2022/ 2023

THEMBISILE HANI LOCAL MUNICIPALITY DRAFT ANNUAL REPORT

Chapter 1

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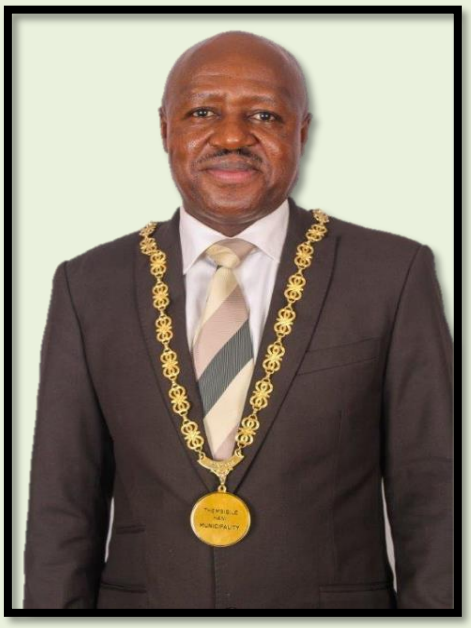
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CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

1. EXECUTIVE MAYOR'S FOREWORD



The year 2023 symbolizes the continuance of the elected political administration from 2021 to 2026 as directed by the ANC, the community at large, and the ANC local government manifesto under the theme, "Let's Build Better Communities Together", hard work, not justifications and excuses, is how we fulfill the aspirations of our people for improved services and prompt responses to their concerns. Despite our limitations, we worked to ensure competent, high-quality, and above-average delivery of services to our citizens.

People can only truly be liberated when they are able to own and manage their property, cultivate it, clothe themselves, and choose the economic system that will best serve their needs both now and in the future.
We are fostering a sense of collectivism and collective ownership of our city because we are motivated by consciousness and in pursuit of our 2050 vision and the journey, we started in 2021. As we move forward, we will further our philosophy of creating a people-centred and driven government that pledges to act with integrity and account its citizens.

Building a truly African city that is citizen-centered and driven by putting people first, treating people with respect, and treating people with dignity is a part of our mission. As well as being a servant of the public while demonstrating humility, treating fellow citizens as our bosses, and fostering a welcome, solutions-orientated environment. Promoting a culture of professionalism, ethics, and morality, while creating a culture of accountability, commitment, and hard effort. Safeguarding the resources, finances, and the reputation of our municipality at all times, and be the best at what we do. We have further identified five key pillars as the key drivers to improve the socio-economic environment in the city that stimulates the 2022 – 2027 Integrated Development Plan in response to the ANC election manifesto and engagement with the community. This symbolizes that the

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ANC is a people's organization, that cares and listens to its people. The following are the 12 service delivery priority areas that the Municipality identified for the 2023–2024 fiscal year as part of the Integrated Development Plan:

- Water;
- Sanitation;
- Public lighting;
- Roads and storm water;
- Environment and waste management;
- Municipal facilities;
- Spatial planning and land use management;
- Local economic development and job creation;
- Institutional development;
- Good governance and public participation; and
- Youth Development.

These priority areas are a result of our ambition to "build a truly African city that is citizen-centered and driven" and the municipality's motto: "Work conquers everything, every time."

- Our motto states that the best way to meet the aspirations of our citizens for improved services and timely responses to their concerns is through hard work rather than justifications and excuses. We further developed five pillars that would serve as the key drivers of our service delivery five-year strategy. They are as follows: Water and Sanitation
- Roads and Storm water
- Improving environmental resilience and waste management
- Financial sustainability and viability
- Socio economic development

According to one scholar, "setting goals is the first step in turning the invisible into visible," we have made plans to accomplish the supremely noble goal of establishing an African city. We commit to achieving the objectives we set for the Municipality through a combination of brilliant male and female minds in both the political and administrative leadership. We have committed ourselves to the implementation of the following capital projects during 2022 and 2023, and we are continuing with our multi-year projects to ensure water supply security, sustainable roads and stormwater, amongst other basic services, as outlined below:

- Drilling, Refurbishment, and Equipping of Boreholes, Matheyzensloop Booster Pump Station, Upgrading the Water Infrastructure in Tweefontein C and DK, Ntokozweni, Sheldon, Mabhoko, and Moloto. These projects have a collective budget of R 82.6 million.
- In the area of sanitation, work is still being done on the Phase 2 (Multi-Year Project) upgrade of the Tweefontein K Waste Water Treatment Works in Ward 13 as well as the Construction of Alternative Sanitation System with a combined budget of R 3 million.
- Construction of Phola Park Bus and Taxi (Ward 6) with a budget of R 500 000.
- Construction of Kwaggafontein C Link Road (Ward 26) with a budget of R 500 000.
- Construction of Verena A-D Bus and Taxi Route (Ward 08) with a budget of R 7 million.
- Construction of Verena C Bus and Taxi Route (Ward 11) with a budget of R 7 million.
- Construction of Moloto South Bus and Taxi Route with a budget of R 7 million.

- Construction of Kwaggafontein A Link Road (Ward 27) with a budget of R 500 000.
- Construction of the Tweefontein E Bus Route (Ward 15) with a budget of R 5.2 million.
- Rehabilitation of Roads in all Wards with a budget of R 10 million.
- Construction of a Multi-Purpose Centre in Phumula Multi-Year Project (Ward 23) with a budget of R 5 million.
- Upgrading of the Kwaggafontein Stadium Multi–Year Project (Ward 26) with a budget of R 5 million.
- Construction of a Multi-Purpose centre in Moloto North Multi-Year Project (Ward 2) with a budget of R 5 million.
- Construction of the Verena Multi–Purpose centre with a budget of R 5 million.
- Construction of the Kwaggafontein community hall (Ward 31) with a budget of R 5 million.
- Electrification and installation of high mast lights with a budget of R 10 million.

PARTICIPATION

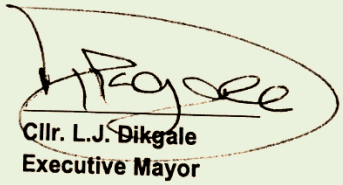
The Municipality uses Ward Committee, Mayoral outreach and stakeholder meetings, radio interviews, loud-hailing, budget and IDP indabas to involve the public in decision-making processes to promote accountability to communities.

AGREEMENTS / PARTNERSHIPS

The primary driver behind the creation of economic opportunities and employment, according to our analysis, is Local Economic Development and Planning. In our term of office between the period from 2021 to 2026 we would have empowered our local SMMEs and created up to 2000 jobs through our infrastructure projects and extended public works program. The municipality has set aside a grant of R1 million for emerging SMMEs for each financial year and will ensure that 90% of our procurement be made locally.

CONCLUSION

Let me take this opportunity to thank the ANC political leadership once more for giving us the chance to lead the development of our municipality for the next five years. We pledge to work with the Nkangala District Municipality and all provincial and national departments to realize the District Developmental Model.



Cllr. L.J. Dikgale
Executive Mayor

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COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW



Thembisile Hani Local Municipality (THLM) is in the Nkangala District Municipality (NDM), which is in the westernmost region of the province of Mpumalanga. According to Statistics South Africa (Stats SA) data from 2016, it has 32 Wards and 333 331 people (households), making it the second-largest Local Municipality in the District after Emalahleni Local Municipality (ELM). As a Municipality, we eagerly await the publication of the 2022 Stats SA data.

The Municipality has nine full-time council members, and our TROIKA operates and meets regularly after adopting a meeting and/or program schedule. The Mayoral Committee and Section 80 Committees all meet once a month, whereas Council meets according to the adopted meeting schedule, apart from Special Council meetings, which are called on an as-needed basis. The Municipal Public Accounts Committee (MPAC) and Section 79 Oversight Committees are convened on a quarterly basis.

Since then, the Municipality has conducted a thorough and inclusive public participation process for the 2023–2024 IDP and Budget review, covering all Wards, including our farming areas. These areas have raised valid concerns about how their government appears to be ignoring them when it comes to the provision of basic services and overall development. The business community, young people, individuals with disabilities, traditional leaders, traditional healers, the elderly, religious leaders, former service members, and provincial sector departments are some other groups that have been consulted by the Municipality. In September 2023 - October 2023, there were fifteen community outreach sessions held, and there were fifteen more in April 2023 - May 2023.

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The interaction with the stakeholders has given the Municipality a broad understanding of what residents want and what the biggest challenges are in the municipal area, which continue to be the reliable supply of portable water and the construction of roads and storm drains to support qualitative socioeconomic growth and mobility, hence these are covered as pillars one and two, respectively. A few of the medium- to long-term interventions the Municipality is implementing with the NDM and Department of Water and Sanitation (DWS) respectively include the abstraction of 20 Ml/ Day (million liters per day) from Loskop, commonly known as the Loskop Regional Bulk Water Supply Scheme, and the construction of the Matheyzensloop Booster Pump Station. The former is scheduled for completion in November 2024 and the latter in November 2023. Most of our water-related problems will be resolved after construction is finished.

Currently, the Municipality holds five of the six senior managerial posts. The Social Services Manager position is the only one still open and should be filled at the very least by the first quarter of the 2023–2024 fiscal year. Since then, the current administration has established five pillars that serve as the foundation of the Municipality, in addition to various initiatives and/or programs for the continual implementation of high-quality service delivery.

The five pillars are:

1) Bulk water supply,
2) Roads and stormwater (with emphasis on routine road maintenance),
3) Environmental management (with emphasis on refuse removal),
4) Financial viability (with emphasis on revenue enhancement), and
5) Socio-economic development.

BULK WATER SUPPLY

In our Municipality, three sources of water supply continue to be in use: Bundu Water Treatment Plant, which provides 5 Ml/ Day, City of Tshwane (CoT), which is required to provide 16.6 Ml/ Day but does not, and Rand Water, which provides 32 Ml/ Day. Our overall demand is 99 Ml/day; however, our total supply is, on average, 41.7 Ml/day, leaving us with a 57.3 Ml/day gap. We continue to urge the Metropolitan Municipality to fulfill its contractual commitments and provide Thembisile Hani with the necessary 16.6 Ml/Day because in the past we have experienced severe issues due to CoT's non-delivery, even when there is intermittent intermediate supply.

We must also point out that load shedding severely affects bulk water pumping operations because there is no water being pumped during outages, which makes it difficult to fill our reservoirs, which rely on pumping operations, with water.

Although some areas (especially high-lying areas) are still experiencing operational challenges within the network that lead to non-supply, the Municipality is working around the clock to resolve those challenges for the better to improve our water rationing (vula vala) process with a view to communities getting access to water at least two to three times per week.

The following are our ongoing short- to medium-term and long-term interventions:

1) Supplying non-reticulated areas with water tankers and rationing of water.
2) Installation of water reticulation to non-reticulated areas (in line with our Integrated Development Plan) to reduce the frequency on water tankers and ensure a basic level of service for our communities.
3) Water Harvesting at the level of our communities, which we urge all of us to do during rainy seasons.
4) Increasing the City of Tshwane frequency of supply to 16.6 Ml/ Day.
5) Increasing the Abstraction of Bundu Weir from 5 to 10 Ml/ Day.
6) Installation of a Booster Pump in Matheyzensloop to pump water from the Bundu Water Treatment Plant to the Kwaggafontein Supply Scheme, which will be completed on/ or before the 30th of November 2023 should no unprecedented delays be experienced.
7) Fixing our Borehole Schemes to augment the shortfall by a minimum of 4 Ml/ Day.
8) Augmentation of shortage by 20 Ml/ Day from the Loskop Regional Bulk Water Supply Scheme, and the project is at construction stage, while its completion is estimated at January 2025.
9) Conducting a feasibility study to explore alternative catchment areas for alternative water supply schemes, including ground water (sub-soil) systems, to ensure water security.
10) Reduction of water losses from 34% to below 20% through the Water Conservation/ Water Demand Management (WC/ WDM), commonly referred to as War on Leaks, including the complete eradication of Asbestos Pipes.

ROADS AND STORMWATER

Our road network, which is the backbone of our transportation system and a large portion of which serve as feeder roads to National Road R573, allows us to meet the mobility and socioeconomic needs of our communities as well as the needs of individuals within its jurisdiction.

THLM has made sure that all its strategic planning procedures comply with all relevant laws. Although the Municipality has historically relied on infrastructure grants (such as the Municipal Infrastructure Grant), which have resulted in new roads and stormwater projects, it is working to change this because preventative maintenance is the only way to extend the life of your infrastructure. Since preventative maintenance is the only way to extend the lifespan of your infrastructure, aggressive routine road maintenance programs have been in place since October 2022 and are still actively promoted today. One of these programs' main objectives is to eliminate all potholes in the Municipality by the end of the 2023–2024 FY.

The THLM road network is described as follows in the recently finished roads and stormwater master plan:

1) Total km's = 2 485.1 km's,
2) Total paved (surfaced with asphalt) = 198.9 km's,
3) Total paved (surfaced with 80mm interlocking pavers) = 16.4 km's, and
4) Total unpaved (gravel) = 2 269.7 km's.

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ENVIRONMENTAL MANAGEMENT

According to Section 152(d) of the Constitution, which lists "promotion of a safe and healthy environment" as one of the objectives of local government, everyone has the right to a place that is not injurious to their health or wellbeing.

Our Waste Management Unit (located in the Social Services Department) has been conducting clean-up operations monthly since the start of Operation Keep Thembisile Hani Clean in October 2022. The main goal of these operations is to eliminate illegal dumping sites for the sole purpose of keeping our Municipality clean and the overall protection of our environment.

The purpose of the waste management division is to offer all Municipality residents a garbage collection service that is acceptable, economical, and sustainable. The activities are as follows:

1) Refuse removal,
2) Cleaning of our streets and/ or road reserves,
3) Clearing of illegal dumping sites and/ or areas, and
4) Cleaning of our Cemeteries.

The primary objective of the Municipality's Integrated Waste Management Plan (IWMP) is to integrate and optimize waste management to maximize waste management system efficiency and minimize the negative effects and monetary costs associated with waste management, thereby enhancing quality of life.
To use this data as the foundation for future waste management planning, the goal of the status quo, or gap analysis, which serves as the first stage in the creation of an IWMP for THLM, is to qualify and quantify all aspects of the current waste management services and practices provided by the Municipality. As a result, the paper provides a situational analysis of the main solid waste management themes that are pertinent to THLM e.g. the areas serviced, the waste management services rendered, their efficiency, cost effectiveness, social and environmental acceptability, etc.

Kwaggafontein, the first landfill site built in Thembisile Hani, has one Class B approved Landfill Site, and the Department of Forestry, Fisheries, and Environment (DFFE) is working with the Municipality to license the KwaMhlanga and Verena Landfill Sites.

Consequently, the Municipality has launched the Waste Pickers Database to assist Waste Pickers in all 32 Wards. Through the Department of Forestry, Fisheries, and Environment (DFFE), the Municipality has currently provided relief funding and personal protective equipment (PPE) to over 100 waste pickers. In addition, the Municipality is in the process of implementing a recycling project in all its facilities by installing separation at source bins that will have different colors for all types of waste.

Under the auspices of the Extended Public Works Programme (EPWP), the DFFE has also partnered with the Municipality to address environmental challenges by concentrating on illegal dumping sites, street cleaning, and clean-up campaigns, while also creating much-needed jobs in the environmental sector. The Expanded Public Works Programme (EPWP) officially began

on May 22, 2023, with the recruitment of 190 volunteers who would remain on the program for 24 months and represent all 32 Wards of the Municipality. To reduce the cost of traveling from one Ward to another, the program has been and will continue to be implemented in each Ward while making sure that beneficiaries work in or close to their own Ward.

Numerous awareness-raising programs were run, and environmental educators were hired through the EPWP's "Green Good Deeds" program during a 24-month period. The successful execution of environmental awareness campaigns and other programs was positively impacted by this initiative. To improve waste collection services in the community, businesses, and schools, the Municipality purchased two compactor trucks, two skip loader trucks, and forty skip bins. These acquisitions help the Municipality collect waste effectively and efficiently in accordance with our waste collection schedule.

SOUND FINANCIAL MANAGEMENT

The sound financial management priority areas are as follows:

1) Preventing Unauthorised, Irregular, Fruitless and Wasteful Expenditure.
2) Ensuring that the municipal billing system is accurate to improve revenue collection, thus strengthening measures to generate revenue and improve revenue collection from 5% to a minimum of 60%.
3) Improving the Municipal Audit Opinion from Unqualified with Matters to Clean Audit.
4) Building internal financial capacity to eliminate outsourcing (e.g., use of consultants).

Thus, THLM has seen an increase of 6% in its annual revenue collection, which stands at 22% for the 2022–2023 FY. However, we as a community can do much better by meeting the Municipality halfway, which will go a long way toward delivering adequate services and socio–economic programs, as our overall target remains a minimum of 60% collection on an annual basis.
After several consultations with our communities and stakeholders, it has since come to light that a sizable portion of our communities are unaware that the Municipality purchases water from its bulk suppliers (Rand Water and the City of Tshwane), despite operating expenses linked to the operation of the Bundu Water Treatment Plant.

The Municipality held its inaugural Revenue Enhancement Indaba on April 21, 2023, and the results were sound and strategic resolutions to find long-term revenue collection solutions that will improve the Municipality's financial health. No Municipality can be able to sustain itself only from conditional grants that are disbursed by the National Treasury, so we are making a strong appeal to our communities to help the Municipality in the payment of services.

In addition to some of the exciting initiatives that we have been able to implement working together, the suggestions we got from community stakeholders are very appreciated and help to get all of us closer to the goal of eliminating the difficulties at hand.

Four conditional funds that the Municipality was able to use—the Municipal Infrastructure Grant (MIG), the Integrated National Electrification Programme (INEP), the Water Services Infrastructure Grant (WSIG), and the Energy Efficiency and Demand Side Management Grant—all saw 100% performance (EEDSMG). A further R13 billion and R2 billion were given to the municipality for WSIG and EEDSMG, respectively, as part of the halting and reallocation process and in response to the municipality's successful performance.

SOCIO-ECONOMIC DEVELOPMENT

Many of the former Kwandebele Homelands, which were established under the apartheid regime, are in THLM. Despite land invasions, which continue to be a major challenge for the Municipality, and even though our communities have security of tenure, most of these areas have undergone spontaneous development with settlements being sparsely distributed along the R573.

Remedial measures include, among others:

1) Transfer of Land Parcels from the Mpumalanga Provincial Government to the Municipality.
2) Land Tenure Upgrading in Kwaggafontein A (Tittle Deeds for 3 300 Stands), and
3) Survey and Registration of a General Plan in Mabhoko and Sheldon.

Local Socio-Economic Development (LED) initiatives at play in the Municipality are detailed below:

1) Rejuvenation of township businesses with initiatives to transform townships and villages from labour and consumption reserves into thriving productive investment hubs.
2) Facilitation of growth and job creation through the LED Forum, and the promotion of investment opportunities in the Municipality.
3) Fast tracking the Mbuduma EARN Hub, KwaMhlanga MA Mix-Use Development, KwaMhlanga Mix-Use Development and Khazamula Mix-Use Development initiatives.
4) Fast tracking the Venera Smart City development, which is aligned to THLM's Vision and 2050 Mission, where most of the civic, retail, commercial, educational, and public transport facilities are in terms of the concept document. Residential densities decline from Verena outwards with the low-income residential areas being located on the periphery, and these residential settlements then extend into agricultural holdings and farms.
5) Supporting the Local Tourism Sector in kind to stimulate economic activities and growth in the Municipality, i.e. Development of Tourism Information Centers at our Malls.
6) Revitalization of the KwaMhlanga Show to promote economic activities and tourism and will be done through IGR Structures (DEDT), albeit this is planned for implementation in the outer financial year(s).

LED Social Programs that have been initiated include the following:

1) Palesa Mine with THLM have identified 20 impoverished families at the farms next to the mine and they are benefitting

from this program of human settlements as part of the Social and Labour Plan (SLP) with an allocated budget of R 3.5 million.

2) Small, Medium and Micro-Enterprises (SMME) Support:
   a) During the month of August 2022, THLM held a Women in Construction Seminar and almost 30 SMMEs were in attendance and benefitted from the different presentations that were made.
   b) As part of Tourism Awareness, THLM hosted a tourism seminar during September 2022, and 51 SMMEs were in attendance and benefitted from the information shared or presented.
   c) THLM recently supported 37 SMMEs through the purchase of tools of trade (equipment) with a budget of R 1 000 000.00.
   d) Provision of support to SMMEs, Cooperatives and the Informal Sector with a budget of R 200 000.00 in the 2022/ 23 FY, which has been increased to R 5 000 000.00 in the 2023/ 24 FY to stimulate economic activity and promote job creation.
   e) Provision of training to 21 young people in agriculture, working closely with the Mpumalanga Regional Training Trust (MRTT).
   f) The Department of Small Business Development in conjunction with THLM handed out 39 local SMMEs with tools of trade (equipment).
   g) A SMME funding conference in partnership with Moripe Holdings was held on the 26th of January 2023 (and will be held annually), and 10 SMMEs have been adopted by Moripe Holdings for assistance in funding and mentorship.

Thembisile Hani Standardized Names, which have since been gazetted, should be used by the community at large, as subsequently advised by our sister department, the Department of Culture, Recreation and Sports.

Finally, and in accordance with the Strategic Planning Session that took place from February 8 through February 10, 2023, a pledge for all Municipal Staff has since been prepared, and it is as follows (in plural form):

1) We will put our people first,
2) We will treat our people with respect and dignity,
3) We will show humility as servants of the people,
4) We will treat our citizens as our bosses and create an environment that is welcoming and solution orientated,
5) We will pride ourselves in a culture of professionalism, ethical and high moral behaviour,
6) We will pride ourselves in a culture of hard work, commitment and accountability,
7) We will at all times, protect the assets, finances and image of the Municipality, and
8) We will be exemplary when performing our duties.

Further to the above lies other important themes, mottos, et al. that the Municipality has since adopted, and they are detailed below:

Chapter 1

THLM's Revised Vision: To Build a Truly African City that is Citizen Centred and Driven.

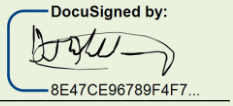
THLM's Revised Mission: Developing a 2050 Strategic Plan which will be Anchored on a Thriving Economy, Improved Standard and Quality Service Provision, and a Habitable and Healthy Social Environment.

Our Motto: Work Conquers Everything, Every Time. No Explanation, No Report, No Clarity, but Work.

2023 Theme: The Year of Innovation, Creativity and Dynamism.

While acknowledging that today is better than yesterday and that future must be better than today, we continue to kindly urge all members of the public to continue working with us as we grow this magnificent Municipality.

Until Victory, Always!



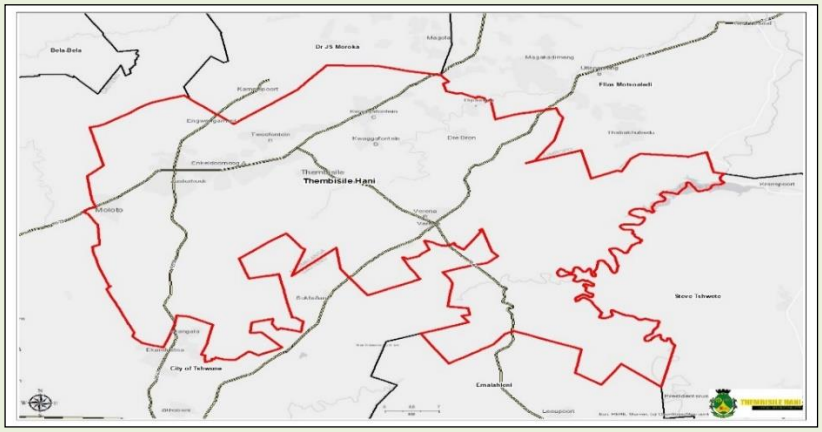
Mr. D.J.D. Mahlangu
Municipal Manager

Chapter 1

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

ABOUT THEMBISILE HANI LOCAL MUNICIPALITY

LOCALITY MAP – ADJACENT LOCAL MUNICIPALITIES



SOCIO-ECONOMIC OVERVIEW

Matheyzensloop, Boekenhouthoek, Bundu, Enkeldoornoog, Goederede, Moloto North & South, Sun City A-C, Phola Park, Buhlebesizwe, Vlaklaagte 1, Mzimuhle, Sybrandskraal, Vlakfontein, Witnek, Skoongesight, Modderfontein, Valchspruit, Blesbokfontein, Taaifontein, Rietfontein A, Rietfontein (Bly N Bietjie), Papskuil, Vandykspruit, Loopspruit, Nooitgedaght, Serengkop, Rooipoort, Swaartkoppies, Waterval Farm, Rooiground, Gemsbokfontein.

The majority of the urban areas are informal settlements with limited infrastructure. Urban sprawl due to un-contained and unplanned extensions of settlements is apparent and leads to challenges in providing bulk and reticulation infrastructure. Population density in urban areas is high and low in rural residential areas. Matheyzensloop, Kwaggafontein, Verena, Milliva, Kwamhlanga and Moloto can be regarded as principal business nodes with a neighbourhood shopping centre with some anchor tenants such as chain stores in each node. Secondary nodes exist along the R573 provincial road leading to Marble Hall. Similar nodes exist along the R25 provincial road, which links Kempton Park, Bronkhorstspruit and Verena to Groblersdal. To some extent, the two above mentioned Provincial Roads Act as regional activity spines.

Most of the urban, peril-urban and agricultural settlements are situated along the R573 provincial road also known as the Moloto road. The road serves as a major communication and transportation route for the Municipality, linking it with Marble hall and Groblersdal to the east and Gauteng to the south- west. Many future residential and economic developments in the region are planned along the Moloto road.

The economic analysis of the area indicates that Thembisile Hani Local Municipality's local economy is dominated by community services, trade (formal & informal, with the latter performing higher than the former) and manufacturing. The remaining sectors are all relatively small. The Municipal area's economy is very small when its gap is compared to that of the other Municipalities. Agriculture has a high potential and needs to be nurtured. So is eco-tourism encompassed with rehabilitation of dilapidating tourist destinations and formation of a tourist belt? Therefore, specific actions need to be undertaken to broaden the tax base and improve participation in these activities.
There are a few mining activities around the area and these contribute to the creation of jobs and their service levels programs need to contribute to the upliftment of the community of THLM. This issue is pursued by both Council and Municipality. There is a need to sign MOU's by the Municipality and mine owners. The application for expansion of the Palesa mine is receiving the attention of the Municipality and the Department of Energy.

Chapter 1

VISION AND MISSION

VISION

"To build a truly African City that is citizen centred and driven ".

MISSION

"Developing a 2050 strategic plan which will be anchored on a thriving economy, improved standard and quality service provision and habitable and healthy social environment."

MUNICIPAL PLEDGE TO THE CITIZENS

- Putting People First
- Treating people with respect
- Showing humility and humbleness as servants of the people
- Treating citizens as our bosses and creating an environment that is welcoming and solution oriented
- Establishing a culture of Professional, Ethical and Moral Behaviour
- Cultivating a culture of hard work, commitment and accountability
- At all-times, protect the assets, finances and the image of our Municipality
- Be Exemplary when performing our duties

DEMOGRAPHIC PROFILE

Population Size

According to Stats SA (2011 census), 310 458 people were recorded in 2011 which accounts for 23.7% of Nkangala's population. The population grew by 1.9% p.a between 2001 & 2011. The population number is estimated to be in the area of 447 250 people by 2030 given the historic population growth rate per annum. Of the total population 52.4% are female and 47.6% are male and approximately 99.2% are Africans. Youth up to 34 years of age is estimated at 68.7% of the population and the number of households is 75 634 which amounts to 4 people per household and 21.2% of the total households in Nkangala. Female headed households are estimated at 46.1% and child headed (10-17 years) households at 0.9 % in 2011. The Municipality's population has increased by about an additional 33 000 households in 2015. To date the total number of households in Thembisile is 109 282. According to the Community survey 2016 the population growth now stands at 333 331 and is estimated to reach 416 282.

Table: 2.1: population size

Demographic indicators	Stats SA Census	Stats SA census	Share of Nkangala's figure	Share of Mpumalanga's figure	Ranking: highest (1) – lowest (18)
	2001	2011	2011	2011	
Population number	258 871	310 458	23.7%	7.7%	5
Number of households	58 797	75 634	21.2%	7.0%	6
Area size – km²		2 385	14.2%	3.1%	15
Population per km²		130			

Source: statistic South Africa, 2011.

Population Composition

The gender composition

The gender composition of the Municipality indicates that 47.6 % of the population is male and 52.4 % is female. The dominance of the female population is evident over the whole age spectrum. Figure 3.2.2a below shows that there is an increased distortion in gender composition in the age groups ranging between 15 and 54 where there are noticeably less males as compared to females. This can be attributed to the migration of the male populace to the Gauteng region to seek better employment opportunities.

Table 3.2.2.1a: geography by gender

Geography	Year	Male	Female	Total
Thembisile	2001	119 928	138 944	258 872
	2011	147 659	162 775	310 434
Nkangala	2001	491 225	529 363	1 020 588
	2011	656 247	651 882	1 308 129
Mpumalanga	2001	1 497 325	1 625 661	3 122 986
	2011	1 974 055	2 065 883	4 039 938

Source: statistic South Africa, 2011.

Table 3.2.2.1b: geography by gender (percentages)

Geography	Year	Male	Female	Total
Thembisile	2001	46.3%	53.7%	100.0%
	2011	47.6%	52.4%	100.0%
Nkangala	2001	48.1%	51.9%	100.0%
	2011	50.2%	49.8%	100.0%
Mpumalanga	2001	47.9%	52.1%	100.0%
	2011	48.9%	51.1%	100.0%

Source: statistic South Africa, 2011.

The age structure

The age structure of the Municipality shows a youthful population distribution. In 2001, there was strong evidence of declining fertility, which is indicated by a steady decline in the population groups 10-14, 5-9 and 0-4, this is also evident in 2011. It is also evident that the population of the Municipality is concentrated in the younger age groups, with the population group between 10 and 19 being the largest. The distribution is similar for both males and females, except for the notable larger female population at all age groups. It is further evident from the graph that there is a noticeable decline in both men and women in the age category 15 – 20 years. The economically active population is standing at 62, 9%, and these are people between the ages of 15 and 64. The Municipality also has a dependency ratio of 58, 9% because the rest of the population is either too young or too old to generate income. (See figure 3.2.2c below)

Table 3.2.2.2: Age structure

Geography	Year	00 - 04	05 - 09	10 - 14	15 - 19	20 - 24	25-64	65+	total
Thembisile	2001	29 611	32 806	33 817	33 671	26 242	90 929	11 775	258 851
	2011	36 232	32 859	30 643	33 778	31 337	131 333	14 124	310 306
Nkangala	2001	108 079	114 044	118 592	118 038	98 433	418 671	44 597	1 020 454

	2011	140 505	119 150	113 132	124 098	136 115	609 710	65 419	1 308 129
Mpumalanga	2001	348 681	364 704	379 895	370 283	295 409	1 231 135	132 662	3 122 769
	2011	461 559	402 772	396 348	424 278	427 541	1 737 728	189 714	4 039 940



	2001	2011	2001	2011	2001	2011
	Thembisile		Nkangala		Mpumalanga	
65+	4,5%	4,6%	4,4%	5,0%	4,2%	4,7%
25-64	35,1%	42,3%	41,0%	46,6%	39,4%	43,0%
20 - 24	10,1%	10,1%	9,6%	10,4%	9,5%	10,6%
15 - 19	13,0%	10,9%	11,6%	9,5%	11,9%	10,5%
10 - 14	13,1%	9,9%	11,6%	8,6%	12,2%	9,8%
05 - 09	12,7%	10,6%	11,2%	9,1%	11,7%	10,0%
00 - 04	11,4%	11,7%	10,6%	10,7%	11,2%	11,4%

Socio-economic development

Employment and unemployment indicators

About 97 744 people are economically active out of these 37% which is 36 165 are unemployed, 61 579 which is 63% are economically active youth (between age of 15 – 34 years) almost half which is 30 790 are unemployed. Out of the 37% unemployment rate the highest is the female population as a result of the loss of jobs and the decline in new job opportunities in the neighbouring urban areas such as Witbank, Middelburg and Pretoria exacerbate the unemployment rate. The Socio Economic Report and Outlook further indicates the following about the Municipality:

- Unemployment rate of 37.0% (strict definition) in 2011 amounted 36 139 unemployed as a percentage of the year of 97 744 - decreasing trend (estimated 2013 unemployment figure by IHS global insight 36.4%).
- Unemployment rate for females 39.9% and males 34.1% - youth unemployment rate of 49.4% in 2011.
- Highest unemployment in Ward 30 (50.1%) & lowest unemployment in Ward 1 (29.0%).
- Employment number 17.3% of Nkangala's employed.
- Employment increased by 27 468 between 2001 & 2011 according to the census – almost 3 000 new jobs per annum – 4% of provincial job creation target.
- Formal employment 54.3% & informal employment 22.5%.

Table 3.2.3.1: Thembisile Hani labor indicators

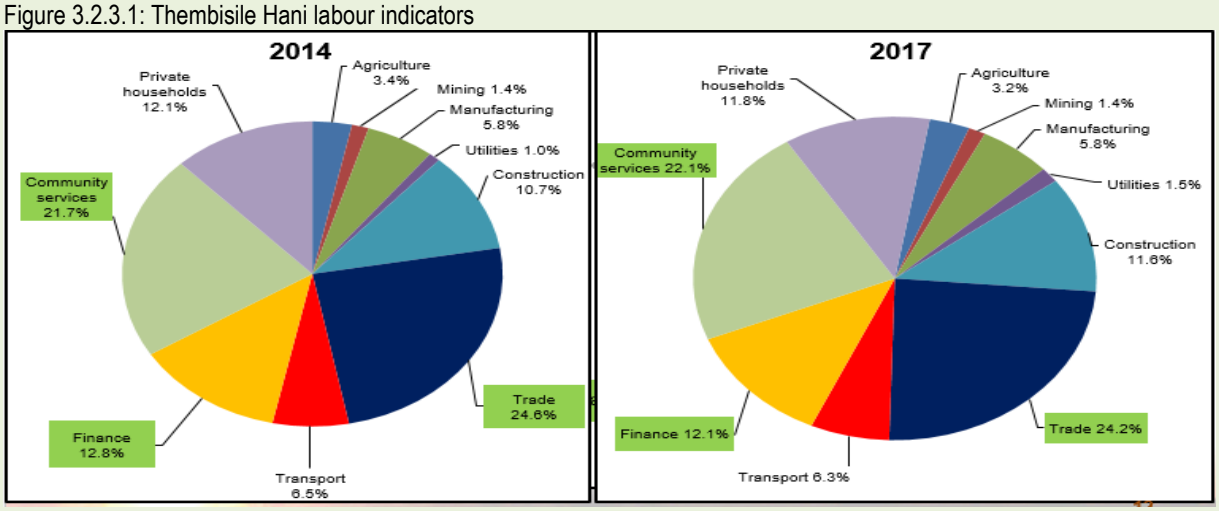
Labour Indicators	**Census**	**Census**	**Share Of Nkangala's Figure**	**Ranking: Best (1) – Worst (18)**
	2001	2011	2011	
Working Age Population	151 714	195 457		
Economically Active Population (Eap)/Labour Force	69 910	97 744		

Number Of Employed	34 137	61 605	17.3%	
Number Of Unemployed	35 773	36 139	23.7%	
Unemployment Rate (%)	51.2%	37.0%		15

Source: socio-economic report and outlook for Mpumalanga, 2014

The Socio-economic report and outlook (SERO) report further illustrated that the leading employment industries within the Municipality are community services at 21.2% and trade at 24.2%. Prevailing trends have also shown a decreasing role/share of manufacturing and trade and increasing role/share of community services & finance as the main employers. These figures appear to be declining as they went down from 21.7% and 24.6% respectively.

Figure 3.2.3.1: Thembisile Hani labour indicators



Source: socio-economic report and outlook for Mpumalanga,

Poverty rate

Thembisile's poverty rate is estimated at around 40% or 128 890 poor people and this makes the Municipality the poorest in the district and forth poorest in the entire province, this is however a declining trend. The bottom 40% of households shared 12.2% of the total income in 2013. Stats SA multidimensional poverty index (sampi) in Thembisile Hani has improved from 0.07 in 2001 to 0.02 in 2011.

Table 3.2.3a poverty and inequality

Indicators	**Trend**			**Latest figure**	**Better (+) or worse (-) than nkangala**	**Better (+) or worse (-) than province**	**Ranking: best (1) – worst (18)**
	2001	**2004**	**2009**	**2012**			
Poverty rate	53.3%	52.8%	47.7%	40.8%	(-) (30.6%)	(-) (36.9%)	15
Number of people in poverty	145 068	145 708	142 877	128 890			15
Poverty gap (r million)	r176	r240	r339	r346			14

Source: Mpumalanga socio-economic outlook report, Mpumalanga department of finance, 2014

Individual income

Table 3.2.3b: geography by individual income (R)

		No income	1-400	401 - 800	801 - 1 600	1 601 - 3 200	3 201 - 6 400	6 401 - 12 800	12 801 - 25 600	25 601 - 51 200	51 201 +	Total	Average
Thembisile	2001	880	4 498	9 169	1 1259	5 132	2 254	747	210	0	0	34 149	1 589
	2011	131 799	85 110	8 946	39 693	19 563	8 613	4 344	2 025	429	225	300 747	907
Nkangala	2001	4 137	22 046	40 579	49 193	41 283	24 612	12 732	5 272	0	0	199 854	2 644
	2011	401 493	44 643	29 014	96 955	80 664	62 900	48 168	33 747	12 323	4 826	814 733	3 182
Mpumalanga	2001	12 619	134 766	139 875	131 103	100 495	64 222	32 064	14 831			629 975	2 239
	2011	1 243 674	159 802	103 097	310 187	211 586	150 589	122 607	84 152	30 239	12 436	2 428 369	2 720

Source: statistic South Africa, 2011.

Education indicators

In the Municipality citizens that are 20 years of age and older with no schooling account for 18.0% (31 711) total population of the Municipality (34.4% of Nkangala's district), and this is one of the highest in the province. The total population that are 20 years of age and older with matric & higher qualification account for the 31.6% of the total population and this has shown an improvement but is still however lower than both district and provincial averages (third lowest in the province). The functional literacy rate (15+ with grade 7+) is also improving but is still lower than the district and provincial averages. The matric pass rate was sitting at 73.0 % in 2013 and the university/degree admission rate was only 18.0% in 2013. Thembisile Hani Municipal area has 72 government funded ecd (early childhood development) centers in 2014/15 financial year.

Table 3.2.3.4: education indicators

Education indicators	Trend	Latest figure	Better (+) or worse (-) than nkangala	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
	2001	2011			
Number of people 20+ with no schooling	43 736	31 711			15
Population 20+ with no schooling (%)	33.9%	18.0%	(-) (11.5%)	(-) (14.0%)	13
Population 20+ with matric & higher (%)	19.6%	31.6%	(-) (40.2%)	(-) (38.8%)	16
Functional literacy rate (%)	57.5%	71.8%	(-) (79.0%)	(-) (76.9%)	14

Source: socio-economic report and outlook for Mpumalanga, 2014

Population groups

Thembisile Hani Local Municipality has a total population of 310 458 people, of whom 99, 2% are black African, and 0, 3% are Indian/Asian. The other population groups make up the remaining 0, 5%. Based on the aforementioned, it is evident that the Municipal population is predominantly composed of black Africans.

Percentage distribution of Thembisile Hani Local Municipality

Group	Percentage
Black African	99,2%
Coloured	0,2%
Indian/Asian	0,3%
White	0,1%
Other	0,2%

Household trends

The number of households in Thembisile Hani Local Municipality have increased by about 13.5%, from 65 394 in 2007 to 75 634 in 2011. The average household size is 4 persons per household and 46, 1% of households are headed by females. only 16,3% of households have access to piped water inside the dwelling, 72,1% of households have access to piped water inside the yard and 4,6% have no access to piped water. Table 2.2.2 below shows the current household trends in the Municipality.

Household trends (source s statistics South Africa, 2011)

Enumeration type	Figures and percentages
Number of households	75,634
Average household size	4,1
Female headed households	46,1%
Formal dwellings	85,6%
Housing owned/paying off	76,1%
Flush toilet connected to sewerage	6,8%
Weekly refuse removal	4,6%
Piped water inside dwelling	16,3%
Electricity for lighting	92,3%

Population languages: source: stats SA

Language	Percentage
Afrikaans	0,4%
English	1,2%
IsiNdebele	58,4%
IsiXhosa	1%
IsiZulu	12,5%
Sepedi	12,6%
Sesotho	4,8%
Setswana	1,9%
Sign language	0,3%
SiSwati	2,9%
Tshivenda	0,4%
Xitsonga	2,6%
Other	0.9%
Not applicable	0,1%

Education profile

The attainment of education is a key indicator of a developing society. The level of education of a society influences its welfare through its indirect influence on health, fertility and life expectancy. in Thembisile, of those aged 20 years and older, 18,3%

have completed some primary school, 32,4% have some secondary education, 26,2% have completed matric, and 5,2% have some form of higher education, while 18% have no form of schooling. considering that the labor absorbing market requires at least some level of skilled labour for decent work, the Municipality's population is largely unskilled with only 5,2% of the population having some form of higher education and training. This therefore, further exacerbates unemployment rates.

Highest educational levels

Group	Percentage
No schooling	2,6%
Some primary	44,8%
Completed primary	6,5%
Some secondary	33%
Completed secondary	11,7%
Higher education	1,3%
Not applicable	0,1

Employment profile

About 97 744 people are economically active (employed or unemployed but looking for work), and of these, 37% are unemployed. of the 48 741 economically active youth (15 – 34 years) in the area, almost half (49, 4%) are unemployed. the unemployment rate in the Municipality is currently standing at 37% with the female population accounting for most of the unemployment status. the loss of jobs and the decline in new job opportunities in neighbouring urban areas such as Witbank, Middelburg and Pretoria exacerbate the unemployment rate.

Employment status	Number
Employed	61 605
Unemployed	36 139
Discouraged work seeker	13 477
Not economically active	84 188

Source: Statistics South Africa, 2011

Income categories

The main labour absorbing markets in the Municipality are social services, business services, retail, trade and agriculture. These markets provide the basis for employment and income within the Municipality and suggest that the Municipality must concentrate on labour intensive programmes and skills development when rendering services. Approximately 13, 8 % of the households within the Municipality have no income and more than 50% of the households earn less than r 50 000 per annum.

Household income

Income	Percentage
None income	13,8%
R1 - R4,800	5,6%
R4,801 - R9,600	9,7%
R9,601 - R19,600	20,3%
R19,601 - R38,200	23,6%
R38,201 - R76,400	15,2%
R76,401 - R153,800	7,4%
R153,801 - R307,600	2,9%
R307,601 - R614,400	1%
R614,001 - R1,228,800	0,2%
R1,228,801 - R2,457,600	0,1%

R2,457,601+	0,1%

Economic analysis

The City of Tshwane and areas such as Bronkhorstspruit and Witbank provide a regional function to areas in Thembisile (e.g. trade services, banking, manufacturing, storage, transport, etc.), because of its size and level of sophistication. The economy is unable to generate a significant number of direct employment opportunities for the local communities. The economies of surrounding townships and rural areas comprise mostly of informal activities and largely serve the immediate consumption needs of local people.

The Municipality is further characterised by limited job opportunities and high levels of unemployment and illiteracy. As a result, there are very limited industrial activities and high levels of dependency and poverty. The dependency on neighboring towns and cities to provide job opportunities has necessitated a culture were a significant amount of the population commutes on a daily or regular basis to areas such as Tshwane, Ekurhuleni, Johannesburg and Emalahleni.

Economic activities within the Municipality are dominated by public services and informal trade particularly those found at main intersections in Moloto, Kwamhlanga, Tweefontein, Verena and Kwaggafontein. The Municipality also has potential for mining, agriculture and eco-tourism. The Municipal area is largely suitable to agriculture, both for ploughing and stock farming. The indigenous knowledge of communities within the Municipality should also be sustained. These include knowledge and skills in bead work, traditional painting, weaving, and grass work.

The small industrial parks that were developed by the Kwandebele government are now in disuse. There is a need for the Municipality to resuscitate these small industrial parks in order to contribute to sustainable employment within the Municipal area.

Employment status comparison with district and province

Area	Employed	Unemployed	Discouraged work seekers
Thembisile	61 611	36 141	13 476
Nkangala	355 478	152 250	42 554
Mpumalanga	969 771	448 126	150 844

Economic sectors and activities

Agriculture
Apart from the urban settlements highlighted above, the rural parts of the Thembisile Hani Local Municipality are predominantly utilized for agricultural purposes. The agricultural land towards the east of Verena is predominantly utilized by large scale farmers while the agricultural land to the west of Verena in the Thembisile Hani area is utilized by local and emerging farmers. Extensive agriculture, particularly cattle and game farming is the predominant form of farming.

Mining

There are currently limited mining activities occurring in the southern portions of the Municipality along the R568 road. A number of external stakeholders have shown interest in developing mining opportunities within the Municipality.
Tourism

The tourism attraction sites in the Municipality include the Zithabiseni holiday resort in the Mabusa nature reserve (to be restored to its former glory) and the main tourism node: The Kgodwana village and Loopspruit winery at Schoongezicht, just east of the R568 between Kwamhlanga and Ekangala in the south.

Trade and local business

The economic activity around the intersection of routes R568 and R573 in the vicinity of Kwamhlanga represents the highest order activity node in the Municipality this is probably the most strategic intersection in the entire Municipal area, and it is surrounded by a fairly large number of households (formal and informal). The result is a fairly high concentration of economic activity with a variety of shopping facilities (formal and informal), a taxi rank, and community facilities which include, amongst others, the Solomon Mahlangu stadium and the former Kwandebele government offices.

The second most significant activity node in the Thembisile Hani area is found in Kwaggafontein b at the intersection between route R573 and the link road between Kwaggafontein and Verena where a large shopping Centre (Kwaggafontein Mall) exists. The Thembisile Hani Local Municipality offices are also located in this precinct.

There are about five other emerging/secondary activity nodes that can be distinguished in the Thembisile Hani area: the first is in the vicinity of Moloto, the second at Enkeldoornoog B, the third one at Vlaklaagte 2, the fourth at Matheyzensloop to the North, and the fifth at Verena around the intersection between routes R25 and R544 in the southern parts of the Thembisile Hani Local Municipality. These are all smaller nodes (second order) that are still in the process of development, and comprise a mixture of formal and informal retail, commercial and service industry activities.

Job creation initiatives

The Municipality must focus on maximizing its contribution to job creation, by ensuring that service delivery and capital projects implementation use labor intensive methods wherever appropriate. The Municipality furthermore supports job creation initiatives through the community works programme and the pew programmes.

Social analysis

Integrated and sustainable human settlements and housing

The lack of housing has been highlighted as one of the key challenges facing communities during many community outreach meetings. A housing survey conducted in 2009 indicated a huge backlog in housing delivery. Many people within the Municipality live in informal houses (mud houses and shacks) which are either too old to be inhabited or a structurally weak and are thus vulnerable to being destroyed by bad weather (storm/rain during the summer). The housing survey revealed that there was a housing backlog of about 9764 units, and there are currently no recent statics to gauge whether or not this backlog has increased or subsided.

The unavailability of an integrated human settlements plans and the retention of land for integrated human settlements have over time resulted in the eruption of informal settlements in almost all the Municipal areas. This is exacerbated by the allocation of land by some traditional authorities without having considered the necessary impact.

The Municipality has also participated in housing delivery programmes with national and provincial departments of human settlements over the years. The programmes that were used to fund some of the housing development projects in the Municipality include:

- Projects link programme (Greenfields programme)
- Peoples housing programme
- Community based rural subsidy programme
- Disaster/emergency programme
- Community based individual programme

Health

Thembisile is served with health care facilities such as clinics and visiting points. The following health facilities are provided within the Municipality:

Facility name	Location	Number
Kwamhlanga hospital	Kwamhlanga	1
Community health center (24 hour service)	Buhlebesizwe / Vlaklaagte 2, Kwaggafontein, Moloto, Verena, Kwamhlanga and Thembalethu	6
Clinics (8 hour service)	Empilweni, Gemsbokspruit / Mzimuhle, Goederede, Vlaklaagte 1, Kameelpoortnek, Tweefontein C, Tweefontein D, Tweefontein A, Tweefontein M, Vriesgewacht,, Tweefontein H, Boekenhouthoek/ Zithabiseni and Kwagga A, Tweefontein G clinic	15
Mobile clinics	Verena CHC mobile, Thembalethu CHC mobile, Kwaggafontein CHC mobile and Moloto CHC mobile table: 37 time table for mobile clinics	4

Both primary and secondary health care facilities are problematic in certain areas due to limited resources, which make it difficult to ensure that all the communities are provided with the minimum acceptable levels of health services. Most of the clinics do not provide a 24-hour service due to lack of staff and resources, but the Municipality is fairly well served with health facilities.

Sports, Art and Culture

Thembisile Hani Local Municipality has two stadiums namely, Solomon Mahlangu stadium and the Kwaggafontein stadium, located in Kwamhlanga and Kwaggafontein respectively. The Solomon Mahlangu stadium has an array of facilities to support different sporting codes including netball, tennis, basketball and boxing. In order to fortify the potential of the sporting hub all sporting facilities in the vicinity of the stadium should be upgraded, maintained and integrated to the existing hub. the regional sport and recreation master plan conducted for the Nkanngala District Municipality in 2003 provides an assessment of the type of facilities currently in the Municipal area (e.g. soccer, netball, athletics etc.), together with their location and condition. (See Municipal SDF for further detail). The four libraries in the Municipality need to be maintained and furnished with books in order to encourage the community to read and write. There is a need for a mobile library needed in Loopspruit.

Some of the challenges relating to sport, arts and culture include:

- Lack of a funding model for the naming, renaming and signage of geographical features, streets, heritage sites and settlements;
- Heritage sites and tourist attraction sites in the Municipality are not formalised and promoted;
- Shortage and minimal access to sporting facilities by the local community;
- Sport committees at ward level exist but are dysfunctional;
- There is a need for an additional community gymnasium to encourage the wellness of community;
- The community gymnasium facility at Kwaggafontein stadium need to be professional run;
- The lack of art and development centre

Telecommunication and postal services

There are four post offices within the Municipality. These are located at Kwaggafontein, Verena, Kwamhlanga and Somarobogo. There were 24 lobby post boxes serving the community, two were removed from Verena and one from Somarobogo by the South African post office. These where removed because of the ineffectiveness of the service and were consequently replaced by street delivery service. The street delivery system might be effective but might be hindered by the lack of street names and proper house numbering. The Municipality and the post office must develop the mechanism of

ensuring that farm communities have access to this service. On average the Municipality is well serviced with telecommunication services including cellphone networks. Approximately 68, 2% of the households reported that they had access to telephone facilities at home or nearby, while 27, 8% had access to a cell phone only. Only 1, 4% of the population had no access to any form of telecommunication.

The following problems have been raised by the community:

The delivery of letters is delayed due to contradicting stand numbers.

Public transport

Most of the residents of the Municipality work in Gauteng and commute to Tshwane and the surrounding areas on a daily basis. Buses and taxis are used as a staple mode of transport to work. This makes the R573 (Moloto road) very busy during peak hours and poses a higher risk of motor car accidents. Transport infrastructure in the form of bus/taxi terminals are also not adequately provided to cater for the business. Existing infrastructure is dilapidated and needs to be restored or upgraded. The public transport traffic volumes put considerable strain on the road infrastructure.

Moloto rail corridor development initiative

The Moloto rail corridor development initiative was launched at national and provincial government level and enjoys the full support of the Nkangala District Municipality and local Municipalities in the district. The main focus of the initiative is to replace the bus commuter system along the Moloto road with a rail commuter system. The objective is to provide safer, faster and more efficient rail transport, while buses and taxis will be used as part of a feeder system to the railway stations along the Moloto rail corridor.

The railway line and stations will form the basis for the nodal system, which will be used as a tool to promote the development of retail and community facilities at stations. Stations will be developed in accordance with the concept of transit orientated development, which promotes high density, mixed land use within walking distance from stations. These toads will create the critical mass required to stimulate viable economic activity. Through careful planning, a range of community services can be provided along the railway line, ensuring that the community has access to a full range of community services through use of the railway system.

Chapter 1

1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

The Municipality provided communities with potable water and sanitation. The portable water is purchased from three external water source and the Municipality has recently commissioned the Bundu Weir source which its own by the Municipality. The water and sanitation systems are operated and maintained according to the blue and green drop requirements. The Municipality is committed to achieve blue and green drop status in future.

The Municipality provides waste management services that include waste collection, street cleaning, clearing of illegal dumping, health care risk waste management. Regular solid waste collection service is provided to business, institutions and households within the jurisdiction of the Municipality. Waste collection from residential premises is carried out on fortnight basis. The growing Municipal population is exacerbating the demand on resources and services, and increasing the generation of waste to meet many of these demands.

The Municipality has recorded the below amount of services and the receipt of the water quality

- Provided 64 151 households with access to basic water
- Provided 28 312 households with access to water through water delivery
- Provided 67 404 households with access to basic refuse removal
- Provided 82 983 households with access to basic electricity
- Provided 2 446 households with access to basic sanitation (water borne system)
- Provided 64 151 households with access to free basic water (6 kl)

CHALLENGES

- The provision of free basic electricity in Thembisile Hani Local Municipality where Eskom is the supplier.
- No proper indigent register
- Community of Thembisile Hani Local Municipality requires water borne sanitation system and not the VIP toilets anymore
- Inadequate and inconsistent water supply
- Shortfall of 36.1 mega litres per day in water supply water supply
- Lack of own water source
- Inadequate water storage in Moloto
- Huge backlog on gravel roads
- High level of informal settlements mushrooming rapidly which add to the already housing

1.4. FINANCIAL HEALTH OVERVIEW

Financial Overview - 2022/ 2023 R			R
Details	**Original budget"000**	**Adjustment Budget**	**Actual**
Income			
Property Rates	58 456 644	58 456 644	57 434 989
Grants	701 823 000	716 823 000	716 823 000
Service Charges	122 337 632	131 604 572	130 633 964

Public Contribution & Donation	0	0	0
Fines, Penalties & Forfeits	13 100 976	2 456 550	2 665 900
Other Revenue	87 932 364	107 835 856	148 789 713
Sub Total	983 650 616	1 017 176 622	1 056 347 566
Less Expenditure	*1 131 365 262*	*1 186 527 352*	*1 136 179 497*
Net Total*	***-147 714 646***	***-169 350 730***	***-79 831 931***
* Note: surplus/(- deficit)	Note: operational and capital included on the expenditure		T1.4.2

2022/ 2023 Operating Ratios (adjusted budget)	
Detail	**%**
Employee Cost	17%
Councillors Cost	3%
Repairs & Maintenance	2%
Finance Charges & Depreciation	8%
	T1.4.3

LIQUIDITY RATIO

Liquidity ratio for 2021/ 2022 is 5:4 and 2022/ 2023 is 2.73

COMMENT ON OPERATING RATIOS

Employee costs is within the acceptable norm of approximately 14.80% plus 2.77% for Councillors costs which is equals to 17.57% to total operating cost. Repairs and maintenance constitute 4.0%. Although the percentage is below the norm, there are no major repair and maintenance backlogs. Finance charges and depreciation is 19.04% to total operating cost. This medium percentage informs that the Municipality is in a position to take up additional external funding.

Total Capital Expenditure			
	R		
Detail	**2020/ 2021**	**2021/ 2022**	**2022/ 2023**
Original Budget	174 846 000	185 513 100	203 077 950
Adjustment Budget	238 173 000	194 827 880	207 377 950
Actual Expenditure	218 012 000	188 952 461	202 624 445
%	91%	96.96%	97.71%

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

Thembisile Hani Local Municipality has an organizational structure which is aligned to the IDP and is reviewed annually to ensure operational effectiveness.

The organogram has the following departments:

- Department: Municipal Manager's Office
- Department: Corporate Services
- Department: Finance Services
- Department: Technical Services
- Department: Social Services
- Department: Planning and Economic Development

The Municipal Manager and all Managers have signed employment contracts and annual performance agreements

The percentage of vacant posts on the Municipality's organogram is at 9.5% by the end of the financial year.

The major priority for the Municipality in terms of organisational development relates to organisational reengineering wherein the Municipality has contracted a service provider on a multiyear agreement to undertake this process. The service provider is expected to assist the Municipality in developing relevant job descriptions for each employee, assisting the Municipality in conducting the job evaluation for the purpose of the proper grading of the Municipality and embedding and cascading Performance Management System to all levels. The second priority in the continuous capacity building of Municipal employees in terms of the Municipal finance under the MFIP programme as well as other capacity building initiatives for other employees. The Municipality's record management unit plays an important role in the affairs of the Municipality in line with the Archives Act of South Africa Act no. 43 of 1996. Another development for the Municipality was the use and adoption of GRAP standards by the finance department to guide on the accounting standards and the adoption of mSCOA that the Municipality is currently using.

1.6. AUDITOR GENERAL REPORT

As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), the responsibility of the Auditor General is to express an opinion on the Municipality's financial statements based on conducting an audit in accordance with International Standards on Auditing.

For the financial year (2022/ 2023) Thembisile Hani Local Municipality received unqualified with mattares opinion.

1.7. STATUTORY ANNUAL REPORT PROCESS

No	Activity	Timeframe
1	Consideration of Next Financial Year's Budget and IDP Process Plan. Except For The Legislative Content, The Process Plan Should Confirm In-Year Reporting Formats To Ensure That Reporting and Monitoring Feeds Seamlessly into The Annual Report Process At The End Of The Budget / IDP Implementation Period July	July
2	Implementation And Monitoring Of Approved Budget And IDP Commences (In Year Financial Reporting).	
3	Finalise The 4th Quarter Performance Report For Previous Financial Year	
4	Submits Draft Annual Report Including Annual Financial Statements And Performance Report To Auditor General	August
5	Annual Performance Report as Submitted to Auditor General to Be Provided As Input To The IDP Analysis Phase	
6	Auditor General Audits Annual Report Including Annual Financial Statements And Performance Data	September - October
7	Municipalities Receive And Start To Address The Auditor General's Findings	
8	Commencement of Draft Budget/ IDP Finalisation for Next Financial Year. Annual Report And Oversight Reports To Be Used As Input	
9	Receive Management Letter And Provide Final Comments On Findings	November
10	Auditor-General Submit Audit Opinion	
11	Executive Mayor Tables Annual Report and Audited Financial Statements to Council Complete With The Auditor- General's Report	January
12	Audited Annual Report Is Made Public And Representation Is Invited	February
13	Oversight Committee Assesses Annual Report	
14	Council Adopts Oversight Report	March
15	Council Table Next Financial Year Budget / IDP And Invite Public Representation	
16	Oversight Report Is Made Public	April
17	Oversight Report Is Submitted to Relevant National & Provincial Stakeholders And Legislature	
18	Council Approve Next Financial Year Budget / IDP	May
19	Make Public Approved Budget And IDP	June
20	Finalize SDBIP And Performance Agreements For Next Financial Year	
21	Make Public SDBIP And Performance Agreements	July

COMMENT ON THE ANNUAL REPORT PROCESS

It is necessary that the Municipality derives maximum benefit from its efforts in submitting reports. Such benefits are typically obtained in the form of being able to compare and benchmark against other Municipalities and to learn from the feedback mechanisms.

The Annual Report process flow provides a framework for the Municipality to follow in completing various reports within each financial year cycle. It is recommended that Municipal Manager study this process flow and ensure that reports are submitted timeously. If the process flow is followed, the Municipality should be able to provide an Unaudited Annual Report in August of each year, which is consistent with the MFMA.

One of the advantages of compiling an Unaudited Annual Report in August is that it can be used to influence the strategic objectives indicated in the IDP for the next financial year as well as the budgetary requirements related to each vote.

Chapter 1

An Unaudited Annual Report submitted in August will further provide the Municipality with an opportunity to review the functional areas that received attention during the current financial year and take the necessary corrective actions to align the IDP and budget to other priority areas needing attention.
The Annual Report of a Municipality must be tabled in the Municipal Council on or before 31 January each year (MFMA section 127). In order to enhance oversight functions of the Council, this must be interpreted as an outer deadline; hence the Municipality must submit the Annual Report as soon as possible after year end, namely, August. The entire process is concluded in the first or second week of December for all Municipalities, the same year in which the financial year ends and not a year later, as is currently the case. It is expected that effective management of performance will also result from this change.

The Annual Report must be aligned with the planning documents and Municipal budget for the year reported on.
This means that the IDP, budget, SDBIP, in-year reports, Annual Performance Report and Annual Report should have similar and consistent information to facilitate understanding and to enable the linkage between plans and actual performance.

The above can only occur if the Municipality set appropriate key performance indicators and performance targets with regards to the development of priorities and objectives in its IDP and outcomes (MSA s41). This requires an approved budget together with a resolution of approving measurable performance objectives for revenue from each source and each vote in the budget (MFMA, s24).

The Annual Report content will assist Municipal Councillors, residents, oversight institutions and other users of Annual Reports with information and progress made on service delivery. It must align with the Integrated Development Plan (IDP), budget, Service Delivery and Budget Implementation Plan (SDBIP), and in year reports. the contents will also assist with the annual audit other key aspect of the reform in combining the relevant information into the new Annual Report format will assist the Municipality to streamline operations and processes through combined Committees, reduce costs, time and effort. There will be a limited need for the Municipality to have different Committees to deal with financial and non-financial related matters.

Chapter 2

CHAPTER 2 – GOVERNANCE

To govern is to exercise political, economic and administrative authority to manage the nation's affairs. Governance is the complex mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights and obligations, and mediate their differences.

The political and administrative components of Council maintain a sound working relationship by ensuring respect of procedures and protocols. Communities as an interest group in Municipal affairs participates through Public Participation mechanisms and processes in the decision making systems of Council.

This includes interaction with the stakeholders in shaping the performance of the Municipality in order to enhance a healthy relationship and minimizing conflict.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Political governance ensures regular communication with the community at large by means of Municipal outreach's, IDP and budget consultations. This ensures that the community participates in identifying needs and make inputs on the performance of the Municipality. This process ensures healthy relations with the community and minimizes conflict. Administrative governance ensures transparent administration, regular feedback to the community, compliance to the required rules, processes and laws by which Council is operated, regulated and controlled.

The political structure of Thembisile Hani Local Municipality comprises of the Executive Mayoral System that consists of:

Executive Mayor
Hon. Speaker
Chief whip
MPAC Chairperson
Mayoral Committee
Councillors

The Municipal Manager is the administrative head and acts as a link between the politicians and the administration. The Municipal Manager is supported by the following section 56 managers appointed in terms of the Municipal Systems Act:

Manager Corporate Services (MCS)
Manager Technical Services (MTS)
Manager Social Services (MSS)
Chief Financial Officer (CFO)
Manager Planning and Economic Development (MPED)

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

MFMA section 52 (a): The Mayor must provide general political guidance over the fiscal and financial affairs of the Municipality.

The Executive Mayor is the political head of the Municipality. The position of Speaker is a full-time post, and takes responsibility for the running of Council meetings. The speaker is the chairperson of the Council. The office of the chief-whip is established to create synergy and to maintain discipline among Councillors from various political parties. The role of the chief-whip of the Council covers both the political and administrative domains of Council with emphasis on the political aspect. The chief whip deals with the well-being and attendance of all Councillors.

Chapter 2

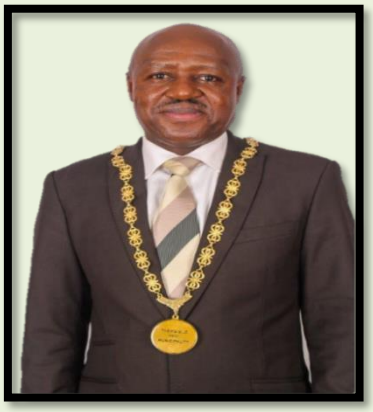
The Municipal Council consists of 32 Ward Councillors and 32 PR Councillors. The Council meetings are governed according to the approved Standing rules of order. Council has established the Mayoral Committee system with section 79 and 80 Committees who makes recommendations to Council.

Section 79 Committees of the Council report directly to Council, in accordance with the terms of reference of such Committees approved by Council. This Committee provide general oversight and monitor the activities in the Municipality over both the administrative and executive arms of the Municipality. This section 79 Committees are chaired by an Ordinary Councillors other than members of the Mayoral Committee

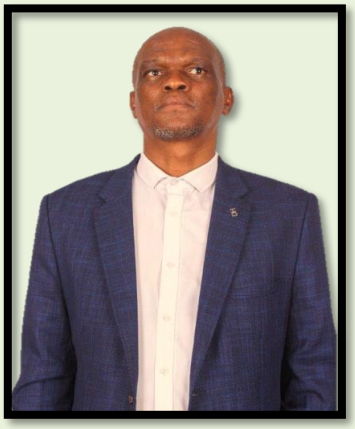
Section 80 Committees assist and report to the Executive Mayor. The Executive Mayor has appointed the Mayoral Committee members as chairpersons for each of the Committees.

The Municipality is using Shared Audit Committee from Nkangala District Municipality. The Audit Committee meets a minimum of four times per year and is an independent advisory body that advises Council, Political Office-bearers, the Accounting Officer and the Management of the Municipality on matters related to Internal Control, Internal Audits, Risk Management, Accounting policies and adequacy reliability and accuracy of financial reporting and information, performance management, effective governance compliance with the MFMA, the division of revenue Act and provide comments to Municipal Public Accounts Committee (MPAC) and Council on the Annual Report.

MPAC is an oversight Committee of council established in terms of Section 79.A of the Municipal Structures Act, and the position of MPAC Chairperson is a full-time post. The MPAC comprises of non-executive Councillors, with the specific purpose of providing oversight over the executive functionaries of Council to ensure good governance in the Municipality. MPAC also make comments and recommendations on the Municipal Annual Report for council consideration and adoption through the oversight report.

	**EXECUTIVE MAYOR** **Cllr. L.J. Dikgale (**Political Head) The Executive Mayor identifies the needs of the Municipality, review and evaluate those needs, in order of priority, recommend to the Municipal Council strategies, programme and services to address priority needs through the Integrated Development Plan, and estimates the value of revenue and expenditure, taking into account any applicable national and provincial development plans, recommends and determine the best way to deliver strategies, programmes and services to the maximum benefit of the community. The Executive Mayor also performs a ceremonial role.
	**SPEAKER** **Cllr. M.P. Msiza (**Chairperson of Council) Presides at meetings of the Council. Maintain order during meetings and ensure that meetings are conducted in accordance with the rules of order of the Council.

	**CHIEF WHIP** **Cllr. T.E. Motanyane** Manage Councillors and maintain discipline in Council The chief whip ensures that Councillors are accountable to the communities, that code of conduct is respected and adhered to by all Councillors. The chief whip ensures discipline during Council and Committee meetings. She facilitates political debates, workshop for all Councillors.
MEMBERS OF MAYORAL COMMITTEE:	
	**MMC TECHNICAL SERVICES** **Cllr. E.M. Malekane** Provisioning of infrastructure development, maintenance and service delivery to ensure sustainable services to all communities.
	**MMC FINANCE SERVICES** **Cllr. J.E. Mthimunye** Provide and manage financial services to ensure financial viability, compliance and reporting.
	**MMC LOCAL ECONOMIC DEVELOPMENT** **Cllr. L.X. Mtsweni** Ensures that the LED unit`s mandate of coordinating LED related activities is realized and the push towards the eradication of poverty and job creation fulfilled.

	**MMC SOCIAL DEVELOPMENT SERVICES** **Cllr. N.T. Skhosana** Render integrated community services to all its communities.
	**MMC CORPORATE SERVICES** **Cllr.T.L. Mabena** Provides Corporate Services to ensure efficient support of organisational processes.
	**MPAC CHAIRPERSON** **Cllr. L.M. Tshabangu** MPAC provides oversight over the executive functionaries of Council to ensure good governance in the Municipality.

Councillors

Councillors provide a vital link between communities they serve and the Municipality. They are responsible for representing the needs and interests of the people they represent, regardless of whether they voted for them. Although Councillors are not usually full time professionals, they are bound by a code of conduct. The Councillors serve for five years.

Chapter 2

Thembisile Hani Local Municipality comprises 32 Ward Councillors and 32 PR Councillors. See **Appendix A** where a full list of Councillors can be found (including Committee allocations).

Award Councillor has to balance the expectations of his/her Ward and that of their political party. the Ward Councillor is the chairperson of the Ward Committee, responsible for convening the constituency meeting to elect Ward Committee members, calling Ward Committee meetings, ensuring that a schedule of meetings is prepared, handling queries and complaints in the Ward, resolving disputes and making referrals of unresolved disputes to the Municipality, ensuring that the Ward Committee does what the Municipality expects about reporting procedures.

See **Appendix B** which sets out Committees and Committee purposes.

The Ward Councillors should be fully involved in all community activities that the Ward Committee is engaged with and communicate the activities and meetings schedules to the PR Councillors. PR means proportional representation, where voters vote for a political party not an individual candidate within a party. The ballot paper just shows the political parties. The party gets the same share of the number of Councillors as the share of total PR votes it got. The party decides which members fill those Councillor places. A PR Councillor is allocated to a Ward and provides support to the Ward Councillor in things that relate to the Ward or the Ward Committee.

A PR Councillor handles queries and complaints in consultation with the Ward Councillor, assist with resolving of disputes and making referrals, help with implementation of projects, support the Ward Councillor without replacing the Ward Councillor, attend Ward Committee meetings, constituency meetings and special meetings

Political decision-making

The legal framework empowers the Executive Mayor to provide political leadership for policy and outcomes, and holds the Municipal Manager and other senior managers responsible for implementation and outputs.
The Executive Mayor presides at meetings of the Mayoral Committee and performs the duties, including any ceremonial functions, and exercises the powers delegated by the Municipal Council except those powers that are reserved by the constitution of the republic of South Africa and other applicable Regulations.

The Executive Mayor appoints members of the Mayor Committee to assist with carrying duties in terms of section 80 of the Municipal System Act. The Executive Mayor reports to Council on the execution of his delegated powers.

Council is chaired by the speaker and the Executive Mayor chairs the Mayoral Committee meetings and executive duties through Council resolutions, delegations and Committees.

Council has also formed section 79 Committees which meet monthly except the Audit Committee and MPAC, which normally meet quarterly. This section 79 Committees are chaired by an Ordinary Councillors other than members of the Mayoral Committee. Their main function is to monitor the activities of the members of the Mayoral Committee.

The administration is charged with the responsibility to implement Council resolutions and to submit monthly progress reports to the relevant MMC'S who in turn report to the section 79 Council Committees. All Council resolutions are monitored and implemented.

2.2 ADMINISTRATIVE GOVERNANCE

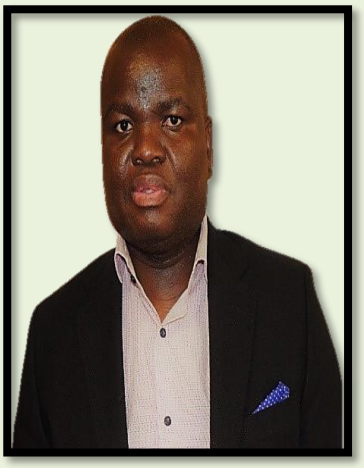
INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

MFMA section 60 (b): The Municipal Manager of a Municipality is the accounting officer of the Municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the Municipality and any entity under the sole or shared control of the Municipality.

The administration is led by the Municipal Manager (MM), who is appointed in terms of section 54a of the Municipal Systems Act. The Municipal Manager is employed on a contract basis, which includes a contract of employment, an annual performance agreement with performance objectives and targets and procedures for evaluating performance. The Municipal Manager is the accounting officer of the Municipality.
Together with other Managers the MM leads the administration by amongst others implementing Council resolutions, advising Council and its Committees, lead the IDP and budget planning and implementation processes. There are functions that are delegated by Council to the Municipal Manager, who in turn sub-delegates certain functions to the CFO and other managers. Under their leadership, Municipal officials attend community consultative meetings, report in management meetings on plans and progress in addressing community issues.

TOP MANAGEMENT

ADMINISTRATIVE STRUCTURE	FUNCTIONS
	**MUNICIPAL MANAGER** **Mr D.J.D Mahlangu** As head of administration and accounting officer of the Municipality the Municipal Manager is subject to the policy directions of the Municipal Council, responsible and Accountable for duties and responsibilities outlined under section 55 of the Municipal Systems Act and any other relevant duties as may be delegated from time to time to the Municipal Manager by the Executive Mayor and Council. The Municipal Manager is also responsible for duties outlined under sections 60 to 75 of the Municipal Finance Management Act. Implementing a monitoring and evaluation methodology in line with legislative requirements. provide leadership and directive in operating of the performance management system and monitoring and evaluation, development of the SDBIP, quarterly performance reports and Annual Report units: IDP, Performance Management System, Youth Development, Local Economic Development, Public Participation, Risk Management, Internal Audit and Communication.
	**MANAGER CORPORATE SERVICES** **Ms S.A. Nxumalo** Establishing and maintaining structures that will, within the parameters of legality and good governance provide the administration that will be appropriately relevant, timeous and effective execution of tasks and be transparent as well as provide conducive environment to stimulate Public Participation within the co-operative governance Units: Human Resources Management and Development, ICT and Administrative Services, Legal and Council Secretarial Services and Fleet Management.

	**CHIEF FINANCIAL OFFICER** **Mrs J.G. Mahlangu** Ensure effective and efficient strategic management of the finance portfolio, which includes Budgetary Management, Financial Accounting Management, Supply Chain Management, Credit Control Management, Investments and Banking, Treasury Management.
	**MANAGER TECHNICAL SERVICES** **Mr W.M. Mtshweni** Providing water, roads, storm-water and sanitation through a well-established and maintained infrastructure that will stimulate growth resulting in a broader income base and will encourage taxpayers to sustain payments through a well-established and maintained infrastructure.
	**MANAGER SOCIAL SERVICES** **Mr A.K. Chego** Developing and maintenance of recreational facilities by establishing a friendly, green, clean, neat and beautiful city, developing and maintaining the cultural heritage of and to render a sustainable cleansing service to all residence of the Thembisile Hani Local Municipality. Establishing a safe and crime free environment where all people can develop to their full potential by promoting safer communities through prevention, preparedness, response, recovery, education and enforcement.



MANAGER PLANNING AND ECONOMIC DEVELOPMENT

Mr M.S. Tsebe

Development and Town Planning Services (DTPS) is one of the key departments within Thembisile Hani Local Municipality with the sole purpose of building the economic capacity of our local area and ensure proper spatial planning for development. Integrated Development Planning is one of the critical functions of the Department.

Key performance area of the department:

- Investment Promotion
- SMME Development
- Job Creation through CWP and EPWP
- Development and support of Local business in Agriculture, Tourism, Manufacturing and Mining sectors.
- Town and Regional Planning
- Geographic Information System
- Building Inspection
- Integrated Development Planning.

All the above mentioned positions are section 56 positions.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Thembisile Hani Local Municipality, relates to the other spheres of government and organised local government bodies through the intergovernmental policy framework, communities as an interest group in Municipal affairs, participates through Public Participation mechanisms and processes in the decision making system of Council.

2.3 INTERGOVERNMENTAL RELATIONS

The Constitution (1996) states that '*government is constituted as national, provincial and local spheres of government which are distinctive, interdependent and interrelated*' (section 40(1)). The '*distinctive*' element refers to the autonomy enjoyed by the spheres; that is, the degree to which each sphere is the final decision-maker on a particular matter that falls within its area of competence.

The creation by the constitution of this decentralised governance system, which comprised the three distinct but inter-related spheres of government, also gave rise to the need for a systematic system of IGR to give effect to the principles of cooperative government.

To realise these principles, the IGRF Act was promulgated on 15 August 2005. The Act provides for an institutional framework for the three spheres of government to facilitate coherent government, effective provision of service, monitoring implementation of policy and legislation, and realization of developmental goals of government as a whole.
In spelling out the principles of cooperative government and IGR, the constitution binds all spheres of government and organs of state in each sphere of government to three basic principles:

(i) **A common loyalty to the Republic as a whole.** This means that all spheres are committed to secure the well-being of the people of the republic and, to that end, must provide effective, transparent, accountable and coherent government for the republic as a whole. This is the object of cooperative government.

(ii) **The distinctiveness of the spheres should be respected.** A sphere must remain within its constitutional mandate, and when exercising those powers, must not do so in a manner that encroaches on the geographical, functional or institutional integrity of another sphere, except where specifically directed otherwise.

(iii) **The spheres of government must take concrete steps to realize cooperative government** by –

a) fostering friendly relations;
b) assisting and supporting one another;
c) informing one another of, and consulting one another on, matters of common interest;
d) coordinating their actions and legislation with one another;
e) Adhering to agreed procedures; and avoiding legal proceedings against one another.

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Executive Mayor and the Municipal Manager represent and participate in the Premiers coordinating Committee, where issues affecting the province and the Municipalities are discussed. The speaker and officials in the office of the speaker attends and participate in the provincial speaker's forum, provincial Ward Committee forum and the provincial anti-corruption forum.

There are expanded public works programme projects in progress for cleaning the environment that will be registered as projects at the department of Public Works. Furthermore, the department of Environmental Affair appointed 270 EPWP's and department of Corporative Governance and Traditional Affairs appointed 60 EPWP's for clearing illegal dumping sites.

DISTRICT INTERGOVERNMENTAL STRUCTURES

Elected Councillors and officials represent the Thembisile Hani Local Municipality in neighbouring Municipalities such as Nkangala District Municipality, where issues of mutual interest such as the IDP and budget are discussed and implemented.

Nkangala District Municipality provide support to Thembisile Hani Local Municipality by appointing the Shared Audit Committee to advice council of the municipality and management at large, there's also a district Risk and Audit forum developed by district to allow auditors and risk officers a platform to share knowledge on matters of Risk and Audit and resolutions of that forum are escalated to District Municipal Managers forum.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The introduction of Public Participation office has become a catalyst in ensuring that izimbizo and outreach meetings are meaningful to communities. this office has been strategically introduced to ensure that izimbizo's and outreaches constitute a communication approach that will underpin participatory democracy. The office is also central to governance as it brings government closer to the people. It is further to ensure that izimbizo's and outreaches remain a unique platform for communities to raise issues, share views and build strategic partnerships between the Municipality and its constituencies.

Thembisile Hani Local Municipality has established Ward Committees as a mechanism for public accountability and Public Participation. The Ward Committees assist Ward Councillors in the execution of their duties, which includes the handling of complaints and feedback to communities. Provincial government has also provided community development workers to the Municipality, to assist with the dissemination of information and the mobilisation of communities in government programmes.

Ward Councillors convene four (4) mandatory ward community meetings per annum and as and when the need arises to discuss matters affecting the community and give feedback on reported matters. The Executive Mayor undertakes a Mayoral outreach programme which provides a platform for further interaction and engagement with the communities on regular intervals.

2.4 PUBLIC MEETINGS

The Executive Mayor led consultative meetings in all Wards during the month of April and May 2023 as part of the strategy for ensuring adequate Public Participation in the preparation for the compilation of the IDP, budget and tarffis for the 2023/2024 financial year.

The Municipal Systems Act provides for Municipalities to establish structured mechanisms for Public Participation in order to ensure community participation in all the affairs of the Municipality. The Act stipulates that the Municipality must develop and adopt a community communication strategy/plan. The strategy should serve as the guiding tool on how the community is engaged to give their inputs and suggestions on services, projects and programmes offered by the Municipality. In order to comply with the Municipal Systems Act, Thembisile Hani Local Municipality will have to develop a revised Public Participation policy/strategy in the coming financial year.

The Municipality like any local government has a three legged structure, which is integrated and interdependent. The legs of the Municipality are the Council, administration and the community. The cohesion of these parts underpins a successful developmental local government.
The Municipality needs a formal consultation, participation and communication policy/strategy, special attention with regard to the development of the policy/strategy are the following:

- Continuation the Mayoral outreach programme, which affords local leaders the opportunity to interact with communities on issues of service delivery.
- Continued engagement of sector departments and utilities in the various processes and forums for Integrated Development Planning (IDP).
- utilisation of the various mechanisms to communicate, such as local newspapers where available, local radio stations where available, flyers, Ward Councillors, community development workers (CDW's), Ward Committees, account statements and loud hailing.
- Ongoing negotiations with provincial departments that no project will be implemented in the Municipal area of jurisdiction prior to consultation with the Council.
- Ongoing bi or multi-lateral processes around a number of developmental challenges and initiatives such as the youth agriculture and the Moloto rail corridor.

