

## CHAPTER 6: AUDITOR - GENERAL FINDINGS

The Municipality maintained an Unqualified Audit Opinion in the 2021/22 FY. The Municipality is in a process of compiling an Audit Action Plan to monitor internal control deficiencies that have been raised by AGSA. The Audit Action Plan is a monitoring tool that will ensure that the Municipality does not regress in its Audit Opinion.

DRAFT ANNUAL REPORT

## 6.1. Auditor-General Report

DRAFT ANNUAL REPORT

# Report of the auditor-general to Mpumalanga Provincial legislature and the council on the Thaba Chweu Local Municipality and its municipal entity

## Report on the audit of the consolidated and separate financial statements

### Opinion

1. I have audited the consolidated and separate financial statements of the Thaba Chweu Local Municipality and its municipal entity (the group) set out on pages ... to ..., which comprise the consolidated and separate statement of financial position as at 30 June 2022, the consolidated and separate statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Thaba Chweu Local Municipality and its municipal entity (the group) as at 30 June 2022, and their financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 9 of 2021 (Dora).

### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the consolidated and separate section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Material uncertainty relating to going concern

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.
7. As disclosed in note 50 to the consolidated and separate financial statements, the municipality incurred a net loss of R164 325 897 (2021: R312 755 207) during the year ended

30 June 2022 and, as of that date, the municipality's current liabilities have increased (R243 397 954). These events or conditions, along with other matters as set forth in note 50, indicate that a material uncertainty exist that may cast significant doubt on the municipality's ability to continue as a going concern.

### **Emphasis of matters**

8. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### **Restatement of corresponding figures**

9. As disclosed in note 47 to the consolidated and separate financial statements, the corresponding figures for 30 June 2021 were restated as a result of an error in the consolidated and separate financial statements of the municipality at, and for the year ended, 30 June 2022.

### **Material losses – electricity**

10. As disclosed in note 39 to the consolidated and separate financial statements, the municipality incurred material electricity losses of 68 407 592 units (2020-21: 53 748 680 units), which represents 44% (2020-21: 35%) of total electricity purchased.

### **Material losses – water**

11. As disclosed in note 39 to the consolidated and separate financial statements, the municipality incurred material water losses of 5 116 684 units (2020-21: 5 599 532 units), which represents 61% (2020-21: 64%) of total water purchased.

### **Material debt impairments – consumer debtors**

12. As disclosed in note 14 to the consolidated and separate financial statement, the receivables balance was significantly impaired. The total impairment of consumer debtors amounted to R563 769 117 (2020-21: R482 947 743), which represents 93, 99% (2020-21: 90, 59%) of the total consumer debtors.

13. As disclosed in note 37 to the consolidated and separate financial statement, the contribution to the provision for debt impairment was R80 821 373 (2020-21: R241 558 676).

### **Other matter**

14. I draw attention to the matter below. My opinion is not modified in respect of this matter.

### **Unaudited disclosure notes**

15. In terms of section 125(2) (e) of the MFMA, the municipality and its municipal entity are required to disclose particulars of non-compliance with the MFMA in the consolidated and separate financial statements. This disclosure requirement did not form part of the audit of the consolidated and separate financial statements and, accordingly, I do not express an opinion on it.

## **Responsibilities of the accounting officer for the consolidated and separate financial statements**

16. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate in accordance with the Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.
17. In preparing consolidated and separate financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality and its municipal entity (group) or to cease operations, or has no realistic alternative but to do so.

## **Auditor-general's responsibilities for the audit of the consolidated and separate financial statements**

18. My objectives are to obtain reasonable assurance about whether the consolidated and separate as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.
19. A further description of my responsibilities for the audit of the consolidated and separate is included in the annexure to this auditor's report.

## **Report on the audit of the annual performance report**

### **Introduction and scope**

20. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected strategic objectives presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
21. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or

assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

22. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected strategic objectives presented in the municipality's annual performance report for the year ended 30 June 2022:

Strategic objectives	Pages in the annual performance report
Key performance area (KPA) 1 – basic services and infrastructure development.	x – x

23. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
24. I did not identify any material findings on the usefulness and reliability of the reported performance information for this strategic objective:
- KPA 1 – basic services and infrastructure development.

### Other matter

25. I draw attention to the matter below.

#### Achievement of planned targets

26. Refer to the annual performance report on pages ... to ... for information on the achievement of planned targets for the year.

## Report on the audit of compliance with legislation

### Introduction and scope

27. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
28. The material findings on compliance with specific matters in key legislation are as follows:

### **Annual financial statements**

29. The separate financial statements submitted for auditing were not fully prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the separate financial statements receiving an unqualified audit opinion.

### **Assets management**

30. Capital assets were disposed of without the municipal council having, in a meeting open to the public decided on whether the assets were still needed to provide the minimum level of basic municipal services and considered the fair market value of the assets and the economic and community value to be received in exchange for the assets as required by section 14(2) (a) and 14(2) (b) of the MFMA.

### **Expenditure management**

31. Money owed by the municipality was not always paid within 30 days, as required by section 65(2) (e) of the MFMA.
32. Reasonable steps were not taken to prevent irregular expenditure amounting to R 88 877 527, as disclosed in note 46 to the separate financial statements, in contravention of section 62(1) (d) of the MFMA.
33. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R127 176 606, as disclosed in note 44 to the separate financial statements, in contravention of section 62(1) (d) of the MFMA. The majority of the unauthorised expenditure was caused by actual expenditure exceeding budgeted amounts.

### **Consequence management**

34. Irregular expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.
35. Unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.
36. Fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

### **Procurement and contract management**

37. Some of the contracts were awarded to providers whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM regulation 43. Similar non-compliance was also reported in the prior year.

38. Some of the tenders that achieved the minimum qualifying score for functionality criteria were not evaluated further in accordance with 2017 preferential procurement regulation 5(7).
39. Awards were made to providers who were in the service of other state institutions or whose directors were in the service of other state institutions, in contravention of section 112(1) (j) of the MFMA and SCM regulation 44. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM process, as required by SCM regulation 38(1).

#### **Other information**

40. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the consolidated and separate financial statements, the auditor's report and those strategic objectives presented in the annual performance report that have been specifically reported in this auditor's report.
41. My opinion on the consolidated and separate financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
42. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate and the selected objectives presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
43. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate, however, if it is corrected this will not be necessary.

#### **Internal control deficiencies**

44. I considered internal control relevant to my audit of the consolidated and separate financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.
45. The accounting officer did not exercise adequate oversight responsibility regarding financial reporting and compliance with legislation.



46. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial reporting.
47. Management did not prepare regular, accurate and complete financial reports that are supported by reliable information.
48. Although the internal audit unit and the audit committee operated during the current period as per their legislated mandates, management did not always implement their recommendations on the improvement of internal controls to ensure reliable reporting on both financial as well as compliance with legislation.

### **Material irregularities**

49. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of the material irregularities reported in the previous year's auditor's report.

### **Material irregularities in progress**

50. I identified a material irregularity during the audit and notified the accounting officer, as required by material irregularity regulation 3(2). By the date of this auditor's report, I had not yet completed the process of evaluating the response from the accounting officer. This material irregularity will be included in the next year's auditor's report.

### **Status of previously reported material irregularities**

#### **Eskom not paid within 30 days of receipt of invoice or statement**

51. The municipality failed to ensure that the payments due to Eskom were made within 30 days of receiving the relevant invoice or statement, in contravention of section 65(2)(e) of the MFMA. As a result of the late payments, in the 2019-20 financial year the municipality incurred interest of R38, 1 million, which was disclosed as fruitless and wasteful expenditure in note 42 to the 2019-20 annual consolidated and separate financial statements. The non-compliance is likely to result in a material financial loss when the interest expense is paid.
52. The accounting officer was notified of the material irregularity on 22 April 2021.
53. The accounting officer reported the fruitless and wasteful expenditure for 2019-20 to the municipal public accounts committee (MPAC) for investigation on 19 August 2021. Based on the outcomes of the investigation the MPAC conducted, it was confirmed that there was no official liable for the irregularity. The report on the investigation was tabled to the council on 21 October 2021 and the council approved the write-off of the fruitless and wasteful expenditure for 2019-20 per council resolution C4/2021.
54. The accounting officer instituted the following measures:

- The accounting officer appointed a service provider to assist with the full implementation of the debt control and credit policy, prepaid meter audits and replacement of faulty meters.
- The accounting officer utilised the equitable share to help prevent further losses.
- The accounting officer ensured that there is a review of indigent customers to ensure that only customers who qualify are included to prevent the municipality incurring further losses.
- The municipality established a municipal project steering committee comprising members of the Development Bank of Southern Africa, to track the progress of the revenue projects undertaken. The increased revenue from the projects will enable the municipality to service the Eskom debt.
- The above measures were still in progress at the date of this auditor's report.

55. I will follow up on the matter during my next audit.

AUDITOR- GENERAL

15 December 2022

Mbombela



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## **Annexure – Auditor-general’s responsibility for the audit**

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the consolidated and separate financial statements and the procedures performed on reported performance information for selected objectives and on the municipality's compliance with respect to the selected subject matters.

### **Consolidated and separate financial statements**

2. In addition to my responsibility for the audit of the consolidated and separate as described in this auditor’s report, I also:
  - identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality’s internal control
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
  - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the consolidated and separate financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Thaba Chweu Local Municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the consolidated and separate financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern
  - evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and determine whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

### **Communication with those charged with governance**

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Appendices

Appendix A: Councilors; Committee Allocation and Council Attendance

23 NOVEMBER 2021 - 30 JUNE 2022

NAME OF COUNCILLOR	ORDINARY COUNCIL DATES		SPECIAL COUNCIL											
	23/11/21	28/02/22	23/06/22	01/12/22	20/12/22	28/01/22	16/02/22	22/03/22	31/03/22	24/05/22	31/05/22	30/06/22		
SIBANYONI M.D (LYDENBURG)	1	2		✓	✓	✓	✓	✓	✓	✓	✓	✓		
SANGXU G.M (LYDENBURG)		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
MOKWENA S.T (LYDENBURG)		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
MKHONDO P.T (LYDENBURG)		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
RANKWE A (LYDENBURG)		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
MOKGOSINYAN E.P.B (SABIE)		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
TROWER H (SABIE)		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
MOHLALA C.M (NORTHERN AREA)		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
MASHILE G.M (LYDENBURG)		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		

Inauguration of new council



**Appendix B: Third Tier Administrative structure**

DRAFT ANNUAL REPORT

**THABA CHWEU COUNCIL**

**EXECUTIVE MAYOR**

**OFFICE OF SPEAKER**

**PURPOSE:** TO COORDINATE AND MANAGE FUNCTIONING OF MUNICIPAL COUNCIL.

**FUNCTIONS:**

1. Ensure council meets at least quarterly.
2. Preside over Council Meetings
3. Facilitate and liaise with municipal stakeholders
4. Monitor compliance on the implementation of council resolutions
5. Ensure councilors comply with code of conduct.
6. Ensure compliance with council and council committee rules and standing orders.
7. Render administrative support to the municipal public account committee(MIPAC)

**THABA CHWEU LOCAL MUNICIPALITY**

**PURPOSE:** TO COORDINATE AND MANAGE THE PROVISION OF SERVICE DELIVERY IN ACCORDANCE WITH THE LEGISLATION GOVERNING LOCAL GOVERNMENT.

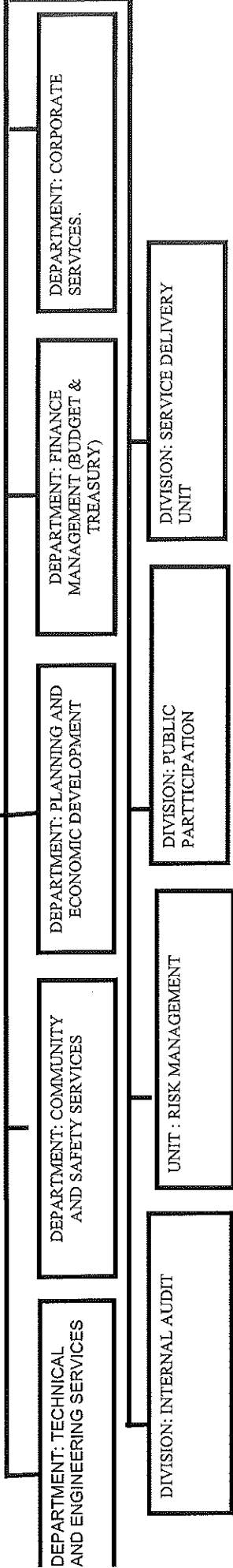
**FUNCTIONS:**

1. Manage Technical and engineering services.
2. Manage community and safety services
3. Coordinate Municipal planning and economic development
4. Manage financial matters.
5. Manage corporate services
6. Render internal Audit services
7. Render risk management services
8. Coordinate public participation
9. Manage service delivery units
10. Oversee the provision of services by Thaba Chweu local economic development Agency (Thaleda)

**OFFICE OF THE EXECUTIVE MAYOR**

**FUNCTIONS:**

1. Identify, evaluate and priorities the needs of the municipality and make recommendations to the council.
2. Develop key performance areas against which progress to be measured and evaluated.
3. Ensure implementation of policies and by laws.
4. Provide general political guidance over the fiscal and financial affairs (budget) of the municipality.
5. Oversee the provision of services to the community.





**OFFICE OF THE COUNCIL WHIP**

**PURPOSE:** TO RENDER ADMINISTRATIVE SUPPORT THE CHIEF WHIP.

**FUNCTIONS:**

1. Liaise with the different political parties to ensure representation council and council committees.
2. Maintains sound relations between the various political parties.
3. Informs the whips of all parties on important matters on the council agenda
4. Assist the speaker to count votes in the council meeting.
5. Facilitate the interaction between the executive and legislative oversight structures in the municipality.
6. Resolve disputes between the speaker, executive mayor or members of the mayoral committee.

**THABA CHWEU LOCAL MUNICIPALITY**

**PURPOSE:** TO COORDINATE AND MANAGE THE PROVISION OF SERVICE DELIVERY IN ACCORDANCE WITH THE LEGISLATION GOVERNING LOCAL GOVERNMENT

**FUNCTIONS:**

1. Manage Technical and engineering services.
2. Manage community and safety services
3. Coordinate municipal planning and economic development
4. Manage financial matters.
5. Manage corporate services
6. Render internal Audit services
7. Render risk management services
8. Coordinate public participation
9. Manage service delivery units
10. Oversee the provision of services by Thaba Chweu local economic development Agency(Thaleda)

**DEPARTMENT: TECHNICAL SERVICES**

**PURPOSE:** TO MANAGE THE PROVISION OF TECHNICAL SERVICES

**Functions:**

1. Manage municipal development projects.
2. Manage the maintenance of roads and storm water
3. Manage the provision of water and sanitation services
4. Manage the provision of electricity and mechanical services.

**DEPARTMENT: COMMUNITY SERVICES**

**PURPOSE:** TO MANAGE COMMUNITY AND PUBLIC SAFETY SERVICES.

**Functions:**

1. Manage traffic law enforcement services
2. Render fire and disaster management and environment services.
3. Manage the provision of security services.
4. Coordinate waste management and environmental services.
5. Manage library, culture, sport, recreation, and museum services.
6. Manage youth development programmes
7. Manage Transversal Services

**DEPARTMENT: PLANNING AND ECONOMIC DEVELOPMENT**

**PURPOSE:** TO COORDINATE MUNICIPAL PLANNING AND ECONOMIC DEVELOPMENT.

**Functions:**

1. To promote local economic development services
2. Coordinate the development and implementation of integrated plan (IDP)
3. Manage performance, monitoring and evaluation
4. Coordinate the provision of housing
5. Render development planning, building control and Land use management services.

