302	87%	294 553	144 540	-	142 159	581 252	17%
Msukaligwa	339 314	221 979	-	193 639	754 932	62%	346 359	248 044	-	193 853	788 256	4%	
Dr Pixley Ka Isaka	238 941	149 639	-	154 538	543 118	43%	278 134	178 800	-	165 106	622 040	15%	
Gert Sibande													
<b>Sub Total</b>		<b>2 582 467</b>	<b>1 464 329</b>	<b>-</b>	<b>1 412 796</b>	<b>5 459 592</b>	<b>54%</b>	<b>3 080 574</b>	<b>1 903 695</b>	<b>1 582</b>	<b>1 555 634</b>	<b>6 541 485</b>	<b>20%</b>
NKANGALA	Emalahleni	2 969 901	1 064 996	-	1 090 777	5 125 674	19%	3 446 842	1 107 255	-	1 223 529	5 777 626	13%
	Emakhazeni	105 012	50 564	-	278 306	433 882	280%	122 766	54 890	9 899	280 914	468 469	8%
	Steve Tshwete	83 261	119 563	-	23 624	226 448	32%	82 394	41 125	-	22 765	146 284	-35%
	Victor Khanye	275 667	51 188	-	-	326 855	-35%	274 162	45 217	-	-	319 379	-2%
	Dr. JS Moroka	212 189	65 323	-	350 373	627 885	125%	167 060	25 625	-	219 609	412 294	-34%
Thembisile Hani													
Nkangala DM	applicable						-100%	797 954,00	369 510,00	-	255 779,00	1 423 243	0%
<b>Sub Total</b>		<b>3 646 030</b>	<b>1 351 634</b>	<b>-</b>	<b>1 743 080</b>	<b>6 740 744</b>	<b>8%</b>	<b>4 891 178</b>	<b>1 643 622</b>	<b>9 899</b>	<b>2 002 596</b>	<b>8 547 295</b>	<b>27%</b>
<b>Total Debts</b>		<b>6 899 216</b>	<b>3 020 899</b>	<b>11 358</b>	<b>3 990 027</b>	<b>13 921 500</b>	<b>29%</b>	<b>8 653 199</b>	<b>3 756 219</b>	<b>25 630</b>	<b>4 266 261</b>	<b>16 701 309</b>	<b>20%</b>

(Source: Municipal Section 46 reports)

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

#### Findings

A total sum of R 16 701 309.00 was recorded on Municipal Debts for all Municipalities in 2020/21 Financial year compared to R15 225 550.00 in 2019/20 Financial year.

#### 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 debtor's 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

- Quarterly government debt meetings are held by PT where all the municipalities and the provincial- and national government departments are present. PT thereafter intervenes where a municipality experience specific challenges;
- 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 - June 2021

Table 45: Co-ordinated payments made to Dr JS Moroka Local Municipality

Dr JS Moroka LM Government Debt report as at 30 June 2021											
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest		
Office of Premier	-	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	-	-	-	-	-	-	-	-	-	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-	-	-
Education	4,093,804	78,916	79,763	75,401	3,939,193	(79,469)	-	2,231,993	1,861,812	-	-
Public Works, Roads and Transport	14,774,477	505,705	496,720	492,942	22,549,584	(9,270,475)	10,925,369	-	3,849,108	-	-
Community Safety, Security and Liaison	-	-	-	-	-	-	-	-	-	-	-
Health (Clinics)	7,376	20,062	-	-	-	(12,686)	-	7,376	-	-	-
Health (Hospitals)	250	957	-	-	-	(707)	-	250	-	-	-
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	-	-	-
Social Development	-	-	-	-	-	-	-	-	-	-	-
Human Settlements	-	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>18,875,907</b>	<b>605,640</b>	<b>576,483</b>	<b>568,343</b>	<b>26,488,778</b>	<b>(9,363,337)</b>	<b>10,925,369</b>	<b>2,239,618</b>	<b>5,710,920</b>	<b>-</b>	<b>-</b>
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	88,474	11,081	5,469	5,421	66,504	-	81,861	-	6,613	-	-
National Department of Rural Development and Land Reform	24,381,746	833,911	826,767	813,934	21,907,134	-	119,223,026	-	5,247,194	-	-
<b>Sub Total</b>	<b>24,470,220</b>	<b>844,992</b>	<b>832,236</b>	<b>819,355</b>	<b>21,973,637</b>	<b>-</b>	<b>19,223,026</b>	<b>-</b>	<b>5,247,194</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>43,346,126</b>	<b>1,450,632</b>	<b>1,408,719</b>	<b>1,387,698</b>	<b>48,462,415</b>	<b>(9,363,337)</b>	<b>30,148,394</b>	<b>2,239,618</b>	<b>10,958,114</b>	<b>-</b>	<b>-</b>
SARS offices	-	-	-	-	-	-	-	-	-	-	-
Water Board/Affairs	-	-	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-	-	-
Sanral	-	-	-	-	-	-	-	-	-	-	-
University	1,335,179	155,933	177,741	157,209	844,296	-	324,362	741,143	269,674	-	-
AND	-	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>1,335,179</b>	<b>155,933</b>	<b>177,741</b>	<b>157,209</b>	<b>844,296</b>	<b>-</b>	<b>324,362</b>	<b>741,143</b>	<b>269,674</b>	<b>-</b>	<b>-</b>
<b>This should balance to SECTION 71 Report Totals</b>	<b>44,681,306</b>	<b>1,606,565</b>	<b>1,586,460</b>	<b>1,544,906</b>	<b>49,306,711</b>	<b>(9,363,337)</b>	<b>30,472,756</b>	<b>2,980,761</b>	<b>11,227,788</b>	<b>-</b>	<b>-</b>

(Source: National Local Government Database)

**Table 46: Co-ordinated payments made to Emakhazeni Local Municipality**

Emakhazeni LM Government Debt report as at 30 June 2021										
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	-	-	-	-	-	-	-	-	-	-
Economic Development and Tourism	46,820	46,820	51,812	48,913	45,043	(410,794)	-	(410,794)	-	-
Education	582,756	555,818	496,488	533,100	563,022	(991,714)	-	(991,714)	763	-
Public Works, Roads and Transport	206,308	21,353	41,736	39,040	10,220	-	-	-	-	-
Community Safety Security and Liaison	3,763	1,874	1,874	1,874	1,874	(1,874)	-	(1,874)	-	-
Health (Clinics)	12,934	17,321	16,861	13,532	12,661	(6,167)	-	(6,167)	-	-
Health (Hospitals)	59,232	54,563	78,850	95,268	45,289	(78,828)	-	(78,828)	22	-
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	-	-
Social Development	178,115	81,319	140,287	90,551	(21,224)	(364,767)	-	(364,767)	772	-
Human Settlements	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>1,089,928</b>	<b>779,068</b>	<b>827,908</b>	<b>822,278</b>	<b>656,886</b>	<b>(1,854,143)</b>		<b>(1,854,143)</b>	<b>1,557</b>	
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	144,890	118,403	116,400	97,759	166,210	(231,069)	(127,587)	(103,482)	-	-
National Department of Rural Development and Land Reform	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>144,890</b>	<b>118,403</b>	<b>116,400</b>	<b>97,759</b>	<b>166,210</b>	<b>(231,069)</b>	<b>(127,587)</b>	<b>(103,482)</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1,234,818</b>	<b>897,471</b>	<b>944,308</b>	<b>920,037</b>	<b>823,096</b>	<b>(2,085,211)</b>	<b>(127,587)</b>	<b>(1,957,625)</b>	<b>1,557</b>	
SARS offices	-	-	-	-	-	-	-	-	-	-
Water Board/Affairs	-	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-	-
Sanral	-	-	-	-	-	-	-	-	-	-
Post office	50,301	17,354	17,366	17,296	17,311	-	-	-	23	-
Telkom	(1,545)	29,063	30,901	32,126	(95,147)	(3,185)	-	(3,185)	-	-
Transnet	165,244	31,581	20,970	46,133	18,062	(47,268)	-	(29,612)	993	-
<b>Sub Total</b>	<b>214,000</b>	<b>77,998</b>	<b>69,237</b>	<b>95,555</b>	<b>(59,774)</b>	<b>(50,453)</b>		<b>(32,797)</b>	<b>1,016</b>	

(Source: National Local Government Database)

**Table 47: Co-ordinated payments made to Emalahleni Local Municipality**

Emalahleni LM Government Debt report as at 30 June 2021										
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	607,745	222,675	97,242	104,722	6,054,920	-	-	-	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-	-
Education	16,028,337	2,106,769	610,686	366,630	13,165,894	(469,542)	-	-	-	-
Public Works, Roads and Transport	16,468,802	1,677,083	974,173	707,630	15,498,365	-	-	-	-	-
Community Safety Security and Liaison	-	-	-	-	-	-	-	-	-	-
Health (Clinics)	3,108,380	1,548,822	900,177	20,203	39,178	-	489,649	893,225	931,719	-
Health (Hospitals)	2,551,010	111,050	40,562	37,196	2,634,923	-	10,941	9,082	3,206,690	-
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	-	-
Social Development	-	-	-	-	-	-	-	-	-	-
Human Settlements	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>38,764,274</b>	<b>5,666,399</b>	<b>2,622,839</b>	<b>1,856,380</b>	<b>37,393,280</b>	<b>(469,542)</b>	<b>500,590</b>	<b>902,306</b>	<b>1,557</b>	<b>-</b>
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	(1,647,750)	750,069	120,836	68,860	1,209,370	-	494,408	3,188,335	1,439,038	-
National Department of Rural Development and Land Reform	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>(1,647,750)</b>	<b>750,069</b>	<b>120,835</b>	<b>68,860</b>	<b>1,209,370</b>	<b>-</b>	<b>494,408</b>	<b>3,188,335</b>	<b>1,439,038</b>	<b>-</b>
<b>Total</b>	<b>37,116,524</b>	<b>6,416,467</b>	<b>2,743,673</b>	<b>1,925,240</b>	<b>38,602,649</b>	<b>(469,542)</b>	<b>994,998</b>	<b>1,090,641</b>	<b>5,577,446</b>	<b>-</b>
SARS offices	-	-	-	-	-	-	98,908	332,111	902,317	-
Water Board/Affairs	2,633,936	-	-	-	2,633,936	-	824,471	-	1,809,465	-
Other Municipality	-	-	-	-	-	-	-	-	-	-
SANRAL	-	-	-	-	-	-	-	-	-	-
Transnet	-	-	-	-	-	-	-	-	-	-
National Housing Board	392,955	10,458	10,404	10,340	463,997	-	88,088	26,964	265,325	-
SASSA	(99,477)	79,909	-	-	-	-	3,746,257	13,882,030	12,368,999	-
<b>Sub Total</b>	<b>8,093,394</b>	<b>549,692</b>	<b>187,970</b>	<b>183,398</b>	<b>7,486,404</b>	<b>-</b>	<b>5,798,394</b>	<b>15,122,702</b>	<b>18,452,666</b>	<b>-</b>
<b>This should balance to Section 71 Report Totals</b>	<b>45,209,918</b>	<b>6,966,160</b>	<b>2,931,644</b>	<b>2,108,638</b>	<b>46,089,053</b>	<b>(469,542)</b>	<b>6,793,391</b>	<b>19,213,343</b>	<b>24,030,112</b>	<b>-</b>

(Source: National Local Government Database)

**Table 48: Co-ordinated payments made to Steve Tshwete Local Municipality**

Steve Tshwete LM Government Debt report as at 30 June 2021										
Name of Department	Total amount out-standing	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	-	-	-	-	-	-	-	-	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-	-
Education	1,210,395	314,617	101,048	92,800	701,930	(94,879)		1,195,961	14,434	
Public Works, Roads and Transport	159,430	241,472	39,551	42,501	(164,094)	(596,960)	211,704	(53,009)	736	
Community Safety Security and Liaison	19,289	13,346	5,943	-	-	-	-	19,289	-	-
Health (Clinics)	526,051	(44,998)	24,937	22,791	523,321	(102,282)	508	525,340	711	-
Health (Hospitals)	459,927	459,232	45	649	-	(31,590)	-	459,419	-	-
Culture, Sport and Recreation	(31,590)	(17,621)	(13,969)	-	-	(31,590)	-	-	-	-
Social Development	565,503	23,985	19,487	5,799	516,232	-	856	520,684	43,963	-
Human Settlements	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>2,909,005</b>	<b>990,034</b>	<b>177,043</b>	<b>164,540</b>	<b>1,577,388</b>	<b>(825,711)</b>	<b>213,068</b>	<b>2,667,683</b>	<b>59,844</b>	
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	2,838,660	800,169	1,516,662	776,278	(254,449)	(110,535)	334,312	2,502,762	1,586	-
National Department of Rural Development and Land Reform	-	12,700	12,700	12,700	117,652	-	155,550	23	180	-
<b>Sub Total</b>	<b>2,838,660</b>	<b>812,869</b>	<b>1,529,362</b>	<b>788,978</b>	<b>(136,797)</b>	<b>(110,535)</b>	<b>489,862</b>	<b>2,502,785</b>	<b>1,766</b>	
<b>Total</b>	<b>5,747,666</b>	<b>1,802,902</b>	<b>1,706,405</b>	<b>953,519</b>	<b>1,440,591</b>	<b>(936,246)</b>	<b>702,929</b>	<b>5,170,468</b>	<b>61,609</b>	
SARS offices	-	-	-	-	-	-	-	-	-	-
Water Board/Affairs	-	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-	-
SANRAL	-	-	-	-	-	-	-	-	-	-
Eskom	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>This should balance to Section 71 Report Totals</b>	<b>5,747,666</b>	<b>1,802,902</b>	<b>1,706,405</b>	<b>953,519</b>	<b>1,440,591</b>	<b>(936,246)</b>	<b>702,929</b>	<b>5,170,468</b>	<b>61,609</b>	

(Source: National Local Government Database)

**Table 49: Co-ordinated payments made to Thembisile Hani Local Municipality**

Thembisile Hani LM Government Debt report as at 30 June 2021										
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	41,517	-	541	538	40,438	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	51,635	-	1,731	1,719	48,185	-	-	-	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-	-
Education	22,458,836	-	1,059,316	891,214	20,508,307	(1,924,228)	-	-	-	-
Public Works, Roads and Transport	-	-	-	-	-	-	-	-	-	-
Community Safety Security and Liaison	1,017	-	1,017	-	-	(1,009)	-	-	-	-
Health (Clinics)	538,343	(110)	23,304	9,483	505,556	-	-	-	-	-
Health (Hospitals)	77,098	-	4,988	1,585	47,375	(1,907)	-	-	-	-
Culture, Sport and Recreation	8,332	-	1,408	1,408	5,516	-	-	-	-	-
Social Development	2,803	-	699	693	1,412	-	-	-	-	-
Human Settlements	1,735	-	352	349	1,033	-	-	-	-	-
<b>Sub Total</b>	<b>23,181,317</b>	<b>(110)</b>	<b>1,093,355</b>	<b>906,989</b>	<b>21,157,822</b>	<b>(1,927,143)</b>	-	-	-	-
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	800,838	-	62,218	31,613	707,007	-	-	-	-	-
National Department of Rural Development and Land Reform	39,462,503	-	1,379,747	1,377,536	36,705,220	(628,322)	-	-	-	-
<b>Sub Total</b>	<b>40,263,342</b>	<b>-</b>	<b>1,441,966</b>	<b>1,409,149</b>	<b>37,412,227</b>	<b>(628,322)</b>	-	-	-	-
<b>Total</b>	<b>63,444,658</b>	<b>(110)</b>	<b>2,535,321</b>	<b>2,316,138</b>	<b>58,570,049</b>	<b>(2,555,465)</b>	-	-	-	-
SARS offices	-	-	-	-	-	-	-	-	-	-
Water Board/Affairs	-	-	-	-	-	-	-	-	-	-
Other Municipality	84,641,068	-	-	-	84,641,068	-	-	-	-	-
SANRAL	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>84,641,068</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84,641,068</b>	<b>-</b>	-	-	-	-
<b>This should balance to Section 71 Report Totals</b>	<b>148,085,726</b>	<b>(110)</b>	<b>2,535,321</b>	<b>2,316,138</b>	<b>143,211,117</b>	<b>(2,555,465)</b>	-	-	-	-