The local government Municipal systems states that "a Municipality through appropriate mechanisms, processes and procedures established in terms of chapter 4, must involve the local community in the development, implementation and review of the Municipality's Performance Management System, and, in particular, allow the community to participate in the setting of appropriate key performance indicator and performance targets for the Municipality". thus the Municipality has held its IDP Indaba in May 2017 to ensure that communities are afforded the opportunity to set the performance target for the Municipality. in attendance among others were:-

- Councillors
- Community Development Workers
- Ward Committees
- Traditional Leadership
- Traditional Health Practitioners (THP)
- Interfaith Organisation
- Business Forums
- Religion Formations
- Progressive Youth Structures
- Community Based Care Structures
- Government Departments

Chapter 2

ASSESSMENT OF COMMUNITY NEEDS

The Municipality has collected the following community needs during the 2022/ 2023 financial year to inform the 2023/ 2024/27 IDP

Ward	Issues
Ward 1	• Requesting for Tower Light • Malebe road must be completed • Compliments for Water Project on Pg. 2 • 2019-2021 Kgotso Mokone Project of water was fruitless expenditure • Who must account for the Project that is unfinished • Requesting for Storm Water • Main Contractor is not Employing our Sub – Contractor for (9 m) • Requesting for PHP House since 1990 • Requesting for High must light • Requesting for fencing at our grave yards • Requesting for V- Drain • Requesting for Pay Points to pay Services • Requesting for Social Media to Communicate with the Community Requesting for High must light • Collapsed bridge
Ward 2	• Paving is not in good conditioning • Projects of Electricity must cover all wards • Requesting for fencing of graveyards of Wards • Requesting for Storm Water • Regravelling of graveyard road at Mafishane • Sport facilities • Police station • Community hall • Clinics • Pay point shelter • Multipurpose centre • PHP houses
Ward 3	• Compliments for the Community Hall • Complain about the Sports Facilities at School that are not functioning • Request Dept. of Education for Sports Facilities Requesting for food parcels • Requesting for the TVET College • Old age Centres is not conducive • Recruitment of employment is not equal • Requesting for Eskom Officials when there is Outreach • Ward Committee election was not fair • Requesting for Water • Requesting for Regravelling of road • Regravelling of Cemetery Street Requesting for the Municipality to a Dam at Moloto because there are three streams. Water Project install by the Contractor is leaking • Siyatantela must be hired Permanent Not Contract • Paving road is not in good condition • Ward Committees elections are not elected fair • Compliments for the installation in Ward 3 and (Ward 1 few houses no electricity)
Ward 4	• Requesting for the tap water at Msholozi and is 5 yrs. now the taps are not working • Requesting for the Regravelling of internal streets

Ward	Issues
	• Requesting for the Regravelling of Sports grounds • Requesting for High must lights • Complain about Electricity at Zakheni next to Mokhanyo is Dangerous • Requesting for Storm Water at Msholozi • Requesting for High must light • Complaining about Sport and Recreation is dead • Regravelling of roads (Zakheni) • Bridge at Zakheni & Regravelling of roads • Compliments for the Reservoir • Bus road paving/tar of Msholozi • Requesting maintenance of Apollo &asking for more H mast light • Requesting electricity • electricity reticulation of Msholozo extension • Complained about the bridge that Collapsed • Complained about the building that is at the graveyard let us make it for the Clinic Shortage of Water Trucks at Msholozi, Mandela
Ward 5	• Road maintenance and pot holes • Sinah and Mpumelelo roads • Paving of roads in Thembalethu bar lounge and • Ngomani • Solar light at four ways • increase employment opportunities for young people • creation of business space at Phola Mall for young people and entrepreneurs • Compliments for the IDP and vision of African City • Clarity about the paving project from District is on 95% in Phase 1 Requesting to scratch our Debts • Multipurpose centre • Library • Needs to Pay our Services • Requesting for second chance for indemnity • Requesting that Buhlebesizwe 2 Clinic to be upgraded to Hospital • Check our by – laws when developing Africa City Fencing and system needed
Ward 6	• 4x high mast light in Phola Park • Tarred of bus roads • Regravelling of road to the cemetery and Phola Park extension • Removing electricity from shacks to RDP houses • Internal road need extensive re- gravelling • Storm water maintenance • Monitoring bore holes when installed • Road regravelled in time • Maintenance of bus roads • Water reticulation is a disaster • Strike shop street need tar road • Villages that are more developed than others • Municipality should look at its own affairs rather looking for other assistance from District and Public works • Employments assistance • Progress of toilets at Ziphakamiseni is at 90% • Cooperatives assistant

Ward	Issues
	• Business forum recognized their friends • Since registered nothing is happening • Land invasion in Jordan and cemeteries • Complain about mobile clinic needed • Food parcel still issue • Suspicious grave found • Requesting for Institution • Requesting for Containers with internet or Wi – Fi • Research for Mandulo Construction that produce 4m crops • Requesting for big Markets
Ward 7	• Bridge at Jane Shop to stop 3 section • Tar extensioned at witporo to main road • Extension of bus roads in Matheyzensloop to the main tar road • High mast light in B/hoek • High mast light in Matheyzensloop • Extension of toilets in B/Hoek and Matheyzensloop • Paving of bus road from Vuka to St John church • Storm water drainage to all the main roadsin B/Hoek and Matheyzensloop • Installation of ESKOM metre boxes in all the boreholes • Report that are misleading are of concern of projects • Non response about projects by municipality is a concern • Compliments for the Ex May Reverend are Public Servants and Cllr's must work Thembisile Religious Forum request for office at the Municipality • Hire qualified people for Quality Service • Proper hand over of projects • Requesting for new road • Communinity hall B/Hoek • Community park in B/Hoek • Community hall in Matheyzensloop • Fencing of cemetery all cemetery in B/Hoek and Matheyzensloop • Extension of clinic in B/Hoek
Ward 8	• Regravelling of roads at Verena A.B.C and also in farms areas • Improvement of water supply in the form of reticulation Verena A.B.D • Electrification of 87 houses in Verena • Regravelling internal roads in Langkloof • Improvement of water reticulation in Langkloof • Regravelling of roads from Verena to Rietfontein • Pit latrines for two families in Rietfontein • MTN and Vodacom high mast aerial in Rietfontein • Electrification of 18 house hold in DJIANE farm • Electrification of 35 houses hold in Kwarrielagte farm • Doorinfontein farm 12 house hold electrification • Steel tank and Jojo • Programme of roads for municipality • Requesting electricity at Jiyane house • Bridge at the farm is not good status • Water pump with solar • Concern about the inclusion of Verena C I in IDP

Ward	Issues
	• Get two bill in one house • RDP houses and Madisha to get one • Community stands • Request 3 ground to be blade • Crime is the issue • Condition of clinic is not conducive • Request clinic at Doornfontein • Fix the bridge • Scholar transport needed • Bly n bitjie school closed what was the cause • Requesting for the network • Requesting for the key to plant at the school
Ward 9	• Mzimhlophe storm drainage • Maintenance of route • Water reticulation at khayalitsha Sheldon • Tar link road to ward 09 • Bore hole at Tweefontein J • Renovation high mast light Tweefontein J • Regravelling of internal roads • Bore holes and water reticulation in new areas Khayalisha • Tar or pave the link road and storm water control in various streets • High mast light be energized • Community Park
Ward 10	• High mast light x 3 and other one next Ngazana is not energies and other light whole day • Speed humps • Tared of road to clinic, Ekhuleni Vriesgewacth • Job opportunity for young people • Maintenance of high mast light • Internal street to be gravel • Road to be farm to be Regravelling • Clarity needed with Public works to assist the area • Solar system that was stolen • Vandalism know the culprit • Water reticulation • Gravelling of internal street • Water borne system • 500 HH need water • Vula vala programme days been reported • Dumping site cleansing • Extension of road to graveyard • Small enterprises funding not operating in Gemsbok • MRTT request small enterprises funding • MRTT request vehicle do not have tracker. • Tipper truck deliver sand in the wrong spot • Laud hailing vehicle is on the rush • Requesting to know that what is the Municipality planning about hawkers • Community hall • PHP houses (Mzimuhle disaster)

Ward	Issues
	• PHP Houses • RDP houses • Satellite Municipal office • Waste collection is not done the whole of the village • Street committee should be put in place • NPO need opportunities • Cleaning project needed back • CDW should make a list for needy people • Mobile office • Maintenance of park • Library requested • Youth Summit great initiative • Leaders are not capable enough to lead • No Skills for training people • New Stands no water and electricity • Vision 2050 is good initiative Recreational Park • needs maintenance • Compliments for the IDP • Flood water comes in my house • Storm water needs maintenance is full of sand
Ward 11	• Compliments for 2050 vision • Manufacture bricks for pavement • Requesting for Bus road (Magade –Somlingo to Clinic • Requesting for PHP Houses • Phakama New Stands Wolwenkop since 1989 has no water and there's is illegal dumping • Fencing of cemetery IN Verena C • Community hall Wolvenkop • Multipurpose centre • Blading sport ground • Two sport sites for sport ground regravelled by municipality
Ward 12	• 20 high mast light • 500 HH electrifying • Requesting for Sotho Language for our children • 500 HH reticulation • Regravelling of internal roads • Sphiwe road is not in good condition • Mayors cup tournaments • Grave yard must be in order for burials • Requesting for the Committee to work at B3 grave yard • Multipurpose centre • Person who make price list for tender documents cause they sell tender at highest price
Ward 13	• Pavement of cemetery roads in Tweefontein B2 • Regravelling of internal roads • Karabo street need regravellingand cutting of grass • storm water controlled • Tweefontein K tar road and pot holes' patch • High mast light in Tweefontein K • Vlaklaagte no 1 Regravelling of roads

Ward	Issues
	• 60 HH need electrification • Requesting water while closed get infected and contaminated • Next to Qedudlame primary school a high mast light that is not energised • Bridge maintenance • Pot hole maintenance • Local contractors must be given opportunities • Gogo Ngoma's B2 road are not in good condition • Requesting for Community Hall at EXT K • Community hall in B2 • RDP HOUSES x 120 • community clinics • sport complex in Tweefontein K • title deeds in Tweefontein K • RDP houses • upgrading of Vulamehlo school and new classes • clinic is too Small • mobile library with WIFI • Learner ship do not come to people • since 1982 no clinic • mall between B1 and B2 • Masango driving school building a crèche without our concern • PUTCO problem in the area • Vulamehlo Primary School 4 classes are old and 2 mobile that make 75 learners in the class • TVET College at no:2 four ways • Requesting for utilising the Community Halls for the non-commercial activities for revivals • Request for Traffic Officers at Miliva to Phumula
Ward 14	• Request for high must light at least 3 • Requesting for Storm Water drainage at Mandela Drive • Requesting for Electricity of 160 Houses • Requesting for PHP Houses • Primary School Empumelelweni • Formalization • Clinic or mobile clinic Sheldon • Community library
Ward 15	• Makalanyane completion of road • Storm water control in sinamuva street and Shabangu • High mast light X 8 • Speed humps • Regravelling Skhota street • Clinic • Fencing of cemetery • RDP houses • Community hall with time frame • Compactor track its speed • SPLUMA King rejected it • Sport complex • Phelwane primary is full of water • Requesting for the PHP Houses • Requesting for the fencing of the grave yard

Ward	Issues
	• Bus road of W/ 11 needs to be tight • Requesting for the TVET College • Requesting for by in of Traditional Leaders • Requesting for the Comprehensive Clean Data Profile • Requesting for Community Hall • Requesting for the Multi-Purpose Centre • Complain about the Green side there is Flood line • R 50.00 flat rate • Requesting for the High must light
Ward 16	• Street light extension in RDP • Regravelling of internal roads • Water reticulation in new site • Energies street lights and maintenance • Water leakage that is non attendant by technical department • Regravelling of internal route • Workers should community concern • Regravelling of route at new stand • High mast light in extension • Maintenance of bus route at RDP • Community hall • Multipurpose centre • Closing time of tavern • Requesting office at satellite office • Requesting maintance at regional cemetery and the fence • RDP houses and additional RDP IN section of RDP • Maintenance of office in RDP sites and be hired to structures • Soccer field in RDP, Sikhulisiwe, New stand and Mbalenhle • Overcrowding at the clinic • Shortage of medicine at the clinic is a problem • Pot hole patching • Payment of services should be inforce • Assist municipality to collect revenue • Vegetable markets • Plough back by contractors • Requesting office of Agriculture • Compliments for the Regravelling of roads • Check that the company that they have enough money in their bank • Development of Tennis Court at schools must be activated let the Community use it • Requesting for Sporting Activities for youth • Department of Agriculture don't help us with (Fertilisation) • Areas demarcated for living next proposed electrification sites
Ward 17	• Areas demarcated for living next proposed electrification sites • ZCC road pavement • Tar thokozani primary school road • High mast light x 3 • Water reticulation in Tweefontein f • Tar of bus road Tweefontein N (manana) • Electrification of HH

Ward	Issues
	• Regravelling umzimkhulu road • Requesting road emzimdala and link road T/F E&F • Ekethu park water reticulation • Pavement of roads • Storm water drainage at gantry roads • Pavement of roads at Christ Hani • Requesting for regravelling of road • Requesting to be recognize as abogogo • Complement to the executive • Employment opportunities • R 50. 00 flat rate School & employment • Sport centre • RDP houses for elderly • Illegal occupation of land issue by headman • TVET College • Wetlands in a ward • Community hall in Tweefontein F • Recreational park in Tweefontein N • School in Milliva /Umzimkhulu • Land invasion is a problem • Complaining about traditional leaders who issue stands, they must leave space for initiation • Requesting skills for our youth • Requesting for community hall at Kwaduma • Scratch all debts and have flat rate • Has been questing for electricity and road since 2016 • Requesting for water
Ward 18	• Storm water access roads in Chris Hani • Regravelling in Chris Hani • High mast light in Chris Hani • High mast light to be energies • Paving of road in H & H Vezubuhle • High mast light x 2 • 2.5 km of bus road paving and storm water drainage in Thokoza • Regravelling of internal roads in Thokoza and • Tweefontein M (H mast light at Mnyamane Secondary • Road not in good condition in Thokoza • Storm water drainage in Tweefontein M • High mast light in Tweefontein M • Pothole patch and Einel one • Holes left un attended • To train employees who service community with water (Mavula STR in bad conditions • Compliments for the Bus road • Requesting sewerage toilet • Clinic Vezubuhle • Community hall in Tweefontein M • Traffic warden • Sport revivals and facilities • Request foreigners shop must pay Revenue

Ward	Issues
	• Request for Community Clinic at Vezubuhle • Request for bus road to operate • Requesting for bus road at Thokoza EXT • Requesting skills for women's in terms of creating job opportunity • ESKOM office to be nearer • Employment opportunities
Ward 19	• Requesting Municipality to create job opportunity for youth • Regravelling of bus road • Requesting storm water to be maintained • Bridge Sun City B – C • Requesting Apollo • Compliments for the developments of City to City • Compliments for the water that is coming out thrice a week • Requesting extension of Apollo • Regravelling of roads Sun City B to be filled • Extension of reservoir
Ward 20	• Requesting for the Yellow Bin at Public Works Skosana road(Passage) (Teaching communities about indigency) • Extension of paving route Sun City AA • Infill house 30 need electricity • Stone pitching • Bridge between Vezubuhle and Sun City • Completion of bus route Vezubuhle • Sport complex • Satellite office (Requesting for Yellow bin)
Ward 21	• Water reticulation at Mabhoko Village • Storm water Control at Mabhoko & Vlak 1 • Potholes • Regravelling of internal road in the ward • Requesting for Community Hall • Street need sand for them to sustain the pressure • More Jojo Tanks at Mabhoko • Apollo lights • In need of RDP houses • Speed Humps • Pavements • Clinic is too small • Request community hall
Ward 22	• Completion of bus route at Mahlabathini and Mandela – Luthuli bridge • Reservoir at Emahlabathini • High mast light at Mandela extension Mahalabathini • 200 HH at Mandela need electricity • 600 HH Mahlabathini need electricity • 50 HH Luthuli need electricity • Hand pumps installation • Street needed • Storm water drainage • Library at Luthuli

Ward	Issues
	• Community gardens at Luthuli • Street name • Water plan at Luthuli • Request for bus road at Mahlabathini • Requesting for Siyatantela Programme not to be terminated it alleviate Poverty • Issue of drugs how can we address it • Complaining about the Clinics are not
Ward 23	• 700 km unfished route in Tweefontein A2 • 200 km unfished route in Tweefontein B1 • 500 HH need water reticulationt Tweefontein A2 • 400 HH need water reticulation in Tweefontein A1, A3 • 10 high mast lights • Foot bridge at Ekuphumuleni Primary School • Storm water control at Tweefontein A1, A2 and C1 • Regravelling of internal street • Maintenance of street lights • Bore holes in Tweefontein A, B1, A2, C • Request a gantry and 88mm pipes in Tweefontein • Complain Bus road from B1 to Emabuyeni is Incomplete • Requesting for foot bridge at Ekuphumuleni • Requesting for School at uMzimkhulu • Requesting for Gravelling of grounds at Bongumusa and Assemblies Church • Regravelling of the ground at B1 Mahlangu • Bridge to Ekuphumuleni • PHP Houses
Ward 24	• Community Hall in Machipe • Community park in Machipe • Community park in Bundu • Goederede youth centre renovation • Sigh board Moses river • Community park B/Hoek • Extension of clinic B/Hoek • Community hall in Bundu • Renovation of Nyabela Mpumelelo Buhlebemfundo school • Community park in Bundu • Cemetery site • Pay points requested • Clinic at Bundu • Vula vala programme not understood • Jojo tank is leaking • Grader take bribe when blading school ground • Buhlebemfundo is in wetlands • Nature reserved in Bundu • Shortage of staff in the clinic • Requesting for Regravelling of grounds • Waste truck to go street to street • Requesting for Regravelling of internal streets • Indigent for poor

Ward	Issues
	• Mayors cup • Role of the land • Youth employment • Compliments for the water • Requesting for Regravelling of road to grave yard • Minerals Zithabiseni, SSA Skhosana and Bundu • High mass light in Machipe • Tar road to Moteti • Jane Shop Bridge B/hoek • Tar road in Wit poor and Mohlamonyane completion • High mast light in B/hoek • High mast light in Bundu • Tar Mpumelelo to be completed • Tar Witpoor and Stop 3 in Bundu • Paving of road at pay point in Bundu • RDP Houses in Bundu • Extension of clinic in Bundu • Contamination of water when stored • Water flow not even • Tribal office requested for the tribal • Bus road to have shelters • Stolen gate at grave side • Water tanks come ones and are not clean • Budget land scaping
Ward 25	• Tar route link route to Mzimuhle start at complex Walter drive • Emagezini road tar/pavement and the bridge building • Somtjhongweni road to Emagezini completed • High mast light x 4 • 50 RDP H houses units • Asbestos pipe removals • Waterborne sewer • Storm water control x 10 • Speed humps x 4 • Water reticulation Dobha section • Walter Mtsweni road to use as bus and taxis route • Requesting to move the Village from City • Request to launch Thembisile Sports Council • Disappointment to use the Kwamhlanga Stadium • Requesting Thembisile Municipality to equipped • Compliments for the - planning and have the Standard of City • Bursaries • Job opportunities
Ward 26	• Requesting Mayors cup and Office of the Executive Mayor to come with strategy or programmes for job opportunity • High mast light in Mkhephuli and Thubelihle • Mafesi to municipality road construction • Regravelling of internal roads • Storm water drainage in Manyika Matendeni and

Ward	Issues
	• Bongwe • Replacement of valve next 17 Taverns Sangweni • Steel tank completion • Complain about the wet lands at the Stadium • Maintain the existing Storm Waters drainage • The Ward Committees request to work with Siyatantela • Compliments for the Ex-Mayor for City to City development • Maintain our Street lights • Requesting for the fencing of the graveyards • Requesting that ABET to give us our results • Dissability persons also have skills as you didn't mention • Working together is appreciated • Tennis court needed • RDP houses needed • EPWP traditional leaders must be consulted • Requesting Agriculture project
Ward 27	• Tar road at Sifikile to extension 10 • Tar road at big tree to the cemetery and storm water drainage system • Completion of Bermuda road at section 10 • High mast light x 06 • Storm water drainage at Sifikile school to extension 10 • Storm water drainage in Bermuda road • Magaduzela Mloyisani road need storm water drainage system street of Captain need storm water drainage • Gravelling of internal roads • Compliment to Executive Mayor to recognize community members • Community hall • Cleaning of cemeteries • Wetland management • Relocation should be done as chief as special in section 10 • Relocation from section 10 to Matheyzensloop
Ward 28	• RDP Houses x30 • Mobile library • Community park • High mast light x 04 • Regravelling of internal roads • Storm water control in all bus and taxi roads • Paving of Bonginhlanhla road and storm water controlled • Maintenance of water reticulation at Lutheran • Church • Storm water and stone pitching • Paving /tar of outlines roads • Requesting for additional of Water Trucks • Industrial site to be work for job opportunities • Requesting for Ex-Mayor to go to the Community • Main road at W/28 from Nkosi to Sifikile needs paving or tyre road • Requesting for a Park Recreation
Ward 29	• Pavement of Masofeni roads and storm water drainage

Ward	Issues
	• Storm water controlled at Mkholo street and • Selekesi tavern • Water reticulation Magic section • Bore hole at Khalanyoni section and Mkholo • Street steel tank in all bore holes • Community hall • Multi-purpose centre • Recreation centre at Mafu dumping site • Licensing be given to small business • Borehole was struck by a lightening • Roads are not in good condition • Emasimini Project must be completed • Requesting for PHP Houses and Toilets • Internship and inservice training • Requesting for Storm Water drainage • Requesting for the Bursaries for the Youth
Ward 30	• Storm water control in Tweefontein H • Regravelling of internal roads • Requesting road from Einel to Tweefontein F&G • Speed humps Shisa Mpama Mzimhlophe • Pot holes patching • Pavement of roads in Tweefontein H • Bridge maintenance kwa Maria Jacobs • Storm water drainage from four way stop to • Tweefontein G • High mast light x 04 • Completion of Tweefontein clinic road • Electrifying HH in Tweefontein H and G • Tap leakage • Complain about women's who dump pumpers in a road • Gym site • Zamani still uses mobile class • Community hall • Clarity at Witnek • Compactor do not come in the street • RDP House are wealthy houses
Ward 31	• Gravelling and maintenance of internal roads • Paving of internal roads • Regravelling of sports ground • Renovation of storm water drainages and bridges • Maintenance of steel water tank • Speed humps • RDP houses • Bridge construction • Water reticulation • Vula vala in certain days • Requesting for regravelling of grounds • Monitoring teams suggested

Ward	Issues
	• Dee line storm water drainage • High mast light at dee line • Regravelling of george street • Farm requesting electricity • Regravelling of roads in farm • Hlomani road not complete • Request for multi-purpose centre (Kwaggafontein) • Upgrade and tarring of road between Kwagga & Mzimuhle • Suggestions to promote sports federations • Fencing of cemetery and Kwagga D must be extended • Community park/gym • Community hall • Figure requested • Recognition of art in Kwaggafontein
Ward 32	• Maintenance of storm water • Free usage of facilities for cultural events • Speed humps all internal roads • Renovation of storm water drainages • VIP toilets in farm • Water seven day a week • Jojo tank in farm area and bore holes • Farm area are not considered when making budget • Regravelling of road in farms • Request for electricity in farms in Vanderspruit and Kwaarspruit • Road regravelling in both farms • Water contamination when wait for pumping again • Jojo tank without water • Regravelling at farm Nooigedact and Taaifontein and other farms • Bore hole at Taaifontein • Hokaai water reticulation • Gym site next government complex and faith mission • Regravelling sport ground • RDP houses also in farms • Indoor basketball inside hall • Community park • Maintenance of graveyard sites building of toilets, water facing and water and high mast light • RDP in Bronx mine • Mobile clinic at farms and other farms • RDP in Hokaai and Bronx mine • Employment opportunities • Kid employment • Tractor required • Palesa blast for us • Mine paid services at the municipality • Land requisition • Relocate farm people to right place Nooidgedacht • Bursaries • Indigent in the farms

Ward	Issues
	• Compliments for ex-mayor for presenting the IDP • Requesting for the youth to be removed from the streets • Request for cutting of grass at the grave yards • Streets maintenance must be continuous. • Storm water at Leratong water coming from Mountainview. • Swimming pool and parks at Kwamhlanga needs maintenance • Swimming pool & parks must be maintained • Hospital road is not in good condition since • Heavy rains. • Lots of illegal dumping • Collapsed bridge Kwamhlanga – Zakheni

WARD COMMITTEES

In terms of the Municipal Structures Act, (Act 117 of 1998) Municipalities are required to establish Ward Committees to enhance community participation in Municipal development processes. In compliance with this legislative requirement the Municipality has established 32 Ward Committees which are functional. The Ward Committees have since their establishment added much value to Municipal processes by providing inputs from a community perspective. They play a major role in the IDP process, both in terms of highlighting community priorities but also in maintaining constant communication between the Council and the communities. A number of training opportunities were made available for Ward Committee members to augment their capacity. Proportional representative Councillors are deployed in Wards to strengthen participation and communication.

MAYORAL OUTREACH MEETINGS

The following Mayoral outreach meetings were held during the 2022/ 2023 financial year:

Date	Time	Cluster	Wards/Structures	Venue
14 April 2023 (Friday)	09H00-12H00	All	All Hon. Councillors, CDW's and Ward Committee Secretaries	Council Chamber
14 April 2023 (Friday)	14H00-16H00	All	Religious Organisations, Media Houses, Elderly and People with Disability	Council Chamber
18 April 2023 (Tuesday)	09H00-12H00	All	Sector Departments Youth and sport Organisations	Council Chamber
18 April 2023 (Tuesday)	14H00-16H00	All	Traditional Healers	Council Chamber
19 April 2023 (Wednesday)	09H00-12H00	All	Traditional Leaders	Council Chamber
19 April 2023 (Wednesday)	14H00-16H00	All	Businesses	Council Chamber
03 May 2023 (Wednesday)	09H00-12H00	Cluster 03	01,02 & 03	KB Conference Hall (Moloto North)
03 May 2023 (Wednesday)	14H00- 16H00	Cluster 04	04,06,14,18,19,20,22 & 32	Vezubuhle Community Hall (Vezubuhle)
04 May 2023 (Thursday)	09H00-12H00	Cluster 05	05,09,15,16,17 & 30	Gunners Sport Ground (Tweefontein G)

Date	Time	Cluster	Wards/Structures	Venue
04 May 2023 (Thursday)	14H00-16H00	Cluster 06	12,13,17,21 & 23	RDP Sport ground next to Library (RDP Miliva)
05 May 2023 (Friday)	09H00-12H00	Cluster 07	8 (Farms)	Jiyane Farm
05 May 2023 (Friday)	14H00-16H00	Cluster 08	08,10 & 11	Emgababa Soccer Field (Wolvenkop)
09 May 2023 (Tuesday)	09H00-12H00	Cluster 01	07 & 24	Mabena Open Space (Bundu)
09 May 2023 (Tuesday)	14H00-16H00	Cluster 02	25, 26, 27, 28, 29 & 31	Kwaggafontein Community Hall (Kwaggafontein C)
10 May 2023 (Wednesday)	09H00-12H00	Cluster 09	32 (Farms)	Kgodwane Cultural Village (Kgodwane)

IDP PROCESS PLAN

IDP PHASES	ACTIVITIES	DATES
Pre-Planning Phase	Before starting the planning process, an IDP process plan must be drawn up. This plan is meant to ensure the proper management of the Integrated Development Planning process. The plan must be set out in writing, in terms of the legislation and must comply with the provisions of the district framework plan in terms of the binding national and provincial planning frameworks, mechanisms and processes stipulated in the framework plan of the district.	All municipalities must adopt their IDP process plans by August 2023 subsequent to the adoption of the district framework plan by the 30 August 2023
Analysis Phase	During this phase information is collected on the existing conditions within the Municipality. When assessing the existing level of development in the Municipality, the level of access to basic services and those communities that do not have access to these services must be identified. Focus must be on the types of problems faced by community in the area and the causes of these problems. The identified problems are assessed and prioritized in terms of what is urgent and what needs to be done first. Information on availability of resources is also collected during this phase. Priority issues highlighted during the 2015/16 IDP processes will also be revised and confirmed during this phase. Com-munity meetings, stakeholder meetings, surveys, opinion polls and researched information should form the basis of this phase.	This phase should be completed by 31 October 2023
Strategies Phase	Municipalities must begin to contemplate on the best possible strategies to tackle the identified challenges. critical in this process in order to ensure a focused analysis, the municipal vision must be confirmed and development objectives containing clear statements of what the Municipality would like to achieve in the medium term to deal with the problems outlined in the first phase be confirmed. Internal transformation needs, Council's development priori-ties must be taken into account when formulating Council objectives. This process should involve strategic workshops, targeted stakeholder engagements, public hearings, sector provincial and national department's engagements, social partners, interest-based groups and organized civil society. once the Municipality has worked out where it wants to go	This phase should be completed by 31 January 2024

IDP PHASES	ACTIVITIES	DATES
Projects Phase	During this phase the Municipality works on the designs and content/specifications of projects identified during the prior phases. Clear details for each project have to be worked out. Clear targets must be set and indicators worked out to measure performance as well as the impact of individual programmers and projects. The identified projects must have a direct link to the priority issues and objectives identified in the previous phase. Municipalities must ensure engagement of internal technical Committees, possibly with selected key stakeholders. The needs and views of the affected communities must be taken as a priority. The project technical Committees and their subcommittees must be able to distinguish between the strategic Municipal wide development programmes and the localized community-level projects.	This phase should be completed by 31 January 2024
Integration Phase	Thembisile Hani Local Municipality embarked on Mayoral outreach programmer from September to November 2023 in all 32 Wards. Once all projects have been identified, the Municipality must confirm that the identified projects will achieve the desired impact in terms of addressing the identified challenges and are aligned with the objectives and strategies and comply with legislation. the identified programmes/projects will set the pace and direct the trajectory emanating from the overall picture of the development plans of all the stakeholders, including sector departments and social partners	By 28 February 2024
IDP Indaba	amendment of IDP according to comments	By 29 March 2024
Approval Phase	submission of draft IDP to Council road show on Public Participation and publication submissions of IDP to Council for approval and adoption	By 30 May 2024

KEY DEADLINES (Milestones)

The following table represents the key milestones achieved in terms of preparing the draft IDP and budget as required in terms of the approved IDP/Budget Timetable.

IDP Phase	Activity	IDP Steering committee	Mayoral IDP/Budget Steering Committee	Strategic Planning Workshop	IDP/Budget Indaba	Mayoral Comm. Sitting	Council Sitting	Community Meetings	Public Notice Date	Actual Completion date
Preparation 01 July- 30 August	Preparation and Adoption of IDP Process Plan	11 August 2022	N/A	N/A	N/A	24 August 2022	29 August 2022	N/A	By 08 September 2022	30 August 2022
Analysis 01 August-30 October	Community Meetings Preparation of IDP Analysis Report	24 October 2022	N/A	N/A	N/A	N/A	N/A	September-October 2022	N/A	31 October 2022
Strategies 01-30 November	Refinement of Objectives and Strategies	16 November 2022	N/A	16/17 January 2022	N/A	N/A	N/A	N/A	N/A	30 November 2022
Projects	Project confirmation	30 January	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30 January

IDP Phase	Activity	IDP Steering committee	Mayoral IDP/Budget Steering Committee	Strategic Planning Workshop	IDP/Budget Indaba	Mayoral Comm. Sitting	Council Sitting	Community Meetings	Public Notice Date	Actual Completion date
01December- 30 January 2023	Budget/IDP steering committee meeting	2023								2023
Integration 01-28 February	Consultation with Sector Departments, Confirmation of budgets, Integration with Sector plans	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30 January 2023
Approval 01- February to 30 April 2023	Preparation of IDP/Budget for Council Approval Community Engagements Publication of Notices	22 February 2023	N/A	N/A	N/A	22 March 2023	29 March 2023	04-12 April 2023	By18 April 2023	26 April 2023
Adoption of amendments to the IDP and Budget 30 May 2023	Publication of Notices Final Approval of IDP and Budget	24 April 2023	25 April 2023	N/A	08/ May 2023	17 May 2023	31 May 2023	N/A	By 14 June 2023	28 June 2023

Summary

For the purpose of reviewing the IDP, Budget and tariffs, the Municipality conducted a series of Public Participation/ Mayoral outreach Izimbizo meetings during the months April and May 2023 to get inputs from stakeholders and communities regarding current service delivery issues and needs. According to the Municipal Systems Act (32 of 2000) the *"Municipality must within 14 days of the adoption of the IDP give notice to the public of the adoption of the plan and that copies of the extracts from the plan are available for public inspection at specified places".* As such a notice was issued inviting communities to give inputs within a period of 21 days after publishing the notice.

Comment on the effectiveness of the public meetings held

Council benefits positively as a result of the above systems, in that consultation is done with the broader community of Thembisile Hani on matters of service deliver

Chapter 2

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP participation and alignment criteria*	Yes/no
Does the Municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPI's, and development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPI's in the strategic plan?	Yes
Do the IDP KPI's align to the section 57 managers	Yes
Do the IDP KPI's lead to functional area KPI's as per the SDBIP?	Yes
Do the IDP KPI's align with the provincial KPI's on the 12 outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* section 26 Municipal Systems Act 2000	

COMPONENT D: CORPORATE GOVERNANCE

The scope of corporate governance includes the political, administrative, intergovernmental governance and public accountability and participation to ensure that the Municipality is managed to the required desires of the community within the rules, processes and laws by which the Municipality is operated, regulated and controlled.

The national and provincial outcomes for local government can be seen in **appendix n**

2.6 RISK MANAGEMENT

The Municipality has established a functional Risk Management Unit which is headed by Chief Risk Officer and it strives to maintain an effective, efficient and transparent system of risk management. This unit use the National Treasury risk management framework as a guideline to discharge its day to day responsibilities and operations.
The following risk management related 2022/ 23 policies has been developed and approved by Council in order to intensify the effectiveness, efficiency and transparency systems of risk management within the Municipality:

Risk management policy
Risk management strategy
Risk management methodology
Risk management charter
Whistle blowing policy
Gift policy
Risk appetite and tolerance framework
Anti-Corruption Strategy
Prevention of Fraud and Corruption Policy
Business Continuity Policy
Business Continuity Management Framework

The Municipality is under shared Risk Management Anti-Fraud and Anti-Corruption Committee (RMAFACC) services with Nkangala District Municipality (NDM) which meets on quarterly basis and is chaired by an independent external person. The Committee oversee the risk management and anti-fraud and anti-corruption related matters and ensures that risk assessments are conducted on annual basis, monitoring reports submitted on quarterly basis and risk management related policies are

reviewed and approved by the appropriate structures. The RMAFACC Chairperson further liaise with the Accounting Officer and submit the RMAFACC report to Audit Committee on quarterly basis.

The Top 5 risks of the Municipality are:

1. Inadequate revenue collection.
2. Inadequate fleet management.
3. Land invasion and encroachment.
4. Poor maintenance of road infrastructure.
5. Inadequate provision of water and sanitation services.

2.7 ANTI-CORRUPTION AND ANTI-FRAUD

ANTI-FRAUD AND ANTI-CORRUPTION STRATEGY

The Municipality strongly discourage the activities of theft, fraud and corruption internally and externally. The matters relating to corruption and fraud are monitored by Risk Management Unit and Risk Management Anti-Fraud and Anti-Corruption Committee.

Chief Risk Officer bi-annually conducts anti- fraud and corruption awareness campaigns to educate both Municipal staff members and honourable Councillors about the risks relating to fraud and corruption.

During awareness campaigns stakeholders are encouraged to report any fraud and corrupt related matters and the whistle blowers may remain anonymous and will be protected.

The Anti-Fraud and Corruption Strategy, Fraud Prevention Plan, the Whistle Blowing Policy and Gift Policy has been developed and approved by Council and these documents are aligned to the Prevention of Corrupt Activities Act (POCA) and Prevention and Combatting of Crime Activities Act (PRECCAA) the whistle blowing policy was developed in line with the protected disclosure Act.

Risk Management unit, Internal Audit unit and Legal unit has a vital role to play in ensuring that the Municipality become free from fraudulent and corrupt activities, by conducting preliminary investigations and special Internal Audit assignment on any fraud and corruption reported matters.

Part of the 2023/24 annual risk assessment report included the fraud risk register. The register indicates all the possible risks which relates to fraud and corruption. The register is monitored on quarterly basis together with the operational and strategic risks and the report is escalated to Council through Audit Committee.
Anyone found to have contravened any Act or policy, by being involved in the activities of theft, fraud and corruption is subjected to the disciplinary Committee.

During the month of February 2023 the Accounting Officer has appointed a panel of forensic investigators to assist the municipalities with, amongst others, the investigation into the matters of fraud and corruption for a period of 36 Months.

CONCLUSION

For its success, the risk management framework describes its reliance upon gaining commitment from Top management and Council, establishing the business processes, including assigning responsibilities for change, resourcing, communication, training and reinforcing a risk culture throughout the Municipality.

The implementation of a risk management framework will enable the Municipality to improve its management of risks, and drive performance, i.e. improvement of stakeholder value.

An effective risk management framework will enable Top management to understand the potential upside and downside of actions, and to understand the management of risk in order to raise the likelihood of issues while reducing the likelihood of failure and decrease the uncertainty of overall financial performance.

The risk management framework will assist the Municipality to better allocate risk management resources, provide better performance indicators and monitoring opportunities and improve risk reporting throughout the Municipality.

In addition, the framework will assist the Municipality with identification of unidentified risks, and highlight control gaps and unnecessary and excessive controls, elimination of which will produce cost saving. Such a framework will necessarily present risk awareness throughout the Municipality.

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

The SCM Policy of Thembisile Hani Local Municipality was adopted by the Council and is reviewed every year along with budget-related policies. In terms of the Supply Chain Policy, Section 6(2)(a), the Council must maintain an oversight role over the implementation of the municipal supply chain management policy. The accounting officer is mandated to report to the council on the implementation of the supply chain management policy on a quarterly basis. The Council ensured that the implementation of the Supply Chain Management policy was carried out in accordance with its mandate on a quarterly basis. The Council ensured that the amended preferential procurement regulations of 2022 would affect the supply chain policy as of January 2023. The contract management committee has been established to monitor the contract register, procurement plan, and progress on the implementation of projects.

The supply chain management unit operates under the supervision of the Chief Financial Officer, led by the Assistant Manager, and operates with one chief accountant, two accountants, and two clerks. Procurement of goods and services in cases of emergencies and where it was impractical to follow the SCM process amounted to R 6 261 267. The increase in the deviation amount is due to the contract for the supply and delivery of fuel being terminated due to non-performance and the deviation for tracking services. The Deviation Report was tabled with the council for noting.

Table 2.8.1 Deviation register as at 30th June 2023

Paragraph 36 of the MFMA Act and regulations states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the accounting officer and includes a note to the annual financial statements. Below is the table of deviations as stated in the annual financial statement.

INCIDENTS OF DEVIATIONS FROM NORMAL PROCUREMENT PROCESSSES (SUB-REGULATION 36 (1) (A) (I) – (V) OF THE MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS: 2022-2023 FINANCIAL YEAR (SEPTEMBER-JUNE)				
NO	**DESCRIPTION OF SERVICES**	**APPOINTED CONTRACTOR**	**RECACULATED QUOTED PRICE OF APPOINTED CONTRACTOR EXCLUDING VAT**	**RECORDED AND APPROVED REASONS FOR DEVIATION**
1	CIGFARO Conference registration fees	Chartered Institute of Government,	R 51,346.00	Sole Provider of services. CIGFARO is a professional affiliation body, thus a normal SCM process could not be followed for the transaction to source quotations.

		Finance, Audit and Risk Officers		
2	Insurance excess fee for TLB, Speaker and Mayor's vehicles' windscreen	PG Glass Bronkhorspruit	R 8,316.55	Impractical to follow the normal SCM process. The municipal truck was taken in to the service provider that was appointed for repairing and maintaining White Fleet in August, due to the truck being unable to go uphill with the lowbed trailer carrying yellow plant on it. The user department requested to send the truck to Nissan UD Trucks in Middelburg as the company that manufactured the trucks to assist the municpality to resolve the power challenge the operator experienced with the truck.
3	Registration fees for IMPSA Conference 2022	Institute of of Municipal People Practioners of SA	R 23,000.00	Sole Provider of services. IMPSA is a professional affiliation body, thus a normal SCM process could not be followed for the transaction to source quotations.
4	Roadworthiness tests on heavy motor vehicles	Eyethu Roadworthy Centre (Pty) Ltd	R 23,400.00	Sole provider of services. The SP is the only registered and accredited vehicle testing station within the boundaries of Thembisile Hani Local Municipality and is located approximately 25kms away from the municipality's main offices at Kwaggafontein C. Taking into account the proximity of the testing station compared to stations outside the borders of the municipality for the services would result in increased costs due to the additional fuel which will be required for the fleet to reach the testing stations outside THLM borders, therefore a normal SCM process could not be followed.
5	Radio slot for Mayoral Outreach Coverage on local radio station	Flare FM	R 20,544.00	Impractical to follow SCM process. The municipality embarked on the revenue enhancement campaign, therefore two local radio stations within Thembisile Hani municipality were approached to provide live reeds. The municipality could not obtain three quotations as there are only two local radio stations.
6	Repairs and maintenance of heavy plant and machinery (HCD 563 MP)	BB Truck Middelburg	R 59,184.60	The truck was taken to the appointed service provider, Zembeleni Transport and Projects for repairs in August, due to the truck being unable to go uphill with the lowbed trailer that carried yellow plant on it, however the appointed service provider was unable to resolve the defect. The municipality requested to send the truck to Nissan UD Trucks in MIddelburg, as the company is the manufacturer of the truck. The ineffectiveness of the truck had a major impact on the overall service delivery issues as it is used for towing the lowbed trailer which transports municipal yellow plant for service delivery programmes. It was for these reasons that the truck had to be sent to the original manufacturer to resolve the defect.
7	Registration fees	SALGA	R 10,000.00	Sole Provider of services. SALGA is a professional affiliation body, thus a normal SCM process could not be followed for the transaction to source quotations.
8	Risk Management Training for T. Komane, S. Aphane, R. Maila,	The Institute of Risk Management South Africa	R 34,500.00	IMSRA is a professional affiliation body, thus a normal SCM process could not be followed for the transaction to source quotations as they are the sole providers of services.

	N, Kubheka and K. Mamabolo			
9	Radio slot for Mayoral Outreach Coverage on local radio station	Ikutani FM	R 28,500.00	Impractical to follow SCM process. The municipality embarked on the revenue enhancement campaign, therefore two local radio stations within Thembisile Hani municipality were approached to provide live reeds. The municipality could not obtain three quotations as there are only two local radio stations.
10	Supply of fuel	Minozest Trading	R 5,627,555.00	The service provider, Siyafana Thina that was appointed to supply fuel and lubricants for municipal fleet ran out of fuel and was waiting for the supply and delivery thereof. The municipality approached a filling station that is located near the municipality to assist with the supply as the delay in filling up municipal fleet led to a negative impact on service delivery, therefore an emergency arrangement for the procurement was implemented.
11	Procurement of spares and parts for maintenance of municipal equipment	Bell Equipment	R 281,988.00	Bell is the sole provider of services, therefore it was impractical to follow SCM process as the TLB is manufactured by Bell Equipment.
12	Registration	CMAM South Africa	R 14,500.00	Impractical to follow SCM process. The Centre for Municipal Asset Management is an accredited institution that will be hosting a Municipal Leaders Development Programme that will focus on Municipal Asser Managements Strategies and oversight requirements for sustainable service delivery. CMAM is the sole institution that provides the programme which makes it impossible to follow normal SCM processes and source quotations
13	Registration	CIAGOL	R 25,600.00	Sole Provider of services. CIAGOL is a professional affiliation body, thus a normal SCM process could not be followed for the transaction to source quotations.
14	Radio slot for Mayoral Outreach Coverage on local radio stations	Ikwekwezi FM	R 39,433.50	Impractical to follow SCM process. The municipality embarked on the revenue enhancement campaign, therefore two local radio stations within Thembisile Hani municipality were approached to provide live reeds. The municipality could not obtain three quotations as there are only two local radio stations.
15	Registration fees	Dira Sengwe Conference	R 13,400.00	Impractical to follow SCM process for conference registration fees.
TOTAL			**R 6,261,267.65**	

Furthermore, there was no fruitless and wasteful expenditure and unauthorized expenditure that was incurred. The total irregular expenditure amounted to 36,520,302,22. The report was tabled with the Council and reported by the Executive Mayor, Provincial Treasury, and Auditor-General of South Africa. The irregular expenditure was caused by non-compliance with the Preferential Procurement Regulations of 2022 on sub-construction for projects above the value of R30 million. Below is a list of multi-year infrastructure projects that led to a high value of irregular expenditure. The expenditure is reduced due to the changes to the Preferential Procurement Regulations of 2022, wherein the subcontracting requirements for projects exceeding R30 million are no longer applicable.

Table 2.8.2 Irregular expenditure list as at 30th June 2023

IRREGULAR EXPENDITURE FROM 01 JULY 2022-30 JUNE 2023					
Supplier Name	**Total Expenditure**	**Legislation transgressed against**	**Reason for Transgression**	**Services**	**Remarks**
Bidvest Bank	4, 200, 147,57	SCM Reg. 32	Appointed using Regulation 32 instead of Bidding Process	Rental of Fleet	On-going
Kgotso Mokone Traders	5, 339, 020,96	PPR 9(1)	No mandatory subcontracting conditions included in the bid document for tender above R30 Million	Moloto Water Infrastructure	Project completed
Zembeleni Transport	6, 604, 262,06	PPR 9(1)	No mandatory subcontracting conditions included in the bid document for tender above R30 Million	Construction of Sheldon Water Infrastructure Pipelines	Irregular Expenditure up to 15 January 2023 due to Revised Preferential Procurement Regulation effected as at 16 January 2023
DKPB Construction (Pty)Ltd	9, 713, 155,82	PPR 9(1)	No mandatory subcontracting conditions included in the bid document for tender above R30 Million	Upgrading Mabhoko Water Infrastructure	Irregular Expenditure up to 15 January 2023 due Revised Preferential Procurement Regulation effected as at 16 January 2023
Namasango Business Enterprise	3, 786, 103,79	PPR 9(1)	No mandatory subcontracting conditions included in the bid document for tender above R30 Million	Construction of Tweefontein C & DK Water Infrastructure	Irregular Expenditure up to 15 January 2023 due Revised Preferential Procurement Regulation effected as at 16 January 2023
Stickson General Services	6, 877, 612,02	SCM Reg. 28(1)(c)	Municipal rates in arrears for more than 3 months at the time of award	Construction of Entokozweni water infrastructure-Phase 1	Project Completed
Spek Solution	271, 994.00	SCM Reg 42	Lack of monitoring system to track contract expiry date	Tracking Service	Project Ended
Oradimpho Trading Enterprise	1, 365, 546.00	PPR 4(2)	COIDA certificate belongs to another entity	Routine Maintenance	Contract to be terminated
TOTAL	**38, 157, 842.22**				

The procurement plan was developed for operational and capital projects, and the contract management committee ensured that projects were advertised and awarded in the second quarter to ensure there was 100% spending on grants, e.g., MIG grants. The procurement plan was as per the IDP. All planned capital projects for the financial year were appointed based on competitive bidding processes, not on deviations.

The contract management committee ensured that there were interdepartmental relations in the implementation of the procurement of goods, works, and services, the monitoring of the contract register, and the monitoring of projects. The council ensured that local contractors were appointed to different panels of disciplines to ensure services were delivered to the community. The accounting officer appointed sixty contractors, including service providers, of whom 70% are local contractors.

Table 2.8.3 Tender Register as at 30th June 2023

TENDERS AWARDED REGISTER: 2022/ 2023				
Project Number	**Construction project description**	**Service Provider**	**Amount**	**Award date**
THLM/SCM05/2022-2023/WS01/WP1	Matheyzensloop to Kwaggafontein booster pump station – Civil works	Tshwele Logistics	R 17 604 796.04	23-Nov-22
THLM/SCM05/2022-2023/WS01/WP2	Matheyzensloop to Kwaggafontein booster pump station – Mechanical works	Mbako	R 18 828 408.55	23-Nov-22
THLM/SCM03/2022-23/RS02	Construction of Mountain View (Simunye) Bus route	Sheila and Katlego's Construction	R 17 146 730.13	23-Nov-22
THLM/SCM04/2022-23/RS03	Construction of Zakheni Bus route	TOBC Integrations	R10 244 938.27	22-Dec-22
THLM/SCM06/2022-2023/SF01	Upgrading of Kwaggafontein Stadium	Salarefeloe Trading Enterprise	R 2 910 0487.00	11-Jan-23
THLM/SCM01/2022-2023/RS01	Panel of contractors for routine road maintenance as and when required for a period of 36 months	Oradimpho Trading Enterprise	Rate based	16-Jan-23
THLM/SCM01/2022-2023/RS02	Panel of contractors for routine road maintenance as and when required for a period of 36 months	Mandla kaSokobe General Trading (Pty) Ltd	Rate based	16-Jan-23
THLM/SCM01/2022-2023/RS03	Panel of contractors for routine road maintenance as and when required for a period of 36 months	Elezulu Construction	Rate based	16-Jan-23
THLM/SCM01/2022-2023/RS04	Panel of contractors for routine road maintenance as and when required for a period of 36 months	Zondiwe Construction	Rate based	16-Jan-23
THLM/SCM01/2022-2023/RS05	Panel of contractors for routine road maintenance as and when required for a period of 36 months	Esinenhlanhla Logistics and Projects	Rate based	16-Jan-23
THLM/SCM01/2022-2023/RS06	Panel of contractors for routine road maintenance as and when required for a period of 36 months	Mpisana Properties	Rate based	16-Jan-23
THLM/SCM01/2022-2023/RS07	Panel of contractors for routine road maintenance as and when required for a period of 36 months	KIS & Masemanku JV	Rate based	16-Jan-23
THLM/SCM01/2022-2023/RS08	Panel of contractors for routine road maintenance as and when required for a period of 36 months	Makhambavele Building Construction	Rate based	16-Jan-23
THLM/SCM01/2022-2023/RS09	Panel of contractors for routine road maintenance as and when required for a period of 36 months	Somthwalo Construction	Rate based	16-Jan-23
THLM/SCM01/2022-2023/RS10	Panel of contractors for routine road maintenance as and when required for a period of 36 months	Jasino General Services	Rate based	16-Jan-23

TENDERS AWARDED REGISTER: 2022/ 2023				
Project Number	**Construction project description**	**Service Provider**	**Amount**	**Award date**
THLM/SCM01/2022-2023/RS11	Panel of contractors for routine road maintenance as and when required for a period of 36 months	Stickson General Trading	Rate based	16-Jan-23
THLM/SCM02/2022-2023/RISK01	Appointment of a panel of forensic investigators to conduct investigations into allegations of fraud and corruption for a period of 36 months	N/A	N/A	14-Feb-23
THLM/SCM02/2022-2023/RISK01	Appoinment of a panel of forensic investigators to conduct investigations into allegations of fraud and corruption for a period of 36 months	N/A	N/A	14-Feb-23
THLM/SCM02/2022-2023/RISK01	Appointment of a panel of forensic investigators to conduct investigations into allegations of fraud and corruption for a period of 36 months	N/A	N/A	14-Feb-23
THLM/SCM07/2022-2023/E01	Panel of electrical contractors for electrification of households within the Thembisile Hani local Municipal jurisdiction for a period of three (03) years as and when required.	NGHR Building and Construction	Rate based	07-Mar-23
THLM/SCM07/2022-2023/E01	Panel of electrical contractors for electrification of households within the Thembisile Hani local Municipal jurisdiction for a period of three (03) years as and when required.	Rampserv Consulting Engineers	Rate based	07-Mar-23
THLM/SCM07/2022-2023/E01	Panel of electrical contractors for electrification of households within the Thembisile Hani local Municipal jurisdiction for a period of three (03) years as and when required.	Mahlatji Mmetsi Trading and Projects	Rate based	07-Mar-23
THLM/SCM07/2022-2023/E01	Panel of electrical contractors for electrification of households within the Thembisile Hani local Municipal jurisdiction for a period of three (03) years as and when required.	S&D Consulting Dlawutjhiye Trading JV	Rate based	07-Mar-23
THLM/SCM07/2022-2023/E01	Panel of electrical contractors for electrification of households within the Thembisile Hani local Municipal jurisdiction for a period of three (03) years as and when required.	M Cube Engineering Technical Services	Rate based	07-Mar-23
THLM/SCM07/2022-2023/E01	Panel of electrical contractors for electrification of households within the Thembisile Hani local Municipal jurisdiction for a period of three (03) years as and when required.	Ngilazi Group	Rate based	07-Mar-23
THLM/SCM07/2022-2023/E01	Panel of electrical contractors for electrification of households within the Thembisile Hani local Municipal jurisdiction for a period of three (03) years as and when required.	FLJ Electrician	Rate based	07-Mar-23
THLM/SCM07/2022-2023/E01	Panel of electrical contractors for electrification of households within the Thembisile Hani local	Lesedi La Balomo Trading and Projects	Rate based	07-Mar-23

TENDERS AWARDED REGISTER: 2022/ 2023				
Project Number	**Construction project description**	**Service Provider**	**Amount**	**Award date**
	Municipal jurisdiction for a period of three (03) years as and when required.			
THLM/SCM07/2022-2023/E01	Panel of electrical contractors for electrification of households within the Thembisile Hani local Municipal jurisdiction for a period of three (03) years as and when required.	Reliant Consulting JV and	Rate based	07-Mar-23
THLM/SCM07/2022-2023/E01	Panel of electrical contractors for electrification of households within the Thembisile Hani local Municipal jurisdiction for a period of three (03) years as and when required.	Gogtwana Projects	Rate based	07-Mar-23
THLM/SCM11/2022-2023/ICT01	Appointment for the supply of WAN, Internet and Telephone Management Solutions to THLM for a period of 36 months	Jenny Internet (Pty) Ltd	R 5 777 206.56	31-Mar-23
THLM/SCM16/2022-2023/C02	Appointment of a travel agency for the provision of travel (flights and car hire), accommodation and venue hire services as and when required for a period of 36 months	Zitho Trading	12% Mark up on supplier invoice	05-Apr-23
THLM/SCM17/2022-2023/C03	Appointment of an advertising agency to handle advertisement of municipal content for Thembisile Hani local municipality as and when required for a period of 36 months	Basadzi Media and Personnel (Pty) Ltd	Rate based on content size	05-Apr-23
THLM/SCM09/2022-2023/LO1	Appointment of a panel for the provision of professional legal, advisory, governance, compliance and regulatory services for Thembisile hani local municipality as and when required for a period of 36 months	PK Legodi Attorneys	Rate based	05-Apr-23
THLM/SCM09/2022-2023/LO1	Appointment of a panel for the provision of professional legal, advisory, governance, compliance and regulatory services for Thembisile hani local municipality as and when required for a period of 36 months	Ka-Mbonane Cooper	Rate based	05-Apr-23
THLM/SCM09/2022-2023/LO1	Appointment of a panel for the provision of professional legal, advisory, governance, compliance and regulatory services for thembisile hani local municipality as and when required for a period of 36 months	NG Dlamini Attorneys	Rate based	05-Apr-23
THLM/SCM09/2022-2023/LO1	Appointment of a panel for the provision of professional legal, advisory, governance, compliance and regulatory services for thembisile hani local municipality as and when required for a period of 36 months	Nkgadima and Associates	Rate based	05-Apr-23

TENDERS AWARDED REGISTER: 2022/ 2023				
Project Number	**Construction project description**	**Service Provider**	**Amount**	**Award date**
THLM/SCM09/2022-2023/LO1	Appointment of a panel for the provision of professional legal, advisory, governance, compliance and regulatory services for thembisile hani local municipality as and when required for a period of 36 months	Kubheka Siphesihle Attorneys	Rate based	05-Apr-23
THLM/SCM09/2022-2023/LO1	Appointment of a panel for the provision of professional legal, advisory, governance, compliance and regulatory services for thembisile hani local municipality as and when required for a period of 36 months	Gambani Royal Investment	Rate based	05-Apr-23
THLM/SCM09/2022-2023/LO1	Appointment of a panel for the provision of professional legal, advisory, governance, compliance and regulatory services for thembisile hani local municipality as and when required for a period of 36 months	Mphokane Attorneys	Rate based	05-Apr-23
THLM/SCM14/2022-2023/F01	Provision of Vehicle Tracking and Monitoring Systems for a Period of 36 Months.	Mhangana Fleet Management (Pty) Ltd	R 3 083 035.00 (Excluding VAT)	11-Apr-23
THLM/SCM22/2022-2023/RS06	Construction of a pedestrian bridge in Wolvenkop (Ward 11)	Mamolato Construction and Projects	3 264 273.72 (Incl. VAT and contingencies)	13-Apr-23
THLM/SCM23/2022-2023/RS07	Construction of a pedestrian bridge in Tweefontein N (Ward 17)	Ulwazilethu Trading Enterprise	R5 202 677.73 (Incl. VAT and contingencies)	13-Apr-23
THLM/SCM24/2022-2023/RS08	Construction of a pedestrian bridge in Tweefontein A (Ward 23)	Mandla kaSokobe General Trading (Pty) Ltd	3 348 257.55 (Incl. VAT and contingencies)	13-Apr-23
THLM/SCM12/2022-2023/RS04	Construction of Phola Park Bus and Taxi Route	Servimode 62	37 895 146.38 (Incl. VAT and contingencies)	13-Apr-23
THLM/SCM08/2022-2023/RS01	Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile Hani Local Municipal for a period of three (03) years as and when required	Ms M Trading (Pty) Ltd,	Rate based	20-Apr-23
THLM/SCM08/2022-2023/RS01	Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile Hani Local Municipal for a period of three (03) years as and when required	Lilotaki Construction,	Rate based	20-Apr-23
THLM/SCM08/2022-2023/RS01	Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile	Maphosa Helman Trading and Projects,	Rate based	20-Apr-23

TENDERS AWARDED REGISTER: 2022/ 2023				
Project Number	**Construction project description**	**Service Provider**	**Amount**	**Award date**
	Hani Local Municipal for a period of three (03) years as and when required			
THLM/SCM08/2022-2023/RS01	Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile Hani Local Municipal for a period of three (03) years as and when required	Kuye Trading	Rate based	20-Apr-23
THLM/SCM08/2022-2023/RS01	Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile Hani Local Municipal for a period of three (03) years as and when required	Irhalane Construction,	Rate based	20-Apr-23
THLM/SCM08/2022-2023/RS01	Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile Hani Local Municipal for a period of three (03) years as and when required	Thumasha Electrical, Electronic and Water Suppliers,	Rate based	20-Apr-23
THLM/SCM08/2022-2023/RS01	Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile Hani Local Municipal for a period of three (03) years as and when required	Little Rocky Development Projects,	Rate based	20-Apr-23
THLM/SCM08/2022-2023/RS01	Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile Hani Local Municipal for a period of three (03) years as and when required	MFTP Snappy JV	Rate based	20-Apr-23
THLM/SCM08/2022-2023/RS01	Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile Hani Local Municipal for a period of three (03) years as and when required	Moeding Wadiphiri Trading and Projects,	Rate based	20-Apr-23
THLM/SCM08/2022-2023/RS01	Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile Hani Local Municipal for a period of three (03) years as and when required	Chipane One Body JV	Rate based	20-Apr-23
THLM/SCM08/2022-2023/RS01	Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile Hani Local Municipal for a period of three (03) years as and when required	Bogolo Waste Management and Projects,	Rate based	20-Apr-23
THLM/SCM18/2022-2023/E03	Appointment of panel of electrical contractors for implementation of Energy Efficiency and Demand Side Management (EEDSM) program around various villages in thembisile hani local municipality as and when required for a period of 36 months.	Rhuone Projects	Rate based	23-May-23
THLM/SCM18/2022-2023/E04	Appointment of panel of electrical contractors for implementation of Energy Efficiency and Demand	MTK 3 Trading and Projects	Rate based	23-May-23

TENDERS AWARDED REGISTER: 2022/ 2023				
Project Number	**Construction project description**	**Service Provider**	**Amount**	**Award date**
	Side Management (EEDSM) program around various villages in thembisile hani local municipality as and when required for a period of 36 months.			
THLM/SCM18/2022-2023/E05	Appointment of panel of electrical contractors for implementation of Energy Efficiency and Demand Side Management (EEDSM) program around various villages in thembisile hani local municipality as and when required for a period of 36 months.	S and D Consulting JV Dlawuthiye Trading	Rate based	23-May-23
THLM/SCM18/2022-2023/E06	Appointment of panel of electrical contractors for implementation of Energy Efficiency and Demand Side Management (EEDSM) program around various villages in thembisile hani local municipality as and when required for a period of 36 months.	Reliant Consulting JV	Rate based	23-May-23
THLM/SCM18/2022-2023/E07	Appointment of panel of electrical contractors for implementation of Energy Efficiency and Demand Side Management (EEDSM) program around various villages in thembisile hani local municipality as and when required for a period of 36 months.	Xsemble (Pty) Ltd	Rate based	23-May-23
THLM/SCM13/2022-2023/E02	Appointment of a panel of electrical contractors for the supply, delivery and installation of high mast lights as and when required for a period of 36 months	Star Jays Ezimtoti JV	Rate based	01-Jun-23
THLM/SCM13/2022-2023/E03	Appointment of a panel of electrical contractors for the supply, delivery and installation of high mast lights as and when required for a period of 36 months	S& D Consulting JV Dlawuthiye Trading	Rate based	01-Jun-23
THLM/SCM13/2022-2023/E04	Appointment of a panel of electrical contractors for the supply, delivery and installation of high mast lights as and when required for a period of 36 months	Nghilazi Group (Pty) Ltd	Rate based	01-Jun-23
THLM/SCM13/2022-2023/E05	Appointment of a panel of electrical contractors for the supply, delivery and installation of high mast lights as and when required for a period of 36 months	Rhuone Projects	Rate based	01-Jun-23
THLM/SCM13/2022-2023/E06	Appointment of a panel of electrical contractors for the supply, delivery and installation of high mast lights as and when required for a period of 36 months	Reliant Consulting JV Thaps Electrical	Rate based	01-Jun-23

TENDERS AWARDED REGISTER: 2022/ 2023				
Project Number	**Construction project description**	**Service Provider**	**Amount**	**Award date**
THLM/SCM13/2022-2023/E07	Appointment of a panel of electrical contractors for the supply, delivery and installation of high mast lights as and when required for a period of 36 months	Lesedi La Balomo Business Enterprise	Rate based	01-Jun-23
THLM/SCM15/2022-2023/BTO 01	Provision of banking services for THLM for a period of 36 months	Nedbank Limited (Pty) Ltd	Rate based	01-Jun-23
THLM/SCM26/2022-2023/WS02	Appointment of a contractor for upgrading of Tweefontein K Wastewater treatment works, Phase 2-Water and Sewer Reticulation - Work Package 1	Noponde Business Enterprise	27 963 053.16	08-Jun-23

Procurement plans will be developed on operational and capital projects and adhered to in order to implement the budget projects as per IDP. All planned capital projects for the financial year were appointed on competitive bidding processes.

2.9 BY-LAWS

COMMENT ON BY-LAWS PERFORMANCE OVERALL

There were no By-Laws gazetted in the 2022/ 2023 financial year

2.10 WEBSITES

Municipal Website: Content And Currency Of Material			
Documents Published On The Municipality's Website	**Yes /No**	**Documents Published On The Municipality's Website**	**Yes /No**
Current annual and adjustments budgets and all budget-related documents	Yes	Current annual and adjustments budgets and all budget-related documents	Yes
All current budget-related policies	Yes	All current budget-related policies	Yes
The previous Annual Report (2021/22)	Yes	The previous Annual Report (2020/21)	Yes
The Annual Report 2021/22 published	Yes	The Annual Report 2020/21 published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2000) and resulting scorecards	Yes	All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2000) and resulting scorecards	Yes
All service delivery agreements	No	All service delivery agreements	Yes
All long-term borrowing contracts	No	All long-term borrowing contracts	No
Contract register	Yes	Contract register	Yes
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2021/22	No	An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2021/22	No

Public-private partnership agreements referred to in section 120 made in 2021/22	No	Public-private partnership agreements referred to in section 120 made in 2021/22	No
All quarterly reports tabled in the Council in terms of section 52 (d) during 2022/23	Yes	All quarterly reports tabled in the Council in terms of section 52 (d) during 2022/23	Yes

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The Municipality has conducted public satisfaction survey through public participation meetings to gauge public satisfaction on the services provided by the municipality. These participation meetings to some extent were a mirror with which to gauge public satisfaction on the service provided by the Municipality. These meetings serve to address some of the constraints and challenges the Municipal Council and communities face. About 15 Mayoral outreach meetings were held during 2022/ 2023 financial year.

2.12 AUDIT AND PERFORMANCE COMMITTEE

ANNUAL REPORT OF THE AUDIT AND PERFORTMANCE COMMITTEE (REPORT FROM THE CHAIRPERSON OF AUDIT AND PERFORMANCE COMMITTEE)

We are pleased to submit the report of the Audit and Performance Committee (APC) for the year ended 30 June 2023

1. Background

Thembisile Hani Local municipality amongst other local municipalities is under Nkangala District Shared audit and performance committee, The APC was established in terms of section166 of the Municipal Finance Management Act (MFMA), Act 56 of 2003. The Audit committee has adopted its terms of reference. The Audit and Performance committee has adopted its terms of reference.

Statutory requirements

Section 166 of the MFMA stipulates that each municipality must establish an Audit committee.
The Audit committee is an independent advisory body that advises council, political office bearers, accounting officer, and the staff of the municipality on the following;

- Internal financial control and internal audit;
- Risk management;
- Accounting policies
- The adequacy, reliability and accuracy of financial reporting and information;
- Performance management;
- Compliance with the MFMA, the Division of Revenue Act (DORA) and any other applicable legislation;
- Performance evaluation
- Any other issues referred to it by the municipality;
- Review annual financial statements so as to provide authoritative and credible view of the financial position, on overall compliance with MFMA, DORA, ect
- Respond to Council on any matter raised by the Auditor- General (AGSA); and
- Carry out such investigation into financial affairs of the municipality as may be prescribed

2. Attendance of meetings

Name of the member	Ordinary meetings	Performance meetings	Special Audit committee to consider AFS	Total	Attendance
Ms. F Mudau (Audit committee chairperson)	4	4	1	9	9
Ms. J Masite (Audit Committee member)	4	4	1	9	9
Mr. T Gafane (Audit Committee Member)	4	4	1	9	1
Ms. P Ntuli Member (Audit committee Member)	4	4	1	9	9
Ms. M Moloi- Chamane Member (Audit Committee Member)	4	4	1	9	8
Adv L Thubakgale (Audit Committee Member)	1	1	1	3	3

The following although not members of the Audit and Performance Committee (APC), have standing invitation to Audit and Performance committee meetings:

- The Accounting Officer;
- The Chief Financial Officer;
- The Section 56 Managers/Departmental Heads
- Chief Risk Officer
- The Auditor- General
- The National Treasury
- Mpumalanga Provincial Treasury
- Mpumalanga Department of Cooperative Governance
- South African Local Government Association (SALGA)
- Internal Audit (also task with Secretariat function)
- Chairperson of Risk Management Anti-Fraud and Anti-Corruption Committee

3. Internal Audit

The internal Audit of Thembisile Hani Local Municipality is in-house and has discharge its mandate in terms of its charter and managed to execute all projects for 2022/23 financial year. The Audit and Performance Committee (APC) would like to commend the Council and management for the dedication in strengthening the Corporate Governance.

The Audit and Performance Committee (APC) is of the opinion that Internal Audit unit is operating effectively to meet its mandate and has considered the risk pertinent to the municipality in its audit plans. The following documents were approved by the Audit Committee and performance committee and recommended to Council for adoption.

- Internal Audit charter
- Internal Audit methodology
- Three years rolling strategic and Annual Audit Plan
- Combined Assurance framework

4. Effectiveness of Internal controls

The system of internal control was not entirely effective during the year under review as compliance with prescribed policies and procedures were lacking in certain instances and this was evident with the investigation of irregular expenditure that was conducted by the Council during the year under review.
The following Internal audit reports are among others that were presented to the Audit Committee

- Audit of quarterly performance information;
- Quarterly Compliance;
- Supply Chain Management;
- ICT audit;
- Fleet Management;
- Assets Management;
- Local Economic development;
- Water and Sanitation;
- Follow-up Waste and Environment;
- Follow-up Occupation Health and Safety;
- building and facilities management;
- Land and Building;
- Risk Management;
- Revenue Management;

There has been improvement by management in responding to internal audit reports and this can be attributed to measures that have been implemented by the Accounting officer. Audit committee has also urged management to draw up action plan to address issues raised by the Auditor- General in the management letters and audit report and to ensure that all matters have been raised by the Auditor General are resolved by Management.

5. Risk Management

The municipality has an effective risk unit that consists of one staff member and Risk management, anti-fraud and anti-corruption committee that is chaired by an independent chairperson of Risk management, anti-fraud and anti-corruption. Four (4) risk committee meetings were held for the year under review.
The following policies were reviewed:

- Risk Management strategy
- Risk Management policy
- Whistle blowing policy.
- Fraud Prevention Plan and Fraud Prevention policy
- Risk Management Anti-corruption and Anti-fraud risk charters
- Fraud prevention plan and fraud prevention policy
- Risk appetite

6. Performance Management

Management has cascaded performance up to level three and plans have been put in place to cascade performance to other levels as well.
The Audit committee has reviewed the Annual Performance Information report in the meeting held on the 28 August 2023 and the performance department has shown significant improvement.

7. Year-end reporting

The Audit and Performance Committee (APC) has reviewed the Annual Performance Information report before the report was submitted to the Auditor-General and the quality of the quarterly reports submitted by management during the year were of acceptable standard.

8. Evaluation of draft annual financial statements

The Audit and Performance Committee (APC), during its meeting held on the 28 August 2023 to discuss the draft annual financial statements and unaudited annual report with the Accounting Officer, before submitting to the Auditor General. The Audit committee wishes to indicate that it performed a review on the financial statements focusing among others:

- Significant financial reporting adjustments and estimates contained in the Annual Financial Statements
- Clarity and completeness of disclosures has been set properly.
- Quality and acceptability of and any changes in accounting policies and practice.
- Significant adjustments arising from the audit.
- Reasons for major year to year fluctuations

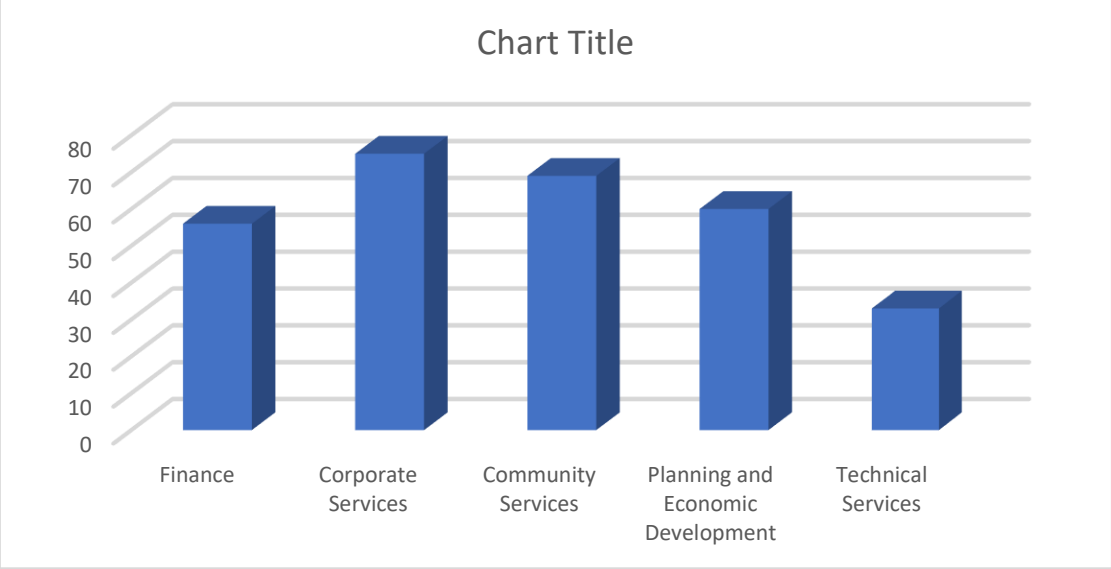
The Audit and Performance Committee (APC) has:

- Further reviewed the audited financial statements to be included in the Annual Report with the Accounting Officer.
- Reviewed the Auditor General Management report and management response thereof.
- Reviewed the municipality compliance with legal and regulatory provision and;
- Reviewed significant adjustments resulting from the audit.

The Audit and Performance Committee (APC) concurs and accepts the conclusions of the Auditor- General on the Annual Financial Statements be accepted and read together with the report of the Auditor-General.

9. Internal Audit recommendations

Audit and Performance Committee would like to appreciate the level of implementation of internal audit recommendations by management as that is the indication of commitment from the side of management.



10. Conclusions

The Audit and Performance Committee (APC) acknowledges the co-operation and assistance by the Thembisile Hani Local Municipality for coordinating the activities of the Committee. We also acknowledge the commitment of the Accounting Officer and management of Thembisile Hani Local Municipality in strengthening corporate governance and working in maintaining the clean audit.

The Audit and Performance Committee (APC) further acknowledge the commitment by Entire Management team and the foundation on good governance that has been laid by Honorable Executive Mayor Councillor L Dikgale and his Council and further express gratitude to the Chief Audit Executive, Mr. AS Malope and his staff for the support and commitment to the work of the Audit and Performance Committee. The Chairperson of the Audit and performance committee remain confident that all matters that have been raised by the Internal Audit and Auditor General are receiving due consideration and intervention. We are committed to fully execute our oversight function to strengthening corporate governance.



Ms. F Mudau
Chairperson of Audit and Performance committee

28 August 2023
Date

Chapter 3

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

INTRODUCTION

Service delivery is in terms of the constitution of the republic of South Africa, schedule 4, part b determines the functions of the Municipality and therefore its responsibility towards the community. In terms of the IDP and the departmental objectives of the Thembisile Hani Local Municipality, certain issues are set out to be achieved during the financial year.

The following have been achieved during 2022/ 2023 as per community survey:

- Provided 64 151 households with access to basic water
- Provided 28 312 households with access to water through water delivery
- Provided 67 404 households with access to basic refuse removal
- Provided 82 983 households with access to basic electricity
- Provided 2 446 households with access to basic sanitation (water borne system)
- Provided 64 151 households with access to free basic water (6 kl)

COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

INTRODUCTION TO BASIC SERVICES

BASIC SERVICE PROVISION	CHALLENGES
Water	• Lack of water storage in Sun City and Moloto, • Water losses that are above the norm set by Department of Water and Sanitation. • Inconsistence bulk water supply from City of Tshwane Metropolitan Municipality. • Ageing infrastructure (asbestos pipes) • Theft or vandalism of water infrastructure • Illegal connection to the bulk water system. • Slow progress of implementation of Loskop Dam Bulk Infrastructure projects. • Poor revenue collection to properly operate and maintain the water infrastructure.
Refuse removal	• Shortage of staff • Inadequate waste collection trucks (compactor trucks) • Limited funding
Sanitation	• Huge sanitation backlog caused by the demand for waterborne system. • Limited funding for operation and maintenance (below national treasury norm) • Community of Thembisile Hani Local Municipality requires water borne sanitation system and not the VIP toilets anymore • Lack of maintenance on VIP toilets • High risk rating on green drop
Electricity for energising high mast light and maintenance	• Lengthy Eskom process to energise high mast lights and boreholes. • Limited funding and resources for own maintenance team • Ever increasing electricity household's connections due to new establishment or township.
Roads and storm-water drainage	• Flooded gravel roads • Limited funding for maintenance and construction of new roads • Limited resources for internal maintenance for gravel roads • Stormwater challenges through all wards • Huge backlog on gravel (unpaved) roads

	• Limited budget to reseal roads

DEFINITION OF A HOUSEHOLD / HOUSING UNIT

Household: a *household* consists of a person, or a group of persons, who occupy a common dwelling (or part of it) for at least four days a week and who provide themselves jointly with food and other essentials for living. In other words, they live together as a unit. People who occupy the same dwelling, but who do not share food or other essentials, were enumerated as separate households. For example, people who shared a dwelling, but who bought food and ate separately, were counted as separate households. Visitors, both foreign and south African, as well as boarders who stayed with a household on *census night*, were counted as part of that household. People who were absent on census night, but were not counted elsewhere (either because they were working, travelling, at a church vigil, at an entertainment centre, and so on), and returned to the household on Tuesday, 10 October, were counted as part of the household. Live-in domestic workers and live-in employees were regarded as separate households. (Statistics: south Africa, census 2011)
Housing unit: it is a unit of accommodation for a household, which may consist of one structure, more than one structure, or part of a structure. Examples of each are a house, a group of rondavels, and a flat. In informal areas and overcrowded conditions a housing unit may hold more than one household.

DEFINITION OF AN INFORMAL SETTLEMENT

Informal settlements are groups of people living on land they have no legal claim to. It is also known as an unplanned settlement on land which has not been surveyed or proclaimed as residential, consisting mainly of informal dwellings. Informal settlements are also referred to as a squatter settlement, slum or a shanty town. (Statistics: South Africa, Census 2011).

3.1 WATER PROVISION

Thembisile Hani Local Municipality is the Water Services Authority (WSA) as well as the Water Service Provider (WSP) for its area of jurisdiction and which currently operates two interlinked water supply systems that delivers potable water to rural towns and villages situated within the Municipality.

There are **two bulk water supply systems** with **five supply resources** which forms the northern section of the Western Highveld Scheme and crosses into the Greater Marble Hall and Thembisile Hani Local Municipalities, and consists of:

a) **System 1: Northern Supply 1.**

(i) **Dr JS Moroka bulk water supply purchase -** This system comprises the bulk water supply purchase from Dr JS Moroka LM. Thembisile Hani has a service level agreement with Dr JS Moroka LM to be supplied with water from the Weltevreden Water Treatment Works. This source supplies the areas of Kwaggafontein; Boekenhouthoek; Mathyzynsoop and Vrischewaagd.

Since 2019 there was a limited supply provided to THLM which has reduced significantly over time to where the current supply of water from Dr JS Moroka to THLM is zero.

THLM has therefore developed the below Bundu scheme to address water supply to the abovementioned effected townships.

(ii) **Bundu Supply System -** The Bundu Water supply scheme is a scheme developed by the Thembisile Hani local Municipality. It abstracts water from the Moses River at Bundu, where the water is treated and then pumped to a 10 Ml command reservoir at Matheyzensloop. This system is designed to supply the AADD of 5.04 Ml/d of Goederede, Boekenhouthoek and Matheyzensloop. The system is currently supplying 2.5 ml/d and on completion in July 2021 will increase the supply to the full 5.04 ml/d (2million m3 /a).

b) **System 2: Southern Supply**

This system includes the purchase of bulk water from two supply resources namely Rand Water and the City of Tshwane. The supply from City of Tshwane supplies bulk water from the Bronkhorstspruit WTW. These two sources supply the southern sections of Moloto, Kwamhlanga, Thembalethu, Tweefontein, Vlaklaagte and Verena as follows:

(i) **Rand Water bulk water supply purchase** – the annual daily bulk water supply from Rand Water system has ranged from 29 Ml/d in 07/2019 to the current 32.7 Ml/d on average. The bulk potable water is supplied through Ekandustria Reservoir in Ekangala and through the Thembalethu Reservoirs.

(ii) **City of Tshwane bulk water supply purchase** – The Bronkhorstspruit Water Treatment Works was designed to supply bulk water supply to THLM. This has continued after the CoT took over the then Kungwini Local Municipality based on the old Service Level Agreement (SLA). The bulk supply by the CoT as per the below graph indicates an averaged of approximately 1.8 Ml/d against the required 16.6 Ml/d.

A bulk connection has been constructed between the Rand Water and City of Tshwane bulk lines to allow the supply from either source to be distributed to both parts of the network.

c) **Borehole Supply System**

SML Projects has been appointed by Thembisile Hani Local Municipality under the "Implementation of water projects for a period of 36 months" of which their scope included a study to conduct an audit and database of the existing boreholes within the Municipality.

The report indicated a total of 223 boreholes of which are as follows:

- Handpumps 44
- Windmills 20
- Solar panel operated submersibles pumps 22
- Electrically operated submersible pumps 63
- Generator operated pumps 21
- Not equipped 53

Out of 223 boreholes only 117 were tested and test results submitted. Handpumps were not tested as it was presumed very low yield boreholes.

Most boreholes are found in Ward 8 and 32. From the 223 boreholes a total of 69 boreholes is operational with a combined yield of 62.1 l/s which equals 3 400kl/day based on a 20 hour per day operation.

Remedial measures implemented by THLM to address/ alleviate the water shortage challenges are as follows:

- Matheyzensloop to Kwaggafontein Booster Pump Station which is currently on construction.
- Mabhoko Water Infrastructure (Phase 1 and Phase 2). Currently Phase 3 is on construction.
- Upgrading of Tweefontein C and DK water infrastructure (Phase 1 and Phase 2). Currently Phase 3 is on construction
- Upgrading of eNtokozweni Water Infrastructure Phase 1 and Phase 2
- Upgrading of Moloto Water Infrastructure
- Completion of Upgrading of Existing Infrastructure from Agricultural Project to Augment Borehole Water Supply in Bundu (Moses River) Multi-Year Project (Work Package 1 to 7), which currently supply 5ML/Day to Bomando area.

- Abstraction of water from Loskop Dam project, this project is a long term (multi-year) activity undertaken by the Department of Water and Sanitation (DWS) whereby the Nkangala District Municipality (NDM) has been appointed as an implementing agent. Its aim is to augment the bulk water supply of THLM by about 20 Ml per day upon completion. The current progress is that Thembisile Hani Local Municipality has been granted an 11 Ml per day abstraction licence and the Implementation Readiness Study is at the final stage of approval, which has granted grant NDM to start with physical construction in the 2022/23 financial year. Construction has commenced with WP1, 3, 4 and 5 which are on construction





COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

DWS to expedite the implementation of abstraction of 20 Ml per day from Loskop Dam project as mandated by the former President in June 2016. All bulk water supply projects to be prioritised and completed as planned.

The baseline information below was sourced from 2011 Census Statistics SA and 2018 Household Survey Statistics.

water service delivery levels **Households**		
Description	**2021/ 2022**	**2022/ 2023**
	actual	**actual**
	no.	**no.**
water: **(above min level)**		

piped water inside dwelling	12 300	12 300
piped water inside yard (but not in dwelling)	54 549	54 549
using public tap (stand pipes)	0	0
other water supply (within 200m)	3 693	3 693
minimum service level and above sub-total	**58 248**	**58 248**
minimum service level and above percentage	**77.04%**	**70.39%**
***water:* (below min level)**		
using public tap (more than 200m from dwelling)	1 131	1 131
other water supply (more than 200m from dwelling	486	486
no water supply	3 441	3 441
below minimum service level sub-total	5 058	5 058
below minimum service level percentage	6.69%	6.11%
total number of households*	75 600	82 740
*** - to include informal settlements**		

The wording "*within/more 200m from dwellings*" be replaced with "*stand pipes*" as it challenging to measure.

households - water service delivery levels below the minimum Households			
Description	**2020/ 2021**	**2021/ 2022**	**2022/ 2023**
	actual no.	**Actual no.**	**Actual no.**
formal settlements			
total households	72 920	30 240	33 096
households below minimum service level	2 680	2 023	2 023

proportion of households below minimum service level	4%	6.68%	6.11%
informal settlements			
total households	2 680	45 360	49 644
households is below minimum service level	1 160	3 034	3 033
proportion of households is below minimum service level	43%	6.69%	6.11%

The information below is as per the community survey.

water service delivery levels	households	
Description	**2021/ 2022**	**2022/ 2023**
	actual	**actual**
	no.	**no.**
water: **(above min level)**		
piped water inside dwelling	12 300	12 300
piped water inside yard (but not in dwelling)	54 549	54 549
using public tap (stand pipes)	0	0
other water supply (within 200m)	3 693	3 693
minimum service level and above sub-total	**58 248**	**58 248**
minimum service level and above percentage	53.3%	47.73%
water: **(below min level)**		
using public tap (more than 200m from dwelling)	1 131	1 131
other water supply (more than 200m from dwelling	486	486
no water supply	3 441	3 441
below minimum service level sub-total	5 058	5 058
below minimum service level percentage	4.63%	4.14%
total number of households*	**109 282**	**122 029**
*** - to include informal settlements**		

The wording "*within/more 200m from dwellings*" be replaced with "*stand pipes*" as it challenging to measure.

Households - Water Service Delivery Levels Below The Minimum Households			
Description	**2020/ 2021**	**2021/ 2022**	**2022/ 2023**
	Actual No.	**Actual No.**	**Actual No.**
Formal Settlements			
Total Households	70 542	43 713	48 812
Households Below Minimum Service Level	5 058	5 058	5 058
Proportion Of Households Below Minimum Service Level	7%	11.57%	10.37%
Informal Settlements			
Total Households	5 058	65 569	73 217
Households is Below Minimum Service Level	3 441	3 034	3 034
Proportion Of Households is Below Minimum Service Level	68%	4.63%	4.14%

EMPLOYMENT INFORMATION

Employees: Water Services					
Task Grade	**2021/ 2022**	**2022/ 2023**			
	Employees No.	**Posts No.**	**Employees No.**	**Vacancies (Fulltime Equivalents) No.**	**Vacancies (As A % Of Total Posts) %**
15	1	1	1	0	0%
13 -11	3	13	9	4	54%
10 – 8	19	30	30	0	0%
7 – 5	2	7	6	1	14%
4 – 2	36	51	36	15	29%
Total	**61**	**102**	**82**	**20**	**19%**

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2021/ 2022 AND 2022/ 2023 TECHNICAL SERVICES

VOTE	DETAILS	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
105	SALARIES	601 623	888061.70	1 101 624.00	988 392.90
105	BONUS	144552	72504.49	151 632.00	64 651.03
105	SALGBC	900	618	948.00	604.80
105	ACTING ALLOWANCES	18564	0	30 771.00	15 385.51
105	PENSION CONTRIBUTIONS	340212	166749.51	356 880.00	188 206.12
105	MEDICAL AID CONTRIBUTION	121632	28904.40	127 596.00	53 432.40

VOTE	DETAILS	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
105	HOUSING SUBSIDIES	0	0	0	0
105	UIF CONTRIBUTION	12876	9212.87	13 512.00	8 128.35
105	STANDBY ALLOWANCE	10512	16128	10 512.00	2 975.64
105	TRAVEL ALLOWANCES	0	0	0	0
105	CELLPHONE ALLOWANCE	4800	0	4 800.00	0
105	SKILLS DEVELOPMENT LEVY	17580	9454.67	17 580.00	11 149.00
105	TOLL GATE FEES	1584	173.91	1 584.00	1 473.92
105	ACCOMODATION	52656	0	52 656.00	13 440.00
105	FOOD AND BEVARAGES	5256	0	5 256.00	5 233.30
105	TRAVEL AND SUBSTANCE	14580	0	14 580.00	0
105	UNIFORM	746917	199962	829 908.00	51 830.00
105	MULTIPURPOSE CENTRE IN PHUMULA	0	0	0	0
105	MERCHANDISING; JOBBING AND CONTRACTS:COLLECTIONS PUBLICATIONS:TENDER DOCUMENTS	0	0	-58 260.00	0
105	OVERTIME	504	0	12 388.00	18 102.51

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2021/ 2022 AND 2022/ 2023 PMU

VOTE	DETAILS	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
500	SALARIES	3 145 092.00	3 488 370.64	4 254 836.00	3 639 133.41
500	BONUS	165 624.00	288 309.20	270 000.00	303 336.09
500	SALGBC	864.00	988.80	1 140.00	1 036.80
500	ACTING ALLOWANCES	34 368.00	8 963.95	44 436.00	43 374.64
500	PENSION CONTRIBUTIONS	521 472.00	592 314.61	612 204.00	619 242.72
500	MEDICAL AID CONTRIBUTION	186 768.00	306 166.32	210 000.00	320 558.40
500	UIF CONTRIBUTION	13 980.00	17 003.52	22 200.00	17 003.52
500	STANDBY ALLOWANCE	0	0	0	0
500	TRAVEL ALLOWANCES	450 000.00	541 755.52	600 004.00	551 298.72
500	CELLPHONE ALLOWANCE	37 800.00	37 800.00	35 340.00	37 800.00
500	SKILLS DEVELOPMENT LEVY	36 360.00	43 744.08	50 052.00	46 120.48
500	COMPUTER EQUIPMENT	0	0	0	0
500	PROFFESIONAL CONSULTANT FEES	99 996.00	0	182 232.47	158 550.00
500	RENTAL OF OFFICE EQUIPMENT	17940	0	50 004.00	35 276.75
500	ADVERTISEMENT TENDERS	124116	0	139 996.00	129 609.52
500	OVERTIME	150000		11 004.00	0
500	ENTERTAINMENT:SENIOR MANAGEMENT PMU 500260290 ENTERTAINMENT	0	0	52 060.00	30 240.00

VOTE	DETAILS	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
500	OPERATIONAL COST:TOLL GATE FEES TOLL GATES	0	0	4 996.00	180.87
500	INVENTORY CONSUMED:MATERIALS AND SUPPLIES PURCHASE OF STATIONERY	56256	47196	30 004.00	29 934.25
500	TRAINING	166013	78400	76956.53	76956.53
500	ACCOMODATION	176119	55090	124 004.00	118 804.20
500	FOOD AND BEVERAGES	59712	17227	35 596.00	28 592.45
500	AIR TRANSPORT	5004	0	6 252.00	0
500	HOUSING	0	4822.25	20 004.00	12 141.24
500	CONTRACTORS:BUILDING REPAIRS&MAINTENANCE OF PMU OFFICE	0	0	199 996.00	197 850.28
500	OPERATIONAL COST:UNIFORM AND PROTECTIVE CLOTHING PROTECTIVE CLOTHING	0	0	35 000.00	29 920.00
500	TRAVEL SUBSISTENCE	87432	13972.11	14 733.00	49 884.85

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2021/ 2022 AND 2022/ 2023 WATER DISTRIBUTION SERVICES

VOTE	DETAILS	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
540	SALARIES	17 543 301	13 004 758.71	18 402 924.00	13 823 371.15
540	WATER PIPELINE BUNDU WARD	0	0		
540	AGRIC PROJECTS IN BUNDU WARD 24 CIVIL ENGINEER	8 157 423.99	10 333 074,15	4 712 851.05	4 098 131.36
540	BOMANDO WATER INFRASTRUCTURE (MULTI-YEAR PROJECT) – PIPEWORK	17 757 489.28	15 441 295.03		
540	SHELDON WATER INFRA PIPELINES MULTI-YR PROJ	6 977 509.69	6 067 399.73	15 128 879.45	13 153 154.20
540	UPGRADE OF NTOKOZWENI WATER INFRASTRUCTURE	9 546 404.58	8 301 221.37	8 222 014.87	7 149 579.13
540	TWEEFONTEIN C & DK WATER INFRA PIPELINES MUL	6 903 929.12	6 003 416.63	13 426 541.31	11 675 254.43
540	UPGRADE MABHOKO WATER INFRASTRUCTURE MULTI-YR P	9658931.33	8399070.72	20 057 509.94	17 441 313.57
540	MAATHEYZESLOOP KWAGGAFONTEIN BOOSTER	500000	434782.61	30 683 639.00	26 719 131.97
540	OUTSOURCED DRILL	0	0		

VOTE	DETAILS	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
540	ILLING REFURBISHMENT & EQUIPPING OF BOREHOLES_THLM	0	0	0	0
540	INDIGET RELIEF FREE BASIC WATER	0	129573024	0	129573024
540	WATER PURCHASE	143 878 824	130 575 656.54	140 000 000.00	117923071.54
540	OUTSOURCED SERVICES:WATER TAKERS DELIVERY OF WATER TO RURAL AREAS	17 396 610	16 136 480.00	20 466 810	20 466 809.69
540	ALLOWANCES:NON-PENSIONABLE DANGER ALLOWANCE	0	0	166 176.00	152 328.00
540	CELLPHONE ALLOWANCES	111 600.00	81 000.00	117 072.00	81 000.00
540	HOUSING SUBSIDIES	12 936.00	11 574.12	13 572.00	12 141.24
540	OVERTIME	999 996.00	1666059.09	1 048 996.00	1 775 357.57
540	STANDBY ALLOWANCES	960 576.00	142 445.57	1 007 640.00	153 631.33
540	TRAVEL ALLOWANCE	141 000.00	140550.20	156 855.00	159 723.59
540	BONUS	1 119 000.00	1 063327.19	1 203 093.00	1 128 232.27
540	SALGBC	7 524.00	7 786.80	9 396.00	8 348.40
540	MEDICAL AID CONTRIBUTION	1 158 272.00	1 234 750.68	1 280 024.00	1 390 983.00
540	PENSION FUND	3 106 860.00	2 604 628.63	3 259 092.00	2 798 358.27
540	UIF CONTRIBUTION	124 768.00	130 118.56	130 884.00	134 093.61
540	MATERIAL SUPPLIES	3 000 000.00	2 874 598 .35	3 460 000.00	2 689 795.60
540	EXPENDITURE:CONTRACTED SERVICES:CONTRACTORS:MAINTENANCE OF UNSPECIFIED ASSETS	0	0	18 625 247.00	19 168 218.05
540	EXPENDITURE:INVENTORY CONSUMED:WATER	0	0	140 000 000.00	4 546 827.24
540	SKILLS DEVEL LEVY	162 916.00	167 259.82	163 412.00	180 153.75
540	TOLL GATE FEES	2 628.00	0	2 628.00	0
540	ACCOMODATION	28 684.00	0	28 680.00	10 670.00
540	FOOD AND BEVERAGES	5 268.00	0	5 268.00	2 905.70
540	TRAVEL AND SUBSISTENCE	34 368.00	4 523.94	34 368.00	8 417.98
540	ACTING AND POST RELATED ALLOWANCES	76 524.00	28 779.88	80 280.00	137 430.68
540	MOLOTO GROUNDWATER SCHEME	0	0	0	0
540	ACQUISITIONS:OUTSOURCED UPGRADING OF THEMBALETHU WATER INFRA	0	0	997 548.39	867 433.38

VOTE	DETAILS	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
540	ACQUISITIONS:OUTSOURCED REFURBISHMENT OF WATER INFRASTRUCTURE - ALL WARDS	0	0	9 000 000.00	6 198 427.61
540	UPGRADING OF SUN CITY A RESERVOIR WSIG	0	0	0	0
540	UPGRADING OF MOLOTO STORAGE RESERVOIR WSIG	0	0	0	0
540	UPGRADING OF VERENA A WATER INFRASTRUCTURE (MIG)	0	0	0	0
540	UPGRADING OF WATER BULK LINE_ALL WARDS(THLM)	0	0	0	0
540	REPLACEMENT OF BOMANDU ASBESTOS PIPES	2 623 088.00	2 112 200.70	0	0
540	CONSTRUCTION OF MOLOTO WATER INFRASTRUCTURE	31 829 128.27	27 766 049.39	7 316 361.00	6 333 486.68
540	REFURBISHMENT OF WATER NETWORK COVID 19	0	0	0	0
540	REFURBISHMENT OF PIPE WORKS MULTI-YR PROJECTS	0	0	0	0
540	REFURBISHMENT OF VADALISED MUNICIPAL GANTRIES	978 891.88	978 891.88	0	0
540	ACQUISITION OF WATER TANKER	6 934 499.85	6 029 999.87	0	0
540	CIVIL WATER SER DEV PLAN& WATER CONSERV DEMAND PLAN(WSDP&WCD/MP)	1 400 000	1 387 125.56	0	0
540	MAINTENANCE OF UNSPECIFIED ASSETS OPERATIONAL BUNDU WATER TREATMENT WORKS(COVID19)	2 499 000	2 294 633.13	0	0
540	REFURBISH; DRILLING AND EQUIPING BOREHOLES IN VARIOUS VILLAGES IN THLM	0	0	0	0
540	REFURBISH; DRILLING AND EQUIPING BOREHOLES IN VARIOUS VILLAGES IN THLM	0	0	0	0
540	DRILL; REFURBISH & EQUIP BOREHOLE KLIPFONTEIN; SUN CITY A-D;	0	0	0	0
540	DRILL; REFURBISH & EQUIP OF BOREHOLE W 22 LUTHULI;MAHLABATHI	0	0	0	0
540	DRILL; REFURBISH & EQUIP OF BOREHOLE W 27 KWAGGAFONTEIN	0	0	0	0

VOTE	DETAILS	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
540	DRILL; REFURBISH & EQUIP OF BOREHOLE W 28 KWAGGAFONTEIN	0	0	0	0
540	DRILL; REFURBISH & EQUIP OF BOREHOLE W 29 KWAGGAFONTEIN	0	0	0	0
540	DRILL; REFURBISH & EQUIP OF BOREHOLE W 31 KWAGGAFONTEIN E; D	0	0	0	0
540	DRILL; REFURBISH & EQUIP OF BOREHOLE W 32 VARIOUS FARMS	0	0	0	0

3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

Majority of communities within the Municipality use pit/VIP toilets, 25% of the communities have VIP (Ventilated Improved Pit) toilets, 4% have septic tanks and only 4% have water borne system. since 2011/12 the communities have rejected the VIP toilets and prefer the water borne system, and the current backlog still remains at 75%. Areas making 4% are: Kwamhlanga serviced by 3 x 0.5 ml/day oxidation ponds and Tweefontein K by 1.5 ml/day waste water treatment works.