**THABA CHWEU LOCAL MUNICIPALITY**

**PURPOSE:** TO COORDINATE AND MANAGE THE PROVISION OF SERVICE DELIVERY IN ACCORDANCE WITH THE LEGISLATION GOVERNING LOCAL GOVERNMENT

**FUNCTIONS:**

1. Manage Technical and engineering services.
2. Manage community and safety services
3. Coordinate municipal planning and economic development
4. Manage financial matters.
5. Manage corporate services
6. Render internal Audit services
7. Render risk management services
8. Coordinate public participation
9. Manage service delivery units
10. Oversee the provision of services by Thaba Chweu local economic development Agency(Thaleda)

**DEPARTMENT: FINANCIAL MANGEMENT**

**PURPOSE:** TO MANAGE FINANCIAL MATTERS

**Functions:**

1. Manage municipal budget and financial reporting.
2. Render financial accounting services
3. Render revenue management
4. Render supply chain management services
5. Manage municipal assets and fleet services.
6. Manage information and communication technology services

**DEPARTMENT: CORPORATE SERVICES**

**PURPOSE:** TO MANAGE CORPORATE SERVICES.

**Functions:**

1. Render human resources management and development services.
2. Render labour relations services
3. Render records management and auxiliary services
4. Render Council support services

**DIVISION: INTERNAL AUDIT**

**PURPOSE:** TO RENDER INTERNAL AUDIT SERVICES

**Functions:**

1. Develop three year rolling plan
2. Develop internal audit plan and internal audit programs
3. Develop internal audit methodology and chart
4. Execute audit project as per annual plan
5. Conduct follow up on findings by Auditor-General
6. Render secretariat services to the internal Audit Committee
7. Provide advice on internal controls, performance management and risk management

**THABA CHWEU LOCAL MUNICIPALITY**

**PURPOSE:** TO COORDINATE AND MANAGE THE PROVISION OF SERVICE DELIVERY IN ACCORDANCE WITH THE LEGISLATION GOVERNING LOCAL GOVERNMENT

**FUNCTIONS:**

1. Manage Technical and engineering services.
2. Manage community and safety services
3. Coordinate municipal planning and economic development
4. Manage financial matters.
5. Manage corporate services
6. Render internal Audit services
7. Render risk management services
8. Render legal services
9. Coordinate public participation
10. Manage service delivery units
11. Oversee the provision of services by Thaba Chweu local economic development Agency (Thaleda)

**DIVISION: PERFORMANCE MONITORING AND EVALUATION**

**PURPOSE:** TO MANAGE PERFORMANCE MONITORING AND EVALUATION.

**FUNCTIONS:**

1. Monitor and evaluate the implementation of municipality.
2. Manage the performance management system.

**DIVISION: RISK MANAGEMENT SERVICES**

**PURPOSE:** TO RENDER RISK MANAGEMENT SERVICES

**FUNCTIONS:**

1. Develop risk policies, charters and annual implementation plan
2. Develop and manage municipal risk register
3. Train risk champions
4. Render secretariat services to the Risk Management Committee.
5. Submit risk management reports to District Council and province (Provincial Treasury and COGTA).
6. Monitor the development and

**DIVISION: PUBLIC PARTICIPATION**

**PURPOSE:** TO COORDINATE PUBLIC PARTICIPATION

**FUNCTIONS:**

1. Provide support to community development workers and community participation activities
2. Coordinate and monitor the implementation of the Ward committees programmes

**DIVISION: SERVICE DELIVERY**

**PURPOSE:** TO MANAGE THE RENDERING OF SERVICE DELIVERY IN SERVICE UNITS.

**FUNCTIONS:**

1. Manage and ensure the rendering of service delivery in all Municipal Units (Graskop, Sable, and Northern Areas.

**DIVISION: COMMUNICATION**

**PURPOSE:** TO MANAGE COMMUNICATIONS SERVICES.

**FUNCTIONS:**

1. Provide internal and external communication services.
2. Manage website of the municipality and social media.
3. Coordinate presidential issues and render media monitoring and liaison.
4. Render branding and advertising.
5. Receive and respond promptly to customer complaints and enquires.
6. Register customer complaints on the Municipal admin System and forward to the relevant department.
7. Register customer complaints on the Municipal admin System and forward to the relevant

**DIVISION: LEGAL AND ADMINISTRATION SERVICES**

**PURPOSE:** TO RENDER LEGAL SERVICES

**FUNCTIONS:**

1. Liaise with the State Attorneys and State Law Advisors.
2. Administer municipal contracts.
3. Provide legal advice to management and council.
4. Represent Council on litigation matters.

**DEPARTMENT: TECHNICAL SERVICES**

**PURPOSE:** TO MANAGE THE PROVISION OF TECHNICAL SERVICES

**FUNCTIONS:**

1. Manage municipal development projects.
2. Manage the maintenance of roads and storm water
3. Manage the provision of water and sanitation services
4. Manage the provision of electricity and mechanical services.

**DIVISION: PROJECT MANGEMENT**

**PURPOSE:** TO MANAGE MUNICIPAL DEVELOPMENT PROJECTS.

**FUNCTIONS:**

1. Conduct feasibility study of projects.
2. Develop terms of reference for the scope of work
3. Render project management and administration.
4. Manage the establishment and approval of contracts with contractors and consultants for each project.
5. Manage the MIG management information System (MIG- MIS) for project registration and progress monitoring.
6. Manage the project funded by MIG

**DIVISION: ROADS AND STORM WATER**

**PURPOSE:** TO MANAGE THE MAINTENCE OF ROADS AND STORM WATER SERVICES.

**FUNCTIONS:**

1. Maintains Municipal roads
2. Maintain the storm water drainage system
3. Establish and maintain road sidewalks
4. Manage road markings and signage services.

**DIVISION: WATER AND SANITATION**

**PURPOSE:** TO MANAGE THE PROVISION OF WATER AND SANITATION SERVICES.

**FUNCTIONS**

1. Manage the provision of portable water to the community.
2. Manage repairs and maintenance of reticulation systems
3. Conduct purification of ground water.
4. Conduct water quality test
5. Render waste waste water purification.
6. Maintain sewer reticulation systems.
7. Manage sewer collection.

**DIVISION: ELECTRICAL AND MECHANICAL**

**PURPOSE:** TO MANAGE THE PROVISION OF ELECTRICAL AND MECHANICAL AND SERVICES.

**FUNCTIONS:**

1. Network maintenance
2. Repair electrical faults
3. Conduct meter audit (defaulting)
4. Render mechanical services.

**DEPARTMENT: COMMUNITY SERVICES**  
**PURPOSE: TO MANAGE COMMUNITY AND PUBLIC SERVICES**

**FUNCTIONS:**

1. Manage traffic law enforcement services.
2. Render fire and disaster management services
3. Coordinate waste management and environmental services
4. Manage the provision of security services
5. Manage library, culture, sport, recreation and museum services.
6. Manage youth development programmes.
7. Manage transversal services

**DIVISION: TRAFFIC LAW ENFORCEMENT**

**Purpose: TO MANAGE TRAFFIC LAW ENFORCEMENT SERVICES.**

**Functions**

1. Conduct traffic law enforcement services
2. Render school patrol services
3. Provide escort services (special event)
4. Conduct point duty services

**DIVISION: FIRE AND DISASTER MANAGEMENT**

**Purpose: Render Fire and Disaster Management Services**

**Functions**

1. Provide fire rescue services
2. Develop and implement fire prevention plans
3. Conduct fire awareness campaigns to the business and communities
4. Ensure compliance to fire prevention prescripts of buildings and storage of flammable liquids registration.
5. Conduct fire risk assessment
6. Facilitate the issuing permits to flammable transport

**DIVISION: SECURITY SERVICES**

**Purpose: To manage the provision of SECURITY AND BY LAW ENFORCEMENT SERVICES.**

**Functions**

1. Formulate departmental security policy
2. Provide advice on security matters
3. Monitor the provision of security services to political members
4. Provide advice on security systems and general security measures within the municipality.
5. Enforce by laws of the municipality

**DIVISION: WASTE MANAGEMENT AND ENVIRONMENTAL SERVICES**

**Purpose: TO COORDINATE WASTE MANAGEMENT SERVICES.**

**Functions**

1. Manage refuse removal services
2. Manage the residential and street cleaning services.
3. Monitor and remove illegal dumping
4. Conduct waste management campaigns to the community.
5. Monitor compliance to waste management Act and other related prescripts.
6. Manage operation and maintenance of landfill site.
7. Develop air quality management plan and minimum standard.
8. Monitor compliance to prevent emission and noise that cause disturbances.
9. Promote environmental awareness and education on air pollution and climate change

**DEPARTMENT: COMMUNITY SERVICES**  
**PURPOSE: TO MANAGE COMMUNITY AND PUBLIC SERVICES**

**FUNCTIONS:**

1. Manage traffic law enforcement services.
2. Render fire and disaster management services
3. Coordinate waste management and environmental services
4. Manage the provision of security services
5. Manage library, culture, sport, recreation and museum services.
6. Manage youth development programmes.
7. Manage transversal services

**DIVISION: LIBRARY, CULTURE, SPORT, RECREATION AND MUSEUM SERVICES.**

**PURPOSE: TO MANAGE LIBRARY, CULTURE, SPORT, RECREATION AND MUSEUM SERVICES.**

**FUNCTIONS:**

1. Manage the marketing delivery and information services
2. Provide internet services to the community
3. Conduct weeding of books and repairs of all books
4. Coordinate arts, culture and recreational programmes
5. Facilitate the development of sports programmes
6. Facilitate the preservation, conservation and promotion of museum resources.

**DIVISION: PARKS AND CEMETERY MANGEMENT**

**PURPOSE: TO MANAGE THE MAINTENANCE OF PARKS AND CEMETERIES.**

**FUNCTIONS:**

1. Develop and maintain parks and public open spaces
2. Manage the maintenance of existing and closed cemeteries
3. Conduct grass cutting, tree pruning and landscaping.

**DIVISION: TRANSVERSAL SERVICES**

**PURPOSE: TO MANAGE TRANSVERSAL SERVICES.**

**FUNCTIONS:**

1. Facilitate the integration for disability in the entire development process.
2. Ensure gender equity and women empowerment
3. Promote the right of children
4. Promote the rights of children
5. Promote the rights of older persons.
6. Promote and coordinates issues relating to HIV and AIDS.
7. Coordinate youth development programmes.

**DEPARTMENT: PLANNING AND ECONOMIC DEVELOPMENT**

**PURPOSE: TO COORDINATE MUNICIPAL PLANNING AND DEVELOPMENT**

**FUNCTIONS:**

1. Promote local economic development services.
2. Coordinate the development and implementation of integrated development plan (IDP)
3. Manage performance, monitoring, and evaluation.
4. Coordinate the provision of housing.
5. Render development planning, building control and Land use management services.

**DIVISION: LOCAL ECONOMIC DEVELOPMENT**

**PURPOSE: TO PROMOTE LOCAL ECONOMIC DEVELOPMENT SERVICES.**

**FUNCTIONS:**

1. Facilitate the development and review of the municipal Local Economic Development (LED) strategy
2. Monitor the implementation of LED programmes and evaluate the impact thereof.
3. Mobilise and coordinate public/ private sector support to municipal LED programmes
4. Identify and market new economic opportunist.
5. Process applications for business licenses.
6. Promote tourism within the Municipality.
7. Manage the registration of business.
8. Monitor compliance to business specification and utilization.

**DIVISION: INTERGRATED DEVELOPMENT PLAN (IDP)**

**PURPOSE: TO CO-ORDINATE THE DEVELOPMENT AND IMPLEMENTATION OF INTERGATED DEVELOPMENT PLAN (IDP)**

**FUNCTIONS:**

1. Facilitate the development of integrated development planning.
2. Monitor the implementation of IDP.
3. Make inputs to policy making bodies.
4. Facilitate the development of services delivery and budget implementation plans.

**DEPARTMENT: PLANNING AND ECONOMIC DEVELOPMENT**

**PURPOSE:** TO COORDINATE MUNICIPAL PLANNING AND DEVELOPMENT.

**FUNCTIONS:**

1. Promote local economic development services.
2. Coordinate the development and implementation of integrated development plan (IDP)
3. Manage performance, monitoring of human settlements.
4. Coordinate in provision of human settlement.
5. Render development planning, building control and land use management services.

**DIVISION: HUMAN SETTLEMENT**

**PURPOSE:** TO COORDINATE THE PROVISION OF HUMAN SETTLEMENT.

**FUNCTIONS:**

1. Facilitate the identification and registration of potential beneficiaries
2. Conduct consumer education services.
3. Develop and maintain data of information settlements.
4. Capture potential beneficiaries on national housing needs register (NHNR)
5. Facilitate the registration for subsidy.
6. Provide feedback to beneficiaries.
7. Liaise with the successful beneficiary and contractors.

**DIVISION: DEVELOPMENT PLANNING**

**PURPOSE:** TO RENDER DEVELOPMENT PLANNING, BUILDING CONTROL AND LAND USE MANAGEMENT SERVICES.

**FUNCTIONS:**

1. Conduct building inspections.
2. Administer town planning applications.
3. Issue enforcement letters.
4. Process land use applications.
5. Provide GIS information for development planning.
6. Initiate land use investigation and determine land potential.



**DEPARTMENT: FINANCE MANAGEMENT (BUDGET AND TREASURY)**

**PURPOSE:** TO MANAGE FINANCIAL MATTERS.

**FUNCTIONS:**

1. Manage municipal budget and financial reporting.
2. Render financial accounting services.
3. Render revenue management services.
4. Render supply chain management services.
5. Manage municipal assets.

**DIVISION: BUDGET AND FINANCIAL REPORTING**  
**PURPOSE:** TO MANAGE MUNICIPAL BUDGET AND FINANCIAL REPORTING.

**FUNCTIONS:**

1. Compile budget estimates
2. Align budget with the integrated development plan of the municipality
3. Reconcile paymaster General Account
4. Manage suspense accounts
5. Establish and maintain an accounting database.
6. Compile financial statement.

**DIVISION: EXPENDITURE MANAGEMENT**  
**PURPOSE:** TO RENDER FINANCIAL ACCOUNTING SERVICES.

**FUNCTIONS:**

1. Render expenditure control services.
2. Manage and administer the payroll.

**DIVISION: REVENUE MANAGEMENT**  
**PURPOSE:** TO RENDER REVENUE MANAGEMENT SERVICES.

**FUNCTIONS:**

1. Identify potential revenue sources.
2. Manage debtors account of the Municipality.
3. Render water meter reading services.

**DIVISION: INFORMATION AND COMMUNICATION TECHNOLOGY**

**PURPOSE:** TO MANAGE INFORMATION AND COMMUNICATION TECHNOLOGY SERVICES.

**FUNCTIONS:**

1. Manage the municipal ICT operations
2. Ensure the implementation of disaster ICT management system.
3. Manage the provision of information technology support services.
4. Render network support services.

**DEPARTMENT: FINANCE MANAGEMENT (BUDGET AND  
TREASURY)**

**PURPOSE:** TO MANAGE FINANCIAL MATTERS.

**FUNCTIONS:**

1. Manage municipal budget and financial reporting.
2. Render financial accounting services.
3. Render revenue management services.
4. Render supply chain management services.
5. Manage municipal assets.