(Source: National Local Government Database)

**Table 50: Co-ordinated payments made to Victor Khanye Local Municipality**

Victor Khanye LM Government Debt report as at 30 June 2021										
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	Rental Fee
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	26,795	6,035	6,022	5,139	9,599	(2,675)	-	26,795	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-	-
Education	971,940	118,835	17,064	63,277	772,764	(151,571)	-	971,940	-	-
Public Works, Roads and Transport	2,306,359	577,540	198,042	565,162	965,915	(2,719)	2,306,359	-	-	-
Community Safety Security and Liaison	-	-	-	-	-	-	-	-	-	-
Health (Clinics)	8,795,994	140,798	134,478	133,368	8,387,349	-	-	-	-	8,789,931
Health (Hospitals)	403,073	402,593	480	-	-	(420,797)	-	403,073	-	-
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	-	-
Social Development	-	-	-	-	(4,076)	-	-	-	-	(4,076)
Human Settlements	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>12,504,161</b>	<b>1,245,802</b>	<b>356,087</b>	<b>766,946</b>	<b>10,131,551</b>	<b>(577,762)</b>	<b>2,306,359</b>	<b>1,401,808</b>	-	<b>8,785,855</b>
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	3,794,779	202,358	32,195	14,228	3,545,997	(193,137)	364,585	149,273	-	3,280,920
National Department of Rural Development and Land Reform	103,397	18,945	18,345	7,163	58,944	-	103,397	-	-	-
<b>Sub Total</b>	<b>3,898,176</b>	<b>221,303</b>	<b>50,540</b>	<b>21,391</b>	<b>3,604,941</b>	<b>(193,137)</b>	<b>467,982</b>	<b>149,273</b>	-	<b>3,280,920</b>
<b>Total</b>	<b>16,402,337</b>	<b>1,467,105</b>	<b>406,627</b>	<b>788,337</b>	<b>13,736,492</b>	<b>(770,899)</b>	<b>2,774,341</b>	<b>1,551,081</b>	-	<b>12,066,775</b>
SARS offices	-	-	-	-	-	-	-	-	-	-
Water Board/Affairs	-	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-	-
SANRAL	20,368	1,394	589	483	17,902	(1,394)	20,368	-	-	-
SASSA	831	787	44	-	-	(42,107)	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>21,199</b>	<b>2,181</b>	<b>633</b>	<b>483</b>	<b>17,902</b>	<b>(43,501)</b>	<b>20,368</b>	-	-	-
<b>This should balance to Section 71 Report Totals</b>	<b>16,423,535</b>	<b>1,469,286</b>	<b>407,260</b>	<b>788,820</b>	<b>13,754,394</b>	<b>(814,400)</b>	<b>2,794,709</b>	<b>1,551,081</b>	-	<b>12,066,775</b>

(Source: National Local Government Database)

**Table 51: Co-ordinated payments made to Nkangala District Municipalities**

NIKANGALA DISTRICT MUNICIPALITIES TOTAL GOVERNMENT DEBT										
NIKANGALA DISTRICT - GOVERNMENT DEBT AS AT 30 JUNE 2021										
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	41,517	-	541	538	40,438	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	6,557,989	228,709	104,995	111,580	6,112,704	(2,675)	-	26,795	-	-
Economic Development and Tourism	192,589	46,820	51,812	48,913	45,043	(410,794)	-	(410,794)	-	-
Education	47,232,850	3,174,956	2,364,363	2,042,421	39,651,111	(3,711,404)	-	3,408,179	1,877,009	-
Public Works, Roads and Transport	45,480,641	3,0023,153	1,750,223	1,847,276	38,859,989	(9,870,154)	13,443,431	(53,009)	3,849,844	-
Community Safety Security and Liaison	27,802	15,220	8,834	1,874	1,874	(2,882)	-	17,415	-	-
Health (Clinics)	13,049,093	1,681,894	1,099,758	799,377	9,468,065	(121,135)	489,649	1,419,774	932,430	-
Health (Hospitals)	4,015,606	1,028,396	124,925	134,697	2,727,587	(502,239)	11,449	792,996	3,206,711	-
Culture, Sport and Recreation	-23,258	-17,621	-12,561	1,408	5,516	(31,590)	-	403,073	-	-
Social Development	855,164	105,305	160,473	97,043	492,344	(364,767)	856	155,917	44,736	-
Human Settlements	1,735	-	353	349	1,033	-	-	403,073	-	-
<b>Sub Total</b>	<b>117,431,727</b>	<b>9,286,832</b>	<b>5,653,715</b>	<b>5,085,476</b>	<b>97,405,704</b>	<b>(15,017,638)</b>	<b>13,945,385</b>	<b>6,163,420</b>	<b>9,910,729</b>	<b>-</b>
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	10,170,657	1,882,079	1,853,778	994,160	5,440,639	(534,741)	782,994	5,587,615	1,447,237	-
National Department of Rural Development and Land Reform	64,103,398	865,556	2,237,560	2,211,333	58,788,949	(628,322)	3,085,087,42	-	-	-
<b>Sub Total</b>	<b>74,274,054</b>	<b>2,747,635</b>	<b>4,091,338</b>	<b>3,205,492</b>	<b>64,229,589</b>	<b>(1,163,063)</b>	<b>22,386,068</b>	<b>6,989,445</b>	<b>6,687,997</b>	<b>-</b>
<b>Total</b>	<b>191,705,781</b>	<b>12,034,468</b>	<b>9,745,053</b>	<b>8,290,968</b>	<b>161,635,292</b>	<b>(16,180,701)</b>	<b>36,331,453</b>	<b>13,152,866</b>	<b>16,598,726</b>	<b>-</b>

(Source: National Local Government Database)

**Table 52: Co-ordinated payments made to Dipaleseng Local Municipality**

Dipaleseng LM Government Debt report as at 30 June 2021										
Name of Department	Total amount out-standing	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	-	-	-	-	-	-	-	-	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-	-
Education	1,196,477	34,590	13,079	38,652	1,110,155	-	-	862,888	333,589	-
Public Works, Roads and Transport	368,376	13,416	10,447	8,860	335,654	-	1,685	266,026	100,665	-
Community Safety Security and Liaison	219,959	70,552	7,126	1,622	140,659	-	-	168,977	50,983	-
Health (Clinics)	5,399	4,289	820	290	-	-	-	5,376	23	-
Health (Hospitals)	-	-	-	-	-	-	-	-	-	-
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	-	-
Social Development	(78,027)	1,199	3	(43,501)	(35,728)	-	-	(78,030)	3	-
Human Settlements	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>1,712,184</b>	<b>124,045</b>	<b>31,476</b>	<b>5,923</b>	<b>1,550,740</b>	<b>-</b>	<b>1,685</b>	<b>1,225,236</b>	<b>485,262</b>	<b>-</b>
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	(837,00)	(235,719)	(3,049)	(60,174)	538,059)	(392,138)	-	(848,530)	11,530	-
National Department of Rural Development and Land Reform	3,360,631	219,871	217,375	215,470	2,707,914	-	3,304,230	(302,460)	358,861	-
<b>Sub Total</b>	<b>2,523,631</b>	<b>(15,848)</b>	<b>214,327</b>	<b>155,297</b>	<b>2,169,855</b>	<b>(392,138)</b>	<b>3,304,230</b>	<b>(1,150,990)</b>	<b>370,391</b>	<b>-</b>
<b>Total</b>	<b>4,235,814</b>	<b>108,197</b>	<b>245,802</b>	<b>161,220</b>	<b>3,720,596</b>	<b>(392,138)</b>	<b>3,305,915</b>	<b>74,246</b>	<b>855,653</b>	<b>-</b>
SARS offices	-	-	-	-	-	-	-	-	-	-
Water Board/Affairs	-	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-	-
SANRAL	19,831	7,460	7,459	7,286	(2,375)	(5,712)	19,721	(244)	354	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>19,831</b>	<b>7,460</b>	<b>7,459</b>	<b>7,286</b>	<b>(2,375)</b>	<b>(5,712)</b>	<b>19,721</b>	<b>(244)</b>	<b>354</b>	<b>-</b>
<b>This should balance to Section 71 Report Totals</b>	<b>4,255,645</b>	<b>115,656</b>	<b>253,261</b>	<b>168,506</b>	<b>3,718,221</b>	<b>(397,850)</b>	<b>3,325,636</b>	<b>74,002</b>	<b>856,006</b>	<b>-</b>

(Source: National Local Government Database)



**Table 53: Co-ordinated payments made to Dr Pixley Ka Isaka Seme Local Municipality**

Dr Pixley ka Isaka Seme LM Government Debt report as at 30 June 2021										
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	7,166	3,588	1,820	1,758	-	-	-	-	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-	-
Education	2,519,930	64,719	39,354	27,699	2,388,158	(326,030)	1,667,829	157,972	694,129	-
Public Works, Roads and Transport	4,235,021	42,551	45,439	43,415	4,103,616	(380,021)	2,353,198	524,764	1,356,989	-
Community Safety Security and Liaison	4,974	4,974	-	-	-	(4,928)	-	4,974	-	-
Health (Clinics)	170	27	-	-	143	(78,786)	-	27	143	-
Health (Hospitals)	1,931	1,597	1	1	331	(420,954)	-	1,750	181	-
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	-	-
Social Development	8,066	8,066	-	-	-	(19,623)	-	8,066	-	-
Human Settlements	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>6,777,258</b>	<b>125,522</b>	<b>86,614</b>	<b>72,873</b>	<b>6,492,248</b>	<b>(1,230,341)</b>	<b>4,021,027</b>	<b>697,553</b>	<b>1,051,442</b>	<b>-</b>
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	22,268,053	838,770	831,405	159,121	20,438,758	9737,095)	11,645,505	2,642,426	7,978,021	-
National Department of Rural Development and Land Reform	16,012,428	136,466	135,572	130,109	15,610,282	(4,896)	11,521,237	38,115	4,453,076	-
<b>Sub Total</b>	<b>38,280,481</b>	<b>975,236</b>	<b>966,977</b>	<b>289,230</b>	<b>36,049,039</b>	<b>(741,990)</b>	<b>23,166,742</b>	<b>2,680,542</b>	<b>12,431,097</b>	<b>-</b>
<b>Total</b>	<b>45,057,739</b>	<b>1,100,758</b>	<b>1,053,591</b>	<b>362,103</b>	<b>42,541,287</b>	<b>(1,972,331)</b>	<b>27,187,769</b>	<b>3,378,095</b>	<b>14,482,539</b>	<b>-</b>
SARS offices	-	-	-	-	-	-	-	-	-	-
Water Board/Affairs	-	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-	-
SANRAL	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>This should balance to Section 71 Report Totals</b>	<b>45,057,739</b>	<b>1,100,758</b>	<b>1,053,591</b>	<b>362,103</b>	<b>42,541,287</b>	<b>(1,972,331)</b>	<b>27,187,769</b>	<b>3,378,095</b>	<b>14,482,539</b>	<b>-</b>

(Source: National Local Government Database)

**Table 54: Co-ordinated payments made to Lekwa Local Municipality**

Lekwa LM Government Debt report as at 30 June 2021										
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	-	-	-	-	-	-	-	-	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-	-
Education	5,535,767	683,327	332,061	214,888	4,305,492	(1,080,812)	-	4,496,945	1,065,714	-
Public Works, Roads and Transport	9,911,352	(828,981)	1,069,620	345,195	9,325,518	(2,904,458)	11,009,111	(656,466)	785,746	-
Community Safety Security and Liaison	-	-	-	-	-	-	-	-	-	-
Health (Clinics)	234,900	63,208	62,861	53,655	55,177	(157,234)	8,303	222,830	3,767	-
Health (Hospitals)	16,008,945	3,199,599	1,783,376	1,587,311	9,438,660	(736,367)	-	15,657,747	351,197	-
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	-	-
Social Development	-	-	-	-	-	-	-	-	-	-
Human Settlements	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>31,690,965</b>	<b>3,117,152</b>	<b>3,247,917</b>	<b>2,201,049</b>	<b>23,124,846</b>	<b>(4,878,872)</b>	<b>11,017,414</b>	<b>19,721,057</b>	<b>2,206,424</b>	-
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	8,636,010	959,455	1,000,583	1,046,945	5,629,028	(670,504)	8,197,280	58,544	105,718	-
National Department of Rural Development and Land Reform	3,969,023	91,170	90,754	106,179	3,680,921	-	3,102,300	285,866	580,858	-
<b>Sub Total</b>	<b>12,605,034</b>	<b>1,050,625</b>	<b>1,091,336</b>	<b>1,153,124</b>	<b>9,309,949</b>	<b>(670,504)</b>	<b>11,299,580</b>	<b>344,409</b>	<b>686,576</b>	-
<b>Total</b>	<b>44,295,998</b>	<b>4,167,777</b>	<b>4,339,254</b>	<b>3,354,173</b>	<b>32,434,795</b>	<b>(5,549,376)</b>	<b>22,316,994</b>	<b>20,065,466</b>	<b>2,893,000</b>	-
SARS offices	17,859	2,166	2,165	2,165	11,363	(4,1470)	-	7,539	-	-
Water Board/Affairs	-	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-	-
SANRAL	90,326	1,650	1,643	1,636	85,397	-	71,690	-	18,636	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>108,185</b>	<b>3,816</b>	<b>3,809</b>	<b>3,801</b>	<b>96,760</b>	<b>(4,147)</b>	<b>71,690</b>	<b>7,539</b>	<b>18,636</b>	-
<b>This should balance to Section 71 Report Totals</b>	<b>44,404,184</b>	<b>4,171,593</b>	<b>4,343,062</b>	<b>3,357,974</b>	<b>32,531,555</b>	<b>(5,553,523)</b>	<b>22,388,684</b>	<b>20,073,005</b>	<b>2,911,637</b>	-

(Source: National Local Government Database)