Proffessional services for Luthuli waste treatment works for 13ml/d for various villages within thembisile to eradicate the backlog which is huge on sanitation was conducted on an ongoing basis since the 2018/19 financial year and was budgeted in subsequent financial years until the current financial year because this is a 20 year plan that the Municipality implements in Phases..

MEASURES TAKEN TO IMPROVE PERFORMANCE

Through IDP processes all communities are involved in voicing their needs to the Municipal officials and Councillors. The sections providing service is aimed at ensuring proper rendering of sanitation services while preventing environmental pollution caused by poor sanitation services
Below are the projects implemented by the Municipality to improve the sanitation provision as stated below?

- Refurbishment of Tweefontein K Wastewater Treatment Works (WP1 Sewer and water reticulation) which is currently on construction.
- A feasibility study and technical report have been concluded and submitted to the Department of Water and Sanitation to investigate other alternative solution to eradicate the sanitation backlog.

The baseline information below was sourced from 2011 Sensus Statistics SA and 2018 Household Survey Statistics.

sanitation service delivery levels		
Household		
Description	**2021/ 2022**	**2022/ 2023**
	Outcome	**outcome**
	no.	**no.**
sanitation/sewerage: **(above minimum level)**		
flush toilet (connected to sewerage)	5 118	5 118

flush toilet (with septic tank)	1 242	1 242
chemical toilet	1 230	1 230
pit toilet (ventilated)	15 642	15 642
other toilet provisions (above min.service level)	0	0
minimum service level and above sub-total	23 232	23 232
minimum service level and above percentage	30.73%	28.07%
***sanitation/sewerage:* (below minimum level)**		
bucket toilet	672	672
other toilet provisions (below min.service level)	49 737	49 737
no toilet provisions	1 959	1 959
below minimum service level sub-total	52 368	52 368
below minimum service level percentage	69.27%	63.29%
total households	**75 600**	**82 740**
***total number of households including informal settlements**		

households - sanitation service delivery levels below the minimum households		
	2021/ 2022	**2022/ 2023**
	Actual no.	**Actual**
formal settlements		
total households	30 240	33 096
households below minimum service level	20 947	20 947
proportion of households below minimum service level	69.27%	63.29%
informal settlements		
total households	45 360	49 644
households is below minimum service level	31 420	31 420
proportion of households is below minimum service level	69.27%	63.29%

The information below is as per the community survey.

sanitation service delivery levels		
Household		
Description	**2021/ 2022**	**2022/ 2023**
	Outcome	**outcome**
	no.	**no.**
***sanitation/sewerage:* (above minimum level)**		

flush toilet (connected to sewerage)	5 118	5 118
flush toilet (with septic tank)	1 242	1 242
chemical toilet	1 230	1 230
pit toilet (ventilated)	15 642	15 642
other toilet provisions (above min.service level)	0	0
minimum service level and above sub-total	23 232	23 232
minimum service level and above percentage	21.26%	19.04%
***sanitation/sewerage:* (below minimum level)**		
bucket toilet	672	672
other toilet provisions (below min.service level)	49 737	49 737
no toilet provisions	1 959	1 959
below minimum service level sub-total	52 368	52 368
below minimum service level percentage	47.9%	42.91%
total number of households	**109 282**	**122 029**

households - sanitation service delivery levels below the minimum

Households

2019/20	**2021/ 2022**	**2022/ 2023**
	Actual no.	**Actual**
formal settlements		
total households	43 713	48 812
households below minimum service level	20 947	20 947
proportion of households below minimum service level	47.92%	42.91%
informal settlements		
total households	65 569	73 217
households is below minimum service level	31 421	31 421
proportion of households is below minimum service level	47.92%	42.91%

EMPLOYMENT INFORMATION

Employees: Sanitation Services					
Task Grade	**2021/ 2022**	**2022/ 2023**			
	Employees	**Posts**	**Employees**	**Vacancies (Fulltime Equivalents)**	**Vacancies (As A % Of Total Posts)**
	No.	**No.**	**No.**	**No.**	**%**
15	0	0	0	0	0%

13 -11	1	5	1	4	80%
10 – 8	1	9	1	8	88%
7 – 5	3	7	3	2	28%
4 – 2	13	14	13	1	7%
Total	**18**	**35**	**18**	**15**	**43%**

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2021/ 2022 AND 2022/ 2023 SANITATION SERVICES

NOTE: water and sanitation using vote number 560

VOTE	DETAILS	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
560	WASTE WATER TREATMENT WORK PUMP STATION LITHULI	0	0	0	0
560	DESIGN APPROVAL CIVIL ENGINEER T/FONTEIN K	0	0	0	0
560	REFURBISHMENT OF SEWER OXIDATION PONDS	0	0	0	0
560	UPGRADE TWEEFONTEIN K WWTW	0	0	1 707 445.73	1 390 950.28
560	OPERATION OF SANITATION WORKS	0	0	0	0
560	MAINTENANCE OF ELCTRICAL PANEL AT WWT PLANT	0	0	0	0
560	OUTSOURCED SERVICES:SEWERAGE SERVICES OUTSOURCED OPERATION OF SANITATION WORKS	0	0	464 772.00	409 112.74
560	CELLPHONE ALLOWANCES	14 000.00	14 400.00	14 688.00	14 750.00
560	ACTING ALLOWANCES	61 044.00	18 181.98	136 247.00	127 013.71
560	STANDBY ALLOWANCES	91 152.00	0	95 616.00	0
560	SALARIES	4 755 048	4 876845.65	5 388 048.00	5 022 258.51
560	BONUS	425 616.00	399320.58	446 472.00	418 886.65
560	SALGBC	2 796.00	2 966.40	3 428.00	3 067.20
560	PENSION CONTRIBUTIONS	993 708.00	952 725.05	1 042 404.00	996 563.72
560	MEDICAL AID CONTRIBUTION	352 468.00	389095.2	404 744.00	396 268.20
560	OVERTIME:STRUCTURED OVERTIME	249 996.00	81182.83	262 246.00	520 849.36
560	UIF CONTRIBUTION	48 036.00	48 988.30	51 388.00	49 340.57
560	SKILLS DEVELOPMENT LEVY	49 128.00	58 797.08	74 128.00	64 181.36
560	TOLL GATES	2 628.00	0	2 628.00	0
560	ALLOWANCES:NON-PENSIONABLE DANGER ALLOWANCE	0	0	131 556.00	120 593.00
560	REPAIR & MAINTENANCE OF SANITATION TWEEFONTEIN K	464 772.00	399 167.83	0	0

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICTY

The Municipality is installing and maintaining high mast lights and street lights. the challenges faced in 2022/ 2023 were due to limited funding to install high mast lights, street lights and energising of lights . the Municipality have a total number of 330 high mast lights and 1400 street lights.

In the 2022/2023 the municipality has made budget available through the Municipal Infrastructure Grant (MIG) to install 5 highmast light 2 in ward 15 and 3 in ward 1, 2 and 3. Furthermore the municipality had applied for the Intergrated National Electrification Grant to electrify the areas of Mafishane and Dk (Ward 2) and Magodongo. The Department of Minerals and energy (DMRE) had made R 12 000 000.00 available to provide 600 connections to the above mentioned villages. The programme commnces late in the finacial year (April 2023) and it is anticipated to be completed in the first second quarter of the 2023/2024 FY.

The DMRE has also made avaible R 6 000 000.00 to the mununicipality for the retroffitting of Highmastlights with energy saving lights.

The following areas were retrofitted:

Area/Location	Existing Technology	Qty	Application
Kwaggafontein A (Ward 28)	Flood lights	158	Highmast Lighting
Tweefontein G & H (Ward 30)	Flood lights	32	Highmast Lighting
Tweefontein E (Ward 15)	Flood lights	16	Highmast Lighting
Zenzele, Buhlebezulu & Tweefontein J (Ward 9)	Flood lights	138	Highmast Lighting
Thembalethu (ward 5)	Flood lights	132	Highmast Lighting
Thokoza & Vezubuhle (ward 18)	Flood lights	109	Highmast Lighting
Phola park (ward 06)	Flood lights	87	Highmast Lighting
Mountainview (ward 14)	Flood lights	66	Highmast Lighting
Sun city (ward 20)	Flood lights	99	Highmast Lighting
Sun City (ward 19)	Flood lights	82	Highmast Lighting
TOTAL		**919**	

The Municipality used the IDP processes to identify communities living in poverty and sourced funding from government through established programmes to respond to the need for basic services by the communities that are living in poverty

EMPLOYMENT INFORMATION

Employees: Engineering Services					
Task Grade	2021/ 2022	2022/ 2023			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
15	0	1	1	1	100%
13 -11	0	0	0	0	0%
10 - 8	2	2	2	0	0%
7 - 5	0	0	0	0	0%
4 - 2	5	5	5	0	0%
Total	**7**	**8**	**8**	**0**	**0%**

Totals Should Equate to Those Included in The Chapter 4 Total Employee Schedule. Employees and Posts Numbers Are as at 30 June.
*Posts Must Be Established and Funded in The Approved Budget or Adjustments Budget. Full-Time Equivalents Are Calculated by Taking the Total Number Of Working Days Lost (Excluding Weekends And Public Holidays) While A Post Remains Vacant And Adding Together All Such Days Lost By All Posts Within The Same Set (E.G. 'Senior Management') Then Dividing That Total By 250 To Give The Number Of Posts Equivalent To The Accumulated Days.

FINANCIAL PERFORMANCE EXPENDITURE FOR 2021/ 2022 AND 2022/ 2023 FINANCIAL YEAR: ELECTRICITY SERVICE

VOTE	DETAILS	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
530	SALARIES	1 180 438	1 222 786.23	1 276 429.00	1 255 429.20
530	BONUS	98 220.00	99 732.24	103 032.00	104 619.10
530	SALGBC	841.00	865.20	1 907.00	907.20
530	ACTING ALLOWANCE	0	0	12 996.00	7 881.57
530	PENSION CONTRIBUTIONS	207 753.00	215 421.46	235 978.00	225 977.64
530	MEDICAL AID CONTRIBUTION	64 735.00	79 240.80	84 406.00	79 386.00
530	UIF CONTRIBUTION	11 704.00	12 599.60	15 139.00	13 111.62
530	OVERTIME	99 996.00	0	99 996.00	
530	CELLPHONE ALLOWANCE	9 600.00	9 600.00	9 600.00	9 600.00
530	STANDBY	0	0	39 156.00	28 344.00
530	FREE BASIC ELECTRICITY	1 139 123.00	53 008.13	739 123.00	54 793.72
530	SKILLS DEVELOPMENT LEVY	12 027.00	13 279.16	17 771.00	14 364.30
530	ALLOWANCES:NON-PENSIONABLE DANGER ALLOWANCE	0	0	48 468.00	44 429.00

VOTE	DETAILS	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
530	MATERIALS AND SUPPLIES	1 500 000	1 418 663 .10	1 500 000.00	1 231 176.87
530	ACTING AND POST RELATED ALLOWANCES	12 996	0	0	0
530	EXPENDITURE:OPERATIONAL COST:MUNICIPAL SERVICES	17 229 760	21 237 689.44	19 238 090.00	22 441 113.00
530	MEALS AND BEVERANGES	2 112	0	2 112.00	0
530	ACCOMODATION	10 512	0	10 512.00	0
530	TOLL GATE FEES	1 584	0	1 584.00	0
530	ENERGY EFFICIENCY PROGRAMME	0	0		
530	ACQUISITIONS DESIGN & IMPLEMENTATION OF ENERGY EFFICIENCY PROGRAMME	4 500 000.00	3 911 983.65	0	0
530	COST:ACQUISITIONS PURCHASE OF GENERATOR FOR MUNICIPAL BUILDING	0	0	500 000.00	0
530	ACQUISITIONS:OUTSOURCED ELECTRIFICATION OF MAGODONGO-250 HOUSEHOLDS	0	0	5 000 000.00	0
530	ACQUISITIONS:OUTSOURCED ELECTRIFICATION OF MOLOTO(MAFISHANE & DK WARD 2)350HOUSEHOLD	0	0	7 000 000.00	0
530	ACQUISITIONS:OUTSOURCED INSTALLATION OF HIGHMAST LIGHTS_ALL WARDS	0	0	1 135 045.83	0
530	CONTRACTORS:ELECTRICAL REPAIRS TO STREET LIGHTS	0	0	6 000 000.00	5 215 567.77

COMMENTS ON THE PERFORMANCE OF ELECTRICAL AND MECHANICAL ENGINEERING OVERALL

The electricity unit consist of only two artisans and 5 general workers which are responsible for all 32 wards, which makes it difficult for turnaround time on maintenance. The unit is currently reporting to the Assistant manager roads and stormwater, while we are looking at options on the organogram to adopt the well-established maintenance team for electrical unit during the coming financial years depending on the financial status of the Municipality.

3.4 WASTE MANAGEMENT (THIS SECTION INCLUDES REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND CEMENTORIES)

INTRODUCTION TO WASTE MANAGEMENT

The waste management section's function is to provide an acceptable, affordable and sustainable waste collection to all the residents of Thembisile Hani Local Municipality.
Description of the activity: -

- Refuse removal
- Street cleansing
- Clearing of illegal dumping sites
- Cemeteries

Solid Waste Service Delivery Levels			
	Households		
Description	2020/ 2021	2021/ 2022	2022/ 2023
	Actual	Actual	Actual
	No.	No.	No.
Solid Waste Removal: **(Minimum Level)**			
Removed at least fortnight	113 3381	164 419	67 404
Total Number Of Households	109 282	109 282	67 404

Municipal Integrated Waste Management Plan

The primary objective of compiling an IWMP is to integrate and optimise waste management so that the efficiency of the waste management system is maximised, and the impacts and financial costs associated with waste management are minimised, thereby improving the quality of life of all South Africans.

The objective of the status quo, or gap analysis, as the first phase in the development of an IWMP for THLM, is to qualify and quantify all aspects related to current waste management services and practices carried out by the Municipality, with a view to using this information as a basis for future waste management planning. The report therefore includes a situational analysis of the various themes of solid waste management relevant to THLM e.g. the areas serviced, the waste management services rendered, their efficiency, cost effectiveness, social and environmental acceptability, etc. Specific objectives of the gap analysis phase, as outlined in the terms of reference for the project.

The street cleaning and clearing of illegal dumping

The street cleaning and clearing of illegal dumping services is done by EPWP participants for all the streets in towns, main entrances, and open spaces. EPWP participants are appointed to assist with street cleaning services. The clearing of illegal dumping is done through municipal officials and private contractors. The Municipality has rolling out a stimus cleaning program from the Department of Forestry and Fisheries on the fourth quarter of the 2022/2023 financial year. The stimulus program has appointed 190 EPWP participants who are assisting with cleaning campaigns and on-going Street cleaning and illegal dumping sites. The department of Cooperative Governance and Traditional Affairs has also implemented youth in waste with 25 participants who are under 10 months' contracts to also assist with street cleaning and illegal dumping sites. Department of

Rural Development Land Environmental Affairs has also appointed beneficiaries that are assisting the municipality with the street cleaning in a different wards of the municipality.

Waste storage and disposal

Currently, there are is one class B permitted landfill site in Kwaggafontein. The Kwaggafontein landfill site is operational with five cells, offices, leachate pond, Weight Bridge and sorting and recycling facility. Two cells and licheate pond are finished. This will be the first land fill site to be constructed in Thembisile Hani LM. Construction of area 3600.491 m2 and 3675 disposal cell was done in the 2018/2019 financial year through MIG funds. Additional cell 3 Area 6452.053 m2, Cell 4 area 7429.131m2, Cell 5 area 5678.571m2, cell 6 Area 7626,389 m2 of disposal cells are still in the process of construction completed.

Recycling

There is only one buy-back centre in KwaMhlanga, and reclamation activities are taking place at the landfill site in Kwaggafontein, the Municipality has initiated the waste pickers' database in order to support waste pickers in all the 32. Currently the Municipality has assisted over 100 waste pickers with relief funding and PPE through the Department of Forestry Fisheries, and Environment. The Municipality is in the process of implementing recycling project on all it facilities by placing separation at source bins that will have different colours for all types of waste. The municipality has acquired a scale from PETCO in order to assist the waste pickers at Kwaggafontein Land fill site.

Environmental education and awareness

A number of awareness campaigns were conducted during the course of the financial year. Environmental educators were appointed through the Expanded Public Works Programme (EPWP) called 'Green Good Deeds' for a duration of 24 months. This project had positive impact on the successful implementation of environmental awareness campaigns and other Environmental programmes. The Municipality will be conducting capacity building about environmental management every quarter. The municipality has entered into partnership with the DFFE to implement a project with environmental graduate that will be assisting the municipality with environmental education and awareness for the period of 12 months.

Measures taken to improve performance

The construction of Kwaggafontein land fill site which is now complete and ready and operational. The Department of Environment Forestry and Fisheries have completed the process of appointing the service provider for the licensing Kwamhlanga and Verena new landfill sites. The waste collection and separation at source to be practice at schools the Municipality has provided 56 schools with recyptables to assist the schools with waste management.

The Municipality has have refurbished 12 skip bins in order to enhance waste collection services in the community, business and schools in the year 2022/2023 financial year. This will help the Municipality to collect waste effectively and efficiently as per the waste collection schedule. The Municipality will also be able to collect skip bins on business and school within a short period of time.





STREET CLEANING




CLEARING OF ILLEGAL DUMPING SITES




REFUSE REMOVAL




Chapter 3

EMPLOYEE INFORMATION

Waste Management & Environment					
Task Grade	2021/ 2022	2022/ 2023			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
15	3	4	3	1	25%
13 -11	0	1	1	0	0%
10 - 8	7	30	17	13	43%
7 - 5	4	5	4	1	20%
4 - 2	2	2	2	0	0%
Total	**16**	**42**	**27**	**15**	**35%**

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR 2021/ 2022 AND 2022/ 2023 FINANCIAL YEAR: SOLID WASTE MANAGEMENT

VOTE	DETAILS	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
520	SALARIES	5 178 676.00	4 595 450.27	5 432 436.00	4 761 842.28
520	BONUS	517 019.00	378 283.08	552 352.00	396 820.19
520	SALGBC	2 280.00	2 224.80	2 388.00	2 332.80
520	ACTING ALLOWANCES	48 636.00	36 861.72	51 024.00	32 600.19
520	PENSION CONTRIBUTIONS	888 972.00	887 739.41	932 532.00	931 231.44
520	MEDICAL AID CONTRIBUTION	382 656.00	369 580.28	401 412.00	365 491.80
520	HOUSING SUBSIDIES	0	0	0	0
520	UIF CONTRIBUTION	40 080.00	38 024.02	42 048.00	38 201.47
520	OVERTIME	0	0	0	0
520	UNEMPLOYMENT INSURANCE CONTRIBUTION TO UIF FOR EPWP WORKERS	0	0	75 000.00	0
520	ALLOWANCES:NON-PENSIONABLE DANGER ALLOWANCE	0	0	76 164.00	76 164.00
520	TRAVEL ALLOWANCES	141 000.00	140550.20	147 912.00	147 437.16
520	CELLPHONE ALLOWANCE	23 400.00	23 400	24 552.00	23 400.00
520	SKILLS DEVELOPMENT LEVY	59 184.00	52 456.20	59 184.00	55 369.65
520	PROVISION FOR LAND FILLSITE	1 650 000	1 101 653	0	0
520	EPWP	2 127 000.00	2 126 052.28	3 170 000.00	3 345 500.00

VOTE	DETAILS	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
520	EPWP(OWN FUNDING)	1 290 996.00	1 881 495.00	3 290 996.00	2 384 200.00
520	INVENTORY CONSUMED:MATERIALS AND SUPPLIES MATERIALS & SUPPLY	0	0	400 000.00	414 522.20
520	TRANSPORT WITHOUT OPERATOR	26 316.00	31 273.98	35 268.00	43 622.80
520	ACCOMODATION	31 056.00	15 053.00	41 056.00	35 970.00
520	FOOD & BEVERAGE	5 268.00	4 160.52	7 828.00	7 488.35
520	TOLL GATE FEES	2 628.00	165.00	2 628.00	0
520	CAR HIRE	8 952.00	0	8 952.00	1 960.00
520	FLIGHT BOOKING	12 096.00	0	12 096.00	4 540.50
520	UPGADE KWAGGA LAND FILL CIVIL ENGINEER	8 791 453.68	7 730 061.14	0	0
520	OPERATIONAL COST:UNIFORM AND PROTECTIVE CLOTHING PROTECTIVE CLOTHING FOR EPWP PROJECT 1	0	0	450 000.00	389 500.00
520	OUTSOURCED SERVICES:MINI DUMPING SITES KWAGGAFONTEIN DUMPING SITE	0	0	649 340.00	198 500.00
520	BUSINESS AND ADVISORY:MEDICAL EXAMINATIONS IMMUNIZATION FOR EPWP EMPLOYEES	0	0	40 000.00	0
520	CONTRACTORS:MAINTENANCE OF UNSPECIFIED ASSETS REPAIRS AND MAINTENANCE OF YELLOW BINS	0	0	200 000.00	198 280.00
520	OUTSOURCED SERVICES:LITTER PICKING AND STREET CLEANING	0	0	6 460 996.00	5 729 700.00
520	CONTRIBUTION TO PROVISIONS:DECOMMISSIONING; RESTORATION AND SIMILAR LIABILITIES:LANDFILL SITES	0	0	24 150 120.00	-1 008 414.00
520	COST: ACQUISITIONS PURCHASEOF COMPACTOR TRUCK FOR COVID 19	0	0	0	0
520	COST:ACQUISITION PURCHASE OF SKIP LOADER TRUCK FOR COVID 19 PURPOSES	0	0	0	0
520	CONSTRUCTION OF MULTI-PURPOSE CENTRE IN MOLOTO NORTH (MULTI-YEAR PROJECT) - WARD 2	0	0	0	0
520	UPGRADING OF KWAGGAFONTEIN STADIUM	0	0	0	0
520	UPGRADING OF KWAMHLANGA STADIUM (MULTI-YEAR PROJECT) - WARD 32	18 344 674.20	15 952 487.15	0	0

COMMENTS ON THE PERFORMANCE OF WASTE MANAGEMENT OVERALL

There are Expanded Public Works Programme projects in progress for cleaning the environment that will be registered as projects at the Department of Public Works. 200 EPWP participants were appointed under this programme in 2022/23 financial year.

Chapter 3

INTRODUCTION TO CEMETERIES AND CREMATORIUMS

The Municipality has forty (40) cemeteries located in different scatted villages. The community in the rest of the incorporated areas in the Thembisile Hani Local Municipality area utilises the cemeteries in the nearest vicinity. The service delivery priorities are to provide and maintain cemeteries, to continuously update and keep record of cemetery registers – now captured on a manual database. Plan and develop maintain future cemeteries to ensure that sufficient space is available. Another priority is to maintain and upgrade the existing equipment, vehicles, system, and procedures to ensure a quality service to the community. The foregoing priorities were not met the maintaining of all cemeteries by cutting grass, removal of weeds, and planting of trees. The database is kept up to date, and the cemetery registers are updated regularly. The vehicles and machinery were maintained and repaired where necessary. EPWP projects CoGTA participants have been appointed to assist the Municipality it waste management the team is being deployed to assist with waste management is all the cemeteries starting with the regional cemetery and through that, local people will receive an income and cemeteries will be cleaned representable.

CREMATORIUMS

Crematoriums not applicable to Thembisile Hani Local Municipality.

There are no Municipal entities rendering pollution control and bio diversity.

3.5 HOUSING

INTRODUCTION TO HUMAN SETTLEMENTS

To accelerate housing delivery through efficient and effective management and quality service delivery as well as through integrated and collective sustainable housing programmes. Our priority is to eradicate informal settlements and give our communities a dignity they deserve as contained in the constitution of the Republic of South Africa.

Percentage Of Households With Access To Basic Housing					
Year End	Total Households (Including In Formal And Informal Settlements)	Households In Formal Settlements	Percentage Of Hhs In Formal Settlements	Households In Informal Settlements	Percentage Of Hhs In Informal Settlements
2020/ 2021	109 600	75 345	90%	34 255	60%
2021/ 2022	109 600	75 345	90%	34 255	60%
2022/ 2023	110563	75345	68.1%	35 218	21.9%

EMPLOYEE INFORMATION

Employees: Human settlement Services (excluding town planning)					
Task Grade	2021/ 2022	2022/ 2023			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
15	1	0	0	0	0%
13 -11	1	0	0	0	0%

10 - 8	4	1	1	0	0%
7 - 5	0	0	0	0	0%
4 - 2	0	0	0	0	0%
Total	**6**	**1**	**1**	**0**	**0%**

COMMENTS ON THE PERFORMANCE OF HUMAN SETTLEMENTS OVERALL

The Thembisile Hani Local Municipality had 150 rural subsidy housing projects allocated on the IDP in 2016/2017 financial year. The housing project was implemented by the Provincial Department of Human Settlements. The Municipality perform the function to register housing needs register, identify and allocate beneficiaries for housing subsidies. In total from 2016/17 to 2017/18 the Municipality received 600 allocations for those two financial years. During the 2018/19 financial year Municipality received 150 allocations although there is still a back log remaining. The Municipality was allocated a 100 housing units during 2020/2021 financial year. There was no allocation for 2021/2022 and also there no allocation for 2022/ 2023.

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

- The Council accepts that they are responsible for the rendering of services in terms of schedules 4 and 5 of the constitution as well as other services which may be delegated by national and provincial government.
- Main sources of income consist of transfers from other spheres of government of which intergovernmental transfers are the most important. a portion of this income (equitable share) is earmarked for indigent relief which will be used to alleviate and address poverty
- The Municipality gives 6kl in respect of water to all our residential clients
- There is a portion of money paid over to Eskom on behalf of our clients for the 50kw of electricity provided to each household which in total amounted to R63 012.78.

CHALLENGES:

- The Municipality did not have a sufficient number of indigent in the register in the 2022/ 2023 financial year. Only 132 applications were approved to be in the register.

COMPONENT B: ROAD TRANSPORT

3.7 ROADS AND STORMWATER

The Municipal road network which serves as feeder roads to national road known as Moloto road R573, forms the backbone of our transportation system, making it possible to access both personal and economic needs within its jurisdiction and to meet the mobility and socio-economic needs of the communities. As the responsible roads authority for the construction and operations maintenance of the Municipal road network, Thembisile Hani Local Municipality has ensured that its strategic planning processes are in line with the Municipal Acts e.g. Dora, which provide guidance to the allocated funds within the Municipalities. Therefore, the Municipality achieved its road planning strategy by entirely depending on the allocated Municipal Infrastructure Grants (MIG) and its operational and maintenance funds. Major success in some villages of THLM, has been noticed through the work done by the Municipal maintenance teams and by the District Municipality. The challenges faced by the Municipality during 2020/21 FY, was again insufficient budget on both construction and maintenance due to the reprioritization of budget to cater water projects, insufficient resources and collection of revenue. In order to improve

performance, the Municipality drafted a programme of action, and made sure that resources are utilized efficiently and effectively so. During this period, assistance was also received from Nkangala District Municipality. Based on the information compiled by Endecon ubuntu for roads master plan THLM comprises of 2269.77km unpaved, 198.9km paved and 21.6 km interlocking block paved roads.

Gravel Road Infrastructure				
	Total Gravel Roads	New Gravel Roads constructed	Gravel Roads Upgraded To Tar/block paving	Gravel Roads Graded Or Maintained
2020/ 2021	2269.77	0km	4.8km	41km
2021/ 2022	2269.77	0km	4.1km	42km
2022/ 2023	2269.77	0km	5.2km	42km

Asphalted Road Infrastructure Kilometres					
	Total Asphalted Roads	New Asphalt Roads(Km)	Existing Asphalt Roads Re-Asphalted (Km)	Existing Asphalt Roads Re-Sheeted(Km)	Asphalt Roads Maintained (No.)
2020/ 2021	254,8km	0km	0km	0km	8 roads maintained
2021/ 2022	198,9km	0km	0km	0km	9 roads maintained
2022/ 2023	198,9km	0km	0km	0km	15 roads maintained

Paved roads completed in 2022/23 financial year by Thembisile Hani Local Municipality

a) Construction of Roads and Stormwater Ward 12 - 1.8km
b) Luthuli Link-bridge Road – 1.2km
c) Thembalethu Bus Route- 1.2km
d) Boekenhouthoek Bus Route – 1km

EMPLOYEE INFORMATION

Employees: Roads And Stormwater					
Task Grade	2021 /2022	2022/ 2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime Equivalents) No.	Vacancies (As A % Of Total Posts) %
15	1	1	1	0	0%
13 -11	1	2	2	0	0%
0 - 8	25	34	25	9	26%
7 - 5	0	4	0	4	100%

4 - 2	11	15	11	4	26%
Total	**38**	**56**	**39**	**17**	**30%**

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2021/ 2022 AND 2022/ 2023: ROAD AND STORMWATER

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
550	SALARIES	9 555 040	9 910 935.40	10 068 240.00	10 158 603.96
550	BONUS	879 924.00	818 478.41	923 040.00	838 454.60
550	BARGAINING COUNCIL	5 116.00	5283.90	5 469.00	5 475.60
550	ACTING ALLOWANCE	95 100.00	63 455.36	99 756.00	106 917.13
550	STANDBY ALLOWANCE	165 708.00	137 438.00	173 832.00	70 326.09
550	PENSION CONTRIBUTIONS	2 168 060	1 920 257.91	2 274 300.00	1 998 140.79
550	MEDICAL AID CONTRIBUTION	531 372.00	495 582.84	557 412.00	501 068.40
550	HOUSING SUBSIDIES	23 068.00	23 148.24	24 204.00	24 282.48
550	UIF CONTRIBUTION	85 128.00	88 073.32	89 304.00	87 958.57
550	CELLPHONE ALLOWANCES	31 796.00	33 000.00	33 360.00	33 000.00
550	TRAVEL ALLOWANCES	141 000.00	140550.20	175 849.00	147 437.16
550	OVERTIME:STRUCTURED OVERTIME	200 004.00	50464.84	209 808.00	203 266.51
550	SKILLS DEVELOPMENT LEVY	106 404.00	110 466.25	116 404.00	116 256.32
550	MATERIALS AND SUPPLIES	2 000 004	1 993 351.95	5 312 612.00	2 599 800.55
550	TRAVEL SUBSISTANCE	6840	4147	6 840.00	15 185.20
550	ACCOMODATION	15 792.00	5 560.00	15 792.00	11 628.00
550	FOOD AND BEVERAGES	5 256.00	0	5 256.00	3 240.88
550	TOLL GATE FEE	1 584.00	0	1 584.00	90.43
550	ALLOWANCES:NON-PENSIONABLE DANGER ALLOWANCE	0	0	69 240.00	19 041.00
550	CONTRACTORS:MAINTENANCE OF UNSPECIFIED ASSETS MAINTENANCE OF VARIOUS ROADS ALL WARDS(SUB SOIL DRAINAGE)	1 500 000	1 303 938	14 877 033.00	14 951 723.95
550	CONTRACTORS:MAINTENANCE OF UNSPECIFIED ASSETS CORR MAINT RE-GRAVELLING VARIOUS ROADS OWN FUNDS	7 600 000	7 545 091	14 877 033.00	14 951 723.95
550	UPGRADE LUTHULI LINK ROAD PHASE 2 FROM GRAVEL TO PAVED - WARD 22	39 783.41	34 594.27	0	0
550	CONSTRUCTION OF CHRIS HANI BUS ROUTE	0	0	0	0
550	DESIGN & CONSTRUCT SUN CITY AA BUS ROUTE WARD 20 MIG	0	0	0	0
550	CONSTRUCTION OF KWA-MHLANGA B LINK ROAD	0	0	0	0

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
550	CONSTRUCTION OF MOLOTO SOUTH BUS ROUTE - WARD 1 MIG	0	0	0	0
550	EXISTING:UPGRADING:ROAD INFRASTRUCTURE:MADAMINI BUS ROUTE	0	0	0	0
550	EXISTING:UPGRADING:ROAD INFRASTRUCTURE:ROADS MANDELA LUTHULI	13 459 140.00	12 451 258.27	4 027 707.00	3 502 353.80
550	EXISTING:UPGRADING:ROAD INFRASTRUCTURE:ROADS AND STORMWATER	11 523 144.74	9 502 954.80	55 441.00	48 208.23
550	EXISTING:UPGRADING:ROAD INFRASTRUCTURE:ROADS:THEMBALETHU BUS	4 612 403.68	4 010 885.40	955 434.99	830 813.11
550	THEMBALETHU BUS ROUTE OWN FUNDING	688 788.00	582 600.00	0	0
550	REHABILITATION OF THOKOZA(WARD18)	0	0	0	0
550	REHABILITATION RIETFONTEIN	0	0	0	0
550	ACQUISITIONS:OUTSOURCED REHABILITATION OF ROADS_ALL WARDS	0	0	11 250 000.00	9 782 608.94
550	ACQUISITIONS:OUTSOURCED UPGRADE KWAGGAFONTEIN A LINK ROAD FROM GRAVEL TO PAVED - WARD 27	0	0	1 000 000.00	869 278.10
550	ACQUISITIONS: OUTSOURCED UPGRADE PHOLA PARK BUS AND TAXI ROUTE FROM GRAVEL TO PAVED – WARD 6	0	0	5 500 000.00	4 782 537.79
550	ACQUISITIONS:OUTSOURCED UPGRADE TWEEFONTEIN E BUS ROUTE FROM GRAVEL TO PAVED - WARD 15	0	0	996 905.88	866 876.42
550	ACQUISITIONS:OUTSOURCED UPGRADE VERENA A-D BUS AND TAXI ROUTE FROM GRAVEL TO PAVED - WARD 08	0	0	1 000 000.00	869 565.22
550	CONSTRUCTION OF MOUNTAINVIEW (MANDELA DRIVE) BUS ROUTE - WARD 14 MIG	6 718 397.45	5 842 084.74	11 089 619.06	9 643 147.00
550	ACQUISITIONS:OUTSOURCED UPGRADEVERENA C BUS AND TAXI ROUTE FROM GRAVEL TO PAVED - WARD 11	0	0	993 357.75	863 789.35
550	ACQUISITIONS:OUTSOURCED CONSTRUCTION OF PEDESTRIAN BRIDGES	0	0	9 547 494.85	8 302 169.55
550	CONSTRUCTION OF MATHEYZENSLOOP BUS ROUTE - WARD 7 MIG	0	0	0	0
550	CONSTRUCTION OF BOEKENHOUTHOEK BUS ROUTE - WARD 24 MIG	3 164 456.00	2 751 695.10	2 580 292.00	2 243 073.29
550	CONSTRUCTION OF SUN CITY A BUS ROUTE - WARD 19 MIG	2 224 397	1 980 082.11	0	0
550	CONSTRUCTION OF ZAKEHNI BUS ROUTE - WARD 4 MIG	0	0	8 568 171.50	7 450 583.91

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
550	DESIGN & CONSTRUCT MOLOTO NORTH BUS ROUTE WARD 2 MIG	0	0	0	0

3.8 TRANSPORT (VEHICLE LICENSING)

INTRODUCTION TO TRANSPORT

Thembisile Hani Licensing and Testing Services carries out the licensing and testing function in terms of the Service Level Agreement entered into between Municipality and Mpumalanga Provincial Department of Community Safety, Security & Liaison. Thembisile Hani Local Municipality has one testing centres called kwaMhlanga licensing which offers vehicle testing services. Licensing Department offers the following services:

1. Vehicle Registrations and Renewal of Vehicle Licenses.
2. Issuing of learners and drivers licenses.
3. Issuing of roadworthy certificates and professional driving permits.
4. Conversion of foreign driver's licenses into South African licenses.
5. Issuing of instructor certificates, business licenses and dog licenses.
6. Fitting of microdot on the motor vehicles.
7. Issuing of motor trade numbers, temporary and special permits.
8. Deregistration of motor vehicles.
9. Maintaining 7 working days' turnaround time for the processing of learners and driver's licenses.

CHALLENGES ARE AS FOLLOWS:

1. Population has increased therefore there is also an increased demand for licensing services, but the facility is unsble to meet the customers' demands.
2. There is a need to upgrade the existing facilities and to build the new one as our Municipality is the fastest growing town.
3. Inadequate new eye testing machines to process the application for learners, driver's licenses and professional driving licenses.
4. Shortage of personnel especially at the testing station, currently there is only one Management

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

The municipality has in its own internal team which is responsible for stormwater construction and refurbishment. There is routine road maintenance program which is in place to supplement internal capacity. The municicipality has developed a stormwater masterplan which serves as a strategic plan for stormwater developmental programs within the municipality. According to the stormwater masterplan, most of villages within the municipality do not have sufficient stormwater drainage systems and they are prone to flooding. The municipal internal team has managed to refurbish and construct 300m of stone pitch stormwater channel during 2022/ 23 financial year.

Stormwater Infrastructure Kilometers				
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2020/ 2021	3.5	0	0	3.5
2021/ 2022	9.6	5.6	0	4
2022/ 2023	15.5	5.5	0	10

Cost of Construction/Maintenance R' 000			
	Stormwater Measures		
	New	Upgraded	Maintained
2020/ 2021	0	0	2 000
2021/ 2022	0	0	3 500
2022/ 2023	0	0	5 313

COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL

The four priority projects on roads and stormwater projects are listed herein under:

Capital Projects: Four Largest In 2022/23 of roads and Storm Water				
No.	Project Name And Detail	Total Project Value (R)	Start Date	End Date
1	Thembalethu Bus Route Ward 05	R 45 402 991,52	14-December-20	15 July 2022
2	Construction of Boekenhouthoek Bus Route- Ward 24	R 25 495 500,00	15-Sep-21	30 September 2022
3	Mandela- Luthuli Bridge road Ward 22	R 23 119 091,95	05-Aug-20	26 August 2022
4	Roads and Storm Water Ward 12	R 16 766 625,71	30-Nov-20	31 October 2022

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COMPONENT C: PLANNING AND DEVELOPMENT

3.10 PLANNING (INCLUDING OFFICE OF THE MUNICIPAL MANAGER'S UNIT)

INTRODUCTION TO PLANNING

The Town Planning unit is one of the strategic units within the department of Planning and Economic Development (PEDS) of Thembisile Hani Local Municipality. It is mandated to manage the spatial planning, built environment and land use management. Through working together with traditional leaders and other key stakeholders, the unit seeks to guide overall spatial distribution of current & desirable future land uses in order to give effect to sustainable development goals and objectives. The unit oversees:

- Town Planning services i.e. provision of zoning information and processing of various land use applications i.e. rezoning applications.
- Building Control - Plan submission, inspection and (dis) approval thereof.

Physical Planning	
Opportunities	**Challenges**
High proportion of land use management application	• Delays in turnaround time in terms of finalising applications.
Availability of developable land within THLM	• Most of the land is vested to national and provincial governments. • Land invasion is perpetuated allegedly by tribal formations.

SPATIAL DEVELOPMENT FRAMEWORK (SDF)

An SDF is a framework that seeks to guide, overall spatial distribution of current and desirable land uses within a Municipality in order to give effect to the vision, goals and objectives of the Municipal IDP. The aims of a Spatial Development Framework are to promote sustainable functional and integrated human settlements, maximise resource efficiency, and enhance regional identity and unique character of a place.

The Thembisile Hani Local Municipality SDF identified below mentioned areas as Strategic Development Arears (SDAs). SDAs are towns/villages or a group of villages located relatively close to each other where some form of economic, social and institutional activities, and a substantial number of people are usually found. These growth points seem to have a natural growth potential, but do not develop to their full potential due to the fact that capital investments are made on an ad hoc basis without any long term strategy for the area as a whole. The identified SDAs should be stimulated by amongst others, providing a higher level of service infrastructure which will ensure that appropriate services are available for potential business and service/light industrial concerns. The higher level of services, relative to other settlements in the area will also attract residential development to these growth points, with the implication that certain threshold values in population be reached, to provide for higher levels of social, physical, institutional and economic services;

• SDA 1: The area around the Moloto route between Moloto and KwaMhlanga (The Moloto settlement should thus expand in an easterly direction along the Moloto road and the proposed Moloto rail alignment).
• SDA 2: The area between KwaMhlanga and Enkeldoornoog which will represent infill development close to the KwaMhlanga Business Node and proposed railway station. This section has already experienced an influx of informal settlements.
• SDA 3: The eastern expansion areas around Kameelpoortnek towards the north of the KwaMhlanga intersection.
• SDA 4: The vacant area between route R573 (Moloto Road) and the northern extensions of Tweefontein (A, B, C, D, K, N and M). The Nkangala Municipality and Department of Human Settlements have already commenced with the establishment of two townships within SDA 4.
• SDA 5: The vacant area between Vlaklaagte 2 and Vlaklaagte 1 to the south of the Moloto road and rail.

• SDA 6: The area adjacent to route R573 (north and south) towards the west of Kwaggafontein, and surrounding the Kwaggafontein industrial area.
• SDA 7: The area to the south of Verena (towards Wolvenkop) and towards the north (Wellas) where informal settlement is already taking place, however it should be noted that the current Municipal SDF was prepared in 2015 and there will be a need for revival in the next financial year.

LAND USE MANAGEMENT SCHEME (LUMS)

A land use management scheme is a tool used by Municipality to guide and manage development according to the vision, strategies and policies of the Integrated Development Plan (IDP) and Spatial Development Framework (SDF), and in the interests of the general public to promote sustainable development and quality of life. The Municipality have recently developed and approved a SPLUMA compliant land use management scheme which came into operation on the 1st July 2020

The Land Use Scheme sets out the various Use Zones applicable to land and buildings in the Municipality and lists the purpose for which such land may and may not be used, and the purpose for which such land and buildings may only be used with consent of the Council. It sets out, among other things, general conditions applicable to all erven as well as new rules relating to "Spaza" or house shops, home enterprises, subsidiary dwelling units, child care centres on residential erven, land to be used for religious purposes, and conditions relating to agricultural holdings and farm land

TOWNSHIP ESTABLISHMENT

Below table indicates number of township within the Municipality and their status quo

Township name	Status of township	Number of sites	General Plan
KwaMhlanga-C	Approved- Developer appointed	1245	Yes
Vlaklaagte Township	Approved- Developer appointed	500	Yes
Vlaklaagte View	Approved- Developer appointed	1167	Yes
Mashiloville	Approved- Developer appointed	524	Yes
Emlanjeni	Approved- Developer appointed	500	Yes
Buhlebesizwe Ext 1 (khazamula)	Approved- Developer appointed	2682	No – only layout for now
Gemsbokspruit (Sokhabo)	Underway	800	No – only layout for now
Tweefontein (King Sokalana View)	Underway	1100	No - only layout for now

INTEGRATED HUMAN SETTLEMENTS PROJECTS

The Municipality in conjunction with Mpumalanga Department of Human Settlements have identified the following properties namely; portion 9 and 31 of Bultfontein 94 JS, Remainder of KwaMhlanga 617 JR and Portion 15 and 16 Witpoortjies for the integrated Human settlement projects entailing township establishment processes, Installation of Municipal Engineering services, Construction of top structure for qualifying beneficiaries.
The first phase of the project of which is township establishment process have successfully completed with the following approvals;

- Verena – 2018 sites
- Kwamhlanga -2826 sites
- King's Park opposite- 1167 Sites

EMPLOYEE INFORMATION

Employees: Town Planning					
Task Grade	2021/ 2022	2022/ 2023			
	Employees	Posts	Employees	Posts	Employees
	No.	No.	No.	No.	%
15	0	1	0	1	100%
13 -11	4	2	1	1	50%
10 - 8	1	2	1	1	50%
7 - 5	0	0	0	0	100%
4 - 2	0	0	0	0	0%
Total	5	5	2	3	60%

COMMENT ON TOWN PLANNING PERFORMANCE OVERALL

The town planning unit consists of only one Town Planner, three Building Inspectors and one Administrative officer. With high number of applications, the municipality receives on daily basis, there is an urgent need to augment the current pool of staff with at least two Town planners.

STRATEGIC PLANNING AND REGULATORY

In today's organisational environment, budget oriented planning or forecast methods are insufficient for the organisation to prosper. There is a need to engage in strategic planning that clearly defines objectives and assesses both the internal and external situation to formulate strategy, evaluate progress and make judgments as necessary to stay on track.

Strategic plans therefore identify strategically important outcomes orientated goals and objectives against which the Municipality's medium-term results can be measured and evaluated by various identified stakeholders. Annual performance plans identify the performance indicators and targets that the institution will seek to achieve in the upcoming budget year. This performance information is important for effective management, including planning, budgeting, implementation, reporting monitoring and evaluation.

As a component of its strategic plan, annual performance plan or IDP the Municipality must adopt, monitor and evaluate strategies that describe the approach the institution is to follow to create and operate monitoring and evaluation systems which will produce credible, accurate information on an on-going basis that gets used to improve service delivery and governance.

INTRODUCTION TO STRATEGIC PLANNING AND REGULATORY

Currently the department comprises the following units:

IDP UNIT

Integrated Development Planning is a process through which Municipalities prepare a strategic development plan which extends over a five-year period. The Integrated Development Plan (IDP) is a **product** of the IDP process. The IDP is the principal strategic planning instrument which guides and informs all planning, budgeting, management and decision-making processes in a Municipality.

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In terms of the Municipal Systems Act, 2000, (Systems Act) the Chairperson of the Executive Committee or Executive Mayor or the chairperson of the Committee of appointed Councilors has the responsibility to manage the drafting of the IDP or to assign this responsibility to the Municipal Manager. The Municipal Manager is responsible for the implementation and monitoring of the IDP process.

Thembisile Hani Local Municipality has an IDP unit, under the office of the Planning and Economic Development (PED) on its organizational structure. The key functions of the unit are as follows:

- providing inputs with regard to the development of the Municipal vision and strategy
- Ensures implementation and the productive execution of the Municipal vision.
- Compiling reports on divisional activities and progress in terms of action plans for consideration by Municipal Manager and Council.
- Representing the Municipality in multi-sectorial functions such as spatial planning, local economic development, infrastructure planning and development forums and functions.
- Participate and represent the Municipality in the districts IDP technical Committee. Representing the Municipality in local, district and provincial public meetings and Committees by making presentations, providing strategic inputs, communicating information in order to ensure participation.
- Manage administrative and organizational support for the coordination of IDP related activities.
- Preparing and communicating the process plan to ensure the understanding of the roles and responsibilities of all stakeholders.
- Manage development and review of the IDP and ensure the integration of the IDP/PMS/Budget in terms of statutes.

EMPLOYMENT INFORMATION

The IDP office is located within the Planning and Economic Development Services department. The following is a representation of positions in the IDP office as indicated on the 2022/ 2023 organisational structure.

Task Grade	Position	Status 2022/ 2023
15	Manager: Planning and Economic Development	Filled
10	IDP Coordinator	Vacant

COMMENT ON IDP PERFORMANCE OVERALL

The IDP unit is understaffed and requires at least two coordinators to support the assistant manager. This further makes it difficult to adhere to set timeframes and complete the required phases on time. The Municipality also has financial problems and cannot adequately provide for a budget aimed at the facilitation of stakeholder engagement meetings and workshops. There are also inadequate sector planning to support the various chapters of the IDP, this further frustrates priority setting and informed planning.

PERFORMANCE MANAGEMENT UNIT

The objective of performance management is to improve the performance of the Municipality as guided by the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) (MSA), Local Government: Municipal Planning and Performance Management Regulations, 2001 and Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA). Performance Management is the central management tool which assist the Council to improve service delivery by channelling the efforts of its departments and employees to meet performance targets and in so doing ensure that the Municipality achieves its strategic objectives.

It is a strategic approach to management, which equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organisation in terms of indicators and targets for efficiency, effectiveness and impact. The PMS will therefore ensure that all leaders, managers and individuals in the Municipality is held accountable for their actions, which should bring about improved service delivery and value for money.

EMPLOYEE INFORMATION

COUNCIL-APPROVED PERFORMANCE MANAGEMENT SYSTEM UNIT STRUCTURE

Task Grade	Position	2022/ 20223
15	Assistant Manager: PMS	Filled
10	PMS Coordinator x2	Filled

COMMENT ON PMS PERFORMANCE OVERALL

The Performance Management System unit (PMS) consists of Assistant Manager and Two PMS Coordinators. The Assistant Manager PMS reports direct to the Municipal Manager. All the 2022/ 2023 quarterly performance reports are in place and also audited by our Internal Audit unit. The 2022/ 2023 PMS policy framework was adopted by Council.

INTERNAL AUDIT UNIT

Internal Audit is an independent function established within the Municipality to examine and evaluate the Municipality's activities. The purpose of Internal Auditing is to provide independent, objective assurance and consulting services designed to add value and improve the organization's operations.

The objective of Internal Audit is to assist the accounting officer and the Audit Committee in the effective discharge of their responsibilities; Internal Audit will provide them with independent analysis, appraisals, recommendations, counsel and information concerning the activities reviewed, with a view of improving accountability and performance

INTERNAL AUDIT RESPONSIBILITIES

THLM Internal Audit unit draws its mandate from the MFMA section 165, standards for the professional practice of Internal Auditing and the Internal Audit Charter approved by the Audit Committee. We further make reference to king report on corporate governance (king IV) customized into local government environment.

MFMA section 165(2) states that the Internal Audit unit of a Municipality must:

- prepare a risk-based audit plan and an Internal Audit program for each financial year;
- advise the accounting officer and report to the Audit Committee on the implementation of the Internal Audit Plan and matters relating to-
  - Internal Audit;
  - Internal Controls;
  - Accounting procedures and practices;
  - Risk and Risk Management;
  - Performance Management;
  - Loss control; and
  - Compliance with this Act, the annual division of revenue Act and any other applicable legislation; and
- Perform such other duties as may be assigned to it by the accounting officer.

When executing its responsibilities, THLM Internal Audit Unit follows the standards for the professional practice of internal Auditing.

According to the Institute of Internal Auditors (IIA) Internal Auditing is defined as *"an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.*

EMPLOYEE INFORMATION

COUNCIL-APPROVED INTERNAL AUDIT UNIT STRUCTURE

Task Grade	Position	2022/ 2023
15	Chief Audit Executive	Filled
12	Senior Internal Auditor	Filled
12	Senior Internal Auditor	Filled

COMMENT ON INTERNAL AUDIT PERFORMANCE OVERALL

THLM Internal Audit unit performed its **2022/ 2023** operations as per the risk-based Internal Audit Plan approved by the Audit Committee for the financial year. According to the plan, the unit had Twenty-two (22) planned audits and all the audits were executed and reported to Audit Committee.

As required by the MFMA, both the accounting officer and the Audit Committee were kept abreast of identified significant findings pertaining to internal controls; accounting procedures and practices; risk and risk management; performance management; loss control; and compliance with Acts relevant to the Municipality through submission of audit reports. Progress reports on implementation of the Internal Audit Plan were also submitted.

COMMUNICATION

OBJECTIVE

The main objective of this unit is to ensure effective communication within the municipality and externally to stakeholders and the community at large. In order for the Municipality to be able to realise our vision "to better the lives of our people through equitable, sustainable service delivery and economic development" we need to work together. It is the constitutional right of each and every member of the community to know what is happening in their Municipality, this unit is there to close the gap between the Municipality and its stakeholders by communicating municipal service delivery issues to the Municipal stakeholders including the community.

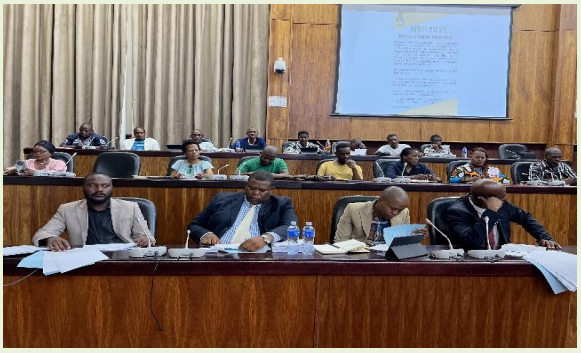
EMPLOYMENT INFORMATION

Task Grade	Position	2022/23
15	Assistant Manager: Communication	Filled

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Below are some of the photos taken by the Communication Unit during events or activities that were held at the Municipality:







COMMENT ON COMMUNICATION PERFORMANCE OVERALL

In an effort to ensure effective communication, we have utilized radio segments on IKwekwezi FM, which is a public broadcaster, to communicate service delivery issues, primarily water issues and bad road conditions, which have been a significant challenge during the current fiscal year. The Executive Mayor, the Municipal Manager, and the Head of Communication (HoC) were constantly reporting on the municipality's progress on these platforms. In the media sessions, audiences who are residents of Thembisile Hani Local Municipality (THLM) are given the opportunity to pose queries regarding service delivery issues in THLM to the Municipal representatives. Through the HoC, we conducted ongoing interviews with local media, Flare FM, Moutse Community Radio Station (MCRS) and Ikutani FM to inform the public about Municipal developmental programs.

The Unit has been a member of planning teams for events organized by the Municipality and other departments (Provincial and National). The unit is responsible for media mobilization, the creation of a Communication Strategy and Plan, branding, and any other logistics that necessitate municipal interventions in the case of external events. Through iKwekwezi FM, MCRS, KCRS, Eyethu FM, Ikutani FM, and Inakekelo FM, the unit broadcasts community-related announcements. Additionally, public notices are posted on the notice boards that are affixed on our municipal buildings. Municipality-related issues that require communication or clarification are communicated through media statements. The Daily Sun, Mpumalanga Press, and Thembisile News also cover our stories.

Due to budgetary constraints, the Municipality published three quarterly newsletters for the year under review, as opposed to four. The Municipality uses social media to strengthen communication, as it is currently expanding as technology advances. Our Facebook page is active and as frequently updated as feasible. There are currently 18,000 people who follow the page. On Mondays, the Municipality posts content on its Facebook page and other media about the five (5) pillars of service delivery.

YOUTH DEVELOPMENT

OBJECTIVE

- To mainstream youth development in the affairs and structures of THLM through yearly planning, implementation, monitoring and evaluation of youth programmes utilising an escalating budget.
- To increase the active participation of THLM youth in the local economy
- To decrease the rate of drugs and substance abuse
- To curb the high rate of pregnancy and raise HIV/AIDS awareness amongst the youth through multifaceted programmes
- Skills development of unemployed youth through integrated skills development programme

EMPLOYMENT INFORMATION

Task Grade	Position	2022/ 2023
15	Assistant Manager: Youth	Filled
10	Coordinator: Youth	Filled

COMMENT ON YOUTH DEVELLPMENT PERFORMANCE OVERALL

Our youth development programmes must provide a wide range of services, opportunities and support to young people. The programme must build on the strength of young people through skills development, leadership training, mentoring and transitioning youth through different life and problem stages.
Focus areas:

1. Need's (not in education, employment and/or training)
2. Life and personal skills development
3. Work skills development

4. Leadership and mentoring development
5. Education and
6. Entrepreneurship.

Our programmes are mostly done on a holistic level utilising social inclusion of Non-governmental Organisations and Non-profit Organisation. The following are the youth organisations in existence within the municipality:

1. Funda Nathi
2. United Communities – Imbizo (UNICO)
3. MAYO
4. VIVACE
5. Goldenfinch
6. Grind SA
7. Goodhope
8. Prospect
9. Upbeat
10. Lesedi
11. Izwi Lami

RELATIONSHIP BETWEEN THEMBISILE HANI LOCAL MUNICIPALITY YOUTH DEVELOPMENT UNIT AND NATIONAL YOUTH DEVELOPMENT AGENCY

Our relations with the National Youth Development on youth development related issues and programs continued to bear fruits for Thembisile Hani Local Municipality youth. This is informed by the continuous support that the youth in business are getting through their grant scheme. During the financial year 2021/22 the year under review, the NYDA has continued to fund the youth own co-operatives , SMME's and informal business through their grant scheme. On the 15th July 2022 NYDA had conducted an outreach programme whereby young people were informed about business opportunities. The event was conducted at Kwaggafontein whereby 50 participants graced the occasion.
Furthermore, NYDA also conducted Management Business Training on the 23rd October 2022 at Vlaklaagte 1 whrerin 24 youth participated

CAREER GUIDANCE AND COUNSELLING
THEMBISILE HANI LOCAL MUNICIPALITY CAREER EXHIBITION

One key area in youth development its education. Education also empowers individuals to participate meaningfully in the society. The amount and quality of education received by individuals is strongly associated with the probability of finding employment and with the level of wages one can expect to earn. It is for this reason, education is widely regarded as a key mechanism for bringing about transformation, eradication of poverty and reduction of unemployment. It is for that reason that the youth development will continuously conducting career guidance and counselling to the out-of-school youth (NEETs) and the youth at school.

This financial year 2022/23 and on the 02 December 2022 a career expo/ exit opportunities was held at Prospect Centre wherin 86 National Youth Services participants were given information about various opportunities they may pursue. Thembisile Hani Youth Development Unit (THYDU) in partnership with national Department of agriculture conducted an Agri- Career Expo on the 23rd June 2023 at Phumzile Secondary School addressing Sustainable Developmental Goals (SDG, 1, 2 and 4), 189 grade 11 and 12 learners were reached respectively.

DRUGS AND SUBSTANCE ABUSE

The municipality has over the years ensured the establishment and existence of the Local Drug Action Committee (LDAC), which has been working tirelessly in the fight against drugs and substance abuse by conducting door-to-door campaign, dialogues, face-to-face engagement, blitz and assisting with rehabilitation process. On the 3rd May 2023, LDAC conducted a

substance abuse awareness campaign at Verena, wherein 163 learners were reached. Furthermore, LDAC also reached 83 learners at Mkhempuli Secondary School by 23rd May 2023 raising a substance abuse awareness. On the 21st June 2023, LDAC conducted a blitz (information sharing) at Verena taxi rank wherein 120 people were reached.

SPORTS

Thembisile Hani Youth Development Unit (THYDU) has been able to pull all strings working together with the Department of Sports, Arts and Culture (DSAC) and Thembisile Hani Athletics Club (THAC) to host Solomon Mahlangu Marathon, which is currently registered with Mpumalanga Athletics. The marathon will be taking place during the month of October every year. On the 29th October 2022, THYDU in partnership with THAC held a successful half marathon. We envisage that in 2023 the marathon will run the following distances 5 km (fun walk/run), 10 km, 21 km and 42 km, with further intentions to register the 42 km as a pre-qualification for the Comrades Marathon by 2024. Furthermore, it is also envisage that there will be Mayoral Cup by August 2023

LIFE SKILLS

Teenage pregnancy is one of the challenges which beset the municipality especially school going girls. In mitigating such challenge THYDU in partnership with PEPFAR, USAID, FHI 360 conducted a pregnancy awareness campaign as well as giving mentoring and entrepreneurial skills to the girls below 24. The programme was conducted on the 11 May 2023 wherein 56 young girls benefited.

ENTREPRENEURSHIP / FUNDING ROADSHOW

On the 2nd February 2023 THYDU in partnership with the Office of the Premier (Mpumalanga) conducted a funding roadshow about Mpumalanga Youth Development Fund (MYDF) giving information about the fund as well as on how to ago about in completing the applications (MYDF). Two roadshow sessions were held at Vezubuhle and Kwaggafontein Community Halls wherein 134 budding entrepreneurs were reached respectively.

MAYORAL ACADEMIC AWARDS

On the 17th February 2023 there was Mayoral Awards for top perfomring learners as well as the circuit. The awarding ceremony was held at Khulisa Palace.

LEADERSHIP AND MENTORING

On the 10th February 2023 at KwaMhlanga community hall THYDU held a Summit whereby 50 participipants graced the occasion**.** Furthermore, THYDU in promoting leadership programme has exposed youth to various schemes such as Activate and Young African Leadership Initiative whereby four youth from our municipality have participated.

FINANCIAL PERFORMANCE EXPENDITURE FOR 2021/2022 AND 2022/2023: MUNICIPAL MANAGER'S, TOWN SECRETARY AND CHIEF EXECUTIVE

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
102	SALARIES	5 495 556.00	4 736416.25	5 932 529.00	4 351 729.10
102	SALGBC	612.00	545.90	0	0

102	ACTING ALLOWANCE	138 996.00	9500.94	145 800.00	35 321.60
102	PENSION CONTRIBUTIONS	262 092.00	255 836.00	336 241.00	338 511.99
102	MEDICAL AID CONTRIBUTIONS	165 492.00	138849.36	188 344.00	126 052.16
102	U I F CONTRIBUTIONS	10 956.00	12 044.16	13 671.00	11 335.68
102	TRAVEL ALLOWANCES	720 000.00	700000	836 045.00	619 999.92
102	CELLPHONE ALLOWANCES	102 000.00	97 000.00	106 607.00	87 500.00
102	SKILLS DEVELOPMENT LEVY	79 788.00	58 170.01	83 288.00	50 435.63
102	TRAVELLING AND SUBSISTANCE	99 996.00	39189.84	99 996.00	154 182.58
102	ACCOMODATION	129 996.00	59 952.66	129 996.00	121 095.75
102	FOOD AND BEVERAGES	41 316.00	15 206.08	41 316.00	32 979.31
102	OPERATIONAL COST:EXTERNAL AUDIT FEES	5 791 500.00	6 133 543.52	7 699 682.00	9 358 836.65
102	TOLL GATE FEES	15 000.00	495.48	15 000.00	1 499.00
102	CAR HIRE	21 060.00	2 803.48	21 060.00	0
102	FLIGHT BOOKING	47 376.00	12 179.54	47 376.00	29 407.20

FINANCIAL PERFORMANCE EXPENDITURE FOR 2021/2022 AND 2022/2023: GOVERNANCE: INTERNAL AUDIT

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
102	SALARIES	1 504 572.00	1 545 890.61	1 618 300.00	1 612 197.96
102	BONUS	117 120.00	128 073.50	134 856.00	134 349.83
102	SALGBC	336.00	370.80	394.00	388.80
102	SEMINAR,CONFERENCE WORKSHOP AND EVENTS: REGISTRATION FEE	40 056.00	0	40 056.00	15 558.26
102	ACTING ALLOWANCE	21 240.00	9069.26	32 284.00	24 038.17
102	PENSION CONTRIBUTIONS	234 396.00	276 640.29	295 880.00	290 195.64
472	MEDICAL AID CONTRIBUTIONS	84 852.00	103276.80	109 016.00	109 375.20
102	UIF CONTRIBUTIONS	5 352.00	6 376.32	6 616.00	6 376.32
102	TRAVEL ALLOWANCES	141 000.00	140550.20	147 912.00	147 437.16
102	CELLPHONE ALLOWANCES	9 000.00	9 000.00	9 444.00	9 000.00
102	MEMBERSHIP FEES	15 000.00	8 875.14	18 000.00	6 559.87
102	SKILLS DEVELOPMENT LEVY	17 232.00	18 011.94	21 732.00	19 333.75
102	TRAVELLING AND SUBSISTANCE	31 596.00	15328.88	31 596.00	14 680.61
102	ACCOMODATION	77 832.00	15 500.00	77 832.00	22 937.42
102	FOOD AND BEVERAGES	18 456.00	4 364.00	18 456.00	5 921.06
102	TOLL GATE FEES	5 796.00	0	5 796.00	86.96

102	CAR HIRE	21 060.00	0	21 060.00	3 960.00
102	FLIGHT BOOKING	36 852.00	0	36 852.00	15 066.50
102	ACCOUNTING AND AUDITING AUDIT INFORMATION (IT AUDITS.....)	900 000.00	900 000.00	900 000.00	900 000.00

FINANCIAL PERFORMANCE EXPENDITURE FOR 2021/2022 AND 2022/2023: COMMUNICATION, PMS, YOUTH DEVELOPMENT AND OTHER UNITS)

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
102	SALARIES	8 686 560.00	8372092.82	9 112 200.00	8 681 020.75
102	BONUS	886 500.00	704493.44	929 940.00	711 315.67
102	SALGBC	11 580.00	2 564.70	12 144.00	2 786.40
102	ACTING ALLOWANCE	232 200.00	25 098.52	102 382.00	21 191.13
102	PENSION CONTRIBUTIONS	1 722 536.00	1 605346.10	1 851 936.00	1 680 140.09
102	MEDICAL AID CONTRIBUTIONS	780 000.00	762434.28	853 220.00	804 152.40
102	U I F CONTRIBUTIONS	44 252.00	44634.24	47 916.00	44 988.48
102	TRAVEL ALLOWANCES	802 504.00	779 472.88	737 186.00	737 185.80
102	CELLPHONE ALLOWANCES	81 900.00	76650	71 400.00	71 400.00
102	NATIONAL REGISTRATION FOR ATTENDING CONFERENCES/WORKSHOP	40 000.00	4 279.13	39 996.00	15 197.39
102	ALLOWANCES:NON-PENSIONABLE DANGER ALLOWANCE	0	0	13 848.00	0
102	SKILLS DEVELOPMENT LEVY	101 368.00	106 654.82	126 546.00	110 031.40

102	TRAVELLING AND SUBSISTANCE	100 000.00	97875.94	94 996.00	116 617.90
102	SHIFT ADDITIONAL REMUNERATION	139 476.00	108 000.00	108 000.00	213 914.52
102	ACCOMODATION	119 676.00	82 510.00	159 676.00	156 231.00
102	DOMESTIC:FOOD AND BEVERAGE (SERVED)	31 944.00	20 596.53	51 944.00	42 798.51
102	OVERTIME STRUCTURED	216 492.00	263 576.16	276 494.00	276 494.40
102	TOLL GATE FEES	2 628.00	173.91	2 628.00	0
102	CAR HIRE	20 000.00	870.00	20 004.00	2 960.00
102	FLIGHT BOOKINGS	35 000.00	13 314.90	40 004.00	36 859.62
102	CATERING	259 216.00	162 040.00	259 212.00	247 920.00
102	STAND BY ALLOWANCE	222 864.00	158922.10	165 895.00	165 894.72
102	MEDALS FOR FUN RUN /WALK	28 860.00	24 950.00	28 860.00	25 230.00
102	CONTRACTORS:MINT OF DECORATIONS	0	0	28 860.00	25 230.00
102	SPORTS AN RECREATION, REFEREES	10 500.00	0	10 500.00	0
102	ADVERTISING,PUBLICITY AND MARKETING GIFTS AND PROMOTIONAL ITEMS	309 624.00	303 055.00	309 624.00	306 493.00
102	HIRE CHARGES	15 000.00	6 650.00	15 000.00	7 450.00
102	TRANSPORT PROVIDER	192 480.00	172 436.60	192 480.00	172 177.00
102	SERVICE RELATED BENEFITS:UNIFORM/SPECIAL/PROTECTIVE CLOTHING CLOTHING ALLOWANCE FOR VIP PROTECTORS	0	0	60 000.00	60 000.00

102	GRANT IN KIND FOR CO-OPERATIVE	200 000.00	199 600.00	0	0

FINANCIAL PERFORMANCE EXPENDITURE FOR 2021/2022 AND 2022/2023: GOVERNANCE: RISK MANAGEMENT

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
102	SALARIES	696 876.00	705 750.82	741 028.00	737 186.04
102	BONUS	53 556.00	58 562.58	61 684.00	61 432.17
102	SALGBC	108.00	123.60	183.00	129.60
102	PENSION CONTRIBUTIONS	124 776.00	126 495.11	132 896.00	132 693.48
623	MEDICAL AID CONTRIBUTIONS	35 060.00	49 521.60	56 780.00	51 588.00
102	EXPENDITURE:CONTRACTED SERVICES:CONSULTANTS AND PROFESSIONAL SERVICES:BUSINESS AND ADVISORY:FORENSIC INVESTIGATORS	0	0	749 996.00	649 923.50
102	UIF CONTRIBUTIONS	2 088.00	2 125.44	2 196.00	2 125.44
102	TRAVEL ALLOWANCES	141 000.00	140550.20	147 912.00	147 437.16
102	CELLPHONE ALLOWANCES	9 000.00	9 000.00	9 000.00	9 000.00
102	SKILLS DEVELOPMENT LEVY	7 940.00	8 826.95	8 944.00	9 220.00
102	TRAVELLING AND SUBSISTANCE	28 400.00	4829.390	28 400.00	4829.390
102	ACCOMODATION	40 836.00	12 920.00	40 836.00	11 841.35
102	FOOD AND BEVERANGES	15 804.00	4 164.70	15 804.00	3 638.91

102	TOLL GATE FEES	792.00	0	792.00	0
102	CAR HIRE	7 896.00	0	7 896.00	0
102	FLIGHT BOOKINGS	0	0	15 792.00	10 000.25
102	OPERATIONAL COST:PROFESSIONAL BODIES; MEMBERSHIP AND SUBSCRIPTION-MEMBERSHIP FEES IRMSA	15 792.00	0	21 000.00	19 023.48
102	SEMINARS; CONFERENCES; WORKSHOPS AND EVENTS: NATIONAL SEMINARS	2 112.00	1 755.00	2 112.00	0

COMMENT ON STRATEGIC PLANNING PERFORMANCE OVERALL

The department of Municipal Manager does not dispose over any capital projects and functions mainly focus on compliance with various Acts and Regulations.

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

The performance by the LED Unit is 83% for the 2022/ 2023 financial year as compared to 87% for 2021/ 2022 financial year. The Unit has also re-established Local Economic Development (LED) forum with different stakeholders. These stakeholders range from government departments, SMME`s, NGO`s and Associations. The Forum was re-established in December 2022 and has since established working groups which are aligned to the economic sectors whichwithin the municipal area. The working groups are SMME`s and Cooperatives development, Rural Development, Agriculture and Tourism, Transport and logistics, Industrialization, Mining and Manufacturing and Infrastructure and Spatial Development.

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LED STRATEGY

The Local Economic Development (LED) strategy is once again being reviewed with the assistance of the Nkangala District Municipality (NDM). The process plan of the draft strategy was presented to management for the members to understand it and make inputs in case they had. It is expected that the strategy will be a working document and will be improved from time to time as and when members feel so.

INVESTMENT ATTRACTION STRATEGY

The Department has tabled to Council the investment attraction strategy. The strategy has been adopted by council and it is expected that the Department will use the strategy to woo strategy to the Municipal shores to boost investment within the Municipality.

OUTREACH MEETINGS

The Unit hosted 2 outreach meetings for the previous year (2022/ 2023). These are meetings held with communities using stakeholders with a variety of skills and expertise aimed at enlightening members of the community on a particular subject: The outreach meetings are hosted in community halls, Kwaggafontein, Vezubuhle and Phola Park.

- Phola Community Hall
- Vezubuhle Community Hall (Ithemba Lomphakathi)

CREATION OF JOB OPPORTUNITIES THROUGH THE CAP

The LED Unit coordinated the creation of 1 375 down from 1 460 job opportunities through Community Works Programme (CWP)

JOBS CREATED

Description	Number Of Jobs Created	
	2021/ 2022	2022/ 2023
Community Work Program (CWP)	1300	1 375
EPWP (Environmental Sector)	140	140
EPWP (Social Sector)	-	-
MRTT	20	20
Total	1 460	1 535

EMPLOYMENT INFORMATION

Employees: Local Economic Development Services					
Task Grade	2021/ 2022	2022/ 2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime Equivalents) No.	Vacancies (As A % Of Total Posts) %
15	1	1	1	0	0%
13 -11	0	0	0	0	0%
10 - 8	2	4	3	1	0%
7 - 5	0	0	0	0	0%
4 - 2	0	0	0	0	0%
Total	**3**	**5**	**4**	**1**	**20%**

FINANCIAL PERFORMANCE EXPENDITURE 2021/ 2022 AND 2022/ 2023: LED AND IDP

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
103	SALARIES	4 583 830.00	4 094 744.64	5 545 622.00	4 809 779.68
103	BONUS	403 926.00	338 727.67	485 152.00	380 299.76

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
103	SALGBC	6 604.00	1 236.00	1 296.00	1 382.40
103	ACTING ALLOWANCE	20 000.00	0	40 488.00	46 121.83
103	PENSION CONTRIBUTIONS	610 356.00	803 132.86	842 486.00	970 229.14
103	MEDICAL AID CONTRIBUTION	230 640.00	182 086.32	302 028.00	260 794.80
103	UIF CONTRIBUTION	26 740.00	21 254.40	30 181.00	22 494.24
103	CELLPHONE ALLOWANCES	28 800.00	28 200.00	39 216.00	34 800.00
103	TRAVEL ALLOWANCE	221 152.00	223964.24	379 418.00	338 624.94
103	SUBSISTANCE ALLOWANCE	62 076.00	7 079.77	58 876.00	38 186.90
103	ACCOMODATION	42 120.00	8 340.00	42 120.00	29 805.00
103	PROMOTIONAL ITEMS	0	0	0	0
103	FOOD & BEVERANGE	6 576.00	2 233.40	9 776.00	7 840.25
103	TOWN PLANNING	0	0	0	0
103	REMOVAL OF LAND INVADORS	0	0	0	0
103	BUSINESS AND ADVISORY	0	0	0	0
103	GRANTS IN –KIND TO SMME	0	0	0	0
103	LED PLAN	0	0	0	0
103	TOLL GATE FEES	1 584.00	0	1 584.00	1 134.44
103	CAR HIRE	20 000.00	1 740.00	20 004.00	11 708.00
103	FLIGHT BOOKING	18 432.00	5 892.00	18 432.00	11 069.20
103	IDP PROCESS	0	0	0	0
103	CONTRACTORS:CATERING SERVICES CATERING FOR IDPBUDGET INDABA	0	0	94 770.00	52 250.00
103	PRINTING AND PUBLICATION & BOOKS	0	0	89 996.00	0
103	ADVERTISING FINAL IDP	0	0	56 126.00	51 435.37
103	DOMESTIC:ACCOMODATION FOR STRATEGIC PLANNING	0	0	210 060.00	160 920.00
103	DOMESTIC:FOOD AND BEVERAGE (SERVED) FOR STRATEGIC PLANNING	0	0	75 972.00	44 607.60
103	OPERATIONAL COST:HIRE CHARGES OF CONFERENCE VENUE FOR STRATEGIC PLANNING	0	0	78 140.00	77 517.00
103	SKILLS LEVY	52 584.00	45 584.73	58 069.00	55 949.22
103	ACQUISITIONS: OUTSOURCED CONSTRUCTION OF STALLS	0	0	0	0
103	TOWN ESTABLISHMENTT/FONTEIN E KWAGGA D	0	0	0	0
103	MANAGEMENT OF INFORMAL SETTLEMENTS MGT OF INFOR SETTLEMENTS REMOVAL OF LAND INVADERS COVID 19	0	0	0	0

Chapter 3

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This Component Includes: Libraries; Sports, Art & Culture, Community Halls; A Child Care; Aged Care; Social Programmes, Gender.

3.12 LIBRARIES, EDUCATION, COMMUNITY FACILITIES AND SPORTS.

INTRODUCTION TO LIBRARIES AND OTHERS

LIBRARIES

The Municipal library services play a very important role in the work, education, and culture. The services that the libraries provide help people to carry out their work, studies and leisure time activities. Librarians assist anyone who needs assistance in finding information from books, encyclopedias, Encarta, pamphlets, periodicals and internet to meet their needs.

Community members take part in special programs and events in the library section, e.g., school projects, storytelling, reading clubs, etc.

Service Objectives	Service Targets	2021/ 2022	2022/ 2023
Library Campaigns	2	Stoty telling event was held at Empumelelweni Creche in Tweefontein A as part of literacy week. Two High Schools attended a library week at Phumula Library	8 library campaigns held in 2022/2023. Youth day celebration, literacy campaign, literacy campaign x 2, heritage and literacy campaign x2, library orientation.

EMPLOYEE INFORMATION

Employees: Libraries, Archives; Community Facilities; Other					
Task Grade	2021/ 2022	2022/ 2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
15	1	1	1	0	0%
13 -11	3	2	2	0	0%
10 – 8	1	3	3	0	0%
7 – 5	3	0	0	0	0%
4 – 2	37	4	3	1	25%
Total	**45**	**10**	**9**	**1**	**10%**

COMMENT ON LIBRARY SERVICES PERFORMANCE OVERALL

- Two library events were held at Empumelelweni Creche and at Phumula Library.

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR SOCIAL DEVELOPMENT 107(COMMUNITY SERVICES) 2021/ 2022 AND 2022/ 2023

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
107	SALARIES	2 362 768.00	2 456 104.11	1 741 354.00	1 921 961.28
107	BONUS	379 164.00	202 507.66	336 308.00	150 999.23
107	SALGBC	1 584.00	988.80	1 544.00	972.00
107	ACTING ALLOWANCE	23 868.00	20 072.20	23 868.00	16 354.56
107	PENSION CONTRIBUTIONS	530 048.00	505785.35	393 839.00	388 182.00
107	MEDICAL AID CONTRIBUTIONS	390 904.00	303 078.24	349 980.00	286 338.00
107	UIF CONTRIBUTIONS	16 496.00	16 156.83	15 179.00	15 146.66
107	TRAVEL ALLOWANCES	141 000.00	140550.20	0	0
107	CELLPHONE ALLOWANCES	18 216.00	18 600.00	9 216.00	9 600.00
107	SKILLS DEVELOPMENT LEVY	42 264.00	29 904.65	33 809.00	22 623.64
107	TRAVELLING AND SUBSISTANCE	27 456.00	5488.51	27 456.00	
107	ACCOMODATION	42 168.00	30 333.00	52 168.00	50 692.00
107	FOOD AND BEVERAGE	10 464.00	9 000.63	20 464.00	16 141.10
107	CATERING FOR HIV/AIDS	0	0	0	0
107	ADVERTISING PUBLICITY AND MARKETING FOR HIV/AIDS	37 956.00	0	37 956.00	29 200.00
107	TOLL GATE FEE	1 584.00	706.08	1 584.00	1 140.70
107	CAR HIRE	3 684.00	0	3 684.00	2 880.00
107	FLIGHT BOOKING	3 000	0	3 000.00	0

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR SPORTS GROUND, STADIUMS AND SPORTS FACILITY MANAGEMENT FOR 2021/ 2022 AND 2022/ 2023

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
300	SALARIES	4 914 272.00	4695142.46	5 155 068.00	4 695 821.04
300	SALGBC	2 924.00	2708.90	3 072.00	2 721.60
300	PENSION CONTRIBUTIONS	962 600.00	939975.07	1 009 764.00	955 336.68
300	MEDICAL AID CONTRIBUTIONS	437 576.00	411644.64	459 012.00	425 923.20
300	UIF CONTRIBUTIONS	45 382.00	43591.04	47 604.00	42 696.21
300	TRAVEL ALLOWANCES	141 000.00	140 550.20	147 108.00	147 437.16
300	CELLPHONE ALLOWANCES	18 600.00	18 600.00	19 512.00	18 600.00
	SKILLS DEVELOPMENT LEVY	57 124.00	54646.58	67 120.00	54 145.86
300	ACTING AND POST RELATED ALLOWANCES	20 000.00	67 268.97	75 000.00	55 219.97
300	ACTING AND POST RELATED ALLOWANCES	20 000.00	67 268.97	75 000.00	65 498.24
300	CONTRACTORS:BUILDING SIGNAGE FOR GEOGRAPHIC NAMING COMMITTEE	144 000.00	139 684.16	144 000.00	0
300	TOLL GATE FEES	2 496.00	0	2 496.00	0

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
300	BONUS	660 348.00	397 522.81	692 700.00	391 318.42
300	TRANSPORT WITHOUT OPERATOR:OWN TRANSPORT OWN TRANSPORT	0	0	0	3 342.84
300	FLIGHT BOOKING	0	0	0	0
300	CONTRACTORS	0	0	0	0
300	CATERING	0	0	0	0
300	ADVERTISING,PUBLICITY AND MARKETING	0	0	0	0
300	CONSUMABLES:STANDARD RATED BOTTLED WATER FOR MINI MARATHON	0	0	0	0
300	ACCOMODATION SAMSRA GAMES	0	0	0	0
300	FOOD AND BEVERAGES SAMSRA	0	0	0	0
300	INSTRUMENT FOR ARTS AND CULTURE	0	0	0	0
300	EVENT PROMOTER MARKETING OF ARTS EXHIBITIONS	0	0	0	0

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR COMMUNITY HALLS AND FACILITIES FOR 2021/ 2022 AND 2022/ 2023

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
300	SALARIES	2 651 670.00	2742617.16	2 781 600.00	2 571 159.69
300	SALGBC	3 864.00	2 121.80	4 056.00	2 073.00
300	PENSION CONTRIBUTIONS	1 378 800.00	555673.51	1 446 360.00	530 246.90
300	MEDICAL AID CONTRIBUTIONS	535 020.00	310432.80	561 240.00	325 985.52
300	U I F CONTRIBUTIONS	121 488.00	34229.72	127 440.00	32 693.39
300	SKILLS DEVELOPMENT LEVY	59 244.00	33 485.97	59 244.00	30 528.72
300	TOLL GATE FEES	15 804.00	0	15 804.00	0
300	CONTRACTORS:BUILDING SERVICING AIRCONS AT MUNICIPAL OFFICES BY CONTRACTORS	252 400.00	241 415.00	252 396.00	0
300	INVENTORY CONSUMED:MATERIAL AND SUPPLIES	675 844.00	539 045.79	700 848.00	177 869.63
300	CONTRACTORS:BUILDING REPAIRS TO MUNICIPAL OFFICE BUILDINGS BY BUILDING CONTRACTOR	99 996.00	99 724.70	6 700 000.00	5 732 642.04
300	CONSUMABLE : STANDARD RATED	55 296.00	0	55 296.00	0
300	BONUS	478 500.00	247711.98	501 948.00	214 011.93
300	CELL PHONE	14 400.00	4 800.00	4 800.00	4 800.00
300	OVERTIME STRUCTURED	159 996.00	0	167 832.00	0

300	ACTING AND POST RELATED ALLOWANCES	76 836.00	67764.19	80 604.00	68 442.63

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR LIBRARY AND ARCHIVES FOR 2021/ 2022 AND 2022/ 2023

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
300	SALARIES	1 400 000.00	1547302.70	1 368 596.00	1 259 781.74
300	OVERTIME:NON STRUCTURED	20 000.00	0	0	0
300	ACTING AND POST RELATED ALLOWANCES	20 000.00	2 386.75	100 000.00	25 036.66
300	SALGBC	700.00	607.70	732.00	540.00
300	PENSION CONTRIBUTIONS	270 000.00	296 091.51	283 236.00	248 031.30
300	MEDICAL AID CONTRIBUTIONS	110 000.00	142 203.60	115 392.00	123 371.40
300	UIF CONTRIBUTIONS	9 300.00	10 450.08	9 756.00	8 856.00
300	SKILLS DEVELOPMENT LEVY	17 000.00	17 502.84	17 004.00	14 294.48
300	TOLL GATE FEES	0	0	0	0
300	BONUS	131 000.00	130 727.92	137 424.00	98 905.34

COMMENTS ON THE PERFORMANCE OF LIBRARIES, SPORTS AND OTHERS OVERALL

The Municipality graded thirty-five (35) sports fields during 2022/ 2023 financial year. Bookings of facilities are on record for the hiring of these facilities.

3.13 CEMETORIES AND CREMATORIUMS

INTRODUCTION TO CEMETORIES

Currently, eight (40) cemeteries under Thembisile Hani Local Municipality which form part of the municipal maintanace program. The municipal cemetery maintanace program commence in the regional cemetery called Buhlebesiwe. Some of the cemeteries need development of roads and continuas maintanace. The community in the rest of the incorporated areas in the Thembisile Hani Local Municipality area utilises the cemeteries in the nearest vicinity.

COMMENT ON THE PERFORMANCE OF CEMETORIES

The service delivery priorities are to provide and maintain cemeteries, to continuously update and keep record of cemetery registers – also captured on electronic database. Plan and develop future cemeteries to ensure that sufficient space is available. Another priority is to maintain and upgrade the existing equipment, vehicles, system, and procedures to ensure a quality service to the community. The foregoing priorities will be met through maintaining all cemeteries by cutting grass, removal of weeds, and planting of trees. The database neeed to be developed and kept up to date, and the cemetery registers updated regularly. EPWP projects were introduced to clean cemeteries on a daily basis, and through that, local people received an income and cemeteries are cleaned.

3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES (HEALTH AND WELFARE)

There is only one community hospital in the sub-region, Kwamhlanga hospital. There are six Community Health Centres (CHC) namely

- Kwaggafontein CHC
- Buhlebesizwe CHC
- Verena CHC
- Moloto CHC
- Thembalethu CHC
- Kwamhlanga CHC

There are fifteen clinics namely;

- Zithabiseni clinic
- Goederede clinic
- Mzimuhle clinic
- Matheyzensloop clinic
- Kwaggafontein “a” clinic
- Tweefontein “a” clinic
- Tweefontein ‘c’ clinic
- Tweefontein ‘d’ clinic
- Tweefontein ‘h’ clinic
- Veterinary clinic Kwafene
- Tweefontein ‘m’ clinic
- Empilweni clinic
- Kameelpoortnek clinic
- Kwamhlanga clinic
- Vriesgewacht clinic
- Vlaklaagte no.1 clinic

The Municipality needs to strengthen the HIV/AIDS awareness campaign in its area of jurisdiction to minimise the infection rate. The high unemployment rate and the lack of skills creates poverty and increases the demand for social grants provision by government

COMMENT ON CHILD CARE; AGED CARE; SOCIAL PROGRAMMES PERFORMANCE OVERALL

The health service unit consist of one person who is coordinator, reporting to the Manager Social Development Service. The unit is fully functional. The Municipality conducted dialogues, HIV counselling and testing (hot) campaigns and training to support and reduce the impact of the HIV/AIDS on individuals, family community and society by expanding access to appropriate treatment, adhere care and support in accordance with the South African Strategic Plan (NSP) 2022/ 2027 to address focus for impact, and reach the 90 goals by 2030. The Municipality conducted 11 HIV/AIDS related campaigns in 2022/ 2023 financial year. Thembisile Hani Local Municipality has established a local Command Council which assist with the coordination of response strategies and programmes.

Chapter 3

TRANSVERSAL

INTRODUCTION

The special programmes unit in the office of the Manager SDS, (which comprises four sub-programmes: issues on the status of women, issues on the status of persons with disability issues on the rights of a child and issues on elderly) is amongst others mandated to monitor and evaluate mainstreaming of gender equality and women empowerment, rights of persons with disability, elderly and rights of children into programmes of the Municipality. The core functions of special programmes unit are: advocacy, capacity building, policy analysis, research, monitoring and evaluation.

Strategies

- Guide the Municipality in developing appropriate programmes.
- Provide strategic interventions to facilitate gender policy implementation in the Municipality.
- Promote the integration of gender equity and equality, and women, persons with disability, elderly and children empowerment in the Municipality development programmes and service delivery
- Raise awareness on the constitutional and development roles and responsibilities of Municipal department stake holders as development agents.
- Alert stakeholders of the Municipality about the gender implications of their work.
- Contribute to the development of the performance systems by introducing gender-sensitive indicators

COMMENT ON TRANSVERSAL PERFORMANCE OVERALL

The Municipality has two officials dealing with special programmes in conjunction with the Nkangala District municipality.

EMPLOYEE INFORMATION

Employees: Transversal					
Task Grade	2021/ 2022	2022/ 2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
15	0	0	0	0	0%
13 -11	1	1	1	0	0%
10 - 8	0	0	0	0	0%
7 - 5	1	1	1	0	0%
4 - 2	0	0	0	0	0%
Total	**2**	**2**	**2**	**0**	**0%**

Transversal Unit implemented 20 programmatic activities/ events during 2023.

FINANCIAL PERFORMANCE 2021/ 2022 AND 2022/ 2023: CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The child care, aged care and social programme are using the same vote with libraries under vote 107: Social Development Services.

COMPONENT E: ENVIROMENTAL PROTECTION

3.15 POLLUTION CONTROL

Not a function of Thembisile Hani Local Municipality.

3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (E.G. COASTAL PROTECTION)

Not a function of Thembisile Hani Local Municipality.

COMPONENT F: HEALTH

3.17 CLINICS

Not a function of Thembisile Hani Local Municipality.

3.18 AMBULANCE SERVICES

Not a function of Thembisile Hani Local Municipality.

3.19 HEALTH INSPECTION OF PREMISE AND BUSINESS FOR LICENCING

Environmental health services continued to be provided without funding from National Treasury. with a limited budget and diminishing resources the nine functional areas relating to environmental health services as defined in the National Health Act, no. 61 of 2003 were carried out but not fully to ensure effective and efficient service delivery within the areas of thembisile.

The service delivery priorities focused on water quality monitoring, food quality and safety, health surveillance of premises and vector control. However, the departmental of Technical Services was used for the monitoring of water quality.

COMMENT ON HEALTH INSPECTION AND ENVIROMENTAL HEALTH PERFORMANCE OVERALL

The Municipality conducted (96) business inspections in (37) villages. Routine business inspections were conducted by the environmental health practitioner.

EMPLOYEE INFORMATION

Employees: Health Inspection (Environmental Health)					
Job Level	2021/ 2022	2022/ 2023			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
15	0	0	0	0	0%
13 -11	0	0	0	0	0%
10 - 8	0	0	0	0	0%

7 - 5	0	0	0	0	0%
4 - 2	0	0	0	0	0%
Total	**0**	**0**	**0**	**0**	**0%**

COMPONENT G: SECURITY AND SAFETY

3.20 POLICE

Not a function of Thembisile Hani Local Municipality.