**DEPARTMENT: SUPPLY CHAIN MANGEMENT**

**PURPOSE:** TO RENDER SUPPLY CHAIN MANAGEMENT SERVICES.

**FUNCTIONS:**

1. Manage acquisition and demand planning services.
2. Render supply chain performance management services.
3. Administer database of suppliers
4. Develop and manage the implementation of supply chain management policy.
5. Render logistics management services.

**DIVISION: ASSET MANAGEMENT**

**PURPOSE:** TO MANAGE MUNICIPAL ASSETS

**FUNCTIONS:**

1. Manage movable and immovable assets.
2. Develop asset management plan
3. Manage performance and asset acquisition processes.
4. Verify physical assets and identify assets for disposal.
5. Facilitate the safeguarding of assets.
6. Maintain and reconcile assets register

**DEPARTMENT: CORPORATE SERVICES**

**PURPOSE:** TO MANAGE CORPORATE SERVICES.

**FUNCTIONS:**

1. Render human resource management and development services.
2. Render labour relations services.
3. Render secretariate services.
4. Render Records management and auxiliary

**DIVISION: HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT**

**PURPOSE:** TO RENDER HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT SERVICES.

**FUNCTIONS:**

1. Render human resources condition of services
2. Manage human resource organizational strategy and planning.
3. Manage human resource utilization and capacity development.
4. Render occupational health and safety services.
5. Administer human resources management system.
6. Coordinate employee performance management system.
7. Coordinate employee health and wellness services.

**DIVISION: LABOUR RELATIONS**

**PURPOSE:** RENDER LABOUR RELATIONS SERVICES.

**FUNCTIONS:**

1. Handle grievances, dispute and discipline, arbitration and conciliation matters.
2. Facilitate collective bargaining.
3. Ensure maintenance of discipline within the municipality.
4. Render advisory service on labour relations matters to management.
5. Conduct capacity building on labour relation matters to management.
6. Manage strikes.

**DIVISION: SECRETARIAT SERVICES**

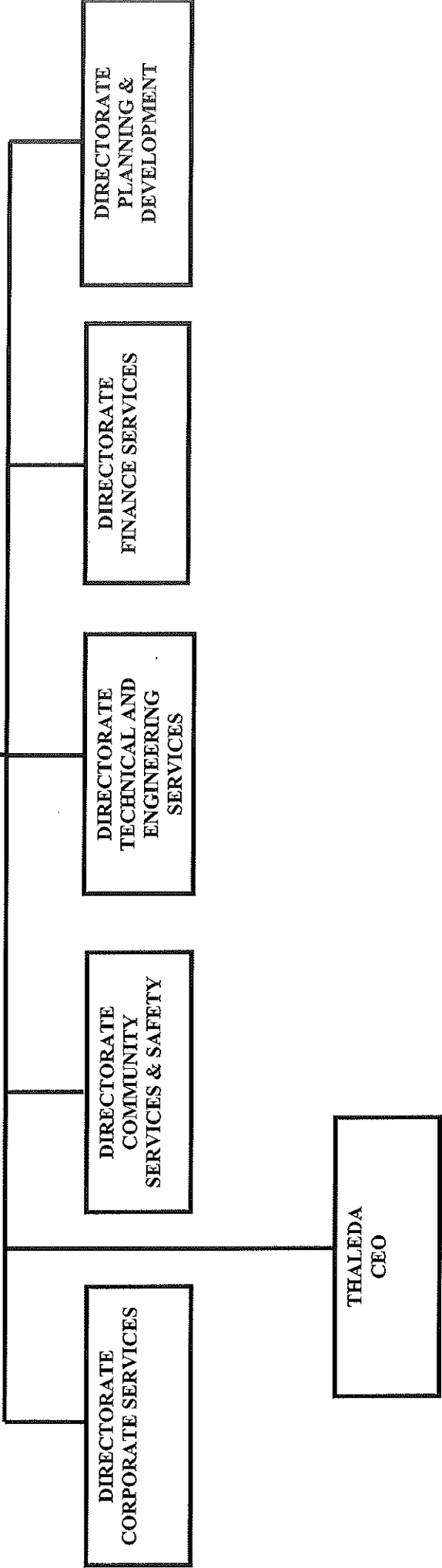
**PURPOSE:** TO RENDER SECRETARIAT SERVICES

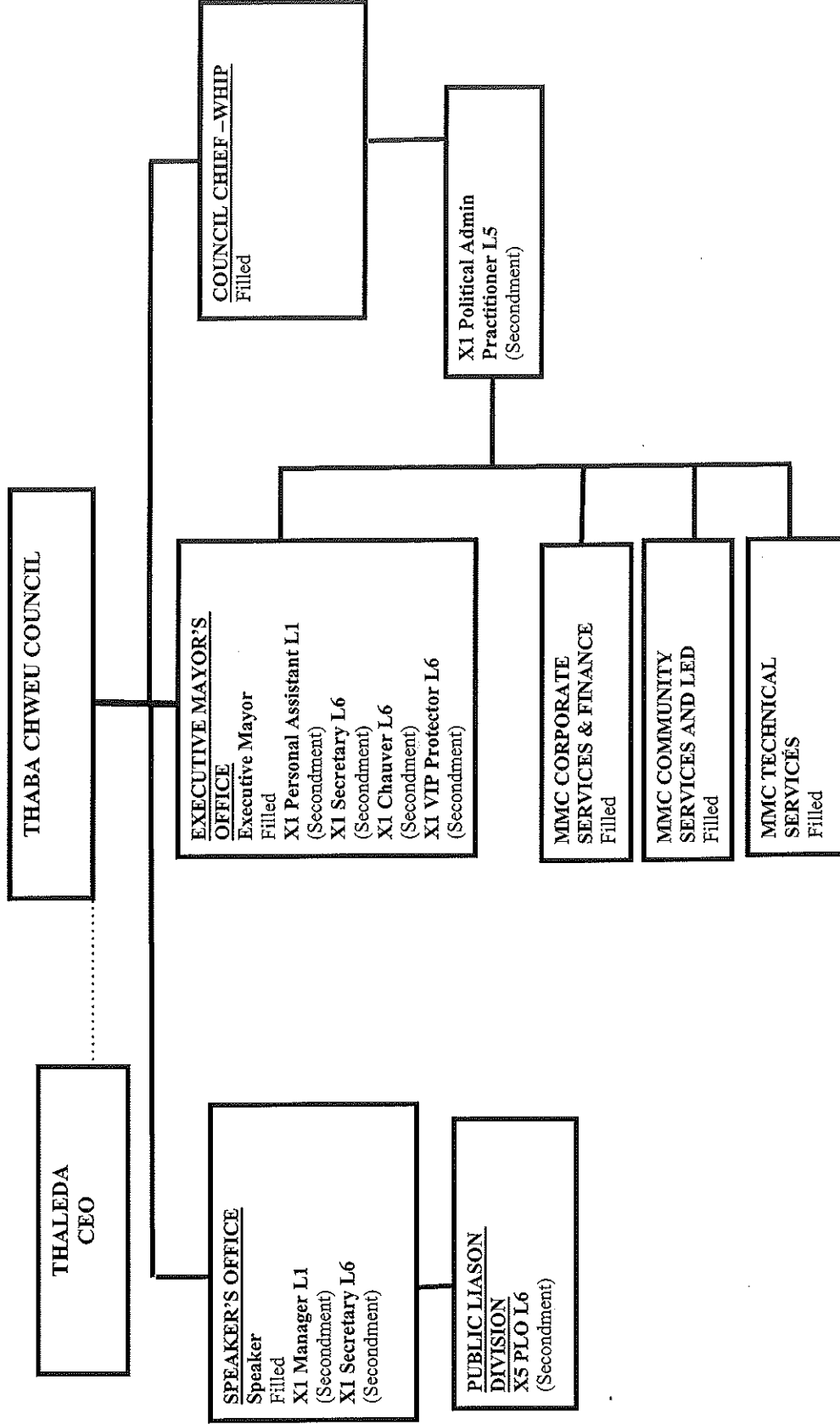
**FUNCTIONS:**

1. Render secretariat services to council and council committees.
2. Write reports to the portfolio committees, mayoral committee and council resolutions.
3. Manage council resolutions.
4. Compile agendas for council committees.
5. Render auxiliary support services.