**Table 55: Co-ordinated payments made to Chief Albert Luthuli Local Municipality**

Chief Albert Luthuli LM Government Debt report as at 30 June 2021										
Name of Department	Total amount out-standing	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	(764)	12,046	1,524	1,223	(15,557)	-	-	-764,27	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-	-
Education	1,449,826	(27,254)	466,420	556,420	532,525	(78,286)	1,294,743,12	154,538,33	544,12	-
Public Works, Roads and Transport	2,373,254	622,302	604,302	583,102	577,318	(13,769)	2,348,420,32	24,200,66	633,21	-
Community Safety Security and Liaison	10,146	9,830	9,884	6,735	(4,895)	(11,409)	-	10,125,60	20,12	-
Health (Clinics)	267,740	158,515	130,162	54,028	55,196	(130,162)	-	267,637,27	102,30	-
Health (Hospitals)	349,019	185,510	131,728	231,394	235,427	(435,039)	-	348,895,03	124,41	-
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	-	-
Social Development	131,519	14,662	8,789	16,172	117,274	(25,379)	-	131,419,67	99,66	-
Human Settlements	(856)	14	(1,953)	499	584	-	-	-855,97	-	-
<b>Sub Total</b>	<b>4,579,884</b>	<b>975,625</b>	<b>1,350,856</b>	<b>1,449,574</b>	<b>1,497,873</b>	<b>(694,044)</b>	<b>3,643,163</b>	<b>935,196</b>	<b>1,524</b>	<b>-</b>
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	3,328,675	1,002,121	956,230	650,596	1,249,232	(529,504)	882,598,10	2,444,813,47	1,263,23	-
National Department of Rural Development and Land Reform	3,085,087	1,281,101	1,181,101	1,021,101	996,817	(1,395,031)	3,085,087,42	-	-	-
<b>Sub Total</b>	<b>6,413,762</b>	<b>2,283,222</b>	<b>2,137,331</b>	<b>1,671,697</b>	<b>2,246,049</b>	<b>(1,924,536)</b>	<b>3,967,686</b>	<b>2,444,813</b>	<b>1,263</b>	<b>-</b>
<b>Total</b>	<b>10,993,646</b>	<b>3,258,846</b>	<b>3,488,187</b>	<b>3,121,270</b>	<b>3,743,922</b>	<b>(2,618,579)</b>	<b>7,610,849</b>	<b>3,380,010</b>	<b>2,787</b>	<b>-</b>
SARS offices	-	-	-	-	-	-	-	-	-	-
Water Board/Affairs	-	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-	-
SANRAL	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>This should balance to Section 71 Report Totals</b>	<b>10,993,646</b>	<b>3,258,846</b>	<b>3,488,187</b>	<b>3,121,270</b>	<b>3,743,922</b>	<b>(2,618,579)</b>	<b>7,610,849</b>	<b>3,380,010</b>	<b>2,787</b>	<b>-</b>

(Source: National Local Government Database)

**Table 56: Co-ordinated payments made to Mkhondo Local Municipality**

Mkhondo LM Government Debt report as at 30 June 2021										
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	6,047	4,222	1,825	-	-	(2,617)	-	6,047	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	152,059	70,808	74,688	6,280	284	(108,727)	-	152,059	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-	-
Education	789,736	248,596	8,272	43,355	489,513	(160,006)	-	789,736	-	-
Public Works, Roads and Transport	1,279,168	618,563	421,226	362,419	9123,040	(21,221)	1,279,168	-	-	-
Community Safety Security and Liaison	-	-	-	-	-	-	-	-	-	-
Health (Clinics)	(59,143)	14,286	-	-	(73,429)	(91,380)	-	(59,143)	-	-
Health (Hospitals)	208,585	208,585	-	-	-	(14,347)	-	208,585	-	-
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	-	-
Social Development	11,714	8,142	-	-	3,572	-	-	11,714	-	-
Human Settlements	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>2,388,167</b>	<b>1,173,203</b>	<b>506,011</b>	<b>412,053</b>	<b>296,900</b>	<b>(398,297)</b>	<b>1,279,168</b>	<b>1,108,999</b>	-	-
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	478,248	178,403	(171,505)	(1,250,290)	154,069	(518,416)	(1,567,571)	478,248	-	-
National Department of Rural Development and Land Reform	61,136	89,056	45,169	(86,719)	13,631	-	61,136	-	-	-
<b>Sub Total</b>	<b>539,383</b>	<b>267,459</b>	<b>(126,336)</b>	<b>(1,337,010)</b>	<b>167,699</b>	<b>(518,416)</b>	<b>(1,506,435)</b>	<b>478,248</b>	-	-
<b>Total</b>	<b>2,927,550</b>	<b>1,440,661</b>	<b>379,675</b>	<b>(924,957)</b>	<b>464,599</b>	<b>(916,713)</b>	<b>(227,268)</b>	<b>1,587,247</b>	-	-
SARS offices	-	-	-	-	-	-	-	-	-	-
Water Board/Affairs	-	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-	-
SANRAL	-	-	-	-	-	-	-	-	-	-
Transnet	143,243	68,809	6,892	5,312	62,230	(43,502)	68,666	74,577	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>143,243</b>	<b>68,809</b>	<b>6,892</b>	<b>5,312</b>	<b>62,230</b>	<b>(43,502)</b>	<b>68,666</b>	<b>74,577</b>	-	-
<b>This should balance to Section 71 Report Totals</b>	<b>3,070,293</b>	<b>1,509,470</b>	<b>386,567</b>	<b>(919,644)</b>	<b>526,830</b>	<b>(960,215)</b>	<b>(158,601)</b>	<b>1,661,823</b>	-	-

(Source: National Local Government Database)

**Table 57: Consolidated co-ordinated payments made to Govan Mbeki Local Municipality**

Govan Mbeki LM Government Debt report as at 30 June 2021										
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	
Finance	-	-	-	-	-	-	-	-	-	
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	
Agriculture, Rural Development Land and Environmental Affairs	-	-	-	-	-	-	-	-	-	
Economic Development and Tourism	-	-	-	-	-	-	-	-	-	
Education	7,061,189	1,758,957	214,440	150,960	4,891,831	(1,430,865)	-	-	-	
Public Works, Roads and Transport	-	-	-	-	-	-	-	-	-	
Community Safety Security and Liaison	116,049	10,520	4,931	1,068	99,530	(21,699)	-	-	-	
Health (Clinics)	469,587	153,287	51,385	27,445	237,470	(107,191)	-	-	-	
Health (Hospitals)	677,104	670,380	6,724	--	--	(1,611,060)	-	-	-	
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	-	
Social Development	-	-	-	-	-	-	-	-	-	
Human Settlements	-	-	-	-	-	-	-	-	-	
<b>Sub Total</b>	<b>8,278,929</b>	<b>2,593,145</b>	<b>277,480</b>	<b>179,473</b>	<b>5,228,831</b>	<b>(3,170,814)</b>	<b>-</b>	<b>-</b>	<b>-</b>	
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	
National Department of Public Works	2,223,774	1,947,311	131,017	45,209	100,237	(1,397,847)	-	-	-	
National Department of Rural Development and Land Reform	-	-	-	-	-	-	84,482	-	-	
<b>Sub Total</b>	<b>2,223,774</b>	<b>1,947,311</b>	<b>131,017</b>	<b>45,209</b>	<b>100,237</b>	<b>(1,397,847)</b>	<b>84,482</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>10,502,703</b>	<b>4,540,456</b>	<b>408,497</b>	<b>224,682</b>	<b>5,329,068</b>	<b>(4,568,662)</b>	<b>84,482</b>	<b>-</b>	<b>-</b>	
SARS offices	-	-	-	-	-	-	-	-	-	
Water Board/Affairs	-	-	-	-	-	-	-	-	-	
Other Municipality	-	-	-	-	-	-	-	-	-	
SANRAL	-	-	-	-	-	-	-	-	-	
AND	-	-	-	-	-	-	-	-	-	
AND	-	-	-	-	-	-	-	-	-	
AND	-	-	-	-	-	-	-	-	-	
<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>This should balance to Section 71 Report Totals</b>	<b>10,502,703</b>	<b>4,540,456</b>	<b>408,497</b>	<b>224,682</b>	<b>5,329,068</b>	<b>(4,568,662)</b>	<b>84,482</b>	<b>-</b>	<b>-</b>	

(Source: National Local Government Database)

**Table 58: 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 2021										
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	6,047	4,222	1,825	-	-	(2,617)	-	6,047	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	158,461	86,441	78,032	9,261	(15,272)	(108,727)	-	151,295	-	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-	-
Education	18,586,211	2,762,936	1,073,626	1,031,975	13,717,674	(3,075,998)	2,962,572	6,462,080	2,093,976	-
Public Works, Roads and Transport	18,180,940	467,850	2,151,034	1,342,990	14,219,066	(3,319,469)	16,991,582	158,525	2,244,033	-
Community Safety Security and Liaison	362,537	95,876	21,941	9,426	235,294	(38,036)	2,353,198	703,867	1,407,992	-
Health (Clinics)	1,048,816	393,612	245,228	135,418	274,557	(350,372)	8,303	441,674	3,892	-
Health (Hospitals)	17,680,624	4,265,671	1,921,829	1,818,706	9,674,417	4,353	-	16,215,255	351,465	-
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	1,750	181
Social Development	98,651	32,069	8,792	(27,328)	85,118	(45,001)	-	65,103	103	-
Human Settlements	(856)	14	(1,953)	499	584	-	-	7,210	-	-
<b>Sub Total</b>	<b>56,121,429</b>	<b>8,108,691</b>	<b>5,500,354</b>	<b>4,320,946</b>	<b>38,191,439</b>	<b>(6,935,867)</b>	<b>22,315,655</b>	<b>24,212,806</b>	<b>6,101,640</b>	<b>6,101,640</b>
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	43,695,703	5,649,796	3,745,264	1,638,352	32,662,291	(4,916,007)	27,355,093	4,834,045	8,202,249	-
National Department of Rural Development and Land Reform	31,852,360	1,908,833	1,760,724	1,492,317	26,690,486	(1,399,927)	24,260,771	307,386	5,973,654	-
<b>Sub Total</b>	<b>75,548,064</b>	<b>7,558,629</b>	<b>5,505,988</b>	<b>3,130,670</b>	<b>59,352,777</b>	<b>(6,315,934)</b>	<b>51,615,864</b>	<b>5,141,430</b>	<b>14,175,903</b>	<b>14,175,903</b>
<b>Total</b>	<b>131,669,493</b>	<b>15,667,320</b>	<b>11,006,342</b>	<b>7,451,615</b>	<b>97,544,216</b>	<b>(13,251,801)</b>	<b>73,931,519</b>	<b>29,354,236</b>	<b>20,277,543</b>	<b>20,277,543</b>

(Source: National Local Government Database)

**Table 59: Co-ordinated payments made to Bushbuckridge Local Municipality**

Bushbuckridge LM Government Debt report as at 30 June 2021										
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	57,418	2,540	2,540	2,540	49,797	(1,370)	-	-	-	-
Economic Development and Tourism	5,916,895	106,582	106,582	106,582	5,597,149	-	-	-	-	-
Education	10,866,124	108,374	133,021	151,910	11,644,217	-	-	-	-	-
Public Works, Roads and Transport	518,940,100	4,133,671	4,205,590	4,200,591	550,200,344	-	-	-	-	-
Community Safety Security and Liaison	-	-	-	-	-	-	-	-	-	-
Health (Clinics)	1,362,561	778,124	626,536	299,242	763,159	(532,306)	-	-	-	-
Health (Hospitals)	-	-	-	-	-	-	-	-	-	-
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	-	-
Social Development	-	-	-	-	-	-	-	-	-	-
Human Settlements	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>537,143,097</b>	<b>5,129,290</b>	<b>5,074,269</b>	<b>4,760,865</b>	<b>568,254,665</b>	<b>(533,676)</b>	-	-	-	-
SANPARKS (Kruger National Park)	45,214,506	359,066	359,066	359,066	44,137,307	-	-	-	-	-
National Department of Public Works	85,733	88,901	77,244	217,931	800,880	(299,141)	-	-	-	-
National Department of Rural Development and Land Reform	257,762,696	1,219,883	2,038,149	2,038,149	258,705,539	(6,112,917)	-	-	-	-
<b>Sub Total</b>	<b>303,062,935</b>	<b>1,667,851</b>	<b>2,474,459</b>	<b>2,615,146</b>	<b>303,643,725</b>	<b>(6,412,058)</b>	-	-	-	-
<b>Total</b>	<b>840,206,032</b>	<b>6,797,141</b>	<b>7,548,728</b>	<b>7,376,011</b>	<b>871,898,391</b>	<b>(6,945,734)</b>	-	-	-	-
SARS offices	-	-	-	-	-	-	-	-	-	-
Water Board/Affairs	-	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-	-
SANRAL	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	-	-	-	-	-	-	-	-	-	-
<b>This should balance to Section 71 Report Totals</b>	<b>840,206,032</b>	<b>6,797,141</b>	<b>7,548,728</b>	<b>7,376,011</b>	<b>871,898,391</b>	<b>(6,945,734)</b>	-	-	-	-

(Source: National Local Government Database)

**Table 60: Co-ordinated payments made to City of Mbombela Local Municipality**

Mbombela LM Government Debt report as at 30 June 2021										
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	10,512	6,530	3,983	-	-	-	-	10,488	24	-
Economic Development and Tourism	566,145	85,083	85,106	93,698	302,258	-	183,854	372,327	9,965	-
Education	15,784,505	1,172,288	900,912	824,250	12,887,054	-	158,927	13,412,211	2,213,367	-
Public Works, Roads and Transport	32,709,662	5,690,409	2,529,678	2,241,488	22,248,086	-	16,090,659	12,440,421	4,178,581	-
Community Safety Security and Liaison	-	-	-	-	-	-	-	-	-	-
Health (Clinics)	2,558,212	78,430	51,783	118,445	2,309,554	-	-	7,686,258	552,490	-
Health (Hospitals)	8,239,103	1,562,063	1,391,221	1,595,162	3,690,657	-	-	1,863,040	695,167	-
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	-	-
Social Development	945,930	112,960	105,598	124,878	602,494	-	87	906,539	39,303	-
Human Settlements	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>60,814,070</b>	<b>8,707,763</b>	<b>5,068,281</b>	<b>4,997,923</b>	<b>42,040,104</b>	-	<b>16,433,528</b>	<b>36,691,286</b>	<b>7,688,896</b>	-
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	37,458,584	2,700,979	1,533,489	1,338,232	31,885,884	-	25,578,662	5,683,942	6,195,980	-
National Department of Rural Development and Land Reform	20,892,645	216,597	217,218	216,402	20,242,249	-	14,449,411	312	6,442,922	-
<b>Sub Total</b>	<b>58,351,230</b>	<b>2,917,575</b>	<b>1,750,708</b>	<b>1,554,634</b>	<b>52,128,313</b>	-	<b>40,028,073</b>	<b>5,684,254</b>	<b>12,638,902</b>	-
<b>Total</b>	<b>119,165,300</b>	<b>11,625,338</b>	<b>6,818,988</b>	<b>6,552,556</b>	<b>94,168,417</b>	-	<b>56,461,601</b>	<b>42,375,540</b>	<b>20,327,799</b>	-
SARS offices	-	-	-	-	-	-	-	-	-	-
Water Board/Affairs	-	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-	-
SANRAL	-	-	-	-	-	-	-	-	-	-
National Defence and Military	436,051	45,962	40,465	47,669	301,955	-	-	435,112	939	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>436,051</b>	<b>45,962</b>	<b>40,465</b>	<b>47,669</b>	<b>301,955</b>	-	-	<b>435,112</b>	<b>939</b>	-
<b>This should balance to Section 71 Report Totals</b>	<b>119,601,351</b>	<b>11,671,300</b>	<b>6,859,453</b>	<b>6,600,225</b>	<b>94,470,372</b>	-	<b>56,461,601</b>	<b>42,810,652</b>	<b>20,328,738</b>	-