3.21 FIRE

Nkangala District Municipality assist THLM with this function.

3.22 OTHER (DISASTER MANAGEMENT, SECURITY AND SAFETY)

DISATER MANAGEMENT

INTRODUCTION

The Municipality has a disaster management plan and plays a role in mobilizing a multi sectorial presentation respond to fire and other disaster are in the Municipality.

Strategies

- To ensure effective policing and access to emergency services.
- To promote inter-governmental relations.
- To develop disaster management plan.
- Development of risk management plan.

COMMENT ON DISASTER MANAGEMENT PERFORMANCE OVERALL

The Disaster Management Unit despite having only one official and insufficient budget managed to respond to a number of disaster incidents in the financial 2022/ 2023.

EMPLOYEE INFORMATION

Employees: disaster management					
Task Grade	2021/ 2022	2022/ 2023			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
15	0	0	0	0	0%

13 -11	0	0	0	0	0%
10 - 8	1	1	1	0	0%
7 - 5	0	0	0	0	0%
4 - 2	0	0	0	0	0%
Total	**1**	**1**	**1**	**0**	**0%**

SECURITY AND SAFETY (TRAFFIC LAW ENFORECEMENT AND LICENCING)

INTRODUCTION

According to schedule 4-part B and schedule 5-part B of the constitution Municipal public transport and traffic policing is the competency of the Municipality.

A brief background of the Municipal traffic

The Traffic department operates with 20 Traffic Officers – namely; 2 senior superintendents, 2 assistant superintendents, 2 superintendents, 14 traffic officers.

AARTO implementation

The roll out of the administrative adjudication of the Road Traffic Offences Act has been approved by the Council under item number: TH-NDC 37/08/2011.

NB: The Municipality is amongst the eight (8) Issuing Authorities to implementing AARTO with effect from 1st October 2021.

Comment on safety and security performance overall

i) monthly joint security clusters plenary meetings:

The Traffic department attends Technical Committee munimec, safety forum, Mpumalanga LETCOM.

The Traffic department attends Technical Committee MUNIMEC, Community Safety Forum, and Mpumalanga LETCOM.

ii) case flow meetings:
The traffic department attends monthly meeting to ensure smooth running of cases at courts.

iii) joint police and traffic operations:
The traffic department does ongoing operations with other law enforcement agencies in the Municipality.

EMPLOYEE INFORMATION

Employees: Traffic					
Task Grade	**2021/ 2022**	**2022/ 2023**			
	Employees	**Posts**	**Employees**	**Vacancies (fulltime equivalents)**	**Vacancies (as a % of total posts)**
	No.	**No.**	**No.**	**No.**	**%**
15	0	1	0	1	100%

13 -11	6	11	6	5	45%
10 - 8	17	28	17	11	39%
7 - 5	0	6	0	6	100%
4 - 2	0	0	0	0	0%
Total	**23**	**46**	**23**	**23**	**50%**

FINANCIAL PERFORMANCE EXPENDITURE 2021/ 2022 AND 2022/ 2023 FINANCIAL YEAR: TRAFFIC SERVICES

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
108	SALARIES	9 848 076.00	9 895045.33	10 580 632.00	10 171 778.68
108	BONUS	811 824.00	815836.48	891 604.00	855 813.61
108	SALGBC	4 036.00	4 202.40	4 436.00	4 320.00
108	ACTING ALLOWANCE	48 996.00	34 796.72	51 396.00	28 610.26
108	OVERTIME: STRUCTURED	219 504.00	189 594.62	230 256.00	217 225.04
108	ALLOWANCES:NON-PENSIONABLE DANGER ALLOWANCE	0	0	145 404.00	133 287.00
108	PENSION CONTRIBUTIONS	1 846 456.00	1 936615.54	2 036 932.00	2 013 873.52
108	MEDICAL AID CONTRIBUTIONS	1 155 251.00	1 228861.44	1 262 857.00	1 283 468.04
108	HOUSING SUBSIDIES	32 676.00	23 148.24	34 272.00	24 282.48
108	STANDBY ALLOWANCE	97 332.00	18 984.00	102 096.00	21 120.08
108	U I F CONTRIBUTIONS	68 412.00	71949.98	76 260.00	70 624.26
108	CELLPHONE ALLOWANCES	48 804.00	43 200.00	48 804.00	43 380.64
108	SKILLS DEVELOPMENT LEVY	108 584.00	122182.03	128 588.00	128 889.20
108	SUBSISTANCE AND TRAVELLING	0	0	0	0
108	REPAIRS & MAINTENANCE OF SPEED CAMERA	56,015.00	7 044	56 016.00	0
108	ACCOMODATION	102 120.00	5 160.00	102 120.00	9 993.00
108	FOOD AND BEVERAGES	23 388.00	1 881.60	23 388.00	5 264.25
108	FIRE ARMS FOR TRAFFIC OFFICERS	0	0	0	0
108	PROVISION BAD DEBTS TRAFFIC FINES	0	1 690 945.37	0	0
108	TOLL GATE FEES	2 628.00	173.91	2 628.00	0
108	SHIFT ALLOWANCE	656 352.00	626 621.50	688 512.00	657 323.76
108	SECURITY SERVICES	27 241 798.00	27 111 798.31	31 344 447.00	30 832 756.32
108	TRAFFIC UNIFORMS	0	0		

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
108	MATERIALS AND SUPPLIES	300 000.00	328 343.00	300 000.00	86 550.00
108	DEBT COLLECTORS FOR TRAFFIC FINES	880 896.00	1 251 187.04	0	0

COMPONENT H: SPORT AND RECREATION

3.23 SPORT AND RECREATION

INTRODUCTION

Community Services provides a number of benefits to our community, which helps to strengthen families, build healthy communities, improve the quality of life for residents and encourage the healthy development of children and help inspire community leaders to achieve cohesive society.

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

(a) **Building and maintenance of the community parks:**

The municipality has managed successfully to build and maintained two community parks in Mzimuhle village and Kwamhlanga Township. The community parks provide for instrinsic environmental, aesthetic and recreation benfits to the communities at large and also assist in reducing self – distructive, anti – Social Behavior and reduce crime in the communities.

(b) **Maintenance of community sports fields**:

The municipality managed successfully to grade and maintain 32 community sports fields in various villages and townships and thus managed to promote access to basic sports infrastructure services.

The municipality supported the hosting of sports capmaigns, activities and sports festivals at the Solomon Mahlangu stadium which served amongst other things as the economic generators and thus attracted prime economic development.

(c) **Management of out door gym:**

The municipality has managed successfully to promote access to the out door gym at the Mthombomuhle stadium which reduces the severity of illness and disability – lowering health care costs and attained self sufficient communities.

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE FOR SPORTS GROUND, STADIUMS AND SPORTS FACILITY MANAGEMENT FOR 2021/ 2022 AND 2022/ 2023

The Sport and Recreation is using the same vote with Sprots Ground, Stadiums and Sports Facility Management under vote 300: Communicty and Social Services.

Chapter 3

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: Corporate Policy Offices, Financial Services, Human Resource Services, ICT Services, and Property Services.

INTRODUCTION TO CORPORATE POLICY OFFICES

Chapter 7 of the constitution of the Republic of South Africa states that the Municipality comprise of Councillors, officials and the community. In order for the Municipality to govern its affairs correctly it must consult with the community to ensure that needs are correctly determined, explained and included in the IDP for service delivery purposes. Policies must be put in place which will address the needs of the community in terms of how service delivery matters will be addressed.

In order for the Municipality to be able to address the service delivery matters the Municipality must approve a budget that will be commensurate with the needs/projects identified for the particular year. This budget must also address matters of staff and this can only be achieved through the costed organogram that must be cost effective but also provide sufficient managerial and other positions in order to be able to render effective and satisfactory delivery of services.

Management must ensure that tools of trade are made available to the staff. This will include ICT services and networks including the necessary licenses. In order for the Municipality to finance the service delivery issues it must ensure that the budgetary expenditure will be redeemed through cash collection that will be generated by payment for services. the payment for services will be covered by the payments for rates and taxes and will include proper and sufficient Municipal service delivery networks like water pipes and reservoirs as well as sewer and electrical (street lights and high mast lights) networks and plant and equipment.

3.24 EXECUTIVE AND COUNCIL

This component includes: executive office (Executive Mayor; Councilors; and Public Participation).

INTRODUCTION TO EXECUTIVE AND COUNCIL

In terms of chapter 7 section 151 (2) of the constitution of the Republic of South Africa, 1996, the executive and legislative authority of a Municipality is vested in its Municipal Council.

The Municipal Council of the Thembisile Hani Local Municipality is established as a Municipality with a Mayoral Committee system which is combined with a Ward participatory system in terms of chapter 12 of the Municipal Structures Act, 117 of 1998. Section 152 of the constitution spells out categorically clear, the objectives of local government and the powers and functions of Municipalities are determined in Section 156 of the Constitution.
The executive authority of the Council is vested with the Executive Mayor who must however report to Council and is assisted by the members of the Mayoral Committee established by the Executive Mayor and can take decision. However, there are certain matters on which the Executive Mayor as the head of the Municipality cannot take decisions i.e. the approval of the budget, IDP and by-laws, as these matters cannot be delegated and must be approved by Council.

In terms of delegation of powers certain matters may be delegated to the Executive Mayor by Council who will in turn also sub-delegate to the Municipal Manager. The Municipal Manager may also sub-delegate to managers who may in turn further sub-delegate to other officials.
Section 152 of the constitution sets among others the following objectives for local government:

(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

In order to ensure sustainable service delivery to the community's Council sets the top three service delivery priorities as follows in order to achieve good governance levels.

- Risk management: Council has developed risk management strategy or policy that enables Council to conduct risk assessment which has already been done. This exercise also enabled the Council to develop a plan on internal controls to mitigate and control.
- Internal Audit: Council managed to establish the Audit Committee and it sits regularly assisting on assessing the reporting on management of risk and other matters relating to good governance.
- Accounting and auditing: Council has established the Audit Committee which assists in reviewing the Annual Financial Statements and also to monitor the effectiveness of the internal controls and risk management.

SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

Detail	2021/ 2022		2022/ 2023	
	Special Meetings	Ordinary Meetings	Special Meetings	Ordinary Meetings
Mayoral Committee	02	09	01	11
Technical Service Committee	00	02	00	08
SS Committee	00	05	00	09
Audit Committee	02	04	02	04
Corporate Services	00	06	00	11
PED Committee	00	02	00	04
Finance Committee	00	04	00	11
Council Meeting	07	07	05	06
Corporate Services Committee	00	06	00	11
MPAC	05	03	05	03

EMPLOYEE INFORMATION

Employees: The Executive And Council					
Job Level	2021/ 2022	2022/ 2023			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
0 - 3	9	9	9	0	0%
4 - 6	55	55	55	0	0%
7 - 9	0	0	0	0	0
10 - 12	0	0	0	0	0%

13 - 15	0	0	0	0	0
Total	**64**	**64**	**64**	**0**	**0%**

EXPENDITURE ON COUNCIL GENERAL (100) FOR 2021/ 2022 AND 2022/ 2023 FINANCIAL YEAR:

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
100	SALARIES	5 025 631.00	4 058 322.39	5 249 608.00	4 368 691.07
100	MOBILE DATA BUNDLES	271 536.00	230 377.27	281 052.00	222 315.96
100	PENSION CONTRIBUTIONS	2 885 846.00	2 490 498.91	2 949 456.00	2 580 061.56
100	MEDICAL AID CONTRIBUTIONS	653 496.00	294 662.46	713 102.00	257 959.96
100	TRAVEL ALLOWANCES	6 013 460.00	5 046 656.53	6 334 755.00	5 456 511.86
100	CELLPHONE ALLOWANCES	2 412 696.00	2 605 992.03	2 488 104.00	2 614 600.00
100	CLR ALLOWANCES	9 598 258.00	10 309 898.63	10 022 633.00	10 378 261.78
100	BUSINESS AND ADVISORY: WARD COMMITTEE TRAINING	0	0	96 156.00	96 000.00
100	RADIO AND TV TRANSMISSION	0	0	0	0
100	PLANTS FLOWERS AND DECORACTION (SOMA)	0	0	166 400.00	0
100	CATERING SERVICES	0	0	819 356.00	614 054.50
100	MEMBERSHIP FEES	2 843 406.00	1 942 165.75	3 159 336.00	2 026 753.00
100	SKILLS DEVELOPMENT LEVY	220 956.00	179 828.95	300 956.00	189 410.34
100	PUBLIC PARTICIPATION	260 054.40	260 052.00	0	0
100	CONTRACTORS:PHOTOGRAPHER PHOTOGRAPHY-MPAC	5 004.00	0	5 004.00	4 700.00
100	TRAVELLING AND SUBSISTANCE	111 704.40	54 857.38	124 116.00	98 050.75
100	ACCOMODATION	665 844.80	539 158.41	848 520.00	458 737.80
100	WARD COMMITTEES EXPENSES	4 227 850.50	2 375 873.00	3 840 000.00	3 701 000.00
100	CORPORATE AND MUNICIPAL ACTIVITIES	0	0	0	0
100	FOOD AND BEVERAGES	222 803.60	109 993.13	246 108.00	78 786.72
100	ENTERTAINMENT:EXECUTIVE MAYOR CLLR GENERAL REFRESHMENTS MAYOR	84 240.00	39 185.00	84 240.00	12 631.63
100	OTHER TRANSPORT PROVIDER	679 442.40	288 949.00	810 428.00	488 190.00
100	TOLL GATE FEES	31 956.00	286.96	31 956.00	173.91
100	CAR HIRE	63 180.00	58 077.97	63 180.00	41 363.20

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
100	FLIGHT BOOKING	79 120.80	14 906.07	87 912.00	18 880.13
100	CLEANING SERVICES: LAUNDRY SERVICES DRY CLEAN SERVICE (GOWN FOR SPEAKER.....)	996.00	710.00	996.00	90.00
100	ADVERTISING; PUBLICITY AND MARKETING:CORPORATE AND MUNICIPAL ACTIVITIES	297 504.00	284 480.00	165 001.00	137 492.00
100	CONTRACTORS:STAGE AND SOUND CREW SOUND AND STAGE HIRE FOR PUBLIC PARTICIPATION	0	0	247 405.00	244 903.00
100	EXPENDITURE:OPERATIONAL COST:PRINTING; PUBLICATIONS AND BOOKS)	0	0	230 000.00	161 220.00
100	COST: ACQUISITIONS PROCUMENT OF VEHICLE (COVID 19)	0	0	0	0
100	COMMUNICATION: RADIO AND TV TRANSMISSIONS: RADIO AND TV INTERVIEWS	98 460.00	98 360.00	274 404.00	242 778.00

EXPENDITURE ON FOR 2021/ 2022 AND 2022/ 2023 FINANCIAL YEAR: COUNCIL GENERAL (100)

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
100	SOMA	184 800.00	184 800.00	0	0
100	GRANTS IN-KIND	45 000.00	0	0	0
100	PRINTING,PUBLICATION & BOOKS	0	0	230 000.00	161 220.00
100	SEMINARS, CONFERENCE WORKSHOP	123 504.00	50 380.00	0	0

3.25 FINANCIAL SERVICES

INTRODUCTION TO BUDGET AND TREASURY OFFICE

The department deals with the administration of finances of the Municipality i.e. own budget as well as the money received from government fiscal i.e. allocation by government to the Municipality to enhance service delivery as in MIG and equitable shares. In order for the Municipality to have effective service delivery, budget and IDP processes is being followed in order to ensure Public Participation to cover all community proposals in terms of projects.

The department must develop budget related policies and by-laws to govern consistently charging of moneys for services rendered to the communities. There will be internal and external audits in order to ensure management of risk and curbing corruption while encouraging the implementation of policies.

Debt Recovery					
R					
Details Of The Types Of Account Raised And Recovered	2021/ 2022		2022/ 2023		
	Actual For Accounts Billed In Year	Actual Amount collected	Actual Amount Collected	Actual For Accounts Billed In Year	Proportion Of Accounts Value Billed That Were Collected %
Property Rates	52 067 121	27 778 759	37 369 661	57 434 989	65
Water	88 829 327	2 204 260	6 469 467	90 667 974	7
Sanitation	1 898 189	196 027	322 738	2 084 034	14
Refuse	36 038 713	1 101 271	2 058 511	37 881 956	5
Total	**178 833 350**	**31 280 317**	**46 220 376**	**188 068 953**	**91**

The following problems were identified with regards to the below average collection rate and we have identified initiatives that will make a difference in the collection rate. One of the main actions to take is to make sure that we intensify the education to communities to pay Municipal services.

Different strategies have to be put in place for regular defaulters as opposed to consumers defaulting occasionally: -

- Through awareness campaigns, consumers need to be made aware of the services provided by the Council.
- We need to explain to the consumers why they have to pay for services
- Provision of incentives such as the 90% Amnesty reduction
- Political support
- Issuing monthly statements to the consumer on regularly for payment of services
- The deposits of regular defaulters should be increased according to their liability profile
- Implementation of credit control policy

EMPLOYEE INFORMATION

Employees: Financial Services					
Task Grade	2021/ 2022	2022/ 2023			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
15	4	6	6	0	0%
13 -11	13	17	13	1	6%
10 - 8	11	17	17	0	0%
7 - 5	8	8	8	0	0%
4 - 2	0	0	0	0	0%
Total	**36**	**48**	**44**	**1**	**2%**

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2021/ 2022 AND 2022/ 2023: BUDGET AND TREASURY (104)

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
104	SALARIES	8 672 868.00	8 163 834.82	9 097 836.00	8 542 936.23
104	SALARIES INTERNS	750 456.00	650 532.20	741 496.00	459 476.36
104	BONUS INTERNS	58 200.00	53 041.34	61 056.00	42 628.17
104	BONUS	771 024.00	671 612.92	845 226.00	707 209.47
104	SALGBC	3 084.00	3 090.00	4 240.00	3 250.80
104	SALGBC-INTERNS	564.00	381.10	588.00	345.60
104	ACTING ALLOWANCE	245 112.00	138 014.14	257 124.00	140 231.54
104	PENSION CONTRIBUTIONS	1 240 128.00	1 692 575.74	1 800 896.00	1 786 323.37
104	MEDICAL AID CONTRIBUTIONS	757 740.00	804 146.88	887 520.00	870 737.04
104	HOUSING SUBSIDIES	22 792.00	23 148.24	23 904.00	17 200.09
104	UIF CONTRIBUTIONS	57 168.00	53 136.00	59 964.00	53 313.12
	UIF CONTRIBUTIONS-INTERNS	7 416.00	6 653.36	7 776.00	4 749.78
104	OVERTIME	212 496.00	0	222 912.00	0
104	TRAVEL ALLOWANCES	680 000.00	557843.80	713 316.00	448 955.41
104	CELLPHONE ALLOWANCES	44 000.00	36 000.00	30 000.00	27 750.00
104	BUSINESS AND ADVISORY:VALUER BUSINESS AND ADVISORY VALUER	826 356.00	383 914.30	826 356.00	305 551.31
104	BAD DEBTS WRITTEN OFF:BAD DEBTS WRITTEN OFF_PROPERTY RATES BAD DEBTS	562 608.00	0	562 608.00	0
104	PROVISION FOR BAD DEBTS	0	157 798 459.54	0	4 734 936.27
104	SEARCH FEE	112 656.00	55 000.00	112 656.00	0
104	BANK CHARGES	621 200.00	408 071.25	621 204.00	134 575.05
4104	SKILLS DEVELOPMENT LEVY	90 888.00	97 440.83	121 849.00	101 287.66
104	SKILLS DEVELOPMENT LEVY-INTERNS	7 800.00	7 039.60	7 800.00	5 255.61
104	ACCOMODATION	237 876.00	21 390.75	237 876.00	113 303.65
104	FOOD AND BEVERAGES	59 016.00	5 554.92	59 016.00	26 800.55
104	BUSINESS AND ADVISORY:ACCOUNTING AND AUDITING BUDGET REFORM (MSCOA)	805 284.00	694 237.50	805 284.00	1 121 457.52
104	TRAINING FOR INTERNS	90 288.00	0	96 000.00	86 086.96

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
104	BUSINESS AND ADVISORY:BUSINESS AND FINANCIAL MANAGEMENT CONSULTANT FOR MSCOA IMPLEMENTATION	1 709 294.00	359 975.00	1 899 216.00	1 319 806.40
104	TRAVELLING AND SUBSISTANCE	161 940.00	5 072	161 940.00	19 740.15
104	BUSINESS AND ADVISORY:ACCOUNTING AND AUDITING AFS PREPARATION	5 395 381.00	4 263 901.14	4 000 000.00	2 931 544.14
104	VAT RECOVERY	8 860 320.00	10 371 666.07	8 860 320.00	8 197 863.89
104	DEBT COLLECTION	3 555 504.00	1 635 724.44	5 355 540.00	3 981 472.17
104	OUTSOURCED SERVICES:SECURITY SERVICES FEDELITY (CASH IN TRANSIT)	105 300.00	0	105 300.00	0
104	TOLL GATE FEES	26 328.00	286.96	26 328.00	194.78
104	CAR HIRE	36 852.00	0	36 852.00	9 702.00
104	FLIGHT BOOKING	47 388.00	0	47 388.00	35 435.30
104	REGISTRATION FEES FOR CONFERENCES	125000	11 700.00	161 004	145 106.09

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2021/ 2022AND 2022/ 2023: SUPPLY CHAIN MANAGEMENT (104)

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
104	SALARIES	2 257 584.00	2 159 481.78	2 368 212.00	2 373 380.10
104	BONUSES	145 440.00	178 706.90	152 568.00	187 463.51
104	BARGAINING COUNCIL	2 760.00	618.00	2 892.00	712.80
104	ACTING AND POST RELATED ALLOWANCES	40 068.00	14 737.50	42 036.00	15 863.68
104	PENSION FUND CONTRIBUTIONS	426 636.00	426 993.20	497 916.00	470 203.20
104	MEDICAL AID CONTRIBUTIONS	98 172.00	103 071.60	152 984.00	117 475.80
104	HOUSING BENEFITS	11 196.00	11 574.12	12 248.00	12 141.24
104	UNEMPLOYMENT INSURANCE	10 704.00	10 627.20	11 232.00	11 689.92
104	TRAVEL OR MOTOR VEHICLE	141 000.00	140 550.20	147 912.00	147 437.16
104	CELL PHONE ALLOWANCES	9 000.00	9 000.00	9 444.00	9 000.00
104	SIKLLS DEVELOPMENT LEVY	23 148.00	24 584.30	25 648.00	27 364.26
104	ACCOMODATION	60 000.00	0	60 000.00	8 395.00
104	FOOD AND BEVERAGES	12 504.00	0	12 504.00	2 107.00
104	TRANSPORT WITHOUT OPERATOR	38 460.00	0	38 460.00	5 486.30
104	CAR HIRE	3 684.00	0	3 684.00	0
104	FLIGHT BOOKING	12 000.00	0	12 000.00	0

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
104	TOLL GATES	1 584.00	0	1 584.00	
104	NATIONAL SEMINARS CONFERENCES WORKSHOPS AND EVENTS:NATIONAL REGISTRATION	15 000.00	0	15 000.00	2 260.87
104	OUTSOURCED SERVICES: PRINTING SERVICES (TENDER DOCUMENTS...)	300 000.00	47 639.24	300 000.00	50 700.00

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2021/ 2022 AND 2022/ 2023: ASSET MANAGEMENT (104)

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
104	SALARIES	1 957 716.00	2015639.84	2 098 671.00	2 098 671.00
104	BONUSES	255 204.00	166 719.76	273 320.00	174 889.25
104	BARGAINING COUNCIL	664.00	618.00	696.00	648.00
104	ACTING AND POST RELATED ALLOWANCES	41 128.00	31 900.77	85 431.00	20 688.46
104	SOCIAL CONTRIBUTION PENSION	398 440.00	402 587.98	422 315.00	422 314.80
104	SOCIAL CONTRIBUTION MEDICAL	154 276.00	154756.32	206 832.00	165 535.92
104	UNEPLOYMENT INSURANCE FUND	10 928.00	10 627.20	11 460.00	10 627.20
104	TRAVEL ALLOWANCES	141 000.00	140550.20	147 912.00	147 437.16
104	CELL PHONE ALLOWANCES	9 000.00	9 000.00	9 000.00	9 000.00
104	SIKLLS DEVELOPMENT LEVY	21 348.00	23 410.25	35 171.00	25 099.88
104	ACCOMODATION	31 992.00	8 662.66	31 992.00	31 362.25
104	FOOD AND BEVERAGES	8 784.00	2 419.22	40 000.00	4 916.64
104	TRANSPORT WITHOUT OPERATOR	57 912.00	11866.60	57 912.00	33 098.96
104	INSURANCE EXCESS	216 804.00	8 506.18	216 804.00	51 544.00
104	INSURANCE UNDERWRITING PREMIUM	2 705 860.00	1 954 160.23	3 000 000.00	1 758 419.26
104	GRAP IMPLEMENTATION	2 653 711.00	3 068 110.99	6 291 408.00	6 290 693.44
104	ROADS INFRASTRUCTURE:DEPRECIAITON ROADS INFRASTRUCTURE	35 294 496.00	0	36 988 632.00	15 591 102.39
104	DEPRECIATION COMMUNITY ASSETS	18 774 996.00	0	19 676 196.00	636 836.92
104	DEPRECIATION FURNITURE AND FITTINGS	1 314 252.00	0	1 377 336.00	385 944.50
104	DEPRECIATION:COMPUTER EQUIPMENT	1 877 496.00	0	1 967 616.00	2 069 335.51
104	DEPRECIATION:TRANSPORT ASSETS	3 129 168.00	0	3 129 168.00	11 608 918.29

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
104	DEPRECIATION BUILDING	4 506 000.00	0	4 722 288.00	0
104	DEPRECIATION PLANT AND EQUIPMENT	20 000 000.00	0	20 960 004.00	1 074 390.25
104	TOLL GATE FEES	1 584.00	0	1 584.00	0
104	CAR HIRE	3 684.00	0	0	0
104	FLIGHT BOOKING	10 500.00	4 110.00	0	0
104	SANITATION INFRASTRUCTURE:PUMP STATION	0	0	0	19 695.14
104	SANITATION INFRASTRUCTURE:RETICULATION	0	0	0	267 182.22
104	SANITATION INFRASTRUCTURE:WASTE WATER TREATMENT WORKS	0	0	0	3 521 660.33
104	SOLID WASTE INFRASTRUCTURE:LANDFILL SITES	0	0	0	1 829 979.54
104	STORM WATER INFRASTRUCTURE:DRAINAGE COLLECTION STORM WATER	0	0	0	1 028 765.30
104	STORM WATER INFRASTRUCTURE:STORM WATER CONVEYANCE STORM WATER INFRASTRUCTURE	0	0	0	2 880 779.02
104	WATER SUPPLY INFRASTRUCTURE:BOREHOLES	0	0	0	2 361 491.60
104	WATER SUPPLY INFRASTRUCTURE:BULK MAINS	0	0	0	1 206 961.07
104	WATER SUPPLY INFRASTRUCTURE:DISTRIBUTION	0	0	0	8 429 767.99
104	WATER SUPPLY INFRASTRUCTURE:PUMP STATIONS	0	0	0	7 305 949.13
104	LICENCES AND RIGHTS:COMPUTER SOFTWARE AND APPLICATIONS	0	0	0	1 288 025.12
104	COMMUNITY FACILITIES:ABATTOIRS	0	0	0	60 619.90
104	COMMUNITY FACILITIES:CEMETERIES/CREMATORIA	0	0	0	300 009.21
104	COMMUNITY FACILITIES:CENTRES	0	0	0	1 395 888.90
104	COMMUNITY FACILITIES:LIBRARIES	0	0	0	1 593 350.75
104	COMMUNITY FACILITIES:MARKETS	0	0	0	168 371.69
104	COMMUNITY FACILITIES:PUBLIC ABLUTION FACILITIES	0	0	0	248.79
104	COMMUNITY FACILITIES:TESTING STATIONS	0	0	0	402 989.42

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
104	SPORT AND RECREATION FACILITIES:OUTDOOR FACILITIES	0	0	0	6 059 057.88
104	WATER SUPPLY INFRASTRUCTURE:RESERVOIRS	0	0	0	7 901 240.89
104	SEMINARS CONFERENCES WORKSHOPS AND EVENTS:NATIONAL REGISTRAT	15 000.00	0	15 000.00	6 418.26

3.26 HUMAN RESOURCE (CORPORATE) SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The Municipality has submitted to the department of labour the employment equity report and return of earnings in terms of the Employment Equity Act and the compensation for occupational injuries and disease Act respectively. In addition to that, the work skills plan approved by Council has been submitted to the Local Government Seta

The approved organisational structure is in place and critical existing posts in the 2022/ 2023 financial year were filled in line with the structure. All the HR policies were reviewed and adopted by Council. The Municipality has undertaken the organisational reengineering to ensure that the organisation is in alignment with the IDP and budget as well as to ensure that the employee's job descriptions are aligned with these strategic documents.

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

Total personnel expenditure trends in the last two years

The following table reflects the total personnel expenditure trends from 2020/ 2021 to 2022/ 2023

Financial Year	(R)
2020/ 2021	R 150 745 983
2021/ 2022	R 162 892 636
2022/ 2023	R 189 161 504

Pension Fund

The composition of membership for pension and provident funds was as follows

Pension Fund	Number Of Members		
	2020/ 2021	2021/ 2022	2022/ 2023
Municipal Gratuity Fund	19	19	33
National Fund For Municipal Workers	19	19	19
Joint Municipal Pension Fund	0	0	0
Sala Pension Fund 96 92	0	0	0
Municipal Councillors Pension Fund	64	64	64
Municipal Employees Pension Fund	334	334	323
Meshawu Pension Fund	0	0	0
Samwu Pension Fund	0	0	0

Pension Fund	Number Of Members		
	2020/ 2021	2021/ 2022	2022/ 2023
GEPF	0	0	0

Medical Aid Funds

The medical aid funds are accredited by the South African local government bargaining Council (slack). The Council 's actual expenditure for the 2022/ 2023 financial year towards the employer's contribution to total medical aid funds is R 9 575 605

Medical Aid Fund	2020/ 2021 Number of Members	2021/ 2022 Number Of Members	2020/ 2021 Employer's Contribution (R)	2021/ 2022 Employer's Contribution (R)	2022/ 2023 Number of Members	2022/ 2023 Employer's Contribution (R)
LA Health	45	45	1 381 014	1 659 057	61	2 021 022
Hosmed	29	26	1 384 890	1 189 091	21	1 149 606
Bonitas	40	38	1 513 382	167 625	40	1 715 397
Munimed	5	5	165 672	161 778	6	178 981
Samwu Med	167	153	4 155 546	4 359 381	153	4 510 599
Total	**286**	**267**	**8 600 504**	**7 536 932**	**267**	**9 575 605**

Outstanding Monies

MFMA circular 11 requires that Municipalities disclose arrears (outstanding monies) by Councillors and section 56 Managers:

Accounts in arrear as at present	Arrears: jun-2021 (R)	Arrears: jun-2022 (R)	Arrears: jun-2023 (R
Councillors	360 109	826 719	604 397

Note: the full report is on annual financial statement

Disclosure concerning executive Councillors and section 56 managers

The following table reflects the remuneration for executive Councillors and **section 56 managers**: -

Designation	Remunerable(Package) (R)		
	2020/ 2021	2021/ 2022	2022/ 2023
Executive Council	5 913 776	3 519 154	3 765 059
Section 56 Managers	6 314 037	6 047 552	5 864 898
Part Time/ Section 79	25 121 573	25 271 094	19 021 141

Designation	Remuneration (Package) (R)		
	2020/ 2021	2021/ 2022	2022/ 2023
Executive Mayor	945 984	746 376	972 870
Speaker	773 689	733 108	805 848
MPAC chairperson	0	661 353	745 614
Chief Whip	599417	697 156	757 280
Council	25121573	18 507 021	19 021 141
Municipal Manager	1 198 712	1 189 413	1124499
Manager Corporate Service	996197	947125	1 033 544

Manager SDS	1 116 306	1 055 151	824 743
Manager Technical Services	1 007 492	1 010 509	696 375
CFO	996 266	1 006 260	1 076331
DTPS	999 061	1 012 370	1 109 406

EMPLOYEE INFORMATION

Employees: Human Resource Services					
Task Grade	2021/ 2022	2022/ 2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime Equivalents) No.	Vacancies (As A % Of Total Posts) %
15	1	1	1	0	0%
13 -11	7	8	8	0	0%
10 - 8	0	0	0	0	0%
7 - 5	0	0	0	0	0%
4 - 2	0	0	0	0	0%
Total	**8**	**9**	**9**	**0**	**0%**

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2021/ 2022 AND 2022/ 2023: CORPORATE SERVICES (106)

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
106	SALARIES	4 062 004.00	3511255.25	5 913 108.00	5 913 971.90
106	BONUS	430 908.00	290546.90	589 701.00	481 402.00
106	SALGBC	1 392.00	988.80	2 192.00	1 998.00
106	ACTING ALLOWANCE	136 164.00	15914.47	162 836.00	70 476.22
106	PENSION CONTRIBUTIONS	817 752.00	750513.38	873 149.00	1 254 699.80
106	MEDICAL AID CONTRIBUTIONS	380 352.00	335564.64	623 325.00	662 161.68
106	HOUSING SUBSIDIES	21 792.00	23 148.24	22 860.00	22 258.94
106	UIF CONTRIBUTIONS	24 984.00	17003.52	83 317.00	32 235.84
106	OUTSOURCED SERVICES:FIRE SERVICES FIRE SERVICES(FIRE EXTINGUISHER REFILL AND OTHERS)	0	0	100 000.00	45 005.00
106	OPERATIONAL COST:SIGNAGE OHS SAFETY SIGNS	0	0	0	0
106	TRAVEL ALLOWANCES	141 000.00	140550.20	167 912.00	147 437.16
106	CELLPHONE ALLOWANCES	13 248.00	13 800.00	13 896.00	13 800.00
106	SKILLS DEVELOPMENT LEVY	46 680.00	41243.45	66 147.00	68 885.03
106	ADVERTISMENT	383 176.00	251 743.85	433 184.00	375 749.17

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
106	RENTAL OF OFFICE EQUIP	1 295 628.00	1 522 465.80	0	528.00
106	MATERIAL & SUPPLIES	1 987 104.80	1 837 801.28	2 391 796.00	1 840 398.00
106	CONSULTANTS AND PROFESSIONAL SERVICES:BUSINESS AND ADVISORY:HUMAN RESOURCES	0	0	139 764.00	65 128.35
106	WORKMEN'S COMPENSATION FUND	737 100.00	541 555.28	1 126 824.00	1 117 067.35
106	TRAVELLING AND SUBSISTANCE	35 004.00	3741.42	35 004.00	9 068.38
106	DOMESTIC: ACCOMODATION	468 320.00	407 090.00	483 324.00	382 894.82
106	DOMESTIC:FOOD AND BEVERAGE (SERVED)	219 960.00	102 304.84	219 960.00	96 026.07
106	OPERATIONAL COST:UNIFORM AND PROTECTIVE CLOTHING PROCUREMENT OF PPE	63 180.00	62 320.00	63 180.00	0
106	SEMINARS; CONFERENCES; WORKSHOPS AND EVENTS:NATIONAL REGISTRATION FEE	2 336 395.00	1 535 769.47	2 128 770.00	1 997 848.31
106	COMPETENCY ASSESSMENT	155 300.00	35 237.00	139 764.00	65 128.35
106	OHS PROGAMMES	0	0	0	0
106	LEAVE DAYS	758 160.00	754 937.03	795 312.00	292 516.24
106	PROVISION FOR BONUS	1 800 000.00	4 561 842.35	1 800 000.00	866 937.00
106	PROVISION FOR LEAVE	1 700 004.00	697 042.88	1 700 004.00	0
106	PROVISIONFOR ACTUARIES	1 749 996.00	0	1 749 996.00	74 219.02
106	EXPENDITURE:OPERATIONAL COST:CONTRIBUTION TO PROVISIONS:DECOMMISSIONING; RESTORATION AND SIMILAR LIABILITIES:NON-SPECIFIC	0	0	0	315 338.00
106	EXPENDITURE:OPERATIONAL COST:CONTRIBUTION TO PROVISIONS:DECOMMISSIONING; RESTORATION AND SIMILAR LIABILITIES:NON-SPECIFIC	0	0	0	-1 400 811.00
106	TOLL GATE FEES	4 740.00	2 732.20	4 740.00	1 331.74
106	CAR HIRE	6 840.00	5 760.00	6 840.00	6 040.00
106	FLIGHT BOOKINGS	6 000.00	0	6 000.00	5 910.00
106	LONG TERM SERVICE	1 339 800.00	1267039.11	1 800 000.00	1 983 600.28
106	STANDBY ALLOWANCE	61 008.00	29 744.68	63 996.00	31 202.16

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
106	EMPLOYEE WELLNESS	680 004.00	361 615.00	680 004.00	253 411.75
106	COMMUNICATION:POSTAGE/STAMPS/FRANKING MACHINES)	0	0	150 312.00	64.77
106	PEST CONTROL & FUMIGATION	0	0	298 000.00	297 598.00

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2021/ 2022 AND 2022 /2023: FLEET MANAGEMENT

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
106	SALARIES	3 930 084.00	3873543.09	4 122 660.00	3 816 202.28
106	BONUS	290 520.00	321 963.34	304 752.00	319 037.53
106	SALGBC	1 752.00	1 709.80	1 836.00	1 674.00
106	ACTING ALLOWANCE	127 312.00	68 613.01	133 548.00	121 929.15
106	PENSION CONTRIBUTIONS	736 188.00	753 334.10	772 260.00	748 955.40
106	ALLOWANCES:NON-PENSIONABLE DANGER ALLOWANCE	0	0	13 848.00	09
106	MEDICAL AID CONTRIBUTIONS	256 696.00	252270.60	269 280.00	258 658.32
106	UIF CONTRIBUTIONS	28 016.00	28 185.22	29 388.00	26 820.24
106	TRAVEL ALLOWANCES	141 000.00	140550.20	147 912.00	147 437.16
106	CELLPHONE ALLOWANCES	52 200.00	51 400.00	54 756.00	47 034.32
106	STANDBY ALLOWANCE	224 328.00	123949.94	235 320.00	109 189.34
106	CONTRACTORS:MAINTENANCE OF UNSPECIFIED ASSETS	1 961 284.00	1 809 393.99	3 403 350.00	976 702.00
106	SKILLS DEVELOPMENT LEVY	44 764.00	46 718.90	47 760.00	47 560.49
106	CONTRACTORS:MAINTENANCE OF EQUIPMENT	12 473 757.00	11 173 295.19	6 374 109.00	5 706 591.96
106	FUEL	7 072 986.20	8 506 113.18	10 787 240.00	10 741 295.09
106	MOTOR VEHICLE LICENCE AND REGISTRATIONS	951 788.00	953 385.50	1 433 792.00	1 268 976.60
106	RENTAL OF VEHICLE	5 100 108.00	4 779 155.84	5 400 104.00	4 200 147.57
106	INSURANCE EXCESS	105 300.00	0	105 300.00	8 316.55
106	TRANSPORT WITHOUT OPERATOR	15 552.00	73636.38	15 552.00	83 105.81
106	ACCOMODATION	10 524.00	9 591.00	60 000.00	59 867.00
106	FOOD AND BEVERAGES	5 268.00	2 613.40	45 000.00	16 158.02
106	TOLL GATE FEES	1 584.00	424.35	1 584.00	0
106	CAR HIRE	295 560.00	220 850.11	295 560.00	46 299.86
106	INTEREST PAID:FINANCE LEASES INTEREST ON FINANCE LEASE TRANSPORT ASSETS	1 169 996.00	0	0	0
106	CONSUMABLES:STANDARD RATED OIL ISSUED	211 404.00	0	211 404.00	0

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
106	FLIGHT BOOKING	9 996.00	0	9 996.00	0
106	MATERIAL OF SUPPLIES	469 379.00	227 975.19	733 376.00	-926 768.60
106	VEHICLE TRACKING & MONITORING OF MUNICIPAL FLEET	912 948.00	531 711.28	912 948.00	912 948.00

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2021/ 2022 AND 2022/ 2023: ICT

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
106	SALARIES	4 098 132.00	4204230.02	2 531 830.00	2 531 831.04
106	BONUS	317 916.00	347351.84	195 821.00	210 985.94
106	SALGBC	1 470.00	1 483.20	810.00	777.60
106	ACTING ALLOWANCE	66 060.00	92208.25	69 300.00	9 180.31
106	PENSION CONTRIBUTIONS	885 008.00	845277.19	504 910.00	502 812.36
106	MEDICAL AID CONTRIBUTIONS	290 120.00	357840.36	127 759.00	124 686.00
106	HOUSING SUBSIDIES	10 896.00	0	11 436.00	0
106	UIF CONTRIBUTIONS	24 920.00	25 505.28	12 747.00	12 752.64
106	POSTAGE/FRANKLING MACHINE	150 312.00	2 330.00	0	0
106	OPERATING LEASES:FURNITURE AND OFFICE EQUIPMENT RENTAL OFFICE MACHINES	0	0	1 295 628.00	2 209 463.32
106	TELECOMMUNICATION	2 373 155.00	1 616 355.27	1 899 996.00	1 727 933.85
106	TRAVEL ALLOWANCES	141 000.00	140 550.20	147 912.00	147 437.16
106	CELLPHONE ALLOWANCES	9 000.00	13800	9 444.00	9 000.00
106	AUDIO-VISUAL SERVICES ICT:HARDWARE REPAIRS & MAINTENANCE	844 208.00	738 144.80	644 208.00	609 772.40
106	CONSUMABLES:STANDARD RATED MAINTENANCE OF ICT HARDWARE BY OWN PURCHASES	129924	0	47 388.00	0
106	SKILLS DEVELOPMENT LEVY	47 468.00	49296.98	28 001.00	28 145.30
106	MAINTENANCE OF EQUIPMENT	56 532.00	25 558.00	206 528.00	17 391.00
106	MAINTENANCE OF UNSPECIFIED ASSETS	147 420.00	62 145.00	4 847 420.00	5 000 798.60
106	BIO-MATRIX SYSTEM	49 996.00	0	149 996.00	0
106	ACCOMODATION	31 596.00	0	31 596.00	13 925.00
106	FOOD AND BEVERAGES	5 268.00	0	5 268.00	3 529.10
106	TRAVELLING AND SUBSITENCE	35 520.00	0	35 520.00	15 609.47
106	MATERIAL OF SUPPLIES	82 536.00	0	82 536.00	80 693.55
106	OPERATIONAL COST:PROFESSIONAL BODIES; MEMBERSHIP AND SUBSCRIPTION REGISTRATION FEES FOR ICT MM'S OFFICE	40 272.00	0	40 272.00	0

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
106	GPS LICENCE FEES	63 180.00	0	63 180.00	0
106	SOFTWARE LICENCE	7 037 996.40	6 119 999.04	9 000 799.00	8 023 036.53
106	TOLL GATE FEES	1 584.00	0	1 584.00	0
106	CAR HIRE	4 740.00	0	4 740.00	3 200.00
106	FLIGHT BOOKING	9 996.00	0	9 996.00	4 983.90

FINANCIAL PERFORMANCE AND CAPITAL EXPENDITURE 2021/ 2022 AND 2022/ 2023: LEGAL

VOTE	DETAIL	2021/2022 BUDGET	2021/2022 ACTUAL	2022/2023 BUDGET	2022/2023 ACTUAL
106	SALARIES	2 016 732.00	2082544.90	2 168 854.00	2 168 853.96
106	BONUS	243 804.00	172295.91	285 017.00	180 737.83
106	SALGBC	3 564.00	618.00	3 744.00	648.00
106	ACTING ALLOWANCES	60 528.00	54045.44	63 492.00	37 743.91
106	PENSION CONTRIBUTIONS	401 368.00	417 975.12	438 456.00	438 456.12
106	MEDICAL AID CONTRIBUTIONS	206 020.00	214431.84	222 811.00	226 679.40
106	HOUSING SUBSIDIES	11 496.00	11 574.12	12 141.00	12 141.24
106	UIF CONTRIBUTIONS	9 216.00	10 627.20	10 627.00	10 627.20
106	TRAVEL ALLOWANCES	141 000.00	141621.44	148 561.00	148 560.60
106	CELLPHONE ALLOWANCES	9 000.00	9 000.00	9 444.00	9 000.00
106	SKILLS DEVELOPMENT LEVY	26 188.00	25 112.86	27 399.00	26 494.64
106	TRAVELLING AND SUBSISTENCE	26 316.00	457.04	26 316.00	7 113.98
106	ACCOMODATION	31 560.00	0	31 560.00	3 230
106	FOOD AND BEVERAGES	5 268.00	0	5 268.00	918.30
106	LEGAL COST:LEGAL ADVICE AND LITIGATION	1 875 607	986 131.77	1 605 604.00	1 113 860.40
106	TOLL GATE FEES	2 628.00	0	2 628.00	0
106	BUSINESS AND ADVISORY:HUMAN RESOURCES BUSINESS AND FINANCIAL MANAGEMENT (DISCIPLINARY BOARD)	620 000.00	571 909.84	558 004.00	151 889.60

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

The ICT services are broadly defined as follows: -

1. Information Management Services
2. Information Technology Services
3. Information System Services
4. Network Management Services

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The ICT unit is responsible for the delivery of ICT services across the Municipality. The unit is responsible for devising change programmes across the departments in order to deliver a modern ICT service function. The unit run the management and development of information and network systems which devise an effective ICT management.

Brief Introductory Comments

Information, Communication & Technology services in the Thembisile Hani Local Municipality is regarded as a strategic resource. A strategic resource, which it is, viewed as both a critical and catalyst function for enabling service delivery at the customer face.
Key to the strategic nature of ICT in the Municipality is the enabling of the Municipal key objectives of the Municipality in order to meet its constitutional obligations. ICT enables the achievement of these obligations by deploying relevant information technology solutions.
The following policies have been developed and the related it service provided daily to
Departments: -

Corporate services department
Finance department
Social services department
Technical services department
Municipal Manager's Office
Political office bearers

2021/ 2022 Adopted Policies	2022/ 2023 Adopted Policies
Patch Management Policy	Patch Management Policy
Information Security Policy	Information Security Policy
Reviewed ICT Governance Framework	Reviewed ICT Governance Framework
Back-Up Policy	Back-Up Policy
ICT Change Management Policy	ICT Change Management Policy
Internet Usage Policy	Internet Usage Policy
Email Policy	Email Policy
Password Policy	Password Policy
Telephone Usage Policy	Telephone Usage Policy
THLM Corporate Governance Of ICT Charter	THLM Corporate Governance Of ICT Charter
ICT Strategy	ICT Strategy
Disaster Recovery Plan and Policy	Disaster Recovery Plan and Policy
POPI Policy	POPI Policy

EMPLOYEE INFORMATION

Employees: Information Technology					
Task Grade	2021/ 2022	2022/ 2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime Equivalents) No.	Vacancies (As A % Of Total Posts) %
15	1	1	1	0	0%
13 -11	5	3	3	0	0%
10 - 8	4	3	2	1	33%
7 - 5	4	2	2	0	0%
4 - 2	0	0	0	0	0%
Total	**14**	**9**	**8**	**1**	**11%**

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL

The Thembisile Hani Local Municipality has priority in its capital project running. This are:
Maintain and ensure the smooth running of Municipality

- Procurement of ISP, WAN and Telephone Management Services
- ICT hardware/software maintenance
- Renewal of Microsoft Volume licence, Anti-virus, financial system licences (Munsoft and SAGE 300 people), Office 365 Licence, Docusign, Helpdesk, Endpoint Backup
- Procurement of VMware Exsi Vshere and Veeam Back-up Solution
- Updated Municipal website
- Implemented mSCOA Compliant on financial system (Munsoft)
- Procurement of 12 laptops, 3 Printers
- Maintained 04 (Workshop, Tweefontein K, Traffic Centre and Kwamhlanga satellite offices) satellite offices using wireless technology.

3.28 LEGAL AND ADMINISTRATION SERVICES (INCLUDING FLEET MANAGEMENT)

INTRODUCTION TO LEGAL AND ADMINISTRATION SERVICES

The aim of legal services is to ensure a proper legal service to Council and the Municipal Manager, as well as the Executive Mayor and his members of Mayoral Committee and other structures in Council. Prepare and ensure approval of legal documents relating to Council.

EMPLOYEE INFORMATION

Employees: Legal & Secretariat Services					
Task Grade	2021/ 2022	2022/ 2023			
	Employees	Posts	Employees	Vacancies (Fulltime Equivalents)	Vacancies (As A % Of Total Posts)
	No.	No.	No.	No.	%
15	1	1	1	0	0%
13 -11	2	1	1	0	0%
10 - 8	3	0	0	0	0%
7 - 5	0	0	0	0	0%
4 - 2	0	0	0	0	0%
Total	**6**	**2**	**2**	**0**	**0%**

Note: All the legal expenditures are included in the Corporate Service (vote 106)

FLEET MANAGEMENT

INTRODUCTION

The section provides fleet services for the Municipality and in doing so it is guided by the fleet management policy.

STATUS OF COUNCIL FLEET AS OF JULY 2022 TO JUNE 2023

Thembisile Hani Local Municipality has a fleet management component responsible for the management and administration of One hundred and Eighty-One (181 fleet assets as per the revised fleet register for 2022/ 2023 financial year below including thirty-seven (37) leased vehicles from Bidvest. These fleet compositions consist of vehicles, plant and equipment.

	TRACTORS		
NO	REGISTRATION	MAKE	SERIES
1	DDS 214 MP	MASSEY	400
2	DDS 201 MP	MASSEY	400
3	FPJ 632 MP	MASSEY	MF 400
4	FPJ 638 MP	MASSEY	MF 400
5	FPJ 642 MP	MASSEY	MF 400
6	HFY 726 MP	TRACTOR	LANDINI SOLIS

7	HFY 731 MP	TRACTOR	LANDINI SOLIS
8	HFY 733 MP	TRACTOR	LANDINI SOLIS
9	DXD 889 MP	MASSEY	400
	WATER CARTS		
1	DVC 918 MP	NISSAN	A450
2	FDV 718 MP	NISSAN	A450
3	DXS 697 MP	FAW	28280 FL
4	DXS 688 MP	FAW	28280FL
5	DXS 693 MP	FAW	CA SERIES
6	FLZ 923 MP	ISUZU	F-SERIES
7	FLZ 921 MP	ISUZU	F-SERIES
8	FMF 292 MP	ISUZU	F-SERIES
9	DSH 909 MP	ISUZU	F-SERIES
10	DSH 922 MP	ISUZU	F-SERIES
11	HDP 501 MP	NISSAN	A899
12	DHY 232 MP	NISSAN	A520
13	HCY 382 MP	NISSAN	A898
14	HCY 384 MP	NISSAN	A898
15	KLC 466 MP	NISSAN	
16.	P11CVT21335	NISSAN	
17.	P11CVT21284	NISSAN	
	HONEY SUCKER		
1	DSH 919 MP	ISUZU	F-SERIES
2	DSH 914 MP	ISUZU	F-SERIES
3	FZB 485 MP	N/DIESEL	A899
4	FZB 487 MP	N/DIESEL	A899
5	DS5011501	NISSAN	
6	DS5012202	NISSAN	
	TIPPER TRUCK		
1	DXT 171 MP	NISSAN	A898
2	DXT 176 MP	NISSAN	A898
3	DRH 754 MP	ISUZU	F-SERIES
4	DRH 748 MP	ISUZU	F-SERIES
5	DVC 913 MP	NISSAN	A450
6	HDP 474 MP	N/DIESEL	A899
7	HDP 484 MP	N/DIESEL	A899
8	HBP 389 MP	N/DIESEL	A899
9	HDP 505 MP	N/DIESEL	A899
10	HDP 489 MP	N/DIESEL	A899
11	HFD 909 MP	N/DIESEL	A899
12	HDP 492 MP	N/DIESEL	A899
	VARIETY		
1	DVC 923 MP	NISSAN	CABSTAR

2	HCD 563 MP	UD TRUCKS	P9156
3	HBP 383 MP	N/DIESEL	A975
4	DRS 963 MP	FAW	CA SERIES
	COMPACTORS		
1	HBY 802 MP	N/DIESEL	A899
2	DJN 789 MP	NISSAN	
3	FSP 929 MP	NISSAN	A898
4	FVP 717 MP	UD TRUCKS	A899
5	HGW 595 MP	N/ DIESEL	G300
6	HGW 609 MP	N/DIESEL	G300
	GRADERS		
1	DPX 610 MP	BELL	670D
2	DPX 617 MP	KOMATSU	MOTOR GRADER
3	FDV 722 MP	CATERPILLER	MOTOR GRADER
4	FZL 582 MP	BELL	MOTOR GRADER
5	FWX 044 MP	SHANTUI	GRADER
6	CWY 815 MP	BELL	L480C
7	HCN 357 MP	BELL	MOTOR GRADER
8	KFH 708 MP	BELL	MOTOR GRADER
9	KFH 806 MP	BELL	MOTOR GRADER
10.	KFJ 257 MP	BELL	MOTOR GRADER
	TLB		
1	CZN 065 MP	CATERPILLER	BACKHOELOADER
2	FDV 720 MP	BELL	BACKHOELOADER
3	FVX 817 MP	BELL	BACKHOELOADER
4	FVX 819 MP	BELL	BACKHOELOADER
5	FVX 821 MP	BELL	BACKHOELOADER
6	FYD 917 MP	BELL	315SK B/H/LOADER
7	FYD 922 MP	BELL	315SK B/H/LOADER
8	FYD 924 MP	BELL	315SK B/H/LOADER
9	KFH 793 MP	BELL	
10	KFH 800 MP	BELL	
11	KGX 238 MP	BELL	
	EXCAVATOR		
1	JCB	JCB	EXCAVATOR
2	BELL	BELL	EXCAVATOR
3	BELL	BELL	EXCAVATOR
	FRONT END LDR		
1	FRONT END LDR		
	JET PATCHER		
1	KNX 729 MP	ISUZU	JET PATCHER
	DOZER		
1	BELL	BELL	DOZER

	BOMAG		
1	FDR 834 MP	CATERPILLER	COMPACTOR
2	BELL BOOMAG	BOMAG	SINGLE DRUM
3	DRUM ROLLER	BOMAG	
	MINI BUSES		
1	DGG 503 MP	TOYOTA	QUANTUM
2	JTB 681 MP	TOYOTA	QUANTUM
3	KGS 761 MP	TOYOTA	QUANTUM
4	KGS 781 MP	TOYOTA	QUANTUM
	BAKKIES		
1	DWW 136 MP	NISSAN	HARDBODY
2	DWW 137 MP	NISSAN	HARDBODY
3	DWW 134 MP	NISSAN	HARDBODY
4	DWW 142 MP	NISSAN	HARDBODY
5	DWW 141 MP	NISSAN	HARDBODY
6	DPY 734 MP	NISSAN	HARDBODY
7	DPY 715 MP	NISSAN	HARDBODY
8	DPY 707 MP	NISSAN	HARDBODY
9	DPY 780 MP	NISSAN	HARDBODY
10	DPY 701 MP	NISSAN	HARDBODY
11	DPY 769 MP	NISSAN	HARDBODY
12	DPY 802 MP	NISSAN	HARDBODY
13	DPY 808 MP	NISSAN	HARDBODY
14	DPY 747 MP	NISSAN	HARDBODY
15	DPY 772 MP	NISSAN	HARDBODY
16	DPY 725 MP	NISSAN	HARDBODY
17	DFS 353 MP	FORD	RANGER
18	FSB 890 MP	NISSAN	HARDBODY
19	FSB 801 MP	NISSAN	HARDBODY
20	FSB 887 MP	NISSAN	HARDBODY
21	FSB 882 MP	NISSAN	HARDBODY
22	FSB 891 MP	NISSAN	HARDBODY
23	DFY 131 MP	NISSAN	1400
24	FYZ 069 MP	NISSAN	HARDBODY
25	FYZ 067 MP	NISSAN	HARDBODY
26	FYZ 066 MP	NISSAN	HARDBODY
27	FYZ 065 MP	NISSAN	HARDBODY
28	DRD 053 MP	ISUZU	KB
29	HFN 945 MP	NISSAN	HARDBODY
30	HFN 956 MP	NISSAN	HARDBODY
31	HFN 966 MP	NISSAN	HARDBODY
32	HFN 972 MP	NISSAN	NP300 H/BODY
33	HFJ 699 MP	TOYOTA	HILUX

34	JTF 889 MP	NISSAN H/BODY	
35	JTF 880 MP	NISSAN H/BODY	
36	JSS 060 MP	NISSAN H/BODY	
37	JTF 884 MP	NISSAN H/BODY	
38	JSS 076 MP	NISSAN H/BODY	
39	JSR 961 MP	NISSAN H/BODY	
40	JSR 994 MP	NISSAN H/BODY	
41	JSR 954 MP	NISSAN H/BODY	
42	JSS 008 MP	NISSAN H/BODY	
43	JSS 066 MP	NISSAN H/BODY	
44	JSR 945 MP	NISSAN H/BODY	
45	JSX 382 MP	NISSAN H/BODY	
46	JTF 898 MP	NISSAN H/BODY	
47	JSS 004 MP	NISSAN H/BODY	
48	JSS 015 MP	NISSAN H/BODY	
49	JTX 639 MP	NISSAN H/BODY	
50	JTX 629 MP	NISSAN H/BODY	
51	JSR 964 MP	NISSAN H/BODY	
52	JSR 971 MP	NISSAN H/BODY	
53	JTF906 MP	NISSAN H/BODY	
54	JSS 014 MP	NISSAN H/BODY	
55	JTX 635 MP	NISSAN H/BODY	
56	JRS 939 MP	NISSAN H/BODY	
57	JSR 937 MP	NISSAN H/BODY	
58	JTF 874 MP	NISSAN H/BODY	
59	JTF 893 MP	NISSAN H/BODY	
60	JTF 903 MP	NISSAN H/BODY	
61	JSR 935 MP	NISSAN H/BODY	
62	JTL 428 MP	NISSAN H/BODY	
63	JSS 012 MP	NISSAN H/BODY	
	SEDANS		
1	DFS 347 MP	NISSAN	ALMERA
2	CXP 399 MP	NISSAN	ALMERA
3	FSB 896 MP	NISSAN	TIIDA
4	FSB 895 MP	NISSAN	TIIDA
5	FSB 897 MP	NISSAN	TIIDA
6	FYZ 862 MP	NISSAN	TIIDA
7	FYZ 864 MP	NISSAN	TIIDA
8	FYZ 878 MP	NISSAN	TIIDA
9	FYZ 874 MP	NISSAN	TIIDA
10	FYZ 872 MP	NISSAN	TIIDA
11	DFT 019 MP	MAZDA	MAZDA 3
12	HVV 223 MP	MERCEDEZ - BENZ	W 205

13	DFR 930 MP	VW	GOLF 1.6
14	JPF 558 MP	AUDI Q5	Q5
15	JTB 684 MP	TOYOTA	
16	JTB 687 MP	TOYOTA	
17	JTB 689 MP	TOYOTA	
18	JTB 686 MP	TOYOTA	
19	JVP 289 MP	TOYOTA	
20	JVP 768 MP	TOYOTA	
21	KNX 794 MP	BMW X1	
22	KNT 275 MP	BMW X3	
	TRAILERS		
1	HJR 747 MP	H/CON TRAILERS	BWOTO1
2	DCJ 124 MP	FID	SCISSOR TIP
3	HJR 749 MP	H/CON TRAILER	BWOTO1
4	HCJ 901 MP	H/CON TRAILER	BWOTO1
5	HJR 737 MP	H/CON TRAILERS	BOOT 01
6	HJR 738 MP	HOOCAN TRAILERS	BOOT 01
7	HJR 752 MP	HOOCAN TRAILERS	BOOT 01
8	DDR 442 MP	TELECON	6 TONNE
9	DDR 438 MP	TELECON	6 TONNE
10	DDR 447 MP	TELECON	6 TONNE
11	HCD 587 MP	KEARNEY'S TRUCK & TRAILER	PAYLOADER
12	DCJ 096 MP	FID	SCISSOR TIP
13	DDR 434 MP	TELECON	6 TONNE
14	JFS 622 MP	TRAILER	
15	JFS 612 MP	TRAILER	
16	JFS 619 MP	TRAILER	
17	KMZ 497 MP	LOWBED TRAILER	
18	KLT 962 MP	DIESEL BOWSER TRAILER 2000L	

REPAIRS AND MAINTENANCE

The council has appointed the following service providers for the maintenance and repairs of Municipal fleet i.e.

1 Batazi and sons	Electrical services	3years
2 Bidvest	Vehicle lease	3years
2 Jabela construction	Yellow plant repairs	3years
3 Mdubane electrical	Tyres and wheels	2years
4 Zembeleni	White plant repairs	3years
5 Spek solution	Fleet monitoring system	2years
6 Mhangana Fleet	Fleet monitoring system	3years
6 Siyafana nathi	Fuel services	Terminated
7 Siyafana Thina	Fuel services	Terminated

Chapter 3

COMPONENT J: MISCELLANEOUS

Not applicable to Thembisile Hani Local Municipality

COMPONENT K: ORGANISATIONAL PERFOMANCE SCORECARD

THIS COMPONENT INCLUDES: ANNUAL PERFORMANCE SCORECARD REPORT FOR THE CURRENT YEAR.

INTRODUCTION AND BACKGROUND

The Municipal Planning and Performance Management Regulations (2001) stipulates that a "Municipality's Performance Management System entails a framework that describes and represents how the Municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role-players" (chapter 3, section 7, Municipal Planning and Performance Management Regulations, 2001).

The 2022/ 2023 Performance Management Framework and policy was adopted by Council.

The Annual Performance Report must be presented to the Auditor General for auditing together with the Annual Financial Statements on 31 August 2023.

This report is compiled in terms of the Municipal Systems Act (MSA), 32 of 2000, section 46(1) and (2). It covers the performance information of the Municipality from 1 July 2022 to 30 June 2023 and focuses on the implementation of the 2022/ 2023 Revised Service Delivery Budget and Implementation Plan (SDBIP), in relation to the objectives as encapsulated in the Municipality's Integrated Development Plan (IDP). In addition, the report provides an overview of improvements made to the Performance Management System (PMS) and an overview of financial performance.

Overview of Performance Management in the Last Three Financial Years				
Municipality	**Overall Performance for the 2022/ 2023 FY (Unaudited)**	**Overall Performance for the 2021/ 2022 FY**	**Overall Performance for the 2020/ 2021 FY**	**Overall Performance for the 2019/ 2020 FY**
Thembisile Hani Local Municipality	83%	80%	79%	72%

Narrative on the Challenges and Remedial Measures implemented:

- Internal audit and risk management recommendations that are not yet implemented in full
- Projects that were not implemented as per procument plan, delays in appointments that have a negative impact on the overall planned targets.
- Challenges in the Spatial Rational KPA, off which some KPI's are dependent on actions of other Organs of State such as your Municipal Planning etc.
- The late or non-submission of Portfolio of Evidence cancer has been addressed, which affected the Municipality negatively in the past
- Malfeasance has been eradicated and a culture of efficiency and effectiveness has been created in the Municipality, which is driven by full understanding of the importance of quality assurance as a backbone of performance in the Municipality.

• The shared Audit and Performance Committee service has now been extended to the entire district and THLM is part of that service, and Performance Audit Committees are functional and meetings are convened quarterly.				
Overview of Audit Outcomes in the Last Three Financial Years				
Municipality	**2022/ 2023 FY Audit Outcome**	**2021/ 2022 FY Audit Outcome**	**2020/ 2021 FY Audit Outcome**	**2019/ 2020 FY Audit Outcome**
Thembisile Hani Local Municipality	Unqualified with Matters	Unqualified with Matters	Unqualified with Matters	Qualified with Material Matters

In the year under review (2022/ 2023), Thembisile Hani Local Municipality had six (6) departments, namely; Technical Services, Social Services, Corporate Services, Finance Service, Municipal Manager's Office, as well as the Planning and Economic Development.

PURPOSE

The purpose of this report is to provide the records of the activities for the financial year 2022/ 2023 to Cooperative Governance and Traditional Affairs, Provincial and National Treasury, and Auditor-General and to the citizens of Thembisile Hani Local Municipality on progress being made by Municipality towards achieving the overall goals. Furthermore, the report is a key performance report to the communities and other stakeholders in keeping with the principles of transparency and accountability of government to the citizens.

METHODOLOGY FOLLOWED IN COMPILING THE REPORT

In terms of Section 46 of the Municipal Systems Act 32 of 2000,
(1) A Municipality must prepare for each financial year a performance report reflecting-
(a) The performance of the Municipality and of each external service provider during that financial year;
(b) A comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year and
(c) Measures taken to improve performance.
(2) An Annual Performance Report must form part of the Municipality's Annual Report in terms of chapter 12 of the Municipal Finance Management Act.
In terms of Chapter 6 of the Municipal System Act, No. 32 of 2000 Municipalities must monitor and measure the progress of their performance by preparing Quarterly, Mid-year and Annual Performance Reports.

INSTITUTIONAL PERFORMANCE MANAGEMENT PROCESS OVERVIEW

In the 2022/ 2023 financial year, every attempt was made to ensure that the Municipality complies with the legislation concerning the development, operation and maintenance of a Performance Management System that is commensurate to the institutional service delivery objectives captured in the IDP. Thembisile Hani Local Municipality has continued to maintain an effective operation of the following mechanisms:

- The 2022/ 2023 IDP included strategic objectives, strategies and key performance indicators (KPI's) as required by the Municipal Systems Act, 32 of 2000;
- The budget for implementation of the IDP was approved within the prescribed timelines prescribed in the Municipal Finance Management Act, 56 of 2003;
- After approval of the budget, the SDBIP was developed to integrate the IDP and the budget and to ensure effective implementation of the institutional strategies;
- Performance agreements which incorporates performance plans were developed and signed as required by the Municipal Performance Regulations, 2006;

- Quarterly performance reports with supporting evidence were prepared by managers directly reporting to the Municipal Manager (MM);
- Quarterly performance reports were objectively and independently audited by the Internal Audit Unit verifying the accuracy and credibility of the reported performance information; and
- The Performance Audit Committee (PAC) functioned optimally in the year; in line with the Committee's approved terms of reference

DEVELOPMENT OBJECTIVES

The following are the strategic objectives that the Municipality has set:

- To improve the organisational development capacity of the Municipality in order to render effective service delivery
- To enhance revenue and to ensure financial viability and sustainability.
- To reduce infrastructure and service backlogs and to establish a high quality environment with the associated physical infrastructure.
- To improve the quality of life of the community by providing them, with water supply, sanitation, roads as well as amenities such community halls and basic recreational facilities.
- To improve the quality of life of the community through providing them with community facilities and containing the HIV/AIDS epidemic in the area.
- To ensure that residents live within a safe environment by illuminating strategic nodal point.
- To utilize the Municipal area's agricultural potential to the maximum
- To promote local economic development and growth through the identification and facilitation of economic opportunities, tourism and mining.
- To deepen democracy and strengthen democratic institutions through active Public Participation

MUNICIPAL PRIORITIES

The Annual Performance Report is structured to show how projects were implemented within the financial year to address the IDP priorities.

- issue 1: institutional development
- issue 2: financial viability
- issue 3: public participation and good governance
- issue 4: water
- issue 5: sanitation
- issue 6: electricity (communal and street light)
- issue 7: road and stormwater
- issue 8: public transport
- issue 9: cemeteries
- issue 10: waste and environmental management
- issue 11: Municipal facilities, sport, recreation, art & culture
- issue 12: public safety, security and emergency services
- issue 13: spatial planning and land use management
- issue 14: local economic development
- issue 15: youth development
- issue16: transversal issue

Chapter 3

OVERALL CONCLUSION

During the 2022/ 2023 financial year the overall performance of Thembisile Hani Local Municipality is **83%** success rate achievement. As compared to **80%** success rate achieved during the 2021/ 2022 financial year.

KEY PERFORMANCE AREA	TOTAL NO. OF TARGET		TOTAL ACHIEVED		NOT ACHIEVED	
	No	%	No	%	No	%
1. Basic Service Delivery						
1.1. Technical Services	40	100%	30	75%	10	25%
1.2. Social Development Services	15	100%	13	87%	02	13%
2. Municipal Transformation and Institutional Development	17	100%	13	76%	04	24%
3. Municipal Financial Viability and Management	35	100%	32	91%	03	9%
4. Good Governance And Public Participation	58	100%	52	90%	06	10%
5. Spatial Rationale	07	100%	03	43%	04	57%
6. Local Economic Development	15	100%	13	87%	02	13%
TOTAL	**187**	100%	**156**	**83%**	**31**	**17%**

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Mr. D.J.D. Mahlangu
Municipal Manager

Date: 8/29/2023

Chapter 3

KPA: BASIC SERVICE DELIVERY AND INFRASTRACTURE DEVELOPMENT

The department of Technical Services overall performance for 2022/ 2023 financial year is 75% achievement. The department managed to achieve 30 targets out of the 40 planned targets, as compared to 76% achieved in 2021/ 2022 financial year, out of 33 planned targets 25 targets was achieved.

KPA	BASIC SERVICE DELIVERY											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
					WATER							
DTS007	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Bulk purchase water	Number of household provided with water	64 275 Number of household provided with water	64 151 households provided with water by 30th June 2023	R140 000 000	64 151 households provided with water	R 135 852 373.12	Yes	None	None	Billing Report
DTS033	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	6KI Free basic water	Number of HH provided with 6kl free basic water	64 275 Number of household provided with water	64 151 households provided with 6kl free basic water 30th June 2023	In house	64 151 households provided with 6kl free basic water	In house	Yes	None	None	Billing Report
DTS192	To provide household with basic services including water, adequate	Supply of Water through water delivery	Number of Households with access to water	0	28 312 Households with access to water through water	R 21 500 000	28 312 Households with access to water through water delivery	R 18 897 694.00	Yes	None	None	Coordinates of Jojo tanks, GIS Data, Gantry load truck register,

KPA	BASIC SERVICE DELIVERY											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	sanitation, adequate public lighting and accessible road		through water delivery		delivery by 30th June 2023							Register at point of delivery
DTS034	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Water Sample	Number of water samples tested	91 Water Samples Tested	356 Water Samples tested by 30th June 2023	R1 080 000	878 Water Samples tested	R 987 037.00	Yes	None	None	Water quality reports
DTS158	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Upgrading of Sheldon Water Infrastructure (Multi-Year Project) – Ward 9,14 – Phase 1	% progress in the Upgrading of Sheldon Water Infrastructure – Phase 1	**40% Progress:** Upgrading of Sheldon Water Infrastructure – Phase 1	**100% Progress:** Upgrading of Sheldon Water Infrastructure – Phase 1 by 30th June 2023: *Setting Out 5%, *Excavation 10%; *Rock Drill, Blasting & Bedding 5%; *Laying of Pipes 10% *Backfilling and Compaction of Trenches 10%;*Constructi	R 15 594 367.50	**100% Progress:** *Setting Out 5%,*Excavation 10%; *Rock Drill, Blasting & Bedding 5%; *Laying of Pipes 10% *Backfilling and Compaction of Trenches 10%; *Construction of Chamber	R 15 126 126.64	Yes	None	None	Monthly progress reports.' Completion certificates.

KPA	BASIC SERVICE DELIVERY											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
					on of Chamber Base Slab 5%;*Chamber Walls and Cover Slabs 5%; *Pipe Specials 5%; *Commissioning of the Project 5%		Base Slab 5%; *Chamber Walls and Cover Slabs 5%; *Pipe Specials 5%; *Commissioning of the Project 5%					
DTS160	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Upgrading of Tweefontein C and DK Water Infrastructure (Multi-Year Project) – Ward 12	% progress in the Upgrading of Tweefontein C and DK Water Infrastructure	**20% Progress:** Upgrading of Tweefontein C and DK Water Infrastructure – Phase 1	**60% Progress:** Upgrading of Tweefontein C and DK Water Infrastructure – Phase 1 by 30th March 2023: *Setting Out 5%,*Excavation 10%; *Preparation of Pipe Bedding 5%; *Laying of Pipes 10% *Backfilling and Compaction of Trenches 10%;	R 13 075 321.18	**48% Progress:** *Setting Out 5% *Excavation 6.5%; *Preparation of Pipe Bedding 3.25%; *Laying of Pipes 6.5% *Backfilling and Compaction of Trenches 6.5%;	R 13 426 542.59	No	Due to extra work on site, the target was not met (Connecting the bulk water pipeline (400mm diameter) to the existing reservoir) and Vandalism, stolen of material has cause the delay onsite. The project is implemented on a multi-year basis, and at the time of budget adjustment, performance on	The project is a multi-year contract and therefore the Contractor will be adding more resources to speed up progress in order to complete the works in the next financial year 2023-2024FY. The over expenditure was balanced off through a virement (from	Monthly progress reports.

KPA	BASIC SERVICE DELIVERY											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
										site was low, hence the budget was adjusted cautiously. However, performance went up during the last quarter of the financial year, which led to more expenditure by the end of the financial year.	savings on other projects) that was conducted after the adjustment budget had been passed.	
DTS161	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Upgrading of Ntokozweni Water Infrastructure (Multi-Year Project) – Ward 17	% progress in the Upgrading of Ntokozweni Water Infrastructure	**95% Progress:** Upgrading of Entokozweni Water Infrastructure – Phase 1	**100% Progress:** Upgrading of Ntokozweni Water Infrastructure – Phase 1 by 30th September 2022: *Commissioning of the Project 5%	R 8 230 286.83	**100% Progress:** *Commissioning of the Project 5%	R 8 222 015.99	Yes	None	None	Monthly progress reports.' Completion certificates.
DTS162	To provide households with basic services including water, adequate sanitation, adequate public	Upgrading of Mabhoko Water Infrastructure (Multi-Year	% progress in the Upgrading of Mabhoko Water Infrastructure	**40% Progress:** Upgrading of Mabhoko Water	**80% Progress:** Upgrading of Mabhoko Water Infrastructure – Phase 1 by 31th March 2023:	R 19 000 000	**80% Progress:** *Setting Out 5%*Excavation 10%; *Preparation of Pipe	R 20 057 510.61	Yes	The project is implemented on a multi-year basis, and at the time of budget adjustment, performance on	The over expenditure was balanced off through a virement (from savings on other projects) that	Monthly progress reports.

KPA	BASIC SERVICE DELIVERY											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	lighting and accessible road	Project) – Ward 17		Infrastructure – Phase 1	*Setting Out 5%*Excavation 10%; *Preparation of Pipe Bedding 5%; *Laying of Pipes 10% *Backfilling and Compaction of Trenches 10%.		Bedding 5%; *Laying of Pipes 10% *Backfilling and Compaction of Trenches 10%.			site was low, hence the budget was adjusted cautiously. However, performance went up during the last quarter of the financial year, which led to more expenditure by the end of the financial year.	was conducted after the adjustment budget had been passed.	
DTS165	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Upgrading of Moloto Water Infrastructure (Multi-Year Project)	% progress in the Upgrading of Moloto Water Infrastructure	**65% Progress:** Upgrading of Moloto Water Infrastructure – Phase 1	**100% Progress:** Upgrading of Moloto Water Infrastructure – Phase 1 by 30th June 2023: *Backfilling and Compaction of Trenches 10%;*Installation of Elevated Steel Tank 10%;*Installation of Standpipes 10%,*Commissio	R 7 316 360, 85	**100% Progress:** *Backfilling and Compaction of Trenches 10%; *Installation of Elevated Steel Tank 10%; *Installation of Standpipes 10%, *Commissioning of the Project 5%	R 7 283 509.68	Yes	None	None	Monthly progress reports, Completion certificates

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					ning of the Project 5%							
DTS172	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Upgrading of Water Treatment Works for agricultural projects in Bundu ward 24 Civil Engineering Water Treatment - WP 8	% progress in the Upgrading of Water Treatment Works for agricultural projects in Bundu ward 24 Civil Engineering Water Treatment	**15% Progress:** Upgrading of Water Treatment Works for agricultural projects in Bundu ward 24 Civil Engineering Water Treatment – WP8 *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	**70% Progress:** Upgrading of Water Treatment Works for agricultural projects in Bundu ward 24 Civil Engineering Water Treatment - WP8 by 30th June 2023: *Term of Reference for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%; *Water resources study 10%, *Construction 20%	R 10 000 000	**70% Progress:** Term of Reference for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%; *Water resources study 10%*Construction 20%	R 4 712 851.06	Yes	The project is implemented on a multi-year basis, and encountered materials delays due to lead time which caused low expenditure and budget were adjustments through virement process.	The low expenditure was balanced off through a virement (from multi-year other projects) that was performing. The adjustment budget had been passed.	Terms of Reference, Appointment Letter, Monthly progress reports., Water resources study reports
DTS193	To provide households with basic services	Upgrading of Thembalethu Water	% progress in the Upgrading of	0	**15% Progress:** Upgrading of Thembalethu	R 1000 000	**15% Progress:** *Technical	R 997 548.39	Yes	None	None	Technical report, Preliminary

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	including water, adequate sanitation, adequate public lighting and accessible road	Infrastructure - (Multi-Year Project) – Ward 5	Thembalethu Water Infrastructure - (Multi-Year Project) – Ward 5		Water Infrastructure - (Multi-Year Project) – Ward 5 by 30th June 2023: *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%		Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%					Design Report, Detail Design report.
DTS194	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of Matheyzensloop to Kwaggafontein booster Pump station	% progress in the Construction of Matheyzensloop to Kwaggafontein booster Pump station	**15% Progress:** Construction of Matheyzensloop to Kwaggafontein booster Pump station *Technical Report 5%; *Preliminary Design Report 5%; *Detailed	**80% Progress:** Construction of Matheyzensloop o Kwaggafontein booster Pump station by 30th June 2023: *Term of Reference for Contractor 5%;*Appointment of Contractor 5%; *Site Establishment	R 30 683 639.15	**80% Progress:** *Term of Reference for Contractor 5%;*Appointment of Contractor 5%; *Site Establishment 15%; *Construction 40%;	R 30 683 639.00	Yes	None	None	Terms of Reference, Appointment Letter, Monthly progress reports.

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				Design Report 5%	15%;*Construction 40%;							
DTS195	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of Water Meters (Bulk) (Ward 3, 7, 8, 9, 10, 11, 12, 13, 19, 23, 24, 27, 31 and 32)	% of water meters (Bulk) installed	0	**100% Installation** of Water Meters (Bulk) by 30th June 2023 (%*16 meters=20%*32 meters=50%*48 meters=75% *64 Bulk Meter=100)	R 11 000 000	**41% Installation** of Water Bulk Meters 26 Water bulk Meters installed	R 4 732 281.18	No	The set target was based on all meter installations including refurbishment which lead to 26 new installations and 38 refurbished meters. This was a shortcoming of combining the installation of operational and new capital installation which led to non-achievement of the target.	Setting of realistic targets and separation of the Operational infrastructure targets from the new capital infrastructure targets by 30 March 2024.	Allocation Letters, Monthly Progress Report, Completion Certificate.
DTS196	To provide households with basic services including water, adequate sanitation, adequate public	Refurbishment of Water Infrastructure (Ward 1-32)	Number of progress reports on Refurbishment of Water Infrastructure	0	12 progress reports on Refurbishment of Water Infrastructure by 30 June 2023	R 9 000 000	9 progress reports on Refurbishment of Water Infrastructure	R 6 873 418.92	No	Project delayed due to allocations of contractors.	Allocations to be done on time in future to avoid delays and subsequently non-compliance and the	12 progress reports on Refurbishment of Water Infrastructure in All Wards

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	lighting and accessible road										allocations were done by 30th December 2022.	
					SANITATION							
DTS041	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Upgrading of Tweefontein K Waste Water Treatment Works, Phase 2	% progress in the Tweefontein K Waste Water Treatment Works, Phase 2	**15% progress** in the Tweefontein K Waste Water Treatment Works, Phase 2: *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	**40% Progress:** Tweefontein K Waste Water Treatment Works, Phase 2 by 30th June 2023: *Term of Reference for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%;	R2 500 000	**40% Progress:** *Term of Reference for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%;	R 1 599 592.82	Yes	None	None	Terms of Reference, Appointment Letter, Monthly progress reports.
DTS042	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	KwaMhlanga and Tweefontein k Waste water Treatment	Number of Household provided with Basic sanitation	2 335 Household provided with Basic Sanitation	2 461 Households provided with Basic sanitation by 30th June 2023	In house	2 446 Households provided with Basic sanitation	In house	No	Billing information was revised and as such data was cleansed to correct the billing records, however the target was not adjusted.	To adjust the targets in line with the billing records in accordance with revised billing information by 30th September 2023	Monthly Sanitation Billing Report

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DTS098	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Sewage services (Operation and maintenance of WWTW)	Number of reports on Provision of Basic Sanitation	12 reports on Provision of Basic Sanitation	12 reports on Provision of Basic Sanitation by 30th June 2023	In house	12 reports on Provision of Basic Sanitation	In house	Yes	None	None	WWTW plant reports
DTS197	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of Alternative Sanitation System (Ward 10, 18, 19, 20, 23, 25, 28, 29, 30 and 31)	% Progress in the construction of Alternative Sanitation system	**15% progress** in the construction of alternative sanitation in all wards: *MIG Business Plan 5% * Appointment of Consultant 5% *Technical Report 5%;	**40% progress** Construction of alternative sanitation system by 30th June 2023: *Term of Reference for Contractors 5%;*Appointment of Contractors 5%,*Site Establishment 15%;	R 1 000 000	0	R 0	No	Terms of reference to be developed once the ground water protocol study has been completed on the identified wards and be incorporated on the existing technical report for recommendation to unlock MIG funding for the project.	To fast track the development of the technical report and the Ground water protocol for registration purposes of the project in terms of the MIG guidelines by 30th September 2023	Term of Reference ; Appointment letter; Monthly Progress reports
						ELECTRICITY						
DTS147	To provide household with	Design and implementatio	% progress in the Design	**100% Progress:**	**100% Progress:** Upgrading of	R 6 000 000	**100% Progress:**	R 5 999 623.00	Yes	None	None	Technical Report,

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	basic services including water, adequate sanitation, adequate public lighting and accessible road	n of energy efficiency program - Phase 3 (Ward 5, 9, 15, 18, 28 and 30)	and implementation of energy efficiency program – Phase 3,	Upgrading of Design and implementation of energy efficiency program – Phase: *Technical Report 10%;*Preliminary Design Report 10%; *Detailed Design Report 20%; *Appointment of Contractors 10%; *Purchasing of Highmast Lights Material 20%;*Retrofitting of Highmast Lights 20%; *Completion 10%	Design and implementation of energy efficiency program by 30th June 2023: *Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report 20%; *Appointment of Contractors 10%; *Purchasing of Highmast Lights Material 20%; * Retrofitting of Highmast Lights 20%; *Completion 10%		*Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report 20%; *Appointment of Contractors 10%; *Purchasing of Highmast Lights Material 20%; * Retrofitting of Highmast Lights 20%; *Completion 10%					Preliminary Design Report, Detailed Design Report, Monthly progress reports.' Completion certificates.
DTS198	To provide household with	Electrification of Households	% progress in the	0	**100% Progress:** Electrification of	R 7 000 000	**85% Progress:**	R 6 999 841.47	No	The project was initially planned	The works to be completed in the	Technical Report,

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	basic services including water, adequate sanitation, adequate public lighting and accessible road	in Moloto (Mafishane & DK) – Ward 2 (350 households)	Electrification of Households in Moloto (Mafishane & DK) – Ward 2		Households in Moloto (Mafishane & DK) – Ward 2– by 30th June 2023: *Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report 20%;*Appointment of Contractors 10%;*Electrification on 40%, Completion 10%		Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report 20%; *Appointment 10%; Electrification 35%;			for 350hh, however the need for electrification of households expanded and the project funder approved the municipality an additional 650hh and therefore we allocated another contractor to extend the scope.	2023/2024 FY as it is funded next financial year due date 30th June 2024	Preliminary Design Report, Detailed Design Report, Monthly progress reports.' Completion certificates
DTS199	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Electrification of Households in Magodongo – Ward 3 (250 households)	% progress in the Electrification of Households in Magodongo – Ward 3	0	**100% Progress:** Electrification of Households in Magodongo – Ward 3 by 30th June 2023: *Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report	R 5 000 000	**85% Progress:** *Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report 20%; *Appointment 10%;	R 4 999 329.12	No	The project was initially planned for 250hh, however the need for electrification of households expanded and the project funder approved the municipality an additional 750hh	The works to be completed in the 2023/2024 FY as it is funded next financial year due date 30th June 2024	Technical Report, Preliminary Design Report, Detailed Design Report, Monthly progress reports.' Completion certificates

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					20%; *Appointment of Contractors 10%;*Electrification on on 40%, Completion 10%		Electrification 35%			and therefore we allocated another contractor to extend the scope of the works.		
DTS200	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Installation of 15 High Mast Lights (Ward 01, 02, 03, 15, and 30)	% progress in the installation of High Mast Lights	0	**80% Progress:** Installation of High Mast lights by 30th June 2023 *MIG Business Plan 5%*Detail assessment report 10% *Term of Reference 5%;*Appointment of Contractor 5%*Site Establishment 15%;*Construction of Plinths 20%*Installation 20%	R 5 167 950	**45% Progress:** *MIG Business Plan 5%*Detail assessment report 10% *Term of Reference 5%; *Appointment of Contractor 5%, *Site Establishment 15%; *Construction of Plinths 5%	R 1 128 307.91	No	Late appointment of the contractors Delays experienced with regards to finalisation with regards to choice of high mast light to be installed .	To accelerate the works in first quarter of 2023/2024 FY due date 30th September 2023	MIG Business plan, Appointment letter, Assessment report, Terms of Reference, Progress reports,
ROAD AND STORM WATER												
DTS150	To provide household with basic services	Design for Construction of	% progress in the Design of Construction	**95% progress** in the Design and	**100% Progress**: Design and Construction of	R 2 580 291.63	**100% Progress**: *5%	R 2 579 534.28	Yes	None	None	Monthly progress report,

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	including water, adequate sanitation, adequate public lighting and accessible road	Boekenhoutho ek Bus Route - Ward 24 (1km)	of Boekenhouth oek Bus Route - Ward 24	Construction of Boekenhoutho ek Bus Route - Ward 24	Boekenhouthoek Bus Route - Ward 24 by 30th September 2022: *5% Commissioning		Commissionin g					completion certificate
DTS151	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of Zakheni Bus Route – Ward 32 (1.1km)	% progress in the Construction of Zakheni Bus Route – Ward 32	**15% progress** in the Construction of Zakheni Bus Route – Ward 32 *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	**80% Progress:** Construction of Zakheni Bus Route – Ward 32 by 30th June 2023 *Term of Reference for Contractor 5%;*Appointmen t of Contractor 5%*Site Establishment 15%;*Constructi on of base layers 20%*Installation of kerbs 10%Installation of Paving 10%;	R 9 000 000	**80% Progress:** Term of Reference for Contractor 5%; *Appointment of Contractor 5% *Site Establishment 15%; *Construction of base layers 20% *Installation of kerbs 10% Installation of Paving 10%;	R 8 568 171.50	Yes	None	None	Terms of reference, Appointment Letter, Monthly progress report, completion certificate
DTS153	To provide household with basic services including water,	Designs for Construction of Mountain View (Mandela	% progress in the Designs and Construction	**15% progress** in the Designs and Construction	**80% Progress:** Designs and Construction of Mountain View	R 10 000 000	**61% progress:** *Appointment of Contractor	R 11 089 619.35	No	Delays encounter as results of ground water and hard rocks	To add more resources to speed up the project progress	MIG Business plan, Appointment letter,

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	adequate sanitation, adequate public lighting and accessible road	Drive) – Bus Route Ward 14 (1.7km)	of Mountain View (Mandela Drive) – Bus Route Ward 14	of Mountain View (Mandela Drive) – Bus Route Ward 14 *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	(Mandela Drive) – Bus Route Ward 14 by 30th June 2023: *Term of Reference for Contractor 5%;Appointment of Contractor 5%*Site Establishment 15%; *Construction of base layers 20%*Installation of kerbs 10%Installation of Paving 10%;		5% *Site Establishment 15% *Technical Report 5% *Term of Reference for Contractor 5% *Detailed Design Report 5% *Preliminary Design Report 5% * Construction of base layers 20% *Installation of kerbs 1%			excavations. The project is implemented on a multi-year basis, and at the time of budget adjustment, performance on site was low, hence the budget was adjusted cautiously. However, performance went up during the last quarter of the financial year, which led to more expenditure by the end of the financial year.	due date 30th November 2023. The over expenditure was balanced off through a virement (from savings on other projects) that was conducted after the adjustment budget had been passed.	Preliminary Design report, Detail design report Monthly progress reports,
DTS167	To provide household with basic services including water, adequate sanitation, adequate public	Mandela Luthuli Bridge Road (2.3km)	% progress in the Mandela Luthuli Bridge Road	**90% progress** in the Mandela Luthuli Bridge Road	**100% Progress:** Mandela Luthuli Bridge Road by 30th September 2022: *5% finishing,*5% Commissioning	R 4 027 706.88	**100% Progress:** *5% finishing, *5% Commissioning	R 4 027 706.87	Yes	None	None	Monthly progress report, completion certificate

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	lighting and accessible road											
DTS169	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Thembalethu Bus Route (1.2km)	% progress in the Thembalethu Bus Route	**95% Progress:** Thembalethu Bus Route	**100% Progress:** Thembalethu Bus Route by 30th September 2022: *5% Commissioning	R 965 749.09	**100% Progress:** *5% Commissioning	R 925 290.00	Yes	None	None	Monthly progress report, completion certificate
DTS170	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Roads and Stormwater in Ward 12 (1.86km)	% progress in the Roads and Stormwater in Ward 12	**95% Progress:** Roads and Stormwater in Ward 12	**100% Progress:** Roads and Stormwater in Ward 12 by 30th September 2022: *5% Commissioning	R 55 440.58	**100% Progress:** *5% Commissioning	R 55 440.58	Yes	None	None	Monthly progress report, completion certificate
DTS201	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of Phola Park Bus and Taxi Route - Ward 6 (2.5km)	% progress in the Construction of Phola Park Bus and Taxi Route - Ward 6	0	**60% Progress:** Construction of Phola Park Bus and Taxi Route - Ward 6 by 30th June 2023 * MIG Business Plan 5%; *Preliminary	R 5 500 000	**60% Progress:** MIG Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5% *Term of	R 5 499 918.46	Yes	None	None	MIG Business plan, Appointment letter, Assessment report, Terms of Reference, Monthly

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					Design Report 5%; *Detailed Design Report 5%*Term of Reference for Contractor 5%; *Appointment of Contractor 5%*Site Establishment 15%; *Construction of base layers 20%		Reference for Contractor 5%; *Appointment of Contractor 5% *Site Establishment 15%; *Construction of base layers 20%					Progress reports
DTS202	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of Verena A-D Bus and Taxi Route - Ward 08 (4.4km)	% progress in the Construction of Verena A-D Bus and Taxi Route - Ward 08	0	**15% progress** Construction of Verena A-D Bus and Taxi Route - Ward 08 31st March 2023 *MIG Business Plan 5%;*Preliminary Design Report 5%;*Detailed Design Report 5%	R 1 000 000	**10% Progress:** *MIG Business Plan 5%; *Preliminary Design Report 5%	R 1 000 000	No	The consultant has not finished with the detailed design report. The are outstanding design requirements that need to be finalised with the client.	To prepare a presentation to finalise the comments made by the team. To be finalized by the 30th August 2023 in the first quarter of 2023/2024 FY.	MIG Business plan, Appointment letter, Preliminary Design report, Detail design report
DTS203	To provide household with basic services	Construction of Verena C Bus and Taxi	% progress in the Construction	0	**15% progress** Construction of Verena C Bus	R 1 000 000	**15% Progress:** MIG Business	R 993 357.75	Yes	None	None	MIG Business plan, Appointment

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	including water, adequate sanitation, adequate public lighting and accessible road	Route - Ward 11 (4km)	of Verena C Bus and Taxi Route - Ward 11		and Taxi Route - Ward 11 by 31st March 2023 *MIG Business Plan 5%;*Preliminary Design Report 5%;*Detailed Design Report 5%		Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%					letter, Preliminary Design report, Detail design report
DTS204	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of Kwaggafontein A Link Road, Ward 24 (1.2km)	% progress in the Construction of Kwaggafontein A Link Road, Ward 24	0	**15% progress** Construction of Kwaggafontein A Link Road, Ward 24 by 31st March 2023 *MIG Business Plan 5%;*Preliminary Design Report 5%;*Detailed Design Report 5%	R 1 000 000	**15% Progress:** *MIG Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	R 999 669.80	Yes	None	None	MIG Business plan, Appointment letter, Preliminary Design report, Detail design report
DTS205	To provide household with basic services including water, adequate sanitation,	Construction of Tweefontein E Bus Route, Ward 15 (1.2km)	% progress in the Construction of Tweefontein	0	**15% progress** Construction of Tweefontein E Bus Route, Ward 15 by 31st March 2023	R 1 000 000	**15% Progress:** MIG Business Plan 5%; *Preliminary Design Report	R 996 908.38	Yes	None	None	MIG Business plan, Appointment letter, Preliminary Design report,

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	adequate public lighting and accessible road		E Bus Route, Ward 15		*MIG Business Plan 5%;*Preliminary Design Report 5%;*Detailed Design Report 5%		5%; *Detailed Design Report 5%					Detail design report
DTS206	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Construction of Pedestrian Bridges (Ward 11, 17, and 23)	% progress in the construction of pedestrian Bridges	0	**65% progress** Construction of pedestrian Bridges by 30th June 2023 *MIG Business plan 5%; *Appointment of Consultant 5%*Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference for Contractor 5%;*Appointment of Contractor 5%, *Site Establishment 15%;*Constructi	R 3 380 836.31	**65% progress** *MIG Business plan 5%; *Appointment of Consultant 5%*Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference for Contractor 5%;*Appointment of Contractor 5%, *Site Establishment 15%;*Construction of bridges 20%	R 9 547 495.25	Yes	The project is implemented on a multi-year basis, and at the time of budget adjustment, performance on site was low, hence the budget was adjusted cautiously. However, performance went up during the last quarter of the financial year, which led to more expenditure by the end of the financial year.	The over expenditure was balanced off through a virement (from savings on other projects) that was conducted after the adjustment budget had been passed.	Appointment letter; Terms of reference, Preliminary Design report, Detail Design report, MIG business plan, Monthly progress report

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PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
					on of bridges 20%							
DTS207	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Rehabilitation of Roads (Ward 21 and 32)	% Progress in the rehabilitation of roads	0	**65% progress** Rehabilitation of roads by 30th June 2023 MIG Business plan 5%; *Appointment of Consultant 5% Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference for Contractor 5%;*Appointment of Contractor 5%*Site Establishment 15%;*Rehabilitation of roads 20%	R 12 500 000	**65% Progress:** MIG Business plan 5%; *Appointment of Consultant 5% Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference for Contractor 5%;*Appointment of Contractor 5%, *Site Establishment 15%;*Rehabilitation of roads 20%	R 11 249 992.33	Yes	None	None	Appointment letter; Terms of reference, Preliminary Design report, Detail Design report, MIG business plan, Monthly progress report
SPORTS AND WASTE REMOVAL												
SDS006	To create a safe clean and healthy environment	Upgrading of Kwaggafontein stadium (Ward 26) – Phase 1	% progress in the Upgrading of Kwaggafontei	**20% progress** in the Upgrading of Kwaggafontein	**55% Progress:** Upgrading of Kwaggafontein stadium (Ward	R 7 000 000	**55% Progress:** *5% Terms of reference for	R 11 625 679.08	Yes	The project is implemented on a multi-year basis, and at the	The over expenditure was balanced off through a	Monthly progress report,

KPA	BASIC SERVICE DELIVERY											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	conducive for social development and recreation		n stadium (Ward 32)	stadium (Ward 26) *Technical Report 5%; *Appointment of Consultant *Preliminary Design Report 5%; *Detailed Design Report 5%	26) by 30th March 2023: *5% Terms of reference for contractor *Appointment of Contractor 5%*Site Establishment 15%;*Construction 10%,		contractor *Appointment of Contractor 5%*Site Establishment 15%;*Construction 10%,			time of budget adjustment, performance on site was low, hence the budget was adjusted cautiously. However, performance went up during the last quarter of the financial year, which led to more expenditure by the end of the financial year.	virement (from savings on other projects) that was conducted after the adjustment budget had been passed.	completion certificate
GRANT PERFORMANCE												
DTS189	To ensure clean and effective financial governance and compliance with legislative framework	Municipal Infrastructure Grant (MIG) Budget Expenditure	% Progress of the Municipal Infrastructure Grant (MIG) Budget Expenditure	0	100% Progress of the Municipal Infrastructure Grant (MIG) Budget Expenditure by 30th June 2023	R141 661 000	100% Progress of the Municipal Infrastructure Grant (MIG) Budget Expenditure	R 141 629 003.41	Yes	None	None	Monthly Expenditure Report
DTS190	To ensure clean and effective financial governance and compliance with	Water Services Infrastructure Grant (WSIG)	% Progress of the Water Services Infrastructure Grant (WSIG)	0	100% Progress of the Water Services Infrastructure Grant (WSIG)	R 25 000 000	100% Progress of the Water Services Infrastructure	R 37 999 996.00	Yes	The Municipality received additional R13 million funding	The additional Allocation spent in the 2022/ 2023	Monthly Expenditure Report

KPA	BASIC SERVICE DELIVERY											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	legislative framework	Budget Expenditure	Budget Expenditure		Budget Expenditure 30th June 2023		Grant (WSIG) Budget Expenditure			due good performance		
DTS191	To ensure clean and effective financial governance and compliance with legislative framework	Energy Efficiency and Demand-Side Management Programme (EEDMS) Budget Expenditure	% Progress of the Energy Efficiency and Demand-Side Management Programme (EEDMS) Budget Expenditure	0	100% Progress of the Energy Efficiency and Demand-Side Management Programme (EEDMS) Budget Expenditure by 30th June 2023	R 6 000 000	100% Progress of the Energy Efficiency and Demand-Side Management Programme (EEDMS) Budget Expenditure by 30th June 2023	R 5 999 623.00	Yes	None	None	Monthly Expenditure Report
DTS208	To ensure clean and effective financial governance and compliance with legislative framework	Integrated National Electrification Programme (INEP) Budget Expenditure	% Progress of the Integrated National Electrification Programme (INEP) Budget Expenditure	0	100% Progress of the Integrated National Electrification Programme (INEP) Budget Expenditure by 30th June 2023	R 12 000 000	100% Progress of the Integrated National Electrification Programme (INEP) Budget Expenditure by 30th June 2023	R 11 999 170.48	Yes	None	None	Monthly Expenditure Report

Chapter 3

KPA: BASIC SERVICE DELIVERY AND INFRASTRACTURE DEVELOPMENT

The department of Social Services overall performance for 2022/ 2023 financial year is 87% achievement. The department managed to achieve 13 targets out of the 15 planned targets, as compared to 90% achieved in 2021/ 2022 financial year, out of 10 planned targets 09 targets was achieved.