**OFFICE OF THE MUNICIPAL MANAGER**  
(Officials in the political wing report in the Municipal Manager's Office)

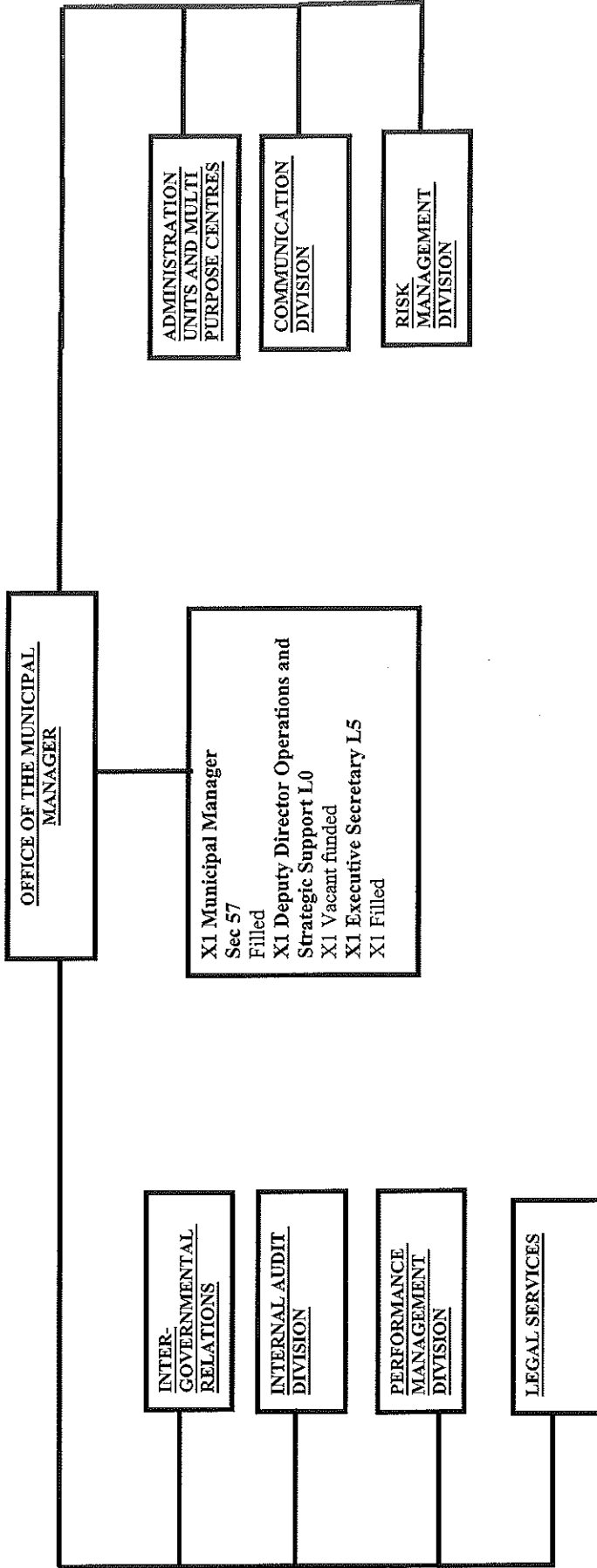
**MUNICIPAL MANAGER**

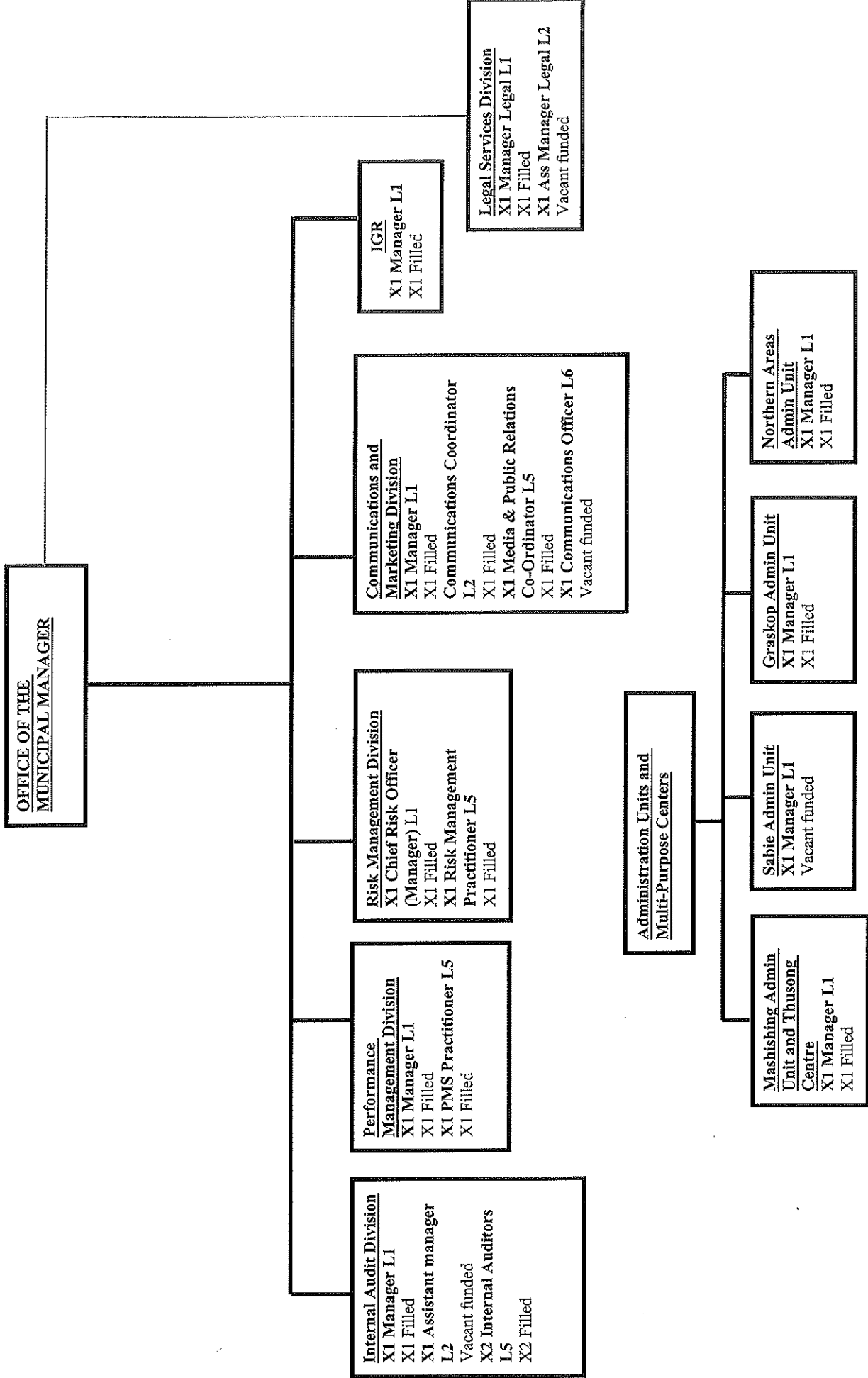




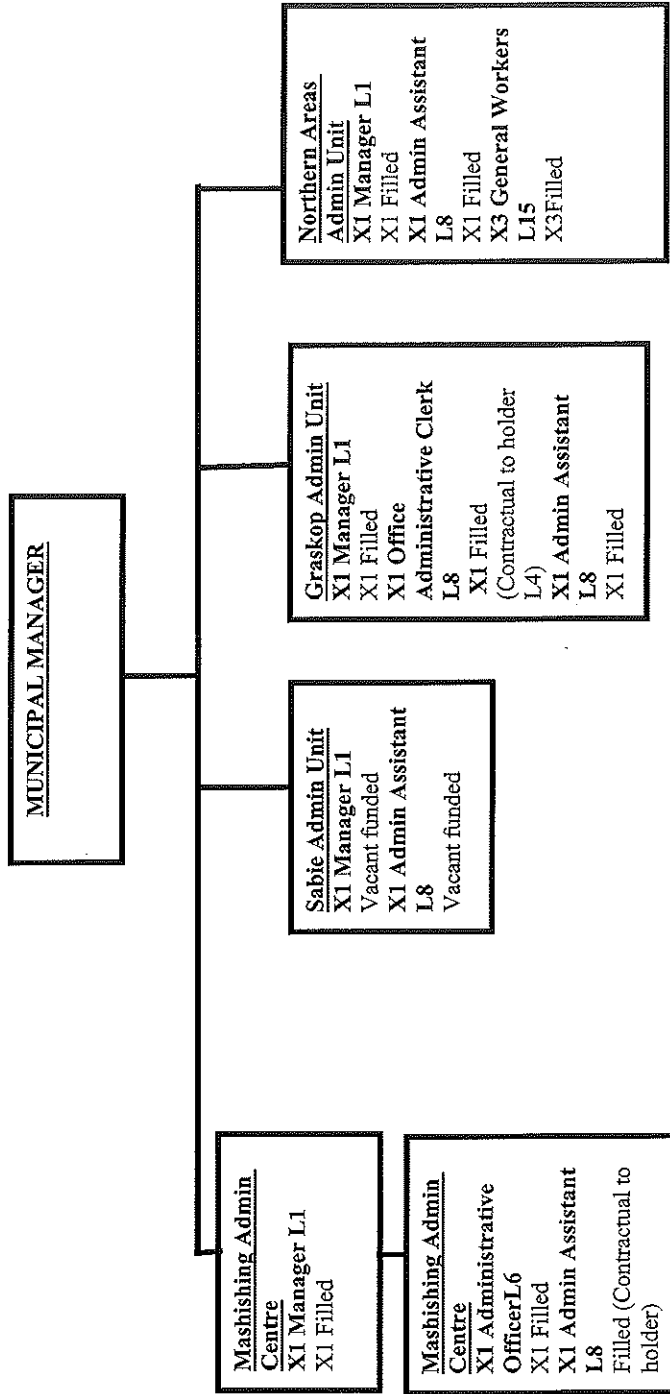
OFFICE OF THE MUNICIPAL MANAGER

STRATEGIC SUPPORT



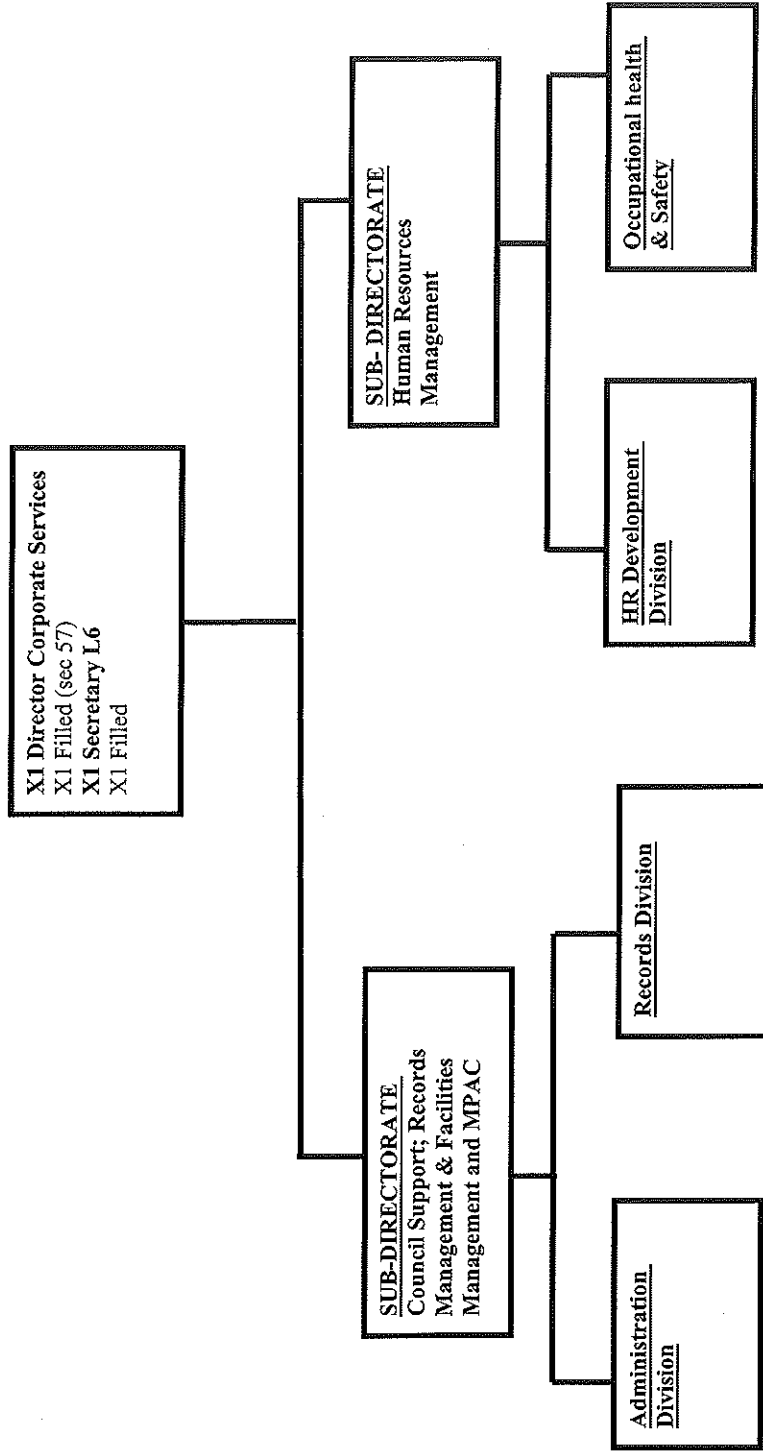


ADMINISTRATIVE UNITS AND MULTI PURPOSE CENTRES

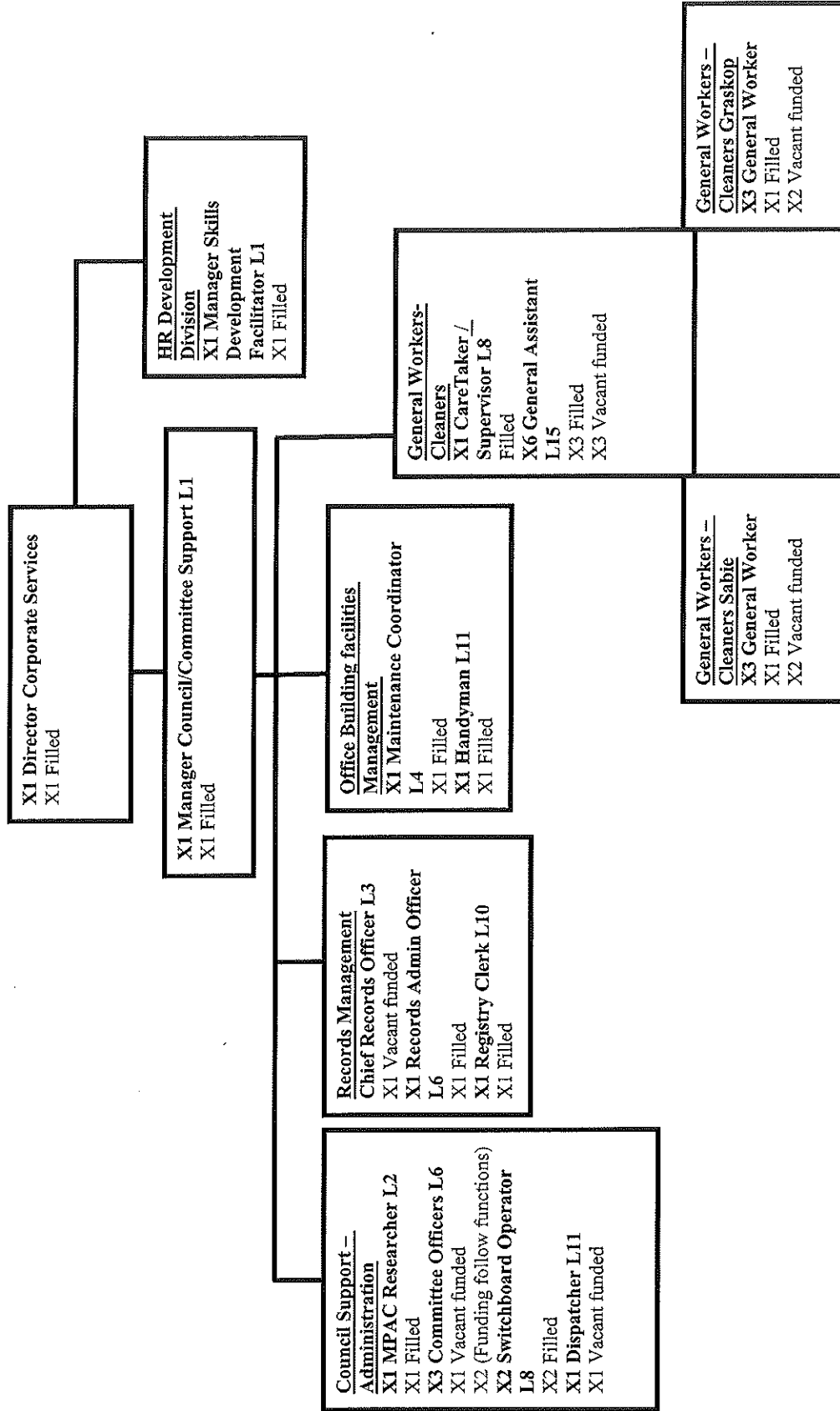




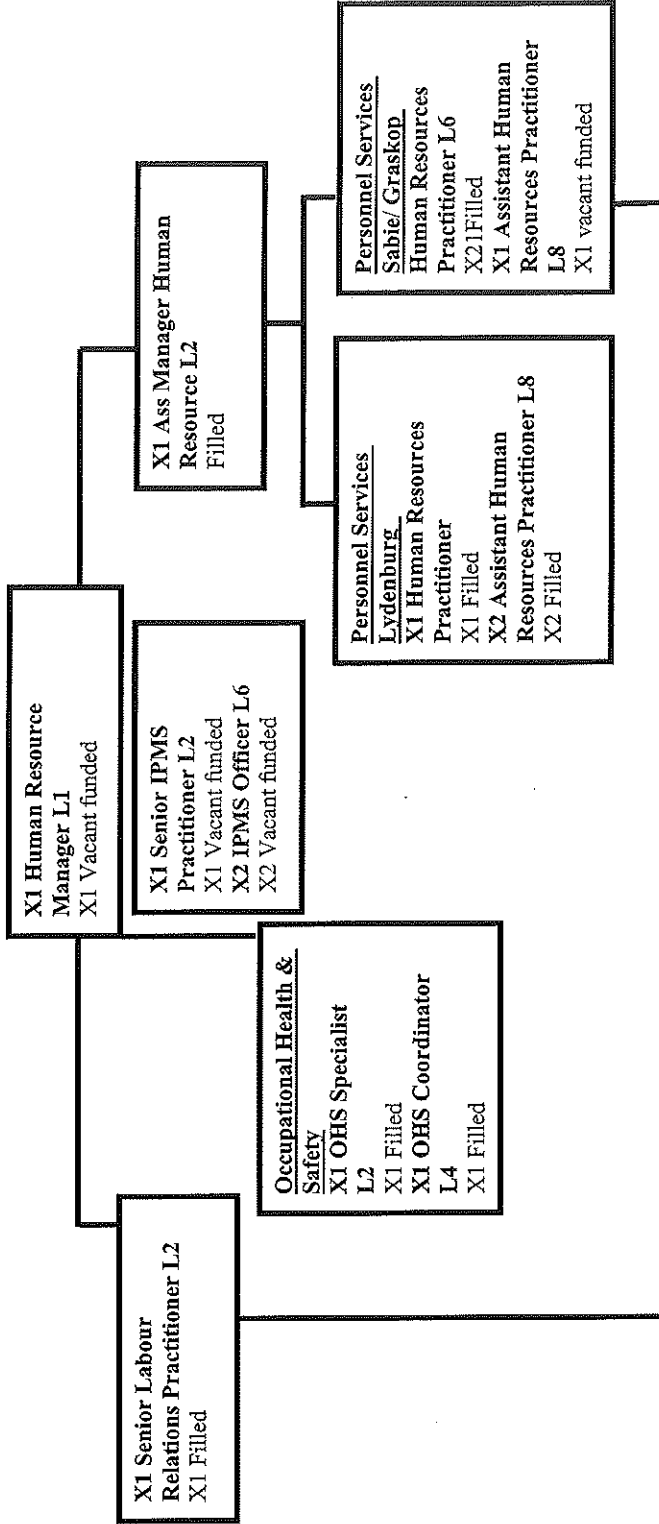
DIRECTORATE: CORPORATE SERVICES



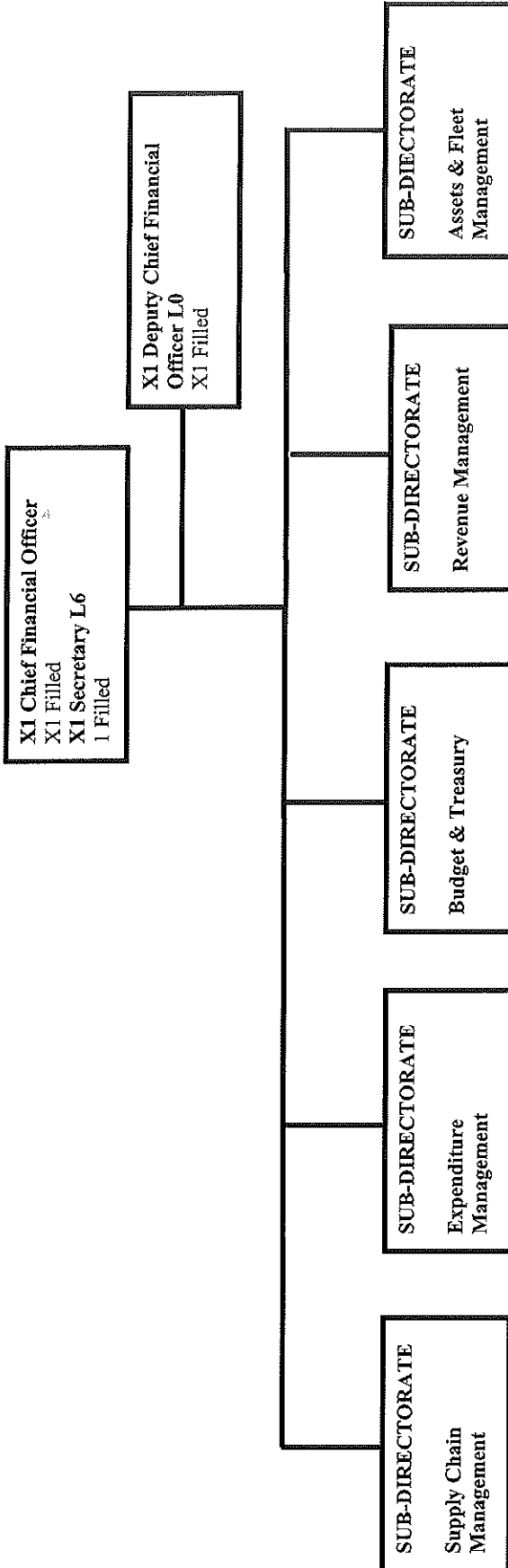
SUB-DIRECTORATE: COUNCIL SUPPORT, RECORDS MANAGEMENT & FACILITIES MANAGEMENT



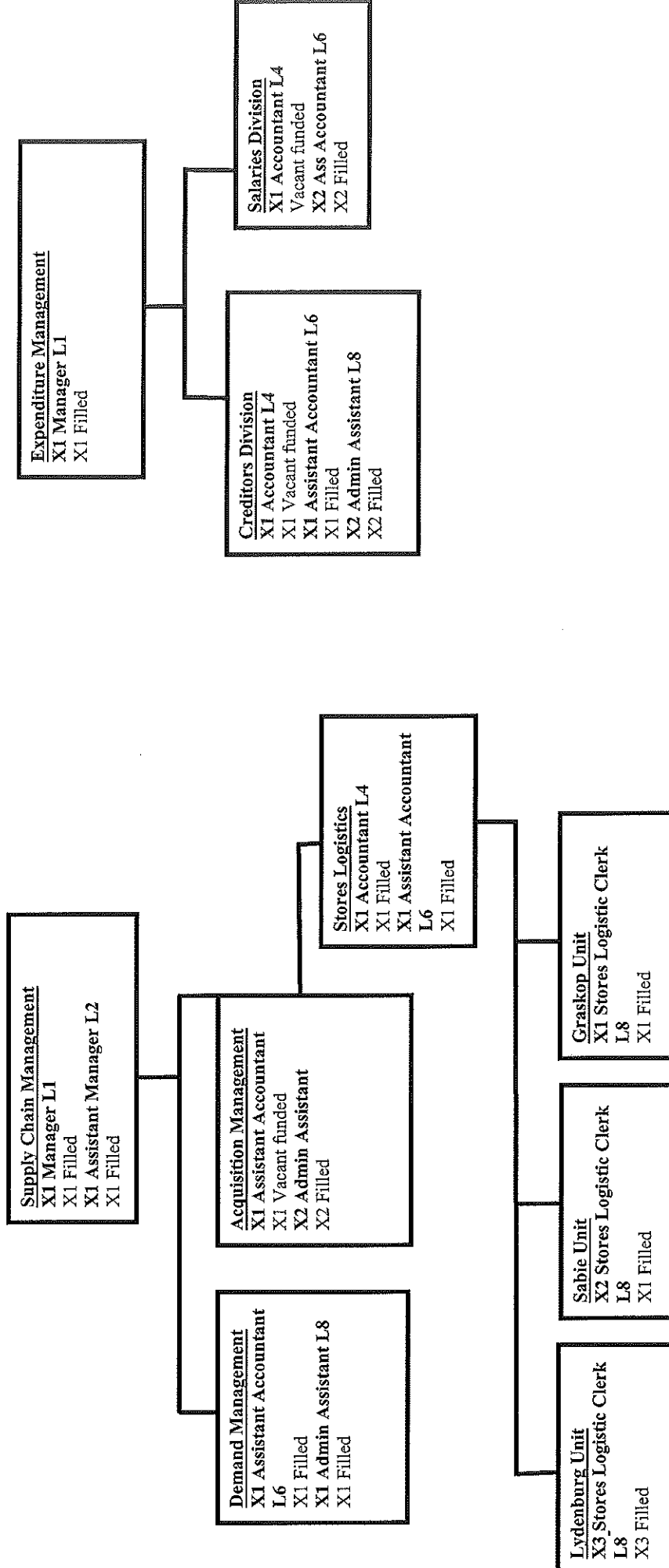
DIRECTORATE – HUMAN RESOURCES MANAGEMENT