(Source: National Local Government Database)



**Table 61: Co-ordinated payments made to Nkomazi Local Municipality**

Nkomazi LM Government Debt report as at 30 June 2021										
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	8,741	4,680	3,983	259	-	-	8,482	-	259	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-	-
Education	906,256	38,899	37,451	43,537	786,369	-	80,717	825,487	52	-
Public Works, Roads and Transport	19,031,361	1,432,269	1,365,011	1,324,304	14,909,776	-	16,945,195	188,538	1,897,628	-
Community Safety Security and Liaison	-	-	-	-	-	-	-	-	-	-
Health (Clinics)	34,959	6,041	537	854	27,527	(9,630)	3,260	31,700	-	-
Health (Hospitals)	-	-	-	-	-	-	-	-	-	-
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	-	-
Social Development	-	-	-	-	-	-	-	-	-	-
Human Settlements	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>19,981,317</b>	<b>1,481,890</b>	<b>1,406,801</b>	<b>1,368,954</b>	<b>15,723,672</b>	<b>(9,630)</b>	<b>17,037,653</b>	<b>1,045,725</b>	<b>1,897,939</b>	<b>-</b>
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-	-
National Department of Public Works	12,351,849	513,519	375,850	342,800	11,119,681	(175,765)	8,759,717	1,575,928	2,016,205	-
National Department of Rural Development and Land Reform	13,931,166	1,194,783	1,200,293	1,192,829	10,343,261	-	12,367,787	47,535	1,515,844	-
<b>Sub Total</b>	<b>26,283,016</b>	<b>1,708,302</b>	<b>1,576,143</b>	<b>1,535,629</b>	<b>21,466,294</b>	<b>(175,765)</b>	<b>21,127,504</b>	<b>1,623,462</b>	<b>3,532,050</b>	<b>-</b>
<b>Total</b>	<b>46,264,333</b>	<b>3,190,191</b>	<b>2,982,945</b>	<b>2,904,583</b>	<b>37,186,614</b>	<b>(185,395)</b>	<b>38,165,157</b>	<b>2,669,187</b>	<b>5,429,989</b>	<b>-</b>
SARS offices	-	-	-	-	-	-	-	-	-	-
Water Board/Affairs	-	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-	-
SANRAL	70,944	360	361	361	69,862	-	52,214	72	18,658	-
Unverified	1,781,940	55,919	55,613	55,307	1,615,100	-	1,670,407	-	111,532	-
AND	-	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>1,852,884</b>	<b>56,280</b>	<b>55,974</b>	<b>55,668</b>	<b>1,684,962</b>	<b>-</b>	<b>1,722,622</b>	<b>71</b>	<b>130,190</b>	<b>-</b>
<b>This should balance to Section 71 Report Totals</b>	<b>48,117,217</b>	<b>3,246,471</b>	<b>3,038,919</b>	<b>2,960,251</b>	<b>38,871,576</b>	<b>(185,395)</b>	<b>39,887,779</b>	<b>2,669,260</b>	<b>5,560,178</b>	<b>-</b>

(Source: National Local Government Database)

**Table 62: Co-ordinated payments made to Thaba Chweu Municipality**

Thaba Chweu LM Government Debt report as at 30 June 2021									
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest
Office of Premier	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	25,197	25,055	142	-	-	-	-	25,197	-
Economic Development and Tourism	-	-	-	-	-	-	-	-	-
Education	2,400,802	445,586	127,055	129,078	1,699,083	-	-	2,400,802	-
Public Works, Roads and Transport	1,846,761	58,190	46,423	48,883	1,693,265	-	-	1,846,761	-
Community Safety Security and Liaison	48,543	13,501	8,438	9,648	16,956	-	-	48,543	-
Health (Clinics)	(6,546)	39,899	24,092	27,094	(97,632)	-	-	(6,546)	-
Health (Hospitals)	556,459	340,516	175,175	14,733	26,036	-	-	556,459	-
Culture, Sport and Recreation	-	-	-	-	-	-	-	-	-
Social Development	157,380	9,222	5,946	8,579	133,633	-	-	157,380	-
Human Settlements	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>5,028,596</b>	<b>931,970</b>	<b>387,270</b>	<b>238,016</b>	<b>3,471,340</b>	-	-	<b>5,028,596</b>	-
SANPARKS (Kruger National Park)	-	-	-	-	-	-	-	-	-
National Department of Public Works	8,929,685	421,281	149,839	70,670	8,287,895	-	8,624,011	305,674	-
National Department of Rural Development and Land Reform	6,577,470	167,911	167,095	1,935,921	4,306,543	-	6,577,470	-	-
<b>Sub Total</b>	<b>15,507,155</b>	<b>589,192</b>	<b>316,935</b>	<b>2,006,591</b>	<b>12,594,438</b>	-	<b>15,201,482</b>	<b>305,674</b>	-
<b>Total</b>	<b>20,535,752</b>	<b>1,521,162</b>	<b>704,205</b>	<b>2,244,607</b>	<b>16,065,778</b>	-	<b>15,201,482</b>	<b>5,334,270</b>	-
SARS offices	-	-	-	-	-	-	-	-	-
Water Board/Affairs	-	-	-	-	-	-	-	-	-
Other Municipality	-	-	-	-	-	-	-	-	-
SANRAL	17,506	74	74	74	17,283	-	17,506	-	-
AND	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-
AND	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>17,506</b>	<b>74</b>	<b>74</b>	<b>74</b>	<b>17,283</b>	-	<b>17,506</b>	-	-
<b>This should balance to Section 71 Report Totals</b>	<b>20,553,257</b>	<b>1,521,236</b>	<b>704,279</b>	<b>2,244,681</b>	<b>16,083,061</b>	-	<b>15,218,987</b>	<b>5,334,270</b>	-

(Source: National Local Government Database)

**Table 63: Consolidated co-ordinated payments made to Ehlanzeni District municipalities**

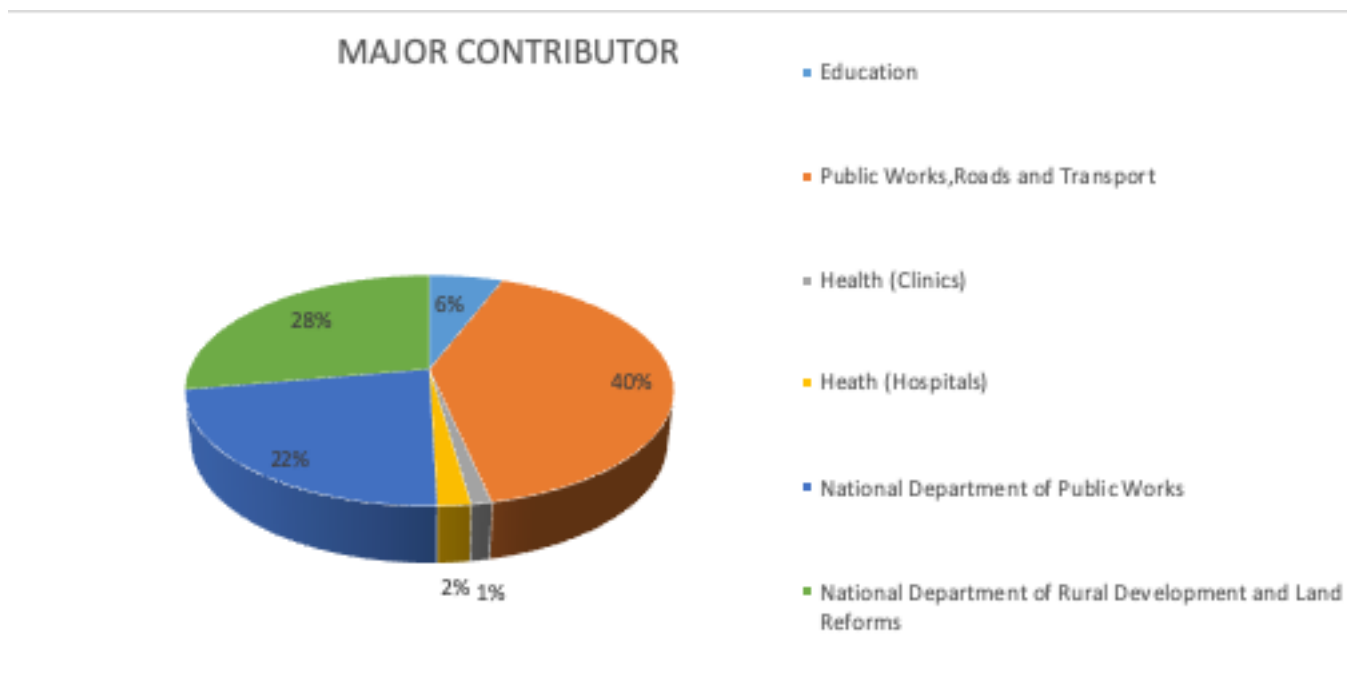
EHLANZENI DISTRICT MUNICIPALITIES TOTAL GOVERNMENT DEBT										
EHLANZENI DISTRICT - GOVERNMENT DEBT AS AT 30 JUNE 2021										
Name of Department	Total amount outstanding	0 + 30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in June 2021	Rates	Services	Interest	
Office of Premier	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Co-operative Governance and Traditional Affairs	-	-	-	-	-	-	-	-	-	-
Agriculture, Rural Development Land and Environmental Affairs	101,868	38,805	10,467	2,799	49,797	(1,370)	8,482	35,685	283	
Economic Development and Tourism	6,483,040	191,665	191,688	200,280	5,899,407	-	183,854	372,327	9,965	
Education	31,129,084	1,765,147	1,198,439	1,148,776	27,016,723	-	239,644	16,638,501	2,213,418	
Public Works, Roads and Transport	616,327,978	11,314,539	8,146,701	7,815,267	589,051,471	-	33,035,854	14,475,720	6,076,209	
Community Safety Security and Liaison	48,543	13,501	8,438	9,648	16,956	-	-	48,543	-	
Health (Clinics)	5,053,686	902,494	702,949	445,635	3,002,608	(541,936)	3,260	7,711,412	552,490	
Health (Hospitals)	8,795,562	1,902,579	1,566,396	1,609,895	3,716,693	-	-	2,419,500	695,167	
Culture, Sports and Recreation	-	-	-	-	-	-	-	-	-	-
Social Development	1,103,311	122,182	111,544	133,458	736,127	-	87	1,063,920	39,303	
Human Settlements	-	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>669,043,073</b>	<b>16,250,912</b>	<b>11,936,621</b>	<b>11,365,758</b>	<b>629,489,781</b>	<b>(543,306)</b>	<b>33,471,181</b>	<b>42,765,607</b>	<b>9,586,835</b>	
SANPARKS (Kruger National Park)	1,184,956	88,901	77,244	217,931	800,880	(299,141)	-	-	-	
National Department of Public Works	322,741,838	4,855,661	4,097,327	3,789,850	309,998,999	(6,288,682)	42,962,390	7,565,543	8,212,186	
National Department of Rural Development and Land Reform	368,368,402	5,731,524	5,375,337	7,082,127	350,179,414	(6,412,058)	33,394,669	47,847	7,958,766	
<b>Sub Total</b>	<b>692,295,196</b>	<b>10,676,087</b>	<b>9,549,908</b>	<b>11,089,909</b>	<b>660,979,293</b>	<b>(12,999,881)</b>	<b>76,357,059</b>	<b>7,613,390</b>	<b>16,170,952</b>	
<b>Total</b>	<b>1,361,338,269</b>	<b>26,926,999</b>	<b>21,486,530</b>	<b>22,455,666</b>	<b>1,290,469,074</b>	<b>(13,543,186)</b>	<b>109,828,240</b>	<b>50,378,997</b>	<b>25,757,787</b>	

(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 various municipalities amounted to R1.684 billion.
- The Provincial Departments that are reported as the highest contributors to the outstanding debt is the Department of Public Works, Roads and Transport with debt amounting to R679.9 million and the Department of Education with debt amounting to R96.9 million. The National Departments that reported the highest debt are National Department of Rural Development and Land Reform with an amount of R464.3 million and the National Department of Public Works with debt amounting to R376.6 million.
- The major contributors to this debt are as follows:



- For the period, ending 30 June 2021 an amount of R42.9 million was paid to various municipalities.
- The Provincial departments made aggregate payments amounting R22.4 million and National Departments made aggregate payments amounting to R20.4 million.
- The monthly debt reported by some municipalities is not consistent as it varies with huge margin from month to month.
- Departments are not informing municipalities when a property has been transferred to another department;
- Some sector departments not submitting the monthly debt payments report to PT within 10 working days after the month end;
- Some municipalities are not consistently submitting their government debt information to Provincial Treasury within 10 working days after the month end;
- Delays from municipalities in submission of property rates schedules to Provincial Public Works, National Public Works and National Rural Development and Land Reform;
- Combined account billing of assessment rates and municipal services;
- None allocation of payments by the Municipalities result in incurring arrears on accounts on a yearly basis;
- Insufficient budget allocation for current and arrear debts;
- Application of rates and taxes policies by Municipalities;
- Incorrect reporting by Municipalities (Overstating of debt on Sec 71 reports).

#### Recommendations

- Departments to enter into payment agreements with municipalities;
- Departments and municipalities to interact to ensure that payment of debt is resolved;
- Departments to continue to share updated BAS codes with municipalities for accurate allocation of payment made by departments to correct municipal accounts;
- Municipalities to request monthly remittance advices from departments for allocation of payments to correct individual accounts;

- Municipalities promptly submit the property rates schedules to Provincial Public Works, National Public Works and National Rural Development and Land Reform;
- Municipalities to separate billing of accounts for municipal services and rates;
- Municipalities reconcile their Government debt and ensure accurate reports before submitting to Provincial Treasury on monthly basis; and
- All departments pay municipalities where debt has been confirmed or arrange alternative payments (reprioritize within available budget).

#### National and Provincial Interventions

- Provincial Government Debt Forum is convened on a quarterly basis with Sector Departments and municipalities to encourage departments to honour their debt commitments and municipalities to submit reconciled monthly debt reports.
- Sector departments are advised by Provincial Treasury to engage municipalities at the level of Accounting Officers to try to resolve the disputes and settle all undisputed amounts.