KPA	BASIC SERVICE DELIVERY											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
LED001	To create a safe, clean and healthy environment conducive for social development and recreation	Expanded Public Works Programme	Number of FTE's and work opportunities created through the Expanded Public Works Programme	462 FTE's (409 work opportunities created	374 FTE's (331 work opportunities created in Environment, Culture and Infrastructure by 30th June 2023	R 3,735,000	115 FTE's (130 work opportunities created in Environment, Culture and Infrastructure	R 1 204 440.00	No	Delays in finalizing the appointments due to rigorous review process	Additional work opportunities will be created by 30th September 2023	Appointment letters/ contracts of employment
SDS003	To create a safe, clean and healthy environment conducive for social development and recreation	Refuse Removal Thembisile Areas	Number of Households with access to refuse removal monthly	86 198 Households with access to refuse removal monthly	92 463 Households with access to refuse removal monthly by 30th June 2023	In house	67 404 Households with access to refuse removal monthly	In house	No	Constant breakdown of trucks and losing one truck due to hijacking	To procure 1 compactor truck as per the Special Waste Vehicle through MIG by 30th June 2024	Monthly reports, Control sheets and GIS Data
SDS017	To create a safe, clean and healthy environment conducive for social	Municipal Security Services reports	Number of quarterly status reports on Municipal security submitted to	3 quarterly status report on Municipal security submitted to	4 quarterly status reports on Municipal security submitted to the Municipal	R 31 694 447	4 quarterly status report on Municipal security submitted to	R 28 284 156.07	Yes	None	None	Quarterly status reports

KPA	BASIC SERVICE DELIVERY											
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	development and recreation		the Municipal Manager	Municipal Manager	Manager by 30th June 2023		Municipal Manager					
SDS018	To create a safe, clean and healthy environment conducive for social development and recreation	Conducting of Road Blocks	Number of road blocks conducted	38 road blocks conducted	36 road blocks conducted by 30th June 2023	In house	36 road blocks conducted	In house	Yes	None	None	Attendance registers and quarterly reports
SDS019	To create a safe, clean and healthy environment conducive for social development and recreation	Conducting of Literacy Campaigns	Number of literacy campaigns conducted	1 literacy campaign conducted	2 literacy campaign conducted by 30th June 2023	In house	14 literacy campaign conducted	In house	Yes	None	None	Attendance registers and reports
SDS020	To create a safe, clean and healthy environment conducive for social development and recreation	Conducting of Library Campaigns	Number of library campaigns conducted	1 library campaign conducted	2 library campaign conducted by 30th June 2023	In house	2 library campaign conducted	In house	Yes	None	None	Attendance registers and reports

KPA	BASIC SERVICE DELIVERY											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
SDS021	To create a safe, clean and healthy environment conducive for social development and recreation	Conducting of HIV/AIDS campaigns and dialogues	Number of HIV/AIDS campaigns and dialogues conducted	8 HIV/AIDS campaigns and dialogues conducted	8 HIV /AIDS campaigns and dialogues conducted by 30th June 2023	In house	11 HIV/AIDS campaigns and dialogues conducted	In house	Yes	None	None	Attendance registers and reports
SDS022	To create a safe, clean and healthy environment conducive for social development and recreation	Conducting of awareness campaigns and events for women, elderly, people with disabilities and children	Number of awareness campaigns and events for women, elderly, people with disabilities and children conducted	12 awareness campaigns and events for women, elderly, people with disabilities and children conducted	8 awareness campaigns and events for women, elderly, people with disabilities and children conducted by 30th June 2023	In house	16 awareness campaigns and events for women, elderly, people with disabilities and children	In house	Yes	None	None	Attendance registers and reports
SDS028	To create a safe, clean and healthy environment conducive for social development and recreation	Acquisition of machinery and equipment (ProLaser4)	Number of machinery and equipment to be procured	0	1 machinery and equipment to be procured by 30th June 2023	R200 000	1 machinery and equipment to be procured	R 157 142.86	Yes	None	None	Invoice
SDS029	To create a safe, clean and healthy	Identifying, gazetting, renaming and	Number of villages/townships identified,	0	8 villages/townships identified,	In house	35 villages/townships identified,	In house	Yes	None	None	Gazette and renamed, and

KPA	BASIC SERVICE DELIVERY											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	environment conducive for social development and recreation	signage installation for villages/townships, features including street names	renamed, and signage installed including street names		renamed, and signage installed including street names by 30th June 2023		renamed, and signage installed					signage installed lists
SDS030	To create a safe, clean and healthy environment conducive for social development and recreation	Conducting arts, culture campaigns, festivals events and or activities	Number of arts, culture campaigns, festivals events and or activities	0	2 arts, culture campaigns, festivals events and or activities conducted by 30th June 2023	In house	2 arts, culture campaigns, festivals events and or activities conducted	In house	Yes	None	None	Attendance registers and reports
SDS031	To create a safe, clean and healthy environment conducive for social development and recreation	Conducting sport and recreation campaigns, events and or activities.	Number of sport and recreation campaigns, events and or activities	0	2 sport and recreation campaigns, events and or activities conducted by 30th June 2023	In house	7 sport and recreation campaigns, events and or activities.	In house	Yes	None	None	Attendance registers and reports
SDS032	To create a safe, clean and healthy environment conducive for social	Disaster management	Number of disaster activities, incidents reported and attended.	0	24 disaster activities, incidents reported and attended by 30th June 2023	In house	44 disaster incidents reported and attended.	In house	Yes	None	None	Disaster response summary report and/ disaster response form

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	development and recreation											
SDS033	To create a safe, clean and healthy environment conducive for social development and recreation	Fencing of Phola Park Community Hall	Number of Community Halls fenced	0	1 Community Hall fenced by July 2023	R 500 000	1 Community Hall fenced	R 500 000.00	Yes	None	None	Progress report and completion certificate
SDS034	To create a safe, clean and healthy environment conducive for social development and recreation	Repairs and maintenance of Municipal buildings	Number of Repairs and maintenance of Municipal Buildings	0	"Old and New Building" (2)Repairs and maintenance of Municipal Buildings by July 2023	R 6 700 000	"Old and New Building" (2)Repairs and maintenance of Municipal Buildings	R 5 732 642.04	Yes	None	None	Progress report and completion certificate

Chapter 3

KPA: MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT

The department of Corporate Services overall performance for 2022/ 2023 financial year is 76% achievement. The department managed to achieve 13 targets out of the 17 planned targets, as compared to 65% achieved in 2021/ 2022 financial year, out of 31 planned targets 20 targets was achieved.

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DCS002	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Development and approval of job descriptions for new employees	Percentage of employees with signed job descriptions	100% employees with signed job description	100% employees with signed job description by 30th June 2023	In house	100% employees with signed job descriptions	In house	Yes	None	None	Signed job descriptions.
DCS004	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Signing of Annual performance agreements by Municipal staff	Percentage of employees at Level 3 with signed annual performance agreements	100% of employees with signed annual performance agreements	100% of employees at Level 3 with signed annual performance agreements by 30th June 2023	In house	100% of employees at Level 3 with signed annual performance agreements	In house	Yes	None	None	Signed Performance agreements
DCS005	To improve organizational efficiency and promote a culture of professional	Filling of vacant positions	Number of vacant positions filled	2 vacant positions filled	50 vacant positions filled by 30th June 2023	In house	31 vacant positions filled	In house	No	19 positions could not be filled in time as delays in capturing &	Shortlisting's have been conducted and interviews to be conducted	Appointment letters.

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	conduct in order to render quality services.									recruitment processes	by 30th September 2023	
DCS006	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Development and approval of Works Skills Plan to LGSETA	Number of work skills plans developed and submitted to LGSETA	1 work skills plans developed and submitted to LGSETA	1 work skills plans developed and submitted to LGSETA by 30th April 2023	In house	1 work skills plans developed and submitted to LGSETA	In house	Yes	None	None	Proof of submission LGSETA
DCS007	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Operational revenue: Skills Development Levy Fund	Number of employees trained as part of the work skills plan	Number of employees trained as part of the work skills plan	208 employees trained as part of the work skills plan by 30th June 2023	R 2 335 560	215 employees trained as part of the work skills plan	R 1 577 479.12	Yes	None	None	Training report and attendance register
DCS008	To improve organizational efficiency and promote a culture of professional conduct in	Implementation of work skills plan	Percentage of Municipal budget actually spent on implementing	1% of municipal budget actually spent on implementing	1% of Municipal budget actually spent on implementing workplace	In house	0.62% of Municipal budget actually spent on implementing	In house	No	Budget depleted	Training will be rolled out when budget is available in the new financial year	Expenditure report

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	order to render quality services.		workplace skills plan	workplace skills plan	skills plan by 30th June 2023		workplace skills plan					
DCS009	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Implementation of Employment Equity Plan	Percentage of vacancies filled in line with employment equity targets	100% of vacancies filled in line with employment equity targets	100% of vacancies filled in line with employment equity targets by 30th June 2023	In house	76.5% of vacancies filled in line with employment equity targets	In house	No	Delays in the recruitment processes	Shortlisting's have been consulted, appointments will be done in the 1st quarter	Recruitment report
DCS010	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Submission of Employment Equity Reports to Dept. of Labour	Number of EER submitted to Dept. of Labour	1 EER submitted to Dept. of Labour by the 15th of January 2023	1 EER submitted to Dept. of Labour by the 15th of January 2023	In house	1 EER submitted to Dept. of Labour	In house	Yes	None	None	Proof of submission
DCS011	To improve organizational efficiency and promote a culture of professional conduct in order to render	Submission of Litigation reports to Municipal Manager	Number of litigation reports submitted to Municipal Manager	4 litigation reports submitted to Municipal Manager	4 litigation reports submitted to Municipal Manager by 30th June 2023	R 1 784 004	4 litigation reports submitted to Municipal Manager	R 1 096 511.68	Yes	None	None	4 Litigation reports

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
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	quality services.											
DCS012	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Approval of Human Resource policies by Council	Number of Humana Resource policies approved by Council	24 Human Resource policies approved by Council	27 Human Resource policies approved by Council by 30th June 2023 (education training and development, attendance and punctuality, succession planning and career path, IPMS ,OHS,HR strategy, recruitment and employment, leave, fleet management, acting allowance, learnership and internship, overtime, private work	In house	27 Human Resource policies approved by Council	In house	Yes	None	None	Council resolution

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
					and declaration of interest, rellocation, sexual harrassment, smoking volunteers, retention strategy, HIV and AIDS, employee assistance, employees under the influence intoxicating substances, cell phone and wireless device policy, Development framework policy)							
DCS013	To improve organizational efficiency and promote a culture of professional conduct in	Issuing of Audit reports on OHS inspection	Number of Audit reports issued on OHS inspection	2 Audit reports issued on OHS inspection	2 Audit reports issued on OHS inspection by 30th June 2023	In house	3 Audit reports issued on OHS inspection	In house	Yes	None	None	Inspection reports

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	order to render quality services.											
DCS014	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Conducting Occupational Health and Safety committee meetings	Number of OHS committee meetings conducted	4 OHS committee meetings conducted	4 OHS committee meetings conducted by 30th June 2023	In house	4 OHS committee meetings conducted	In house	Yes	None	None	Attendance register, minutes
DCS016	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Conducting of induction for new and old employees	Number of inductions conducted for old and new employees	2 inductions conducted for old and new employees	2 inductions conducted for old and new employees by 30th June 2023	In house	2 inductions conducted for old and new employees	In house	Yes	None	None	Attendance register
DCS017	To improve organizational efficiency and promote a culture of professional conduct in order to render	Sitting of the Local Labour Forum meetings	Number of LLF meetings conducted	5 LLF meetings conducted	6 LLF meetings conducted by 30th June 2023	In house	8 LLF meetings conducted	In house	Yes	None	None	Attendance register

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
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	quality services.											
DCS031	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Implementation of Biometric clocking system	Number of reports on the implementation of Biometric clocking systems	0	1 reports on the implementation of Biometric clocking systems by 30th June 2023	In house	0	In house	No	The system is currently not in use due to technical defects as a result of renovations	The system will be in use as and when repair works have been done	Report
MM013	To deepen democracy and promote active community participation in the affairs of the institution	Sitting of Council meetings	Number of ordinary council meetings conducted	6 Ordinary and 6 special council meetings conducted	6 Ordinary council meetings conducted by 30th June 2023	In house	11 Ordinary Council meeting conducted	In house	Yes	None	None	Attendance register
MM014	To deepen democracy and promote active community participation in the affairs of the institution	Sitting of Mayoral Committee meetings	Number of Mayoral committee meeting conducted	11 Ordinary and 1 special Mayoral committee meeting conducted	11 Mayoral committee meeting conducted by 30th June 2023	In house	12 Mayoral committee meeting conducted	In house	Yes	None	None	Attendance register

Chapter 3

KPA: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

The department of Finance Services overall performance for 2022/ 2023 financial year is 91% achievement. The department managed to achieve 32 targets out of the 35 planned targets, as compared to 93% achieved in 2021/ 2022 financial year, out of 30 planned targets 28 targets was achieved.

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DBT001	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Approve annual budget that are compliant with the MFMA and treasury standards	Number of annual budgets approved in line with MFMA and treasury standards	1 annual budgets approved in line with MFMA and treasury standards	1 annual budgets approved in line with MFMA and treasury standards by 31st May 2023	In house	1 annual budgets approved in line with MFMA and treasury standards	In house	Yes	None	None	Council resolution
DBT002	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Budget adjustment in line with MFMA and treasury standards	Number of budgets adjusted in line with MFMA and treasury standards	1 budget adjusted in line with MFMA and treasury standards by 28th February 2022	1 budget adjusted in line with MFMA and treasury standards by 28th February 2023	In house	1 budget adjusted in line with MFMA and treasury standards	In house	Yes	None	None	Council resolution

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DBT003	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Development of Audit Action Plan	Number of audit action plan developed	1 Audit action plan developed by 28th February 2022	1 Audit action plan developed by 31st December 2022	In house	1 Audit action plan developed	In house	Yes	None	None	Audit action plan
DBT005	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Revenue collection in line with the budgeted financial performance	Amount revenue collected excluding grants		100% Revenue collected excluding grants by 30th June 2022 (R 300 355 000)	In house	R 65 667 084.36 excluding grants Revenue collected	In house	No	Resistance of payments of Services from the Communities, Businesses and Government Departments.	Implementation of the Revenue Enhancement Strategy inclusive of Operation Take Responsibility to improve the revenue collection rate by 31st July 2023	Section 71 Monthly reports
					100% Property Rates collected (R 58 457 000)	In house	R 37 369 661.23 Property Rates collected	In house	No	Resistance of payments of Services from the Communities,	Implementation of the Revenue Enhancement Strategy	Section 71 Monthly reports

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
										Businesses and Government Departments.	inclusive of Operation Take Responsibility to improve the revenue collection rate by 31st July 2023	
					100% Service charges collected (R 131 605 000)	In house	R 8 850 715.20 Service charges collected	In house	No	Resistance of payments of Services from the Communities, Businesses and Government Departments.	Implementation of the Revenue Enhancement Strategy inclusive of Operation Take Responsibility to improve the revenue collection rate by 31st July 2023	Section 71 Monthly reports
					100% Investment Revenue collected (R 8 191 000)	In house	R 13 620 976	In house	Yes	None	None	Section 71 Monthly reports
					100% Other own Revenue collected	In house	R 5 825 731.29 Other	In house	No	Resistance of payments of Services from	Implementation of the Revenue	Section 71 Monthly reports

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
					(R102 102 000)		own Revenue collected			the Communities, Businesses and Government Departments.	Enhancement Strategy inclusive of Operation Take Responsibility to improve the revenue collection rate by 31st July 2023	
					100% Transfers collected (R 530 245 000)	In house	R 713 823 000 Transfers collected	In house	Yes	None	None	Section 71 Monthly reports
DBT006	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Revenue enhancement outreach meetings	Number of outreach meeting conducted	1 Outreach meetings conducted	2 Outreach meetings conducted by 30th June 2023	In house	2 Outreach meetings conducted	In house	Yes	None	None	Attendance register and reports
DBT007	To improve the financial status of the Municipality	Development of Data cleansing action plan	Number of data action plans developed	1 data action plan developed	1 data action plan developed by 30th June 2023	In house	1 data action plan developed	In house	Yes	None	None	Data cleansing action plan

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	through prudent budget planning, stringent financial management and improved revenue collection											
DBT008	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Implementation of data cleansing process	Number of reports submitted to the Municipal Manager on data cleansing	3 quarterly reports submitted to the Municipal Manager on data cleansing	4 quarterly reports submitted to the Municipal Manager on data cleansing by 30th June 2023	In house	4 quarterly reports submitted to the Municipal Manager on data cleansing	In house	Yes	None	None	Data cleansing action plan
DBT009	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved	Registration of Indigents	Number of indigents registered on the indigent register	330 indigents registered on the indigent	600 indigents registered on the indigent register by 30th June 2023	In house	383 Indigents registered on the indigent register	In house	No	The received application of indigents registration process was not completed	All the applications for the indigents will be finalised by 30th September 2023 so the number of registrations can improve massively.	Indigent register

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	revenue collection											
DBT010	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Provision of services to indigent households	Percentage of households earning less than R 1800 per month with access to free basic services	100% of households earning less than R1800 per month with access to free basic services	100% of households earning less than R1800 per month with access to free basic services by 30th June 2023	In house	100% of households earning less than R1800 per month with access to free basic services	In house	Yes	None	None	Indigent register
DBT011	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Fixed Asset Register compliance with GRAP	Number of action plan developed in line with FAR compliance with GRAP standards	1 action plan developed in line with FAR compliance with GRAP standards	1 action plan developed in line with FAR compliance with GRAP standards by 30th June 2023	In house	1 action plan developed in line with FAR compliance with GRAP standards	In house	Yes	None	None	Fixed Assets register
DBT012	To improve the financial status of the Municipality through prudent	Conduct asset verification and reconciliation	Number of asset verifications and	1 asset verification and reconciliation conducted	2 asset verification and reconciliation	In house	2 asset verification and reconciliation conducted	In house	Yes	None	None	Assets verification and reconciliation reports

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	budget planning, stringent financial management and improved revenue collection		reconciliation conducted		conducted by 30th June 2023							
DBT013	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Updating of the fixed Asset register	Rate update of the Fixed Asset Register	Daily update of the Fixed Asset Register	Daily update of the Fixed Asset Register by 30th June 2023	R 6 291 408	Daily update of the Fixed Asset Register	R 6 290 693.44	Yes	None	None	Assets register
DBT014	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission of Section 71 monthly budget statements	Number of section 71 monthly statements submitted within 10 days after the end of each month to the Executive Mayor, the provincial	9 Section 71 monthly statements submitted within 10 days after the end of each month to the Executive Mayor, the provincial	12 Section 71 monthly statements submitted within 10 days after the end of each month to the Executive Mayor, the provincial treasury and	In house	12 Section 71 monthly statements submitted within 10 days after the end of each month to the Executive Mayor, the provincial treasury and	In house	Yes	None	None	Proof of submission and 12 reports

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
			treasury and national treasury	treasury and national treasury	national treasury by 30th June 2023		national treasury					
DBT015	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission of Supply Chain Management reports to Council	Number of Supply Chain Management reports to submitted to Council	3 Supply chain management reports submitted to Council	4 Supply chain management reports submitted to Council by 30th June 2023	In house	4 Supply chain management reports submitted to Council	In house	Yes	None	None	Council resolution
DBT016	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission budget statements to council	Number of budget statements submitted to council within 30 days after the end of a quarter	3 Budget statements submitted to council within 30 days after the end of a quarter	4 Budget statements submitted to council within 30 days after the end of a quarter by 30th June 2023	In house	4 Budget statements submitted to council within 30 days after the end of a quarter	In house	Yes	None	None	Council resolution
DBT017	To improve the financial status of the Municipality	Submission of bank reconciliation to the	Number of Bank reconciliation submitted to	9 Bank reconciliation submitted to	12 Bank reconciliation submitted to the Municipal	In house	12 Bank reconciliation submitted to	In house	Yes	None	None	12 Bank reconciliation and proof of submission

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	through prudent budget planning, stringent financial management and improved revenue collection	Municipal Manager	the Municipal Manager within 10 days after the end of the month	the Municipal Manager	Manager by 30th June 2023		the Municipal Manager					
DBT018	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Compilation and submission of Annual Financial Statements to the Auditor General	Number of Annual Financial Statements compiled and submitted to the Auditor General	1 Annual Financial Statement compiled and submitted to the Auditor General	1 Annual Financial Statement compiled and submitted to the Auditor General by 31st August 2022	R 4 000 000	1 Annual Financial Statement compiled and submitted to the Auditor General	R 1 763 431.00	Yes	None	None	Proof of submission
DBT019	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved	Conduct stock taking and reconciliation	Number of stock taking and reconciliation conducted	1 stock taking and reconciliation conducted	2 stock taking and reconciliation conducted by 30th June 2023	In house	2 stock taking and reconciliation conducted	In house	Yes	None	None	2 Stock take reports

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	revenue collection											
DBT020	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Implementation of valuation roll	Percentage implementation of valuation roll	100% of the valuation roll implemented on a monthly basis	100% of the valuation roll implemented on a monthly basis by 30th June 2023	In house	100% of the valuation roll implemented on a monthly basis	In house	Yes	None	None	Valuation report
DBT022	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission of goods and services through return or verbal and formal return quotations reports to Council (R1-R200 000)	Number of goods and services through return or verbal and formal return quotations reports submitted to Council	3 Goods and services through return or verbal and formal return quotations reports submitted to Council	4 Goods and services through return or verbal and formal return quotations reports submitted to Council by 30th June 2023	In house	4 Goods and services through return or verbal and formal return quotations reports submitted to Council	In house	Yes	None	None	Council resolution
DBT023	To improve the financial status of the Municipality through prudent	Submission of goods and services procured through a	Number of goods and services procured through a	3 Goods and services procured through a competitive	4 Goods and services procured through a competitive	In house	4 Goods and services procured through a competitive	In house	Yes	None	None	Council resolution

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	budget planning, stringent financial management and improved revenue collection	competitive bidding processes reports to Council (R201 000 above	competitive bidding processes reports submitted to Council (R201 000 above	bidding processes reports	bidding processes reports submitted to Council (R201 000 above by 30th June 2023		bidding processes reports submitted to Council (R201 000 above					
DBT024	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission of goods and services procured through deviation process reports to Council (R0-R200 000)	Number of goods and services procured through deviation process reports to Council	3 Goods and services procured through deviation process reports to Council	4 Goods and services procured through deviation process reports to Council by 30th June 2023	In house	4 Goods and services procured through deviation process reports to Council	In house	Yes	None	None	Council resolution
DBT025	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved	Submission of irregular expenditure reports to Council	Number of irregular expenditure reports submitted to Council	3 Irregular expenditure reports submitted to Council	4 Irregular expenditure reports submitted to Council by 30th June 2023	In house	4 Irregular expenditure reports submitted to Council	In house	Yes	None	None	Council resolution

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	revenue collection											
DBT026	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission of Contracts Management reports to Council	Number of Contracts Management reports submitted to Council	3 Contracts Management reports submitted to Council	4 Contracts Management reports submitted to Council by 30th June 2023	In house	4 Contracts Management reports submitted to Council	In house	Yes	None	None	Council resolution
DBT027	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission of section 66 monthly reports to Council	Number of monthly section 66 reports submitted to Council	9 Section 66 monthly reports submitted to Council	12 Section 66 monthly reports submitted to Council by 30th June 2023	In house	11 Section 66 monthly reports submitted to Council	In house	No	Report was not considered as item to Council for approval due to overload of agenda items.	Report will be submitted to Council for approval by 30th September 2023	Council resolution
DBT028	To improve the financial status of the Municipality through prudent	Submission of creditors register and creditors analysis	Number of creditors register and creditors analysis	9 creditors register and creditors analysis monthly	12 creditors register and creditors analysis monthly	In house	12 creditors register and creditors analysis	In house	Yes	None	None	12 creditors register and creditors analysis

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	budget planning, stringent financial management and improved revenue collection	monthly to the Municipal Manager	monthly reports	reports submitted to Council	reports by 30th June 2023		monthly reports					
DBT029	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Submission of fruitless and wasteful expenditure reports to Council	Number of fruitless and wasteful expenditure reports to Council	3 fruitless and wasteful expenditure reports submitted to Council	4 fruitless and wasteful expenditure reports submitted to Council by 30th June 2023	In house	4 fruitless and wasteful expenditure reports submitted to Council	In house	Yes	None	None	Council resolution
DBT030	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Conduct inventory reconciliation	Number of inventory reconciliation conducted	1 Inventory reconciliation conducted	2 Inventory reconciliation conducted by 30th June 2023	In house	2 Inventory reconciliation conducted	In house	Yes	None	None	Inventory reconciliation reports

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DBT031	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	Closure of the Financial System	Due date for the closure of the Financial System on a monthly basis	By the 3rd of each month the Financial System must be closed	By the 3rd of each month the Financial System must be closed by 30th June 2023	In house	By the 3rd of each month the Financial System must be closed	In house	Yes	None	None	Financial System closure report
						FLEET						
DBT032	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Leasing of Municipal fleet	Number of Municipal fleet paid monthly on lease	37 Municipal fleet paid monthly on lease	37 Municipal fleet paid monthly on lease by 30th June 2023	R 5 400 104	37 Municipal fleet paid monthly on lease by 30th June 2023	R 4 643 235.58	Yes	None	None	Monthly statements
DBT033	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Development of operational plan for Municipal fleet	Number of operational plans developed for Municipal fleet	1 Operational plan developed for Municipal fleet	1 Operational plans developed for Municipal fleet by 30th June 2023	In house	1 Operational plans developed for Municipal fleet	In house	Yes	None	None	Operational plan

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
DBT034	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Repairs and maintenance of Municipal fleet	Number of repairs and maintenance reports of Municipal fleet produced and submitted to the HOD	12 repairs and maintenance reports of Municipal fleet produced and submitted to the HOD	12 repairs and maintenance reports of Municipal fleet produced and submitted to the HOD by 30th June 2023	R 10 133 468	12 repairs and maintenance reports of Municipal fleet produced and submitted to the HOD	R 5 682 394.24	Yes	None	None	Monthly reports
DBT035	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Monitoring the usage of fuel	Number of reports produced and submitted to the HOD on the usage of fuel	12 reports produced and submitted to the HOD on the usage of fuel	12 reports produced and submitted to the HOD on the usage of fuel by 30th June 2023	R 10 787 240	12 reports produced and submitted to the HOD on the usage of fuel	R 8 363 342.28	Yes	None	None	Reports
DBT036	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Licensing of Municipal Fleet	Number of vehicle licenses renewed	104 vehicle licenses renewed	148 vehicle licenses renewed by 30th June 2023	R 1 433 792	157 vehicle licenses renewed	R 783 192.4	Yes	None	None	License certificates

Chapter 3

KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The Office of the Municipal Manager's overall performance for 2022/ 2023 financial year is 90% achievement. The department managed to achieve 52 targets out of the 58 planned targets, as compared to 87% achieved in 2021/ 2022 financial year, out of 52 planned targets 45 targets was achieved.

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
OFFICE OF THE SPEAKER												
MM001	To deepen democracy and promote active community participation in the affairs of the institution	Conducting Mayoral Outreach meetings	Number of Mayoral Outreach Meetings conducted	0	24 Mayoral outreach meetings conducted by 30th June 2023	In house	30 Mayoral outreach meetings conducted	In house	Yes	None	None	Attendance registers
MM002	To deepen democracy and promote active community participation in the affairs of the institution	Submission of Mayoral Outreach Report to the Mayor	Number of Mayoral Outreach reports submitted to the Mayor	0	2 Mayoral outreach reports submitted to the Mayor by 30th June 2023	In house	2 Mayoral outreach reports submitted to the Mayor	In house	Yes	None	None	Reports
MM003	To deepen democracy and promote active community participation in the affairs of the institution	Conducting of Ward Committee meetings	Number of ward committee meetings conducted	128 ward committee meetings conducted	384 ward committee meetings conducted by 30th June 2023	In house	384 ward committee meetings conducted by 30th June 2023	In house	Yes	None	None	Attendance registers

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
MM004	To deepen democracy and promote active community participation in the affairs of the institution	Workshops for councilors and ward committee members	Number of workshop conducted for councilors and ward committee members	0	2 workshop programmes conducted for ward committee members and councilors by 30th June 2023	In house	2 workshop programmes conducted for ward committee members and councilors	In house	Yes	None	None	Attendance register
					COMMUNICATION							
MM005	To deepen democracy and promote active community participation in the affairs of the institution	Development and approval of Communication strategy	Number of Communication Strategies developed and approved	1 communication strategies developed and approved	1 communication strategies developed and approved by 30th June 2023	In house	0	In house	No	The reviewed Communication Strategy is still under review by GCIS and COGTA	The Communication Strategy will be adopted by Council on 27 July 2023	Council resolution
MM006	To deepen democracy and promote active community participation in the affairs of the institution	Conducting of media engagement sessions	Number of media engagement sessions conducted	1 media engagement sessions conducted	2 media engagement sessions conducted by 30th June 2023	In house	2 media engagement sessions conducted	In house	Yes	None	None	Attendance register
MM007	To deepen democracy and promote active community participation in	Issuing of media statements	Number of media statements issued	7 media statements issued	4 media statements issued by 30th June 2023	In house	13 media statements issued	In house	Yes	None	None	Media statements

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	the affairs of the institution											
MM008	To deepen democracy and promote active community participation in the affairs of the institution	Updating of official social media accounts	Rate of update of Municipal social media accounts	Updating of Municipal social media accounts quarterly and as and when required	Updating of Municipal social media accounts quarterly and as and when required by 30th June 2023	In house	Updating of Municipal social media accounts quarterly and as and when required	In house	Yes	None	None	Social media accounts reports
MM010	To deepen democracy and promote active community participation in the affairs of the institution	Submission of report on the presidential hotline to the Municipal Manager	Number of reports on the presidential hotline submitted to the Municipal Manager	3 reports on the presidential hotline submitted to the Municipal Manager	4 reports on the presidential hotline submitted to the Municipal Manager by 30th June 2023	In house	4 reports on the presidential hotline submitted to the Municipal Manager	In house	Yes	None	None	4 Presidential hotline reports
MM011	To deepen democracy and promote active community participation in the affairs of the institution	Issuing of External Newsletter	Rate of issuing of External Newsletter issued	1 Quarterly issuing of External Newsletters	2 Quarterly issuing of External Newsletters by 30th June 2023	R 224 996	2 Quarterly issuing of External Newsletters	R 156 420.00	Yes	None	None	External Newsletter
					IDP							
MM017	To deepen democracy and promote active	Development and approval of	Number of IDP process plans	1 IDP process plan developed and	1 IDP process plans developed and	In house	1 IDP process plan developed and	In house	Yes	None	None	Council resolution

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	community participation in the affairs of the institution	IDP Process Plan	developed and approved by Council	approved by Council	approved by Council by 31st August 2022		approved by Council					
MM018	To deepen democracy and promote active community participation in the affairs of the institution	Development and approval of the Integrated Development Plan	Number of IDP's reviewed and approved	0	1 IDP's reviewed and approved by 30th June 2023	In house	1 IDP's reviewed and approved	In house	Yes	None	None	Council resolution
MM019	To deepen democracy and promote active community participation in the affairs of the institution	Holding of the Annual IDP/Budget Indaba	Number of IDP/Budget Indaba meetings conducted	0	1 IDP/Budget Indaba meetings conducted by 30th June 2023	In house	1 IDP/Budget Indaba meetings conducted	In house	Yes	None	None	Attendance register
MM020	To deepen democracy and promote active community participation in the affairs of the institution	Conducting of the Strategic Planning Workshop	Number of strategic planning workshops conducted	1 Strategic planning workshops conducted	1 strategic planning workshops conducted by 30th June 2023	R 368 172	1 Strategic planning workshops conducted	R 368 172.00	Yes	None	None	Attendance register and report
MM021	To deepen democracy and promote active	Conducting of IDP/Budget	Number of IDP/Budget steering	1 IDP/Budget steering committee	2 IDP/Budget steering committee	In house	2 IDP/Budget steering committee	In house	Yes	None	None	Attendance register and report

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	community participation in the affairs of the institution	steering committee meetings	committee meetings conducted	meetings conducted.	meetings conducted by 30th June 2023		meetings conducted					
MM022	To deepen democracy and promote active community participation in the affairs of the institution	Submission of IDP to the MEC for Local Government	Number of IDP submitted to the MEC for Local Government within 10 workings days after approval	0	1 IDP submitted to the MEC for Local Government within 10 workings days after approval by 30th June 2023	In house	1 IDP submitted to the MEC for Local Government within 10 workings days after approval	In house	Yes	None	None	Submission letter
MM023	To deepen democracy and promote active community participation in the affairs of the institution	Conducting Community Consultative meetings on approved draft IDP/Budget	Number of Community Consultative meetings conducted on approved draft IDP/Budget	0	12 zonal meetings Community Consultative meetings conducted on approved draft IDP/Budget by 30th June 2023	In house	15 zonal meetings Community Consultative meetings conducted on approved draft IDP/Budget	In house	Yes	None	None	Attendance register
					PERFORMANCE MANAGEMENT SYSTEM							
MM024	To deepen democracy and promote active community	Compilation and submission of the	number of Annual Reports compiled and	1 Annual Report compiled and submitted to	1 Annual Report compiled and submitted to	In house	1 Annual Report compiled and submitted to	In house	Yes	None	None	Acknowledgement letter

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	participation in the affairs of the institution	Annual Report to the office of the Auditor General	submitted to the office of Auditor General	the office of the Auditor General	the office of the Auditor General by 31st August 2022		the office of the Auditor General					
MM025	To deepen democracy and promote active community participation in the affairs of the institution	Tabling of Annual Report before Council	Number of Annual Reports tabled before council	1 Annual report tabled before council	1 Annual report tabled before council by 31st January 2023	In house	1 Annual report tabled before council	In house	Yes	None	None	Council resolution
MM026	To deepen democracy and promote active community participation in the affairs of the institution	Development and submission of Mid-year budget and performance assessment report	Number of Mid-year budget and performance assessments submitted to the Executive Mayor, National Treasury and Provincial Treasury	1 Mid-year budget and performance assessment conducted and submitted to the Executive Mayor, National Treasury and Provincial Treasury	1 Mid-year budget and performance assessment conducted and submitted to the Executive Mayor, National Treasury and Provincial Treasury by 25th January 2023	In house	1 Mid-year budget and performance assessment conducted and submitted to the Executive Mayor, National Treasury and Provincial Treasury	In house	Yes	None	None	Acknowledgement of receipt
MM027	To deepen democracy and promote active	Tabling of Mid-year budget and	Number of Mid-year budget and	1 Mid-year budget and	1 Mid-year budget and Performance	In house	1 Mid-year budget and Performance	In house	Yes	None	None	Council resolution

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	community participation in the affairs of the institution	performance assessment before Council	performance assessments tabled before Council	Performance Assessment report tabled before Council	Assessment report tabled before Council by 31st January 2023		Assessment report tabled before Council					
MM028	To deepen democracy and promote active community participation in the affairs of the institution	Review and approval of the PMS Policy Framework	Number of PMS Policy Framework reviewed and approved by Council	1 PMS Policy Framework reviewed and approved	1 PMS Policy Framework reviewed and approved by Council by 30th June 2023	In house	1 PMS Policy Framework reviewed and approved	In house	Yes	None	None	Council resolution
MM029	To deepen democracy and promote active community participation in the affairs of the institution	Submission of performance report to the Executive Mayor	Number of performance reports submitted to the Executive Mayor	3 Performance report submitted to the Executive Mayor	4 Performance reports submitted to the Executive Mayor by 30th June 2023	In house	4 Performance report submitted to the Executive Mayor	In house	Yes	None	None	Council resolution
MM030	To deepen democracy and promote active community participation in the affairs of the institution	Development and submission of the SDBIP to the Executive Mayor	Number of SDBIP's developed and submitted to the Executive Mayor within 14 days after the approval	0	1 2023/2024 Draft SDBIP' developed and submitted to the Executive Mayor within 14 days after the approval of the budget for	In house	1 2023/2024Draft SDBIP' developed and submitted to the Executive Mayor within 14 days after the approval of	In house	Yes	None	None	Acknowledgement of receipt

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
			of the budget for consideration		consideration by 30th June 2023		the budget for consideration					
MM031	To deepen democracy and promote active community participation in the affairs of the institution	Approval of SDBIP by the Executive Mayor	Number of SDBIP's approved by the Executive Mayor within 28 days after the approval of the budget	0	1 2023/2024 SDBIP's approved by the Executive Mayor within 28 days after the approval of the budget by 30th June 2023	In house	1 2023/2024 SDBIP's approved by the Executive Mayor within 28 days after the approval of the budget	In house	Yes	None	None	Approved SDBIP
MM032	To deepen democracy and promote active community participation in the affairs of the institution	Signing of Performance Agreements by Senior managers	Number of Senior Managers including Municipal Manager with signed performance agreement	5 Signed performance agreements for Senior Managers and 1 Municipal Manager	5 Signed performance agreements for Senior Managers and 1 Municipal Manager by 31st July 2022	In house	5 Signed performance agreements for Senior Managers and 1 Municipal Manager	In house	Yes	None	None	Signed performance agreements
MM033	To deepen democracy and promote active community participation in	Conducting performance assessments for Senior Managers	Number of performance assessments conducted for Senior Managers	3 performance assessments conducted for senior managers including	4 performance assessments conducted for senior managers including	In house	4 performance assessments conducted for senior managers including	In house	Yes	None	None	Performance assessments report

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	the affairs of the institution		including Municipal Manager	Municipal Manager	Municipal Manager by 30th June 2023		Municipal Manager					
					INTERNAL AUDIT							
MM034	To deepen democracy and promote active community participation in the affairs of the institution	Submission of Audit Plan to Audit committee for approval (3 year rolling and annual operational plan)	Number of Audit Plans submitted to the Audit committee for approval	1 Audit Plans submitted to the Audit committee for approval	1 Audit Plans submitted to the Audit committee for approval by 30th June 2023	In house	1 Audit Plans submitted to the Audit committee for approval	In house	Yes	None	None	Approved Audit plan and minutes of the AC meeting
MM035	To deepen democracy and promote active community participation in the affairs of the institution	Submission of internal audit reports to the Audit Committee	Number of internal audit reports submitted to the Audit Committee	3 Internal audit reports submitted to the Audit Committee	4 Internal audit reports submitted to the Audit Committee by 30th June 2023	R 900 000	4 Internal audit reports submitted to the Audit Committee	R 900 000	Yes	None	None	Quarterly audit reports presented to the AC and AC minutes
MM036	To deepen democracy and promote active community participation in	Conducting of Internal Audit charter workshops	Number of Internal Audit charter workshops conducted	1 Internal Audit charter workshops conducted	1 Internal Audit charter workshops conducted by 30th June 2023	In house	1 Internal Audit charter workshops conducted	In house	Yes	None	None	Attendance registers

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	the affairs of the institution											
MM037	To deepen democracy and promote active community participation in the affairs of the institution	Holding of Audit Committee meetings	Number of Audit Committee meetings held	4 Audit Committee meetings held	4 Audit Committee meetings held by 30th June 2023	NDM shared services	6 Audit Committee meetings held	NDM shared services	Yes	None	None	Attendance registers and minutes
MM038	To deepen democracy and promote active community participation in the affairs of the institution	Submission of Audit Committee reports to Council	Number of Audit Committee reports submitted to Council	0	4 Audit Committee reports submitted to Council by 30th June 2023	In house	3 Audit Committee reports submitted to Council	In house	No	Report was not considered as item to Council for approval due to overload of agenda items.	Report will be submitted to Council for approval by 30th September 2023.	Council resolution
MM054	To deepen democracy and promote active community participation in the affairs of the institution	Implementation of AGSA Management letter findings	Percentage on implementation of AGSA Management letter findings by 30 June 2023	0	100% Implementation of AGSA Management letter findings by 30 June 2023	In house	86% Implementation of AGSA Management letter findings	In house	No	Slow implementation by Departments.	To make a follow-up with management at after the finalization of the AFS on the 31 August 2023	Action Plan progress report
MM055	To deepen democracy and promote active community	Implementation of Internal Audit action	Percentage on implementation of Internal	0	100% Implementation of Internal Audit action plans/	In house	53% Implementation of Internal Audit action	In house	No	Slow implementation by Departments.	To make a follow-up with management at the end of	Quarterly follow-up report on IA Findings.

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	participation in the affairs of the institution	plans/ recommendations	Audit action plans/ recommendations by 30 June 2023		recommendations by 30 June 2023		plans/ recommendations				first quarter of 2023/24 on the 30 September 2023	
					RISK MANAGEMENT							
MM039	To deepen democracy and promote active community participation in the affairs of the institution	Submission of quarterly Risk Management reports to RMAFACC	Number of Risk Management reports submitted to RMAFACC	3 Risk Management reports submitted to RMAFACC	4 Risk Management reports submitted to RMAFACC by 30th June 2023	In house	4 Risk Management reports submitted to RMAFACC	In house	Yes	None	None	Agenda and CRO Report
MM040	To deepen democracy and promote active community participation in the affairs of the institution	Submission of compliance reports to RMAFACC	Number of compliance reports submitted to RMAFACC	3 Compliance reports submitted to RMAFACC	4 Compliance reports submitted to RMAFACC by 30th June 2023	In house	4 Compliance reports submitted to RMAFACC	In house	Yes	None	None	Agenda and Compliance Report
MM041	To deepen democracy and promote active community participation in the affairs of the institution	Development and approval of Strategic Risk Register	Number of Strategic Risk Register developed and approved by Council	0	1 Strategic Risk Register developed and adopted by Council 30th June 2023	In house	1 Strategic Risk Register developed and adopted by Council	In house	Yes	None	None	Council resolution

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
MM042	To deepen democracy and promote active community participation in the affairs of the institution	Conducting of Risk Management Committee meetings	Number of Risk Management Committee meetings conducted	3 Risk management committee meetings conducted	4 Risk management committee meetings conducted by 30th June 2023	NDM shared services	4 Risk management committee meetings conducted	NDM shared services	Yes	None	None	Attendance registers, minutes
MM043	To deepen democracy and promote active community participation in the affairs of the institution	Anti-fraud and corruption campaign	Number of anti-fraud and corruption awareness campaign conducted	2 Anti-fraud and corruption awareness campaign conducted	2 Anti-fraud and corruption awareness campaign conducted by 30th June 2023	In house	2 Anti-fraud and corruption awareness campaign conducted	In house	Yes	None	None	Attendance Registers/Promotional Material/ Copies of emails issued
MM047	To deepen democracy and promote active community participation in the affairs of the institution	Submission of RMAFACC reports to AC	Number of RMAFACC reports submitted to AC	3 RMAFACC report submitted to AC	4 RMAFACC reports submitted to AC by 30th June 2023	In house	4 RMAFACC report submitted to AC	In house	Yes	None	None	RMAFACC Report to AC (Chairperson's Report)
MM048	To improve organizational efficiency and promote a culture of professional conduct in order	Development of business continuity Management Policy and Framework	Number of business continuity Management Policy and Framework reviewed and	0	1 Business continuity Management Policy and Framework reviewed and approved by	In house	1 Business continuity Management Policy and Framework reviewed and	In house	Yes	None	None	Council resolution

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	to render quality services.		approved by Council		Council by 30th June 2023		approved by Council					
MUNICIPAL PUBLIC ACCOUNT COMMITTEE												
MM044	To deepen democracy and promote active community participation in the affairs of the institution	Sitting of Municipal Public Accounts Committee	Number of MPAC meetings conducted	3 MPAC meetings conducted	4 MPAC meetings conducted by 30th June 2023	In house	10 MPAC meetings conducted	In house	Yes	None	None	Attendance register
MM045	To deepen democracy and promote active community participation in the affairs of the institution	Development and approval of the Oversight report on the Annual Report	Number of Oversight reports developed and approved on the probing of the Annual report	0	1 Oversight reports developed and approved on the probing of the Annual report by 30th June 2023	In house	1 Oversight reports developed and approved on the probing of the Annual report	In house	Yes	None	None	Council resolution
MM046	To deepen democracy and promote active community participation in the affairs of the institution	Development and approval of the MPAC Annual Work Plan	Number of Annual Work Plans developed and approved by Council	0	1 Annual Work Plans developed and approved by Council by 30th June 2023	In house	0	In house	No	Annual Work Plan developed and adopted by the MPAC and to serve in the next Council Sitting.	To serve in the next Council Sitting in August 2023	Council resolution
YOUTH												

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
LED017	To create a conducive environment economic development, investment attraction and job creation	Development of an Integrated Youth Strategy	Number of integrated youth strategies developed	0	1 integrated youth strategies developed and approved by Council by 30th June 2023	In house	0	In house	No	The reviewed youth development strategy was taken to section 80 Committee and mayoral committee, but it was not taken to council for approval due to administration related issues	Reviewed youth development strategy to be taken to council for approval in July 2023	Council resolution
LED024	To create a conducive environment economic development, investment attraction and job creation	Youth participation in training and skills development	Number of youth participating in training and skills development programs facilitated by the Municipality	0	20 Youth participating in training and skills development programs facilitated by the Municipality by 30th June 2023	In house	25 Youth participating in training and skills development programs facilitated by the Municipality	In house	Yes	None	None	Enrolment list
LED025	To create a conducive environment economic development, investment attraction and job creation	Conducting of youth outreach meetings	Number of youth outreach meetings conducted	1 youth outreach meetings conducted	2 youth outreach meetings conducted by 30th June 2023	In house	2 youth outreach meetings conducted	In house	Yes	None	None	Attendance register

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
LED026	To create a conducive environment economic development, investment attraction and job creation	Conducting of Career guidance	Number of Career guidance conducted	1 career guidance conducted	1 career guidance conducted by 30th June 2023	In house	1 career guidance conducted	In house	Yes	None	None	Attendance register
LED028	To create a conducive environment economic development, investment attraction and job creation	Youth Summit	Number of Youth Summits conducted	1 Youth Summits conducted	1 Youth Summits conducted by 30th June 2023	R 87 504	1 Youth Summits conducted	R 58 775.00	Yes	None	None	Attendance register and summit report
LED029	To create a conducive environment economic development, investment attraction and job creation	Road Safety Campaign	Number of Road Safety Campaign conducted	0	1 Road Safety Campaign conducted by 30th June 2023	In house	1 Road Safety Campaign conducted	In house	Yes	None	None	Attendance register and Reports
LED030	To create a conducive environment economic development, investment	Cooperatives Financial Grant	Number of Cooperatives Financial Grant supported	0	2 Cooperatives Financial Grant supported by 30th June 2023	R 200 004	4 Youth cooperative financial grant supported	R 197 125.00	Yes	None	None	Invoices

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	attraction and job creation											
LED031	To create a conducive environment economic development, investment attraction and job creation	NPO Social Special Programmes Support	Number of Social Special Programmes Support conducted	4 Social Special Programmes Support conducted	4 Social Special Programmes Support conducted by 30th June 2023	R 331 692	5 Social Special Programmes Support conducted	R 303 923	Yes	None	None	Attendance registers
LED032	To create a conducive environment economic development, investment attraction and job creation	Fun run/walk	Number of Fun run/walk conducted	1 Fun run/walk conducted	1 Fun run/walk conducted by 30th June 2023	R 225 984	1 Fun run/walk conducted	R 219 273	Yes	None	None	Attendance registers and Reports
LED033	To create a conducive environment economic development, investment attraction and job creation	THLM Mayoral Tournament	Number of THLM Mayoral Tournament conducted	0	1 THLM Mayoral Tournament by 30th June 2023	R170 496	1 THLM Mayoral Tournament conducted	R 158 500. 00	Yes	None	None	Attendance registers and Reports
					INFORMATION COMMUNICATION TECHNOLOGY - ICT							
MM056	To improve organizational efficiency and promote a	Repairs and maintenance of ICT hardware	Number of reports submitted to the HOD on	3 reports submitted to the HOD on the repairs and	4 reports submitted to the HOD on the repairs and	R 4 247 424	4 report submitted to the HOD on the repairs and	R 5 175 916.59	Yes	None	None	Reports

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	culture of professional conduct in order to render quality services.		the repairs and maintenance of ICT hardware	maintenance of ICT hardware	maintenance of ICT hardware by 30th June 2023		maintenance of ICT hardware					
MM057	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Renewal of software	Number of software licenses renewed	1 x Munsoft, - Payroll, HR and Financial system, 1 x Netrix monitor, 50 x Microsoft volume, 210 x Symantec antivirus, 1 x Server monitoring system, 1 x PMS system, 35 x Office 365 renewed	1 x Munsoft, - Payroll, HR and Financial system, 1 x Netrix monitor, 50 x Microsoft volume, 210 x Symantec antivirus, 1 x Server monitoring system, 1 x PMS system, 35 x Office 365 renewed by 30th June 2023	R 10 000 888	1 x Munsoft, - Payroll, HR and Financial system, 1 x Netrix monitor, 50 x Microsoft volume, 210 x Symantec antivirus, 1 x Server monitoring system, 1 x PMS system, 35 x Office 365 renewed	R 3 185 118.45	Yes	None	None	License certificate
MM058	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Conducting of ICT Steering Committee meetings	Number of ICT Steering Committee conducted	3 ICT Steering committee meetings conducted	4 ICT Steering committee meetings conducted by 30th June 2023	In house	4 ICT Steering committee meetings conducted	In house	Yes	None	None	Attendance register, Minutes

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/ COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
MM059	To deepen democracy and promote active community participation in the affairs of the institution	Updating of Municipal website	Rate of updating Municipal Website as per 75 of the MFMA	Updating of Municipal website quarterly and as and when required to comply with Sec 75 of MFMA	Updating of Municipal website quarterly and as and when required to comply with Sec 75 of MFMA by 30th June 2023	In house	Updating of Municipal website quarterly and as and when required to comply with Sec 75 of MFMA	In house	Yes	None	None	Screen shots

Chapter 3

KPA: SPATIAL RATIONALE

The department of Development and Town Panning Services overall performance for 2022/ 2023 financial year is 43% achievement. The department managed to achieve 03 targets out of the 07 planned targets, as compared to 33% achieved in 2021/ 2022 financial year, out of 03 planned targets 01 target was achieved.

KPA	SPATIAL RATIONALE											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
PED007	To manage and coordinate spatial planning and Land use management	Anti-land invasion	Number of reports on land invasion submitted to the Municipal Manager	4 reports on land invasion submitted to the Municipal Manager	4 reports on land invasion submitted to the Municipal Manager 30th June 2023	R 2 300 000	2 reports on land invasion submitted to the Municipal Manager	R 712 749.84	No	No reports received for Land Invasion, contract has expired	To appoint new service provider by 31st July 2023	Reports
PED011	To manage and coordinate spatial planning and Land use management	Town planning workshop	Number of Town Planning Workshop conducted for Traditional leaders	0	1 Town Planning Workshop conducted for Traditional leaders by 30th June 2023	In house	1 Town Planning Workshop conducted for Traditional leaders	In house	Yes	None	None	Attendance register
PED012	To manage and coordinate spatial planning and Land use management	Assessment of building plans	Number of building plans received, assessed and approved	80 building plans received, assessed and approved by Municipality	80 building plans received, assessed and approved by Municipality by 30th 2023	In house	76 building plans received, assessed and approved by Municipality	In house	No	Non-payment of submission fee Rectification of mistakes Circulation to other department	To fastrack the turnaround time for rectification and circulation by giving applications 10 days turnover time	Building Plans register

KPA	SPATIAL RATIONALE											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
											before the file is closed	
PED015	To manage and coordinate spatial planning and Land use management	Subdivision of erf 976 KwaMhlanga	Number of subdivision application submitted to Planning Tribunal	0	1 subdivision application submitted to Planning Tribunal by 30th June 2023	R 700 000	1 subdivision application submitted to Planning Tribunal	R103 500	Yes	None	None	Allocation letter, Inception report, Draft sub-divisional diagram, proof of submission (acknowledgement of Receipt)
PED016	To manage and coordinate spatial planning and Land use management	Amendment for the General Plan for KwaMhlanga BA and KwaMhlanga BA Extension	Number of General Plan for KwaMhlanga BA and KwaMhlanga BA Extension submitted to Planning Tribunal	0	1 General Plan for KwaMhlanga BA and KwaMhlanga BA Extension submitted to Planning Tribunal by 30th June 2023		Project allocation and Inception, Surveying and data collection		No	The service provider is busy with the investigation of the 2 approved general plans where legal activities need to be undertaken.	We are awaiting for the legal processes to be finalised, we will conduct weekly follow-ups as the matter is on-going	Allocation letter, Inception report, proof of submission (acknowledgement of Receipt)
PED017	Support the Department of Human Settlements in providing low housing units in the municipality	Assistance to members of the community with applications on the National Housing Register	Number of destitute families assisted	10 000 destitute applicants assisted	480 destitute applicants assisted by 30th June 2023	Mpumalanga Department of Human Settlements (MDoHS)	722 destitute applicants assisted	In house	Yes	None	None	National Housing Register quarterly print out

KPA	SPATIAL RATIONALE											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
PED018	Support the Department of Human Settlements in providing low cost housing units in the municipality	Coordination and provision of secretariat services to Beneficiary Allocation Committee	Number of Beneficiary Allocation Committee coordinated	0	1 Beneficiary Allocation Committee meetings coordinated by 30th June 2023	In house	0	In house	No	The committee will only sit when there is a budget allocation from DHS	This is the responsibility of the Human Settlement to coordinate.	Minutes of the Meeting

Chapter 3

KPA: LOCAL ECONOMIC DEVELOPMENT

The department of Local Economic Development overall performance for 2022/ 2023 financial year is 87% achievement. The department managed to achieve 13 targets out of the 15 planned targets, as compared to 79% achieved in 2021/ 2022 financial year, out of 14 planned targets 11 targets was achieved.

KPA	LOCAL ECONOMIC DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
LED002	To create a conducive environment for economic development, investment attraction and job creation	Facilitation of the Community Works Programme	Number of jobs created through the Community Works Programme	0	1200 jobs created through the Community Works Programme by 30th June 2023	In house	1 375 jobs created through the Community Works Programme	In house	Yes	None	None	MIS Report
LED003	To create a conducive environment for economic development, investment attraction and job creation	Conduct LED Forum Meetings	Number of LED Forum meetings conducted	4 LED forum meetings conducted	4 LED forum meetings conducted by 30th June 2023	In house	4 LED forum meetings conducted	In house	Yes	None	None	Minutes and attendance register
LED004	To create a conducive environment for economic development, investment attraction and job creation	Submit LED Forum reports to the Executive Mayoral Committee	Number of LED Forum reports submitted to the Mayoral Committee	2 LED forum reports submitted to Mayoral	2 LED Forum reports submitted to the Mayoral Committee by 30th June 2023	In house	2 LED Forum reports submitted to the Mayoral Committee	In house	Yes	None	None	Reports

KPA	LOCAL ECONOMIC DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
LED005	To create a conducive environment for economic development, investment attraction and job creation	Conduct LED Outreach meetings on Mass Economic Opportunities	Number of LED outreach meetings conducted	2 LED outreach meetings conducted	2 LED Outreach meetings conducted by 30th June 2023	In house	2 LED Outreach meetings conducted	In house	Yes	None	None	Attendance register and reports
LED006	To create a conducive environment for economic development, investment attraction and job creation	Engagement of stakeholders on Moloto road development	Number of stakeholders engagement meetings held for Moloto Road development	2 Stakeholders engagement meetings held for Moloto Road Development	2 Stakeholders engagement meetings held for Moloto Road Development by 30th June 2023	In house	2 Stakeholders engagement meetings held for Moloto Road Development	In house	Yes	None	None	Minutes and attendance register
LED007	To create a conducive environment for economic development, investment attraction and job creation	Conduct reference committee meetings for Community Works Programme	Number of reference committee meetings for CWP	4 Local Reference Committee meetings held on CWP	4 Local Reference Committee meetings held on CWP by 30th June 2023	In house	3 Local Reference Committee meetings held on CWP	In house	No	There was no quorum owing to the Councilors and CDW`s attendance of Taking the legislature to the people (TLP) in Quarter	The meeting will be held in the 1st quarter by 30th September 2023	Minutes and attendance register
LED008	To create a conducive environment for economic development, investment	Development and approval of Municipal Investment Strategy	Number of Municipal Investment Strategies developed and	1 Municipal Investment Strategy developed and approved	1 Municipal Investment Strategy developed and approved by	In house	0	In house	No	The strategy was taken to both S80 and the Mayoral Committees for	The strategy will be taken to council for a resolution in July 2023	Council resolution

KPA	LOCAL ECONOMIC DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	attraction and job creation		approved by council		council by 30th June 2023					consideration but the strategy could not find its way to council for a resolution.		
LED011	To create a conducive environment for economic development, investment attraction and job creation	Consultation and support meetings for lucrative investors	Number of meetings held to engage and support lucrative investors	2 Meetings held to engage and support lucrative investors	2 Meetings held to engage and support lucrative investors by 30th June 2023	In house	2 Meetings held to engage and support lucrative investors	In house	Yes	None	None	Attendance register and reports
LED013	To create a conducive environment for economic development, investment attraction and job creation	Training and support for SMME's and Cooperatives	Number of SMME's and cooperatives trained and supported	40 SMMEs and Cooperatives trained and supported	40 SMMEs and Cooperatives trained and supported by 30th June 2023	In house	124 SMMEs and Cooperatives trained and supported	In house	Yes	None	None	Attendance registers and reports
LED014	To create a conducive environment for economic development, investment attraction and job creation	Conduct cooperative project meetings	Number of cooperative projects meetings conduct	4 cooperative project meetings conducted	4 Cooperative projects meetings conducted by 30th June 2023	In house	4 Cooperative projects meetings conducted	In house	Yes	None	None	Minutes and attendance register
LED015	To create a conducive	Registration of SMME's	Number of SMME's and	20 SMME`s and	20 SMME's and	In house	42 SMME's and	In house	Yes	None	None	Data log

KPA	LOCAL ECONOMIC DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
	environment for economic development, investment attraction and job creation	and Cooperatives on Municipal data base	Cooperatives registered on Municipal data base	Cooperatives registered on Municipal data base	Cooperatives registered on Municipal data base by 30th June 2023		Cooperatives registered on Municipal data base					
LED016	To create a conducive environment for economic development, investment attraction and job creation	Identify and support rural smallholder farmers and community gardens	Number of rural smallholders farmers and community gardens identified	20 rural smallholder farmers and community gardens identified	20 rural smallholder farmers and community gardens identified by 30th June 2023	In house	24 rural smallholder farmers and community gardens identified	In house	Yes	None	None	Site visit reports and attendance register
LED034	To create a conducive environment for economic development, investment attraction and job creation	Business licenses	Number of business licenses application received, processed and issued	140 business licenses application received, processed and issued	140 business licenses application received, processed and issued by 30th June 2023	In house	330 business licenses application received, processed and issued	In house	Yes	None	None	Registered business of Businesses
LED035	To create a conducive environment for economic development, investment attraction and job creation	Inspection of businesses	Number of Businesses inspection conducted	48 Business inspections conducted	48 Business inspections conducted by 30th June 2023	In house	65 Business inspections conducted	In house	Yes	None	None	Inspection register

KPA	LOCAL ECONOMIC DEVELOPMENT											
PROJECT CODE	STRATEGIC OBJECTIVE	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	VARIANCES/COMMENTS	ACTION PLAN	PORTFOLIO OF EVIDENCE
LED037	To Create a conducive environment for economic development and job creation	Grant-In Aid Support for SMME`s	Number of SMME` supported with tools	0	20 of SMME` supported with tools by 30th June 2023	R 200 000	20 of SMME` supported with tools	R 198 500.00	Yes	None	None	Advertisement, attendance register, Minutes, Delivery Note

Chapter 4

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

The Thembisile Hani Local Municipality strives towards the improvement of Municipal performance and individual development of Municipal employees. Focuses on the methodologies, and achievements, strategic planning, organizational design, leadership development, coaching, diversity, and balance between life and work.
Analysis objectives, Structure, Policy, Human Resources and compensation of the Municipality.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Department	2021/ 2022	2022/ 2023	2020/ 2021	2022/2023	2020/ 2021	2022/ 2023	2020/ 2021	2022/2023
	Total No. Of Post Approved	Total No. Of Post Approved	Number Of Filled Post	Number Of Filled Post	Number of Vacant Posts	Number of Vacant Posts	% Of Vacancy	% Of Vacancy
Political Office	23	18	16	16	7	2	6.25%	11%
Municipal Manager	34	26	17	17	17	9	8.3%	34%
Development & Town Planningservices	23	13	11	10	12	3	21.4%	23%
Corporate Services	52	47	35	41	17	6	8.8%	13%
Finance	46	39	34	38	12	1	5.2%	2%
Sds	250	121	103	106	147	15	10.6%	12%
Technical	252	177	151	160	101	17	12.2%	10%
Total	**680**	**440**	**367**	**388**	**313**	**52**	**10.7%**	**12%**

COMMENT ON VACANCIES AND TURNOVER

The total vacancy rate for the financial year under review totalled 52 or 12%. The Manager: Social Services post has been vacant since the 01st April 2023 and all recruitment process have been completed. The municipality is in process of finalising the filling the vacant post.

The status of the Senior Managers is as follows: -

Designation	Status
Municipal Manager	Filled
CFO	Filled
Manager : Technical Services	Filled
Manager :Social Services	Vacant as at 1st April 2023
Manager :Corporate	Filled
Manager Planning and Economic Development Services	Filled

Chapter 4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The current workforce is 374 employees. The Municipality has approved policies on which employees are inducted.

4.2 POLICIES

Hr Policies And Plans For 2021/ 2022					HR Policies And Plans For 2022/ 2023		
	Name Of Policy	Completed	Reviewed	Date Adopted ByCouncil Or Comment On Failure toAdopt	Completed	Reviewed	Date Adopted By Council Or Comment On Failure To Adopt
1	Code Of Conduct For Employees	100%	100%	16-August-2016	100%	100%	31-May 2021
2	Delegations, Authorisation & Responsibility	100%	100%	23 November 2021	100%	100%	26 May 2022
3	Disciplinary Code And Procedures	100%	100%	28-February-18	100%	100%	28 April 2023
4	Essential Services	100%	100%	1-May-2007	100%	100%	31-May 2021
5	Employment Equity	100%	100%	30 June 2021	100%	100%	31-May 2021
6	Grievance Procedures	100%	100%	20 - July-2018	100%	100%	31-May 2021
7	Education, training & development (ETD) policy	100%	100%	30 June 2020	100%	100%	31-May 2021
8	Attendance & punctuality	100%	100%	30 June 2020	100%	100%	31-May 2021
9	Succession planning and career path policy	100%	100%	30 June 2020	100%	100%	31-May 2021
10	Occupational Health and Safety policy	100%	100%	30 June 2020	100%	100%	31-May 2021
11	Human Resources strategy	100%	100%	30 June 2020	100%	100%	31-May 2021
12	Recruitment and Employment Equity policy	100%	100%	30 June 2020	100%	100%	30 August 2022
13	Leave Procedure manual policy	100%	100%	30 June 2020	100%	100%	31-May 2021
14	Fleet management policy	100%	100%	30 June 2020	100%	100%	31-May 2021
15	Acting allowance policy	100%	100%	30 June 2020	100%	100%	31-May 2021
16	Learnership and internship policy	100%	100%	30 June 2020	100%	100%	31-May 2021

Hr Policies And Plans For 2021/ 2022					HR Policies And Plans For 2022/ 2023		
	Name Of Policy	Completed	Reviewed	Date Adopted ByCouncil Or Comment On Failure toAdopt	Completed	Reviewed	Date Adopted By Council Or Comment On Failure To Adopt
17	Overtime policy	100%	100%	30 June 2020	100%	100%	31-May 2021
18	Private work and declaration of interest policy	100%	100%	30 June 2020	100%	100%	31-May 2021
19	Relocation policy	100%	100%	30 June 2020	100%	100%	31-May 2021
20	Sexual harassment policy	100%	100%	30 June 2020	100%	100%	31-May 2021
21	Smoking policy	100%	100%	30 June 2020	100%	100%	31-May 2021
22	Volunteers policy	100%	100%	30 June 2020	100%	100%	31-May 2021
23	Staff retention policy	100%	100%	30 June 2020	100%	100%	31-May 2021
24	HIV/AIDS policy	100%	100%	30 June 2020	100%	100%	31-May 2021
25	Employee assistance program policy	100%	100%	30 June 2020	100%	100%	31-May 2021
26	Employees under the influence of intoxicating substances policy	100%	100%	30 June 2020	100%	100%	31-May 2021
27	Individual performance management policy & procedure	100%	100%	30 June 2020	100%	100%	31-May 2021
28	Car allowance policy	100%	100%	30 June 2020	100%	100%	31-May 2021
29	Danger allowance policy	100%	100%	30 June 2020	100%	100%	30 August 2022
30	Framework development policy	100%	100%	30 June 2020	100%	100%	31-May 2021
31	Cellphone and wireless device policy	100%	100%	30 June 2020	100%	100%	31-May 2021
32	Access control Security Measure policy	100%	100%	30 June 2020	100%	100%	31-May 2021

The municipality could not review its policies for 2022/ 2023 financial year as consultation sessions with labour movement in relation to alignment with the municipal staff regulations that was to be effected from the 01st of July 2022 were prolonged, as the said regulations were rejected which then resulted in non submission of policies to council for approval. However, other policies such as the Recruitment and Employment Equity Policy, Danger allowance Policy were subsequently approved during the 2022/ 2023 financial year.

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number And Cost Of Injuries On Duty					
Type Of Injury	Injury Leave Taken Days	Employees Using Injury Leave No.	Proportion Employees Using Sick Leave %	Average Injury Leave Per Employee Days	Total Estimated Cont R'000
Required Basic Medical Attention Only	13	2	0	0	0
Temporary Total Disablement	0	0	0	0	0
Permanent Disablement	0	0	0	0	0
Fatal	1	0	0	0	0
Total	**13**	**2**	**15.38%**	**6.5%**	**0**

COMMENT ON INJURY AND SICK LEAVE

The Municipality has experience some injuries which have been dealt with in terms of applicable legislation as well as sick leave.

4.4 PERFORMANCE REWARDS

No performance rewards were issued during the 2022/ 2023 financial year.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

As the MSA 2000 section 68 prescribes that it is requirement that Municipalities need to develop their own Human Resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.

Currently in compliance to the above statement Thembisile Hani Local Municipality has a work skills plan that is approved to ensure that all employees are capacitated/empowered with the necessary information on training and development, which then provides all incumbents access to relevant prioritized training interventions that are needs driven and are aligned to the business objectives by optimally developing the potential of employees.

4.5 SKILLS DEVELOPMENT AND TRAINING

Progress report about the enforcement of the minimum competency Regulations

In terms of the regulations on minimum competency levels all Municipal Managers, Senior and line Managers are required to be competent in order for them to render an effective and efficient service. The below listed senior and line managers were found to be compliant with the prescribed requirements as outlined in the regulation.

Name	Designation	Unit Standards achieved
Nkosi Oscar Nkosikhona	Former Accounting Officer	28 Unit Standards
Mahlangu Dumisani	Accounting Officer	21 Unit Standards
Jessica Mahlangu	Chief Financial Officer	17 Unit Standards
Chego Abram Kokoyana	Former Social Services Manager	21 Unit Standards
Nxumalo Sephule Angel	Corporate Services Manager	28 Unit Standards
Sehlako Lydia Sadi	Assistant Manager: SCM	21 Unit Standards
Moyo Joster Joseph	Ass Manager: Budget & Reporting	17 Unit Standards
Ledwaba Oupa Derick	Assistant Manager: Revenue Management	24 Unit Standards
Makhubele Richard	Assistant Manager: Assets Management	28 Unit Standards
Tsebe Madumetja Stephen	Planning & Economic Development Manager	21 Unit Standards
Skosana Vusimuzi Lawrens	Former Technical Services Manager	24 Unit Standards
Mtshweni Walter Mavundla	Technical Services Manager	28 Unit Standards

Any person appointed to a managerial position and who does not meet the minimum competency level for the position, in terms of the Regulations must attain that minimum competency level within 18 months from the date of appointment.

BACKGROUND

Thembisile Hani Local Municipality embarked on the implementation of the regulations on minimum competency levels as per government gazette no.: 29967. In terms of the regulations on minimum competency levels, Accounting officers, Chief Financial Officers, Senior Managers, Financial officials at middle management finance and supply chain finance management officials are amongst others required to comply with such regulations. In compliance with the regulations, Senior Managers, and key positions especially in the department of finance meet the minimum competencies as prescribed.

PROGRESS

Below, is a list of officials below that level that are enrolled in Public Finance Management & Administration (PFMA) with Fachs, viz;

1. Mr. Bhuda Mshiwa Amos

2. Ms Kabini Evah

3. Ms. Maseko Gabisile

4. Mr. Komane Tshepiso

5. Ms. Mthembu Buyisiwe Chriseldah

6. Ms Sibongile Mtshweni

This programme was completed on the 30th of June 2023.

Other interventions

Training interventions are targeted for implementation in the Municipal Finance Management Programme for Municipal officials for (12 months)

The budget for 2022/ 23 WSP is R 2,558,672.50 and the expenditure is R 2,272,864.50

Financial Competency Development: Progress Report*						
Description	A Total No. Of Officials Employed By Municipality (Regulation 14(4) (A) and (C(	B Total No. Of Officials Employed By Municipal Entities (Regulation 14(4) (A) and (C)	Consolidate Total Of A And B	Consolidated Competency Assessments Completed For A And B (Regulation 14 (4)(B) and (D)	Consolidated No. Of Officials Whose Performance Agreements Comply With Regulation 16 (Regulation 14 (4) (F)	Consolidated No. Of Officials That Meets Prescribed Competency Levels (Regulation 14 (4) (E)
Financial Officials						
Accounting Officer	1	0	1	1	1	1
Chief Financial Officer	1	0	1	1	1	1
Snr. Managers	5	0	5	4	5	5
Any Other Financial Officials	35	0	35	0	0	35
Supply Chain Management Officials	4	0	4	0	0	4
Heads Of Supply Chain In Management Units	1	0	1	0	0	1
Supply Chain Management Senior Managers	0	0	0	0	0	0
Total	**47**	**0**	**47**	**6**	**6**	**47**
* This Is A Statutory Report Under National Treasury: Local Government MFMA Competency Regulations (June 2016)						

Chapter 4

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

Workforce expenditure is a major part of the operational expenditure of the Thembisile Hani Local Municipality. as it is mostly a fixed cost, proper planning and assessment of post requirements are necessary to make sure that the best available personnel is employed to meet the mandate of the Municipality in service delivery to the community as well as obtaining its objectives.

There is a strong national drive for creating employment and Municipalities are one arm of government that normally feels the pressure to create new jobs in its sphere. Although we support the creation of employment and we understand the expectation of the communities in this regard, the financial viability of the Thembisile Hani Local Municipality must be recognized. The creation and filling of posts are budgeted for and measured against the approved budget and operational requirements.

The remuneration part of the employment costs is determined through the bargaining Council and therefore out of our hands. Three variables that we have to keep monitoring and control are the vacancy rate, employee performance and overtime paid. We have put a lot of emphases on the monitoring and control of overtime worked as we believe that overtime is only necessary in specific scenarios and can indicate inefficiency or staff shortages (including high absenteeism). Performance management is of utmost importance to increase the efficiency and thus output of the workforce. There is still a way to go in implementing necessary measures and controls with the necessary buy-in of the employees.

4.6 EMPLOYEE EXPENDITURE

COMMENT ON WORKFORCE EXPENDITURE

The expenditure on employment costs at the Thembisile Hani Local Municipality seems to be stable and is in line with other similar Municipalities. The financial interests of the Executive Mayor, Councillors and senior management, as required by Performance Management Regulations 805 of 2006 are set out in **1.4 under financial health overview**.

- No employee whose salaries were increased due to their position being upgraded.
- No employee whose salary level exceed the grade determined by job evaluation
- No employee not appointed to posts not approved.

Chapter 5

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of four components:
Component A: Statement of Financial Performance
Component B: Spending Against Capital Budget
Component C: Cash Flow Management and Investments
Component D: Other Financial Matters

The Municipality on its annual budget catered for any inflationary related surprises, and it also had a plan to negotiate with its creditors. Also the demand management unit within the SCM unit was proactive in addressing all this. There is no expensive consultancy arrangement that can be singled out however the Municipality was smart in handling them and was satisfied with the amounts paid to them.

Chapter 5

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Financial Summary						
Description	**2021/ 2022**	**Current Year 2022/ 2023**			**2022/ 2023 Variance To Actual**	
R Thousands	**Actual Outcome "000"**	**Original Budget"000"**	**Adjusted Budget"000"**	**Actual Outcome "000"**	**Actual Outcome as % Of Final Budget "000"**	**Actual Outcome as % Of Original Budget "000"**
Financial Performance						
Property Rates	52 067	58 457	58 457	57 435	98%	98%
Service Charges	114 341	122 338	131 605	130 633	99%	107%
Investment Revenue	7 326	5 305	8 191	18 349	224%	346%
Transfers Recognised – Operational	467 982	526 245	532 245	532 245	100%	101%
Other Own Revenue	91 975	95 728	102 102	133 107	130%	139%
Total Revenue (Excluding Capital Transfers And Contributions)	**733 691**	**808 073**	**832 599**	**871 769**	**105%**	**108%**
Employee Costs	157 516	177 288	180 171	163 094	90%	92%
Remuneration Of Councillors	25 341	27 447	28 039	26 068	93%	95%
Depreciation & Asset Impairment	79 596	88 821	88 821	94 123	106%	106%
Finance Charges	0	1 300	0	0	0	0
Materials And Bulk Purchases	148 320	162 881	166 312	155 442	93%	95%
Transfers And Grants	0	200	200	197	99%	99%
Other Expenditure	419 706	470 350	515 606	494 631	96%	105%
Total Expenditure	**830 479**	**928 287**	**979 149**	**933 555**	**95%**	**101%**
Surplus/(Deficit)	**-96 788**	**-120 215**	**-146 551**	**-61 786**	**42%**	**51%**
Transfers Recognised – Capital	184 263	175 578	184 578	184 578	100%	105%
Surplus/(Deficit) After Capital Transfers & Contributions	87 475	55 363	38 027	122 792	323%	222%
Share Of Surplus/ (Deficit) Of Associate						
	87 475	55 363	38 027	122 792	323%	222%

Surplus/(Deficit) For The Year						
Capital Expenditure & Funds Sources						
Capital Expenditure	**191 373**	**203 078**	**207 378**	**202 624**	**98%**	**100%**
Transfers Recognised – Capital	184 263	175 578	184 578	184 578	100%	105%
Public Contributions & Donations	0	0	0	0	0	0
Borrowing	0	0	0	0	0	0
Internally Generated Funds	7 110	27 500	22 800	18 046	**79%**	66%
Total Sources Of Capital Funds	**191 373**	**203 078**	**207 378**	**202 624**	**98%**	**100**
Financial Position						
Total Current Assets	223 797	205 015	373 828	286 927	77%	140%
Total Non-Current Assets	2 380 516	2 420 228	2 424 528	2 440 722	101%	101
Total Current Liabilities	94 549	48 534	118 522	128 899	109%	266%
Total Non-Current Liabilities	98 052	85 426	85 426	85 698	100%	100%
Community Wealth/Equity	**2 411 712**	**2 491 283**	**2 594 408**	**2 513 051**	**97%**	**101%**
Cash Flows						
Net Cash From (Used) Operating	416 029	262 682	192 842	348 738	181%	133%
Net Cash From (Used) Investing	-421 573	-203 078	207 378	-295 600	142%	145%
Net Cash From (Used) Financing	0	0	0	0	0	0
Cash/Cash Equivalents At The Year End	132 258	74 400	120 722	185 395	154%	249%

COMMENT ON OPERATING TRANSFERS AND GRANTS

Operational grants for the financial year under review from national government is on average 100% received, with the equitable share grant spending at 100%.

5.2 GRANTS

Grant Performance						
R						
Description	2021/ 2022	2022/ 2023			2022/ 2023 Variance	
	Actual "000"	Budget "000"	Adjustments Budget"000"	Actual Outcome "000"	Original Budget (%)	Adjustments Budget (%)
Operating Transfers And Capital Grants						
National Government:	**652 245**	**701 823**	**716 823**	**717 973**	**1**	**100%**
Equitable Share	458 200	513 707	513 707	513 707	100%	100%
Municipal Systems Improvement	0					
Department Of Water Affairs	55 000	25 000	38 000	38 000	152%	100%
Levy Replacement						
Other Transfers/Grants (FMG, MIG, EPWP, EEDSM and MDG]	139 045	163 116	165 116	166 266	102%	100%
Provincial Government:					**0%**	**0%**
Health Subsidy	0	0	0	0	0%	0%
Housing	0	0	0	0	0%	0%
Ambulance Subsidy	0	0	0	0	0%	0%
Sports And Recreation	0	0	0	0	0%	0%
Other Transfers/Grants [Insert Description]	0	0	0	0	0%	0%
District Municipality:	**0**	**0**	**0**	**0**	**0%**	**0%**
Nkangala District Municipality	0	0	0	0	0%	0%
	0	0	0	0	0%	0%
Other Grant Providers:	**0**	**0**	**0**	**0**	**0%**	**0%**
[Insert Description]	0	0	0	0	0%	0%
	0	0	0	0	0%	0%
Total Operating Transfers And Capital Grants	**652 245**	**701 823**	**716 823**	**717 973**	**102%**	**101%**

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

The purpose of asset management in Thembisile Hani Local Municipality is to ensure the effective and efficient control, utilization, safeguarding and management of the Municipal's property, plant and equipment and to make managers aware of their responsibilities in regard of property, plant and equipment.

COMMENT ON ASSET MANAGEMENT

The above projects were driven by the PMU unit. the grants are received from government to improve infrastructure assets in various areas for better living conditions these assets are grant funded and budget were approved for these capital projects and for audit purposes these assets were signed off with a complete certificate that were obtain from different contractors before these projects could have been signed off for completeness for audit purposes.

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Year	Liquidity Ratio
2020/ 2021	3.4
2021/ 2022	5.4
2022/ 2023	2.7

COMMENT ON LIQUIDITY RATIO

Year	Outstanding Service Debtor To Revenue
2020/ 2021	2 474 days
2021/ 2022	1 546 days
2022/ 2023	1 577 days

COMMENT ON OUTSTANDING SERVICE DEBTOR TO REVENUE

Debtors as extension beyond 30 days poses a cash flow risk in the table above the extended payment are beyond acceptability. The debt coverage ratio is not stable during the last two financial periods as the result of non-stable operating income and low collection of own income.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Thembisile Hani Local Municipality's capital budget is mainly funded from the MIG and internal funds. The biggest MIG funded project was on the Luthuli water reticulation.