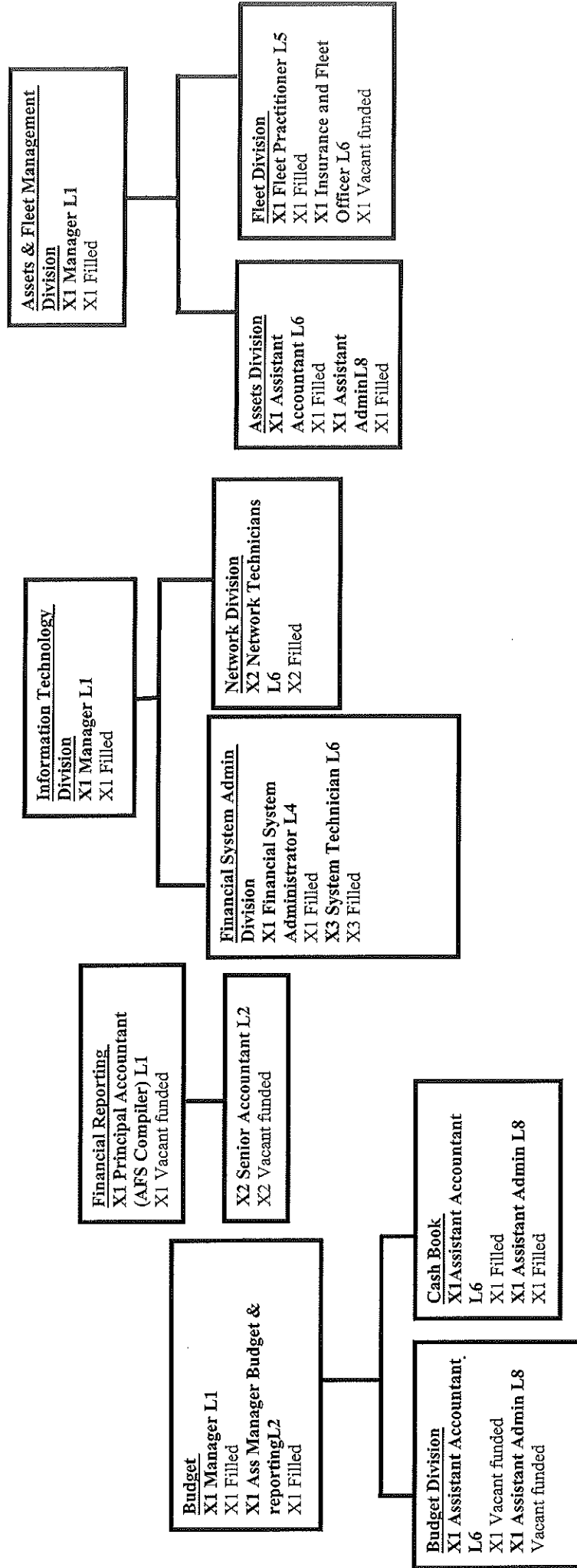
FINANCE DIRECTORATE



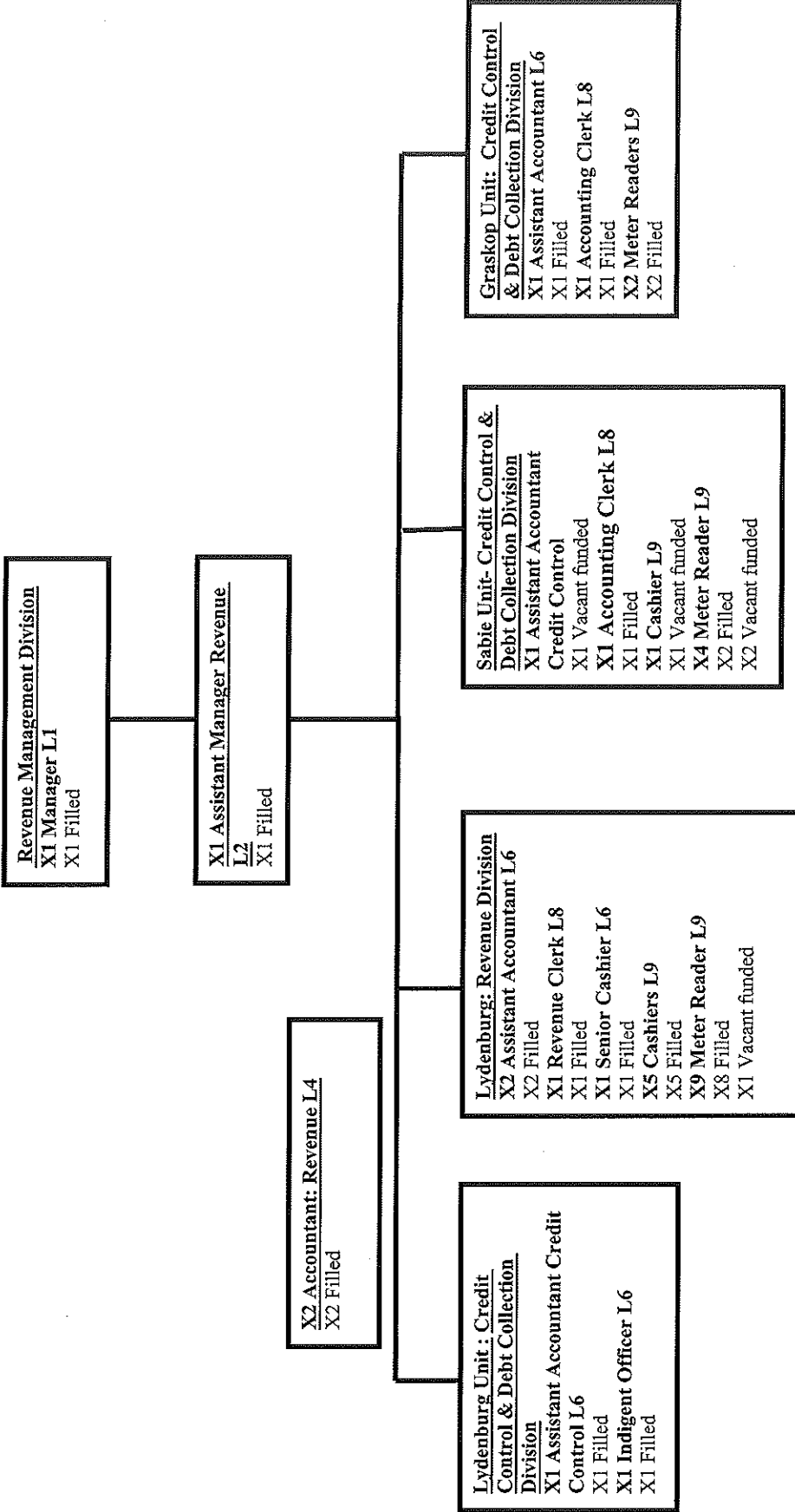
SUB-DIRECTORATE: SUPPLY CHAIN MANAGEMENT AND EXPENDITURE MANAGEMENT



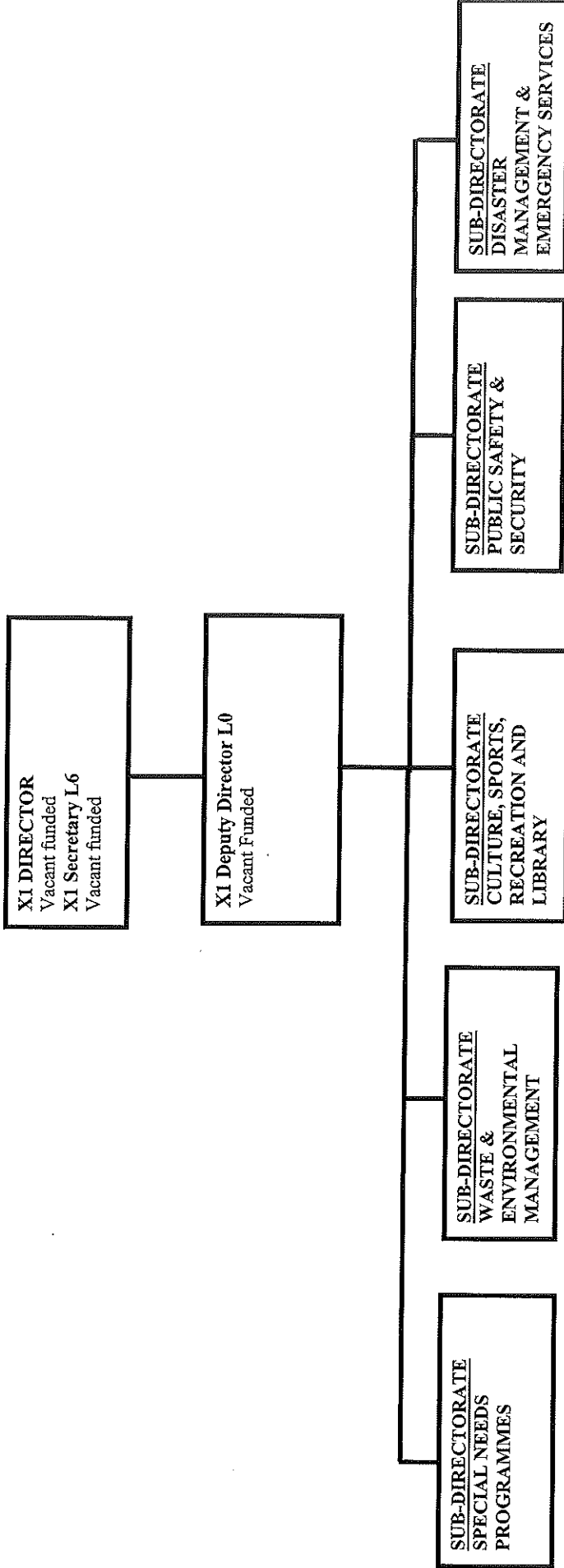
SUB-DIRECTORATE: ICT, BUDGET & REPORTING, ASSETS & FLEET MANAGEMENT



SUB-DIRECTORATE: REVENUE MANAGEMENT

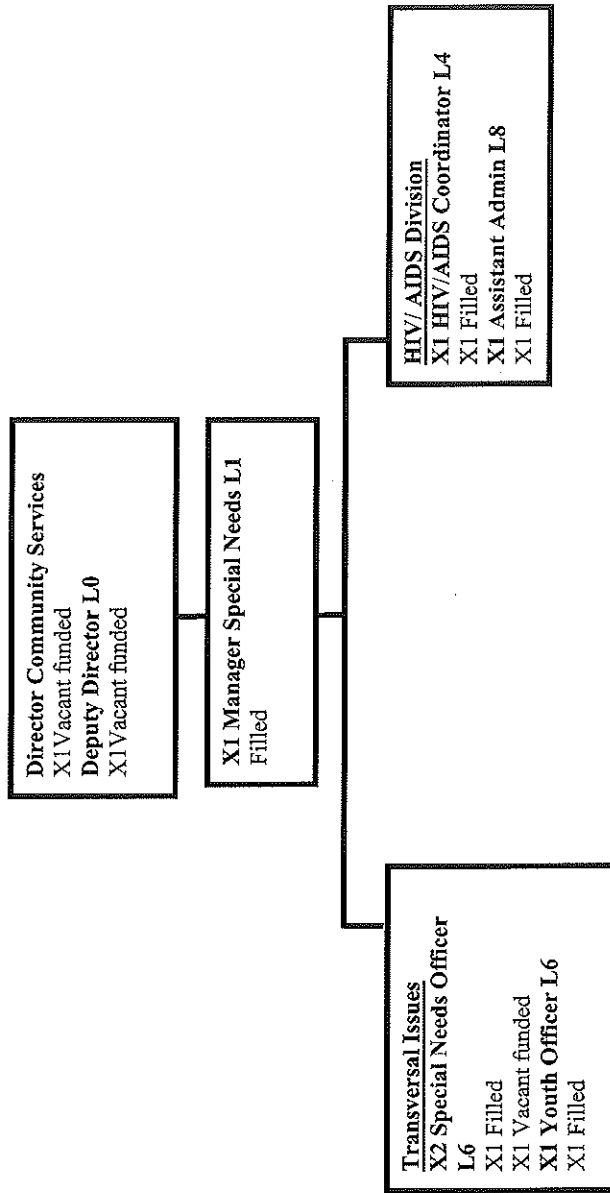


DIRECTORATE: COMMUNITY SERVICES