#### 5.7.8 Submission of Annual Financial Statements for 2020/21 Financial Year

**Table 64: Submission of AFS for 2020/21 FY**

Name of Municipality	2019/20		Date of AFS submission to AG by the municipality	2020/21		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 LM	Yes		31 October 2020	Yes		31 August 2021
Msukaligwa LM	Yes		31 October 2020	Yes		31 August 2021
Mkhondo LM	Yes		31 October 2020	Yes		31 August 2021
Dr. Pixley Ka Isaka Seme LM	Yes		31 October 2020	Yes		31 August 2021
Lekwa LM	Yes		31 October 2020	Yes		31 August 2021
Dipaleseng LM	Yes		31 October 2020	Yes		31 August 2021
Govan Mbeki LM	Yes		31 October 2020	Yes		31 August 2021
Gert Sibande District	Yes		31 October 2020	Yes		31 August 2021
Victor Khanye LM	Yes		31 October 2020	Yes		31 August 2021
Emalahleni LM	Yes		31 October 2020		No	01 September 2021
Steve Tshwete LM	Yes		31 October 2020	Yes		31 August 2021
Emakhazeni LM	Yes		31 October 2020	Yes		31 August 2021
Thembisile Hani LM	Yes		31 October 2020	Yes		31 August 2021
Dr.JS Moroka LM	Yes		31 October 2020	Yes		31 August 2021
Nkangala District	Yes		31 October 2020	Yes		31 August 2021
Bushbuckridge LM	Yes		31 October 2020	Yes		31 August 2021
Thaba Chweu LM	Yes		31 October 2020	Yes		31 August 2021
City of Mbombela LM	Yes		31 October 2020	Yes		31 August 2021
Nkomazi LM	Yes		31 October 2020	Yes		31 August 2021
Ehlanzeni District	Yes		31 October 2020	Yes		31 August 2021
<b>Total</b>	<b>20</b>	<b>0</b>		<b>19</b>	<b>1</b>	

(Source: AG 2020/21 Audit Outcomes)

##### 5.7.8.1 Analysis on the preparation and submission of AFS

- 19 out of 20 municipalities met the statutory deadline of 31 August 2021 to submit the annual financial statements to the Auditor General, Emalahleni Local Municipality did not meet the deadline.

## 5.7.9 Use of consultants to prepare AFS

**Table 65: Indicate municipalities that utilized consultants to prepare AFS**

Name of Municipality	2019/20				2020/21			
	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 LM		No	Yes			No	Yes	
Msukaligwa LM	Yes		Yes		Yes			Yes
Mkhondo LM	Yes		Yes			No	Yes	
Dr. Pixley Ka Isaka Seme LM	Yes		Yes		Yes		Yes	
Lekwa LM	Yes			Yes	Yes		Yes	
Dipaleseng LM	Yes		Yes		Yes		Yes	
Govan Mbeki LM		No	Yes			No	Yes	
Gert Sibande District		No	Yes			No	Yes	
Victor Khanye LM	Yes		Yes		Yes		Yes	
Emalahleni LM		No	Yes			No	Yes	
Steve Tshwete LM		No		Yes		No	Yes	
Emakhazeni LM	Yes		Yes		Yes		Yes	
Thembisile Hani LM	Yes		Yes		Yes		Yes	
Dr.JS Moroka LM	Yes		Yes		Yes			Yes
Nkangala District		No	Yes			No	Yes	
Bushbuckridge LM		No	Yes			No		Yes
Thaba Chweu LM	Yes		Yes		Yes		Yes	
City of Mbombela LM		No	Yes			No	Yes	
Nkomazi LM		No	Yes			No	Yes	
Ehlanzeni District		No	Yes			No	Yes	
<b>Total</b>	<b>10</b>	<b>10</b>	<b>18</b>	<b>02</b>	<b>09</b>	<b>11</b>	<b>17</b>	<b>03</b>

(PT Consolidated Municipal Report: 2021)

### 5.7.9.1 Analysis on the use of consultants when preparing AFS

- 9 out of 20 municipalities used consultants to prepare Annual financial statements in the year under review: Msukaligwa LM, Pixley Ka Isaka Seme LM, Lekwa LM, Victor Khanye LM, Emakhazeni LM, Thembisile Hani LM, Dr JS Moroka LM, Thaba Chweu LM and Dipaleseng LM.
- 3 out of 20 municipalities had acting Chief Financial Officers during 2020/21 financial year, namely: Msukaligwa LM, Dr JS Moroka LM and Bushbuckridge LM.

### 5.7.10 Timely submission of the Annual Report for the 2020/21 Financial Year

- MFMA Circular 63 requires municipalities to submit the draft Annual Report together with the Annual Financial Statements by the 31<sup>st</sup> of August 2021 for auditing purposes. It should be noted that the Auditor General also audits the performance information.

**Table 66: Submission of the 2020/21 Annual Report**

Name of Municipality	2019/20		2020/21	
	Did the municipality submit the draft Annual Report together with the AFS to the AG by 31 August 2020?		Did the municipality submit the draft Annual Report together with the AFS to the AG by 31 August 2021?	
	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	Yes		Yes	
Gert Sibande District	Yes		Yes	
Victor Khanye	Yes		Yes	
Emalahleni	Yes			No

Name of Municipality	2019/20		2020/21	
	Did the municipality submit the draft Annual Report together with the AFS to the AG by 31 August 2020?		Did the municipality submit the draft Annual Report together with the AFS to the AG by 31 August 2021?	
	Y	N	Y	N
Steve Tshwete	Yes		Yes	
Emakhazeni	Yes		Yes	
Thembisile Hani	Yes		Yes	
Dr. JS Moroka	Yes		Yes	
Nkangala District	Yes		Yes	
Bushbuckridge	Yes		Yes	
Thaba Chweu	Yes		Yes	
City of Mbombela	Yes		Yes	
Nkomazi	Yes		Yes	
Ehlanzeni District	Yes		Yes	
<b>Total</b>	<b>20</b>		<b>19</b>	<b>1</b>

(Source: AG 2020/21 Audit Outcomes)

### 5.7.10.1 Provincial Analysis

#### Findings

- 19 out of 20 municipalities submit the unaudited 2020/21 Annual Reports together with the Annual Financial Statements by the statutory deadline of 31 August 2021. Emalahleni Local Municipality did not meet the statutory deadline.

#### Challenges

- None

#### Recommendations

- None

#### Interventions

- None

5.7.11 Municipal Infrastructure Grant Budget approximately spent

Table 67: MIG Expenditure patterns from Municipalities as confirmed through COGTA monitoring systems.

District	Municipality	2018/19			2019/20			2020/21		
		Allocations R'000	Amount spent R'000	% spent	Allocations R'000	Amount spent R'000	% spent	Allocations R'000	Amount spent R'000	% spent
EHLANZENI	Bushbuckridge	365 988	365 988	100%	374 040	374 040	100%	366 822	366 822	100%
	City of Mbombela	336 980	336 980	100%	333 753	333 753	100%	327 316	327 316	100%
	Nkomazi	220 261	219 619	100%	225 063	225 063	100%	220 734	220 734	100%
	Thaba Chweu	43 851	43 851	100%	47 382	47 382	100%	51 498	51 498	100%
	<b>Ehlanzeni</b>	<b>967 080</b>	<b>966 438</b>	<b>100%</b>	<b>980 238</b>	<b>980 238</b>	<b>100%</b>	<b>966 370</b>	<b>966 370</b>	<b>100%</b>
	Chief Albert Luthuli	85 281	85 281	100%	87 072	87 072	100%	85 419	85 419	100%
	Dipaleseng	35 480	35 480	100%	18 816	18 816	100%	18 487	18 487	100%
	Govan Mbeki	56 651	52 981	94%	68 803	66 747	97%	59 017	38 084	65%
	Lekwa	28 034	28 034	100%	28 844	28 844	100%	28 320	28 320	100%
GERT SIBANDE	Mkhondo	76 735	76 735	100%	78 336	78 336	100%	82 852	82 852	100%
	Msukaligwa	51 669	50 154	97%	52 710	52 710	100%	51 723	51 723	100%
	Dr Pixley Ka Isaka Seme	25 956	25 115	97%	26 424	24 303	92%	27 247	20 706	76%
	<b>Gert Sibande</b>	<b>359 806</b>	<b>353 780</b>	<b>98%</b>	<b>361 005</b>	<b>356 828</b>	<b>99%</b>	<b>353 065</b>	<b>325 591</b>	<b>92%</b>
	Emalahleni	120 967	120 967	100%	119 975	119 975	100%	117 684	117 684	100%
	Emakhazeni	19 946	19 876	100%	29 235	29 235	100%	25 916	25 916	100%
	Steve Tshwete	52 240	52 240	100%	49 716	49 716	100%	Not receiving MIG	Not receiving MIG	Not receiving MIG
	Victor Khanye	24 477	24 477	100%	24 912	24 912	100%	24 464	24 464	100%
	Dr JS Moroka	122 491	116 299	95%	125 111	86 314	69%	123 083	123 083	100%
NKANGALA	Thembisile Hani	124 345	124 321	100%	123 249	123 249	100%	121 071	121 071	100%
	<b>Nkangala</b>	<b>464 466</b>	<b>458 180</b>	<b>99%</b>	<b>472 378</b>	<b>433 581</b>	<b>92%</b>	<b>412 218</b>	<b>412 218</b>	<b>100%</b>
	<b>TOTAL</b>	<b>1 791 352</b>	<b>1 778 398</b>	<b>99%</b>	<b>1 813 621</b>	<b>1 770 647</b>	<b>98%</b>	<b>1 731 653</b>	<b>1 704 179</b>	<b>100%</b>

(Source: Municipal Section 46 reports)



### 5.7.11.1 Provincial Analysis on Municipal Infrastructure Grant (MIG) Spending

#### Findings

- The following findings were made on the ability of municipalities to spend the MIG. In 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 and the 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. In 2020/21 financial year, municipalities were allocated with a budget of R1.73 billion and an expenditure of R1.70 billion (98%) was recorded by end of June 2021.
- A total of 2 municipalities were unable to spend 100% of their allocations by the end of their financial year and these were Dr Pixley Ka Isaka Seme and Govan Mbeki municipalities.

#### Challenge

- Delays in finalising the appointment of service providers by Govan Mbeki and Dr Pixley Ka Isaka Seme municipalities has led to National Treasury to effect section 19 of the DORA whereby an amount of R33.5 million was stopped for these municipalities.

#### Recommendation

- Implementation of Schedule 6B of the DORA for municipalities which are failing to conclude their procurement processes on time. DCOG through MISA to implement the projects on behalf of the municipalities
- BID specification and BID adjudication committees to sit regularly to consider projects for contracting

## 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 representatives 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 68: Indicate municipalities with functional ward committees**

DISTRICT	Municipality	2018/19			2019/20			2020/21		
		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	30	67%	45	34	75%	45	36	80%
	Nkomazi	33	02	06%	33	32	96%	33	33	100%
	Bushbuckridge	38	31	82%	38	38	100%	38	38	100%
	Thaba Chweu	14	07	50%	14	07	50%	14	12	86%
NKANGALA	Emakhazeni	08	07	88%	08	08	100%	08	08	100%
	Steve Tshwete	29	27	93%	29	23	79%	29	29	100%
	Dr J S Moroka	31	16	52%	31	02	06%	31	0	0%
	Emalaheni	34	22	65%	34	13	38%	34	34	100%
	Thembisile Hani	32	32	100%	32	32	100%	32	32	100%
	Victor Khanye	09	02	22%	09	09	100%	09	09	100%
GERT SIBANDE	Chief Albert Luthuli	25	23	92%	25	23	92%	25	24	96%
	Msukaligwa	19	18	95%	19	18	94%	19	19	100%
	Lekwa	15	11	73%	15	14	93%	15	14	98%
	Govan Mbeki	32	12	38%	32	25	78%	32	19	59%
	Dipaleseng	06	06	100%	06	06	100%	06	06	100%
	Mkhondo	19	15	79%	19	12	63%	19	12	63%
	Dr Pixley Ka Isaka Seme	11	06	55%	11	11	100%	11	11	100%
<b>TOTAL</b>		<b>400</b>	<b>267</b>	<b>67%</b>	<b>400</b>	<b>307</b>	<b>84%</b>	<b>400</b>	<b>336</b>	<b>84%</b>

(Source: Municipal Section 46 reports)

#### 5.8.1.1 Analysis on Functionality of Ward Committees

##### Findings

The following findings were made that in 2020/21 Financial year out 400 ward committees only 336 (84%) were functional indicative of the improvement in the functionality of ward committees, 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 some municipalities was caused by the following, which have since been resolved following the 6<sup>th</sup> Local Government Elections which took place on the 1<sup>st</sup> of November 2021:

- Lack of commitment and ineffectiveness of ward committees which has a negative impact on the functionality of Ward Committees
- Ward Councillors failing to call ward community meeting
- Non-sitting sitting of Ward committee meetings
- Non-implementation of ward Operational Plans
- 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:

- Ward Councillors failing to call ward community meeting
- Non-sitting sitting of Ward committee meetings
- Non-implementation of ward Operational Plans
- 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**

- An in-depth capacity building on Ward Councillors and Ward Committees
- 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

## **5.8.2 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.

### 5.8.2.1 Status on the availability and performance of CDWs

#### Analysis on Performance of CDWs

##### Findings

The province has 395 CDWs. There were vacancies of 93 CDWs, due to death and resignations. It can be recorded that all CDWs were performing their duties as expected.

##### Challenges

- Delays in filling vacant positions of CDWs due to moratorium.
- The lack of office space for CDWs within Municipalities.

##### Recommendations

- The Department to fast track the filling of all vacant CDW posts.
- The Municipalities in partnership with the department must provide conducive and well-resourced working space for CDWs.

#### Support interventions by Provincial government

- The Department will prioritise 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

#### 5.9.2.1 Vacancy Rate in Senior Management approved posts as of June 2021

Table 69: Vacancy Rate in Senior Management Posts as of June 2021 per District

District	2019/20						2020/21					
	Total no. Posts	Posts filled	Males	Females	Posts Vacant	% of Vacancy rate	Total no. Posts	Posts filled	Males	Females	Posts Vacant	% of Vacancy rate
Gert Sibande	38	31	17	14	7	18%	47	37	33	4	10	21%
Nkangala	40	35	23	12	5	13%	38	27	14	13	11	29%
Ehlanzeni	47	42	32	10	5	11%	40	34	24	10	6	15%
<b>Total</b>	<b>125</b>	<b>108</b>	<b>72</b>	<b>36</b>	<b>17</b>	<b>14%</b>	<b>125</b>	<b>98</b>	<b>71</b>	<b>27</b>	<b>27</b>	<b>22%</b>

(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 70: Vacancy Rate and Filling of 54A & 56 Managers posts in Ehlanzeni District**

Posts	2019/20			2020/21		
	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	5	0	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	5	0	5	4	1
Corporate Services	5	3	2	5	4	1
Technical Services	5	5	0	5	5	0
Community Services	5	3	2	5	3	2
Development and Planning	5	5	0	5	4	1
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	1	0	1	1	0
Legal Services	1	0	1	1	0	1
<b>Total</b>	<b>40</b>	<b>35</b>	<b>5</b>	<b>40</b>	<b>34</b>	<b>6</b>

(Source: Section 46 reports from municipalities)

#### Findings

In 2020/21 Ehlanzeni District had (40) approved section 54A & 56 posts, only (34) thirty-four posts were filled and six (6) were vacant. The vacancy rate was at 15%.