5.5 CAPITAL EXPENDITURE

2022/ 2023	% Of Expenditure Budget	Original Budget(R)	Adjustment Budget	Unaudited Full Year Total
MIG Capital Expenditure	100%	R 141 661 000.00	0.00	R 141 661 000.00
WSIG Expenditure	100%	R 25 000 000.00	R 13 000 000.00	R 38 000 000.00
EEDSM Expenditure	100%	R 4 000 000.00	R 2 000 000.00	R 6 000 000.00
INEP Expenditure	100%	R 12 000 000.00	0.00	R 12 000 000.00
Total Expenditure	**100%**	**R 182 661 000.00**	**R 15 000 000.00**	**R 197 661 000.00**

5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources 2021/ 2022 to 2022/ 2023 R						
Details	**2021/ 2022**	**2022/2023**				
	Original Budget (Ob)	**Original Budget (Ob)**	**Adjustment Budget**	**Actual Expenditure**	**Adjustment To Ob Variance (%)**	**Actual To Ob Variance (%)**
Source Of Finance						
Public Contributions And Donations	0	0	0	0	0	0
Grants And Subsidies	R 190 198	R 190 198	R 197 661	R 197 627	100.%	0.00.%
Other (Internal Funding)					100%	0.00%
Total	**R 190 198**	**R 190 198**	**R 197 661**	**R 197 627**	**100.%**	**100.%**
Percentage of Finance						
External Loans	0.0%	0.0%	0.0%	0.0%	0	0
Public Contributions And Donations	0.0%	0.0%	0.0%	0.0%	0	0
Grants And Subsidies	100.0%	100%	100%	100.%	0	0
Other	0	100%	100%	100.%	100%	100%
Capital Expenditure						
Water And Sanitation	R 101 339	R 105 339	R 1007 262	R 102 271	100%	100%

Capital Expenditure - Funding Sources 2021/ 2022 to 2022/ 2023 R						
Details	**2021/ 2022**	**2022/2023**				
	Original Budget (Ob)	**Original Budget (Ob)**	**Adjustment Budget**	**Actual Expenditure**	**Adjustment To Ob Variance (%)**	**Actual To Ob Variance (%)**
Electricity	R 4 500	R 4 500	R 13 125	R 13 125	100%	100%
Housing	0	0	0	0	0	0
Roads And Stormwater	R 54 375	R 54 375	R 57 564	R57 564.00	100%	100%
Other	R 25 483	R 24 858	R 18 677	R 18 677	100%	100%
Total	R 185 697	R 189 072	R 197 661	R 197 627	100%	100%
Percentage of Expenditure						
Water And Sanitation	100%	100%	100%	100%	100%	100%
Electricity	100%	100%	100%	100%	100%	100%
Housing	0	0	0	0	0	0
Roads And Stormwater	100%	100%	100%	100%	100%	100%
Other	0	100%	100%	100%	100%	100%

COMMENT ON SOURCES OF FUNDING

Grant funded projects were in line with the MIG and WSIG implementation plan

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure Of 5 Largest Projects* R			
Name Of Project	**Current Year**		
	Original Budget	**Adjustment Budget**	**Actual Expenditure**
Construction of Matheyzensloop to Kwaggafontein Booster Pump Station	R 17 684 000.00	R 30 684 000.00	R 30 684 000.00
Upgrading of Mabhoko Water infrastructure (Multi-Year Project) - Ward 21	R 15 000 000.00	R 20 057 509.94	R 20 057 509.94
Upgrading of Sheldon Water Infrastructure (Multi-Year Project) - Ward 9,15	R 15 000 000.00	R 15 594 368.00	R 15 126 126.64
Upgrading of Tweefontein C and DK Water Infrastructure (Multi-Year Project) - Ward 12	R 10 000 000.00	R 13 426 542.59	R 13 426 542.59
Upgrading of Kwaggafontein Stadium (Multi-Year Project) - Ward 26	R 7 000 000.00	R 11 625 689.40	R 11 625 689.40
* Completed Projects With The Highest Capital Expenditure In 2022/2023			

Name Of Project - A	Moloto Water Infrastructure
Objective Of Project	To address the shortage of water infrastructure within the Moloto area.
Delays	Local Business Forums stopping the projects
Future Challenges	Inadequate funds to sustain the water infrastructure assets
Anticipated Citizen Benefits	1000

Name Of Project - B	Upgrading: Roads Infrastructure Roads Mandela Luthuli Ward
Objective Of Project	To improve road infrastructure and access to neigbouring villages
Delays	Local business forum challenges in light of work opportunities that are being demanded, hereby resulting in disturbance of the work on site.
Future Challenges	Inadequate funds to sustain the roads and stormwater infrastructure assets
Anticipated Citizen Benefits	3 306

Name Of Project - C	Upgrading Infrastructure: Roads and Stormwater Ward 12
Objective Of Project	To improve road infrastructure and access to neigbouring villages
Delays	Local business forum challenges in light of work opportunities that are being demanded, hereby resulting in disturbance of the work on site.
Future Challenges	Inadequate funds to sustain the water infrastructure assets
Anticipated Citizen Benefits	14 070

Name Of Project - D	Construction of Thembalethu Bus and Taxi Route
Objective Of Project	To improve road infrastructure and access to neigbouring villages
Delays	Poor performance of the contractor that lead to the contractor to be terminated and acquired services of another service provider
Future Challenges	Inadequate funds to sustain the roads and stormwater infrastructure assets
Anticipated Citizen Benefits	16561

Name Of Project - E	Upgrading of Entokozweni Phase 2
Objective Of Project	To address the shortage of water infrastructure within the Entokozweni area.
Delays	None
Future Challenges	Inadequate funds to sustain the water infrastructure assets.
Anticipated Citizen Benefits	3618

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

The municipality has managed to provided access to basic to 64 151 households whislt the backlog remains at 28 312 households and in relation to sanitation only 2 446 houses have access to water bourne sanitation and its backlogs stands at 80 294. Elctricity backlog is standing at 26 260 households and refuse removal is at 29 260 households 5 086 households.

The Municipal grants expenditure 2022/ 2023 service delivery backlogs are explained more on the chapter 3 under basic service delivery.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

Proper cash flow management is a critical element to ensure the Municipality meets its obligations. A stable positive cash flow balance relative to the growth of the Municipality is a good indication of the Municipality financial position and health. Cash flow projections are done on a monthly basis and cash not immediately required are invested for a better return on the short term.

Thembisile Hani Local Municipality's cash flow is daily monitored by the finance management section. There is also monthly reporting to the Executive Mayor in the form of section 71 reports and quarterly reports to Council.

5.9 CASH FLOW

Description				2022/ 2023	2022/ 2023
R Thousand	Original Budget"000	Budget Adjustments (I.T.O. S28)	Final Adjustments Budget"000	Actual Outcome "000	Audited Outcome "000
	1	2	3	4	
Ratepayers And Other	136 835	-28 148	108 687	115 600	137 442
Government - Operating	526 245	6 000	532 245	532 245	545 395
Government - Capital	175 578	9 000	184 578	184 578	172 577
Interest	5 305	1 062	8 191	3 941	3 941
Payments					
Suppliers And Employees	-581 281	-27 447	-640 859	-610 430	-510 617
Finance Charges	0	0	0		
Transfers And Grants	0	0	0		
Net Cash From/(Used) Operating Activities	**262 682**	**-69 840**	**192 842**	**225 934**	**-348 738**
Cash Flows From Investing Activities					
Receipts	–	–	–	–	–
Proceeds On Disposal of PPE	–		–	–	–

Description				2022/ 2023	2022/ 2023
R Thousand	**Original Budget"000**	**Budget Adjustments** (I.T.O. S28)	**Final Adjustments Budget"000**	**Actual Outcome "000**	**Audited Outcome "000**
Decrease (Increase) In Non-Current Debtors	–	–	–	–	–
Decrease (Increase) Other Non-Current Receivables	–	–	–	–	–
Decrease (Increase) In Non-Current Investments	–	–	–	14 409	
Payments	–	–	–		
Capital Assets	-203 078	-4 300	-207 378	-187 213	-295 600
Net Cash From/(Used) Investing Activities	**-185 513**	**-4 300**	**-194 827**	**-172 804**	**-295 600**
Cash Flows From Financing Activities					
Receipts					
Short Term Loans					
Payments					
Repayment Of Borrowing	0	0	0	0	
Net Cash From/(Used) Financing Activities	0	0	0	0	
Net Increase/ (Decrease) In Cash Held	**59 604**	**-74 140**	**-14 536**	**53 130**	**53 138**
Cash/Cash Equivalents At The Year Begin:	14 796	120 462	135 258	132 257	132 258
Cash/Cash Equivalents At The Year End:	**74 400**	**46 322**	**120 722**	**185 388**	**185 396**

5.10 BORROWING AND INVESTMENTS

COMMENTS ON BORROWING

The Municipality did not have any loans that were taken up in the financial year under review.

COMMENTS ON INVESMENTS

For the year under review (2022/ 2023), Thembisile Hani Local Municipality invested a total amount of R 811 258 688.36 in capital which earned an interest amounting to R 13 290 561.94. The following is a breakdown of all the investments made together with the interests earned:

Thembisile Hani Local Municipality
Summary of Investment for 2022/ 2023 Financial Year

Bank Name	Capital Investment	Interest Earned	Closing Balance as at 30 June 2021
FNB	R 166,000,000.00	R 5,816,767.52	R 859,036.53
Nedbank (Call Dep)	R 310,000,000.00	R 3,161,427.09	-
Nedbank (Fixed Dep)	R 80,000,000.00	R 803,112.33	-
Nedbank (Fixed Dep)	R 50,000,000.00	R 299,479.45	-
Nedbank (Fixed Dep)	R 85,000,000.00	R 1,098,246.58	-
Standard Bank (Fixed Dep)	R 35,000,000.00	R 0.00	
Standard Bank (Call Dep)	R 85,258,688.36	R 2,111,528.97	R 259,129.93
	R 811,258,688.36	**R 13,290,561.94**	**R 1,118,166.46**

5.11 PUBLIC PRIVATE PARTNERSHIP

The municipality did not enter into any Public Private Partnerships

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

The Council has developed its policy in line with the Municipal Supply Chain Management Regulations and MFMA circulars issued by the National Treasury. The municipality has implemented the use of the national supplier's database. The bid committees were established and are fully functional, namely the bid specification committee, bid evaluation committee, and bid adjudication committee. The committees are appointed in terms of proper delegation and in terms of legislation. The bid committees are functioning as well.

All members of the bid specification, bid evaluation, and bid adjudication committees are delegated in writing by the municipal manager to serve on these respective committees. These delegations are accepted in writing, and records thereof are available. All bid committee members have completed the declaration forms in relation to financial and business interests. The following persons served on the following respective committees:

Bid Specification Committee

Mr. Z. Nkosi (Chairperson)
Ms. N. Mbandze
Mr. S. Nkadimeng
Ms. J. Msiza
Mr. T. Komane

Bid Evaluation Committee

Mr. K. Mabuela (Chairperson)
Ms. F. Ntuli
Mr. T. Maphutha
Mr. S. Jiyane
Mr. K. Mamabolo
Mr. M. Tefo

Bid Adjudication Committee

Ms. J. Mahlangu (Chairperson)
Ms. P. Sibiya
Mr. A. Chego
Mr. M. Tsebe
Ms. L. Nxumalo
Mr. W. Mtshweni
Ms. L. Sehlako

The Supply Chain Management unit is a fully fledged unit operating with five (5) officials. Only three (03) officials meet the minimum competency levels as prescribed in the MFMA competency regulation guidelines. There are currently no challenges with the functioning of bid committees. The municipality has developed a procurement plan for capital projects for the 2022–2023 financial year, and all procurement requirements are measured against the plan. The National Treasury has issued guidelines for municipal competency levels for heads of supply chain management units.

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

The Annual Financial Statements have been prepared and presented in accordance with the standard of GRAP and the preparing and presentation of the GRAP compliant AFS is improving in each and every year.

Chapter 6

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

The constitution s188 (1) (b) states that the functions of the Auditor-General include the auditing and reporting on the accounts, financial statements and financial management of all Municipalities. MSA section 45 states that the results of performance measurement must be audited annually by the Auditor-General.

COMPONENT A: AUDITOR-GENERAL OPINION 2021/ 2022

6.1 AUDITOR GENERAL REPORTS 2021/ 2022

Report of the auditor-general to the Mpumalanga Provincial Legislature and the council on the Thembisile Hani Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Thembisile Hani Local Municipality set out on pages 1 to 95, which comprise the statement of financial position as at 30 June 2022, statement of financial performance, statement of changes in net assets, cash flow statement, statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Thembisile Hani Local Municipality as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and 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 financial statements 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.

Emphasis of matters

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

Material impairments – consumer debtors

7. As disclosed in note 10 to the financial statements, the municipality incurred a material impairment of the consumer debtors of R1,6 billion (2020-21: R1,4 billion) as a result of impairment provision for doubtful debts.

Restatement of corresponding figures

8. As disclosed in note 40 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2022.

Irregular expenditure

9. As disclosed in note 44 to the financial statements, irregular expenditure of R72,9 million was incurred due to non-compliance with supply chain management legislation.

Material losses – loss on property, plant and equipment derecognised

10. As disclosed in the statement of financial performance, material losses of R7,3 million were incurred as a result of assets that were derecognised.

Other matter

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

Unaudited disclosure note

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

Responsibilities of the accounting officer for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

14. In preparing the 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 or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

15. My objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

16. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

17. 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 development priorities presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

18. 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.

19. 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 development priorities presented in the municipality's annual performance report for the year ended 30 June 2022:

Development priorities	Pages in the annual performance report
KPA 1 – basic service delivery	5 – 26

20. 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.

21. The material findings on the usefulness and reliability of the performance information of the selected development priorities are as follows:

KPA 1 – basic service delivery

VARIOUS INDICATORS

22. The source information for measuring the planned indicator was not clearly defined, and related systems and processes were not adequate to enable consistent measurement and reliable reporting of performance against the predetermined indicator definitions. As a result, limitations were placed on the scope of my work and I was unable to audit the reliability of the achievements for the key performance indicators (KPIs) below reported against targets in the annual performance report.

Key performance indicator	Planned target	Reported achievement
DTS007: Number of households provided with water	91 007	64 267
DTS003: Number of households provided with free basic water	91 007	64 267

Other matters

23. I draw attention to the matters below.

Achievement of planned targets

24. Refer to the annual performance report on page(s) 5 to 5; for information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph 22 of this report.

Adjustment of material misstatements

25. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of basic service delivery. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

26. 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.

27. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

28. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, current assets, revenue and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Procurement and contract management

29. The invitation to tender for procurement of commodities designated for local content and production did not stipulate the minimum threshold for local production and content as required by the 2017 preferential procurement regulation 8(2). This non-compliance was identified in the procurement processes for the procurement of safety boots sizes and uniform.

Revenue management

30. Accounts for municipal tax and service charges were not prepared on at least a monthly basis, as required by section 64(2)(c) of the MFMA.

Strategic planning and performance management

31. Accounts for municipal tax and service charges were not prepared on at least a monthly basis, as required by section 64(2)(c) of the MFMA.

Human resource management

32. Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the MSA.

Other information

33. 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 financial statements, the auditor's report and those

selected development priorities presented in the annual performance report that have been specifically reported in this auditor's report.

34. My opinion on the 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.

35. 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 financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

36. If based on the work we have performed we conclude that there is a material misstatement in other information, we are required to report on that fact. I have nothing to report in this regard.

Internal control deficiencies

37. I considered internal control relevant to my audit of the 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 the annual performance report and the findings on compliance with legislation included in this report.

38. Insufficient oversight, monitoring and review of the implementation of internal controls during the year resulted in material misstatements in the financial statements and the annual performance report.

39. The non-compliance with legislation identified could have been prevented had compliance been properly monitored and reviewed. Monitoring and corrective controls in place to prevent non-compliance with applicable legislation were not adequate.

Other reports

40. I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

41. At the time of this report, the South African Police Service (SAPS) was investigating allegations of fraud for under-banking of revenue collected by the municipality for the licensing function performed by the Department of Licensing and Traffic Control (DLTC). The investigation is in progress and the expected date of the outcome is unknown.

Chapter 6

Auditor-General

Mbombela

1 December 2022



Annexure – Auditor-general's responsibility for the audit

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

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the 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 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 Thembisile Hani 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 financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the 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 financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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, the actions taken to eliminate threats or the safeguards applied.

Chapter 6

COMPONENT B: AUDITOR-GENERAL OPINION 2022/ 2023

6.2 AUDITOR GENERAL REPORTS 2022/ 2023

Report of the auditor-general to Mpumalanga Provincial Legislature and the council on the Thembisile Hani Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Thembisile Hani Local Municipality set out on pages 394 to 498, which comprise the statement of financial position as at 30 June 2023, 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 financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Thembisile Hani Local Municipality as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practices (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (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 responsibilities of the auditor- general for the audit of the financial statements 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.

Emphasis of matters

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

Material impairments - Consumer debtors

7. As disclosed in note 10 to the financial statements, material impairment of R1,87 billion was incurred as a result of provision to write off debtors as irrecoverable.

Restatement of corresponding figures

8. As disclosed in note 42 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2023.

Irregular expenditure

9. As disclosed in note 46 to the financial statements, irregular expenditure of R36,16 million was incurred as a result of non-compliance with supply chain management legislations.

Other matters

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

Unaudited disclosure note

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

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

13. In preparing the 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 or to cease operations or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

14. My objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected development priority presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

17. I selected the following development priority presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected a development priority that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Development priority	Page numbers	Purpose
Basic service delivery	168-193	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road. To create a safe, clean and healthy environment conducive for social development.

18. I evaluated the reported performance information for the selected development priority against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
- the reported performance information is presented in the annual performance report in the prescribed manner.
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

21. I did not identify any material findings on the reported performance information for the selected development

priority.

Other matters

22. I draw attention to the matter below.

Achievement of planned targets

23. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

Report on compliance with legislation

24. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

25. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

26. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

27. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements, performance report and annual report

28. The 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 non-current assets, current assets, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statement were subsequently corrected and resulting in the financial statements receiving an unqualified audit opinion.

Revenue management

29. I was unable to obtain sufficient appropriate audit evidence that accounts for municipal tax and charges for municipal services were prepared on a monthly basis, as required by section 64(2)(c) of the MFMA.

Other information in the annual report

30. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and the selected development priority presented in the annual performance report that have been specifically reported on in this auditor's report.

31. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

32. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

33. If based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in the regard.

Internal control deficiencies

34. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

35. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.

36. Management did not institute controls to ensure that all account holders receive their monthly statements to be aware of their debts towards the municipality.

37. The audit action plan was not adequately implemented as the non-compliance finding on revenue management is recurring. Adequate reviews were not performed to ensure the financial statements fully comply with the requirements of the financial reporting framework and accuracy of the underlying transactions.

Material irregularities

38. 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 material irregularities as previously reported in the auditor's report.

Material irregularities identified during the audit

Internal capacity not developed for the preparation of the annual financial statements and other finance related services

39. The municipality compiled a gap analysis in 2019, however did not prioritise the filling of vacant positions within the finance unit. As a consequence of not building internal capacity, the municipality relied on consultants for the preparation of annual financial statements and other finance services, resulting in potentially excessive amounts being paid to consultants for services that could have been performed internally at a lower cost. Consequently, section 62(1)(a) of the MFMA was not complied with as reasonable steps were not taken to ensure that the resources of the municipality are used effectively, efficiently and economically. The non-compliance was likely to result in a material financial loss for the municipality.

40. The accounting officer was notified of the material irregularity on 2 March 2023 and invited to make a written submission on the actions taken and that will be taken to address the matter. The accounting officer built internal capacity and filled the vacant positions critical for the preparation of the financial statements and other finance services. The financial statements for the year ended 30 June 2023 were prepared internally by the finance unit without the use or reliance on consultants.

41. The material irregularity is therefore resolved.

Other reports

42. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

43. An independent consultant investigated allegations of under banking and burglary at Kwa-Mhlanga drivers licence testing centre. The investigation was concluded and tabled in council on 31 October 2023.

Auditor-General

Mbombela

30 November 2023



Chapter 6

Annexure to the auditor's report

The annexure includes the following:

The auditor-general's responsibility for the audit

- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected development priorities and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the 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.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the 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 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 financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the 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 financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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.

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.

Chapter 6

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 - Paragraph (a), (b) & (d) of the definition: irregular expenditure, Section 1 - Definition: service delivery and budget implementation plan, Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), Sections 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, Sections 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a), Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b), Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c),

Legislation	Sections or regulations
	Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, Regulations 44, 46(2)(e), 46(2)(f)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 29(3)(b), 34(a), 34(b), Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a), Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 93J(1), 96(b)
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2), Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give *"full and regular"* reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe *"what we do"*.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the Regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include Annual Financial Statements as submitted to and approved by the Auditor-General.
Approved Budget	The Annual Financial Statements of a Municipality as audited by the Auditor General and approved by Council or a provincial or national executive.
Baseline	Current level of performance that a Municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic Municipal service	A Municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out Municipal goals and development plans.
National Key performance areas	• Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.

Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about Municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that Municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a Municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the Mayor for implementing the Municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a Municipality is divided for appropriation of money for the different departments or functional areas of the Municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: *a) one of the main segments into which a budget of a Municipality is divided for the appropriation of money for the different departments or functional areas of the Municipality; and* *b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned*

APPENDICES

APPENDIX A (I) – LIST OF WARD COUNCILLORS

WARD	SURNAME & NAMES	CONTACT	PHYSICAL ADDRESS
1	Cllr Simon Chani Puleng Seswike	071 530 4118	Stand No 1562 Block 16 – Moloto South
2	Cllr Lucky Matlhatsi Lukhele	076 983 5023 083 583 3217	Stand No 4102 Moloto North Block A, next to Retang Primary
3	Cllr Steven Citha Mahlangu	076 889 5068	Stand no 3098 Block 21, Moloto North next Ndzundza Mabhoko Secondary
4	Cllr Namntungwa Elizabeth Rhadebe	081 864 9454	Stand No: E0007 Msholozi, next to Nozi Tuck Shop
5	Cllr Vusi Michael Ntuli	079 181 5515	Stand No 416 Thembalethu, next to Mangisi Supermarket
6	Cllr Mable Elsie Mabanga	073 842 1519	Stand No 822 Phola Park, Street 36, next to M Sizwe
7	Cllr Simon Bangiswani Sindana	076 888 1497	Stand No 326 Matheyzensloop
8	Cllr Bongani Ntokozo Dlamini	060 757 8846	1432 Verena D
9	Cllr Joseph Elias Mthimunye **MMC Finance**	078 5351 287	Stand no 120 Buhlebuzile
10	Cllr Khanyi Leah Masanabo	079 925 0491	Stand No 422 Mzimuhle
11	Cllr Mmelisizwe Terance Ntuli	072 305 1253	Stand No 800 Verena C next Marhagi Secondary School
12	Cllr Moses Mmoisetsi Sepogwana	082 965 3997	Stand No: 608 Tweefontein C
13	Cllr Richard Bongani Jiyane	079 768 8989	Stand No: 1184 Tweefontein K
14	Cllr Simon Vusi Masombuka	076 380 3235	Stand No 2486 Mountainview – Zone 6 next Titimalo Primary
15	Cllr Simon Sipho Mnguni	076 170 2815 071 929 2662	Stand No: 1713 Tweefontein E next Somarobogo Primary
16	Cllr Tenboy Buttitjie Dube	071 525 1735	488 RDP Buhlebesizwe – Mtima General Dealer next Mkhize Church
17	Cllr Fikile Violet Mgayi	071 238 0607	Stand No 36 Tweefontein F
18	Cllr David Sello Mokoena	076 715 2304	Stand No 2027 Vezubuhle, back opposite Astra Furniture Shop
19	Cllr Lucky Xolani Mtsweni **MMC Planning Economic Developmnt Services (PEDS)**	079 457 6531 079 459 6331	Stand No. 830 Suncity Block B Ward 19 Pavement Main Road (Big Street)
20	Cllr Nomvula Sister Mnguni	079 143 0017	Stand No 2465 Vezubuhle next to Kwa-Chipa Tavern
21	Cllr Class Menzelwa Jiyane	072 238 3287	Stand No 16A, Vlaklaagte No 1
22	Cllr Sonto Rose Nhlapho	082 399 8302	Stand 514 Luthuli, Rocky Tavern
23	Cllr Bongani Victor Msibi	076 696 6431	Stand no 162 Tweefontein A, Next Tribal Office- KwaShabangu
24	Cllr Bernard Vusi Mtshaise	079 133 9580	Stand No: 504 Bundu
25	Cllr Poppie Mahlangu	072 654 2343	679 Kwaggafontein C
26	Cllr Masotja Petros Nduli	071 324 6353	Stand no 2195 Kwaggafontein C
27	Cllr Bawinile Simon Mabhena	072 390 6278	Stand No 1023 Matheyzensloop, Madala Stand next to emabhozeni
28	Cllr Mkhululi Jacob Sithole	060 784 3873	335 Kwaggafontein A next to Ematjheni P S
29	Cllr Rose Martha Kgomo	064 646 4721	Stand No 1313 Kwaggafontein A, next to KwaMaduna Tuck shop
30	Cllr Godfrey Nkosinathi Mahlangu	064 672 6933	Stand 107 Tweefontein G next to Malobola Tarven
31	Cllr Solomon Fickson Skosana	082 066 0042	Stand No 1420 Kwaggafontein D
32	Cllr Thabile Prunella Nkosi	079 572 0175	530 Section B, KwaMhlanga next to Lolos Tavern

APPENDIX A (II) – LIST OF PR COUNCILLORS

SURNAME & NAMES	CONTACT	PHYSICAL ADDRESS
Cllr Maria Poppy Msiza **Hon. Speaker**	073 311 7976 076 676 0319	866 Kwagga D
Cllr Lesetja Jacob Dikgale **Hon. Executive Mayor**	076 869 4360	1660 Tweefontein K
Cllr Thomas Lebandla Mabena **MMC Corporate Services**	081 839 7227	Stand no 447/8 Sun City AA
Cllr Maria Thruddy Nobela	072 593 4635	341 Emzimuhle/Germbokspruit
Cllr Dipolelo Sinah Mampuru	079 355 5829	Stand no 10693 RDP Ext 11. Moloto North
Cllr Thokozile Egnes Motanyane **Hon. Council Whip**	082 965 2217 084 775 2725	2564 Kwagga C
Cllr Christinah Ndlelehle Mahlangu	076 867 4373	Stand no 1513 Tweefontein B2
Cllr Ntombifuthi Thandeka Skhosana **MMC Social Services**	076 853 4227	Stand No 992 Verena, Wolvenkop – Escotjheni Supermarket
Cllr Lillian Martha Tshabangu **MPAC Chairperson**	071 623 5917 082 791 0771	Stand no 472 Tweefontein F
Cllr Eunice Martha Malekane **MMC Technical Services**	076 044 0434	Stand No: 4097 Phola Park, Mbhuduma Guest House
Cllr Linah Florence Sebothoma	076 4768 923	Stand No: 149 Kwaggafontein A (Matsheni Primary School)
Cllr Tsanky Michael Rahlogo	079 138 1318	Stand No: 1521 Verena D, Next to Mhlunshwa P
Cllr Ntombi Mitta Motaung	072 290 3386	Stand 1691 Verena C, Next to Somlingo Primary School
Cllr Thabiso Klass Mahlangu	076 937 3575	Stand No 637, Frieschewagt next Somphalali S S
Cllr Motlalepule Sweetness Rampisa	081 810 7566	Stand No: 44 Machipe, next Bus Depot
Cllr Augustine Renny Mokwena	081 854 0066	Stand No: 401 Kwaggafontein C, next Zoe Church
Cllr Busisiwe Maria Shiburi	082 4627 423	Stand No: 735 KwaMhlanga, Section B, next to Stella shop
Cllr Abram Glen Sithole	076 856 5175	Stand No 570, Tweefontein N, next to Motha Store or Kallis Store
Cllr Remenky Stephinah Molefe	071 121 1731	Stand no 2748 Zenzele, Next to 3 star Store
Cllr Matalanyane Lucas Mokolo	082 367 6267	Stand no 2759 moloto block a next to ekosini KwaSkosana
Cllr Lindiwe Kate Gulube	071 540 8382	Stand 2394, Kwaggafontein A – next to Magic Store
Cllr Eliot Sunday Khumalo	076 551 8880	Stand No 349 Kwaggafontein C, front Opposite Dr Talana
Cllr Xolani Clement Nyalunga	060 688 4446	Stand No: 3527 Moloto Block 05, next Ndzundza Mabhoko S
Cllr Masontaga Adelaide Mokwena	060 807 9461	232 Buhlebesizwe 2 AA Next to Buhlebesizwe S
Cllr David Mabuzwa Sibanyoni	076 709 9120	Stand No: 1444 Vlaklaagte No 1
Cllr Thabo John Tibane	083 5302 950 082 060 3258	Stand No. 90/91 Suncity D Siphumule P S
Cllr Samuel Mazungwe Mtsweni	082 895 4607	Stand No: 76 Section A KwaMhlanga, 1022
Cllr Andries Mphatlalashane Skhosana	072 318 9420 066 458 0708	Street 48 Stand No1198 Phola Park (Next to Phadima tavern) KwaMhlanga 1022
Cllr Zenaye Jantjie Mnguni	060 651 5278	Street 68 Stand No 1942 (Next to Magalela) Phola Park KwaMhlanga 1022
Cllr Margaret Mabelane	076 606 1293	Stand No: 534 Luthuli (Next to Rocky Store)
Cllr Moses Thabo Mnguni	079 263 7931	Stand No: 1010, Thokoza Next to Bongani Primary
Cllr Rubber Qaliwe Mtsweni	073 659 5200 066 052 4148	586/7 Mountain View Zone

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (Other Than Mayoral / Executive Committee) And Purposes Of Committees	
Municipal Committees	**Purpose Of Committee**
Risk Management Anti-Fraud and Anti-Corruption Committee	To assist the Municipal Manager, the Council, and the Audit Committee in discharging their accountability for risk management by reviewing the effectiveness of the Municipality's risk management system, practices, and procedures, and providing recommendations for improvement.
Audit and Performance Committee	Support council in fulfilling its governance and oversight responsibilities in relation to financial reporting, internal control structure, risk management systems, internal and external audit functions and ethical accountability.
ICT Committee	Ensure that ICT policies are aligned with municipality strategic objectives and take action to ensure that the ICT projects are delivered within the agreed budget and timeframe.
Disciplinary Board Committee	It's an independent advisory body that assists the council or the board of directors with the investigation of allegations of financial misconduct and provide recommendations on further steps to be taken regarding disciplinary proceedings
Section 79: Social Services Committee	This committee is established to enable council to delegate specific functions and to strengthen the work of the council
Section 79: Planning and Economic Development Committee	This committee is established to enable council to delegate specific functions and to strengthen the work of the council
Section 79A: MPAC	To strengthen the oversight arrangements in the municipality and to ensure the efficient and effective use of municipal resources.
Section 79: Corporate Services	This committee is established to enable council to delegate specific functions and to strengthen the work of the council
Section 79: Technical Services Committee	This committee is established to enable council to delegate specific functions and to strengthen the work of the council
Section 79: Finance Services Committee	This committee is established to enable council to delegate specific functions and to strengthen the work of the council

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	**Director/Manager (State Title And Name)**
Assistant Manager: Performance Management System	Ms. K.S. Moripe
Assistant Manager Sport, Recreation and Facilities	Mr. B.A. Nkwanyana
Assistant Manager: Local Economic Development	Mr. W.S. Msiza
Assistant Manager: Communications	Ms. S. Mashiane
Chief Audit Executive	Mr. A. Malope
Chief Risk Officer	Mr. T. Baloyi
Assistant Manager: Public Participation	Mr. H. Nkosi
Assistant Manager: Youth Development	Mr. T. Mahlangu
Assistant Manager: Researcher And Monitoring	Mr. K.O. Bapela
Assistant Manager: Roads And Stormwater	Mr. S. Nkosi
Assistant Manager: Sanitation And Water	Mr. C. Mokubedi
Assistant Manager: PMU	Mr. T. Maphutha
Assistant Manager: Human Settlement & Town Planning	Mr. S. Masilela
Assistant Manager: Waste Management & Environment	Ms. A. Aphane
Assistant Manager: HRM	Mr. K.R. Mabuela
Assistant Manager: Legal Service	Adv. J.P. Skosana
Assistant Manager: Fleet Management	Mr. J.J. Skosana
Assistant Manager: ICT	Mr.T. Ntimane
Assistant Manager: Revenue Management	Mr. O. Ledwaba
Assistant Manager: Assets Management	Mr. R. Makhubele
Assistant Manager: SCM	Ms. L. Sehlako
Assistant Manager: Budget And Reporting	Mr. J. Moyo
Assistant Manager: Expenditure Management	Vacant
Use As A Spill-Over Schedule If Top 3 Tiers Cannot Be Accomodated In Chapter 2	

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal Functions	
Municipal Functions	**Function Applicable To Municipality (Yes / No)***
Constitution Schedule 4, Part B Functions:	
Air Pollution	No
Building Regulations	Yes
Child Care Facilities	No
Electricity and Gas Reticulation	Yes (Electricity)
Firefighting Services	No
Local Tourism	Yes
Municipal Airports	No
Municipal Planning	Yes
Municipal Health Services	Yes
Municipal Public Transport	No
Municipal Public Works Only In Respect Of The Needs Of Municipalities In The Discharge Of Their Responsibilities To Administer Functions Specifically Assigned To Them Under This Constitution Or Any Other Law	Yes
Pontoons, Ferries, Jetties, Piers And Harbours, Excluding The Regulation Of International And National Shipping And Matters Related Thereto	No
Stormwater Management Systems In Built-Up Areas	Yes
Trading Regulations	Yes
Water And Sanitation Services Limited To Potable Water Supply Systems And Domestic Waste-Water And Sewage Disposal Systems	Yes
Beaches and Amusement Facilities	No
Billboards and The Display Of Advertisements In Public Places	No
Cemeteries, Funeral Parlours and Crematoria	Yes (Cemetries)
Cleansing	No
Control of Public Nuisances	Yes
Control of Undertakings that sell liquor to the public	No
Facilities for the Accommodation, Care and Burial of Animals	No
Fencing And Fences	Yes
Licensing Of Dogs	No
Licensing And Control Of Undertakings That Sell Food To The Public	Yes
Local Amenities	Yes
Municipal Functions	
Municipal Functions	**Function Applicable To Municipality (Yes / No)***
Local Sport Facilities	Yes
Markets	No
Municipal Abattoirs	No
Municipal Parks And Recreation	Yes
Municipal Roads	Yes
Noise Pollution	No
Pounds	No
Public Places	Yes
Refuse Removal, Refuse Dumps And Solid Waste Disposal	Yes
Street Trading	Yes
Street Lighting	Yes
Traffic And Parking	Yes

APPENDIX E – WARD REPORTING

Functionality Of Ward Committees					
Ward Name (Number)	**Name Of Ward Councillor And Elected Ward Committee Members**	**Committee Established (Yes / No)**	**Number Of Monthly Committee Meetings Held During The Year**	**Number Of Monthly Reports Submitted To Speakers Office On Time**	**Number Of Public Ward Meetings Held During Year**
1	Cllr Simon Chani Puleng Seswike	**Yes**	**12**	**12**	**7**
	Matome Makhwiting				
	Kekana L Madimetja				
	Johannes P Mathebula				
	Gift Mpho Ramodike				
	Sarah Motha				
	Elsie Motsoka Alage				
	Sponono S Sikosana				
	Jeaneth Ndaba				
	Conny Malope				
	Thomas Mashishi				
2	Cllr Lucky Matlhatsi Lukhele	**Yes**	**12**	**12**	**6**
	Mpho Reen Motsweni				
	Rose Sibiya				
	Thulani K Masilela				
	Velly Joseph Motha				
	Jabulani E Nhlonipho				
	Lucky Mahluza				
	Phila Getrude Skosana				
	Zinhle Nomcebo Dlamini				
	Jane Mahlangu				
	Melita Nhlupeng Mpele				
3	Cllr Steven Citha Mahlangu	**Yes**	**12**	**12**	**05**
	Sarah Moleta				
	Sophie Mtsweni				
	Thandiwe Hlezi Kabine				
	Evelina M Makena				
	Piet Maleka				
	Andries Koos Skosana				
	Francina Buda				
	Thelma B Mahlangu				
	Mapule Mashiloane				
	Doris Mashele				

Functionality Of Ward Committees					
Ward Name (Number)	**Name Of Ward Councillor And Elected Ward Committee Members**	**Committee Established (Yes / No)**	**Number Of Monthly Committee Meetings Held During The Year**	**Number Of Monthly Reports Submitted To Speakers Office On Time**	**Number Of Public Ward Meetings Held During Year**
4	Cllr Namntungwa Elizabeth Radebe	**Yes**	**12**	**12**	**06**
	Anna Mgidi				
	Thembi Wendy				
	Solomon Masango				
	Tom Simon Mahlangu				
	M. Sarah Mahlangu				
	Nomsa Fortunate Mtshweni				
	Lesley Sepadi Matsetse				
	Theresa Polga Madisha				
	Dineo Johanna Malope				
	Julia Nomsa Mabena				
5	Cllr Vusi Michael Ntuli	**Yes**	**12**	**12**	**07**
	Richard Dabede Skosana				
	Thulisiwe Mahlangu				
	Cecilia Hader				
	Phumzile P Kubheka				
	Lazarus Aphane				
	Letty H Skosana				
	Xolisile P Mahlangu				
	Xabuzani John Sibanyoni				
	Simon B Chili				
	Nompumelelo Masemula				
6	Cllr Mable Elsie Mabanga	**Yes**	**12**	**12**	**05**
	Mbonani B				
	Mtsweni Maria Lindiwe				
	Motau Johannes M				
	Khoza Anitha Sonto				
	Mthombeni MF				
	Matshika SB				
	Masombuka Sthembiso				
	Masanabo Rose				
	Ntuli Perm				
	Skosana Vusi				

Functionality Of Ward Committees					
Ward Name (Number)	**Name Of Ward Councillor And Elected Ward Committee Members**	**Committee Established (Yes / No)**	**Number Of Monthly Committee Meetings Held During The Year**	**Number Of Monthly Reports Submitted To Speakers Office On Time**	**Number Of Public Ward Meetings Held During Year**
7	Cllr Simon Bangiswani Sindana	**Yes**	**12**	**12**	**05**
	Sesi Lindokuhle Msiza				
	Patrick Mnguni				
	Hospital Masimula				
	Welhemina Z Mahlangu				
	Patricia Sonto Nkabinde				
	Martha Thandi Nkosi				
	Marinkie Kholekile Ntuli				
	Jabulani M Mahlangu				
	Alpheus N Mazibuko				
	Mahlangu Thamsanqa				
8	Cllr Bongani Ntokozo Dlamini	**Yes**	**12**	**12**	**03**
	Sibanyoni Maria Zodwa				
	Liena Baai				
	Sipho Mohoaduba				
	Sibanyoni Mandla Prince				
	Elvis Elijah Motau				
	Rahlogo Sape Malendah				
	Ncanewe Veronica Radebe				
	Mfundo Masango				
	Pastor Enock S Skhosana				
	Ms PG Matshika				
9	Cllr Joseph Elias Mthimunye	**Yes**	**12**	**12**	**09**
	Engelinah L Mahlangu				
	Jeremia Mngoma				
	Lucas Dinki Ndala				
	Ncube Victor Thanyani				
	Petrus Masombuka				
	Thulani Ayanda Mashia				

Functionality Of Ward Committees					
Ward Name (Number)	**Name Of Ward Councillor And Elected Ward Committee Members**	**Committee Established (Yes / No)**	**Number Of Monthly Committee Meetings Held During The Year**	**Number Of Monthly Reports Submitted To Speakers Office On Time**	**Number Of Public Ward Meetings Held During Year**
	Jacob Naapo				
	Alpheus Msomi				
	Grace Mahlangu				
	Winnie Mahlangu				
10	Cllr Khanyi Leah Masanabo	**Yes**	**12**	**12**	**05**
	Zanele S Dudu Ndala Napyane				
	Sipho Roney Mbonani				
	Florence M Masanabo				
	Kleinboy Masango				
	Duduzile J Mahlangu				
	Sokana Stanly Tshabangu				
	Sizwe Paul Mtombeni				
	Bongani Magagula				
	Jabu Kabini				
	Busiswe J Skhosana				
11	Cllr Mmelisizwe Terance Ntuli	**Yes**	**12**	**12**	**06**
	Mtsweni Jeaneth Johannah				
	Geelbooi M Mthombeni				
	Zinto Mahlangu				
	Poppy A Ngwenya				
	Ncengi Mtshweni				
	Nombulelo P Mkhwanazi				
	Fanny Happy Mbokazi				
	Caroline Mthethwa				
	Nkululeko Zwane				
	Phillemon Mahamba				
12	Cllr Moses Mmoisetsi Sepogwana	**Yes**	**12**	**12**	**03**
	Josephine Mokgalaka				
	Sophy Ngwenya				
	Lebohang Maepa				
	Meshack J Ndala				

Functionality Of Ward Committees					
Ward Name (Number)	**Name Of Ward Councillor And Elected Ward Committee Members**	**Committee Established (Yes / No)**	**Number Of Monthly Committee Meetings Held During The Year**	**Number Of Monthly Reports Submitted To Speakers Office On Time**	**Number Of Public Ward Meetings Held During Year**
	Thembi L Sibanyoni				
	Zandile T Mpehle				
	Nonkululeko Mkhatshwa				
	Marvel Tlou				
	Wonder J Ngobese				
	Mpho Victor Mabilu				
13	Cllr Richard Bongani Jiyane	**Yes**	**12**	**12**	**11**
	Mandla Tshabalala				
	Lagosh Tibane				
	Amos Msiza				
	Andrew Z Mahlangu				
	Nelly Annah Motha				
	Zandile M Mashiane				
	Sthembiso W Mahlangu				
	Suzen N Mahlangu				
	Moses Mashiyane				
	Vusi Mahlangu				
14	Cllr Simon Vusi Masombuka	**Yes**	**12**	**12**	**07**
	Sinky William Nduli				
	Aaron Jiyana				
	Nonkululeko Mqwati				
	Beauty N Msibi				
	Emmah Sanny Ntuli				
	Moses Mabena				
	Motimela Simon				
	Annah Mahlangu				
	Ellah B Skosana				
	Onicca B Masimula				
15	Cllr Simon Sipho Mnguni	**Yes**	**12**	**12**	**06**
	Sebone Sylvia M				
	Shabangu Musa				
	Skhosana Gwezi				
	Masemola Swabi				
	Radebe Sipho				

Functionality Of Ward Committees					
Ward Name (Number)	**Name Of Ward Councillor And Elected Ward Committee Members**	**Committee Established (Yes / No)**	**Number Of Monthly Committee Meetings Held During The Year**	**Number Of Monthly Reports Submitted To Speakers Office On Time**	**Number Of Public Ward Meetings Held During Year**
	Stephen Nkosi				
	Mandleni Magareth Busisiwe				
	Modise Noel Joel				
	Makhubu Johannah Dikeledi				
	Mahlangu Wendy Lindiwe				
16	Cllr Tenboy Buttitjie Dube	**Yes**	**12**	**12**	**08**
	Ndala Christopher Mandla				
	Mthimunye BM				
	Shabangu Victor				
	Mosiza Solly				
	Bishop TC Mkhize				
	Malope Charlane				
	Nkabinde Bongani				
	Sannyboy Ndlovu				
	Mahlangu SM				
	Nomsa Thoko Mahlangu				
17	Cllr Fikile Violet Mgayi	**Yes**	**12**	**12**	**06**
	DD Makhubu				
	Tiny Ntabiseng Kgatla				
	Sylvia Mukatuni				
	Ndala ZM				
	Mahlangu Busisiwe				
	Masimula Leah				
	Mahlangu Majoni				
	Ms. Mngenelwa Sanie Msiza				
	Dineo Promise Mtshweni				
	Mahlangu Senzi Martha				
18	Cllr David Sello Mokoena	**Yes**	**12**	**12**	**11**
	Mabhena January				
	June Matshiya				
	Masango Irene Linah				
	Mabena Thato Florah				
	Bernard Mthimunye				

Functionality Of Ward Committees					
Ward Name (Number)	**Name Of Ward Councillor And Elected Ward Committee Members**	**Committee Established (Yes / No)**	**Number Of Monthly Committee Meetings Held During The Year**	**Number Of Monthly Reports Submitted To Speakers Office On Time**	**Number Of Public Ward Meetings Held During Year**
	Zungu Valencia				
	Mahlangu Selinah Dlambili				
	Thembi Mtsweni				
	Zakhona N Mtsweni				
	Ntuli Boy Mathoma				
19	Cllr Lucky Xolani Mtsweni	**Yes**	**12**	**12**	**10**
	Mokwana Jack Thabang				
	Sithebe Nelson Sbusiso				
	Mahlaula Kenneth Mpho				
	Makhubela Thomas Nzama				
	Mtsweni Aaron Mandla				
	Mtsweni DJ				
	Aron Mahlomuza				
	Linah Msukelwa Msiza				
	Mavis Moagi				
	Annarancia Msiza				
20	Cllr Nomvula Sister Mnguni	**Yes**	**12**	**12**	**02**
	Kabini Julia Tezza				
	Skhosana Sibongile				
	Matlala Josephine Themba				
	Sibiya Mthandazo Jeannette				
	Kgopane Busisiwe Sanny				
	Rebecca Masuku				
	Masemola Fannie Thembeni				
	Phumzile Masimula				
	Fikile Mthombeni				
	Kabini Julia Tezza				
21	Cllr Class Menzelwa Jiyane	**Yes**	**12**	**12**	**07**
	Sabela David M				

Functionality Of Ward Committees					
Ward Name (Number)	**Name Of Ward Councillor And Elected Ward Committee Members**	**Committee Established (Yes / No)**	**Number Of Monthly Committee Meetings Held During The Year**	**Number Of Monthly Reports Submitted To Speakers Office On Time**	**Number Of Public Ward Meetings Held During Year**
	Ngoma Lucas				
	Mashinini Emily				
	Mothwala Monicaah				
	Buthelezi Tiki Johana				
	Chenepe Dimakatso				
	Matome MJ				
	Maria Vuma				
	Rakgalakane Cathrine				
	Skosana Amos N				
22	Cllr Sonto Rose Nhlapho	**Yes**	**12**	**12**	**11**
	Aphane Busisiwe				
	Jonas Kgotso Macdonald				
	Ngobeni Samuel Shirelela				
	Maphoto David				
	Komete Maria				
	Hlapi Sellinah Sphiwe				
	JT Mabena				
	Marakalal MC				
	Letty Mahlangu				
	Martin Babedi				
23	Cllr Bongani Victor Msibi	**Yes**	**12**	**12**	**08**
	Gamede Seyagade Julia				
	Mokhafela Reuben Nkotolan				
	Joshua Bobo Mtsweni				
	Kabeni Leah Minky				
	Mothowathlag SM				
	Kgomosotho J				
	Mahlangu Phumzile Jessie				
	Simela Steven Oupa				
	Jan Skhosana				
	Thomas Tapala				
24	Cllr Bernard Vusi Mtshaise	**Yes**	**12**	**12**	**08**

Functionality Of Ward Committees					
Ward Name (Number)	**Name Of Ward Councillor And Elected Ward Committee Members**	**Committee Established (Yes / No)**	**Number Of Monthly Committee Meetings Held During The Year**	**Number Of Monthly Reports Submitted To Speakers Office On Time**	**Number Of Public Ward Meetings Held During Year**
	Steven Neivelle Tlou				
	Mputi Monyai Pogiso				
	Themo Nonhlanhla				
	ZC Mahlangu				
	Mahlangu Benoni Charles				
	Lindiwe Mahlangu				
	Aubrey Maphanga				
	Lettie Ngubeni				
	Lassy France Maphanga				
	Johannes Moeketsi Mathebe				
25	Cllr Poppie Mahlangu	**Yes**	**12**	**12**	**06**
	Thoko Mahlangu				
	Mandla Skhosana				
	Lindiwe Sophy Kabine				
	Vusi Christoph Shoba				
	Lucas M Hleza				
	Pretty Delisile Mabhena				
	Mahlangu Dumelani Rose				
	Eric Nkabinde				
	Mahlangu Sipho EliasTho				
	Jan Nkabinde				
26	Cllr Masotja Petros Nduli	**Yes**	**12**	**12**	**06**
	Immanuel Mahlangu				
	Skhosana Daniel				
	Skhosana Sipho				
	Matlake Klaas				
	Mtshweni Thulisile				
	Sithole Tinyiko				
	Radebe Thathiwe				
	Moyeni Armina				
	Rantseli Senzeni				
	Shadrack Mahlangu				
27	Cllr Bawinile Simon Mabhena	**Yes**	**12**	**12**	**03**
	Bongani Masombuka				

Functionality Of Ward Committees					
Ward Name (Number)	**Name Of Ward Councillor And Elected Ward Committee Members**	**Committee Established (Yes / No)**	**Number Of Monthly Committee Meetings Held During The Year**	**Number Of Monthly Reports Submitted To Speakers Office On Time**	**Number Of Public Ward Meetings Held During Year**
	Vusi Mahlangu				
	Buthelezi P Zodwa				
	Mahlangu Peter				
	Solomon Mhlanga				
	Penny Siphiwe Sigasa				
	Mandundo Jan				
	Mahlangu R N				
	Ramoba Sarah				
	Poppy Masilela				
28	Cllr Mkhululi Jacob Sithole	**Yes**	**12**	**12**	**05**
	Nthatuwa Priscilla Mosoenyane				
	Mabena Mandiselwa J				
	Masilela Amos Mvulane				
	Kepile Sphiwe				
	Moyo Mandla Christopher				
	Sibanyoni John				
	Mahlangu (Mangena) VS				
	Mthimunye DC				
	Zabenzeni Mthombeni				
	Ernest Bongani Ngcobo				
29	Cllr Rose Martha Kgomo	**Yes**	**12**	**12**	**06**
	Mahlangu Phillimon				
	Mahlagu Mpho Peaceful				
	Skhalo Hlongwane				
	Nkabinde Moses Michael				
	Jabu Mabhena				
	Abigail Sibiya				
	Aphane Aidah				
	Tshabalala Agnes				
	Hellen Skhosana				
	Colleen Mafiyanduna				
30	Cllr Godfrey Nkosinathi Mahlangu	**Yes**	**12**	**12**	**03**
	September Mabena				
	Mnisi Sarah				

Functionality Of Ward Committees					
Ward Name (Number)	**Name Of Ward Councillor And Elected Ward Committee Members**	**Committee Established (Yes / No)**	**Number Of Monthly Committee Meetings Held During The Year**	**Number Of Monthly Reports Submitted To Speakers Office On Time**	**Number Of Public Ward Meetings Held During Year**
	Thela Nompilo				
	Mabona Sister Nakabini				
	Mnyakeni Thomas				
	Sibanyoni Themba Mzwake				
	Masango Mavis Phindile				
	Ndhlovu Busisiwe C				
	Abram T Nhlapho				
	Christina Mosena				
31	Cllr Solomon Fickson Skosana	**Yes**	**12**	**12**	**08**
	Mthimunye Portia Thandeka				
	Mahlangu Cynthia Lindiwe				
	Mtsweni Poppy				
	Mahlangu Thembekile Portia				
	Mthimunye Johannes				
	Promise Ntuli				
	Caroline Monareng				
	Vusumuzi Skosana				
	Phillemon T Masilela				
	Lerato Skhosana				
32	Cllr Thabile Prunella Nkosi	**Yes**	**12**	**12**	**28**
	Mageza Jerssica Vuyiswa				
	Nqobile B Masilela				
	Albert Sibanyoni				
	Matshiga James Thabethe				
	Dinah Masemola				
	Mmola Maria				
	Christina Khoza				
	Ntuli Martina Sanna				
	Country Sello Letswani				
	Martins Mateki Masimula				

APPENDIX F – WARD INFORMATION

Capital Projects: Seven Largest In 2022/23 (Full List At Appendix N)				
No.	**Project Name And Detail**	**Total Project Value (R)**	**Start Date**	**End Date**
1	Upgrading of Tweefontein K Waste Water Treatment Works, Phase 2 – Water and Sewer Reticulation works – Work Package 1	R 203 335 608	15 June 2023	14 June 2024
2	Upgrading of Existing Infrastructure to Augment Borehole Water Supply in Bundu (Bundu Weir) – Multi-Year Project- WP 8	R 187 500 000.00	02 May 2023	30 October 2023
3	Upgrading of Tweefontein C and DK Water Infrastructure (Multi-Year Project) - Ward 12	R 62 499 754	26 May 2021	31 January 2024
4	Upgrading of Sheldon Water Infrastructure (Multi-Year Project) - Ward 9,	R 58 305 000	24 May 2021	31 January 2024
5	Upgrading of Mabhoko Water infrastructure (Multi-Year Project) - Ward 21	R 47 379 511.	24 May 2021	31 January 2024
6	Contruction of bulk pipeline, Installation of water reticulation pipeline to service Moloto Water infrastructure, provisions of household connections, and yard tap, Installation of isolation valves.	R 46 296 084	18 February 2021	30 December 2022
7	Construction of Thembalethu Bus Route	R 45 402 992	14 December 2020	15 July 2022

Top Four Service Delivery Priorities per Ward (Highest Priority First)		
No.	**Priority Name And Detail**	**Progress During 2022/ 2023**
1	Water	92 463 HH with access to Water
2	Roads and Stormwater	3 033 km access to road network
3	Waste Management	92 463 HH with access to Refuse Removal on a Fortnight Basis
4	Sanitation	80 523 HH with access to Sanitation

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2022/ 2023

Audit and Performance Committee Recommendations		
Report Name	**Committee recommendations made during 2022/23**	**Recommendations adopted (enter Yes); not adopted (provide explanation)**
1st Quarter Audit and Performance Committee Recommendations	**Financial Management** 1. **THAT** the report on the status quo of the AFS preparation was acknowledged and management was encouraged to produce credible AFS to improve the audit opinion. 2. **THAT** the THLM Service Collection Report and the improvement thereof was noted and accepted with recommendation to the management to put more efforts on revenue collections. 3. **THAT** the BTO was urged to review its reports for accuracy and credibility prior to submitting to the AC and other stakeholder so that error and mistakes are mitigated 4. **THAT** management is encouraged to reach 100% on Capitalized Projects before the end of the financial year. 5. **THAT** the management is urged to take necessary steps to ensure that the monies owed to the municipality is recovered debtors. 6. **THAT** the management is urged to monitor the tender processes and make sure that there is always value for money in every business undertaken.	Partially, Capitalization before year end is still a challenge
	ICT 1. **THAT** the reviewed ICT strategy be submitted to the next AC meeting since there are some significant changes made in the report.	Yes
	Risk Management 1. **THAT** the 4th Quarter Risk Management Anti-Fraud and Anti-Corruption Committee (RMAFACC) Report 2022/2023 was considered and recommended for implementation of its comments and recommendations.	Yes
	Corporate Services **1. THAT** the Leave report should cover the process of reconciliation of the leaves to enable the BTO to perform its duty easily. **2. THAT** a stand-alone overtime report be prepared and submitted to the next AC meeting	Yes

APPENDICES

Audit and Performance Committee Recommendations		
Report Name	**Committee recommendations made during 2022/23**	**Recommendations adopted (enter Yes); not adopted (provide explanation)**
	3. **THAT** the management was encouraged to adhere to the accounting standards regulating litigations in order to ensure adherence to the laws and regulations	
	Internal audit 1. **THAT** the Draft three (3) year rolling plan and annual internal audit plan 2022/2023 was considered and provisionally adopted pending the movement of the SCM audit time-lines closer. 2. **THAT** in order to maintain or improve the current THLM audit opinion, the management was urged to check on all previous quarter's IA issues that were not implemented and apply corrective measures to avoid AG queries 3. **THAT** the management was encourage to fast-track the sitting of the AFS steering committee to ensure the AFS preparation runs smoothly.	Partially, Implementation of IA findings is still a challenge
	PMS **1. THAT** in future must be consequence management for employees who are not submitting reports on time. **2. THAT** the management is encouraged once again to cascade the performance assessment to all municipal officials and this should be performed through a benchmarking process **3. THAT** Management should correct the KPI on number of households provided with 6kl free basic water.	Partially, cascading of PMS to all staff is still in progress
2nd Quarter Audit and Performance Committee Recommendations	**Financial Management** ***1.*** **THAT** paragraph 6.1.6 Conditional Grant, be reported in a table format for easy reading and comparison **2.** **THAT** the table on Irregular Expenditure should include a column to show when is the contract for service providers ending. **3.** **THAT** the outstanding projects on procurement plan be implemented.	Partially, implementation of Procurement plan is still a challenge
	ICT **1.** **THAT** the report should on a very high level, indicate the service provider's performance for the period under review	Yes

APPENDICES

Audit and Performance Committee Recommendations		
Report Name	**Committee recommendations made during 2022/23**	**Recommendations adopted (enter Yes); not adopted (provide explanation)**
	Corporate Services 1. **THAT** on Employment Equity, the succession plan should be measured against/based on age brackets. 2. **THAT** the report must state if THLM is in compliant with the approved employment equity 3. **THAT** the Service Providers names be provided across all the tables where training was reported. 4. **THAT** the municipality should find a way to determine whether the training provided is yielding the desired results. 5. **THAT** the system should be configured to remind the supervisors to execute their roles of approving the leave applications as and when the application has been made.	Partially
	Risk management 1. **THAT** the Risk Management Unit be capacitated with additional personnel to ensure that the work within the unit doesn't cease when the CRO (Chief Risk Office) is on leave. 2. **THAT** AC condemned the late and non-submission of POEs by some departments and recommended that consequence management be revoked for the non-compliance going forward. 3. **THAT** the departments which did not perform well, were cautioned to take a very good care of areas in which they regressed. 4. **THAT** the committee noticed that PMS is not included in the Risk Management reports and as such recommended that; management should ensure that all the units within the municipality are covered in the risk management.	Yes
	Internal Audit 1. **THAT** consequence management be implemented to the underperforming departments.	Partially, Slow Implementation Progress
	PMS 1. **THAT** management is urged to capacitate the PMS unit with more staff. 2. **THAT** Internal Audit to assist management on targets that are not SMART compliant.	Partially, Cascading to all staff is still in progress

APPENDICES

Audit and Performance Committee Recommendations		
Report Name	**Committee recommendations made during 2022/23**	**Recommendations adopted (enter Yes); not adopted (provide explanation)**
	3. **THAT** the management is encouraged once again to cascade the performance assessment to all municipal officials and this should be performed through a benchmarking process	
3rd Quarter Audit and Performance Committee Recommendations	**Financial Management** 1. **THAT** BTO should find a good strategy of working closely with i@ company in order to avoid PPE findings that the municipality had in the past financial year. 2. **THAT** the management to ensure the safeguarding of municipal assets by working closely to the insurance and security companies in order to avoid and mitigate such risks as and when they occur. 3. **THAT** the management to verify whether there are no needs for adjustments with regard to the anticipated fuel cost that is continually increasing. 4. **THAT** the management should share their restrictive measures that they utilise to monitor fuel usage with the committee, in order to allow the committee to perform their mini reconciliation for monitoring the increase/decrease of fuel usage 5. **THAT** BTO must ensure that the amount of R 97 thousand for FNB withdrawals should be corrected to R 97million. 6. **THAT** the management should ensure the completeness of all the contracts that are coming to an end in order to avoid new irregular expenditure that might be discovered by AGSA.	Yes
	ICT 1. **THAT** the ICT to give a clear time lines when implementing changes and updates such as website revamping, network upgrade and etc. 2. **THAT** the ICT to submit list of all software that the municipality is using together with their expiry date for future planning of the committee.	Partially Yes
	Corporate Services **1.** **THAT** HRM should in the next meeting report on leave liability at that particular time that the municipality is facing **2.** **THAT** in the next meeting HRM should submit a summary report on OHS on compliance matters.	Yes

APPENDICES

Audit and Performance Committee Recommendations		
Report Name	**Committee recommendations made during 2022/23**	**Recommendations adopted (enter Yes); not adopted (provide explanation)**
	Risk Management 1. **THAT** in the next meeting the chairperson of RMAFACC must report on the follow-up investigation by SAPS on the issue of under banking, He must get an indication from management of what is happening. 2. **THAT** the management to bring a standing report on the use of consultant, the report should be brought via risk management in order for the committee to get follow-up regarding that.	Partially, the investigation is still in progress
	Performance management **1. THAT** the management was urged to ensure that all resolution taken by the Audit Committee are implemented. **2. THAT** the management is encouraged once again to cascade the performance assessment to all municipal officials and this should be performed through a benchmarking process	Partially, Cascading to all staff is still in progress
4th Quarter Audit and Performance Committee Recommendations	**Finance reports** *1.* **THAT** The committee requested management to give a final confirmation date of when we will be doing, taking into consideration that the progress of asset verification is currently sitting at 50%. *2.* **THAT** The municipality should start with the procurement processes of Monene contract that is expiring in December 2023 to avoid the issue of sitting for months without being covered. 3. **THAT** the fleet report should reflect how management is communicating with the service provider in terms of diesel usage, so that they continue to check on how to put preventative controls in place. 4. **THAT** The management need to continue with the data cleansing, ensure that the billing processes and sending of those bills are accurate. 5. **THAT** management should ensure that all findings from AGSA are dealt with because the municipality is aiming for a clean audit.	Partially Implemented, data cleansing is ongoing
	Internal audit 1. **THAT** the Audit Committee process for 2023/2024 financial year should be tabled to the council for approval since the audit committee is the committee of council. 2. **THAT** the Internal Audit should put a clause in the Internal Audit Charter that speaks to POPI Act.	Yes

APPENDICES

Audit and Performance Committee Recommendations		
Report Name	**Committee recommendations made during 2022/23**	**Recommendations adopted (enter Yes); not adopted (provide explanation)**
	Risk Management report 1. THAT the Accounting Officer should address all the issues that were no addresses in the report of RMAFACC	Yes
	Performance Management 1. **THAT** SCM processes be monitored to avoid delays in implementation of projects 2. **THAT** the management to provide acceleration plans for targets that were not achieved.	Yes, 4th Quarter improved

APPENDIX H - LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP

Long Term Contracts					
Name Of Service Provider(Entity Or Municipal Department)	**Description Of Service Provider Rendered By Service Provider**	**Start Date Of Contract**	**Expiry Date Of Contract**	**Project Manager**	**Contract Value**
City Of Tshwane	Bulk Water Supply	2007	Infinite	Technical Manager	Per Supply
Rand Water	Bulk Water Supply /Bulk Water Project	2007	Infinite	Technical Manager	Per Supply
Eskom	Supply Of Electricity	2015	2020	Technical Manager	Per Supply
Telkom	Network Lines	2007	Infinite	Corporate Service Manager	Per Supply

PUBLIC PRIVATE PARTNERSHIP

The municipality has not entered into any Public Private Partnerships.

APPENDICES

APPENDIX I: MUNICIPAL SERVICE PROVIDER PERFORMANCE

PERFORMANCE OF EXTERNAL SERVICE PROVIDERS DURING THE 2022/ 2023 FINANCIAL YEAR FOR THE PERIOD ENDING 30 JUNE 2023

The performance of external service providers was measured and rated as follows:

Performance Rating	Description
1	Poor Performance (Very Poor)
2	Below Satisfactory (Poor)
3	Satisfactory (Acceptable)
4	Good Performance(Above Expectations)
5	Excellent Performance (Excellent)

TECHNICAL SERVICES

KPA	BASIC SERVICE DELIVERY														
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
WATER																
DTS007	To provide household with basic	Rand Water	Bulk purchase water	Number of household	64 275 Number of	64 151 households	R140 000 000	64 151 households	R 135 852 373.12	Yes	12 months	Yes	None	None	5	Excellent

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KPA	BASIC SERVICE DELIVERY															
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	services including water, adequate sanitation, adequate public lighting and accessible road	City of Tshwane		d provided with water	household provided with water	provided with water by 30th June 2023		provided with 6kl free basic water				Yes			1	Poor
DTS192	To provide household with basic services including water, adequate sanitation, adequate public	Sitjhebangani Gogtwana Gangi contraction Esinenhlanhla	Supply of Water through water delivery	Number of Households with access to water through water delivery	0	28 312 Households with access to water through water delivery by 30th	R 21 500 000	28 312 Households with access to water through water delivery	R 18 897 694.00	Yes	36 months	Yes	None	None	3	Satisfactory

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	lighting and accessible road	Nomzamo Khumzambulazi Nomabonga Azembelani Sihlonihphile Ivoline Mabhlom Lungile Asamalwandle Hlehlenyawo Khethakanye Juluka				June 2023										

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		Sokapo Somlungisi Lgm Mamolato Mlotjwa Kms Dudu & sbu Msm trading Stickson Mshonisi Makhozelafuthi														
DTS034	To provide household with basic services	Mpumamanzi	Water Sample	Number of water samples tested	91 Water Samples Tested	356 Water Samples tested by	R1 080 000	878 Water Samples tested	R 987 037.00	Yes	36 months	Yes	None	None	4	Good

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	including water, adequate sanitation, adequate public lighting and accessible road					30th June 2023										
DTS158	To provide households with basic services including water, adequate sanitation, adequate public lighting and	Ceenex Technology Zembelani Transport and Projects	Upgrading of Sheldon Water Infrastructure (Multi-Year Project) – Ward	% progress in the Upgrading of Sheldon Water Infrastructure – Phase 1	**40% Progress:** Upgrading of Sheldon Water Infrastructure – Phase 1	**100% Progress:** Upgrading of Sheldon Water Infrastructure – Phase 1 by 30th	R 15 594 367.50	**100% Progress:** *Setting Out 5%,*Excavation 10%; *Rock Drill, Blasting	R 15 126 126.64	Yes	36 Months	Yes	None	None	4	Good

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	accessible road		9,14 – Phase 1			June 2023: *Setting Out 5%*Excavation 10%; *Rock Drill, Blasting & Bedding 5%; *Laying of Pipes 10% *Backfilling and Compaction of		& Bedding 5%; *Laying of Pipes 10% *Backfilling and Compaction of Trenches 10%; *Construction of Chamber Base Slab 5%; *Chamber Walls and								

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						Trenches 10%; *Construction of Chamber Base Slab 5%; *Chamber Walls and Cover Slabs 5%; *Pipe Specials 5%; *Commissioning of the		Cover Slabs 5%; *Pipe Specials 5%; *Commissioning of the Project 5%								

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PROJECT CODE	**STRATEGIC OBJECTIVE**	**APPOINTED SERVICE PROVIDER**	**PROJECT NAME/DESCRIPTION**	**KEY PERFORMANCE INDICATOR**	**BASELINE 2021/2022**	**REVISED ANNUAL TARGET 2022/2023**	**ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)**	**ACTUAL PERFORMANCE**	**EXPENDITURE TO DATE**	**TARGET ACHIEVE YES/NO**	**TERM OF THE CONTRACT**	**PROJECT COMPLETED (YES/NO)**	**REASON FOR NON COMPLETION**	**REMEDIAL MEASURES**	**SCORING (1-5 RATING)**	**SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT**
						Project% %										
DTS160	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Zenkcon Engineers Namasango Business Enterprise	Upgrading of Tweefontein C and DK Water Infrastructure (Multi-Year Project) – Ward 12	% progress in the Upgrading of Tweefontein C and DK Water Infrastructure	**20% Progress:** Upgrading of Tweefontein C and DK Water Infrastructure – Phase 1	**60% Progress:** Upgrading of Tweefontein C and DK Water Infrastructure – Phase 1 by 30th March 2023: *Setting Out 5%*Exca	R 13 075 321.18	**48% Progress:** *Setting Out 5% *Excavation 6.5%; *Preparation of Pipe Bedding 3.25%; *Laying of Pipes 6.5% *Backfilling and Compacti	R 13 426 542.59	No	36 Months	No	Due to extra work on site, the target was not met (Connecting the bulk water pipeline (400mm diameter) to the existing reservoir) and	The project is a multi-year contract and therefore the Contractor will be adding more resources to speed up progress in order to	3	Satisfactory

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						vation 10%; *Preparation of Pipe Bedding 5%; *Laying of Pipes 10% *Backfilling and Compaction of Trenches 10%;		on of Trenches 6.5%;					Vandalism, stolen of material has cause the delay onsite. The project is implemented on a multi-year basis, and at the time of budget adjustment,	complete the works in the next financial year 2023-2024FY. The over expenditure was balanced off through a virement (from savings on other projects) that was		

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													performance on site was low, hence the budget was adjusted cautiously. However, performance went up during the last quarter of the financial year,	conducted after the adjustment budget had been passed.		

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
													which led to more expenditure by the end of the financial year.			
DTS161	To provide households with basic services including water, adequate sanitation, adequate public lighting and	SML Projects Stickson and General Trading	Upgrading of Ntokozweni Water Infrastructure (Multi-Year Project) – Ward 17	% progress in the Upgrading of Ntokozweni Water Infrastructure	**95% Progress:** Upgrading of Entokozweni Water Infrastructure – Phase 1	**100% Progress:** Upgrading of Ntokozweni Water Infrastructure – Phase 1 by 30th	R 8 230 286.83	**100% Progress:** *Commissioning of the Project 5%	R 8 222 015.99	Yes	36 Months	Yes	None	None	4	Good

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	accessible road					September 2022: *Commissioning of the Project 5%										
DTS162	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Mont Consulting Engineers DKPB Civil Contractors	Upgrading of Mabhoko Water Infrastructure (Multi-Year Project) – Ward 17	% progress in the Upgrading of Mabhoko Water Infrastructure	**40% Progress:** Upgrading of Mabhoko Water Infrastructure – Phase 1	**80% Progress:** Upgrading of Mabhoko Water Infrastructure – Phase 1 by 31th March 2023:	R 19 000 000	**80% Progress:** *Setting Out 5%*Excavation 10%; *Preparation of Pipe Bedding 5%;	R 20 057 510.61	Yes	36 Months	Yes	The project is implemented on a multi-year basis, and at the time of budget adjustment, performa	The over expenditure was balanced off through a virement (from savings on other projects) that was conducte	4	Good

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						*Setting Out 5%*Excavation 10%; *Preparation of Pipe Bedding 5%; *Laying of Pipes 10% *Backfilling and Compaction of Trenches 10%.		*Laying of Pipes 10% *Backfilling and Compaction of Trenches 10%.					nce on site was low, hence the budget was adjusted cautiously. However, performance went up during the last quarter of the financial year, which led	d after the adjustment budget had been passed.		

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
													to more expenditure by the end of the financial year.			
DTS165	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Maragela Consulting Engineers Kgotso Mokone Tradng	Upgrading of Moloto Water Infrastructure (Multi-Year Project)	% progress in the Upgrading of Moloto Water Infrastructure	**65% Progress:** Upgrading of Moloto Water Infrastructure – Phase 1	**100% Progress:** Upgrading of Moloto Water Infrastructure – Phase 1 by 30th June 2023:	R 7 316 360, 85	**100% Progress:** *Backfilling and Compaction of Trenches 10%; *Installation of Elevated Steel	R 7 283 509.68	Yes	36 Months	Yes	None	None	4	Good

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						*Backfilling and Compaction of Trenches 10%; *Installation of Elevated Steel Tank 10%; *Installation of Standpipes 10%*Commissioning of the		Tank 10%; *Installation of Standpipes 10%, *Commissioning of the Project 5%								

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						Project 5%										
DTS172	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Matshego Engineers Noponde Business Enterprise	Upgrading of Water Treatment Works for agricultural projects in Bundu ward 24 Civil Engineering Water Treatment - WP 8	% progress in the Upgrading of Water Treatment Works for agricultural projects in bundu ward 24 Civil Engineering Water	**15% Progress:** Upgrading of Water Treatment Works for agricultural projects in Bundu ward 24 Civil Engineering Water	**70% Progress:** Upgrading of Water Treatment Works for agricultural projects in Bundu ward 24 Civil Engineering Water Treatmen	R 10 000 000	**70% Progress:** Term of Reference for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%; *Water resource	R 4 712 851.06	Yes	12 Months	No	The project is implemented on a multi-year basis, and encountered materials delays due to lead time which caused low expendit	The low expenditure was balanced off through a virement (from multi-year other projects) that was performing. The adjustment budget	3	Satisfactory

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				Treatment	Treatment – WP8 *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	t - WP8 by 30th June 2023: *Term of Reference for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%; *Water resources study		s study 10%*Construction 20%					ure and budget were adjustments through virement process.	had been passed.		

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						10%*Construction 20%										
DTS193	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	SML Projects	Upgrading of Thembalethu Water Infrastructure - (Multi-Year Project) – Ward 5	% progress in the Upgrading of Thembalethu Water Infrastructure - (Multi-Year Project) – Ward 5	0	**15% Progress:** Upgrading of Thembalethu Water Infrastructure - (Multi-Year Project) – Ward 5 by 30th June 2023:	R 1000 000	**15% Progress:** *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	R 997 548.39	Yes	12 Months	Yes	None	None	4	Good

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						*Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%										
DTS194	To provide households with basic services including water, adequate sanitation, adequate	Ceenex Technology Tshwele Logistics Mbako Projects	Construction of Matheys enloop to Kwaggan fonetein booster Pumpstation	% progress in the Construction of Matheys enloop to Kwaggan fonetein	**15% Progress:** Construction of Matheys enloop to Kwaggan fonetein	**80% Progress:** Construction of Matheys enloop o Kwaggan fonetein	R 30 683 639.15	**80% Progress:** *Term of Reference for Contractor 5%;*App	R 30 683 639.00	Yes	18 Months	Yes	None	None	4	Good

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	public lighting and accessible road			booster Pumpstation	booster Pumpstation *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	booster Pumpstation by 30th June 2023: *Term of Reference for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%; *Constru		ointment of Contractor 5%; *Site Establishment 15%; *Construction 40%;								

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						ction 40%;										
DTS195	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Qubekelaphambhile Elezulu Consustruction and projects Tshwele Logistics Noponde Business Enterprise	Installation of Water Meters (Bulk) (Ward 3, 7, 8, 9, 10, 11, 12, 13, 19, 23, 24, 27, 31 and 32)	% of water meters (Bulk) installed	0	100% Installation of Water Meters (Bulk) by 30 June 2023 (%*16 meters=20%*32 meters=50%*48 meters=75% *64 Bulk Meter=100)	R 11 000 000	**100% Installation** of Water Meters (%*16 meters=20%*32 meters=50%*48 meters=75% *64 Bulk Meter=100)	R 4 732 281.18	Yes	Yes	39 Months	The Municipality has installed 26 new Bulk meters on its infrastructure and furthermore through its operational budget refurbished other	Setting of realistic targets and separation of the Operational infrastructure targets from the new capital infrastructure targets via	4 5 5 3	Good Excellent Excellent Satisfactory

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													meters from the system.	adjustment by 30th March 2023		
DTS196	To provide households with basic services including water, adequate sanitation, adequate public lighting and accessible road	Qubekela phambhile Elezulu Consustruction and projects Tshwele Logistics Noponde Business	Refurbishment of Water Infrastructure (Ward 1-32)	Number of progress reports on Refurbishment of Water Infrastructure	0	12 progress reports on Refurbishment of Water Infrastructure by 30 June 2023	R 9 000 000	9 progress reports on Refurbishment of Water Infrastructure	R 6 873 418.92	No	Yes	39 Months	Project delayed due to allocations of contractors.	Allocations to be done on time in future to avoid delays and subsequently non-compliance.	4 5 5	Good Excellent Excellent

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		Enterprise													3	Satisfactory
SANITATION																
DTS041	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Matshego Engineers Noponde Business Enterprise	Upgrading of Tweefontein K Waste Water Treatment Works, Phase 2	% progress in the Tweefontein K Waste Water Treatment Works, Phase 2	15% progress in the Tweefontein K Waste Water Treatment Works, Phase 2: *Technical Report 5%; *Preliminary Design Report 5%;	**40% Progress:** Tweefontein K Waste Water Treatment Works, Phase 2 by 30th June 2023: *Term of Reference for Contract	R2 500 000	**40% Progress:** *Term of Reference for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%;	R 1 599 592.82	Yes	12 Months	Yes	None	None	4	Good

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KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
					*Detailed Design Report 5%	or 5%; *Appointment of Contractor 5%; *Site Establishment 15%;										
DTS197	To provide household with basic services including water, adequate sanitation, adequate public lighting and	Monde Consulting Engineers	Construction of Alternative Sanitation System (Ward 10, 18, 19, 20, 23, 25, 28, 29,	% Progress in the construction of Alternative Sanitation system	**15% progress** in the construction of alternative sanitation in all wards: *MIG Business	**40% progress** in the construction of alternative sanitation system by 30th June 2023:	R 1 000 000	0	R 0	No	24 Months	No	Terms of reference to be developed once the ground water protocol study has been	To fast track the development of the technical report and the Ground water protocol for	2	Below satisfactory

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	accessible road		30 and 31)		Plan 5% *Appointment of Consultant 5% *Technical Report 5%;	*Term of Reference for Contractors 5%; *Appointment of Contractors 5%*Site Establishment 15%;							completed on the identified wards and be incorporated on the existing technical report for recommendation to unlock MIG funding for the project.	registration purposes of the project in terms of the MIG guidelines by 30th September 2023		
ELECTRICITY																

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KPA	BASIC SERVICE DELIVERY														
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DTS147	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Energy Dots MCUBE Artsosgay JV Rhuone projects. Reliant consulting	Design and implementation of energy efficiency program -Phase 3 (Ward 5, 9, 15, 18, 28 and 30)	% progress in the Design and implementation of energy efficiency program – Phase 3,	**100% Progress:** Upgrading of Design and implementation of energy efficiency program – Phase: *Technical Report 10%; *Preliminary Design Report	**100% Progress:** Upgrading of Design and implementation of energy efficiency program by 30th June 2023: *Technical Report 10%; *Preliminary	R 6 000 000	**100% Progress:** *Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report 20%; *Appointment of Contractors 10%; *Purchasi	R 5 999 623.00	Yes	12 months	Yes Yes Yes Yes	None	None	3 4 4 4	Satisfactory Good Good Good

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					10%; *Detailed Design Report 20%; *Appointment of Contractors 10%; *Purchasing of Highmast Lights Material 20%; * Retrofitting of Highmast Lights 20%;	Design Report 10%; *Detailed Design Report 20%; *Appointment of Contractors 10%; *Purchasing of Highmast Lights Material 20%; * Retrofitting of Highmast		ng of Highmast Lights Material 20%; * Retrofitting of Highmast Lights 20%; *Completion 10%								

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					*Completion 10%	Lights 20%; *Completion 10%										
DTS198	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	TJM Green Tech S& D Consulting Dlawuthiye JV Mahlathjie Mmthjie Reliant Consulting	Electrification of Households in Moloto (Mafishane & DK) – Ward 2 (350 households)	% progress in the Electrification of Households in Moloto (Mafishane & DK) – Ward 2	0	**100% Progress:** Electrification of Households in Moloto (Mafishane & DK) – Ward 2– by 30th June 2023: *Technical Report	R 7 000 000	**85% Progress:** Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report 20%; *Appoint	R 6 999 841.47	No	4 Months	No	The project was initially planned for 350hh, however the need for electrification of households expanded and the	The works to be completed in the 2023/2024 FY as it is funded next financial year due date 30th June 2024	3	Satisfactory

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						10%; *Preliminary Design Report 10%; *Detailed Design Report 20%; * Appointment of Contractors 10%;*Electrification on 40%, Completion 10%		ment 10%; Electrification 35%;					project funder approved the municipality an additional 650hh and therefore we allocated another contractor to extend the scope.			

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DTS199	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	TJM Green Tech NGHR Ramserve Mcube	Electrification of Households in Magodongo – Ward 3 (250 households)	% progress in the Electrification of Households in Magodongo – Ward 3	0	**100% Progress:** Electrification of Households in Magodongo – Ward 3 by 30th June 2023: *Technical Report 10%; *Preliminary Design Report	R 5 000 000	**85% Progress:** *Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report 20%; *Appointment 10%; Electrific	R 4 999 329.12	No	4 Months	No	The project was initially planned for 250hh, however the need for electrification of households expanded and the project funder approved the	The works to be completed in the 2023/2024 FY as it is funded next financial year due date 30th June 2024	3	Satisfacory

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						10%; *Detailed Design Report 20%; * Appointment of Contractors 10%;*Electrification on 40%, Completion 10%		ation 35%					municipality an additional 750hh and therefore we allocated another contractor to extend the scope of the works.			
DTS200	To provide household with basic services	ADI Mogalemolole Consultin	Installation of 15 High	% progress in the installatio	0	**80% Progress:** Installatio	R 5 167 950	**45% Progress:** *MIG Business	R 1 128 307.91	No	3 months	No	Late appointment of the contracto	To accelerate the works in	3	Satisfactory

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	including water, adequate sanitation, adequate public lighting and accessible road	g Engineers S& D Consulting Dlawuthiye JV Rhuone Projects	Mast Lights (Ward 01, 02, 03, 15, and 30)	n of High Mast Lights		n of High Mast lights by 30th June 2023 *MIG Business Plan 5%*Detail assessment report 10% *Term of Reference 5%;*Appointment of Contract		Plan 5%*Detail assessment report 10% *Term of Reference 5%; *Appointment of Contractor 5%, *Site Establishment 15%; *Construction of					rs Delays experienced with regards to finalisation with regards to choice of high mast light to be installed .	first quarter of 2023/2024 FY due date 30th September 2023		

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						or 5%*Site Establishment 15%;*Construction of Plinths 20%*Installation 20%		Plinths 5%								
ROAD AND STORM WATER																
DTS150	To provide household with basic services including water, adequate sanitation,	Wanoza Consulting Irhalane Construction	Design for Construction of Boekenhouthoek Bus	% progress in the Design of Construction of Boekenhouthoek	**95% progress** in the Design and Construction of Boekenh	**100% Progress**: Design and Construction of Boekenh	R 2 580 291.63	**100% Progress**: *5% Commissioning	R 2 579 534.28	Yes	8 Months	Yes	None	None	4	Good

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	adequate public lighting and accessible road		Route - Ward 24 (1km)	Bus Route - Ward 24	outhoek Bus Route - Ward 24	outhoek Bus Route - Ward 24 by 30th September 2022: *5% Commissioning										
DTS151	To provide household with basic services including water, adequate sanitation, adequate public	Zenkcon Consulting Engineers TOBC Intergrations	Construction of Zakheni Bus Route – Ward 32 (1.1km)	% progress in the Construction of Zakheni Bus Route – Ward 32	15% progress in the Construction of Zakheni Bus Route – Ward 32 *Technical Report	**80% Progress:** Construction of Zakheni Bus Route – Ward 32 by 30th	R 9 000 000	**80% Progress:** Term of Reference for Contractor 5%; *Appointment of	R 8 568 171.50	Yes	12 Months	Yes	None	None	4	Good

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	lighting and accessible road				5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	June 2023 *Term of Reference for Contractor 5%; *Appointment of Contractor 5%*Site Establishment 15%; *Construction of base layers 20%*Inst		Contractor 5% *Site Establishment 15%; *Construction of base layers 20% *Installation of kerbs 10% Installation of Paving 10%;								

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						allation of kerbs 10%Installation of Paving 10%;										
DTS153	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Kago Consulting Engineers Shiela and Katlegos construction and Projects	Designs for Construction of Mountain View (Mandela Drive) – Bus Route Ward 14 (1.7km)	% progress in the Designs and Construction of Mountain View (Mandela Drive) – Bus Route Ward 14	**15% progress** in the Designs and Construction of Mountain View (Mandela Drive) – Bus Route Ward 14	**80% Progress:** Designs and Construction of Mountain View (Mandela Drive) – Bus Route Ward 14	R 10 000 000	**61% progress:** *Appointment of Contractor 5% *Site Establishment 15% *Technical Report 5%	R 11 089 619.35	No	12 Months	No	Delays encounter as results of ground water and hard rocks excavations. The project is implemented on a multi-	To add more resources to speed up the project progress due date 30th November 2023. The over expendit	3	Satisfactory

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					*Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	by 30th June 2023: **Term of Reference for Contractor 5%; Appointment of Contractor 5%*Site Establishment 15%; *Construction of base layers		*Term of Reference for Contractor 5% *Detailed Design Report 5% *Preliminary Design Report 5% * Construction of base layers 20% *Installati					year basis, and at the time of budget adjustment, performance on site was low, hence the budget was adjusted cautiously. However, performa	ure was balanced off through a virement (from savings on other projects) that was conducted after the adjustment budget had been passed.		

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						20%*Installation of kerbs 10%Installation of Paving 10%;		on of kerbs 1%					nce went up during the last quarter of the financial year, which led to more expenditure by the end of the financial year.			
DTS167	To provide household with basic services including	Mangethe Consulting	Mandela Luthuli Bridge Road (2.3km)	% progress in the Mandela Luthuli	**90% progress** in the Mandela Luthuli	**100% Progress:** Mandela Luthuli	R 4 027 706.88	**100% Progress:** *5% finishing, *5%	R 4 027 706.87	Yes	8 months	Yes	None	None	4	Good

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	water, adequate sanitation, adequate public lighting and accessible road	Mohaumolutsi Construction		Bridge Road	Bridge Road	Bridge Road by 30th September 2022: *5% finishing, *5% Commissioning		Commissioning								
DTS169	To provide household with basic services including water, adequate sanitation, adequate public	Vuxaka Consulting Engineers Khuluphala Trading	Thembalethu Bus Route (1.2km)	% progress in the Thembalethu Bus Route	**95% Progress:** Thembalethu Bus Route	**100% Progress:** Thembalethu Bus Route by 30th September 2022:	R 965 749.09	**100% Progress:** *5% Commissioning	R 925 290.00	Yes	6 Months	Yes	None	None	4	Good

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	lighting and accessible road					*5% Commissioning										
DTS170	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Baitsenape Consulting Engineers MK Cassidy JV	Roads and Stormwater in Ward 12 (1.86km)	% progress in the Roads and Stormwater in Ward 12	**95% Progress:** Roads and Stormwater in Ward 12	**100% Progress:** Roads and Stormwater in Ward 12 by 30th September 2022: *5% Commissioning	R 55 440.58	**100% Progress:** *5% Commissioning	R 55 440.58	Yes	8 Months	Yes	None	None	4	Good
DTS201	To provide household with basic	Dikgato Engineering	Construction of Phola	% progress in the	0	**60% Progress:**	R 5 500 000	**60% Progress:** MIG	R 5 499 918.46	Yes	12 MMonths	Yes	None	None	4	Satisfactory

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	services including water, adequate sanitation, adequate public lighting and accessible road	Consultants Sevemode 62	Park Bus and Taxi Route - Ward 6 (2.5km)	Construction of Phola Park Bus and Taxi Route - Ward 6		Construction of Phola Park Bus and Taxi Route - Ward 6 by 30th June 2023 *MIG Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design		Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference for Contractor 5%; *Appointment of Contractor 5%								

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						Report 5%*Term of Reference for Contractor 5%;*Appointment of Contractor 5%*Site Establishment 15%; *Construction of base		*Site Establishment 15%; *Construction of base layers 20%								

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						layers 20%										
DTS202	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Dikgato Engineering Consulting	Construction of Verena A-D Bus and Taxi Route - Ward 08 (4.4km)	% progress in the Construction of Verena A-D Bus and Taxi Route - Ward 08	0	**15% progress** in the Construction of Verena A-D Bus and Taxi Route - Ward 08 31st March 2023 *MIG Business Plan 5%;*Preliminary	R 1 000 000	**10% Progress:** *MIG Business Plan 5%; *Preliminary Design Report 5%	R 1 000 000	No	24 Monthd	No	The consultant has not finished with the detailed design report. The are outstanding design requirements that need to be finalised	To prepare a presentation to finalise the comments made by the team. To be finalized by the 30th August 2023 in the first	3	Satisfactory

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PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						Design Report 5%;*Detailed Design Report 5%							with the client.	quarter of 2023/2024 FY.		
DTS203	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Servinet Consulting Engineers	Construction of Verena C Bus and Taxi Route - Ward 11 (4km)	% progress in the Construction of Verena C Bus and Taxi Route - Ward 11	0	**15% progress** in the Construction of Verena C Bus and Taxi Route - Ward 11 by 31st March 2023	R 1 000 000	**15% Progress:** MIG Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design	R 993 357.75	Yes	24 Months	Yes	None	None	4	Good

APPENDICES

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						*MIG Business Plan 5%;*Preliminary Design Report 5%;*Detailed Design Report 5%		Report 5%								
DTS204	To provide household with basic services including water, adequate sanitation,	Kumelcon Group	Construction of Kwaggafontein A Link Road, Ward 24 (1.2km)	% progress in the Construction of Kwaggafontein A Link	0	**15% progress** in the Construction of Kwaggafontein A Link	R 1 000 000	**15% Progress:** *MIG Business Plan 5%; *Preliminary Design	R 999 669.80	Yes	24 months	Yes	None	None	4	Good

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KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	adequate public lighting and accessible road			Road, Ward 24		Road, Ward 24 by 31st March 2023 *MIG Business Plan 5%;*Preliminary Design Report 5%;*Detailed Design Report 5%		Report 5%; *Detailed Design Report 5%								
DTS205	To provide household with basic	Kumelcon Group	Construction of Tweefont	% progress in the	0	**15% progress** in the	R 1 000 000	**15% Progress:** MIG	R 996 908.38	Yes	24 Months	Yes	None	None	4	Good

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KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	services including water, adequate sanitation, adequate public lighting and accessible road		ein E Bus Route, Ward 15 (1.2km)	Construction of Tweefontein E Bus Route, Ward 15		Construction of Tweefontein E Bus Route, Ward 15 by 31st March 2023 *MIG Business Plan 5%; *Preliminary Design Report 5%;*Detailed Design		Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%								

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KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						Report 5%										
DTS206	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Mangadi Venique JV UlwaziLethu Construction Mamolato Construction Mandla Kasokobe	Construction of Pedestrian Bridges (Ward 11, 17, and 23)	% progress in the construction of pedestrian Bridges	0	**65% progress** in the construction of pedestrian Bridges by 30th June 2023 *MIG Business plan 5%; *Appointment of Consultant 5%*Preli	R 3 380 836.31	**65% progress** *MIG Business plan 5%; *Appointment of Consultant 5%*Preliminary Design Report 5%; *Detailed Design Report 5%	R 9 547 495.25	Yes	3 Months	Yes	The project is implemented on a multi-year basis, and at the time of budget adjustment, performance on site was low, hence the	The over expenditure was balanced off through a virement (from savings on other projects) that was conducted after the adjustment budget	5	Excellent

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KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						minary Design Report 5%; *Detailed Design Report 5% *Term of Reference for Contractor 5%;*Appointment of Contractor 5%, *Site Establish		*Term of Reference for Contractor 5%;*Appointment of Contractor 5%, *Site Establishment15%;*Construction of bridges 20%					budget was adjusted cautiously. However, performance went up during the last quarter of the financial year, which led to more expenditure by the end of the	had been passed.		