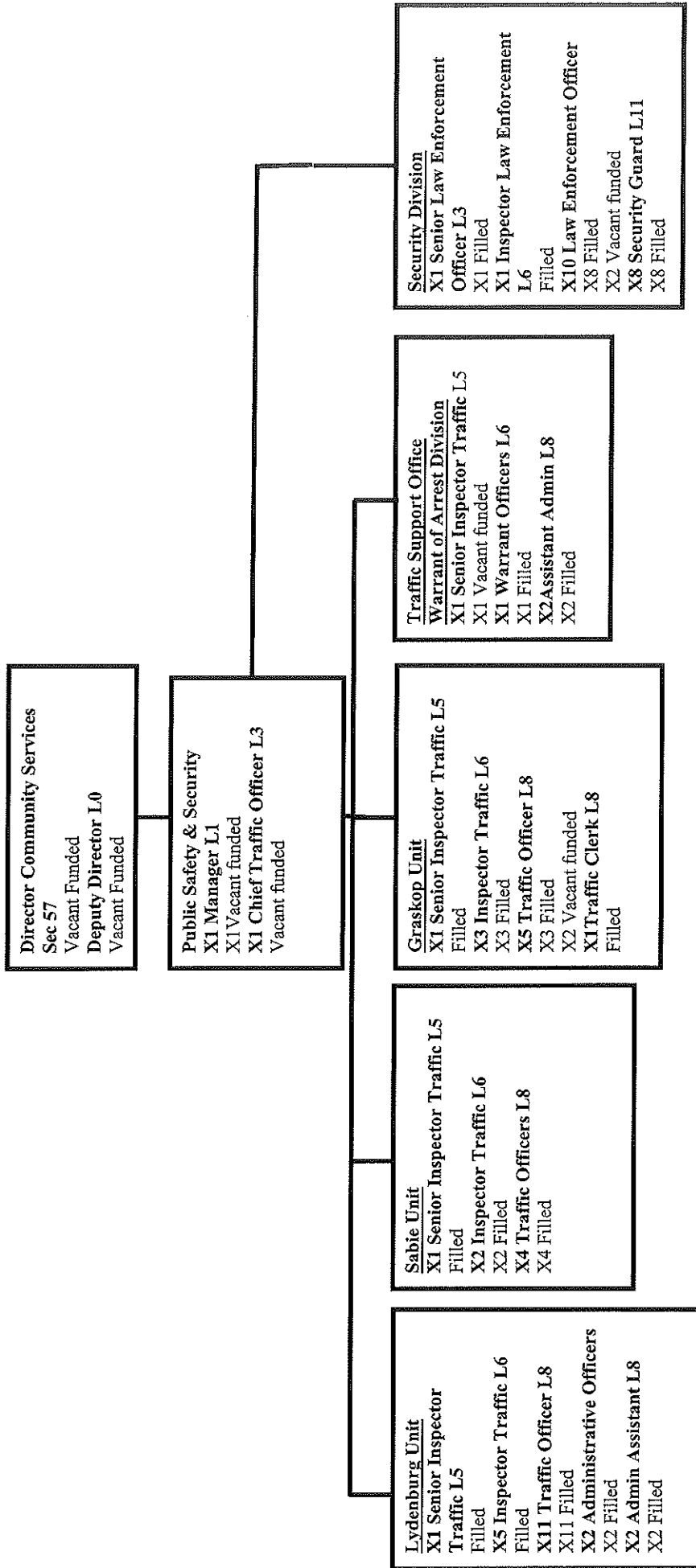




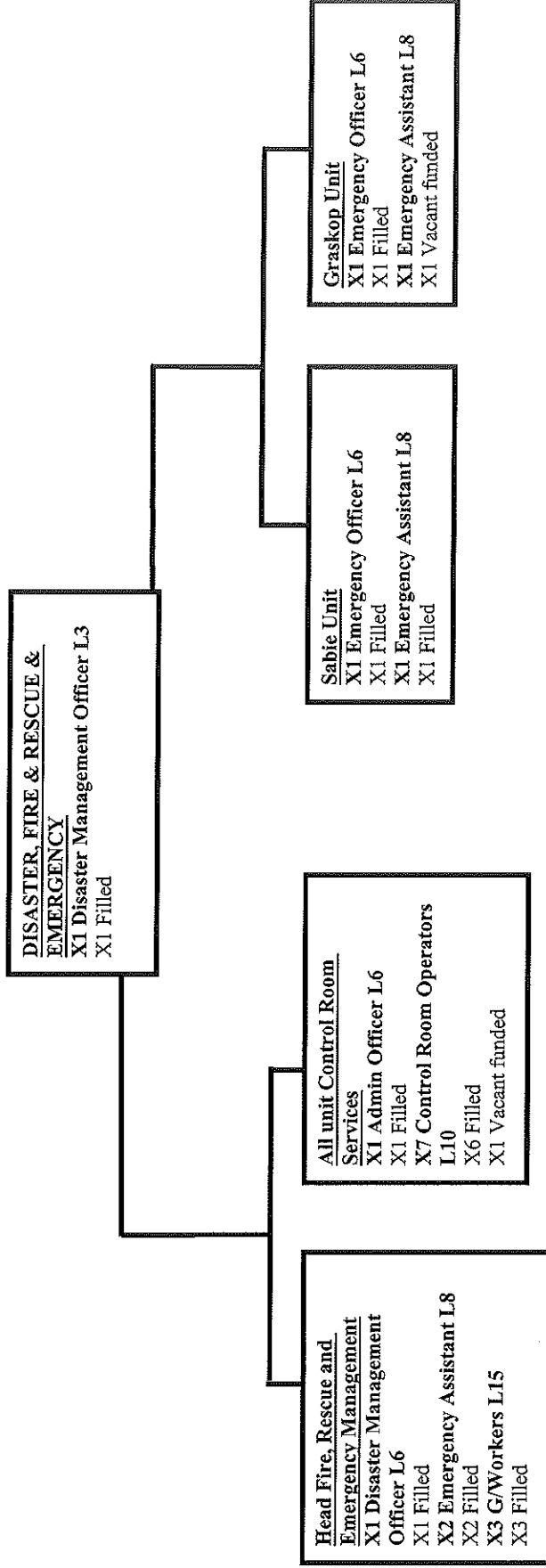
SUB-DIRECTORATES: SPECIAL NEEDS PROGRAMMES



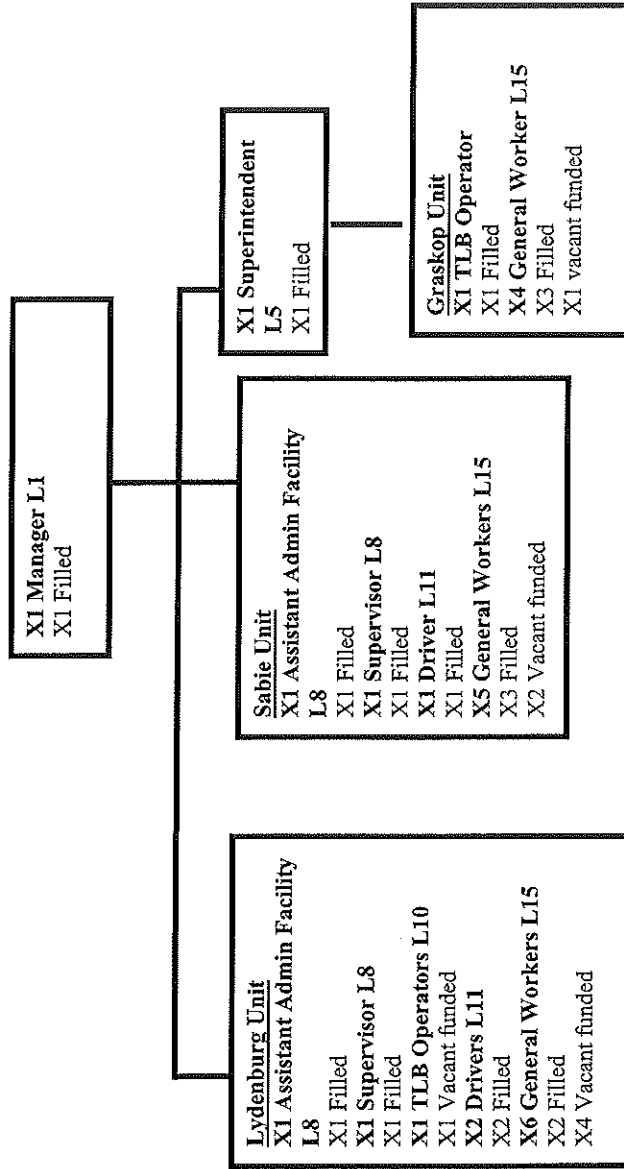
SUB-DIRECTORATE: PUBLIC SAFETY AND SECURITY



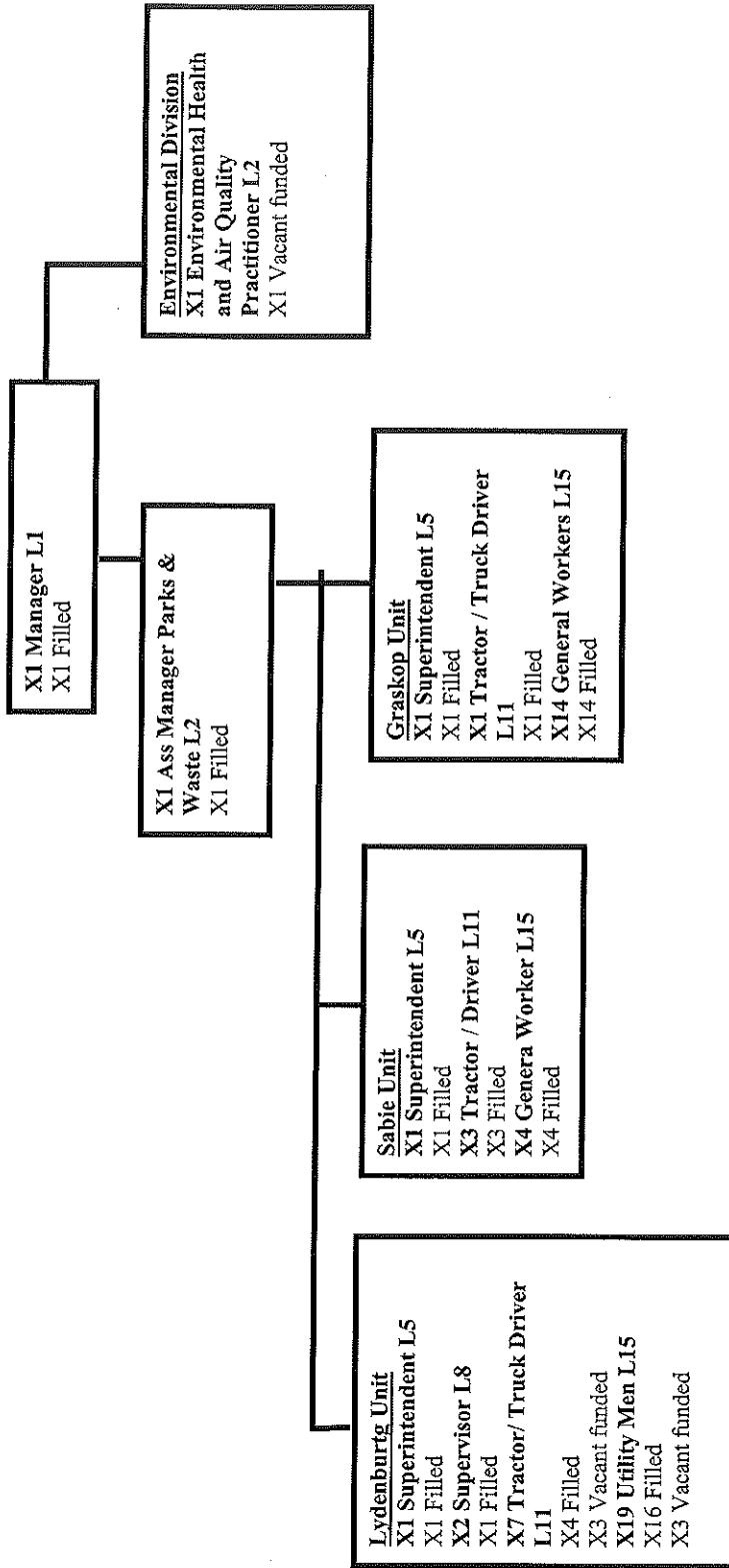
SUB-DIRECTORATE: DISASTER MANAGEMENT AND EMERGENCY SERVICES



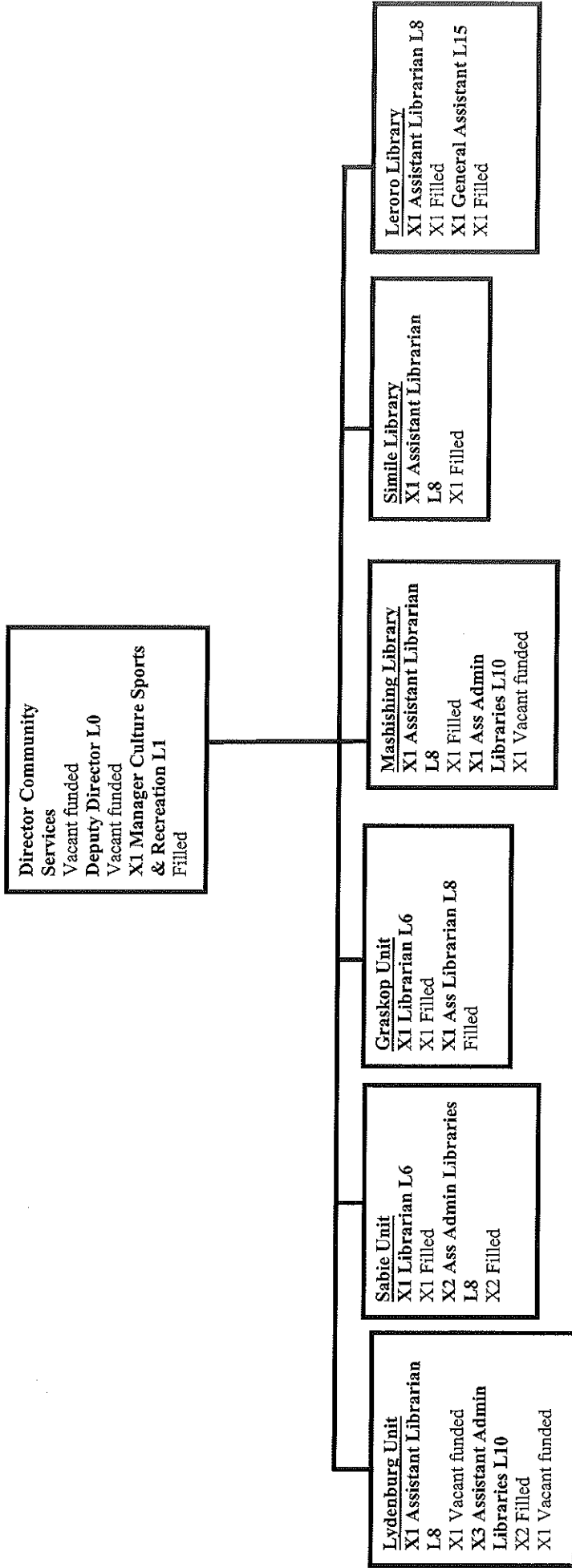
SUB-DIRECTORATE: PARKS AND CEMETERY MANAGEMENT