#### Gert Sibande

**Table 71: Filling of 54A & 56 Managers in Gert Sibande**

Posts	2019/20			2020/21		
	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	7	1	8	5	3
Chief Financial Officer	8	7	1	8	6	2
Technical	8	7	1	8	6	2
Corporate Services	8	7	1	8	7	1
Community Services	8	8	0	8	7	1
Development and Planning	7	6	1	7	6	1
<b>TOTAL</b>	<b>47</b>	<b>42</b>	<b>5</b>	<b>47</b>	<b>37</b>	<b>10</b>

(Source: Municipal Section 46 reports)

#### Findings

In 2020/21 Gert Sibande District had 47 approved section 54A & 56 posts and thirty-seven 37 were filled, five (10) were vacant. The vacancy rate stood at 21%.

## Nkangala District

**Table 72: Filling of 54A & 56 Managers in Nkangala**

Posts	2019/20			2020/21		
	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	5	2
Chief Financial Officer	7	6	1	7	6	1
Corporate Services	7	5	2	7	5	2
Community Services	6	4	2	6	3	3
Technical	7	6	1	7	5	2
Development Planning	3	3	0	3	3	0
Environmental waste management	1	1	0	1	0	1
<b>TOTAL</b>	<b>38</b>	<b>31</b>	<b>7</b>	<b>38</b>	<b>27</b>	<b>11</b>

(Source: Municipal Section 46 reports)

### Findings

Nkangala district had 38 approved section 54A & 56 posts only twenty-eight (27) were filled and ten (11) vacant . 2020/21 financial the vacancy rate was at 29 %.

#### 5.9.2.3 Analysis of Performance on Institutional Development

### Findings

In 2020/21 there were 125 approved senior managers posts in the province of that (98) post were filled and (27) were vacant. Out of the 98 posts 27 were females and 71 males.

### Challenges in the filling of vacant posts

- Delays by Municipalities in filling senior management positions.

### Recommendations

- Vacant posts in Municipalities to be filled within a reasonable period.

### Support interventions by National and Provincial government

- COGTA will continue to support Municipalities during the selection and recruitment 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 73: Filling of 54A & 56 Managers**

Districts	Municipality	2018/19		2019/20		2020/21	
		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	Ehlanzeni	7	2	7	2	7	2
	Thaba Chweu	6	2	6	2	6	1
	City of Mbombela	15	2	15	3	15	3
	Nkomazi	6	2	6	2	6	2
	Bushbuckridge	6	2	6	3	6	2
	<b>TOTAL</b>	<b>40</b>	<b>10</b>	<b>40</b>	<b>12</b>	<b>40</b>	<b>10</b>
GERT SIBANDE	Gert Sibande	6	1	6	1	6	1
	Chief Albert Luthuli	6	0	6	0	6	0
	Msukaligwa	6	2	6	2	6	0
	Lekwa	6	2	6	2	6	0
	Mkhondo	6	0	6	1	6	1
	Dipaleseng	6	1	6	1	6	1
	Dr. Pixley Ka Isaka Seme	5	0	5	1	6	0
	Govan Mbeki	6	1	6	2	6	1
<b>TOTAL</b>	<b>47</b>	<b>7</b>	<b>47</b>	<b>10</b>	<b>47</b>	<b>4</b>	
NKANGALA	Nkangala	6	4	6	4	6	4
	Victor Khanye	5	2	5	2	5	1
	Emalahleni	7	3	7	3	7	2
	Steve Tshwete	5	1	5	1	5	2
	Emakhazeni	4	2	4	1	4	1
	Thembisile Hani	6	3	6	3	6	3
	Dr. JS Moroka	5	1	5	0	5	0
	<b>TOTAL</b>	<b>38</b>	<b>16</b>	<b>38</b>	<b>14</b>	<b>38</b>	<b>13</b>

(Source: Municipal Section 46 reports)

#### 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 2020/21 financial year there were 26 appointed female section 56 managers compared to 36 appointed female section 56 managers of 2019/20 financial year. Nkangala and Ehlanzeni Districts had the highest female appointed section 56 managers.

##### Challenges

- Municipalities are not prioritising Gender representation when filling senior management positions.

##### Recommendations

- Municipalities to comply with the Employment Equity Act when filling senior management positions.

## Support interventions by National and Provincial government

- Both National and Provincial COGTA to ensure compliance with Employment Equity Act.
- Performance agreement of a municipal manager and Director Corporate services to include Employment Equity as their key performance area.

### 5.9.4 Employment of people with disabilities

**Table 74: Employment of People with Disabilities**

DISTRICTS	Municipality	2018/19	2019/20	2020/21
		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	11	11
	Nkomazi	6	4	4
	Thaba Chweu	8	8	9
	Ehlanzeni	0	3	3
	<b>TOTAL</b>	<b>36</b>	<b>38</b>	<b>39</b>
GERT SIBANDE	Chief Albert Luthuli	1	1	1
	Dipaleseng	5	5	5
	Govan Mbeki	17	17	17
	Lekwa	3	2	2
	Mkhondo	11	12	12
	Msukaligwa	5	4	4
	Dr. Pixley Ka Isaka Seme	0	2	2
	Gert Sibande	2	2	1
	<b>TOTAL</b>	<b>44</b>	<b>45</b>	<b>44</b>
NKANGALA	Emalahleni	21	15	15
	Emakhazeni	2	2	2
	Steve Tshwete	27	25	25
	Victor Khanye	5	5	5
	Dr. JS Moroka	0	0	1
	Thembisile Hani	9	9	9
	Nkangala	4	4	4
	<b>TOTAL</b>	<b>68</b>	<b>60</b>	<b>61</b>

(Source: Municipal Section 46 reports)

#### 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. 144 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 and
  - Mkhondo with 12

##### Challenges

- No strategies in Municipalities to attract and recruit people with disabilities.



## Recommendations

- Municipalities to develop strategies in order to address the challenge of not attracting people with disabilities.

## Intervention by the National and Provincial departments

- The Department to monitor Municipalities on compliance to the Employment Equity Act.

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

Table 75: Employees aged between 35 or younger

Districts	Municipality	2018/19			2019/20			2020/21		
		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	1762	626	36%	1899	626	33%	1899	551	29%
	City of Mbombela	5207	438	8%	5990	347	6%	5516	298	5%
	Nkomazi	1135	436	38%	1454	435	30%	1481	462	31%
	Thaba Chweu	670	127	19%	670	127	19%	541	91	17%
	Ehlanzeni	152	35	23%	248	35	14%	248	54	22%
	TOTAL	8926	1662	19%	10261	1570	15%	9685	1456	15%
GERT SIBANDE	Chief Albert Luthuli	543	128	24%	543	128	24%	543	128	24%
	Dipaleseng	306	35	11%	272	39	14%	272	39	14%
	Govan Mbeki	2139	164	8%	2139	147	7%	2139	147	7%
	Lekwa	1034	84	8%	1055	71	7%	1055	71	7%
	Mkhondo	769	266	35%	804	145	18%	804	147	18%
	Msukaligwa	1250	210	17%	1290	106	8%	1290	106	8%
	Dr. Pixley Ka Isaka Seme	375	39	10%	373	43	12%	373	43	12%
	Gert Sibande	343	115	34%	392	119	30%	392	125	32%
	TOTAL	6759	1041	15%	6868	798	12%	6868	806	12%
NKANGALA	Emalahleni	1684	218	13%	1619	231	14%	1619	231	14%
	Emakhazeni	406	78	19%	406	78	19%	487	101	21%
	Steve Tshwete	1685	411	24%	1703	401	19%	1703	401	19%
	Victor Khanye	541	124	23%	541	83	15%	541	83	15%
	Dr. JS Moroka	886	109	12%	886	109	12%	861	120	14%
	Thembisile Hani	419	77	18%	419	26	6%	419	26	6%
	Nkangala	293	126	43%	305	144	47%	305	144	47%
	TOTAL	5941	1143	19%	5879	1072	18%	5935	1106	19%
<b>GRAND TOTAL</b>	<b>21 626</b>	<b>3 846</b>	<b>18%</b>	<b>23008</b>	<b>3440</b>	<b>15%</b>	<b>22488</b>	<b>3368</b>	<b>15%</b>	

(Source: Municipal Section 46 reports)

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

### Findings

- In the 2020/21 financial year 3 368 posts were filled by people aged 35 and younger across all municipalities in the province.

### Challenges

- The experience required in junior positions in municipalities.

### Recommendations

- Municipalities to reduce requirements of experience on lower level posts.

### Interventions by National and Provincial department

- The Department will continue to monitor that skilled youth are appointed on entry level posts 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 the responsibility of the Unit to monitor, support and advice 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 enhance their skills and perform their functions effectively.

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 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 76: Municipalities with Integrated Capacity Building Plan implemented**

DISTRICT	Municipality	Management level	2018/19		2019/20		2020/21	
			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	Bushbuck-ridge	Councillors	30	28	30	11	15	0
		Senior Management level	38	29	11	32	20	10
		Lower level employees	281	207	144	81	208	52
		Technicians and professional	131	60	85	43	148	30
		<b>TOTAL</b>	<b>480</b>	<b>324</b>	<b>270</b>	<b>167</b>	<b>391</b>	<b>90</b>
	City of Mbombela	Councillors	0	0	0	0	8	4
		Senior Management level	14	11	14	13	15	12
		Lower level employees	53	53	18	18	17	9
		Technicians and professional	4	4	23	20	31	21
		<b>TOTAL</b>	<b>71</b>	<b>68</b>	<b>55</b>	<b>51</b>	<b>71</b>	<b>46</b>
	Thaba Chweu	Councillors	27	27	27	27	27	27
		Senior Management level	18	133	4	4	3	2
		Lower level employees	25	25	56	40	22	0
		Technicians and professional	44	44	22	22	22	13
		<b>TOTAL</b>	<b>114</b>	<b>229</b>	<b>109</b>	<b>93</b>	<b>74</b>	<b>42</b>
	Nkomazi	Councillors	65	10	45	45	55	65
		Senior Management level	30	30	45	45	42	42
		Lower level employees	210	210	320	320	188	158
		Technicians and professional	35	35	45	45	50	50
		<b>TOTAL</b>	<b>340</b>	<b>275</b>	<b>455</b>	<b>455</b>	<b>335</b>	<b>315</b>
Ehlanzeni District	Councillors	15	8	12	4	10	16	
	Senior Management level	29	18	14	12	14	10	
	Lower level employees	44	25	12	20	12	9	
	Technicians and professional	61	57	36	39	36	36	
	<b>TOTAL</b>	<b>149</b>	<b>115</b>	<b>74</b>	<b>75</b>	<b>72</b>	<b>71</b>	

DISTRICT	Municipality	Management level	2018/19		2019/20		2020/21	
			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	Chief Albert Luthuli	Councillors	20	09	51	51	04	04
		Senior Management level	04	0	05	01	05	01
		Lower level employees	40	31	40	24	19	19
		Technicians and professional	0	0	10	05	10	10
		<b>TOTAL</b>	<b>64</b>	<b>40</b>	<b>106</b>	<b>81</b>	<b>38</b>	<b>34</b>
	Dipaleseng	Councillors	5	3	8	6	8	15
		Senior Management level	12	10	3	2	10	7
		Lower level employees	70	50	89	33	54	30
		Technicians and professional	20	3	10	4	7	5
		<b>TOTAL</b>	<b>107</b>	<b>66</b>	<b>110</b>	<b>45</b>	<b>79</b>	<b>57</b>
	Govan Mbeki	Councillors	62	24	52	4	60	9
		Senior Management level	0	2	5	2	4	1
		Lower level employees	350	120	501	120	120	110
		Technicians and professional	25	30	48	21	30	42
		<b>TOTAL</b>	<b>437</b>	<b>176</b>	<b>606</b>	<b>147</b>	<b>214</b>	<b>162</b>
	Mkhondo	Councillors	38	38	38	24	38	0
		Senior Management level	27	18	33	11	28	12
		Lower level employees	332	59	360	71	399	127
		Technicians and professional	126	44	98	22	95	39
		<b>TOTAL</b>	<b>523</b>	<b>159</b>	<b>529</b>	<b>128</b>	<b>560</b>	<b>178</b>
	Msukaligwa	Councillors	38	16	38	13	38	15
		Senior Management level	30	24	25	9	40	19
		Lower level employees	262	32	63	32	253	36
		Technicians and professional	56	25	21	6	65	09
		<b>TOTAL</b>	<b>386</b>	<b>97</b>	<b>147</b>	<b>60</b>	<b>396</b>	<b>79</b>
	Lekwa	Councillors	15	04	20	10	15	11
		Senior Management level	3	0	21	6	21	07
		Lower level employees	76	12	130	46	50	13
		Technicians and professional	7	9	26	11	32	27
		<b>TOTAL</b>	<b>101</b>	<b>25</b>	<b>197</b>	<b>73</b>	<b>118</b>	<b>58</b>
	Dr. Pixley Ka Isaka Seme	Councillors	21	21	21	12	21	17
		Senior Management level	13	06	05	1	04	0
		Lower level employees	78	65	55	31	66	27
Technicians and professional		09	07	22	12	22	18	
<b>TOTAL</b>		<b>121</b>	<b>99</b>	<b>103</b>	<b>56</b>	<b>113</b>	<b>62</b>	
GERT SIBANDE DISTRICT	Councillors	0	0	0	0	0	0	
	Senior Management level	17	22	38	33	39	16	
	Lower level employees	71	42	112	65	33	22	
	Technicians and professional	92	49	13	7	18	31	
	<b>TOTAL</b>	<b>180</b>	<b>113</b>	<b>202</b>	<b>105</b>	<b>90</b>	<b>69</b>	

DISTRICT	Municipality	Management level	2018/19		2019/20		2020/21	
			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	56	9	11	7	12	0
		Senior Management level	55	44	4	56	74	61
		Lower level employees	307	174	263	238	85	175
		Technicians and professional	158	134	110	117	146	82
		<b>TOTAL</b>	<b>576</b>	<b>361</b>	<b>388</b>	<b>418</b>	<b>317</b>	<b>318</b>
	Emakhazeni	Councillors	15	02	15	10	15	15
		Senior Management level	3	01	10	08	04	02
		Lower level employees	24	21	30	11	60	
		Technicians and professional	36	68	20	18	38	26
		<b>TOTAL</b>	<b>78</b>	<b>92</b>	<b>65</b>	<b>47</b>	<b>117</b>	<b>43</b>
	Steve Tshwete	Councillors	314	13	51	0	10	7
		Senior Management level	04	06	6	31	17	12
		Lower level employees	288	161	289	180	246	121
		Technicians and professional	113	39	68	192	211	296
		<b>TOTAL</b>	<b>719</b>	<b>218</b>	<b>414</b>	<b>403</b>	<b>484</b>	<b>436</b>
	Victor Khanye	Councillors	17	02	01	01	9	09
		Senior Management level	9	8	18	11	10	05
		Lower level employees	98	98	47	41	71	58
		Technicians and professional	7	7	21	14	20	13
		<b>TOTAL</b>	<b>131</b>	<b>115</b>	<b>87</b>	<b>67</b>	<b>111</b>	<b>85</b>
	Dr. JS Moroka	Councillors	61	2	61	10	61	15
		Senior Management level	29	0	29	0	33	2
		Lower level employees	369	30	369	22	294	68
		Technicians and professional	113	3	113	6	116	14
		<b>TOTAL</b>	<b>572</b>	<b>35</b>	<b>572</b>	<b>38</b>	<b>504</b>	<b>99</b>
	Thembisile Hani	Councillors	20	4	30	0	64	4
		Senior Management level	4	1	4	1	4	0
		Lower level employees	49	156	98	30	91	113
Technicians and professional		40	90	67	26	57	82	
<b>TOTAL</b>		<b>113</b>	<b>251</b>	<b>199</b>	<b>57</b>	<b>216</b>	<b>199</b>	
NKANGALA DM	Councillors	22	20	22	2	15	10	
	Senior Management level	24	12	15	9	20	12	
	Lower level employees	97	38	115	61	100	77	
	Technicians and professional	28	11	25	10	25	11	
	<b>TOTAL</b>	<b>171</b>	<b>81</b>	<b>177</b>	<b>82</b>	<b>160</b>	<b>110</b>	

(Source: Municipal Section 46 reports)

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 the 4 460 approved for training, only 2 553 staff members were actually trained in the 2020/2021 financial year which indicates a slight drop of 95 personnel not trained as compared to the previous financial year.
- Out of 943 staff members planned for training in Ehlanzeni District, only 564 staff members were trained in 2020/2021 compared to 841 staff members which were trained in 2019/20 and this indicates a decrease of 277 in personnel trained
- Out of 1 608 staff members planned for training in Gert Sibande District, only 699 were trained in 2020/21 compared to 695 which were trained in 2019/20 and this indicates an increase of 04 personnel trained.
- Out of 1 909 staff members planned for training in Nkangala District, only 1 290 were trained in 2020/21 compared to 1112 which were trained in 2019/20 and this indicates an increase of 178 in personnel trained.