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KPA	BASIC SERVICE DELIVERY														
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						ment 15%;*Construction of bridges 20%							financial year.			
DTS207	To provide household with basic services including water, adequate sanitation, adequate public lighting and accessible road	Kumelcon Group Moeding Wadiphiri Constuction Irhalane Construction Thumasha Electricals	Rehabilitation of Roads (Ward 21 and 32)	% Progress in the rehabilitation of roads	0	65% progress in the rehabilitation of roads by 30th June 2023 MIG Business plan 5%; *Appointment of	R 12 500 000	**65% Progress:** MIG Business plan 5%; *Appointment of Consultant 5% Preliminary Design Report 5%; *Detailed	R 11 249 992.33	Yes	36 Months	Yes	None	None	4	Good

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KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						Consultant 5% Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference for Contractor 5%;*Appointment of Contractor		Design Report 5% *Term of Reference for Contractor 5%;*Appointment of Contractor 5%, *Site Establishment 15%;*Rehabilitation of								

APPENDICES

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	**STRATEGIC OBJECTIVE**	**APPOINTED SERVICE PROVIDER**	**PROJECT NAME/DESCRIPTION**	**KEY PERFORMANCE INDICATOR**	**BASELINE 2021/2022**	**REVISED ANNUAL TARGET 2022/2023**	**ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)**	**ACTUAL PERFORMANCE**	**EXPENDITURE TO DATE**	**TARGET ACHIEVE YES/NO**	**TERM OF THE CONTRACT**	**PROJECT COMPLETED (YES/NO)**	**REASON FOR NON COMPLETION**	**REMEDIAL MEASURES**	**SCORING (1-5 RATING)**	**SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT**
						5%*Site Establishment 15%;*Rehabilitation of roads 20%		roads 20%								
SPORTS AND WASTE REMOVAL																
SDS006	To create a safe clean and healthy environment conducive for social developme	Phamela Consulting Engineers Salarefeloe JV	Upgrading of Kwaggafontein stadium (Ward 26) – Phase 1	% progress in the Upgrading of Kwaggafontein stadium (Ward 32)	**20% progress** in the Upgrading of Kwaggafontein stadium (Ward 26)	**55% Progress:** Upgrading of Kwaggafontein stadium (Ward 26) by 30th	R 7 000 000	**55% Progress:** *5% Terms of reference for contractor *Appointment of Contract	R 11 625 679.08	Yes	12 Months	Yes	The project is implemented on a multi-year basis, and at the time of budget adjustme	The over expenditure was balanced off through a virement (from savings on other projects)	4	Good

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KPA	BASIC SERVICE DELIVERY														
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	nt and recreation				*Technical Report 5%; *Appointment of Consultant *Preliminary Design Report 5%; *Detailed Design Report 5%	March 2023: *5% Terms of reference for contractor*Appointment of Contractor 5%*Site Establishment 15%;*Construction 10%,		or 5%*Site Establishment 15%;*Construction 10%,					nt, performance on site was low, hence the budget was adjusted cautiously. However, performance went up during the last quarter of the financial	that was conducted after the adjustment budget had been passed.		

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KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
													year, which led to more expenditure by the end of the financial year.			

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BASIC SERVICE DELIVERY

KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
SDS017	To create a safe, clean and healthy environment conducive for social development and recreation	Gubis 85 and Black Protector	Municipal Security Services reports	Number of quarterly status reports on Municipal security submitted to the Municipal Manager	3 quarterly status report on Municipal security submitted to Municipal Manager	4 quarterly status reports on Municipal security submitted to the Municipal Manager by 30th June 2023	R 31 694 447	4 quarterly status report on Municipal security submitted to Municipal Manager	R 28 284 156.07	Yes	36 Moths	No	None	None	4	Good
SDS033	To create a safe, clean and healthy environm	DXD Building & Construction	Fencing of Phola Park Community Hall	Number of Community Halls fenced	0	1 Community Hall fenced	R 500 000	1 Community Hall fenced	R 500 000.00	Yes	As and when required	Yes	None	None	5	Excellent

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KPA	BASIC SERVICE DELIVERY															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	ent conducive for social development and recreation					by July 2023										
SDS034	To create a safe, clean and healthy environment conducive for social development and recreation	Yozo Mabuse JV Lesedi La Balomo JV	Repairs and maintenance of Municipal buildings	Number of Repairs and maintenance of Municipal Buildings	0	"Old and New Building" (2)Repairs and maintenance of Municipal Buildings by July 2023	R 6 700 000	"Old and New Building" (2)Repairs and maintenance of Municipal Buildings	R 5 732 642.04	Yes	As and when required	Yes	None	None	5	Excellent

APPENDICES

MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POO, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOO, 5=EXCELLENT
DCS011	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Bezuidt Attorneys; Ka-Mbonane Attorneys; Kunene Ramapala Attorneys; Marivate Attorneys; Matlala Von Metzinger Attorneys; Mokgalabone Attorneys and Ncube Attorneys	Submission of Litigation reports to Municipal Manager	Number of litigation reports submitted to Municipal Manager	4 litigation reports submitted to Municipal Manager	4 litigation reports submitted to Municipal Manager by 30th June 2023	R 1 784 004	4 litigation reports submitted to Municipal Manager	R 1 096 511.68	Yes	3 years	No	None	None	3	Satisfactory

APPENDICES

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFOR MANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
DBT013	To improve the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	i@ Consulting (Pty) Ltd	Updating of the fixed Asset register	Rate update of the Fixed Asset Register	Daily update of the Fixed Asset Register	Daily update of the Fixed Asset Register by 30th June 2023	R 6 291 408	Daily update of the Fixed Asset Register	R 6 290 693.44	Yes	36 Months	No	None	None	4	Good
DBT018	To improve	PMH IT Manag	Compilation and	Number of	1 Annual Financial	1 Annual Financial	R 4 000 000	1 Annual Financial	R 1 763 431.00	Yes	36 Months	Yes	None	None	4	Good

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KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	the financial status of the Municipality through prudent budget planning, stringent financial management and improved revenue collection	ement & Services (Pty) Ltd	submission of Annual Financial Statements to the Auditor General	Annual Financial Statements compiled and submitted to the Auditor General	Statement compiled and submitted to the Auditor General	Statement compiled and submitted to the Auditor General by 31st August 2022		Statement compiled and submitted to the Auditor General								
							FLEET									
DBT032	To improve organizational efficiency	Bidvest Bank	Leasing of Municipal fleet	Number of Municipal fleet paid	37 Municipal fleet paid monthly on lease	37 Municipal fleet paid monthly on lease	R 5 400 104	37 Municipal fleet paid monthly on lease	R 4 643 235.58	Yes	36 Months plus extensions	No	None	None	4	Good

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KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	and promote a culture of professional conduct in order to render quality services.			monthly on lease		by 30th June 2023		by 30th June 2023								
DBT034	To improve organizational efficiency and promote a culture of professional conduct in order to render	Batazi & Sons Zembelani Transport	Repairs and maintenance of Municipal fleet	Number of repairs and maintenance reports of Municipal fleet produced and submitte	12 repairs and maintenance reports of Municipal fleet produced and submitted	12 repairs and maintenance reports of Municipal fleet produced and submitted to the HOD by	R 10 133 468	12 repairs and maintenance reports of Municipal fleet produced and submitted to the HOD	R 5 682 394.24	Yes	36 Months	No	None	None	3	Satisfactory

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KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	quality services.			d to the HOD	to the HOD	30th June 2023										
DBT035	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Siyafana Thina	Monitoring the usage of fuel	Number of reports produced and submitted to the HOD on the usage of fuel	12 reports produced and submitted to the HOD on the usage of fuel	12 reports produced and submitted to the HOD on the usage of fuel by 30th June 2023	R 10 787 240	12 reports produced and submitted to the HOD on the usage of fuel	R 8 363 342.28	Yes	36 Months	No	Terminated due to none-performance	Currently sourcing fuel through a deviation process, whilst the readvertising process is under way	1	Poor

APPENDICES

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
INTERNAL AUDIT																
MM035	To deepen democracy and promote active community participation in the affairs of the institution	Merakatso business Solutions	Submission of internal audit reports to the Audit Committee	Number of internal audit reports submitted to the Audit Committee	3 Internal audit reports submitted to the Audit Committee	4 Internal audit reports submitted to the Audit Committee by 30th June 2023	R 300 000	4 Internal audit reports submitted to the Audit Committee	R 300 000	Yes	3 years	Yes	None	None	5	Excellent
		RCA and Company					R 600 000		R 600 000		3 years	Yes	None	None	4	Good
INFORMATION COMMUNICATION TECHNOLOGY - ICT																

APPENDICES

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
MM056	To improve organizational efficiency and promote a culture of professional conduct in order to render quality services.	Matupunuka ICT	Repairs and maintenance of ICT hardware	Number of reports submitted to the HOD on the repairs and maintenance of ICT hardware	3 reports submitted to the HOD on the repairs and maintenance of ICT hardware	4 reports submitted to the HOD on the repairs and maintenance of ICT hardware by 30th June 2023	R 4 247 424	4 report submitted to the HOD on the repairs and maintenance of ICT hardware	R 5 175 916.59	Yes	36 Months	Yes	None	None	5	Excellent
MM057	To improve organizational efficiency and	Munsoft	Renewal of software	Number of software licenses renewed	1 x Munsoft, - Payroll, HR and Financial	1 x Munsoft, - Payroll, HR and Financial	R 10 000 888	1 x Munsoft, - Payroll, HR and Financial	R 3 185 118.45	Yes	36 Months	Yes Yes	None None	None None	5 5	Excellent Excellent

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KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	promote a culture of professional conduct in order to render quality services.	Matupunuka ICT			system, 1 x Netrix monitor, 50 x Microsoft volume, 210 x Symantec antivirus, 1 x Server monitoring system, 1 x PMS system, 35 x Office 365 renewed	system, 1 x Netrix monitor, 50 x Microsoft volume, 210 x Symantec antivirus, 1 x Server monitoring system, 1 x PMS system, 35 x Office 365 renewed by 30th		system, 1 x Netrix monitor, 50 x Microsoft volume, 210 x Symantec antivirus, 1 x Server monitoring system, 1 x PMS system, 35 x Office 365 renewed			36 Months					

APPENDICES

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
						June 2023										

APPENDICES

SPATIAL RATIONALE

KPA	SPATIAL RATIONALE															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/2022	REVISED ANNUAL TARGET 2022/2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
PED007	To manage and coordinate spatial planning and Land use management	Sesana Projects cc	Anti-land invasion	Number of reports on land invasion submitted to the Municipal Manager	4 reports on land invasion submitted to the Municipal Manager	4 reports on land invasion submitted to the Municipal Manager 30th June 2023	R 2 300 000	2 reports on land invasion submitted to the Municipal Manager	R 712 749.84	No	36 months	Yes	No reports received for Land Invasion, contract has expired	To appoint new service provider by 31st July 2023	4	Good
PED015	To manage and coordinate spatial planning and Land use	I @ Consulting	Subdivision of erf 976 KwaMhlanga	Number of subdivision application submitted to	0	1 subdivision application submitted to Planning Tribunal	R 700 000	1 subdivision application submitted to Planning Tribunal	R103 500	Yes	12 months	No	The application was referred back from tribunal due proof of ownership	Process of acquiring proof of ownership	4	Good

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KPA	SPATIAL RATIONALE															
PROJECT CODE	STRATEGIC OBJECTIVE	APPOINTED SERVICE PROVIDER	PROJECT NAME/DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE 2021/ 2022	REVISED ANNUAL TARGET 2022/ 2023	ADJUSTED ANNUAL BUDGET (INPUT INDICATOR)	ACTUAL PERFORMANCE	EXPENDITURE TO DATE	TARGET ACHIEVE YES/NO	TERM OF THE CONTRACT	PROJECT COMPLETED (YES/NO)	REASON FOR NON COMPLETION	REMEDIAL MEASURES	SCORING (1-5 RATING)	SERVICE PROVIDER PERFORMANCE (1=POOR, 2=BELOW SATISFACTORY, 3=SATISFACTORY, 4=GOOD, 5=EXCELLENT
	management			Planning Tribunal		by 30th June 2023										
PED016	To manage and coordinate spatial planning and Land use management	Emendo Project Managers & Planners	Amendment for the General Plan for KwaMhlanga BA and KwaMhlanga BA Extension	Number of General Plan for KwaMhlanga BA and KwaMhlanga BA Extension submitted to Planning Tribunal	0	1 General Plan for KwaMhlanga BA and KwaMhlanga BA Extension submitted to Planning Tribunal by 30th June 2023		Project allocation and Inception, Surveying and data collection		No	10 Months	No	The service provider is busy with the investigation of the 2 approved general plans where legal activities need to be undertaken.	We will wait for legal implication to unfold	1	Poor

APPENDIX J – DISCLOSURE OF FINANCIAL INTERESTS

Disclosures Of Financial Interests		
Period 1 July 2022 To 30 June 2023		
Position	**Name**	**Description Of Financial Interests* (Nil / Or Details)**
(Executive) Mayor	Lesetja Jacob Dikgale	Nil
Speaker	Maria Poppy Msiza	Nil
Chief Whip	Thokozile Egnes Motanyane	Nil
Member Of Mayco / Exco	Eunice Martha Malekane	Top Amber PTY Ltd
	Ntombifuthi Thandeka Skhosana	Avuka Amaqhawekazi
	Lucky Xolani Mtsweni	Waitjokotja Trading and Projects
	Thomas Lebandla Mabena	King Sonengane Trust
		Komjeks PTY LTD
		King Malusi Development Foundation
		Queen Nadima Primary Co-operative Limited
	Joseph Elias Mthimunye	Sazimaso Trading Lollipop General Dealer
Councillors	Dipolelo Sinah Mampuru	Nil
	Maria Thruddy Nobela	Nil
	Lillian Martha Tshabangu	Nil
	Christinah Ndlelehle Mahlangu	Nil
	Tsanky Michael Rahlogo	Nil
	Ntombi Mitta Motaung	Nil
	Thabiso Klass Mahlangu	Thabiso Cibi Hub & TK Media
	Motlalepule Sweetness Ramphisa	Nil
	Remenky Stephinah Molefe	Nil
	Busisiwe Maria Shiburi	Nil
	Abram Glen Sithole	Ngingumancoba Trading & Projects PTY LTD
		Ngingumancoba Car Wash Shesanyama

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Disclosures Of Financial Interests		
Period 1 July 2022 To 30 June 2023		
Position	**Name**	**Description Of Financial Interests* (Nil / Or Details)**
	Matalanyane Lucas Moloko	Mokomatla Investments and Project
		Tlou Mokone
	Lindiwe Kate Gulube	Gudazela Trading & Projects
		Phethokuhle Guest House
	Eliot Sunday Khumalo	Nil
Councillors	Linah Florence Sebothoma	Nil
	Augustine Renny Mokwena	Nil
	Xolani Clement Nyalunga	Nil
	David Mabuzwa Sibanyoni	Nil
	Masontaga Adelaide Mokwena	Nil
	Thabo John Tibane	Nil
	Rubber Qaliwe Mtsweni	Sizwene Driving Academy Primary Co-operative Limited
		Rubber Driving School
	Samuel Mazungwe Mtsweni	Samaletha
		Skokoro
		Siyaphambili
		Mazungwe Consultancy & Services
	Andries Mphatlalashane Skhosana	Sizanani Stationery
		Nil
	Zenaye Jantjhie Mnguni	Nil
	Margareth Mabelane Mahlangu	Nil
	Moses Thabo Mnguni	Magubelo Kosondibilitjhi Trading Enterprise cc
	Puleng Chani Seswike	Nil
	Lucky Matlhatsi Maphoso	Nil
	Steven Citha Mahlangu	Nil
	Namntungwa Elizabeth Radebe	Nil
	Vusi Michael Ntuli	Nil

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Disclosures Of Financial Interests		
Period 1 July 2022 To 30 June 2023		
Position	**Name**	**Description Of Financial Interests* (Nil / Or Details)**
	Mable Elsie Mabanga	Fankiem Primary Cooperative Ltd
	Simon Bangiswani Sindana	Siyasebenza Civil and Electricals
	Bongani Ntokozo Dlamini	Bhubesi Ka Silwanetshe PTY Ltd
	Khanyi Leah Masanabo	Nil
	Mmelisizwe Terance Ntuli	Mbundela Nelanga PTY Ltd
	Moses Mmoisetsi Sepogwana	Nil
	Richard Bongani Jiyane	Nil
	Simon Vusi Masombuka	Dylan Trading and Projects PTY LTD
	Simon Sipho Mnguni	Nil
	Tenboy Buttitjie Dube	Nil
	Fikile Violet Mgayi	Nil
	David Sello Mokoena	Tau & Sotobe Construction and Projects Sotjozi Business Enterprise
	Nomvula Sister Mnguni	Nil
	Class Menzelwa Jiyane	Nil
	Sonto Rose Nhlapho	Nil
	Bongani Victor Msibi	Nil
	Bernard Vusi Mtshaise	Nil
	Poppie Mahlangu	Nil
	Masotja Petrus Nduli	Nil
	Bawinile Simon Mabhena	Nil
	Mkhululi Jacob Sithole	JKS Trading Enterprise
	Rose Martha Kgomo	Nil

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Disclosures Of Financial Interests		
Period 1 July 2022 To 30 June 2023		
Position	**Name**	**Description Of Financial Interests* (Nil / Or Details)**
	Godfrey Nkosinathi Mahlangu	Nil
	Solomon Fickson Skosana	Nil
	Thabile Prunella Nkosi	Nil

Municipal Manager	Mr. D.J.D. Mahlangu	Njabulo Developers Dumisani Mahlangu Foundation
Chief Financial Officer	Mrs. J.G. Mahlangu	Senzangakhona Trust
Other S57 Officials	Ms. S.A. Nxumalo	Elite Minds Foundation
	Mr. W.M. Mtsweni	Kewami Emergency Care and Admin. Nkangala Emergency Response Team.
	Mr. M.S. Tsebe	Tsebe Agri and Logistics.
	Ms. A. Aphane	Asithokoze Farming and multipurpose co-operative Limited Amandla Wethemba Civil Construction. Beyond Designs and Furniture Nkhayene Artificer Corp.
* Financial Interests to Be Disclosed Even If They Incurred for Only Part of the Year. See Mbrr Sa34a		

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance By Vote					Note:R' 000 On Total Revenue	
	2021/2022	2022/2023				
Vote Description	Actual "000"	Original Budget"000"	Adjusted Budget"000"	Actual"000"	Actual Outcome As % Of Final Budget	Actual Outcome As % Of Original Budget
Vote 104	530 857	580 099	583 565	620 847	106.39%	107.02%
Vote 105	130 848	141 719	142 007	141 835	99.88%	100.08%
Vote 106	263	146	647	1 581	244.36%	1082.88%
Vote 107	319	420	842	590	70.07%	140.48%
Vote 108	15 228	24 994	14 356	13 431	93.56%	53.74%
Vote 300	93	104	163	240	147.24%	230.77%
Vote 500	0	0	0	0	0	0
Vote 520	60 766	64 670	69 180	69 960	101.13%	108.18%
Vote 530	4 500	16 000	18 000	18 000	100%	112.50%
Vote 540	175 403	152 712	184 725	186 149	100.77%	121.90%
Vote 560	2 755	2 787	3 691	3 714	100.62%	133.26%
Total Revenue By Vote	**921 032**	**983 651**	**1 017 176**	**1 056 347**	**103.85%**	**107.39%**

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						R '000
Description	2021/ 2022	2022/ 2023			2022/ 2023 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	52 067	58 457	58 457	57 434	4 099	4 099
Property rates - penalties & collection charges	0	0	0	0	0	0
Service Charges - electricity revenue	0	0	0	0	0	0
Service Charges - water revenue	88 829	82 274	91 385	90 667	(8 291)	820
Service Charges - sanitation revenue	1 898	1 905	2 237	2 084	(329)	3
Service Charges - refuse revenue	36 038	38 159	37 983	37 881	289	113
Service Charges - other	0	0	0	0	0	0
Rentals of facilities and equipment	1 030	921	1 042	1 250	{ 296)	(175)
Interest earned - external investments	6 024	5 305	8 191	14 408	{ 6 110)	(3 224)
Interest earned - outstanding debtors	76 441	69 122	84 257	111 069	(18 306)	(3 171)
Dividends received	0	0	0	0	0	0
Fines	3 913	13 101	2 457	2 665	10 283	(361)
Licences and permits	149	137	190	148	(41)	12
Agency services	10 331	11 896	11 896	11 315	1 018	1 018
Transfers recognised - operational	652 245	526 245	532 245	716 823	(6 000)	0
Other revenue	2 308	551	2 260	1 028	(1 844)	(135)
Gains on disposal of PPE	0	0	0	(764)	(764)	(764)
Enviromental Proctection	0	0	0	0	0	
Total Revenue (excluding capital transfers and contributions)	**931 273**	**808 073**	**832 599**	**1 046 008**	**(26 526)**	**(1 764)**

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: Excluding Mig R						
Details	**Budget**	**Adjust-Ments Budget**	**Actual**	**Variance**		**Major Conditions Applied By Donor (Continue Below If Necessary)**
				Budget	**Adjust-Ments Budget**	
Neighbourhood Development Partnership Grant	0	0	0			
FMG	1 720 000	1 720 000	1 720 000	100%	0%	
WSIG	R 25 000 000	R 38 000 000	38 000 000	52%	0%	
EPWP	3 735 000	3 735 000	3 735 000	100%	0%	
EEDS	R 4 000 000.00	R 6 000 000.00	R 6 000 000	50%	0%	
INEP	R 12 000 000.00	12 000 000.00	R 12 000 000	100%	0%	
Total	R 46 455 000	**R 61 455 000**	R 61 455 000	**32%**	**0%**	

APPENDIX M: CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme* R '000							
Description	2021/ 2022	2022/ 2023			Planned Capital Expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	Fy + 1	Fy + 2	Fy + 3
Capital Expenditure By Asset Class							
Infrastructure - Total	**190 198 000**	**190 198 000**	**197 661 000.00**	**197 627 792.95**	**–**	**–**	**–**
Infrastructure: Road Transport - Total	**54 686 321**	**54 686 321**	**57 563 258.51**	**57 563 258.51**	**–**	**–**	**–**
Roads, Pavements & Bridges	54 686 321	54 686 321	57 563 258.51	57 563 258.51	-	-	-
Stormwater							
Infrastructure: Electricity - Total	**4 500 000**	**4 500 000**	**19 127 013.05**	**19 127 013.05**	**-**	**-**	**-**
Transmission & Reticulation	4 500 000	4 500 000	13 127 480.05	13 127 480.05			
Street Lighting			5 999 623.00	5 999 623.00	-	-	-
Infrastructure: Water - Total	**R 94 987 401**	**R 94 987 401**	**100 554 555.47**	**100 553 111.30**	**–**	**–**	**–**
Dams & Reservoirs	R 94 987 401	R 94 987 401			-	-	-
Water Purification			35 439 841.31	35 439 841.31	-	-	-
Reticulation			65 114 714.16	65 113 269.99	-	-	-
Infrastructure: Sanitation - Total			**1 707 446.75**	**1 707 446.75**		**–**	**–**

Capital Expenditure - New Assets Programme* R '000							
Description	**2021/ 2022**	**2022/ 2023**			**Planned Capital Expenditure**		
	Actual	**Original Budget**	**Adjustment Budget**	**Actual Expenditure**	**Fy + 1**	**Fy + 2**	**Fy + 3**
Reticulation							
Sewerage Purification			1 707 446.75	1 707 446.75	-	-	-
Infrastructure: Other - Total	**36 024 278**	**36 024 278**	**18 676 965.30**	**18 676 963.34**	**–**	**–**	**–**
Waste Management	8 889 570	8 889 570			-	-	-
Transportation					-	-	-
Gas					-	-	-
Other	27 134 708	18 345 360			-	-	-
Operational MIG			7 051 287.12	7 051 285.15			
Community Assets			11 625 678.19	11 625 678.19			

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APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2022/ 2023

Location	Project Description	Revised Annual Target 2022/ 2023 FY	Adjusted Annual Budget (Input Indicator' 000)	2022/2023 Actual Performance	Expenditure To Date
Sheldon	Upgrading of Sheldon Water Infrastructure (Multi-Year Project) – Ward 9,14 – Phase 1	100% Progress: Upgrading of Sheldon Water Infrastructure – Phase 1 by 30th June 2023: *Setting Out 5%, *Excavation 10%; *Rock Drill, Blasting & Bedding 5%; *Laying of Pipes 10% *Backfilling and Compaction of Trenches 10%;*Construction of Chamber Base Slab 5%;*Chamber Walls and Cover Slabs 5%; *Pipe Specials 5%; *Commissioning of the Project 5%	R 15 128 015.10	100% Progress: *Setting Out 5%,*Excavation 10%; *Rock Drill, Blasting & Bedding 5%; *Laying of Pipes 10% *Backfilling and Compaction of Trenches 10%; *Construction of Chamber Base Slab 5%; *Chamber Walls and Cover Slabs 5%; *Pipe Specials 5%; *Commissioning of the Project 5%	R 15 126 126.64
Tweefontein C& K	Upgrading of Tweefontein C and DK Water Infrastructure (Multi-Year Project) – Ward 12	60% Progress: Upgrading of Tweefontein C and DK Water Infrastructure – Phase 1 by 30th March 2023: *Setting Out 5%,*Excavation 10%; *Preparation of Pipe Bedding 5%; *Laying of Pipes 10% *Backfilling and Compaction of Trenches 10%;	R 13 426 542.59	48% Progress: *Setting Out 5% *Excavation 6.5%; *Preparation of Pipe Bedding 3.25%; *Laying of Pipes 6.5% *Backfilling and Compaction of Trenches 6.5%;	R 13 426 542.59
Bundu	Upgrading of Water Treatment Works for agricultural projects in Bundu ward 24 Civil Engineering Water Treatment - WP 8	70% Progress: Upgrading of Water Treatment Works for agricultural projects in Bundu ward 24 Civil Engineering Water Treatment - WP8 by 30th June 2023: *Term of Reference for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%; *Water resources study 10%, *Construction 20%	R 4 712 851.05	70% Progress: Term of Reference for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%; *Water resources study 10%*Construction 20%	R 4 712 851.05
Ntokozweni	Upgrading of Ntokozweni Water Infrastructure (Multi-Year Project) – Ward 17	100% Progress: Upgrading of Ntokozweni Water Infrastructure – Phase 1 by 30th September 2022: *Commissioning of the Project 5%	R 8 222 015.10	100% Progress: *Commissioning of the Project 5%	R 8 222 015.10
Moloto	Upgrading of Moloto Water Infrastructure (Multi-Year Project)	100% Progress: Upgrading of Moloto Water Infrastructure – Phase 1 by 30th June 2023: *Backfilling and Compaction of Trenches 10%;*Installation of Elevated Steel Tank 10%;*Installation of Standpipes 10%,*Commissioning of the Project 5%	R 7 237 009.67	100% Progress: *Backfilling and Compaction of Trenches 10%; *Installation of Elevated Steel Tank 10%; *Installation of Standpipes 10%, *Commissioning of the Project	R 7 237 009.67

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Location	Project Description	Revised Annual Target 2022/ 2023 FY	Adjusted Annual Budget (Input Indicator' 000)	2022/2023 Actual Performance	Expenditure To Date
Mabhoko	Upgrading of Mabhoko Water Infrastructure (Multi-Year Project) – Ward 17	80% Progress: Upgrading of Mabhoko Water Infrastructure – Phase 1 by 31th March 2023: *Setting Out 5%*Excavation 10%; *Preparation of Pipe Bedding 5%; *Laying of Pipes 10% *Backfilling and Compaction of Trenches 10%.	R 20 057 509.94	80% Progress: *Setting Out 5%*Excavation 10%; *Preparation of Pipe Bedding 5%; *Laying of Pipes 10% *Backfilling and Compaction of Trenches 10%.	R 20 057 509.94
Thembalethu	Upgrading of Thembalethu Water Infrastructure - (Multi-Year Project) – Ward 5	15% Progress: Upgrading of Thembalethu Water Infrastructure - (Multi-Year Project) – Ward 5 by 30th June 2023: *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	R 1 000 000.00	15% Progress: *Technical Report 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	R 997 548.39
Matheyzensloop & Kwaggafontein	Construction of Matheyzensloop to Kwaggafontein booster Pump station	80% Progress: Construction of Matheyzensloop o Kwaggafontein booster Pump station by 30th June 2023: *Term of Reference for Contractor 5%;*Appointment of Contractor 5%; *Site Establishment 15%;*Construction 40%;	R 30 684 000.00	80% Progress: *Term of Reference for Contractor 5%;*Appointment of Contractor 5%; *Site Establishment 15%; *Construction 40%	R 30 684 000.00
THLM Various Wards	Installation of Water Meters (Bulk)	100% Installation of Water Meters (Bulk) by 30th June 2023 (%*16 meters=20%*32 meters=50%*48 meters=75% *64 Bulk Meter=100)	R 11 000 000.00	100% Installation of Water Meters (%*16 meters=20%*32 meters=50%*48 meters=75% *64 Bulk Meter=100	R 4 732 281.18
THLM Various Wards	Refurbishment of Water Infrastructure	12 progress reports on Refurbishment of Water Infrastructure by 30 June 2023	R 9 000 000.00	9 progress reports on Refurbishment of Water Infrastructure	R 6 873 418.92
Tweefontein K	Upgrading of Tweefontein K Waste Water Treatment Works, Phase 2	40% Progress: Tweefontein K Waste Water Treatment Works, Phase 2 by 30th June 2023: *Term of Reference for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%;	R 1 707 445.74	40% Progress: *Term of Reference for Contractor 5%; *Appointment of Contractor 5%; *Site Establishment 15%;	R 1 599 592.82
THLM Various Wards	Design and implementation of energy efficiency program -Phase 3	100% Progress: Upgrading of Design and implementation of energy efficiency program by 30th June 2023: *Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report 20%; *Appointment of Contractors	R 6 000 000.00	100% Progress: *Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report 20%; *Appointment of Contractors 10%; *Purchasing of Highmast	R 5 999 623.00

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Location	Project Description	Revised Annual Target 2022/ 2023 FY	Adjusted Annual Budget (Input Indicator' 000)	2022/2023 Actual Performance	Expenditure To Date
		10%; *Purchasing of Highmast Lights Material 20%; * Retrofitting of Highmast Lights 20%; *Completion 10%		Lights Material 20%; * Retrofitting of Highmast Lights 20%; *Completion 10%	
THLM Various Wards	Construction of Alternative Sanitation System	40% progress Construction of alternative sanitation system by 30th June 2023: *Term of Reference for Contractors 5%;*Appointment of Contractors 5%,*Site Establishment 15%;	R 0.00	None	R 0.00
Moloto	Electrification of Households in Moloto (Mafishane & DK) – Ward 2 (350 households	100% Progress: Electrification of Households in Moloto (Mafishane & DK) – Ward 2– by 30th June 2023: *Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report 20%;*Appointment of Contractors 10%;*Electrification on 40%, Completion 10%	R 7 000 000.00	85% Progress: Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report 20%; *Appointment 10%; Electrification 35	R 6 999 841.48
Moloto	Electrification of Households in Magodongo – Ward 3 (250 households)	100% Progress: Electrification of Households in Magodongo – Ward 3 by 30th June 2023: *Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report 20%; *Appointment of Contractors 10%;*Electrification on 40%, Completion 10%	R 5 000 000.00	85% Progress: *Technical Report 10%; *Preliminary Design Report 10%; *Detailed Design Report 20%; *Appointment 10%; Electrification 35%	R 4 999 3239.12
THLM Various Wards	Installation of 15 High Mast Lights (Ward 01, 02, 03, 15, and 30)	80% Progress: Installation of High Mast lights by 30th June 2023 *MIG Business Plan 5%*Detail assessment report 10% *Term of Reference 5%;*Appointment of Contractor 5%*Site Establishment 15%;*Construction of Plinths 20%*Installation 20%	R 1 135 046.61	45% Progress: *MIG Business Plan 5%*Detail assessment report 10% *Term of Reference 5%; *Appointment of Contractor 5%, *Site Establishment 15%; *Construction of Plinths 5%	R 1 128 307.91
Boekenhouthoek	Design for Construction of Boekenhouthoek Bus Route - Ward 24 (1km	95% progress in the Design and Construction of Boekenhouthoek Bus Route - Ward 24 *5% Commissioning	R 2 580 291.63	100% Progress: *5% Commissioning	R 2 579 534.28
Zakheni	Construction of Zakheni Bus Route – Ward 32 (1.1km)	80% Progress: Construction of Zakheni Bus Route – Ward 32 by 30th June 2023 *Term of Reference for Contractor 5%;*Appointment of Contractor 5%*Site Establishment 15%;*Construction of base	R 8 568 171.50	80% Progress: Term of Reference for Contractor 5%; *Appointment of Contractor 5% *Site Establishment 15%; *Construction	R 8 568 171.50

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Location	Project Description	Revised Annual Target 2022/ 2023 FY	Adjusted Annual Budget (Input Indicator' 000)	2022/2023 Actual Performance	Expenditure To Date
		layers 20%*Installation of kerbs 10%Installation of Paving 10%;		of base layers 20% *Installation of kerbs 10% Installation of Paving 10%;	
Mountainview	Designs for Construction of Mountain View (Mandela Drive) – Bus Route Ward 14 (1.7km)	80% Progress: Designs and Construction of Mountain View (Mandela Drive) – Bus Route Ward 14 by 30th June 2023: *Term of Reference for Contractor 5%;Appointment of Contractor 5%*Site Establishment 15%; *Construction of base layers 20%*Installation of kerbs 10%Installation of Paving 10%;	R 11 089 619.06	61% progress: *Appointment of Contractor 5% *Site Establishment 15% *Technical Report 5% *Term of Reference for Contractor 5% *Detailed Design Report 5% *Preliminary Design Report 5% * Construction of base layers 20% *Installation of kerbs 1%	R 11 089 619.06
Mandela Luthuli	Mandela Luthuli Bridge Road (2.3km)	100% Progress: Mandela Luthuli Bridge Road by 30th September 2022: *5% finishing,*5% Commissioning	R 4 027 706.87	100% Progress: *5% finishing, *5% Commissioning	R 4 027 706.87
Thembalethu	Thembalethu Bus Route (1.2km)	100% Progress: Thembalethu Bus Route by 30th September 2022: *5% Commissioning	R 965 749.09	100% Progress: *5% Commissioning	R 925 290.00
Ward 12 Tweefontein	Roads and Stormwater in Ward 12 (1.86km)	100% Progress: Roads and Stormwater in Ward 12 by 30th September 2022 *5% Commissioning	R 55 440.58	100% Progress: *5% Commissioning	R 55 440.58
Phola Park	Construction of Phola Park Bus and Taxi Route - Ward 6 (2.5km)	60% Progress: Construction of Phola Park Bus and Taxi Route - Ward 6 by 30th June 2023 * MIG Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%*Term of Reference for Contractor 5%; *Appointment of Contractor 5%*Site Establishment 15%; *Construction of base layers 20%	R 5 500 000.00	60% Progress: MIG Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference for Contractor 5%; *Appointment of Contractor 5% *Site Establishment 15%; *Construction of base layers 20%	R 5 499 918.46
Verena A-D	Construction of Verena A-D Bus and Taxi Route - Ward 08 (4.4km)	15% progress Construction of Verena A-D Bus and Taxi Route - Ward 08 31st March 2023 *MIG Business Plan 5%;*Preliminary Design Report 5%;*Detailed Design Report 5%	R 1 000 000.00	10% Progress: *MIG Business Plan 5%; *Preliminary Design Report 5%	R 1 000 000.00
Verena C	Construction of Verena C Bus and Taxi Route - Ward 11 (4km)	15% progress Construction of Verena C Bus and Taxi Route - Ward 11 by 31st March 2023 *MIG Business Plan 5%;*Preliminary Design Report 5%;*Detailed Design Report 5%	R 1 000 000.00	15% Progress: MIG Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	R 993 357.75

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Location	Project Description	Revised Annual Target 2022/ 2023 FY	Adjusted Annual Budget (Input Indicator' 000)	2022/2023 Actual Performance	Expenditure To Date
Kwaggafontein A	Construction of Kwaggafontein A Link Road, Ward 24 (1.2km)	15% progress Construction of Kwaggafontein A Link Road, Ward 24 by 31st March 2023 *MIG Business Plan 5%;*Preliminary Design Report 5%;*Detailed Design Report 5%	R 1 000 000.00	15% Progress: *MIG Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	R 999 669.80
Tweefontein E	Construction of Tweefontein E Bus Route, Ward 15 (1.2km)	15% progress Construction of Tweefontein E Bus Route, Ward 15 by 31st March 2023 *MIG Business Plan 5%;*Preliminary Design Report 5%;*Detailed Design Report 5%	R 1 000 000.00	15% Progress: MIG Business Plan 5%; *Preliminary Design Report 5%; *Detailed Design Report 5%	R 996 908.38
THLM Various Wards	Construction of Pedestrian Bridges (Ward 11, 17, and 23)	65% progress Construction of pedestrian Bridges by 30th June 2023 *MIG Business plan 5%; *Appointment of Consultant 5%*Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference for Contractor 5%;*Appointment of Contractor 5%, *Site Establishment 15%;*Construction of bridges 20%	R 9 547 495.25	65% progress *MIG Business plan 5%; *Appointment of Consultant 5%*Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference for Contractor 5%;*Appointment of Contractor 5%, *Site Establishment15%;*Construction of bridges 20%	R 9 547 495.25
Kwamhlanga and Vlaklaagte no1	Rehabilitation of Roads (Ward 21 and 32)	65% progress Rehabilitation of roads by 30th June 2023 MIG Business plan 5%; *Appointment of Consultant 5% Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference for Contractor 5%;*Appointment of Contractor 5%*Site Establishment 15%;*Rehabilitation of roads 20%	R 11 250 000.00	65% Progress: MIG Business plan 5%; *Appointment of Consultant 5% Preliminary Design Report 5%; *Detailed Design Report 5% *Term of Reference for Contractor 5%;*Appointment of Contractor 5%, *Site Establishment 15%;*Rehabilitation of roads 20%	R 11 249 992.33
Kwaggafontein	Upgrading of Kwaggafontein stadium (Ward 26) – Phase 1	55% Progress: Upgrading of Kwaggafontein stadium (Ward 26) by 30th March 2023: *5% Terms of reference for contractor *Appointment of Contractor 5%*Site Establishment 15%;*Construction 10%,	R 11 625 679.08	55% Progress: *5% Terms of reference for contractor *Appointment of Contractor 5%*Site Establishment 15%;*Construction 10%,	R 11 625 679.08

APPENDIX O - CAPITAL PROGRAMME BY PROJECT BY WARD 2022/ 2023

Refer to the Appendix N above

APPENDIX P - SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Not applicable to Thembisile Hani Local Municipality

APPENDIX Q - SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Not applicable to Thembisile Hani Local Municipality

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

There were no Loans and Grants that have been made by the Municipality.

APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

Not applicable to Thembisile Hani Local Municipality as it's a competency of the Provincial and National spheres.

VOLUME II: AUDITED ANNUAL FINANCIAL STATEMENTS (ANNEXURE A)



THEMBISILE HANI LOCAL MUNICIPALITY
Annual Financial Statements
for the year ended 30 June 2023



THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2023

General Information

Mayoral committee	
Executive Mayor	Cllr Dikgale Lesetja Jacob
Speaker	Cllr Msiza Maria Poppy
Chief whip	Cllr Motanyane Thokozile Egnes
Members of Executive Committee	Cllr Tshabangu Lillian Martha
	Cllr Mthimunye Joseph Elias
	Cllr Mtsweni Lucky Xolani
	Cllr Mabena Thomas Lebandla
	Cllr Skhosana Ntombifuthi Thandeka
Councillors	Cllr Malekane Eunice Martha
	Cllr Seswike Simon Chani Puleng
	Cllr Maphoso Lucky Matlhatsi
	Cllr Mahlangu Steven Citha
	Cllr Radebe Namntungwa Elizabeth
	Cllr Ntuli Vusi Michael
	Cllr Mabanga Mable Elsie
	Cllr Sindana Simon Bangiswani
	Cllr Dlamini Bongani Ntokozo
	Cllr Masanabo Khanyi Leah
	Cllr Ntuli Mmelisizwe Terance
	Cllr Sepogwana Moses Mmoisetsi
	Cllr Jiyane Richard Bongani
	Cllr Masombuka Simon Vusi
	Cllr Mnguni Simon Sipho
	Cllr Dube Tenboy Buttitjie
	Cllr Mogoboya Samuel Bongani
	Cllr Mgayi Fikile Violet
	Cllr Mokoena David Sello
	Cllr Mnguni Nomvula Sister
	Cllr Jiyane Class Menzelwa
	Cllr Nhlapho Sonto Rose
	Cllr Msibi Bongani Victor
	Cllr Mtshaise Bernard Vusi
	Cllr Mahlangu Poppie
	Cllr Nduli Masotja Petros
	Cllr Mabhena Bawinile Simon
	Cllr Sithole Mkhululi Jacob
	Cllr Kgomo Rose Martha
	Cllr Mahlangu Godfrey Nkosinathi
	Cllr Skosana Solomon Fickson
	Cllr Nkosi Thabile Prunella
	Cllr Nobela Maria Thruddy
	Cllr Mampuru Dipolelo Sinah
	Cllr Mahlangu Christinah Ndlelehle
	Cllr Tshabangu Lillian Martha
	Cllr Mhlanga Maggie Thandi
	Cllr Rahlogo Tsanky Michael
	Cllr Motaung Ntombi Mitta
	Cllr Mahlangu Thabiso Klass
	Cllr Rampisa Motlalepule Sweetness

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THEMBISILE HANI LOCAL MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2023

General Information

Cllr Mokwena Augustine Renny
Cllr Shiburi Busisiwe Maria
Cllr Sithole Abram Glen
Cllr Molefe Remenky Stephinah
Cllr Mokolo Matalanyane Lucas
Cllr Gulube Lindiwe Kate
Cllr Khumalo Eliot Sunday
Cllr Nyalunga Xolani Clement
Cllr Mokwena Masontaga Adelaide
Cllr Sibanyoni David Mabuzwa
Cllr Tibane Thabo John
Cllr Mtsweni Samuel Mazungwe
Cllr Skhosana Andries Mphatlalashane
Cllr Mnguni Zenaye Jantjie
Cllr Mabelane Margaret
Cllr Mnguni Moses Thabo
Cllr Mtsweni Rubber Qaliwe



THEMBISILE HANI LOCAL MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2023

General Information

Audit committee members	
Chairperson	Ms FJ Mudau
Members	Ms. Patience Ntuli
	Ms. Jane Masite
	Mr T Gafane
	Adv L Thubakgale
	Ms. M Moloi Chamane
Chairperson of Risk Management Anti-Fraud and Anti-Corruption Committee	Mr T Boltman
Grading of local authority	
	Grade 4
Accounting Officer	DJD Mahlangu
Chief Finance Officer (CFO)	Ms JG Mahlangu
Business address	24 Kwaggafontein C Kwaggafontein 0458
Postal address	Private Bag X4041 Empumalanga 0458
Bankers	Nedbank
Auditors	AGSA - Mpumulanga
Telephone number	(013) 986 9100
Fax number	(013) 986 0995
Web	www.thembisilehanilm.gov.za

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THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2023

Index

The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

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Statement of Financial Performance	13
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Annual Financial Statements for the year ended 30 June 2023

Index

APC	Audit and Performance Committee
COID	Compensation for Occupational Injuries and Diseases
COGTA	Cooperative Governance Traditional Affairs
CIDB	Construction Industry Development Board
CRR	Capital Replacement Reserve
COVID-19	Coronavirus Disease 2019
CIGFARO	Chartered Institute of Government Finance Audit and Risk Officers
DLTC	Driving Licence Testing Centre
DWS	Department of Water and Sanitation
EEDSM	Energy Efficiency and Demand Site Management Grant
EPWP	Expanded Public Works Program Grant
FMG	Finance Municipal Grant
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
INEP	Intergrated National Electrification Program
IPSAS	International Public Sector Accounting Standards
MDRG	Municipal Disaster Response Grant
ME's	Municipal Entities
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)
MPRA	Municipal Property Rates Act
MSA	Municipal Systems Act
PPE	Property, Plant and Equipment
PPR	Preferential Procurement Document
PSI	Product, Sales and Inventory
SALGBC	South African Local Government Bargaining Council
SAPS	South African Police Services
SCM	Supply Chain Management
WSIG	Water Service Infrastructure Grant

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THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2023

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

As the Accounting Officer (accounting authority), I acknowledge that I am ultimately responsible for the system of internal financial control established by the Municipality and place considerable importance on maintaining a strong control environment. To enable me to meet these responsibilities, I have set standards for internal control aimed at reducing the risk of error or deficit in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Municipality and all employees are required to maintain the highest ethical standards in ensuring the Municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Municipality is on identifying, assessing, managing and monitoring all known forms of risk across the Municipality. While operating risk cannot be fully eliminated, the Municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

I'm of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit

I have has reviewed the Municipality's cash flow forecast for the year to 30 June 2023 and, in the light of this review and the current financial position, I'm satisfied that the Municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The Annual Financial Statements are prepared on the basis that the Municipality is a going concern and that the Thembisile Hani Local Municipality (THLM) has neither the intention nor the need to liquidate or curtail materially the scale of the Municipality.

Although, I'm primarily responsible for the financial affairs of the Municipality, this is supported by the Municipality's external auditors.

I would like to bring to your attention that I certify that the salaries, allowances and benefits of councillors as disclosed in note 28 to these Annual Financial Statements are within the upper limits of the framework envisaged in section 219 of the Constitution of the Republic of South Africa, read with the Remuneration of Public Office Bearers Act, Act 20 of 1998 and the Minister of Provincial and Local Government's determination in accordance with the Act.

The Annual Financial Statements set out on pages 1 to 105, which have been prepared on the going concern basis, were approved on 31 August 2023:

DJD Mahlangu

DocuSigned by:

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Accounting Officer

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THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2023

Report of the Audit and Performance Committee

ANNUAL REPORT OF THE AUDIT AND PERFORMANCE COMMITTEE (APC) (REPORT FROM THE CHAIRPERSON OF AUDIT AND PERFORMANCE COMMITTEE)

We are pleased to submit the report of the Audit Committee for the year ended 30 June 2023

1. Background

Thembisile Hani Local municipality amongst other local municipalities is under Nkangala District Shared audit and performance committee, The Audit committee was established in terms of section166 of the Municipal Finance Management Act (MFMA), Act 56 of 2003. The Audit committee has adopted its terms of reference.

Statutory requirements

Section 166 of the MFMA stipulates that each municipality must establish an Audit committee.

The Audit committee is an independent advisory body that advises council, political office bearers,accounting officer, and the staff of the municipality on the following

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* Internal financial control and internal audit;
* Risk management;
* Accounting policies
* The adequacy, reliability and accuracy of financial reporting and information;
* Performance management;
* Compliance with the MFMA, the Division of Revenue Act (DoRa) and any other applicable legislation;
* Performance evaluation
* Any other issues referred to it by the municipality;
* Review annual financial statements so as to provide authoritative and credible view of the financial position, on overall compliance with MFMA, DoRa, ect
* Respond to Council on any matter raised by the Auditor- General (AGSA); and
* Carry out such investigation into financial affairs of the municipality as may be prescribed

2. Attendance of meetings

Name of the member	Ordinary meetings	Performance meetings	Special Meeting	Total	Attendance
Mrs. FJ Mudau (Chairperson)	4	4	1	9	9
Ms. J Masite (Member)	4	4	1	9	9
Mr. T Gafane (Member)	4	4	1	9	1
Ms. M Moloi Chamane (Member) (Newly appointed)	4	4	1	9	8
Ms. P Ntuli1 (Member)	4	4	1	9	9
Adv L Thubakgale	1	1	1	3	3

The following although not members of the Audit and Performance Committee, have standing invitation to APC meetings:

* The Accounting Officer;
* The Chief Financial Officer;

Report of the Audit and Performance Committee

* The chairperson of the Risk committee
* The Section 56 Managers/Departmental Heads
* Chief Risk Officer
* The Auditor- General
* The National Treasury
* Mpumalanga Provincial Treasury
* Mpumalanga Department of Cooperative Governance
* South African Local Government Association (SALGA)
* Internal Audit (Secretariat function)
* Chairperson of Risk Management Anti-Fraud and Anti-corruption Committee

3. Internal Audit

The internal audit of Thembisile Hani Local Municipality is in-house and has discharge its mandate in terms of its charter and managed to execute all projects for 2021/22 financial year. The APC would like to commend the Council and management for the dedication in strengthening the Corporate Governance.

The APC is of the opinion that Internal Audit unit is operating effectively to meet its mandate and has considered the risk pertinent to the municipality in its audit plans. The following documents were approved by the Audit Committee and performance committee and recommended to Council for adoption

* Internal Audit charter
* Internal Audit methodology
* Three year rolling strategic and Annual Audit Plan
* Combined Assurance framework

4. Effectiveness of Internal controls

The system of internal control was not entirely effective during the year under review as compliance with prescribed policies and procedures were lacking in certain instances and this was evident with the investigation of irregular expenditure that was conducted by the Council during the year under review.

The following Internal audit reports are among others that were presented to the Audit Committee

* Audit of quarterly performance information;
* Compliance;
* Supply chain management;
* ICT audit;
* Follow-up Governancet;
* Asset management;
* Local Economic Development;
* Water and Sanitation;
* Waste and Environment



Report of the Audit and Performance Committee

* Occupation Health and Safety;
* Follow up Buildings and Facilities;
* Land and Buildings
* Risk management
* Revenue management;

There has been improvement by management in responding to internal audit reports and this can be attributed to measures that have been implemented by the Accounting officer. Audit committee has also urged management to draw up action plan to address issues raised by the Auditor- General in the management letters and audit report and to ensure that all matters raised by the Auditor General are resolved by Management.

5. Risk Management

The municipality has an effective risk unit that consist of one staff members and Risk management, anti-fraud and anti-corruption committee that is chaired by the chairperson of Risk management, anti-fraud and anti-corruption.

Four (4) risk committee meetings were held for the year under review

The following policies were reviewed

* Risk Management strategy
* Risk Management policy
* Whistle blowing policy
* Fraud Prevention Plan and Fraud Prevention policy
* Risk Management Anti-corruption and Anti-fraud risk charters
* Risk appetite



6. Performance Management

Management has cascaded performance up to level five and plans have been put in place to cascade performance to other levels as well.

The Audit committee has reviewed the Annual Performance Information report in the meeting held on the 28 August 2023 and performance department has shown significant improvement

7. Year-end reporting

The APC has reviewed the Annual Performance Information report before the report was submitted to the Auditor-General and the quality of the quarterly reports submitted by management during the year were of acceptable standard.

8. Evaluation of annual financial statements

The APC, on its meeting held on the28 August 2023 to discuss the draft annual financial statements and unaudited annual report with the Accounting Officer, before submitting to the Auditor General.

The Audit committee wishes to indicate that it performed a review on the draft financial statements focusing among others:

* Significant financial reporting adjustments and estimates contained in the Annual FinancialStatements
* Alignment of Closing and Opening balances
* Clarity and completeness of disclosures has been set properly
* Quality and acceptability of and any changes in accounting policies and practice.

THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2023

Report of the Audit and Performance Committee

* Significant adjustments arising from the audit
* Reasons for major year to year fluctuations

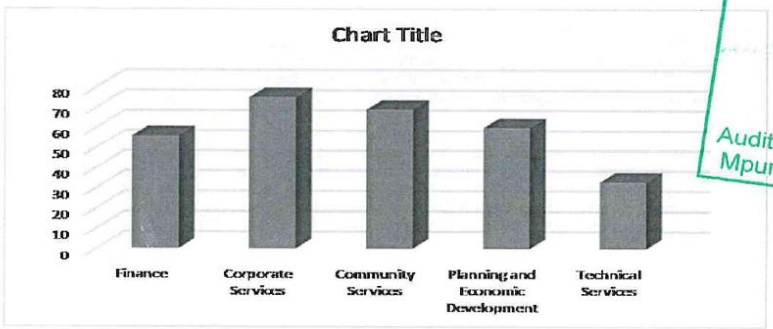
The Audit and Performance Committee (APC) has:

* Further reviewed the audited financial statements to be included in the Annual Report with the Accounting Officer.
* Reviewed the Auditor General Management report and management response thereof
* Reviewed the municipality compliance with legal and regulatory provision and;
* Reviewed significant adjustments resulting from the audit.

The Audit and Performance Committee (APC) concurs and accepts the conclusions of the Auditor-General on the Annual Financial Statements be accepted and read together with the report of the Auditor-General.

9. Internal audit recommendations

Audit and Performance Committee would like to appreciate the level of implementation of internal audit recommendations by management as that is the indication of commitment from the side of management



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10. Conclusion

The APC acknowledges the co-operation and assistance by the Thembisile Hani Local Municipality for coordinating the activities of the Committee. We also acknowledge the commitment of the Accounting Officer and management of Thembisile Hani Local Municipality in strengthening corporate governance and working in maintaining the clean audit.

The Audit and Performance Committee (APC) further acknowledge the commitment by Entire Management team and the foundation on good governance that has been laid by Honorable Executive Mayor Councillor L Dikgale and his Council and further express gratitude to the Chief Audit Executive, Mr. AS Malope and his staff for the support and commitment to the work of the Audit and Performance Committee. The Chairperson of the Audit and performance committee remain confident that all matters that have been raised by the Internal Audit and Auditor General are receiving due consideration and intervention. We are committed to fully execute our oversight function to strengthening corporate governance.

Ms. FJ Mudau — Date

Chairperson of Audit committee — 28 August 2023

THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2023

Accounting Officer's Statement

The Accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The accounting officer (accounting authority) acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk.

These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.The annual financial statements set out on pages 13 to 95, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2023 and were signed on its behalf by:

Accounting officer

DJD Mahlangu

South African



THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2023

Statement of Financial Position as at 30 June 2023

Figures in Rand	Note(s)	2023	2022 Restated*
Assets			
Current Assets			
Inventories	6	48 728 630	47 792 786
Receivables from exchange transactions	7&10	43 639 338	30 713 967
Receivables from non-exchange transactions	8&10	9 163 346	3 704 001
Cash and cash equivalents	11	185 395 570	132 257 576
		286 926 884	**214 468 330**
Non-Current Assets			
Property, plant and equipment	3	2 439 920 645	2 370 933 640
Intangible assets	4	801 384	1 413 327
		2 440 722 029	**2 372 346 967**
Total Assets		**2 727 648 913**	**2 586 815 297**
Liabilities			
Current Liabilities			
Payables from exchange transactions	14	68 552 715	49 375 020
VAT payable	15	42 911 006	34 966 665
Unspent conditional grants and receipts	12	1 150 000	-
Provisions	13	14 965 069	13 050 451
Employee benefit obligation - current portion	5	1 320 492	1 982 000
		128 899 282	**99 374 136**
Non-Current Liabilities			
Employee benefit obligation	5	10 775 035	11 199 000
Provisions	13	37 860 860	39 916 205
Payables from exchange transactions - non-current portion	14	37 062 314	42 515 305
		85 698 209	**93 630 510**
Total Liabilities		**214 597 491**	**193 004 646**
Net Assets		**2 513 051 422**	**2 393 810 651**
Accumulated surplus		**2 513 051 420**	**2 393 810 651**



* See Note 42

THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2023

Statement of Financial Performance

Figures in Rand	Note(s)	2023	2022 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	17	130 633 964	126 766 229
Rental of facilities and equipment	18	1 250 252	1 030 277
Agency services	20	10 331 899	11 315 061
Licences and permits	21	149 635	148 808
Other income	23	2 308 878	1 028 085
Interest received	24	129 418 740	83 767 618
Total revenue from exchange transactions		**274 093 368**	**224 056 078**
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	25	57 434 989	52 067 121
Transfer revenue			
Government grants & subsidies	26	716 823 000	652 245 000
Donations received	27	5 330 309	7 110 280
Fines, penalties and forfeits	19	2 665 900	3 913 007
Total revenue from non-exchange transactions		**782 254 198**	**715 335 408**
Total revenue	16	**1 056 347 566**	**939 391 486**
Expenditure			
Employee related costs	28	(163 093 691)	(157 335 963)
Remuneration of councillors	29	(26 067 813)	(25 520 988)
Depreciation and amortisation	30	(94 122 789)	(79 588 786)
Lease rentals on operating lease	22	(6 445 416)	(6 301 622)
Debt Impairment	32	(248 515 309)	(241 059 843)
Consumed inventory	34	(122 469 899)	(112 591 276)
Grants and subsidies paid		(197 125)	(199 600)
Inventories losses/write-downs	36	(24 570 525)	(18 012 228)
Gain/(Loss) on Property, plant and equipment derecognised		(6 043 488)	(7 728 685)
Amnesty: Consumer debtors written off	33	(4 543 428)	(2 083 321)
General Expenses	35	(237 485 569)	(205 473 688)
Total expenditure		**(933 555 052)**	**(855 896 000)**
Surplus for the year		**122 792 514**	**83 495 486**



* See Note 42

THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2023

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	2 408 754 473	2 408 754 473
Restated* Balance at 01 July 2020 as restated*	**2 408 754 473**	**2 408 754 473**
Adjustments		
Correction of PPE error 2018-2019 and before (refer Note 42)	581	581
Correction of errors 2019-2020- PPE rounding-off differences - Refer note 42 detail	(7 898 783)	(7 898 783)
Prior year adjustments 2021-2022 - Refer Note 42 detail	(7 045 620)	(7 045 620)
Restated* Balance at 01 July 2022	**2 393 810 651**	**2 393 810 651**
Changes in net assets		
Surplus for the year	122 792 514	122 792 514
Correction PPE & Inventory Water	(3 551 668)	(3 551 668)
Total changes	119 240 846	119 240 846
Balance at 30 June 2023	**2 513 051 420**	**2 513 051 420**
Note(s)	42	

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* See Note 42

THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2023

Cash Flow Statement

Figures in Rand		2023	2022 Restated*
Cash flows from operating activities			
Receipts			
Property rates		40 411 114	28 506 969
Government grants and subsidies - Operational		545 395 100	467 981 900
Government grants and subsidies - Capital		172 577 950	184 263 100
Interest income: Current bank accounts		3 940 921	1 301 325
Other receipts		33 970 117	20 090 325
VAT refund		63 060 491	79 782 047
		859 355 693	781 925 666
Payments			
Employee costs		(189 976 140)	(182 544 572)
Suppliers		(320 444 205)	(190 985 261)
Transfers and subsidies		(197 125)	(199 600)
		(510 617 469)	(373 729 433)
Net cash flows from operating activities	38	**348 738 224**	**408 196 233**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(295 600 230)	(418 372 902)
Purchase of other intangible assets	4	-	(1 392 325)
Interest Income: Investments accounts		-	6 024 862
Net cash flows from investing activities		**(295 600 230)**	**(413 740 365)**
Net increase/(decrease) in cash and cash equivalents		**53 137 994**	**(5 544 132)**
Cash and cash equivalents at the beginning of the year		132 257 576	137 801 708
Cash and cash equivalents at the end of the year	11	**185 395 570**	**132 257 576**

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* See Note 42

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Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	122 338 000	9 267 000	**131 605 000**	130 633 964	**(971 036)**	The was data cleansing on consumer accounts which affected the billing by going down.
Rental of facilities and equipment	921 000	120 000	**1 041 000**	1 250 252	**209 252**	More facilities were booked and utilised by the community than anticipated
Agency services	11 896 000	-	**11 896 000**	10 331 899	**(1 564 101)**	less bookings were made on Driving and learners licences and also less funds were recived as 20% collection from the Department.
Licences and permits	137 000	54 000	**191 000**	149 635	**(41 365)**	Less tranding and permilts were renewed than in the previous financial year because some of business are closed.
Other income	551 000	1 709 000	**2 260 000**	2 308 878	**48 878**	More revenue was collected than anticipated
Interest received - External Investments	5 305 000	2 886 000	**8 191 000**	18 349 649	**10 158 649**	More funds were invested than anticipated and this resulted to higher interest recerived
Interest received - Outstanding Debtors	69 122 000	15 135 000	**84 257 000**	111 069 091	**26 812 091**	Due to the less collection of revenue from consumers resulted to an increase on the interest charged on outstanding debtors
Total revenue from exchange transactions	**210 270 000**	**29 171 000**	**239 441 000**	**274 093 368**	**34 652 368**	

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Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	58 457 000	-	**58 457 000**	57 434 989	**(1 022 011)**	The was data cleansing on consumer accounts which affected the billing by going down.
Transfer revenue						
Government grants & subsidies - Operational & Capital grants	701 822 944	15 000 000	**716 822 944**	717 972 994	**1 150 050**	Additional grant for Disaster Relief Grant was received from CoGTA National Relating to 2023/24 FY
Donations received	-	-	-	5 330 309	**5 330 309**	The municipality does not provide budget for donations received
Fines, Penalties and Forfeits	13 101 000	(10 644 000)	**2 457 000**	2 665 900	**208 900**	Less traffic fines were issued by traffic officers than anticipated
Total revenue from non-exchange transactions	**773 380 944**	**4 356 000**	**777 736 944**	**783 404 192**	**5 667 248**	
Total revenue	**983 650 944**	**33 527 000**	**1 017 177 944**	**1 057 497 560**	**40 319 616**	-

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Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Expenditure						
Personnel	(177 288 000)	(2 883 000)	**(180 171 000)**	(163 093 691)	**17 077 309**	Less expenditure incurred because of Vacant position
Remuneration of councillors	(27 447 000)	(592 000)	**(28 039 000)**	(26 067 813)	**1 971 187**	Less expenditure incurred because there was no increase given by CoGTA for councillors
Depreciation and amortisation	(88 821 000)	-	**(88 821 000)**	(94 122 789)	**(5 301 789)**	More expenditure incurred because of projects that are being capitilised
Finance costs	(1 300 000)	1 300 000	-	-	-	
Lease rentals on operating lease	(5 100 000)	(1 645 632)	**(6 745 632)**	(6 445 416)	**300 216**	More expenditure incurred because of additional photocopy machine added on the contract
Debt Impairment	(256 885 000)	8 715 000	**(248 170 000)**	(248 515 309)	**(345 309)**	Due to the payments made by departments on services reducess the debt impairment for the current financial year
Amnesty written off	-	(3 005 496)	**(3 005 496)**	(4 543 428)	**(1 537 932)**	More applications for amnest were received than anticipated
Bulk purchases	(162 881 000)	(3 482 000)	**(166 363 000)**	(122 469 899)	**43 893 101**	More expenditure incurred because more water was supplied than in the previous financial by City of Tshwane and Rand Water.
Grants and Subsidies paid	(200 000)	-	**(200 000)**	(197 125)	**2 875**	Less expenditure incurred because the payments were as per the appointment(s) issued.
Inventories losses/write-downs	-	-	-	(24 570 525)	**(24 570 525)**	Redundant and broken inventory items had to be written-off
Gain/(Loss) on Property, plant and equipment derecognised	-	-	-	(6 043 488)	**(6 043 488)**	Redundant and broken moveable asset items had to be written-off.

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Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
General Expenses	(239 829 000)	(27 558 000)	**(267 387 000)**	(237 485 569)	**29 901 431**	Less expenditure incurred on segment like Leave and Bonus provisiont and contracted services
Total expenditure	**(959 751 000)**	**(29 151 128)**	**(988 902 128)**	**(933 555 052)**	**55 347 076**	
Operating surplus	**23 899 944**	**4 375 872**	**28 275 816**	**123 942 508**	**95 666 692**	-
Surplus for the year from continuing operations	-	-	-	-	-	
Government grants and susidies - Operational: Received in 2022 for 2023/2024 financial period - allocated to Unspent grant (Note 12)	-	-	-	(1 150 050)	**(1 150 050)**	Additional grant for Disaster Relief Grant was received from CoGTA National Relating to 2023/24 FY
Surplus/(Deficit)	**23 899 944**	**4 375 872**	**28 275 816**	**122 792 458**	**94 516 642**	-

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Reportable segments for the year ended 30 June 2023

	Segment revenue				Segment expenditure			Total Assets	Total Liabilities
	Revenue from non-exchange transactions	Revenue from exchange transactions	Interest revenue	Other revenue	Expenditure: Salaries and wages	Expenditure: Depreciation and amortisation	Expenditure: Other		
REVENUE & EXPENDITURE									
Municipal governance and administration									
Executive and council								-	-
Mayor and Council	-	-	-	-	(26 458 393)	-	(8 515 512)	(44 716 837)	875 276
Municipal Manager, Town Secretary and Chief Executive	-	-	-	-	(5 592 086)	-	(9 593 557)	(40 862 921)	5 206 239
Finance and administration									
Administrative and Corporate Support			-	-	(13 587 283)	-	(1 327 059)	(4 193 243)	192 601 562
Asset Management	5 330 309	-	-	-	(3 055 270)	(93 510 846)	(6 371 918)	1 486 199 216	4 246 485
Finance	518 504 438		18 349 650	214 182	(12 821 063)	-	(273 866 884)	1 064 758 612	(306 027 918)
Fleet Management	-	-	-	-	(5 644 498)	-	(24 137 829)	(134 722 666)	8 879 681
Human Resources	-	-	-	1 495 094	(10 992 472)	-	(5 716 191)	(9 287 251)	1 841 395
Information Technology	-	-	-	-	(3 577 608)	(611 943)	(17 747 904)	(59 995 338)	8 734 204
Legal Services	-	-	-	-	(3 259 943)	-	(1 277 630)	(7 794 728)	321 269
Property Services	54 357 550	996 186	-	-	-	-	-	26 474 053	(6 219)
Risk Management	-	-	-	-	(1 150 812)	-	(740 446)	(967 175)	(606 804)
								-	116 924
Supply Chain Management	-	-	-	-	(3 372 732)	-	(68 949)	(300 237)	-
Internal audit									
Internal audit	-	-		-	(2 352 693)	-	(989 550)	(2 515 251)	311 081
Community and social services							-		
Cemeteries, Funeral Parlours and Crematoriums	-	-	-	3 996	-	-	(204 302)	-	15 233
Community Halls and Facilities	-	96 906	-	-	(3 766 718)	-	(5 910 512)	(47 526 919)	907 752
Libraries and Archives	-	-	-	6 471	(1 778 817)	-	-	(451 222)	(115 254)
Disaster management	-	-	-		-	-	-	51 880	-
Sport and recreation				-					
Sports Grounds and Stadiums	-	132 739	-	1 043	(6 799 498)	-	(3 343)	(55 185 251)	(2 306 571)

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Economic and environmental services	-	-	-	-	-	-	-	-	-
Planning and development							-		
Corporate Wide Strategic Planning (IDPs, LEDs)	-	-	-	-	-	-	(386 730)	(1 211 867)	99 150
Economic Development/Planning: Community Services	-	-	-	-	(2 812 177)	-	(100 054)	3 101 654	(9 694 249)
Economic Development/Planning: Local Economic Development	-	-	-	-	(6 920 465)	-	(100 476)	(724 747)	26 276
Economic Development/Planning: Technical Services	141 660 999	-	-	174 589	(1 351 028)	-	(71 977)	(4 644 262)	705 043
Town planning: Building Plans and Inspection	-	-	-	403 300	-	-	-	(9 507 284)	975 318
Town Planning, Building Regulations and Enforcement, and City Engineer	-	-	-	-	-	-	(1 127 429)	-	-
Project Management Unit (PMU)	-	-	-	10 580	(5 619 846)	-	(1 039 982)	(4 468 929)	16 869 834
Road transport		-							
Road and traffic regulation	2 817 411	10 613 681	-	-	(15 653 997)	-	(31 242 980)	(131 614 314)	(1 141 568)
Trading services									
Energy sources									
Electricity	18 000 000	-	-	-	(1 784 052)	-	(28 942 651)	(164 685 590)	15 776 682
Water management									
Water Treatment	-	-	-	-	-	-	-	-	-
Water Distribution	37 848 490	90 705 944	81 258 693	-	(21 935 153)	-	(205 988 679)	819 484 528	(146 569 277)
Waste water management									
Sewerage	-	-	-	-	-	-	-	4 237 655	-
Roads & Storm Water Management	-	-	-	-	(14 310 229)	-	(17 581 669)	(263 957 670)	18 985 725
Waste water treatment	-	2 234 315	1 479 438	-	(7 733 772)	-	-	(15 134 072)	(2 072 506)
Waste management									
Recycling	-	-	-	-	-	-	-	-	-
Solid Waste Disposal (Landfill Sites)	-	-	-	-	-	-	-	-	-
Solid Waste Removal	3 735 000	37 894 296	28 330 960	-	(6 830 891)	-	(7 524 948)	327 809 089	(23 243 620)
Other									
Road transport			-	-					
Total	**782 254 197**	**142 674 067**	**129 418 741**	**2 309 255**	**(189 161 496)**	**(94 122 789)**	**(650 579 161)**	**2 727 648 913**	**(214 288 796)**
Total segmental surplus/(deficit)/Total Net Assets							**122 792 814**		**2 513 360 117**

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Reportable segments for the year ended

	Segment revenue				Segment expenditure			Total Assets	Total Liabilities
	Revenue from non-exchange transactions	Revenue from exchange transactions	Interest revenue	Other revenue	Expenditure: Salaries and wages	Expenditure: Depreciation and amortisaion	Expenditure: Other		
REVENUE & EXPENDITURE									
Municipal governance and administration									
Executive and council									
Mayor and Council	-	-	-	-	(25 341 159)	-	(6 933 279)	(36 258 145)	97 879
Municipal Manager, Town Secretary and Chief Executive	-	-	-	-	(6 188 192)	-	(6 263 371)	(31 243 633)	-
Finance and administration									
Administrative and Corporate Support	-	-	-	-	(13 101 986)	-	(1 088 352)	(2 757 758)	(71 384)
Asset Management	7 110 280	-	-	-	(2 977 838)	(79 583 363)	(12 786 521)	1 482 207 854	-
Finance	457 853 089	-	7 326 187	420 588	(12 958 491)	-	(281 187 809)	763 201 876	(117 232 142)
Fleet Management	-	-	-	262 774	(5 386 860)	-	(23 904 752)	(110 631 894)	(13 672)
Human Resources	-	-	-	-	(8 503 663)	-	(15 182 056)	251 037	(6 584 705)
Information Technology	-	-	-	-	(5 995 294)	-	(8 564 532)	(4 166 415)	(570 516)
Legal Services	-	-	-	-	(3 139 847)	-	(1 565 541)	(35 821 716)	-
Property Services	83 102 076	936 525	-	-	-	-	-	(93 713 460)	-
Risk Management	-	-	-	-	(1 100 956)	-	(23 669)	(6 687 963)	-
Supply Chain Management	-	-	-	-	(3 079 945)	-	(47 639)	(128 255)	-
Internal audit									
Governance Function	-	-	-	-	(2 237 260)	-	(944 068)	(1 395 849)	(4 012)
Community and public services									
Community and social services									
Cemeteries, Funeral Parlours and Crematoriums	-	-	-	17 727	-	-	(129 898)	-	-

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Community Halls and Facilities	-	62 719	-	-	(4 001 238)	-	(883 664)	(41 276 920)	(5 287)
Disaster Management	-	-	-	-	-	-	-	(451 222)	(130 768)
Libraries and Archives	-	-	-	6 795	(2 147 273)	-	-	44 534	-
Sport and recreation									
Sports Grounds and Stadiums	-	5 975	-	-	(6 772 146)	-	(139 684)	(42 622 098)	(3 254 505)
Economic and environmental services	-	-	-	-	-	-	-	-	-
Planning and development									
Corporate Wide Strategic Planning (IDPs, LEDs)	-	-	-	-	-	-	(398 765)	(775 204)	-
Economic Development/Planning: Community Services	-	-	-	-	(3 693 748)	-	(45 528)	2 829 564	(2 809 229)
Economic Development/Planning: Local Economic Development	-	-	-	-	(5 738 931)	-	(25 285)	(828 608)	-
Economic Development/Planning: Technical Services	130 698 000	-	-	33 372	(1 191 634)	-	(129 410)	(4 770 076)	705 043
Town planning: Building Plans and Inspection	-	-	-	-	-	-	-	(8 716 477)	-
Town Planning, Building Regulations and Enforcement, and City Engineer	-	-	-	286 828	-	-	(1 681 761)	-	-
Project Management Unit	-	-	-	-	(5 330 239)	-	(585 119)	(3 540 915)	(295 832)
Road transport									
Road and traffic regulation	3 913 007	11 463 870	-	-	(15 011 038)	-	(30 504 590)	(96 237 846)	-
Trading services	-	-	-	-	-	-	-	-	-
Energy sources									
Electricity	4 500 000	-	-	-	(1 653 525)	-	(22 707 216)	(121 468 606)	(1 953 786)
Water management									
Water Distribution	55 000 000	88 829 327	53 000 766	-	(20 283 039)	(5 423)	(166 939 931)	889 662 299	(24 251 358)
Water Storage		-	-	-	-	-	-	-	(35 315 685)
Waste water management									
Roads & Storm Water Management	-	-	-	-	(13 797 135)	-	(14 729 662)	(188 704 053)	(556 779)
Waste water treatment	-	1 898 189	864 128	-	(7 242 503)	-	(399 168)	(18 687 753)	(2 031 616)
Waste management									
Recycling	-	-	-	-	-	-	-	-	-
Solid Waste Disposal (Landfill Sites)	-	-	-	-	-	-	-	-	-
Solid Waste Removal	2 127 000	36 063 771	22 576 537	-	(6 524 570)	-	(24 085 478)	299 502 999	(757 908)
	-	-	-	-	-	-	-	(96 237 846)	-
Total	**744 303 452**	**139 260 376**	**83 767 618**	**1 028 084**	**(183 398 510)**	**(79 588 786)**	**(621 876 748)**	**2 586 815 297**	**(193 004 646)**
Total segmental surplus/(deficit)/Total Net Assets							**83 495 486**		**2 393 810 651**

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Accounting policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgemental is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Allowance for slow moving, damaged and obsolete stock

An allowance for stock to write stock down to the lower of cost or net realisable value.The write down is included in the operation surplus note.

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the municipality for similar financial instruments.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 13 - Provisions.

Contingencies

Contingencies recognised in the current year required estimates and judgments, refer to note 40 on entity combinations.

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Useful lives of waste and water network and other assets

The municipality's management determines the estimated useful lives and related depreciation charges for the waste water and water networks. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

Post retirement benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 5.

Effective interest rate

The municipality used the effective interest rate to discount future cash flows.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows..

1.4 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:
- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Accounting policies

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land	Straight line	Indefinite
Buildings	Straight line	50 years
Furniture and fixtures	Straight line	3-5 years
Transport assets	Straight line	5-15 years
Office equipment	Straight line	3-5 years
IT equipment	Straight line	3-5 years
Community	Straight line	2-100 years
Solid Waste Infrastructure	Straight line	15-18 years
Water network - Boreholes	Straight line	3-80 years
Water Supply Distribution	Straight line	2-100 years
Roads Infrastructure	Straight line	2-100 years
Water Supply Bulk Mains	Straight line	15-80 years
Pumpstations	Straight line	5-100 years
Sanitation Infrastructure	Straight line	5-100 years
Water Network Reservoirs	Straight line	5-100 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 3).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 3).

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1.5 Site restoration and dismantling cost

The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. The cost of an item of property, plant and equipment includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which a municipality incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

If the related asset is measured using the cost model:

(a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
(b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
(c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

1.6 Intangible assets

An asset is identifiable if it either:

is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

An intangible asset is recognised when:

it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
the cost or fair value of the asset can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software, other	Straight line	3-5 years

Intangible assets are derecognised:

on disposal; or
when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

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1.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
It is settled at a future date.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

cash;
a residual interest of another entity; or
a contractual right to:
- receive cash or another financial asset from another entity; or
- exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

deliver cash or another financial asset to another entity; or
exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

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Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:
- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:
- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Classification

The municipality has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Investments - Call accounts	Financial asset measured at amortised cost
Consumer debtors	Financial asset measured at amortised cost
Receivables from exchange transactions	

The municipality has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Consumer deposits	Financial liability measured at amortised cost
Payables from exchange transaxctions	Financial liability measured at amortised cost
Accruals	Financial liability measured at amortised cost

The entity has the following types of residual interests (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Accounting policies

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:
- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The municipality assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

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Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:
the contractual rights to the cash flows from the financial asset expire, are settled or waived;
the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity :
- derecognise the asset; and
- recognise separately any rights and obligations created or retained in the transfer.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit.

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

1.8 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The municipality recognises statutory receivables as follows:
if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

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The municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the municipality is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the entity applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses are recognised in surplus or deficit.

In estimating the future cash flows, an municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;

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the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:

- derecognise the receivable; and
- recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.9 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.10 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;
distribution at no charge or for a nominal charge; or
consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs./

The cost of inventories is assigned using the weighted average cost formula.The same cost formula is used foe all inventories having a similiar nature and use to the municiplity

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When inventories are sold, the carrying amounts of those inventories are recognised as an expense The same expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.11 Cash and cash equivalents

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

1.12 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:
the period of time over which an asset is expected to be used by the municipality; or
the number of production or similar units expected to be obtained from the asset by the municipality.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Accounting policies

Basis for estimates of future cash flows

In measuring value in use the municipality:

base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;

base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and

estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.



Accounting policies

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

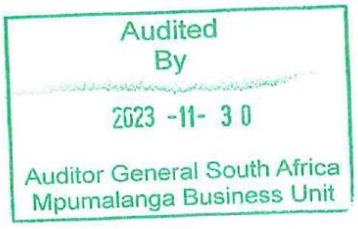
An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

its fair value less costs to sell (if determinable);
its value in use (if determinable); and
zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.



Accounting policies

Reversal of impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

its recoverable amount (if determinable); and
the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

1.13 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

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Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.14 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

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A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

an entity's decision to terminate an employee's employment before the normal retirement date; or
an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

wages, salaries and social security contributions;
short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognise the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

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Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:
- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
  - those changes were enacted before the reporting date; or
  - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

1.15 Provisions and contingencies

Provisions are recognised when:
- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Accounting policies

A constructive obligation to restructure arises only when an entity:
has a detailed formal plan for the restructuring, identifying at least:
- the activity/operating unit or part of an activity/operating unit concerned;
- the principal locations affected;
- the location, function, and approximate number of employees who will be compensated for services being terminated;
- the expenditures that will be undertaken; and
- when the plan will be implemented; and

has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:
necessarily entailed by the restructuring; and
not associated with the ongoing activities of the municipality

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:
the amount that would be recognised as a provision; and
the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 40.

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Decommissioning, restoration and similar liability

Changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in the discount rate, is accounted for as follows:

If the related asset is measured using the cost model:

changes in the liability is added to, or deducted from, the cost of the related asset in the current period.
the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit.
if the adjustment results in an addition to the cost of an asset, the entity consider whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If there is such an indication, the entity test the asset for impairment by estimating its recoverable amount or recoverable service amount, and account for any impairment loss, in accordance with the accounting policy on impairment of assets as described in accounting policy 1.12 and 1.13.

If the related asset is measured using the revaluation model:

changes in the liability alter the revaluation surplus or deficit previously recognised on that asset, so that:
- a decrease in the liability is credited directly to revaluation surplus in net assets, except that it is recognised in surplus or deficit to the extent that it reverses a revaluation deficit on the asset that was previously recognised in surplus or deficit; and
- an increase in the liability is recognised in surplus or deficit, except that it is debited directly to revaluation surplus in net assets to the extent of any credit balance existing in the revaluation surplus in respect of that asset; in the event that a decrease in the liability exceeds the carrying amount that would have been recognised had the asset been carried under the cost model, the excess is recognised immediately in surplus or deficit;

a change in the liability is an indication that the asset may have to be revalued in order to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Any such revaluation is taken into account in determining the amounts to be taken to surplus or deficit and net assets. If a revaluation is necessary, all assets of that class is revalued; and
the Standard of GRAP on Presentation of Financial Statements requires disclosure on the face of the statement of changes in net assets of each item of revenue or expense that is recognised directly in net assets. In complying with this requirement, the change in the revaluation surplus arising from a change in the liability is separately identified and disclosed as such.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability is recognised in surplus or deficit as they occur. This applies under both the cost model and the revaluation model.

The periodic unwinding of the discount is recognised in surplus or deficit as a finance cost as it occurs.

1.16 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

Contracts should be non-cancelable or only cancelable at significant cost (for example, contracts for computer or building maintenance services); and
Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.17 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

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Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:
- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by .

Interest,

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:
- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed

Debt written off and provision for debt impairment

The municipality's debt write off procedure include the assessment of all debtors at year end which include amongst other things those who qualify for amnesty in terms of council resolutions and those debts whose debts have prescribed in terms of the Prescription Act. Debts written off are measured at the carrying amount of the debt at year end.

Provision for impairment takes into account the estimates for the recovery of debts at year end and the movement between the provision of last year and the provision for the current year is disclosed in the statement of financial performance as a reliable estimate.

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1.18 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.



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Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Transfers

Apart from Services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Fines

Fines are recognised as revenue when it is probable that future economic benefits will flow to the entity, the costs can be reliably measured and all restrictions have been comlied with. Revenue is recognised when fines or summons are issued. The amount due by a particular offender is specified on the notice, summons or equuivalent document. The municipality issuing the traffic fine may indicate that reductions are available, subject to futher processes being undertaken.

Fines reduction are not within the municipality's discretion, they are subject to a futher judicial process which is outside the municiality's contro, then these reductions are not considered in measuring the asset (receivable) on initial recognition. This is because of the high degree of uncertainty in estimating the likely outcome of this process.

Relevant disclosures should be made on the assumptions used to estimate revenue and any other relevantinformation. The municipality is able to reliably measure the fair value of fines issued. The value of the fine can be imposed on the offender is usually stipulated in legislation, regulation or equivalent, and will vary depending on the nature and severity of the offence. The amount due by a particular offender is usually indicated on the notice, summons or similar document issued, in these instances, the asset (receivable) can be measured reliably.

Impairment on all tyraffic fines outstanding is calculated on a basis of average of uncollectable rate over the full period of traffic fines per type of traffic fine.

Fines are recognised as revenue when the receivable meets the cdefinition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality,

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

1.19 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.20 Accounting by principals and agents

Identification

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An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

Recognition

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.21 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.22 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and

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expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.23 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.24 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

(a) this Act; or
(b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
(c) any provincial legislation providing for procurement procedures in that provincial government.

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year ended/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

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Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

1.25 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

1.26 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a accrual basis and presented by functional classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2020/07/01 to 2021/06/30.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

Municipalities are required to prepare to adjustments budgets during October for approval by council after mid year performance review

The Statement of comparative and actual information has been included in the annual financial statements as the recommended disclosure when the annual financial statements and the budget are on the same basis of accounting as determined by National Treasury.

Accounting policies

Comparative information is not required.

1.27 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

1.28 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and

those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.29 Value Added Tax (VAT)

The municipality is registered with the South Africa Revenue Services (SARS) for VAT on the cash basis, in accordance with section 15 (2) of the VAT Act (Act. No 89 of 1991)

1.30 Trade payables

A liability is a present obligation of an entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits or service potential.

Payables are liabilities to ay for goods or services that have been received or supplied and have been received or supplied and have been invoiced or formally agreed with the supplier (and include payments in respect of social benefits where formal agreements for specified amounts exist).

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to emplyees.



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2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

The definition of 'minority interest' has been amended to 'non-controlling interest', and paragraph .60 was added by the Improvements to the Standards of GRAP issued in November 2010. If an entity elects to apply these amendments earlier, it shall disclose this fact.

Paragraph .59 was amended by Improvements to the Standards of GRAP issued in November 2010. An entity shall apply these amendments prospectively for annual financial periods beginning on or after the effective date [in conjunction with the effective date to be determined by the Minister of Finance for GRAP 105, 106 and 107] from the date at which it first applied the Standard of GRAP on Non-current Assets Held for Sale and Discontinued Operations. If an entity elects to apply these amendments earlier, it shall disclose this fact.

The Standards of GRAP on Transfer of Functions Between Entities Under Common Control, Transfer of Functions Between Entities Not Under Common Control and Mergers amended paragraphs .03, .39, .47 to .50 and added paragraphs .51 to .58 and .61 to .62. An entity shall apply these amendments when it applies the Standards of GRAP on Transfer of Functions Between Entities Under Common Control, Transfer of Functions Between Entities Not Under Common Control and Mergers.

The effective date of the amendment is for years beginning on or after 01 April 2019.

The municipality expects to adopt the amendment for the first time in the 2 018/2019 annual financial statements.

This Directive was originally issued by the Accounting Standards Board (the Board) in December 2009. Since then, it has been amended by:

Consequential amendments when the following Standards of GRAP were amended to clarify some of the principles:

- GRAP 105 Transfer of Functions Between Entities Under Common Control
- GRAP 107 Mergers

Consequential amendments arising from GRAP 110 *Living and Non-living Resources* issued in December 2017.
Consequential amendments arising from the following Standards of GRAP in May 2018:

- GRAP 34 *Separate Financial Statements*
- GRAP 35 *Consolidated Financial Statements*
- GRAP 36 *Investments in Associates and Joint Ventures*
- GRAP 37 *Joint Arrangements*
- GRAP 38 *Disclosure of Interests in Other Entities*

The effective date of this Directive coincides with the effective dates of the applicable Standards of GRAP, as determined by the Minister of Finance. If an entity has assets that it previously could not recognise and/or measure in accordance with the Standards of GRAP on their initial adoption on the transfer date or the merger date because information about the acquisition cost of the assets was not available, an entity applies this Directive to those assets. The fair value of those assets is determined at the date of adopting the Standards of GRAP on the transfer date or the merger date in accordance with the Directive's Appendix paragraph A3.

The effective date of this revised directive is for years beginning on or after 01 April 2019.

The municipality expects to adopt the directive for the first time in the 2018/2019 annual financial statements.

2.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2023 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:

Notes to the Annual Financial Statements

Guideline: Guideline on Accounting for Landfill Sites	01 April 2099	Unlikely there will be a material impact
Guideline: Guideline on the Application of Materiality to Financial Statements	01 April 2099	Unlikely there will be a material impact

The effective date of the interpretation is for years beginning on or after 01 April 2020.

The municipality expects to adopt the interpretation for the first time in the 2019/2020 annual financial statements.

The objective of this standard is to ensure that a reporting entity's annual financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and surplus or deficit may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

An entity that prepares and presents financial statements under the accrual basis of accounting (in this standard referred to as the reporting entity) shall apply this standard in:

identifying related party relationships and transactions;
identifying outstanding balances, including commitments, between an entity and its related parties;
identifying the circumstances in which disclosure of the items in (a) and (b) is required; and
determining the disclosures to be made about those items.

Disclosure of related party transactions, outstanding balances, including commitments, and relationships with related parties may affect users' assessments of the financial position and performance of the reporting entity and its ability to deliver agreed services, including assessments of the risks and opportunities facing the entity. This disclosure also ensures that the reporting entity is transparent about its dealings with related parties.

The standard states that a related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. As a minimum, the following are regarded as related parties of the reporting entity:

A person or a close member of that person's family is related to the reporting entity if that person:

- has control or joint control over the reporting entity;
- has significant influence over the reporting entity;
- is a member of the management of the entity or its controlling entity.