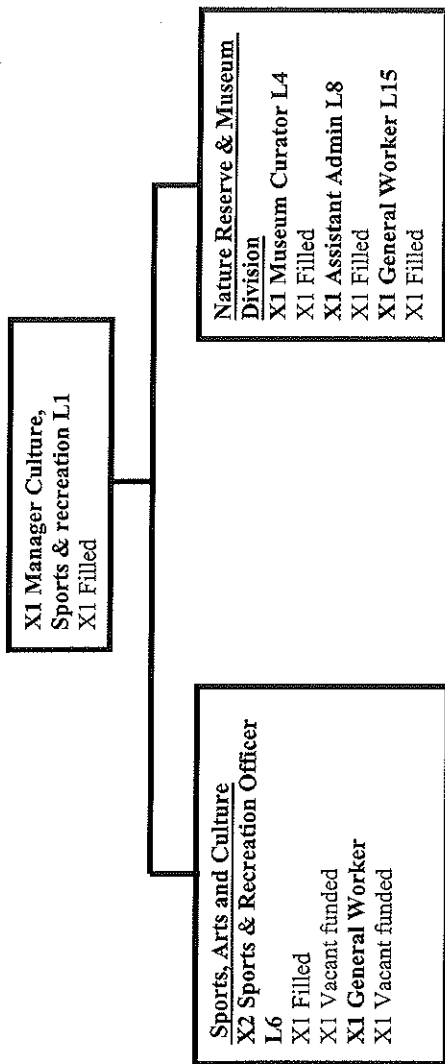
**SUB-DIRECTORATE: WASTE & ENVIRONMENTAL MANAGEMENT DIVISION**



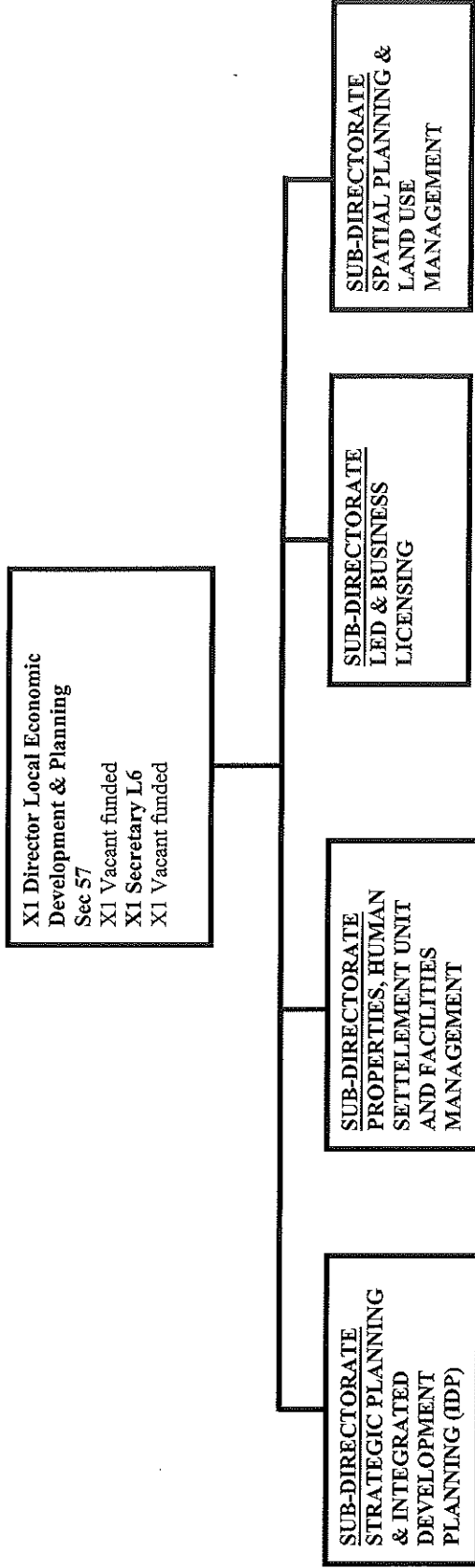
SUB-DIRECTORATE: CULTURE SPORTS & RECREATION



SUB: DIRECTORATE: MUSEUM AND NATURE RESERVE

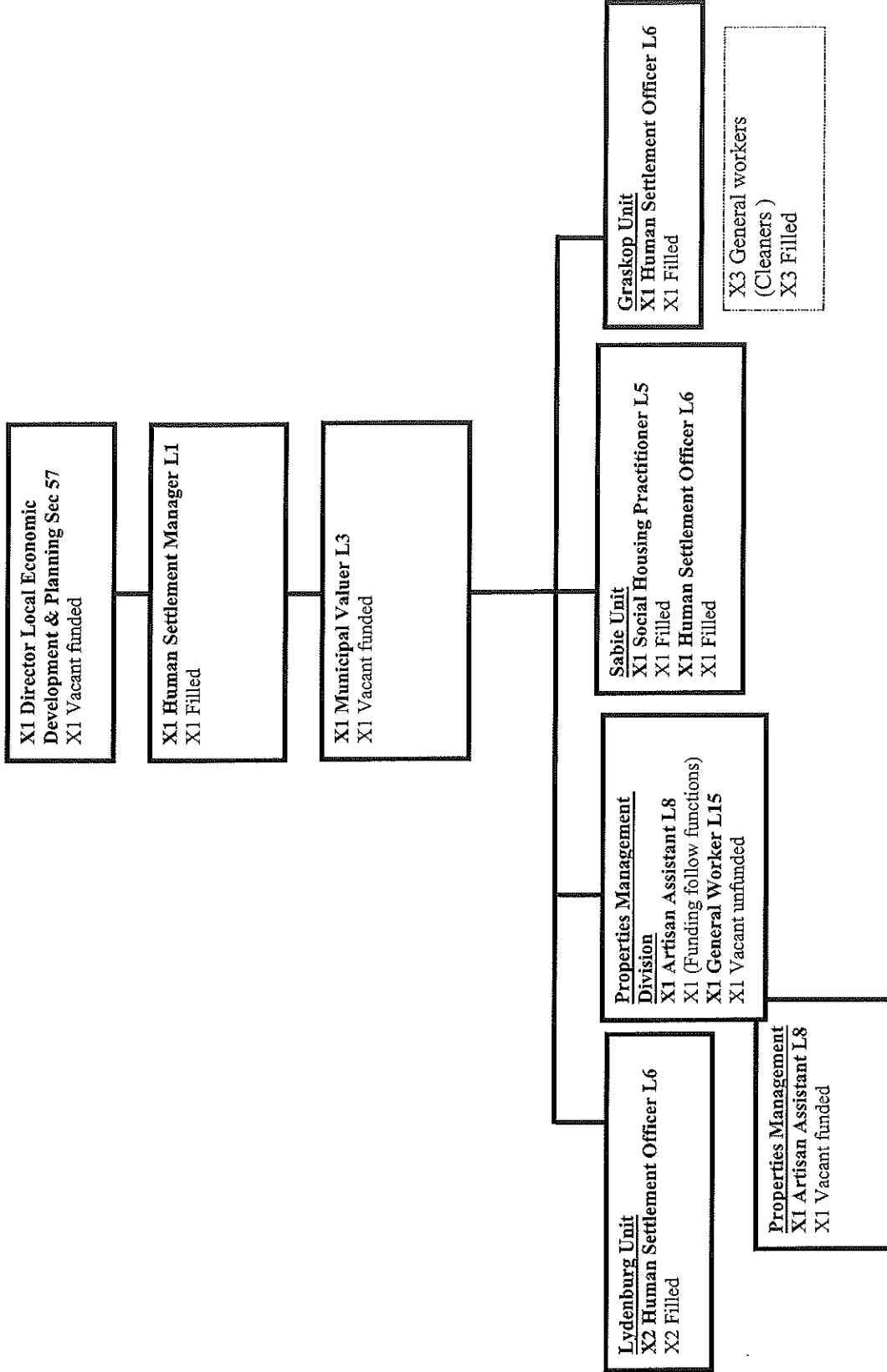


DIRECTORATE: PLANNING AND DEVELOPMENT

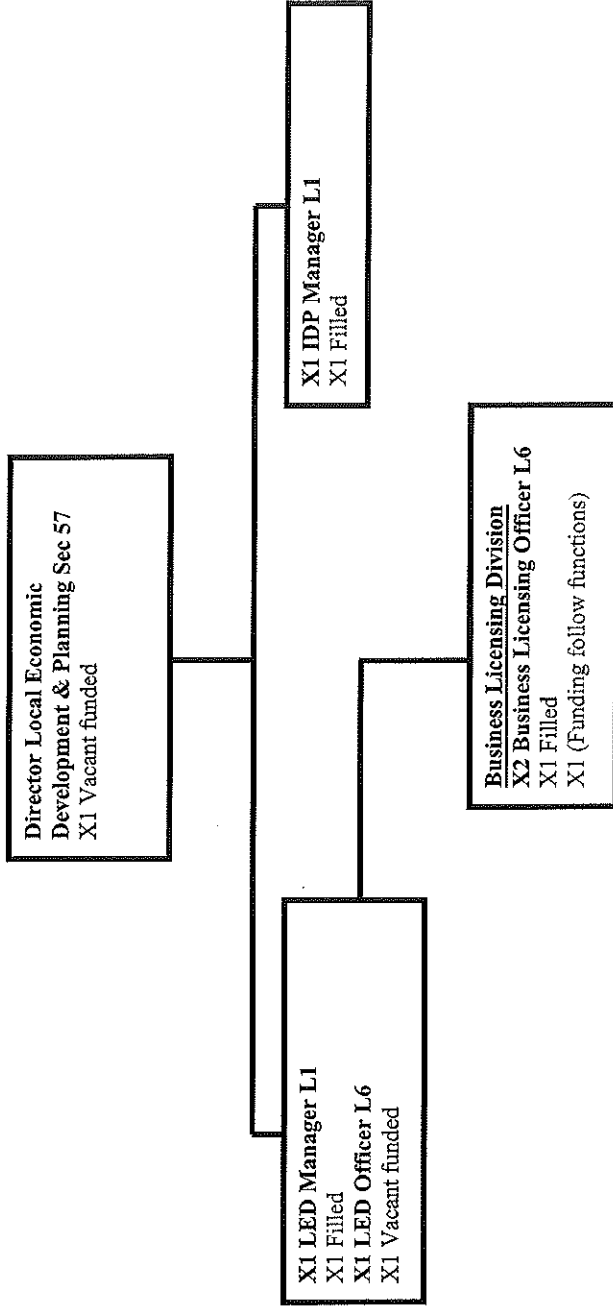




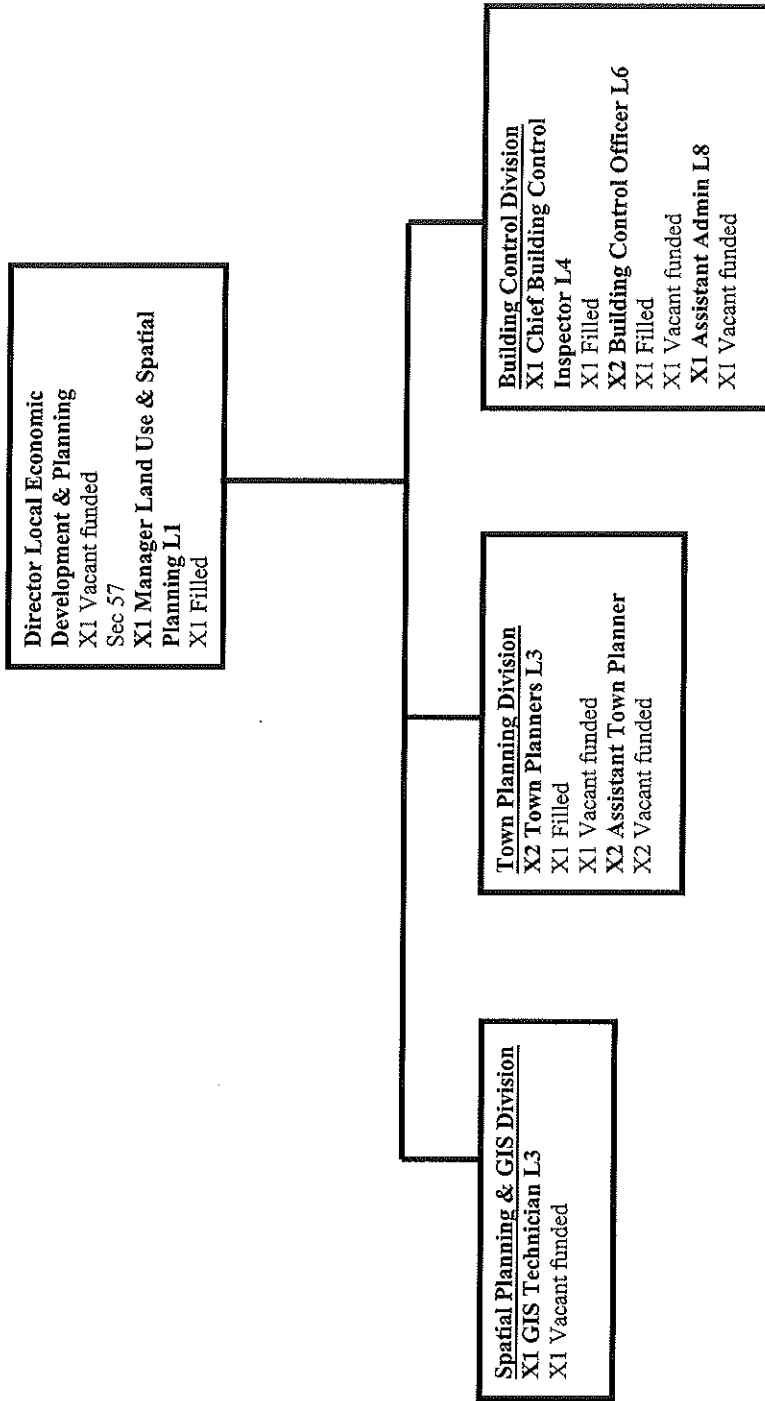
**SUB-DIRECTORATE: PROPERTIES FACILITIES AND HUMAN SETTLEMENT DIVISION**



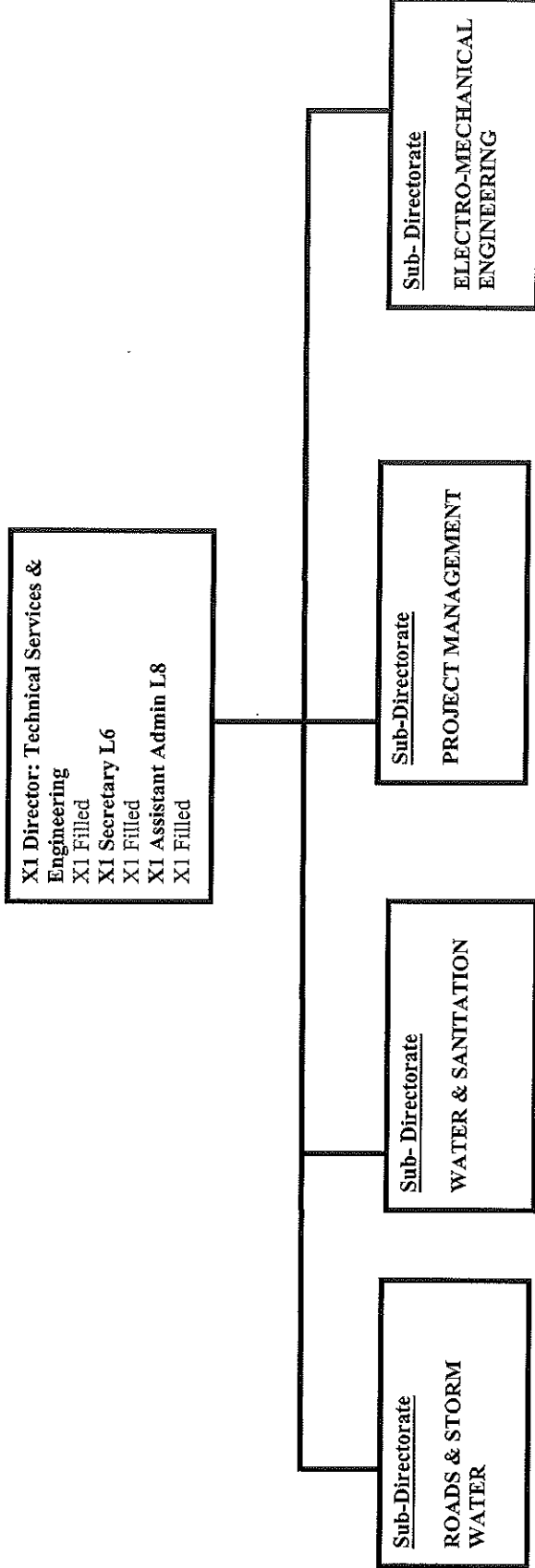
SUB-DIRECTORATE: PLANNING AND DEVELOPMENT



