

**MOPANI DISTRICT MUNICIPALITY MPAC  
OVERSIGHT REPORT ON THE 4<sup>TH</sup> QUARTER  
PERFORMANCE**



**30 NOVEMBER 2023**

## CHAIRPERSON'S FOREWORD

The contents of this report focus mainly on the performance of the Municipality during the Fourth Quarter of the 2022/23 financial year.

Service Delivery & Budget Implementation Plan (SDBIP) is a strategic tool that enables the municipality to evaluate its performance. SDBIP gives effect to the IDP and Budget of the Municipality and this will only be possible if IDP and Budget are fully aligned with each other. The planning document makes it feasible for Council to monitor the performance of the Municipality against quarterly targets on service delivery and to serve as an early warning pointer for underperformance.

It is on this basis that MPAC, guided by legislative imperatives, deems it necessary to apprise Council on the performance status of the Municipality with view to identify areas for possible improvements. Improved performance is a step towards eradication of service delivery protests; will improve audit outcome of the municipality and will also improve the municipality's output in terms of service delivery. Performance Management is a solution and the heartbeat of any flourishing organization. Prioritization of performance Management by Mopani District Municipality and its personnel will be the beginning of an end to community dissatisfaction and protests.

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## **1. INTRODUCTION**

The report relates to the outcome of the several meetings and session with the PMS Deputy Manager on the Fourth quarter performance report for the 2022/23 financial year. Specific focus would be given to the Key Performance Indicators that were flagged in terms of the Municipality's Service Delivery & Budget Implementation Plan. The Report would briefly look at the relevant legislative prescripts guiding performance management systems in the local government environment. The Report will also provide the processes followed as well as the methodology used that led to the delivery of the final product as well as the findings and recommendations for Council to make its further determination.

## **2. PURPOSE OF THE REPORT**

The purpose of the Report is to apprise Council on the results of the oversight conducted on the Municipality's Fourth Quarter Performance report for Council to make the necessary intervention where appropriate so that Council resolutions are passed for implementation.

## **3. SCOPE OF THE REPORT**

The scope of the report covers the fourth quarter of the Institutional Performance Report on the SDBIP for the 2022/23 financial year. Specific focus would be referred to the key performance indicators versus the set targets in order to assess whether or not, the municipality is performing in terms of the expectation.

#### **4. METHODOLOGY**

As per the compliance MPAC is required to scrutinize the performance report quarterly. MPAC has therefore arranged a session with the PMS division on 04<sup>th</sup> October 2023 where they presented the Fourth Quarter Performance Report before the Committee and succeeded by the working session on the 21<sup>st</sup> – 23<sup>rd</sup> November 2023.

## 5. FINDINGS & RECOMMENDATIONS

The committee focused specifically on the fourth Quarter Reports per Key Performance areas in terms of the SDBIP. The three tables below have categorised the items, findings and recommendations as such.

### 5.1 FOURTH QUARTER REPORTS PER KPA

Investigation under this section was Conducted owing to the nature of the information that was required.

| NO                                                                      | FINDINGS                                                                                                                                                                         | RECOMMENDATIONS                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>KPA 1: MUNICIPAL TRANSFORMATION &amp; ORGANIZATIONAL DEVELOPMENT</b> |                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                |
| 1.<br>TLMTO<br>D_04<br><br>(P8)                                         | Overdue outstanding labour related cases that are still ongoing from previous financial years currently at 43% against the expected target of 100% and delays in finalising them | <p>a. That disciplinary cases must be resolved within 90 days as per the recommendation of SDBIP adopted by Council.</p> <p>b. That the Accounting Officer must provide all outstanding disciplinary cases, progress per each case and costs incurred in the process on a quarterly basis.</p> |
| 2.<br>TLMTO<br>D_13<br>(P9)                                             | Performance assessment not conducted within 30 days after the end of the quarter for Sec. 54A and 56 Managers                                                                    | That the Accounting Officer must prioritise these quarterly performance assessment as they negatively reflect and affect the performance of the Municipality                                                                                                                                   |