### Challenges

- Poor or even non-attendance by some Senior Managers and Councillors
- Slow procurement processes in procuring service providers by the departmental SCM.
- Municipalities not using the 1% budget for trainings and diversion of funds to other municipal priorities
- 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

- Create a data-base for training providers in order to fast-track the SCM process.
- Municipalities to make provision for trainings in their budgets.
- The late disbursement of training funds has been raised with LGSETA and we are assured of improvement
- 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 continues to encourage municipalities to comply and ring-fence 1% budget of their salary bill for trainings
- DCoG is in a process of upgrading the GAPSKILL Tool for Skills audits.

## 5.11 Implementation of Performance Management Systems Framework

### EHLANZENI

**Table 77: 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	3	6	Yes	Yes	Yes	Yes	Yes	None
City of Mbombela	Yes	Yes	Yes	14	15	Yes	Yes	Yes	Yes	No	Resistance in compliance to PMS.
Nkomazi	Yes	Yes	Yes	6	6	Yes	Yes	Yes	Yes	No	The municipality is in the process of rolling out PMS to lower level (up to level 17). The only challenge was that the municipality was unable to conduct workshops on performance management systems due to Covid-19.

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 International 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
Thaba Chweu	Yes	Yes	Yes	4	6	Yes	Yes	Yes	Yes	No	There is no unit responsible to deal with cascading PMS to lower levels.
Ehlanzeni District	Yes	Yes	Yes	7	7	Yes	Yes	Yes	Yes	Yes	Implemented except the outcomes and impact (Evaluation). Although PMS is cascaded to lower levels, there's still a shortage of staff to implement PMS.
<b>Total</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>34</b>	<b>40</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>2</b>	

(Source: Municipal Section 46 reports)

## GERT SIBANDE DISTRICT

**Table 78: 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 International 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	The municipality has no personnel to implement PMS, but the PMS Manger post has been advertised.
Dipaleseng	Yes	Yes	Yes	5	6	Yes	Yes	Yes	Yes	No	PMS Unit not fully functional, establishment of PMS Unit.
Govan Mbeki	Yes, not reviewed	Yes	Yes	4	6	Yes	Yes	Yes	Yes	No	Job descriptions and Evaluation still pending, still waiting for HR to finalize the overdue process and there is a shortage of staff in the PMS unit
Lekwa	Yes, not reviewed	Yes	Yes	2	6	Yes	Yes	Yes	Yes	No	PMS unit not fully fledged, there is no agreement in the municipality on how PMS Should located (between HRM and PMS Unit). PMS Policy not reviewed.
Mkhondo	Yes	Yes	Yes	6	6	Yes	Yes	Yes	Yes	No	PMS Organogram
Msakaligwa	Yes, not reviewed	Yes	Yes	4	7	No	No	Yes	Yes	No	Finalisation of Job Descriptions, PMS Policy not reviewed.
Dr. Pixley Ka Isaka Seme	Yes, not reviewed	Yes	Yes	4	5	Yes	Yes	Yes	Yes	No	PMS not fully fledged, PMS Policy not reviewed.
Gert Sibande District	Yes	Yes	Yes	6	6	Yes	Yes	Yes	Yes	Yes	None
<b>Total</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>37</b>	<b>48</b>	<b>7</b>	<b>7</b>	<b>8</b>	<b>8</b>	<b>2</b>	

(Source: Municipal Section 46 reports)

Table 79: 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	4	7	Yes	Yes	Yes	Yes	Yes level 1-3	Shortage of staff to implement PMS to lower levels and lack of uniform understanding and buy-in on PMS from staff members.
Emakhazeni	Yes	Yes	Yes	3	4	Yes	Yes	Yes	Yes	Yes Level 1-2	PMS Manager position is vacant and there is lack of uniform understanding and buy-in on PMS from staff members.
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, not reviewed	Yes	Yes	3	5	Yes	Yes	Yes	Yes	No	The unit is understaffed to implement PMS to lower levels, as it is also responsible for M&E of the entire institution. The PMS Framework is being reviewed to include cascading of PMS lower levels
Dr. JS Moroka	Yes	Yes	Yes	0	5	Yes	Yes	Yes	Yes	No	Policy in place but the municipality is struggling with the implementation due to shortage of staff in the PMS unit only two personnel. The entire Senior management is on acting basis (inconsistency in management makes it difficult to evaluate performance and cascade PMS)
Thembisile Hani	Yes	Yes	Yes	6	5	Yes	Yes	Yes	Yes	No	There is only one person in the PMS Unit, making it difficult to cascade PMS to lower levels.
Nkangala District	Yes	Yes	Yes	6	6	Yes	Yes	Yes	Yes	Yes	None
<b>Total</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>27</b>	<b>37</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>4</b>	

(Source: Municipal Section 46 reports)

### 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. In the 2020/21 financial year the status quo remained the same with 8 municipalities cascading to 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
- Delay in the finalisation of Job Evaluation hence job descriptions not signed in most municipalities.
- Lack of process plan towards assessments (steps to follow) and lack of electronic system or automated system.
- Acting Senior managers are not signing performance agreements



## Recommendations

- Municipalities to cascade Performance Management System to lower levels.
- Municipalities to fast-track the filling of PMS vacant posts
- Advice municipalities to involve staff members during reviewal of the PMS Framework.
- SALGA to assist municipalities to finalise job evaluation processes
- Municipalities to develop process plan towards cascading PMS
- Municipalities must have electronic or automated system to implement PMS
- Municipalities to review PMS framework to include the requirements of MSA Municipal staff regulation

## 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 manager

## 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 80: 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	N	Y	Y	Y
2.			Inkhosi Mpumelelo Bheki Mnisi (Local) (deceased)	Mantjolo	Y	Y	Y	Y
3.			Inkhosi Sifiso Lucky Nkosi (Local)	Enkhaba	Y	Y	Y	Y
4.			Inkhosi Teyane Philimon Nkosi (Local)	Ebutsini	N	Y	Y	Y
5.			Inkhosi Thulani David Nkosi (Local)	Somcuba Bhevula	N	Y	Y	Y
6.			Inkhosi Khokhayi Johannes Malaza (Local) (deceased)	Mandlamakhulu	N	Y	Y	Y
7.			Inkhosi Rooi Abneri Nkosi (Local)	Enikwakuyengwa	N	Y	Y	Y
8.			Inkhosi Samuel Mandla Mnisi (District)	Duma	Y	Y	Y	Y
9.			Inkhosi Alphious Jabulani Shabalala (District)	Mandlangampisi	Y	Y	Y	Y
10.			Inkhosi Joseph Vusi Nhlapho (Local and district)	Mpsikazi	Y	Y	Y	Y
11.			Inkhosi Thandulwazi Moses Nkosi (District)	Ndlela	Y	Y	Y	Y
12.		Mkhondo Local Municipality	Inkosi Thulani Bhekizizwe Mthethwa (Local)	Madabukela	Y	Y	Y	Y
13.			Inkosi Mandla Andries Mahlobo (Local and district)	Kwa-Ndwalaza	Y	Y	Y	Y
14.			Inkosi Bongani Vincent Yende (Local)	Mahlaphahlapha	N	Y	Y	Y
15.			Inkosi Michael Themba Yende (Local and district)	Ogenyaneni	Y	Y	Y	Y
16.		Pixley Ka Seme Local Municipality	Morena Liphatoana Edward Moloi (Local and district)	Lekgoetla	Y	Y	Y	Y
17.	Nkangala District Municipality	Thembisile Hani Local Municipality	Ikosi Funwako Jan Mabhena (Local and District)	Manala Makerana	Y	Y	Y	Y
18.			King Makhosonke Enoch Mabhena (Local and District)	Manala Mbhongo	N	Y	Y	Y
19.			Ikosi Bongani Robert Mahlangu (Local and District)	Ndzundza Somphalali	Y	Y	Y	Y
20.			Ikosi Vembie William Mahlangu (Local and District)	Ndzundza Fene	Y	Y	Y	Y
21.			Ikosi Samsuswa Abraham Mabena (Local)	Manala Mgibe	N	Y	Y	Y
22.		Dr JS Moroka Local Municipality	Ikosi Sipho Etwell Mahlangu (Local and District)	Ndzundza Mabusa	N	Y	Y	Y
23.			Kgosi Ntokolo Justinus Maloka (Local and District)	Bakgatla Ba Maloka	Y	Y	Y	Y
24.			Kgosi P Chaane (Local and District) Replaced	Bakgatla Ba Seabe	N	Y	Y	Y
25.			Kgosi Mamakhudu Gloria Lefifi (Local and District)	Barolong Ba Lefifi	Y	Y	Y	Y
26.			Kgosi Jeffrey Thlame Moepi (Local and District)	Bakgatla Ba Moepi	Y	Y	Y	Y
27.			Kgosi Mbusi Mahlangu	Ndzundza Mabhoko	Y	Y	Y	Y
28.	Ikosi Cecil Monnanyana Mahlangu (Local and District)	Bakgatla Ba Maloka	Y	Y	Y	N		

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
29.	Ehlanzeni District Municipality	Bushbuckridge Local Municipality	Kgoshi Mishack Obert Mashego (Local and District)	Moreipuso	Y	Y	N	Y
30.			Kgoshi Reuben Nkotobona Chiloane (Local)	Sethlare	N	Y	Y	Y
31.			Kgoshi Abuti Lackson Chiloane (Local)	Moletete	N	Y	Y	Y
32.			Kgoshi Edwin Siphon Malele (Local and District)	Malele	Y	Y	Y	Y
33.			Kgoshi Lameck Mathupa Mokoena (Local)	Mathibela	N	Y	Y	Y
34.			Hosi Theophilus Magwagwaza Mnisi (Local and District) (deceased)	Mnisi	Y	Y	N	Y
35.			Hosi Madala Lody Nkuna (Local and District)	Hoxane	Y	Y	Y	Y
36.			Hosi Mpisana Erick Nxumalo (Local and District) (deceased)	Amashangana	Y	Y	Y	Y
37.			City of Mbombela Local Municipality	Inkosi Sicela Audacious Nkosi (Local and District)	Mpakeni	Y	Y	Y
38.		Inkosi Hlungu Richard Nkosi (Local and District)		Msogwaba	Y	Y	Y	Y
39.		Inkosi Mbangiso Isaac Mdluli (Local and District)		Mdluli	Y	Y	Y	Y
40.		Inkosi Tikhontele Solomon Dlamini (Local)		Lomshiyo	Y	Y	Y	Y
41.		Inkosi Robert Majaji Mbuyane (Local and District)		Mbuyane	Y	Y	Y	Y
42.		Inkosi Thami Freedom Mashego (Local and District)		Masoyi	N	Y	Y	N
43.		Inkosi Benedict Sive Khumalo (Local and District)		Gutshwa	Y	Y	Y	Y
44.		Inkosi Kenneth Mawa Nkosi (Local and District)		Emjindini	Y	Y	Y	Y
45.		Nkomazi Local Municipality		Inkhosi Sandile Godfrey Ngomane (Local)	Hhoyi	Y	Y	Y
46.			Nicholas Mxolisi Ngomane (new recognition)	Siboshwa	N	Y	Y	Y
47.	Inkosi Sokelezwe Hendry Mkhathswa (Local)		Mhlaba	N	Y	Y	Y	
48.	Inkosi Khuliile Nomvula Mkhathswa (Local and District)		Mawewe	N	Y	Y	Y	
49.	Inkhosi Mandlenkosi Sibusiso Mahlalela (Local)		Mlambo	Y	Y	Y	Y	
50.	Inkhosi Sizwe Mkhulu Ngomane (Local)		Kwa-Lugedlane	Y	Y	Y	Y	
51.	Inkosi Mduduzi Emanuel Shongwe (Local) (Vacant)		Matsamo	N	Y	Y	Y	
52.	Thaba Chweu Local Municipality	Kgosi Tumelo Ephraim Mashile (Local)	Mashilane	Y	Y	Y	Y	
53.		Kgosikgadi Patricia Ngwenya Mokou Mohlala (Local)	Mohlala Morudi	N	Y	Y	Y	
54.		Kgoshi Frederick Mogane (Local and District)	Mogane	Y	Y	Y	N	

(Source: Section 81 Assessment Report)

## Findings

During 2020/21 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
- 40 Traditional Leaders supported to participate in municipal councils
- 56 Traditional Councils supported to participate in the IDP processes
- 40 Traditional Councils mobilised to participate in ward committees
- 50 TCs mobilised to participate in spatial planning

## Challenges

- Inconsistency of traditional leaders/councils participation in local and district council sittings
- Non adherence of the local municipalities in the implementation of Section 81 of the Municipal Structures Act.

## Recommendations

- To engage with municipalities on compliance with the amended 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 amended Section 81 of the Municipal Structures Act.