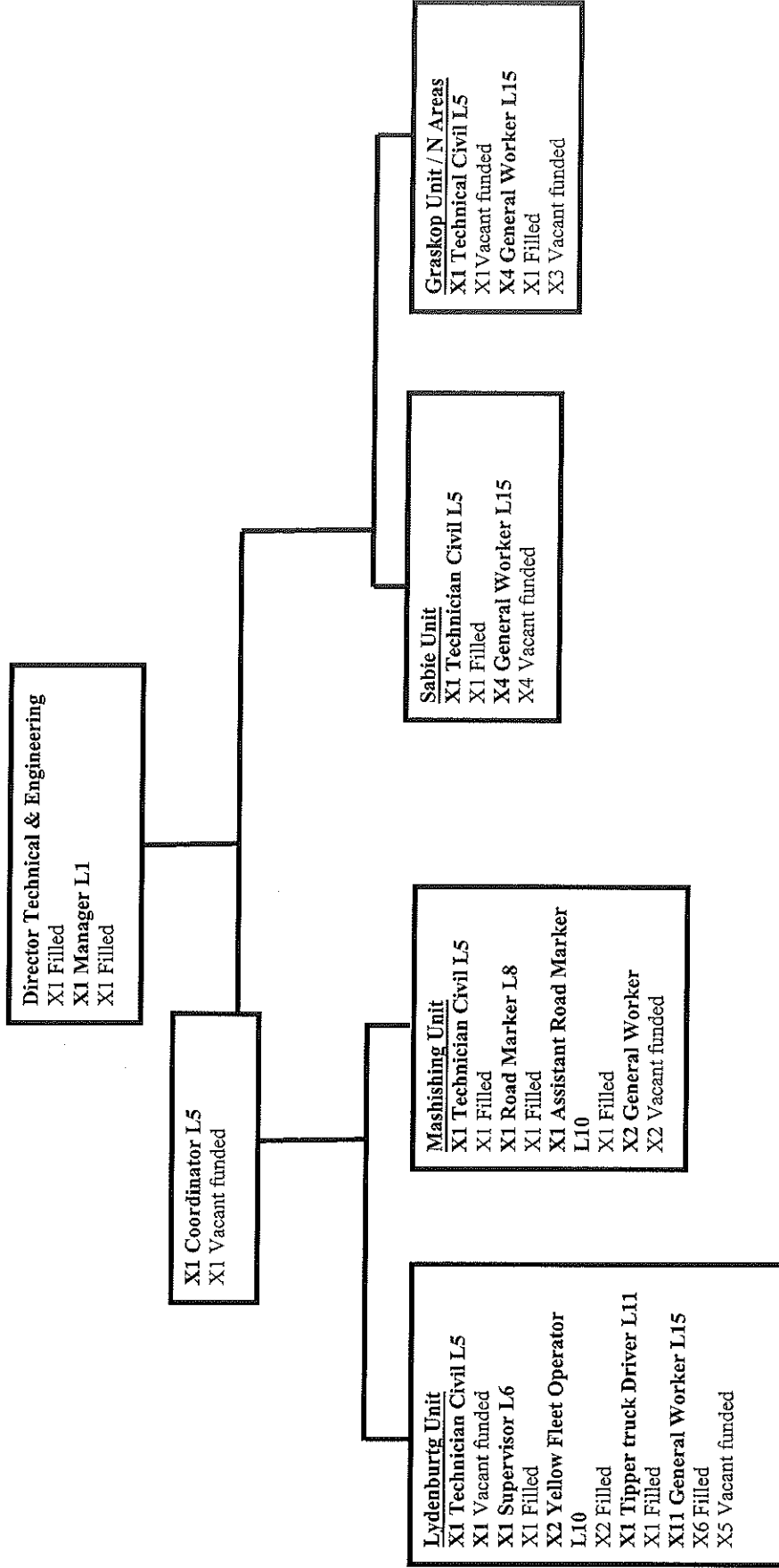
SUB-DIRECTORATE: LAND USE MANAGEMENT & STRATEGIC PLANNING DEVELOPMENT



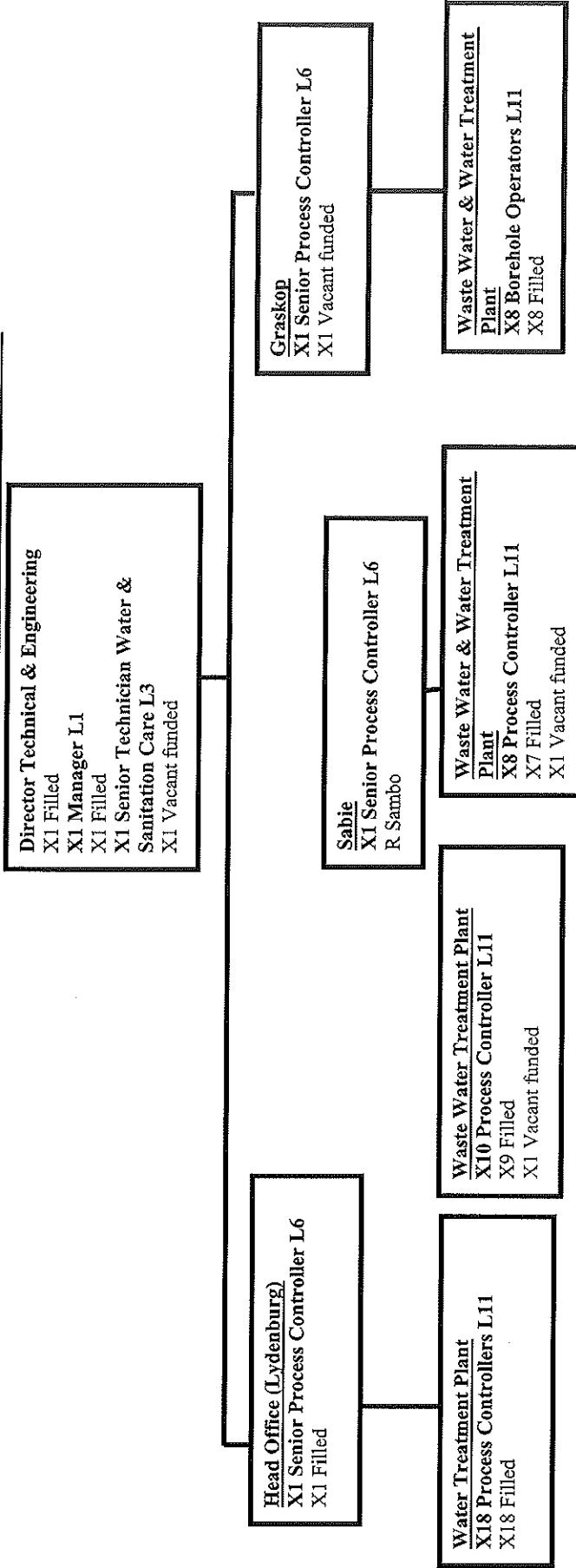
DIRECTORATE: TECHNICAL & ENGINEERING SERVICES



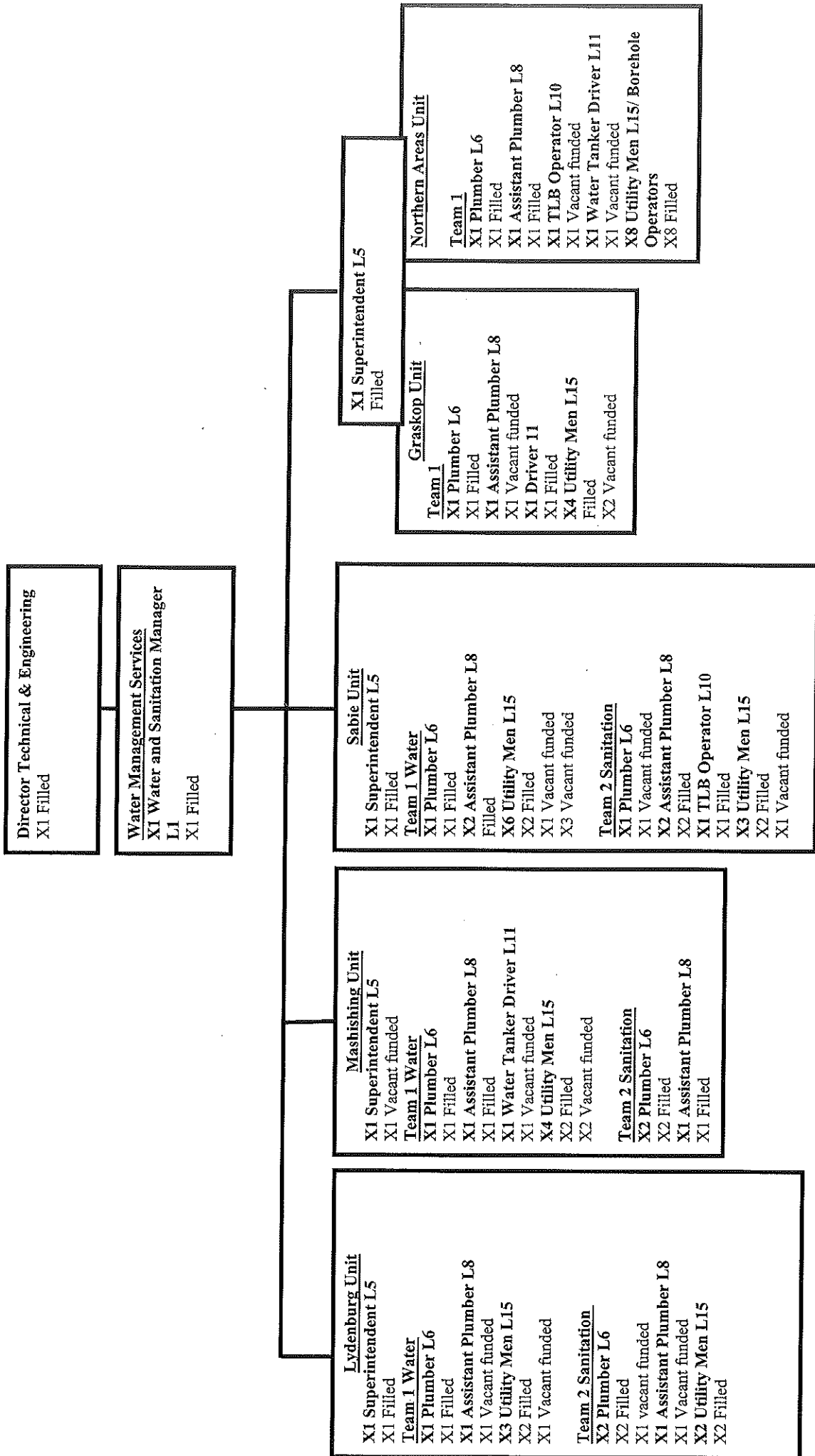
**SUB-DIRECTORATE: ROADS AND STORM WATER**



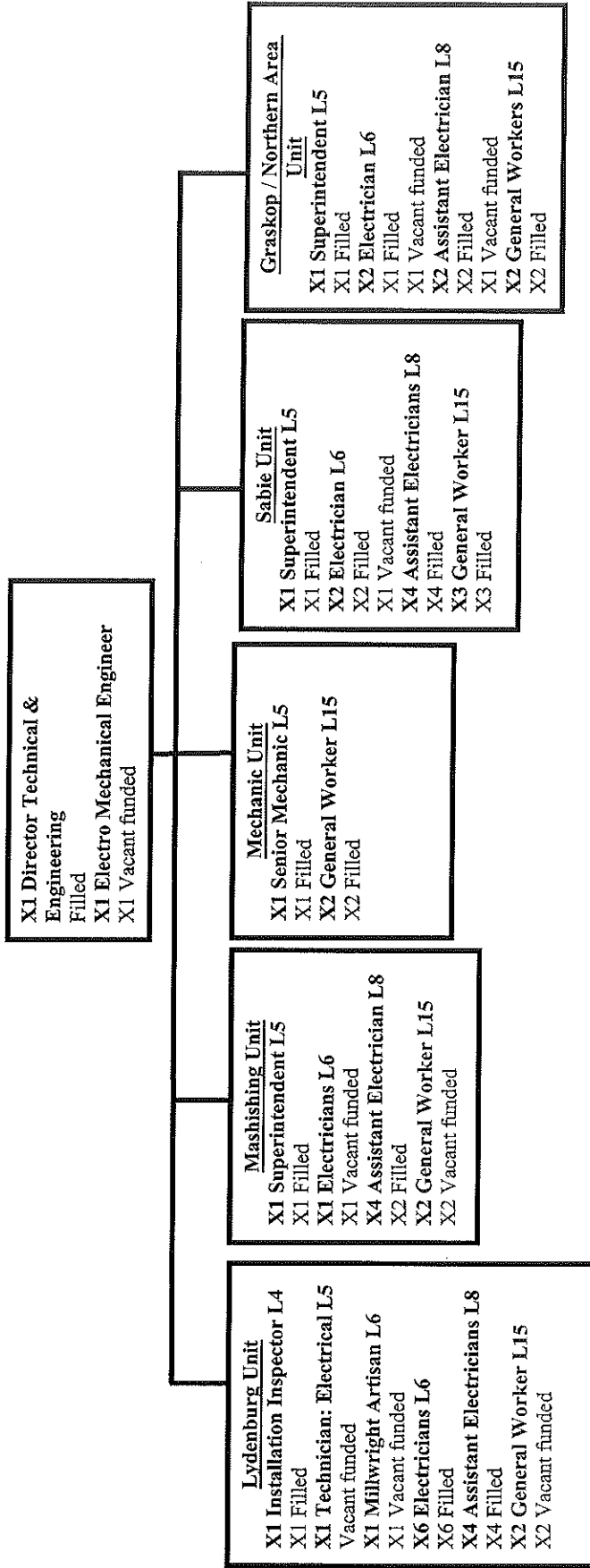
**SUB-DIRECTORATE: WATER AND SANITATION MANAGEMENT**



**SUB-DIRECTORATE: WATER AND SANITATION**



SUB-DIRECTORATE: ELECTRO-MECHANICAL ENGINEERING





SUB-DIRECTORATE: PROJECT MANAGEMENT UNIT