|                                      |                                                                                                                                                     |                                                                                                                                                                                   |
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| 3.<br>TLMTO<br>D_23<br>(P11)         | Internal Audit findings slow implementation, the actual performance of 72% in respect of targeted 100% performance for the 4 <sup>th</sup> quarter. | That the Accounting Officer must provide the AG Action Plan, resolve and comply with the implementation of Internal Audit findings on a monthly basis to the relevant committees. |
| 4.<br>TLMTO<br>D_24<br>(P11)         | AG issues slowly implemented by directorates, 100% was targeted for the 4 <sup>th</sup> Quarter and only 51% achieved.                              | That the Accounting Officer must ensure compliance to governance, financial and reporting to resolve AG related issues and progress report be submitted to council quarterly      |
| 5.<br>TLMTO<br>D_25<br>(P11)         | Risk issues slowly implemented by directorates, 100% was targeted for the 4 <sup>th</sup> Quarter and only 72% achieved.                            | That the Accounting Officer fast track the implementation of Risk Mitigations                                                                                                     |
| <b>KPA 2: BASIC SERVICE DELIVERY</b> |                                                                                                                                                     |                                                                                                                                                                                   |
| <b>NO</b>                            | <b>FINDINGS</b>                                                                                                                                     | <b>RECOMMENDATIONS</b>                                                                                                                                                            |
| 6.<br>TLBSD<br>02<br>(P12)           | The development of waste water risk abatement plan not implemented, one was planned and none achieved during fourth quarter.                        | That the Accounting Officer must ensure forward planning and budget availability for this development.                                                                            |
| 7.<br>TLBSD<br>05<br>(P12)           | By-laws not gazetted, five by-laws were targeted for the quarter under review and zero percent achieved                                             | That the Accounting Officer must ensure the drafting of by-laws                                                                                                                   |

|                                             |                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                  |
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| 8.<br>TLBSD<br>06<br>(P12)                  | House holds with access to water limited, 6 000 house holds were targeted and only 1850 were the actual achievement                                              | That the Accounting Officer must do forward planning in the appointment of service providers and closely monitor the execution of projects.                                                                                                                                                                                                                                                      |
| 9.<br>TLBSD<br>07<br>(P12)                  | Slow progress on House holds access to sanitation, out of the targeted 4535 at least 4284 was achieved leaving a shortage of 251                                 | That the Accounting Officer must develop an accelerated plan to fast track progress in the provision of sanitation.                                                                                                                                                                                                                                                                              |
| <b>KPA 4: MUNICIPAL FINANCIAL VIABILITY</b> |                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>NO</b>                                   | <b>FINDINGS</b>                                                                                                                                                  | <b>RECOMMENDATIONS</b>                                                                                                                                                                                                                                                                                                                                                                           |
| 10.<br>TLFV<br>_01<br>(P14)                 | Poor revenue collection, the municipality is at 39% as of the fourth quarter while the target is aimed at 95% and this is less by 56% of its actual performance. | <p>a. That Implementation of the Revenue Improvement strategy &amp; credit control policy.</p> <p>b. That Management should implement the Credit Control policy as a matter of urgency.</p>                                                                                                                                                                                                      |
| 11.<br>TLFV<br>_02<br>(P14)                 | Poor debt collection on outstanding debts, only 37% was achieved out of the targeted 60% for the fourth quarter                                                  | <p>a. That Enforcement of the SLA's with all the local municipalities apply. An agreement should be entered into with government departments and big corporate for the outstanding debts and repayments plan be agreed upon;</p> <p>b. That Management must strengthen internal control on credit control policy and review of indigent policy in partnership with the local municipalities.</p> |