## 6. SUMMARY OF FINDINGS

### 6.1 KEY CHALLENGES AND RECOMMENDATIONS PER KPA

**Table 81: KPA 1: Institutional Development and Transformation**

Key challenges and recommendations per Key Performance Area (KPA)					
KPA 1: Institutional Development and Transformation	Focal Area	District	Municipality	Challenges	Recommendations
	Filling of S57 Managers	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> <li>Delays by municipalities in filling senior managers' positions.</li> </ul>	<ul style="list-style-type: none"> <li>The department will continue to support municipalities during the selection and recruitment processes when requested.</li> <li>Vacant posts to be filled within a reasonable period.</li> </ul>
	PMS	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> <li>PMS is still not cascaded to lower levels in municipalities</li> <li>Lack of consultation in policy development / reviewal</li> <li>Failure by other municipalities to review their PMS policies</li> <li>Delay in the finalisation of Job Evaluation hence job descriptions not signed in most municipalities.</li> </ul>	<ul style="list-style-type: none"> <li>Municipalities to review PMS framework to include the requirements of MSA Municipal Staff Regulations</li> <li>Advise municipalities to involve staff members during reviewal of the PMS Framework.</li> <li>COGTA to engage SALGA on the finalisation job evaluation process in municipalities.</li> </ul>

**Table 82: KPA 2: Service Delivery and Infrastructure Development**

Key challenges and recommendations per Key Performance Area (KPA)					
	Focal Area	District	Municipality	Challenges	Recommendations
KPA 2: Service Delivery and Infrastructure Development	Water	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> <li>Lack of water master plans in municipalities</li> <li>Vandalism of the existing infrastructure, drilling of pipes during illegal connections resulting in excessive water distribution losses.</li> <li>Aged infrastructure resulting in collapsing infrastructure system</li> </ul>	<ul style="list-style-type: none"> <li>Development of water master plans, and management plans to reduce non-revenue water.</li> <li>Municipalities to enforce their by-laws to curb illegal connections and improve security of infrastructure to prevent vandalism and theft.</li> <li>Municipalities to budget for Operations &amp; Maintenance in line with the 8% budget norm.</li> </ul>
	Sanitation	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> <li>Sewer spillages and overflowing of Waste Water Treatment Works remains a challenge in Govan Mbeki, Msukaligwa and Emalahleni (Industrial Park), and Dr Pixley Ka Isaka Seme (in Amersfoort).</li> <li>Inadequate allocation of operations and maintenance budgets to sustain existing infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>Reprioritization of projects implemented through grant funding to address sewer spillages.</li> <li>Mobilization of other sectors such as DWS, DHS and the private sector through the DDM to support municipalities in addressing sewer spillages.</li> <li>Municipalities to budget adequately for Operations &amp; Maintenance in line with the 8% budget norm.</li> </ul>
	Electricity	Gert Sibande, Nkangala and Ehlanzeni		<ul style="list-style-type: none"> <li>High Eskom debts in Govan Mbeki, Lekwa, Mkhondo, Msukaligwa and Dipaleseng, Emalahleni, Victor Khanye, Thaba Chweu, and City of Mbombela municipalities</li> <li>Demand for electricity is above the allocated notified maximum demand.</li> <li>Scourge of illegal connections and electrical infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Development and adoption of repayment plans for Eskom debts</li> <li>Development of Electricity Master Plans to proactively address future demand capacity for electricity bulk infrastructure systems</li> <li>Development, adoption and enforcement of electricity by-law will assist municipalities in reducing illegal connections and electricity theft.</li> </ul>

**Table 83: KPA 3: Local Economic Development**

Key challenges and recommendations per Key Performance Area (KPA)					
	Focal Area	District	Municipality	Challenges	Recommendations
<b>KPA 3: Local Economic development</b>	LED strategy	Gert Sibande, Ehlanzeni and Nkangala	All municipalities	<ul style="list-style-type: none"> <li>LED units is not allocated sufficient resources to facilitate LED</li> <li>Msukaligwa and Bushbuckridge are without LED Stakeholder Forums</li> <li>Lack of LED governance &amp; consequent low business confidence affects business sector investment and creation of employment opportunities</li> </ul>	<ul style="list-style-type: none"> <li>LED Agencies to help facilitate the implementation of identified LED catalytic projects</li> <li>SALGA and COGTA to strengthen the LED Units including political LED heads with capacity building programmes</li> <li>COGTA and the Districts to strengthen all LED Stakeholder Forums to be impact oriented</li> </ul>

**Table 84: KPA 4: Municipal Financial Viability and Management**

Key challenges and recommendations per Key Performance Area (KPA)					
	Focal Area	District	Municipality	Challenges	Recommendations
<b>KPA 4: Municipal Financial Viability and Management</b>	Audit Outcomes	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> <li>7 Municipalities (Gert Sibande DM, Thaba Chweu LM, Dr Pixely Ka Isaka Seme LM, Govan Mbeki LM, Mkhondo LM, Msukaligwa LM, and Thembisile Hani LM) improved from the prior year;</li> <li>13 Municipalities remained unchanged from the previous year namely: Ehlanzeni DM, Steve Tshwete LM, Nkangala DM, Bushbuckridge LM, City of Mbombela, Nkomazi LM, Chief Albert Luthuli, LM Emalaheni LM, Victor Khanye LM, , Dipaliseng LM, Lekwa LM, Dr JS Moroka LM, Emakhazeni LM,</li> </ul>	<ul style="list-style-type: none"> <li>Political and administrative by-in to play an effective role in monitoring the implementation of Audit Action plans</li> <li>Provincial Treasury will follow-up and assist municipalities to conclude action plans for FCMMD and incorporate into audit action plans;</li> <li>Constant monitoring of audit action plans by Provincial Government (PT &amp; COGTA);</li> <li>Internal Audit plans to be submitted to Provincial Treasury for review and feedback.</li> </ul>
	Government debt	Gert Sibande, Nkangala and Ehlanzeni	All municipalities	<ul style="list-style-type: none"> <li>The total aggregate debt based on balance submitted by various municipalities amounted to R1.684 billion.</li> <li>The Provincial Departments that are reported as the highest contributors to the outstanding debt is the Department of Public Works, Roads and Transport with debt amounting to R679.9 million and the Department of Education with debt amounting to R96.9 million. The National Departments that reported the highest debt are National Department of Rural Development and Land Reform with an amount of R464.3 million and the National Department of Public Works with debt amounting to R376.6 million.</li> </ul>	<ul style="list-style-type: none"> <li>Departments to enter into payment agreements with municipalities;</li> <li>Departments and municipalities to interact to ensure that payment of debt is resolved;</li> </ul>

**Table 85: KPA 5: Good Governance and Public Participation**

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"> <li>Ward Councillors failing to call ward community meeting</li> <li>Non-sitting sitting of Ward committee meetings</li> <li>Non-implementation of ward Operational Plans</li> </ul>	<ul style="list-style-type: none"> <li>An in-depth capacity building on Ward Councillors and Ward Committees</li> <li>Enforcement of policies and legislations that compel ward councillors to convene ward committees and community meetings.</li> </ul>
	Good governance	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> <li>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</li> <li>Lack of participation by Traditional Leaders in municipal affairs.</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring that Amendment of Local Government Municipal Structures Act no.3 of 2021 is applied especially in terms of Chief Whip and Municipal Public Accounts Committees which is now Section 79A of the Municipal Structures Act</li> <li>Municipalities to enforce Section 81 of the Municipal Structures Act</li> </ul>

**Table 86: KPA 6: Cross Cutting Interventions**

Key challenges and recommendations per Key Performance Area (KPA)					
	Focal Area	District	Municipality	Challenges	Recommendations
K P A 6: Cross cutting Interventions	Disaster Management	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> <li>Insufficient budget to implement other disaster management recourses i.e. personnel, humanitarian reliefs and equipment.</li> </ul>	<ul style="list-style-type: none"> <li>Provision of sufficient budget to cater the challenges reflected above.</li> </ul>
	SPLUMA	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> <li>Only local municipalities such as City of Mbombela, Chief Albert Luthuli, Dipaleseng, Govan Mbeki, Mkhondo, Lekwa, Dr Pixley Ka Isaka Seme, Emalahleni and Steve Tshwete implemented enforcement of land use management.</li> </ul>	<ul style="list-style-type: none"> <li>The staff component of municipalities to effectively implement SPLUMA, especially from an administrative, technical and compliance point of view is insufficient. This is especially the case with land use enforcement where in many instances, no dedicated personnel exist to perform such function.</li> </ul>
	IDP	Gert Sibande, Nkangala and Ehlanzeni	All	<ul style="list-style-type: none"> <li>18 out of 20 municipalities adopted their reviewed IDPs on time. Dr JS Moroka and Lekwa local municipalities only adopted reviewed IDPs in June 2021. These two municipalities have been experiencing challenges during the strategy review process with the latter having been placed under the administration of National Cabinet in terms of Section 139 (7) of the Constitution. This was after a private company had taken the municipality to court and a damning court judgment was issued due to its failure to meet its legislative obligations on provision of basic services which has affected livelihoods.</li> <li>The National Lockdown Regulations implemented following the National State of Disaster, disheartened municipalities from convening public gatherings such as consultations on draft IDPs and</li> <li>annual budgets due to the COVID-19 protocols of practicing social distancing required to reduce the spread of Covid-19 virus.</li> </ul>	<ul style="list-style-type: none"> <li>Provincial Executive released Dr JS Moroka local municipality from Section 139 administration in April 2021 and some work needed to be done to ensure that there was alignment between the planning and budgeting process before the IDP and Budget could be adopted hence the delay in adopting the two documents at the end of June 2021</li> <li>Municipalities developed alternative mechanisms and procedures to conduct public consultations because the involvement of communities on the IDP and budget is regulated in law</li> </ul>

## 6.2 Conclusion

The 2020/21 financial year was the last year of the current term of local government. During this term we have seen an improvement in the delivery of quality basic services, improved public participation, and institutional capacity, although there are 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.

Furthermore, Municipalities managed to spend 98% of the overall allocated MIG budget. A total of 2 municipalities were unable to spend 100% of their allocations by the end of their financial year and these were Dr Pixley Ka Isaka Seme and Govan Mbeki municipalities.

Municipalities are faced with limited technical capacity, delays in finalising the appointment of service providers and appointment of incompetent service providers leads to slow implementation of projects on the ground. However, the Department encouraged municipalities to ensure appropriate programme and project planning and implementation readiness prior to the year of implementation. All MIG allocations for 2021/22 financial year be committed with project approvals by not later than 31 March 2021. Where municipalities have no sufficient capacity, COGTA (PPMU), DCOG, District Municipalities and MISA should collectively find mechanisms to support LMs to accelerate project implementation. More focus should be given to municipalities that are affected by the acute under-expenditure. Funds to be stopped for underperforming municipalities should be re-allocated to best performing municipalities within the Province in order to avoid losing funds which can be re-allocated to other Provinces.

Land Use Management used to rely on physical interaction between stakeholders to be effective. All municipalities were therefore adversely affected in terms of delivery of land use management services during the national state of disaster (hard lockdown) in the year under review. Only the larger municipalities (City of Mbombela, Steve Tshwete, Govan Mbeki and Emalahleni to some extent) were later able to adapt to changing circumstances and were to some extent able to perform land use management services remotely. Municipalities in Nkangala were all able to adopt SPLUMA Land Use Schemes (LUS) during the period under review.

After the 2021 audit, the adverse and disclaimed municipalities were identified for municipal specific support. This support has yielded positive results as some municipal audit outcome have improved. Support will also be provided to all other municipalities.

The Department in collaboration with Provincial Treasury and SALGA will support municipalities who have received the negative audit outcomes to develop audit action plans to address audit findings. The audit action plans will be monitored in terms of section 131 of the MFMA and progress reports will be provided to relevant oversight bodies. An Integrated Audit Improvement Plan will be developed by the Department and Provincial Treasury to help improve the audit outcomes of municipalities. The implementation of this intervention with co-operation from all stakeholders, will assist in the improvement of audit outcomes in municipalities.

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 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)**.

In implementing the Traditional and Khoisan Leadership Act, 2019 (Act No.3 of 2019), Traditional Leaders were supported on participation in the following municipal governance structures: Municipal Council sittings in terms of Section 20 of the TKLA and Section 81 (2) (a) of the Local Government Municipal Structures Act No. 117 of 1998 (MSA); Ward Committees in terms of Section 20 and MSA Sec 81 (8)(d); Municipal Integrated Development Plan (IDP) processes in terms of Sec 20 (1)(c) of the TKLA and Sec 81 (8) of the MSA.

It was during the 2020/2021 financial year that the Department emphasized to all its strategic partners that the District Development Model (DDM) is a practical Intergovernmental Relations (IGR) mechanism to enable all three spheres of government to work together with communities and stakeholders, to plan, budget and implement in unison. It was the considered view of the Department that in so doing the vexing service delivery challenges can be turned into local level development opportunities through localised procurement and job creation which promotes and supports

local businesses, and that involves communities. It was on that basis that all national and provincial departments were required to provide implementation plans and budgets that were intended to address local challenges and developmental opportunities whilst aligning with national, regional, continental and global goals and objectives.

It was on that basis that the Alignment and Harmonization of both IGR and DDM structures was conceptualised during the 2020/2021 financial year in order to minimize the disruption of programmes of political and technical champions and also to ensure that the collaboration and coordination of programmes that are pitched at a Strategic level is enhanced. The District Cluster Model was coined, supported and institutionalised in the three Districts of Gert Sibande, Nkangala and Ehlanzeni. The three Clusters of Governance and Administration, LED, Job Creation and Infrastructure. were established and Calendar of Meetings were scheduled in a manner that enhanced the participation of strategic decision-makers from National and Provincial government departments and state owned entities in all District Clusters. The finalisation of the Provincial IGR Strategic Implementation Plan is therefore critical in order to concretize this strategic collaboration and effective coordination of government-wide programmes and activities going forward.

During the financial year 2020/2021, the functionality of Provincial and District political and technical IGR Structures gained traction due to the preparations towards the 2021 Local Government Elections that had to be attended to. There was an urgent need for collaboration, coordination, information sharing and resource mobilisation in order to consolidate the government-wide work that has been done over the past five years in the sector and also to create the necessary systems and conducive environment for the oncoming administration after the elections.

The Community Development Workers CDW programme was able to develop and implement the Early Warnings System. The objective of this system was to identify all issues that have a potential of worsening (if not attended to) and have a potential of leading into civil unrests. CDWs were able to isolate and report any obvious reduction in service standards or performance that could lead to the collapse or significant impairment of the overall service function. This system enabled our CDWs at ward level to report these matters to municipalities and the Department at provincial level which ensured the escalation to relevant stakeholders (municipalities and sector departments, etc.) for intervention.

In addition, our CDWs were involved in various partnerships with Sector Departments which resulted in the improvement of service delivery to the members of the public; CDWs assisted the department of Home Affairs with the ID distribution process in all three districts in the municipality.

There has been a notable concern on the delays in the filling of Section 54A and 56 manager's positions in Municipalities. To this effect, 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.

During the year under review the Department monitored and assessed the performance of municipalities. Identified areas of poor performance and recommended remedial actions to be taken. The department together with relevant stakeholders continued to support and monitor the implementation of Municipal Support Plans.

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.

## **VISION**

Responsive, effective, efficient and sustainable co-operative governance system.

## **MISSION**

To co-ordinate, support, monitor and strengthen an integrated co-operative governance system.





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