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| 12.<br>TLFV<br>_03<br><br>(P14) | Data cleansing was not performed during the 4 <sup>th</sup> quarter and thus resulting in zero percentage                                                                                | <p>a. That the Accounting Officer must enforce SLA's with all the local municipalities.</p> <p>b. That Accounting Officer must provide the statistical status of all meters and progress made thus far on data cleansing on a regular basis in consultation with locals through the SLAs.</p>                |
| 13.<br>TLFV<br>_04<br><br>(P14) | Quarterly financial statements not compiled and submitted to Provincial Treasury as required                                                                                             | <p>a. That the Accounting Officer must ensure that Financial Statements are presented to the Provincial Treasury as required by MFMA,</p> <p>b. That the BTO officials be capacitated;</p> <p>c. That the Municipality to include skills transfer clause in the contract with Service Providers for AFS.</p> |
| 14.<br>TLFV<br>_16<br><br>(P16) | Service providers are not being paid within 30 days of receipt of invoices as per the legislation.<br>The municipality targeted 100% for the fourth quarter but only managed to pay 47%. | <p>a. That the CFO must not accept any invoices where the checklist is not fully complied with.</p> <p>b. That the CFO must strengthen internal control and enforce compliance.</p> <p>c. That the CFO must ensure all Managers develop Standard Operating Plan within their divisions.</p>                  |
| 15.<br>TLFV<br>_19              | Capital budget not spent as approved by council within the stipulated time, at least 74% of the targeted 100% was achieved for the period                                                | <p>a. That the Accounting Officer through the CFO and the Technical Services must do forward planning for projects to ensure that the SCM processes are finalised and</p>                                                                                                                                    |

|                    |                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                           |
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| (P17)              |                                                                                                                                          | <p>implemented as per budget implementation plan.</p> <p>b. That consequence management must be applied to the Accounting Officer and relevant Senior Managers for failure in achieving the expected target in the fourth quarter.</p>                                                                                                                                                                    |
| 16.<br>TLFV<br>_21 | <p>MIG budget not spent as approved by council within the stipulated time, Only 75% of the targeted 100% was achieved for the period</p> | <p>a. That the Accounting Officer through the CFO and the Technical Services must do forward planning for projects to ensure that the SCM processes are finalised and implemented as per budget implementation plan.</p> <p>b. That consequence management must be applied to the Accounting Officer and relevant Senior Managers for failure in achieving the expected target in the fourth quarter.</p> |
| (P17)              |                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                           |

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| 17.<br>TLFV<br>_ 22<br><br>(P17) | RBIG budget not spent as approved by Council within the financial year, at least 70% of the targeted 100% for the period   | <p>a. That the Accounting Officer through the CFO and the Technical Services must do forward planning for projects to ensure that the SCM processes are finalised and implemented as per budget implementation plan.</p> <p>b. That consequence management must be applied to the Accounting Officer and relevant Senior Managers for failure in achieving the expected target in the fourth quarter.</p> |
| 18.<br>TLFV<br>_ 23<br><br>(P17) | WSIG budget not spent as approved by Council within the financial year, at least 63% of the targeted 100% for the period.  | <p>a. That the Accounting Officer through the CFO and the Technical Services must do forward planning for projects to ensure that the SCM processes are finalised and implemented as per budget implementation plan.</p> <p>b. That consequence management must be applied to the Accounting Officer and relevant Senior Managers for failure in achieving the expected target in the fourth quarter.</p> |
| 19.<br>TLFV<br>_ 24<br><br>(P18) | RRAMS budget not spent as approved by Council within the financial year, at least 75% of the targeted 100% for the period. | <p>a. That the Accounting Officer through the CFO and the Technical Services must do forward planning for projects to ensure that the SCM processes are finalised and implemented as per budget implementation plan.</p> <p>b. That consequence management must be applied to the Accounting Officer and relevant Senior Managers for failure</p>                                                         |

|                                               |                                                                                                                     | in achieving the expected target in the fourth quarter.                                                                                                                      |
|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| KPA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION |                                                                                                                     |                                                                                                                                                                              |
| NO                                            | FINDINGS                                                                                                            | RECOMMENDATIONS                                                                                                                                                              |
| 20.<br>TL_G<br>GPP<br>_05<br>(P21)            | Poor implementation of Council Resolutions, 68% of the targeted 100% was attained                                   | (a) That the Accounting Officer must ensure the implementation of Council Resolutions.<br>(b) The Section 79 Chairpersons and Chair of Chairs must play their oversight role |
| 21.<br>TL_G<br>GPP<br>_07<br>(P22)            | Slow implementation of IGR resolutions during the 4 <sup>th</sup> quarter, 86% of the anticipated 100% was achieved | That the Accounting Officer must ensure the full implementation of IGR structures resolutions.                                                                               |
| 22.<br>TL_G<br>GPP<br>_12<br>(P22)            | Ward Committee Forums not held, 100% was scheduled and zero (0) percentage achieved for the period                  | That the Speaker must ensure the coordination, scheduling, and attendance of District Ward Committee Forums                                                                  |
| 23.<br>TL_G<br>GPP<br>_16<br>(P23)            | Poor implementation of LLF Resolutions, 88% of the targeted 100% was attained for the period under review.          | That the Accounting Officer must ensure the implementation of LLF Resolutions and report quarterly.                                                                          |

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| 24.<br>TL_G<br>GPP<br>_23<br><br>(P24)                        | Audit committee resolutions not implemented within the financial year, only 83% of the targeted 100% for the fourth Quarter was achieved.   | That the Accounting Officer to ensure that audit committee resolutions and recommendations are implemented and ensure good governance, and compliance to legislation, and that it be a standing item in all management and Committee meetings. |
| KPA 6: SPATIAL RATIONAL<br>IMPROVING ACCESS TO BASIC SERVICES |                                                                                                                                             |                                                                                                                                                                                                                                                |
| 25.<br>TL_RS<br>_05<br>(P19)                                  | 500 sites for township establishment in Namakgale not implemented, one was planned and zero recorded for the period.                        | That the Accounting Officer must do forward planning and ensure budget is available for the projects.                                                                                                                                          |
| 26.<br>TL_RS<br>_06<br>(P19)                                  | 100 sites for township establishment in Burgersdorp, Relela and Mariveni not implemented, one was planned and zero recorded for the period. | That the Accounting Officer must do forward planning and ensure budget is available for the project.                                                                                                                                           |

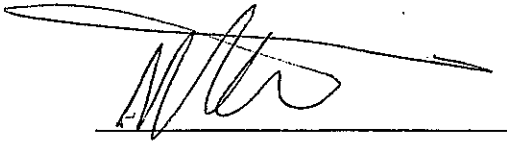
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| 27.<br>TL_RS<br>_07<br><br>(P19) | 1000 sites for township establishment in Phooko not implemented, one was planned and zero recorded for the period. | That the Accounting Officer must do forward planning and ensure budget is available for the project. |
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## **6. RECOMMENDATIONS TO COUNCIL**

**The following recommendations are brought before Council for further consideration and approval:**

1. That all council resolutions be prioritised and implemented as a matter of urgency as reflected in the previous reports;
2. That the Accounting Officer table to Council a progress report on the implementation of MPAC Recommendations on a quarterly basis;
3. That Section 79 Committee Chairpersons and Chair of Chairs must play oversight role on the implementation of Council resolutions
4. That MMCs to ensure that Council resolutions and matters that are due by management are executed.
5. That the Accounting Officer provides forward planning to Council on plans to avoid roll-overs and to improve on grant spending;
6. That the Accounting Officer and relevant directorates should ensure regular monitoring of projects;
7. That Management must comply on timeous submission of documents and POE when required by MPAC;
8. That written responses to MPAC must be honest, informative and relevant to questions asked;
9. That all matters requiring Consequence Management be referred to the Financial Misconduct Board (FMB) as per MFMA circular 76.
10. That Council adopts the report as presented; and

11. That the report be submitted to CoGHSTA, SALGA and the Provincial  
MPAC Forum.



**Cllr MM MUKHABELE**  
**MPAC CHAIRPERSON**

29/11/2023

**DATE**

**CONFIDENTIAL**