An entity is related to the reporting entity if any of the following conditions apply:

- the entity is a member of the same economic entity (which means that each controlling entity, controlled entity and fellow controlled entity is related to the others);
- one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an economic entity of which the other entity is a member);
- both entities are joint ventures of the same third party;
- one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- the entity is a post-employment benefit plan for the benefit of employees of either the entity or an entity related to the entity. If the reporting entity is itself such a plan, the sponsoring employers are related to the entity;
- the entity is controlled or jointly controlled by a person identified in (a); and
- a person identified in (a)(i) has significant influence over that entity or is a member of the management of that entity (or its controlling entity).

The standard furthermore states that related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

The standard elaborates on the definitions and identification of:

Close member of the family of a person;
Management;
Related parties;
Remuneration; and
Significant influence

The standard sets out the requirements, inter alia, for the disclosure of:

Control;
Related party transactions; and
Remuneration of management



The effective date of the standard is for years beginning on or after 01 April 2019.

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The municipality expects to adopt the standard for the first time in the 2019/2019 annual financial statements.



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3. Property, plant and equipment

	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land - General plant	530 299 587	-	530 299 587	530 639 419	-	530 639 419
Machinery and equipment	8 265 535	(6 189 198)	2 076 337	8 265 532	(5 114 808)	3 150 724
Furniture and office equipment	8 259 860	(6 222 821)	2 037 039	7 580 810	(5 851 485)	1 729 325
Transport assets	96 420 300	(69 207 381)	27 212 919	96 420 303	(57 598 463)	38 821 840
IT equipment	17 351 429	(9 712 119)	7 639 310	16 414 889	(7 642 783)	8 772 106
Community assets	517 068 884	(319 241 818)	197 827 066	505 333 499	(303 394 446)	201 939 053
Solid waste	71 000 718	(1 892 457)	69 108 261	71 000 719	(62 565)	70 938 154
Storm water Infrastructure	159 895 344	(61 899 327)	97 996 017	143 550 985	(57 996 635)	85 554 350
Water network - Boreholes	64 112 930	(30 923 105)	33 189 825	67 611 484	(29 060 112)	38 551 372
Sanitation Infrastructure	114 880 378	(53 924 431)	60 955 947	117 202 343	(47 791 126)	69 411 217
Road Infrastructure	1 207 356 530	(691 435 156)	515 921 374	1 173 693 503	(675 582 133)	498 111 370
Water Supply Distribution	737 709 520	(321 095 090)	416 614 430	610 032 116	(312 323 795)	297 708 321
Water Supply Bulk mains	257 441 520	(181 844 980)	75 596 540	289 439 172	(181 083 239)	108 355 933
Pumpstations	225 851 449	(20 960 604)	204 890 845	236 780 304	(23 474 607)	213 305 697
Reservoirs	315 199 555	(116 644 407)	198 555 148	312 939 698	(108 995 520)	203 944 178
Total	**4 331 113 539**	**(1 891 192 894)**	**2 439 920 645**	**4 186 905 357**	**(1 815 971 717)**	**2 370 933 640**

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Reconciliation of property, plant and equipment - 30 June 2023 FAR including WIP allocations

	Opening balance	Additions	Donations received	WIP additions/ (transfers out)	Redundant WIP write-off	Derecognition costs	Derecognition accumulated depreciation	Derecognition accumulated impairment	Depreciation	Impairment loss	Total
Land - General plant	530 639 419	-	-	-	-	(339 832)	-	-	-	(59)	530 299 587
Machinery and equipment	3 150 724	-	-	-	-	-	-	-	(1 074 391)	-	2 076 337
Furniture and office equipment	1 729 357	695 687	-	-	-	(16 671)	14 610	-	(385 944)	-	2 037 039
Transport assets	38 821 837	-	-	-	-	-	-	-	(11 608 918)	-	27 212 919
IT equipment	8 772 107	936 537	-	2	-	-	-	-	(2 069 336)	-	7 639 311
Community assets	201 939 093	438 365	-	10 109 287	-	(2 244 766)	2 030 483	14 621	(9 530 305)	(4 929 712)	197 827 066
Solid waste	70 938 154	-	-	-	-	-	-	-	(1 829 892)	-	69 108 262
Storm water	85 554 350	13 958 324	2 576 492	-	-	(190 458)	59 157	-	(3 961 849)	-	97 996 016
Water network - Boreholes	38 551 374	-	380 662	-	(2 360 979)	(1 518 238)	666 432	351 744	(2 170 673)	(710 496)	33 189 826
Sanitation Infrastructure	69 411 216	-	-	1 390 948	-	(280 451)	280 451	-	(3 143 716)	(6 702 501)	60 955 947
Roads Infrastructure	498 111 370	51 763 413	2 373 155	(14 685 607)	-	(5 788 109)	4 323 060	231	(15 591 102)	(4 585 046)	515 921 365
Water Supply Distribution	297 708 323	57 782 166	-	70 139 243	-	(152)	121	-	(8 673 624)	(341 648)	416 614 429
Water Supply Bulk Mains	108 355 933	-	-	(31 997 652)	-	-	-	-	(761 741)	-	75 596 540
Pumpstations	213 305 699	-	-	-	-	(10 928 858)	10 022 361	14 230	(7 193 503)	(329 085)	204 890 844
Reservoirs	203 944 178	3 115 865	-	(434 783)	-	(421 225)	268 477	-	(7 873 271)	(44 093)	198 555 147
	2 370 933 134	**128 690 357**	**5 330 309**	**34 521 438**	**(2 360 979)**	**(21 728 760)**	**17 665 152**	**380 826**	**(75 868 280)**	**(17 642 640)**	**2 439 920 645**

Notes to the Annual Financial Statements

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Reconciliation of property, plant and equipment - 30 June 2023 FAR

	Opening balance	Additions	WIP transfers in/(out)	Redundant WIP write-off	Derecognition costs	Derecognition accumulated depreciation	Derecognition accumulated impairment	Depreciation	Impairment loss	Total
Land - General plant	530 639 419	-	-	-	(339 832)	-	-	-	(59)	530 299 587
Machinery and equipment	3 150 719	-	-	-	-	-	-	(1 074 391)	-	2 076 332
Furniture and office equipment	1 729 359	695 687	-	-	(16 671)	14 610	-	(385 944)	-	2 037 041
Transport assets	38 821 840	-	-	-	-	-	-	(11 608 918)	-	27 212 922
IT equipment	4 817 628	936 537	-	-	-	-	-	(2 069 336)	-	3 684 830
Community assets	190 953 603	438 366	-	-	(2 244 766)	2 030 483	14 621	(9 530 305)	(4 929 712)	176 732 290
Solid waste	70 938 154	-	-	-	-	-	-	(1 829 893)	-	69 108 262
Storm water	85 554 350	16 534 816	-	-	(190 458)	59 157	-	(3 961 849)	-	97 996 016
Water network - Boreholes	36 190 394	380 662	-	-	(1 518 238)	666 432	351 744	(2 170 671)	(710 496)	33 189 826
Sanitation Infrastructure	62 542 636	-	-	-	(280 451)	280 451	-	(3 143 716)	(6 702 501)	52 696 419
Roads Infrastructure	436 258 366	54 136 567	-	-	(5 788 109)	4 323 060	231	(15 591 102)	(4 585 046)	468 753 967
Water Supply Distribution	297 708 321	57 782 166	-	-	(152)	121	-	(8 673 624)	(341 648)	346 475 184
Water Supply Bulk Mains	37 710 084	-	-	-	-	-	-	(761 741)	-	36 948 343
Pumpstations	213 305 697	-	-	-	(10 928 858)	10 022 361	14 230	(7 193 502)	(329 086)	204 890 842
Reservoirs	203 509 391	3 115 860	-	-	(421 225)	268 477	-	(7 873 267)	(44 093)	198 555 142
Assets under construction	157 103 095	161 579 569	(127 058 131)	(2 360 979)	-	-	-	-	-	189 263 554
	2 370 933 056	**295 600 230**	**(127 058 131)**	**(2 360 979)**	**(21 728 760)**	**17 665 152**	**380 826**	**(75 868 280)**	**(17 642 640)**	**2 439 920 645**

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Reconciliation of property, plant and equipment - 30 June 2022 FAR including WIP allocation

	Opening balance	Additions	WIP additions/(transfers out)	Deregocnition costs	Derecognition accumulated depreciation	Derecognition accumulated impairment	Depreciation	Impairment loss	Total
Land - General Plant	530 928 854	-	-	(289 435)	-	-	-	-	530 639 419
Machinery and Equipment	4 201 934	71 140	-	(6 450)	5 381	-	(1 121 281)	-	3 150 724
Furniture and office equipment	1 996 270	209 864	-	(350 354)	307 764	1	(434 220)	-	1 729 325
Transport assets	32 096 319	18 200 329	-	-	-	-	(11 474 808)	-	38 821 840
IT equipment	6 190 129	2 520 426	2 563 818	(747 185)	681 276	3	(2 436 361)	-	8 772 106
Community assets	198 537 415	38 015 097	(24 469 239)	(1 375 647)	1 090 295	-	(9 833 666)	(25 162)	201 939 093
Solid Waste	63 289 714	70 982 862	(63 252 281)	(379 468)	345 497	-	(48 098)	(72)	70 938 154
Storm Water	82 356 562	7 916 540	-	(1 085 089)	255 473	-	(3 876 556)	(12 580)	85 554 350
Water network - Boreholes	51 428 225	1 503 981	(3 638 887)	(9 291 440)	2 535 698	1 851 149	(2 832 225)	(3 005 128)	38 551 373
Sanitation Infrastructure	40 622 544	25 364 911	6 868 059	(75 964)	58 183	-	(3 426 517)	-	69 411 216
Road Infrastructure	465 577 233	33 896 040	15 152 648	(50 018)	39 121	-	(16 503 655)	-	498 111 369
Water Supply Distribution	279 941 650	48 359 763	(22 721 514)	(499 844)	483 093	-	(7 854 826)	-	297 708 321
Water Supply Bulk Mains	90 838 588	4 969 156	13 744 885	(646 181)	643 334	-	(1 193 849)	-	108 355 933
Pump Stations	222 888 820	8 565 659	(10 461 303)	(762 512)	61 417	-	(6 986 382)	-	213 305 697
Reservoirs	209 890 680	2 035 997	434 789	(840 593)	321 273	-	(7 892 544)	(5 423)	203 944 179
	2 280 784 937	**262 611 765**	**(85 779 025)**	**(16 400 180)**	**6 827 805**	**1 851 153**	**(75 914 988)**	**(3 048 365)**	**2 370 933 640**



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Reconciliation of property, plant and equipment - 30 June 2022 FAR

	Opening balance	Additions	WIP Transfer out	Deregocnition costs	Derecognition Accumulated depreciation	Derecognition accumulated impairment	Depreciation	Impairment loss	Total
Land - General Plant	530 928 854	-	-	(289 435)	-	-	-	-	530 639 419
Machinery and Equipment	4 201 934	71 140	-	(6 450)	5 381	-	(1 121 281)	-	3 150 724
Furniture and office equipment	1 996 271	209 864	-	(350 354)	307 764	-	(434 220)	-	1 729 325
Transport assets	32 096 319	18 200 329	-	-	-	-	(11 474 808)	-	38 821 840
IT equipment	4 799 469	2 520 426	-	(747 185)	681 276	-	(2 436 361)	-	4 817 625
Community assets	163 082 687	38 015 097	-	(1 375 647)	1 090 295	-	(9 833 666)	(25 162)	190 953 603
Solid Waste	37 434	70 982 862	-	(379 468)	345 497	-	(48 099)	(72)	70 938 154
Storm Water	82 356 562	7 916 540	-	(1 085 089)	255 473	-	(3 876 556)	(12 580)	85 554 350
Water network - Boreholes	45 428 359	1 503 981	-	(9 291 440)	2 535 698	1 851 149	(2 832 225)	(3 005 128)	36 190 394
Sanitation Infrastructure	40 622 023	25 364 911	-	(75 964)	58 183	-	(3 426 517)	-	62 542 636
Road Infrastructure	418 876 956	33 896 040	-	(50 018)	39 121	-	(16 503 655)	-	436 258 444
Water Supply Distribution	257 220 136	48 359 762	-	(499 844)	483 093	-	(7 854 826)	-	297 708 321
Water Supply Bulk Mains	33 937 524	4 969 256	-	(646 181)	643 334	-	(1 193 849)	-	37 710 084
Pump Stations	212 427 515	8 565 659	-	(762 512)	61 417	-	(6 986 382)	-	213 305 697
Reservoirs	209 890 682	2 001 410	-	(840 593)	321 273	-	(7 892 544)	(5 422)	203 509 390
Assets under construction	242 917 950	155 795 625	(241 609 941)	-	-	-	-	-	157 103 634
	2 280 820 675	**418 372 902**	**(241 609 941)**	**(16 400 180)**	**6 827 805**	**1 851 149**	**(75 914 989)**	**(3 048 364)**	**2 370 933 640**

30 June 2022:

Property, plant and equipment prior year error:

1. Correction in respect of recognition of prior year derecognitions - See note 40.

2. Work in progress item reclassification to operational expenses - See note 40.



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Property, plant and equipment: Contingent assets		
Contingent assets: Property, plant and equipment		
Stormwater Phumula	-	4 608 368
Commity Hall Moloto	14 932 625	7 497 549
Kwaggafontein B and C stormwater drainage	5 609 123	955 739
Bundu Machipe Community Hall (CB)	1 200 811	1 200 811
Loskop Regional Bulk Water Supply	188 505 889	8 364 071
	210 248 448	**22 626 538**

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30 June 2023:

There had been a prior period error correction made on the Loskop Regional Bulk Water Supply to the amount of R8 364 071.

Property, plant and equipment in the process of being constructed or developed

Cumulative expenditure recognised in the carrying value of property, plant and equipment		
Community	21 094 773	10 985 487
Roads infrastructure	46 186 259	61 853 004
Sanitation infrastructure	8 259 528	6 868 580
Water network - Boreholes	-	2 360 979
Water supply - Disrtibution	70 139 243	70 645 850
Water Supply Bulk Mains	38 648 198	-
Reservoirs	-	434 783
ICT system upgrade to improve operation , security and continuity	3 954 415	3 954 413
Electricity	981 139	-
	189 263 555	**157 103 096**

Carrying value of property, plant and equipment where construction or development has been halted either during the current or previous reporting period(s)		
1. Construction of Mathyzensloop Bus Route - Ward 7 MIG	694 966	694 966
2. Construction of Moloto South Bus Route - Ward 1 MIG	904 545	904 545
3. Construction of Zakehni Bus Route - Ward 4 MIG	1 098 722	1 098 722
4. Drill; Refurbish & Equip of Borehole W 22 Luthuli;Mahlabathi	-	228 262
5. Drill; Refurbish & Equip of Borehole W 28 Kwaggafontein	-	320 568
6. Drill; Refurbish & Equip of Borehole W 31 Kwaggafontein E; D	-	326 316
7. Upgrading of Kwaggafontein Stadium (Multi-Year Project) - Ward 26	-	910 330
8. Rehabilitation of bridge Rietfontein	57 467	-
9. Upgrade of Moloto South KwaMhlanga & Kameelpoort W2 32 19	522 713	522 723
10. Drill; Refurbish & Equip of Borehole W 29 Kwaggafontein	-	279 482
	3 278 413	**5 285 914**

30 June 2023:

The projects are been designed/assesses whereby the construction implementation has been halted either during the current and previous years. The details of the challenges are low yield not feasible for equipping with motorised pump for the boreholes,poor water quality and the contract has lapsed /expired as a result of lack of budget to implementation of the project. None of the halted projects were affected by impairment for 2022-2023 financial period.

Council has resoluted that Boreholes must be written-off as redundant in 2022-2023 amounting to R2 360 979.

30 June 2022:

These are design costs on the mentioned projects: Construction is yet to be commence due to budget constraints. None of the halted projects were affected by impairment for 2021-2022 financial period.

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Reconciliation of Work-in-Progress 30 June 2023

	Included within Infrastructure	WIP - write-off/redundant	Total
Opening balance	157 103 655	-	157 103 094
Additions/capital expenditure	161 579 570	-	161 579 570
Other movements	-	(2 360 979)	(2 360 979)
Transferred to completed items	(127 058 131)	-	(127 058 131)
	191 625 094	**(2 360 979)**	**189 263 554**

Reconciliation of Work-in-Progress 30 June 2022

	Included within Infrastructure	Correction of error	Total
Opening balance	242 882 132	-	242 882 132
Additions/capital expenditure	163 593 391	-	163 593 391
Prior period correction transfer to Repairs and maintenance	-	(7 762 488)	(7 762 488)
Transferred to completed items	(241 609 941)	-	(241 609 941)
	164 865 582	**(7 762 488)**	**157 103 094**

30 June 2023:

Prior period error correction has been made on items incorrectly classifed under Work in Progress but needed to be classified as Repairs and Maintenance amounting to R3 991 984.

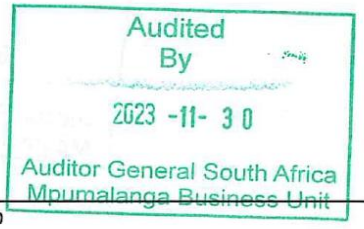
Other information

Expenditure incurred to repair and maintenance property, plant and equipment included in Statement of Financial Performance - see note 34.		
Community assets	633 063	570 137
Roads infrastructure	13 478 176	8 849 029
IT equipment	5 000 799	87 703
Water supply - Bulk mains	20 365 533	2 222 702
Machinery and equipment	52 193	-
Transport assets	6 769 500	12 982 689
Buildings	5 930 492	-
Electricity	5 215 568	3 911 984
	57 445 324	**28 624 244**

30 June 2023:

Prior period error correction has been made on items incorrectly classifed under Work in Progress but needed to be classified as Repairs and Maintenance amounting to R3 991 984 and R3 850 505 as Consulting and professional fees.t

** A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.



Notes to the Annual Financial Statements

Figures in Rand	2023	2022

4. Intangible assets

	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	2 540 037	(1 738 653)	801 384	2 540 037	(1 126 710)	1 413 327

Reconciliation of intangible assets - 310 June 2023

	Opening balance	Amortisation	Total
Computer software, other	1 413 327	(611 943)	801 384

Reconciliation of intangible assets - 30 June 2022

	Opening balance	Additions	Amortisation	Total
Computer software, other	646 435	1 392 325	(625 433)	1 413 327

5. Employee benefit obligations

Other long-term employee benefits

The municipality's employee benefit obligation consist of an obligation to pay out a bonus in the year of the employee attaining the required service. The obligation represents a liability to the municipality and the value is represented by the actuarial valuation obtained and is presently being implemented as per the municipality's policy.

The municipality offers bonuses for every 5 years of completed service from 10 years to 45 years.

The amounts recognised in the statement of financial position are as follows:

Carrying value		
Present value of the defined benefit obligation-partly or wholly funded	12 095 527	13 181 000
Non-current liabilities: > 1 year	(10 775 035)	(11 199 000)
Current liabilities: < 1 year	(1 320 492)	(1 982 000)
	(12 095 527)	**(13 181 000)**

Net expense recognised in the statement of financial performance

Current service cost	1 196 000	1 086 262
Interest cost	1 514 000	922 114
Actuarial (gains) losses	(1 811 873)	1 009 332
Settlement	(1 983 600)	(948 000)
	(1 085 473)	**2 069 708**

Calculation of actuarial gains and losses

Actuarial (gains) losses – Obligation	(1 811 873)	1 009 332

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Key assumptions used

Assumptions used at the reporting date:

Average age of retirement	63	63
Net effective discount rate	11,11 %	11,38 %
CPI Consumer price inflation	5,60 %	7,60 %
Normal salary increase rate	6,60 %	8,60 %
Other material actuarial assumptions	4,23 %	2,56 %

Sensitivity analysis

The valuation basis assumes that the salary inflation rate (which manifests itself as the annual increase in employees' salaries which determines the bonuses payable will be 3,94% less than the corresponding discount rate, in the long term. The effect of a 1% increase and decrease in the salary inflation rate is as follows:

	One percentage point increase	One percentage point decrease
Effect on the aggregate of the service cost and interest cost	2 391 029	2 078 481
Effect on defined benefit obligation	12 584 372	11 048 297

As per the table above, a 1% increase in the salary increase rate results in a 7,11% increase in the accrued liability whilst a 1% decrease in salary increase rate will result result in a 6,44% decrease in the accrued liability.:

6. Inventories

Inventories Land held for sale	46 056 215	46 056 215
Water for distribution	1 717 340	1 595 034
Stores and materials	955 075	141 537
	48 728 630	**47 792 786**

Water for distribution

Opening balance	1 595 034	1 642 769
System input volume	150 756 347	132 850 698
Authorised consumption	(122 469 899)	(112 591 276)
Water losses	(24 672 115)	(20 012 649)
Data transfer and management errors	(3 492 027)	(294 511)
Closing balance	**1 717 340**	**1 595 031**

Water losses

Water losses	19 %	15 %

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7. Receivables from exchange transactions

Debtors shortages	138 206	138 206
Sundry debtors - Rentals	582 275	507 749
Sundry debtor - Unauthorised,Irregular, Fruitless and wasteful	-	8 036
Overpayments	1 568 352	706 639
Consumer debtors - Water	28 351 673	23 330 968
Consumer debtors - Sewerage	507 247	235 663
Consumer debtors - Refuse	12 491 585	5 786 706
	43 639 338	**30 713 967**

Reconciliation of provision for impairment of trade and other receivables

Opening balance	(1 627 357 323)	(1 390 304 423)
Provision for impairment	(245 492 739)	(237 052 900)
	(1 872 850 062)	**(1 627 357 323)**

30 June 2023:

Reclassification (correction of incorrect mapping) Unauthorised, Irregular, Fruitless and wasteful to Sundry debtor (ASSET vote) amounting to R8 036 in 2021-2022.

Reclassification of Overpayments of creditors from Receivables from non-echange transactions to Receivables from exchange transactions amounting to R706 639.

30 June 2022:

Deposits for prior year has been reallocated to Other debtors

8. Receivables from non-exchange transactions



Statutory receivables		
Consumer debtors - Property Rates	8 992 559	2 993 783
Traffic fines	170 787	710 218
	9 163 346	**3 704 001**
Traffic fines - Impaired		
Gross balance	39 026 451	36 543 311
Less: Allowance for impairment	(38 855 664)	(35 833 093)
	170 787	**710 218**

The Traffic Fines are administrated as per iGrap01 and the Traffic Regulation Act.

Property rates - Impaired

Gross balance	383 831 734	292 275 083
Less: Allowance for impairment	(374 839 175)	(289 281 300)
	8 992 559	**2 993 783**

Property Rates is charged to the consumers as per the MPRA, MSA (Chapter 09) and the adopted Tariff Structure.

30 June 2022:

Notes to the Annual Financial Statements

Figures in Rand	2023	2022

Property rates: Credit notes passed in respect of the farms not on the Valuation roll which resulted in a prior period error.

9. VAT receivable

See note 15 for detail on VAT receivable and VAT payable.

10. Consumer debtors- Disclosure

Gross balances		
Consumer debtors - Rates	383 831 734	292 275 083
Consumer debtors - Water	1 067 587 589	940 570 357
Consumer debtors - Sewerage	20 765 484	16 420 155
Consumer debtors - Refuse	451 008 314	410 399 017
	1 923 193 121	**1 659 664 612**
Less: Allowance for impairment		
Consumer debtors - Rates	(374 839 175)	(289 281 300)
Consumer debtors - Water	(1 039 235 916)	(917 279 220)
Consumer debtors - Sewerage	(20 258 237)	(16 184 492)
Consumer debtors - Refuse	(438 516 729)	(404 612 311)
	(1 872 850 057)	**(1 627 357 323)**
Net balance		
Consumer debtors - Rates (Note 8)	8 992 559	2 993 783
Consumer debtors - Water (Note 7)	28 351 673	23 291 137
Consumer debtors - Sewerage (Note 7)	507 247	235 663
Consumer debtors - Refuse (Note 7)	12 491 585	5 786 706
	50 343 064	**32 307 289**
Included in above is receivables from exchange transactions		
Water	28 351 673	23 291 137
Sewerage	507 247	235 663
Refuse	12 491 585	5 786 706
	41 350 505	**29 313 506**
Included in above is receivables from non-exchange transactions (taxes and transfers)		
Rates	8 992 559	2 993 783
Net balance	**50 343 064**	**32 307 289**
Rates		
Current (0 -30 days)	179 851	61 373
31 - 60 days	179 851	51 493
61 - 90 days	179 850	13 772
91 - 120 days	179 850	55 983
121 - 365 days	1 169 030	381 108
> 365 days	7 104 127	2 430 054
	8 992 559	**2 993 783**

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Figures in Rand	2023	2022
Water		
Current (0 -30 days)	1 134 067	929 316
31 - 60 days	283 517	277 165
61 - 90 days	283 517	211 949
91 - 120 days	3 402 200	2 778 633
121 - 365 days	1 984 617	1 693 266
> 365 days	21 263 755	17 400 808
	28 351 673	**23 291 137**
Sewerage		
Current (0 -30 days)	14 987	7 541
31 - 60 days	4 996	2 781
61 - 90 days	4 996	2 215
91 - 120 days	74 938	36 457
121 - 365 days	39 967	17 745
> 365 days	367 363	168 924
	507 247	**235 663**
Refuse		
Current (0 -30 days)	624 482	270 817
31 - 60 days	124 896	79 278
61 - 90 days	124 896	58 446
91 - 120 days	2 123 237	994 735
121 - 365 days	999 171	472 774
> 365 days	8 494 903	3 910 656
	12 491 585	**5 786 706**

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Households	1 788 569 603	1 543 488 088
Industrial/Commercial	19 231 931	16 596 646
National and Provincial Government	115 391 587	99 579 877
	1 923 193 121	**1 659 664 611**

Summary of receivables by customer classification

Households		
Current (0 -30 days)	53 657 088	50 163 363
31 - 60 days	17 885 696	21 454 484
61 - 90 days	17 885 696	15 589 230
91 - 120 days	160 971 264	137 061 742
121 - 365 days	160 971 264	136 135 649
> 365 days	1 377 198 595	1 183 083 620
	1 788 569 603	**1 543 488 088**
Industrial/ commercial		
Current (0 -30 days)	384 639	262 227
31 - 60 days	384 638	375 084
61 - 90 days	384 638	267 206
91 - 120 days	576 958	546 029
121 - 365 days	2 500 151	2 190 757
> 365 days	15 000 906	12 953 682
	19 231 930	**16 594 985**
National and provincial government		
Current (0 -30 days)	1 153 916	179 244
31 - 60 days	1 153 916	179 244
11	1 153 915	119 496
91 - 120 days	1 153 915	179 244
121 - 365 days	6 923 495	6 213 784
> 365 days	103 852 429	92 708 865
	115 391 586	**99 579 877**
Total		
Current (0 -30 days)	55 195 643	50 604 834
31 - 60 days	19 424 251	22 008 812
61 - 90 days	19 424 251	15 975 932
91 - 120 days	162 702 138	137 787 016
121 - 365 days	170 394 911	144 540 191
> 365 days	1 496 051 930	1 288 747 827
	1 923 193 124	1 659 664 612
Less: Allowance for impairment	(1 872 850 057)	(1 627 357 323)
	50 343 067	**32 307 289**

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Receivables from exchange transactions (continued)

Statutory receivables general information
Basis used to assess and test whether a statutory receivable is impaired

The estimate were determined by the judgement of the management of the municipality, suplemented by experience of past practices and stastistics inrelation to uncollectable debt. The effects of the time value of money has been ignored due to the

Notes to the Annual Financial Statements

Figures in Rand	2023	2022

fact that the debt is immediately payable.

In assessing if statutory receivables are impaired, management assessed whether there are any indications that:
a) Individually significant receivables are impaired; and/or
b) Groups of simular, individually insignificant, receivables are impaire,

The following accounts are specifically excluded from the assesment of impairment:
Receivable accounts with a total credit balance at reporting date;
Receivable accounts where the total balance at reporting date is zero;
Receivable accounts where the municipality is the owner, as this is raised on the debtor system and rebated accordingly; and
Receivable accounts that have not been outstanding for more that 30 days at reporting date as these accounts balances are considered not to be past due.

In estimating the future cash flow, management considered both the amount and timing of the cash flows that it will receive in future. In line with par 12 of Credit Control Policy, the municipality does not see itself as a credit provision institution and hence the effect of the time value of money is not considered as all outstanding amounts are immediately payable.

In detemiining the amount impaired, managemente the cash flow that it expects to collect based on facts and circumstances at the reporting date.

The future cash flows of a group of eceivables that were individually or collectively evaluated for impairment were estimated using historical experience. For this purpose management adopted the payment pattern of each receivable.

Individual receivable impairment shall identify individual receivable accounts that meet any one of the following criteria:
- A debtor that has been placed under or applied for liquidation or sequestration
- Debtors where the last payment date by the consumer was before 31 March of the financialyear;
- Accounts handed over to debt collectors and/or power of attorney;
- All accounts indicated as in-active accounts of the system;
- When a formal arrangement is made on arrears debt, and the debtor has defaulted on this arrangement fora period in excess of 30 days during the financial year.



THEMBISILE HANI LOCAL MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2023

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Figures in Rand	2023	2022

11. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	5 000	5 000
Bank balances	184 272 403	132 252 576
Short-term deposits	1 118 166	-
	185 395 569	**132 257 576**

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2023	30 June 2022	30 June 2021	30 June 2023	30 June 2022	30 June 2021
First National Bank - Current account: 620-262-96427	178 493 112	127 878 707	20 402 366	178 493 112	127 878 707	20 402 366
First National Bank - Call deposit: 621-470-52427	859 037	-	20 943 321	859 037	-	20 943 321
Nedbank - Current account 100-422-2378	5 774 005	4 423 325	96 451 021	5 779 290	4 373 869	96 451 021
Standard Bank - Call deposit: 338589783017	259 130	-	-	259 130	-	-
Total	**185 385 284**	**132 302 032**	**137 796 708**	**185 390 569**	**132 252 576**	**137 796 708**

30 June 2023:
Nedbank current account reconciliation between the bank statement and cash book balances:
- Deposits made on 30 June 2023 at the cashiers not cleared from the bank to the amount of R5 282,10.

30 June 2022:
Nedbank current account reconciliation between the bank statement and cash book balances:
- Deposits in 2021-2022 not cleared from the bank to the amount of R49 454.02.

12. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts		
MDRG	1 150 000	-

Municipal Disaster Response Grant had been received on the 15th June 2023 from COGTA, the approved grant should be spent within 6 months from June 2023 to November 2023 relating to the 2023/2024 financial period.

See note 26 for reconciliation of grants from National/Provincial Government.



Notes to the Annual Financial Statements

Figures in Rand	2023	2022

13. Provisions

Reconciliation of provisions - 30 June 2023

	Opening Balance	Additions	Utilised during the year	Reversed during the year	Change in provision	Total
Environmental rehabilitation	44 337 390	-	-	-	(1 008 413)	43 328 977
Provision for Bonuses	8 629 265	9 496 952	(8 557 801)	(71 464)	-	9 496 952
	52 966 655	**9 496 952**	**(8 557 801)**	**(71 464)**	**(1 008 413)**	**52 825 929**

Reconciliation of provisions - 30 June 2022

	Opening Balance	Additions	Utilised during the year	Change in provision	Total
Environmental rehabilitation	24 312 723	-	-	20 024 667	44 337 390
Provision for Bonuses	8 086 338	8 629 265	(8 368 458)	282 120	8 629 265
	32 399 061	**8 629 265**	**(8 368 458)**	**20 306 787**	**52 966 655**

Non-current liabilities	37 860 860	39 916 205
Current liabilities	14 965 069	13 050 451
	52 825 929	**52 966 656**

Environmental rehabilitation:

The municipality has two dumping sites, one in Kwaggafontein which is 7,2 hectares and the other one in KwaMlanga which is 5 hectares. The remaining useful lives of theses dumping sites are 7 years and 1 years respectively. Each year the dumping sites remaining useful lives are assessed and the provision is adjusted accordingly.

KwaMhlanga landfil site:

Although the landfill site currently has a useful life of 0 years, THLM does not have a licence for the Kwa Mhlanga landfill site and the landfill will not be closed in the next 12 months, therefore the Kwa Mhlanga landfill site is recognised as a non-current liability.

Bonuses:

The municipality raises a provision for 13th cheque bonuses that staff members receive after twelve months after savings. The provision is based on the appointment month and the most recent effective salary notches of individual employees.

14. Payables from exchange transactions

Payables and accruals	32 021 095	22 923 104
Accrued leave pay	15 524 459	15 450 240
Retention	4 119 618	2 245 988
Debtors with credit balances	16 500 687	7 726 118
Unallocated deposits	386 856	1 029 570
	68 552 715	**49 375 020**



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Figures in Rand	2023	2022
Payables from exchange transactions: Non-current liabilities		
Advance payments: Land	6 886 716	6 387 385
Retention	29 689 150	35 702 006
Deposits received	486 448	425 914
	37 062 314	**42 515 305**
Current liabilities: Payables from exchange transactions	68 552 715	49 375 020
Non-current liabilities: Payables from exchange transactions	37 062 314	42 515 305
	105 615 029	**91 890 325**

30 June 2022:

- Reclassification of Over/under banking (LIABILITY vote) to Sundry debtors: Rentals (ASSET VOTE vote) amounting to R39 831
- Correction of error in Over/Under banking transfered to Accumulated surplus 2019 and 2018 financial period R398 050.

15. VAT payable

VAT payable	306 743 159	276 161 038
VAT receivable	(263 832 153)	(241 194 373)
	42 911 006	**34 966 665**

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16. Revenue

Service charges	130 633 964	126 766 229
Rental of facilities and equipment	1 250 252	1 030 277
Agency services	10 331 899	11 315 061
Licences and permits	149 635	148 808
Other income	2 308 878	1 028 085
Interest received	129 418 740	83 767 618
Property rates	57 434 989	52 067 121
Government grants & subsidies	716 823 000	652 245 000
Donations received	5 330 309	7 110 280
Fines, Penalties and Forfeits	2 665 900	3 913 007
	1 056 347 566	**939 391 486**
The amount included in revenue arising from exchanges of goods or services are as follows:		
Service charges	130 633 964	126 766 229
Rental of facilities and equipment	1 250 252	1 030 277
Agency services	10 331 899	11 315 061
Licences and permits	149 635	148 808
Other income	2 308 878	1 028 085
Interest received	129 418 740	83 767 618
	274 093 368	**224 056 078**

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Property rates	57 434 989	52 067 121
Transfer revenue		
Government grants & subsidies	716 823 000	652 245 000
Public contributions and donations	5 330 309	7 110 280
Fines, Penalties and Forfeits	2 665 900	3 913 007
	782 254 198	**715 335 408**

17. Service charges

Sale of water	90 667 974	88 829 327
Sewerage and sanitation charges	2 084 034	1 898 189
Refuse removal	37 881 956	36 038 713
	130 633 964	**126 766 229**

18. Rental of facilities and equipment

Facilities and equipment		
Rental of facilities	1 250 252	1 030 277

19. Fines, Penalties and Forfeits

Traffic Fines - Municipal and Court	2 665 900	3 913 007

20. Agency services

Driver's Licenses	10 331 899	11 315 061

The municipality is a party to a principal-agent arrangement. The municipality act as an agent for the Mpumalanga Department of Transport, whereby it administers the registration of vehicles and collection of funds thereof, on behalf of the department within the municipality's jurisdictions.

Entity as agent

Revenue recognised:

The aggregate amount of revenue that the entity recognised as compensation for the transactions carried out on behalf of the principal is R10 613 681 (2022: R11 315 061)

21. Licences and permits (exchange)

Trading licences	149 635	148 808

22. Lease rentals on operating lease

Motor vehicles		
Straight-linning	4 200 148	4 779 156
Equipment		
Contingent amounts	2 245 268	1 522 466
	6 445 416	**6 301 622**

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Payable within 1 year	1 555 024	792 472
Payable within 2-5 years	528 315	1 320 786
	2 083 339	**2 113 258**

The municipality has entered into operating lease agreement for the lease of printers, copiers and transport assets. The lease period vary between 3 and 5 years.

23. Other income

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Library fees & fines	6 471	6 795
Handling fees	21 464	26 643
Application fees	59 371	75 218
Building plan approval	279 707	135 561
Clearance certificates	6 895	9 750
Maps publications	2 313	3 010
Occupation certificates	1 304	1 083
Insurance refunds	194 250	379 342
Tender documents	174 589	33 372
Staff recoveries	1 507 931	294 271
Valuation services	1 388	1 736
Statutory services	37 376	10 626
Sale of other goods & rendering of services	15 819	50 678
	2 308 878	**1 028 085**

24. Interest received

Interest revenue		
Current Bank	3 940 921	1 301 325
Interest charged on trade and other receivables	111 069 091	76 441 431
Interest on investments	14 408 728	6 024 862
	129 418 740	**83 767 618**

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Figures in Rand	2023	2022

25. Property rates

Rates received

Property rates: Residential & other	57 434 989	52 067 121

30 June 2022:

Credit notes have been passed in respect of the farms not on the Valuation roll which resulted in a prior period error amounting to R3 077 439, see note 40.

Valuations

Residential	981 712 000	981 712 000
Commercial	294 692 000	294 692 000
State	1 923 352 000	1 923 352 000
Municipal	7 667 389 800	7 667 389 800
Agricultural	411 350 000	411 350 000
Schools	524 311 000	524 311 000
Churches	1 246 000	1 246 000
PBO	4 700 000	4 700 000
PSI	35 000	35 000
	11 808 787 800	**11 808 787 800**

Valuations on land and buildings are performed every 5 years. The new general valuation came into effect on 1 July 2018. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.



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26. Government grants and subsidies		
Operating grants		
Equitable share	513 707 000	458 200 000
FMG	1 720 000	1 720 000
EPWP	3 735 000	2 127 000
MIG	7 083 050	5 934 900
EEDSM	6 000 000	-
INEP	12 000 000	-
	544 245 050	**467 981 900**
Capital grants		
MIG	134 577 950	124 763 100
EEDSM	-	4 500 000
WSIG	38 000 000	55 000 000
INEP	-	-
	172 577 950	**184 263 100**
	716 823 000	**652 245 000**

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Equitable Share

Current-year receipts	513 707 000	458 200 000
Conditions met - Operational expenditure	(513 707 000)	(458 200 000)
	-	-

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

MIG

Current-year receipts	141 661 000	130 698 000
Conditions met - Capital expenditure	(134 577 948)	(124 763 100)
Conditions met - Operational expenditureOther	(7 083 052)	(5 934 900)
	-	-

FMG

Current-year receipts	1 720 000	1 720 000
Conditions met - Operatonal expenditure	(1 720 000)	(1 720 000)
	-	-

EPWP Grant

Current-year receipts	3 735 000	2 127 000
Conditions met - Operational expenditure	(3 735 000)	(2 127 000)
	-	-

WSIG

Current-year receipts	38 000 000	55 000 000
Conditions met - Capital expenditure	(38 000 000)	(55 000 000)
	-	-

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EEDSM		
Current-year receipts	6 000 000	4 500 000
Conditions met - Capital expenditure	-	(4 500 000)
Conditions met - Operational expenditure	(6 000 000)	-
	-	-
INEP		
Current-year receipts	12 000 000	-
Conditions met - Operational expenditure	(12 000 000)	-
	-	-
MDRG		
Current-year receipts	1 150 050	-
Transfer to Unspent grant	(1 150 050)	-
	-	-

Municipal Disaster Response Grant had been received on the 15th June 2023 from COGTA, the approved grant should be spent within 6 months from June 2023 to November 2023 relating to the 2023/2024 financial period. (see note 12).

27. Donations received

Nkangala District Municipality: Capital	5 330 309	7 110 280

Donations by way of assets were received from Nkangala District Municipality R4 949 647,; (2022: R7 110 280); boreholes donation from Rand Water 2022-2023 amounting to R380 662.

30 June 2023:

Operational projects for the financial period on behalf of Thembisile Hani Local municipality incurred by Nkangala District Municipality on the following projects:

Land audit	830 000	650 000
HIV Aids Awareness Campaign	60 046	59 584
Disaster Management Awareness Campaign	43 798	38 114
MHS Education and Awareness	64 916	59 496
	998 760	**807 194**



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Figures in Rand	2023	2022
28. Employee related costs		
Basic	108 366 771	105 707 574
Bonus	8 557 801	8 368 458
Medical aid - company contributions	9 330 169	8 836 474
UIF	767 990	771 321
SDL	1 313 138	1 268 444
Standby allowance	582 683	627 612
Leave pay provision charge	292 516	754 937
Travel, motor car, accommodation, subsistence and other allowances	4 478 720	4 631 258
Overtime and Shift allowance	3 882 535	3 477 545
Long-service awards	1 983 600	1 267 039
Acting allowances	1 207 056	819 070
Danger allowance	545 842	-
Housing benefits and allowances	136 587	132 137
Cellphone allowances	612 215	641 450
Pension contributions	20 928 926	19 986 808
SALGBC	47 142	45 836
Allowances:Service Related Benefits:Uniform/Special/Protective Clothing	60 000	-
	163 093 691	**157 335 963**

During the financial period 2018-2019 the municipality migrated from Grade 3 to 4

Remuneration of Municipal Manager: Mr ON Nkosi 01 July 2017 to 28 February 2023

Annual Remuneration	37 753	922 918
Car Allowance	-	180 000
Contributions to UIF, Medical and Pension Funds	378	294 981
	38 131	**1 397 899**

Salary adjustment for 2021-2022 Senior managersin terms of Government Gazette number 47538 Vol 2760 of November 2022

Remuneration of Municipal Manager: DJD Mahlangu 01 September 2022 to 30 June 2023

Annual Remuneration	801 242	-
Car Allowance	100 000	-
Contributions to UIF, Medical and Pension Funds	185 126	-
	1 086 368	**-**

Remuneration of Chief Finance Officer: Ms JG Mahlagu 01 May 2019 to 30 June 2023

Annual Remuneration	750 608	706 241
Car Allowance	120 000	120 000
Contributions to UIF, Medical and Pension Funds	205 723	180 019
	1 076 331	**1 006 260**

Remuneration of Corporate Service Manager: Ms SA Nxumalo 01 July 2022 to 30 June 2023

Annual Remuneration	774 640	659 106
Car Allowance	120 000	40 000
Contributions to UIF, Medical and Pension Funds	138 904	248 019
	1 033 544	**947 125**

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Remuneration of Social Services Manager: Mr AK Chego 01 August 2018 to 30 June 2023		
Annual Remuneration	651 681	857 824
Car Allowance	90 000	120 000
Contributions to UIF, Medical and Pension Funds	83 062	77 327
	824 743	**1 055 151**
Remuneration of Development Planning Manager: Mr MS Tsebe 01 May 2019 to 30 June 2023		
Annual Remuneration	857 267	807 824
Car Allowance	120 000	120 000
Contributions to UIF, Medical and Pension Funds	132 139	84 555
	1 109 406	**1 012 379**
Remuneration of Technical Sevice Manager: Mr VL Skosana 01 May 2019 to 30 September 2022		
Annual Remuneration	235 404	782 503
Car Allowance	30 000	120 000
Contributions to UIF, Medical and Pension Funds	91 008	108 006
	356 412	**1 010 509**
Remuneration of Technical Sevice Manager: Mr WM Mtshweni 01 March 2023 to 30 June 2023		
Annual Remuneration	243 132	-
Car Allowance	40 000	-
Contributions to UIF, Medical and Pension Funds	56 831	-
	339 963	**-**
Remuneration for Acting allowances		
SP Nkosi: Acting Technical Service Manager	12 432	-
TP Maphutha: Acting Technical Service Manager	22 666	-
BA Nkwanyana: Acting Social Services Manager	24 134	-
	59 232	**-**
29. Remuneration of councillors		
Executive Mayor: Cllr Mtsweni NS	-	344 992
Executive Mayor: Cllr Dikgale LJ	972 870	634 677
Chief Whip: Cllr Motanyane Thokozile Egnes	757 280	741 571
Speaker: Cllr Msiza MP	805 848	465 970
Speaker: Cllr Mabena TL	-	311 893
MPAC Chairperson	745 614	694 778
Executive committee	3 765 060	3 686 435
Other councillors	19 021 141	18 640 672
	26 067 813	**25 520 988**

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In-kind benefits

The Executive Mayor, Speaker, Chief whip and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The Executive Mayor has use of separate council vehicle for official duties and two VIP Protectors.

The Speaker has use of separate council vehicle for official duties and two VIP Protectors.

Remuneration of Executive Mayor: Cllr Dikgale LJ - 01 December 2021 to 30 June 2023

Annual Remuneration	817 082	462 754
Cellphone allowance contribution UIF,medical aid,pension	155 788	171 924
	972 870	**634 678**

Remuneration of Executive Mayor: Cllr Mtsweni NS - 01 July 2021 to 30 November 2021

Annual Remuneration	-	282 460
Travel allowance	-	62 531
	-	**344 991**

Remuneration of Chief Whip: Cllr Motanyane TE - 01 July 2021 to 30 June 2023

Annual Remuneration	408 977	380 696
Travel allowance	177 807	196 948
Cellphone allowance, Mobile data, contribution UIF,medical aid,pension	170 496	163 927
	757 280	**741 571**

Remuneration of Speaker: Cllr Msiza MP - 01 December 2021 to 30 June 2023

Annual Remuneration	640 980	316 160
Travel allowance	40 800	120 015
Cellphone allowance, Mobile data, contribution UIF,medical aid,pension	124 068	29 795
	805 848	**465 970**

Remuneration of Speaker: Cllr Mabena TL - 01 July 2021 to 30 November 2021

Annual Remuneration	-	141 920
Travel allowance	-	102 034
Cellphone allowance, Mobile data, contribution UIF,medical aid,pension	-	67 939
	-	**311 893**

Remuneration of MPAC Chairperson

Annual Remuneration	425 050	409 997
Travel allowance	172 516	127 640
Cellphone allowance, Mobile data, contribution UIF,medical aid,pension	148 048	157 141
	745 614	**694 778**

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
Remuneration of Executive committee		
Annual Remuneration	2 076 602	2 079 421
Travel allowance	882 704	780 039
Cellphone allowance, Mobile data, contribution UIF,medical aid,pension	805 753	826 975
	3 765 059	**3 686 435**
Remuneration of other councillors		
Annual Remuneration	19 021 141	18 460 843
30. Depreciation and amortisation		
Property, plant and equipment	93 510 920	78 963 353
Intangible assets	611 943	625 433
	94 122 863	**79 588 786**
31. Finance costs		
Interest on overdue accounts	-	-

30 June 2022:

Reclassification (correction of incorrect mapping) Unauthorised, Irregular, Fruitless and wasteful to Sundry debtor (ASSET vote) amounting to R8 036 in 2021-2022.

32. Debt impairment		
Consumer debtors contribution to debt impairment provision	245 492 739	237 052 900
Traffic fines bad debt contribution to debt impairment provision	3 022 570	4 006 943
	248 515 309	**241 059 843**
33. Amnesty and presciptions written off - consumer debtors		
Amnesty written off	4 543 428	2 083 321
34. Consumed inventory		
Water inventory consumed	122 469 899	112 591 276



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35. General expenses

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Advertising	1 029 979	721 377
Auditors remuneration	9 358 837	6 133 544
Bank charges	134 575	408 071
Cleaning services	90	710
Consulting and professional fees	24 662 271	23 550 964
Debt collection	3 981 472	2 912 589
Donations in kind	550 000	-
Entertainment	1 356 267	1 324 109
Flowers	-	184 800
Insurance	1 818 280	1 962 666
Conferences and seminars	2 373 175	1 679 778
Community development	5 729 700	3 733 852
Motor vehicle expenses	912 948	531 711
Pest control	297 598	811 351
Postage and courier	65	2 330
Printing and stationery	211 920	422 099
Infrastructure Projects: New Electrical Infrastructure - Eskom	10 434 061	-
Repairs and maintenance	57 359 118	28 624 245
Security (Guarding of municipal property)	30 832 756	27 219 854
Software expenses	8 023 037	6 119 999
Staff welfare	253 412	380 515
Subscriptions and membership fees	2 033 313	1 952 796
Telephone and fax	1 727 934	1 616 355
Workman's compensation	1 117 067	541 555
Travel - local	3 215 187	2 623 176
Sewerage and waste disposal	607 613	20 423 834
Municipal services	22 441 113	21 237 689
Uniforms	471 250	535 977
Material and supplies	19 253 169	17 763 516
Motor vehicle licences	1 268 977	953 386
Town planning costs	241 304	-
Indigent relief	54 794	53 008
Water sample testing	984 037	843 630
Ward committee allowances	3 701 000	2 243 903
Water delivery services	20 466 810	17 486 368
Other expenses	582 440	10 473 932
	237 485 569	**205 473 689**

30 June 2023:

Operational projects for the financial period on behalf of Thembisile Hani Local municipality incurred by Nkangala District Municipality on the following projects disclosed under Other expenses::

Land audit	830 000	650 000
HIV Aids Campaign	60 046	38 114
Disastyer Management Awareness Campaign	43 798	58 584
MHS Education and Awareness	64 917	59 497
	998 761	**806 195**

Infrastructure Projects: New Electrical Infrastructure - Eskom:

Where a municipality is granted a 5B grant but does not have the licence to provide electricity, it is consructing the asset on behalf of Eskom. Therefore, once completed and electrified, the asset will be handed over to Eskom. Eskom would then be responsible for the operating and maintaining of the asset within the particular municipality's jurisdiction.

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Figures in Rand		2023	2022

30 June 2022:

Reclassificatio:n

Reclassification of Service charges on Rentals from bank charges allocated under Statement of Financial Performance (Expenses) to the Statement of Financial Position (Receivables) amounting to R3 480

Reallocation of Consulting and Professional fees - Outsourced services Printing - (EXPENSE vote) to Printing and stationery (EXPENSE vote) amounting to R47 639.

36. Gains or losses on consumed inventory

Gain or loss on irecognition of consumed inventory		28 562 584	22 037 824

37. Auditors' remuneration

Expenses		9 358 837	6 133 544

38. Cash generated from operations

Surplus		122 792 514	83 495 486
Adjustments for:			
Depreciation and amortisation	30	94 122 789	79 588 786
Gain/(Loss) on Property, plant and equipment derecognised		6 043 488	7 728 685
Inventories losses/write-downs		24 570 525	18 012 228
Interest charged on trade receivables		111 069 091	76 441 431
Debt impairment	32	248 515 309	241 059 843
Consumer debtors Amnesty written off	35	4 543 428	2 083 321
Donations received	27	(5 330 309)	(7 110 280)
Movements in retirement benefit assets and liabilities		(1 400 811)	2 069 708
Movements in provisions		1 287 004	24 586 508
Changes in working capital:			
Inventories		(935 844)	510 457
Receivables from exchange transactions		(12 925 481)	(6 469 349)
Consumer debtors		(261 428 632)	(185 858 486)
Statutory receivables		(5 459 345)	3 217 526
Payables from exchange transactions		14 180 157	58 589 382
VAT payable		7 944 341	10 250 987
Unspent conditional grants and receipts		1 150 000	-
		348 738 224	**408 196 233**



Notes to the Annual Financial Statements

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39. Commitments

Authorised capital expenditure

Already contracted for but not provided for		
Property, plant and equipment	227 614 257	162 024 857
Total capital commitments		
Already contracted for but not provided for	227 614 257	162 024 857

This committed expenditure relates to property, plant and equipment and will be financed by available grants, retained surpluses, existing cash resources and funds internally generated. The commitments disclosed amounts are VAT exclusive.

Operating leases - as lessee (expense)

Minimum lease payments due		
- within one year		
> Bidvest	-	1 280 676
> Databox	792 472	792 472
- in second to fifth year inclusive		
> Databox	858 512	1 254 748
	1 650 984	**3 327 896**

Operating lease payments represent rentals payable by the municipality for leased assets used in the day to day operations of the municipality. Leases are negotiated for an average term of seven years and rentals are fixed for an average of three years. Contingent rent is payable.

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40. Contingencies

Contingent liabilities:

Plaintiff	Detail	Amount claimed	
1. THLM/ Lawmark Consulting cc - Case nr: 70121/11	The contractor (Joint Venture between Lawmark and Casnans) was awarded the tender of VIP toilets in Cluster E. The municipality concluded a contract on the 24th March 2010. The contractor was unable to complete the work.	1 200 000	1 200 000
2. SAMWU abo Thutse Reinethine Mmantimo Case nr: JS436/15	Around 2012 the municipality advertised the position of the Senior Technician: Sanitation, interviews were conducted and appointments done. There were two appointments done while the vacant position was one. The plaintiff was the second best candidates and she was issued with an appointments. She was given an appointment on the 24th December 2012 and it was discovered by HR that her appointment was erroneously issued since it was one vacant position. The plaintiff was then informed telephonically of the mistake and a letter withdrawing her appointment was sent to her on the 28th December 2012. The plaintiff wants to be reinstated to the position and she also demands to be paid all the salaries she was would have received had the municipality not repudiated the contract	Amount not available	Amount not available
3. Mabapa Building Construction t/a Moriti School Uniform CC vs THLM Case nr: 623/16	On or about 7th August 2013 at Phola ParkKwaMhlanga, some employees of themunicipality negligently started fire ornegligently failed and/or omitted to contain thefire they started. The said fire burned downand destroyed the plaintiff's business premisesand other item	2 000 000	2 000 000
4. THLM vs Unlawful Occupiers of land at Empumelelweni; Verena; Zenzele; Phumula; Wolvenkop; Moloto South and Moloto North Case 2866/17 (Moloto South & North); Case 2932/17 (Wolvenkop); Case 2867/17 (Phumula);Case 2631/17 (Empumelelweni); Case 2632/17 (Zenzele); Case 2633/17 (Verena) Ndobela Lamola Attorneys	As from July 2017, the municipality received an enormous land invasion in the following areas: Empumelelweni; Verena; Zenzele; Phumula; Wolvenkop; Moloto South and Moloto North. The land invasion continued unabated even after two meetings which were held between THLM & Traditional Leaders on the 06th August 2017 and on the 08th September 2017, whereby it was agreed that there will be a moratorium on land allocation until a memorandum of understanding is signed between the two parties. The municipality was left with no option but to approach the High Court.	Amount not available	Amount not available

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5. MJ Magaela vs Minister of Police/ THLM and NPA Case nr: Case no 84342/17 North Gauteng High court	On the 5th of January 2018 summons were served wherein the Plaintiff claim against the municipality payment of an amount of R1 290 000.00 for damages he claims to have suffered due assault by the member of the Municipal traffic officers on the 15th of March 2016 at Kwamhlanga R573 near total garage. The municipality has filed its appearance to defend and also has filed notice in terms of Rule (34i). to which the Plaintiff must respond within 30 days.	860 000	860 000
6. Kosabo Elijah Masango & 4 others vs THLM Case no 62909/18 Ncongwane Attorneys	On the 29th August 2018, we received an urgent application wherein the applicant & 4 others wanted the High Court to set aside and rescind the Court Order that was granted in favour of the municipality on the 15th January 2016. The court order relates to the eviction of the unknown unlawful occupiers of portion 6 and remainder of the farm 617 KwaMhlanga JR	Amount not available	Amount not available
7. Dambuza Judas Mahlangu &others vs THLM Case no 3015/2019 Kubheka Siphesihle Attorneys	The municipality on the 22nd of June 2019 received an information that there was someone who is allocating sites illegally to the community of Tweefontein K. The municipality on the 25th June 2019 instructed Matlala Von Metzinger to obtain an interdict on an urgent basis in the Midddelburg High Court to stop the illegal activity. The necessary papers were drawn and the matter was set down for the 13th August 2019. On the 13th August 2019, the matter was struck off the roll, the court said the matter is not urgent and it must be removed from the urgent roll to the normal roll. The matter will be heard on the 20th January 2020. The matter was set down for the 08th February 2022 and the Court ordered: That the 1st and 2nd Respondents are hereby interdicted and restrained from unlawfully demarcating and allocating stands or structures on the plaintiff's immovable property farm Vlaklaagte 221 JR.	Amount not available	Amount not available
8. THLM vs Unlawful Occupiers of Portion 1, 22, 26 & 29 of the farm Hartebeestspruit 235 JR Moloto & Paul Phashushu Molomo Case no: 2182/2020 Ka-Mbonane Cooper Attorneys	The municipality experienced an enormous land invasion around Moloto North during the lockdown and it was left with no intention but to seek for interdict in order to stop this unlawful activities by members of the Community led by Mr Paul Phashushu Molomo. The municipality appointed the Ka-Mbonane Cooper Attorneys to apply for an interdict in order to stop the land grab and for eviction. The Interdict was granted by the Court and now the second phase is to evict the unlawful occupiers or the land grabbers	Amount not available	Amount not available

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9. THLM vs Phungo Incorporated Case no:4801/19 Kunene Ramapala Attorneys	The municipality received combined summons from Phungo Incorporated, whereby the plaintiff is suing the municipality for damages amounting to R534 479.06 arising from a dispute regarding payment for services rendered. The Plaintiff was appointed to investigate Unauthorised, Irregular, Fruitless and Wasteful Expenditure, identified by Auditor-General during the annual audits from 2012/2013 to 2017/2018 financial years. The Plaintiff was expected to investigate the matters and deliver the full report and to date he has not delivered the report.	534 479	534 479
10. THLM vs Unlawful Occupiers of the Farm KwaMhlanga 617 JR (Moloto South) Case no: To be provided as soon as the matter is enrolled Ka-Mbonane Cooper Attorneys	The municipality experienced an enormous land invasion around Moloto South around July/August 2021. It is alleged that the land invasion is led by the company called Jozi Homes. It is further alleged that the company promised to build 2000 houses at Moloto South. The company is owned by the lady called Amanda. The municipality was left with no option but to seek for interdict in order to stop this unlawful activities by the Jozi Homes. The municipality has appointed Ka-Mbonane Cooper Attorneys to apply for interdict and eviction of the unlawful occupiers or the land grabbers. Correspondence	Amount not available	Amount not available
11. Ndzundza Mabhoko Tweefontein K Tribal Council & Others vs THLM Case no: 561/22 Middelburg High Court Kubheka Siphesihle Attorneys	The municipality received a notice of motion from Ndzundza Mabhoko Tweefontein K Tribal Council & Others. The applicants seek to interdict the municipality from unlawfully and illegally demolishing their dwellings from portion 1,3,4 and 5 of the farm Vlaklaagte 221JR and from harassing and intimidating them. These people are the ones doing land invasion at Tweefontein K	Amount not available	Amount not available
13. License Plate Recognition (LPR)	License Plate Recognition served a letter of demand to Thembisile Hani Local Municipality, Demanding that we allow their client to collect equipment's owned by their clients and also alleging that THLM is in breach of the terms of the contract. It demanded that THLM immediately remedy the breach or it will litigate.	Amount not available	Amount not available

Contingent assets

Subsequent to the disciplinary hearing in respect of Under Banking DLTC, civil proceedings have commenced against the employees concerned to recover an amount of R4 446 328, (2022: R4 446 328). According to the DLTC Forensic Investigation Report the matter should be handed to Commercial Crime and Asset Forfeiture Unit as well as hawks as contraventions provide reasonable grounds for financial misconduct as far as revenue collection is concerned.

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Events after reporting date 30 June 2023

The case Piet Chilli VS THLM is an adjusting event as it was set down for hearing on the 15th of June 2023 and it was postponed to the 17th of July 2023. On the 17th of July 2023 the matter was removed from the roll.

The settlement received after the reporting date confirms that the entity no longer has a contingent liability as at 30 June 2023.

41. Related parties

Relationships

Accounting Officers	Mr DJD Mahlangu
Corporate Service Manager	Ms SA Nxumalo
Social Service Manager	Vacant
Chief Financial Manager	Ms JG Mahlangu
Development Planning Manager	Mr MS Tsebe
Technical Service Manager	Mr WM Mtshweni
Councillors	Thembisile Hani Local Municipality

The information required as per GRAP 20 paragraph 35(a) to (i) can be found in note 5 (Employee benefit obligations), 13 (Bonus provision), 14 (Leave provision), 28 (Employee related costs), 29 (Remuneration of councilors) and 47 (Councillor's in arrears) within the financial statements where relevant to the municipality.

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42. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Description of nature of the prior period error:

1. Reclassification of Service charges on Rentals (ASSET vote) from bank charges (EXPENSE vote) allocated under Statement of Financial Performance in 2021-2022 to Statement of Financial Position (Receivables) in 2022-2023 amounting to R3 480.
2. Reallocation of Service charges from Water (ASSET vote) billing to Sundry debtor Rentals (ASSET vote) amounting to R1 671.
3. Reallocation of Consulting and Professional fees - Outsourced services Printing - (EXPENSE vote) to Printing and stationery (EXPENSE vote) to the amount of R47 639.
4. Reclassification of Over/under banking (LIABILITY vote) to Sundry debtors: Rentals (ASSET VOTE vote) in 2022-2023
5. Correction of error in Over/Under banking transfered to Accumulated surplus 2019 and 2018 financial period to the amount of R437 881
6. Credit notes passed in respect of the farms not on the Valuation roll amounting to R3 077 439.
7. Reclassification (correction of incorrect mapping) Unauthorised, Irregular, Fruitless and wasteful (EXPENSE vote) to Sundry debtor (ASSET vote). amounting to R8 036.
8. Property, plant and equipment (PPE) - recognition of prior year derecognitionsamounting to R407 625.
9. Work in Progress item overstated in Roads Infrastructure allocated to EXPENSE - Repairs & maintenance amounting to R3 911 983
10. Reallocation of Councillors skills development levy (SDL) from Employee related cost to Councillors remuneration amounting to R179 919.
11. WIP Project expense reclassified as an operational expense amounting to R3 850 505 for 2020-2021 financial period.
12. Correction of prior year revenue not recognised on services and Interest not billed on Consumer debtors.
13. Correction of Consumer debtors Impairment due to interest not charged on Consumers.
14. Reclassification of Overpayments of creditors from Receivables from non-echange transactions to Receivables from exchange transactions amounting to R706 639
15 Reallocation of Trading licences under Other income to a new line item Licences and pernits amounting to R148 408.

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16. Reallocation of vote "Social Assistance:Grant In Aid" from Staff welfare to Grants and subsidies paid amounting to R199 600.

17. Bonus provision for 2021-2022 is understated amounting to R403 803.

18. Traffic fines impairment is understated to the amount of R2 513 998.

19. Correction of Under banking of R4 446 050 to Contingent Asset

20. Correction of Water inventory to the amount of R67 623..

21. Realoction between Property, plant and equipment items due to WIP corrections made.

* (The correction explanation is indicated with a number in brackets next to the item adjusted)

** As a result of prior period errors, the cash flow June 2019 was restated to reflect accurate figures.



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Statement of Financial Position

30 June 2022

	Note	As previously reported	Prior period error 2021-2022	Reallocation/ Reclassification	Restated 30 June 2022	Correction 2020 -2021 and older
Property, Plant and Equipment - Note 3		-	-	-	-	-
Land: General plant (8.)		530 928 854	(289 435)	-	530 639 419	-
Furniture and office equipment (21.)		1 729 325	-	32	1 729 357	-
Transport assets (21.)		38 821 840	-	(3)	38 821 837	-
Community Assets (8. & 21.)		204 362 882	(17 161)	(2 406 628)	201 939 093	-
IT Equipment (21.)		12 728 967	-	(3 956 861)	8 772 106	-
Sanitation Infrastructure (8. & 21.)		62 560 418	(17 782)	6 868 580	69 411 216	-
Storm water infrastructure (21.)		81 942 230	-	3 612 120	85 554 350	-
Solid Waste Infrastructure (8.)		70 971 677	(33 523)	-	70 938 154	-
Water Supply Infrastructure: Boreholes (8. 11. & 21.)		38 389 479	(49 725)	211 619	38 551 373	(3 850 505)
Water supply distribution		317 675 086	-	(19 966 765)	297 708 321	-
Water supply bulk mains (21.)		91 968 345	-	16 387 588	108 355 933	-
Roads infrastructure (WIP) (9. & 21.)		492 311 715	(3 911 983)	9 711 638	498 111 370	-
Pumpstations (21.)		224 201 783	-	(10 896 083)	213 305 700	-
Resevoirs (21.)		203 509 394	-	434 784	203 944 178	-
Inventory - Note 6		-	-	-	-	-
Water inventory (20.)		1 662 657	(67 623)	-	1 595 034	-

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Receivables from exchange Transactions - Note 7	-	-	-	-	-
Sundry Debtors - Rental (1.; 2. & 4.)	542 429	-	(34 680)	507 749	-
Under banking - DLTC (19.)	-	-	-	-	(4 446 328)
Water: Gross (2.)(12.)	919 184 409	21 427 452	(1 671)	940 610 190	-
Sewerage - Gross (12.)	16 412 494	7 661	-	16 420 155	-
Refuse - Gross (12.)	410 397 095	1 921	-	410 399 016	-
Provision for impairment of trade and other receivables (13.)	(1 609 046 844)	(18 310 478)	-	(1 627 357 322)	-
Unauthorised, Irregular, Fruitless & wasteful (7.)	-	-	8 036	-	-
Overpayments (14.)	-	-	706 639	706 639	-
Receivables from non-exchange transactions - Note 8					
Property rates: Gross (6.)	295 352 521	(3 077 439)	-	292 275 082	-
Overpayments (14.)	706 639	-	(706 639)	-	-
Traffic fines - Allowance for impairment (18.)	(33 517 095)	(2 315 998)	-	(35 833 093)	-
Provisions - Note 13					
Bonus provision (17.)	(8 226 182)	(403 083)	-	(8 629 265)	-
Payables from exchange Transactions - Note 14	-	-	-	-	-
Over/under banking (4 & 5.)	(437 881)	-	39 831	-	398 050
Accumulated surplus	-	-	-	-	-
Over/under banking (5.)	-	-	-	-	-
	-	**(7 057 196)**	**11 576**		
Total				**(7 045 620)**	**(7 898 783)**



Statement of Financial Performance

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	Note	As previously reported	Prior period error 2021-2022	Reallocation/ Reclassification	Restated 30 June 2022	Correction 2020 -2021 and older
Revenue from exchange transactions						
> Agency fees (5. &19.)		-	-	-	-	(4 048 278)
> Water (12.)		76 414 661	12 414 666	-	88 829 327	-
> Sewerage (12.)		1 890 529	7 661	-	1 898 190	-
> Refuse (12.)		36 036 792	1 921	-	36 038 713	-
> Licences and permits (15.)		-	-	148 808	148 808	-
> Other income - Trading licenses (15.)		1 176 853	-	(148 808)	1 028 045	-
> Interest received		74 754 833	9 012 786	-	83 767 619	-
Revenue from non-exchange transactions - Note 24						
> Property rates (6.)		55 144 559	(3 077 439)	-	52 067 120	-
Expenditure		-	-	-	-	-
> Employee related cost - SDL reallocation (10.)		(157 515 792)	-	179 919	(157 335 873)	-
> Councillors remuneration (10.)		(25 341 159)	-	(179 919)	(25 521 078)	-
> Depreciation (8.)		(79 596 249)	7 463	-	(79 588 786)	-
> Grants and subsidies paid (16.)		-	-	(199 600)	(199 600)	-
> Debt impairment (13. & 18,)		(220 433 366)	(20 626 476)	-	(241 059 842)	-
> Consumed inventory (20.)		(130 555 769)	17 964 493	-	(112 591 276)	-
> Inventories losses/write-downs (20.)		-	(18 012 228)	-	(18 012 228)	-
> Gain/(Loss) on Property, plant and equipment derecognised (8.)		(7 313 597)	(415 088)	-	(7 728 685)	-
> Finance cost		(8 036)	-	8 036	-	-

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> General expenses	-	-	-	-	-
> Bank charges (1.)	(411 550)	-	3 480	(408 070)	-
> Consulting and professional fees (3. & 11.)	(23 598 603)	-	47 639	(23 550 964)	(3 850 505)
> Water delivery services (20.)	(17 466 480)	(19 888)	-	(17 486 368)	-
> Repairs & maintenance (9.)	(24 712 250)	(3 911 983)	-	(28 624 233)	-
> Printing & stationery (3.)	(374 460)	-	(47 639)	(422 099)	-
> Staff welfare (16.)	(580 115)	-	199 600	(380 515)	-
> Other expense (17.)	(10 070 849)	(403 083)	-	(10 473 932)	-
		(7 057 195)	**11 577**	**-**	**(7 898 783)**
Total				**(7 045 618)**	**(7 898 783)**

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43. Risk management

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the municipality's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 30 June 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Current liabilities	**143 520 087**	-	-	-
- Payables and accruals	32 021 095	-	-	-
- Retention	4 119 618	-	-	-
- VAT payable	42 911 006	-	-	-
- Unallocated deposits	386 856	-	-	-
- Provisions	14 965 069	-	-	-
- Debtors with credit balances	16 500 687	-	-	-
- Unspent Conditional Grant	1 150 000	-	-	-
Non-current liabilities: Payables from exchange transactions	-	**6 886 716**	**29 689 150**	**486 448**
- Deposits received	-	-	-	486 448
- Retention	-	-	29 689 150	-
- Advance payments: Land & building	-	6 886 716	-	-
Non-current liabilities: Employee benefit obligations	-	-	-	**10 775 035**
Non-current liabilities: Landfill sites (Provisions)	-	-	-	**37 860 860**

At 30 June 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Current liabilities	**115 768 916**	-	-	-
- Payables and accruals	22 923 104	-	-	-
- Retention	2 245 988	-	-	-
- VAT payable	34 966 665	-	-	-
- Unallocated deposits	1 029 570	-	-	-
- Provisions	13 050 451	-	-	-
- Debtors with credit balances	7 726 118	-	-	-
Non-current liabilities: Payables from exchange transactions	-	**6 387 385**	**35 702 006**	**425 914**
- Deposits received	-	-	-	425 914
- Retention	-	-	35 702 006	-
- Advance payments: Land & building	-	6 387 385	-	-
Non-current liabilities: Employee benefit obligations	-	-	-	**11 199 000**
Non-current liabilities: Landfill sites	-	-	-	**39 916 205**

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Credit risk

Definition

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Components exposed to credit risk

Components exposed to credit risk include the following

* Cash deposits & cash and cash equivalents - risk that the municipality might deposits funds with the institution that are not approved by council and whose credit standing is questionable

* Trade debtors – possibility that the debtors might not pay the municipality on time exposing the municipality to liquidity problems.

Risk management process

* Deposits cash & cash and cash equivalents

The municipality only utilises registered major banks with high quality credit standing to curb the risk of potential losses on the funds deposited with the bank institutions

* Trade debtors

Trade receivables comprise a widespread of customer base. Management evaluates credit risk relating to customers on an ongoing basis taking into account the credit policy of the municipality which includes the following:

* risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	30 June 2022	30 June 2021
Cash and cash equivalents (Note 11)	185 395 570	132 257 576
Receivables from exchange transactions (Note 7)	43 639 338	30 713 967

Market risk

Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

44. Going concern

We draw attention to the fact that at 30 June 2023, the municipality had an accumulated surplus of R 2 513 051 420.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

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45. Fruitless and wasteful expenditure		
Opening balance as previously reported	4 589 341	11 481 598
Opening balance as restated	**4 589 341**	**11 481 598**
Add: Fruitless and wasteful expenditure - current	-	8 036
Less: Amounts recovered - prior period 2019-2020 and 2021-2022	(128 036)	-
Less: Amount written off - prior period 2020-2021	(39 413)	(6 900 293)
Closing balance	**4 421 892**	**4 589 341**

The municipality has appointed a disciplinary board to investigate the fruitless and wasteful expenditure. The investigation is concluded and therefore Council has written off fruitless and wasteful expenditure for 2020-2021 amounting to R39 413; for 2021-2022 an amount of R8 036 was recovered by the municipality, and for 2019-2020 an amount of R120 000 was recovered by the municipality.

In 2021-2022 the Council has written off Fruitless and wasteful expenditure for the period 2017-2018, 2019-2020 amounting to R6 900 293.f

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Expenditure identified in the current year include those listed below:			
	Disciplinary steps taken/criminal proceedings		
Eskom and Rand Water Bulk	Interest on late payments	-	365
Eskom	Indigents free electricity	-	7 671
		-	**8 036**

46. Irregular expenditure

Opening balance as previously reported	111 308 886	86 366 163
Add: Irregular Expenditure - current year	38 157 843	72 908 793
Opening balance as restated	**149 466 729**	**159 274 956**
Less: Amounts recoved- prior period 2019-2020	(17 200)	-
Less: Amount written off - prior period 2020-2021	(20 466 469)	(47 966 070)
Less: Amounts written off: 2021-2022	(72 908 794)	-
[Less: Amounts written off: 2022-2023	(36 520 303)	-
Closing balance	**19 553 963**	**111 308 886**

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Incidents/cases identified in the current year include those listed below:

	Disciplinary steps taken/criminal proceedings	Reason for transgression	Reason for transgression		
Spek Solution (Pty) Ltd	SCM Reg 42	Vehicle tracking		271 994	-
Oradimpho Trading Enterprise	PPR 4(2)	COIDA certificate belongs to another entity		1 365 546	-
Kgotso Mokone Traders	PPR 9(1)	Moloto Water Infrastructure		5 339 021	24 714 373
Jasino General Services	CIDB Reg 17	Construction of Mountain View (Simunye) Bus Route		-	5 157 896
Stickson General Services	SCM Reg 28(1)(c)	Construction of Entokozwniwater infrastructure-Phase 1		6 877 612	6 557 867
KJM Business Enterprice	PPR 9(1)	Upgrading Kwamhlanga Stadium		-	14 744 418
Zembeleni Transport	PPR 9(1)	Construction of Sheldon Water Infra Pipelines		6 604 262	5 446 009
DKPB Construction (Pty) Ltd	PPR 9(1)	Upgrading Mabhoko Water Infrastructure		9 713 156	6 795 140
Namasango Business Enterprise	PPR 9(1)	Construction of Entokozwniwater infrastructure-Phase 1		3 786 104	4 178 908
Ndiyase Transport and Projects (Pty) Ltd	PPR 8(2)	Work suits orange, Hats, clothing masks		-	173 695
EM Skhosi Trading (Pty) Ltd	PPR 8(2)	Safety boots, Water boots and Overalls		-	99 050
Lesedi Embellish Tours and Safari	PPR 8(2)	Safety boots, Water boots and Overalls		-	199 962
Kabau Holdings (Pty) Ltd	PPR 8(2)	OHS Committee Uniform		-	62 320
Bidvest Bank	SCM Reg 32	Rental of Fleet		4 200 148	4 779 156
				38 157 843	**72 908 794**

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Irregular Expenditure is calculated of VAT inclusive while the figure disclosed above have been presented exclusive of VAT, due to that the municipality has claim back the VAT amount from SARS during the 2022-2023 and 2021-2022 financial periods.

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Cases under investigation

The municipality has appointed a disciplinary board to investigate the fruitless and wasteful expenditure. The investigation is concluded and therefore Council has written off irregular expenditure for 2019-2020 amounting to R20 466 469, 2021-2022 amounting to R72 908 794 and 2022-2023 amounting to R36 520 303.For 2019-2020 an amount of R17 200 has been recovered by the municipality.

In the financial period 2021-2022 an amount of R47 966 070 was written off by Council for thefinancial periods 2017-2018, 2018-2019, 2019-2020.



47. Additional disclosure in terms of Municipal Finance Management Act

Audit fees

Current year subscription / fee	8 180 911	6 133 544
Amount paid - current year	(8 180 911)	(6 133 544)
	-	-

PAYE

Current year subscription / fee	25 862 073	24 933 323
Amount paid - current year	(25 862 073)	(24 933 323)
	-	-

UIF

Current year subscription / fee	767 990	771 323
Amount paid - current year	(767 990)	(771 323)
	-	-

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Pension and Medical Aid contributions		
Current year subscription / fee	33 084 342	31 668 080
Amount paid - current year	(33 084 342)	(31 668 080)
	-	-



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Councillors' arrear consumer accounts

30 June 2023	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Dube Tenboy Buttitjie	3 905	81 837	85 742
Gulube Lindiwe Kate	462	11 251	11 713
Jiyane Class Menzelwa	561	24 039	24 600
Kgomo Rose Martha	336	1 280	1 616
Khumalo Eliot Sunday	684	38 622	39 306
Mabena Thomas Lebandla	505	17 555	18 060
Mahlangu Godrey Nkosinathi	554	22 814	23 368
Mahlangu Steven Citha	333	1 101	1 434
Mahlangu Thabiso Klass	567	21 906	22 473
Mampuru Dipolelo Sinah	360	2 993	3 353
Maphoso Lucky Matlhats	37	3 048	3 085
Mnguni Nomvula Sister	313	377	690
Mokoena David Sello	339	1 402	1 741
Mokwena Augustine Renny	215	-	215
Mtshaise Bernard Vusi	513	18 567	19 080
Mtsweni Samuel Mazungwe	1 468	65 188	66 656
Nduli Masotja Petros Nduli	713	40 381	41 094
Nkosi Thabile Prunella	679	2 485	3 164
Ntuli Michael Vusi	335	1 169	1 504
Ntuli Mmelisizwe Terance	552	23 174	23 726
Nyalunga Xoloani Clement	525	20 364	20 889
Rampisa Motlalepule Sweetness	554	26 101	26 655
Sepogwana Moses Mmoisetsi	510	17 915	18 425
Shiburi Busisiwe Maria	1 431	74 129	75 560
Sibanyoni David Mabuzwa	561	22 922	23 483
Sithole Mkhululi Jacob	322	14 401	14 723
Skhosana Andries Mphatlalashan	527	19 453	19 980
Skosana Lindiwe Thembi	315	6 027	6 342
Skosana Vusimusi Vincent	366	3 249	3 615
Tshabangu Martha Lillian	343	1 762	2 105
	18 885	**585 512**	**604 397**

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30 June 2022	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Dhlamini Alicia Lebohang	13 697	19 466	33 163
Dube Tenboy Buttitjie	3 466	59 457	62 923
Gulube Lindiwe Kate	10 860	-	10 860
Jiyane Class Menzelwa	506	21 782	22 288
Jiyane Laza Elsie	296	443	739
Kgomo Rose Martha	894	595	1 489
Khumalo Eliot Sunday	18 722	18 478	37 200
Mabelane Margaret	294	4	298
Mabelwane Oria Mpheto	29 390	33 696	63 086
Mabena Thomas Lebandla	973	34 806	35 779
Madyingu Alexcious Sphiwe	309	1 044	1 353
Mahlangu Gideon	300	497	797
Mahlangu Godrey Nkosinathi	502	20 560	21 062
Mahlangu Moses Michael	11 308	16 995	28 303
Mahlangu Steven Citha	164	1 150	1 314

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Mahlangu Thabiso Klass	523	20 136	20 659
Makhwithini Theletjie James	310	1 159	1 469
Mampuru Dipolelo Sinah	334	2 678	3 012
Maphoso Lucky Matlhats	48	2 966	3 014
Mashaba Mqosh Paulus	408	8 111	8 519
Mashinini Thabisile Elsie	290	561	851
Masilela Toenkie Linah	308	995	1 303
Mathibela Emelinah Mavis	309	1 062	1 371
Mgayi Fikile Violet	526	24 537	25 063
Mhlanga Maggie Thandi	519	18 228	18 747
Mnguni Maria Qhubeni	290	435	725
Mnguni Nomvula Sister	164	491	655
Mnguni Zenaye Jantjie	499	19 457	19 956
Mnisi Sgaule Timothy	638	5 029	5 667
Mogoboya Samual Bongani	309	1 062	1 371
Mokoena David Sello	1 614	-	1 614
Mokolo Motalanyane Lucas	164	173	337
Mokwena Augustine Renny	580	-	580
Motaung Ntombi Miti	314	1 097	1 411
Motaung Ntombi Mitta	314	597	911
Motena Mitopi Andries	420	9 581	10 001
Msibi Vusi Amos	309	1 062	1 371
Mtshaise Bernard Vusi	490	17 370	17 860
Mtsweni Samuel Mazungwe	24 074	41 514	65 588
Nduli Masotja Petros Nduli	18 507	18 388	36 895
Ngoma Norman	256	17 730	17 986
Nkosi Thabile Prunella	1 715	914	2 629
Ntuli Michael Vusi	840	684	1 524
Ntuli Mmelisizwe Terance	499	20 768	21 267
Nyalunga Xoloani Clement	502	21 188	21 690
Rampisa Motlalepule Sweetness	499	22 913	23 412
Sepogwana Moses Mmoisetsi	471	16 361	16 832
Shiburi Busisiwe Maria	31 247	40 463	71 710
Sibanyoni David Mabuzwa	506	19 692	20 198
Sikosana M Obed	1 021	1 403	2 424
Sithole Mkhululi Jacob	2 051	12 638	14 689
Skhosana Andries Mphatlalashan	499	19 783	20 282
Skosana Dini Samson	955	14 210	15 165
Skosana Lindiwe Thembi	349	3 736	4 085
Skosana Vusimusi Vincent	311	1 189	1 500
Tshabangu Martha Lillian	315	1 407	1 722
	185 978	**640 741**	**826 719**

Supply chain management regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved/condoned by the City Manager and noted by Council. The expenses incurred as listed hereunder have been condoned.



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48. Deviation from supply chain management regulations

Paragraph 36 of the MFMA Act and regulations states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the accounting officer and includes a note to the annual financial statements.

Details of deviations – current year

Service description	Service providers	Justifiable reason for deviation	
CIGFARO Conference registration fees	CIGFARO	Sole Provider of services.	51 346
Insurance excess fee for TLB, Speaker and Mayor's vehicles' windscreen	PG Glass Bronkhorspruit	Impractical to follow the normal SCM process.	8 316
Registration fees for IMPSA Conference 2022	Institute of of Municipal People Practioners of SA	Sole Provider of services.	23 000
Roadworthiness tests on heavy motor vehicles	Eyethu Roadworthy Centre (Pty) Ltd	Sole provider of services.	23 400
Repairs and maintenance of heavy plant and machinery (HCD 563 MP)	BB Truck Middelburg	The truck had to be sent to the original manufacturer to resolve the defect.	59 185
Registration fees for Mr.D.J.D Mahlangu, Cllr. L.J.Dikgale and Cllr. L.M. Tshabangu,Cllr.	SALGA	Sole Provider of services.	10 000
Supply of fuel	Minozest	An emergency arrangement for the procurement was implemented.	5 627 555
Risk Management Training for T. Komane, S. Aphane, R. Maila, N, Kubheka and K. Mamabolo	The Institute of Risk Management South Africa	IMSRA sole providers of services	34 500
Repairs and maintenance of BELL equipment	BELL	Bell is the sole provider of services,	281 988
Radio slot for Mayoral Outreach Coverage on local radio station	Flare FM	Revenue enhancement campaign, therefore the only two local radio stations within Thembisile Hani municipality were approached to provide live reeds.	20 544
Radio slot for Mayoral Outreach Coverage on local radio station	Ikutani FM	Revenue enhancement campaign, therefore the only two local radio stations within Thembisile Hani municipality were approached to provide live reeds.	28 500
Radio slot for Mayoral Outreach Coverage on local radio stations	Ikwekwezi FM	Revenue enhancement campaign, therefore the only two local radio stations within Thembisile Hani municipality were approached to provide live reeds.	39 433
Registration fees: Dira Sengwe Conference	Dira Sengwe Conference	Impractical to follow SCM process for conference registration fees.	13 400
Registration fees	CIAGOL	CIAGOL sole Provider of services.	25 600
Registration fees for Mrs. J.G Mahlangu and Mr. R. Makhubele	CMAM South Africa	CMAM is the sole institution that provides the programme	14 500
			6 261 267

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Unaudited MFMA Section 125 (2)(e)

The following non-compliances were identified

- Non-compliance with Section 62(1) (d) of MFMA since irregular and fruitless and wasteful expenditure were incurred



ACTION PLAN

ACTION PLAN 2022/ 2023

Financial Year: 2022/2023

Audit outcome: Unqualified with findings

Audit Action Plan Status: All

Implementation Status: Not Yet Started|In Progress|Completed|Agreed Findings Addressed

MATTERS AFFECTING AUDIT REPORT						
Finding	**Finding Details**	**Root Cause**	**Recommendations**	**Responsible Person**	**Due Date**	**Action Plan**
Interest not billed on all accounts.	During the audit of Consumer Debtors, we noted that there are accounts which are being billed for services and have a positive closing balances, but the interest was not charged for the month of June 2023. # Account # Account Holder Month Balance as at 30 June 2023 Recalculated interest 1 1006291 PILUSA MD Jun-23 9077,73 49,8567 2 1009616 MOROPA E K Jun-23 488 018,76 19,76 3 6003305 MTSHWENI BUTI JEREMIAH Jun-23 9 135,21 54,72 4 6006965 THEMBISILE LOCAL MUNICIPALITY Jun-23 98 027,28 752,22 5 6007060 Jun-23 80 405,65 668,07 6 6007184 THEMBISILE HANI LOCAL MUNICIPALITY Jun-23 103 192,08 772,72	Inadequate review in the reconciliation of the interest billing data which led to incomplete levying.	Management should revisit the population to identify accounts which have not been billed and adjust the annual financial statements accordingly.	Oupa Ledwaba	30-Jun-2024	Accounts with debit balances which has not charged Interest have been identified. Debit notes for the two preceding financial years (2022 and 2023) including the current year (2024) will be passed. The identified accounts will be activated for further charging of interest.

ACTION PLAN

	7 6023636 PROVINCIAL GOVERNMENT OF THE P Jun-23 9 074,63 69,68 8 6023642 TRANSITIONAL LOCAL COUNCIL OF Jun-23 8 982,37 69,68 9 1023035 DR JS MOROKA MUNICIPALITY Jun-23 88321796,69 598106,6441 10 6031028 STEVEN SKHOSANA Jun-23 9 089,67 69,68 11 6031470 MR P NTULI Jun-23 79 693,19 580,84 12 6031841 ABRAM BALOYI Jun-23 8 948,66 69,68 TOTAL 601283,5381					
Municipality account statements not sent to customers on a monthly basis	Whilst performing walkthroughs for the controls on receivables from exchange pertaining to the monthly preparation and sending of customer statements/accounts, we identified the following: a) Management confirmed that they utilised emails to deliver customer statements on monthly basis for 2022-23 period. Furthermore, management procured the assistance of ward counsellors within the municipality to assist with delivering the customer statements to those customers that do not have email address. b) We looked at the evidence provided by management for the entire financial year of 2023, we noted that statements as demonstrated	Insufficient in-house delivering of invoices for the months, July 2022 to September 2023 and discontinuation of services rendered by the Post Office South Africa which contributed to a massive decline in delivering account statements.	• Management should institute adequate controls regarding the delivery of monthly. • Statements to account holders as a matter of urgency in order to assist in boosting up the revenue collection. Proper portfolio of evidence should be kept on monthly basis to justify the delivery of customer statements	Oupa Ledwaba	30-Jun-2024	Management has gone fully on an e-commerce service wherein the customers will be legible to view their statements on the municipal website upon registration into the system. The bulk SMS system is also another means of sending out of the statements and communication. For those which are underprivileged to can make use of the available account statements means, management will continue to

ACTION PLAN

	below were only handed over to the ward councillors, but no evidence was provided by management to confirm that the customer statements were delivered to the account holders.					issue out printed statements until such time the digitization is covering fully all the clients.
Risk Management Disclosure Included items which are scoped out.	During the audit of risk management disclosure in Note 42, it was noted that the following items which are scoped out were disclosed in that note: Description 2023 2022 Accrued leave pay 15 524 459,00 15 077 044,00 Employee benefit Obligation 1 320 492,00 1 982 000,00 Total 16 844 951,00 17 059 044,00	Lack update of the applicable and none applicable accounting policies on the AFS inline with the GRAP updates	Management should implement adequate monitoring and reviews to ensure that all amounts on the disclosure notes are casted correctly and ensure that the amounts are accurate. Management should adjust the AFS for the misstatements identified.	Richard Makhubele	30-Jun-2024	All figures disclosed on the quartley AFS will be cast on excel to prevent any numerical calculations errors
Inventory Valuation	1. Bulk purchases classification: During the audit of inventory (Water held for distribution) we noted that the water purchased (Bulk Purchase) was expensed when purchased at an amount of R147 162 735 and R130 555 769 for FY2023 and FY2022 respectively. Water purchased for THLM is inventory which is an asset that is held for sale or distribution in the ordinary course of its operations. Therefore, water purchased cannot be expensed at initial recognition, however it can expense subsequently when sold, exchanged or distributed.	Management oversight	Proper and thorough reviews on inventory valuation and disclosure should be conducted to ensure compliance with GRAP 12. Management should adjust the annual financial statements to ensure that the inventory disclosure note is compliant with GRAP 12.	Richard Makhubele	30-Jun-2024	The water purchases account has been corrected from an expense account to an asset account for accounting for bulk water purchases. Furthermore the correction was made to the subsequent inventory disclosure note on the AFS.

	THLM therefore needs to expense the water that was consumed through sale/distribution to the statement of financial performance not the water purchased since that is an asset (Inventory). The above resulted in the following misstatement on bulk purchase: Description 2023 2022 Bulk Purchase R 147 162 735,00 R 130 555 769,00 Inventory consumed FREE BASIC @ 6kl p/m (R79 613 798,40) (R79 613 798,40) Reticulated areas = 4kl/pm/consumer (R53 075 865,60) (R53 075 865,60) Business (3 Malls & Hospital) (R1 162 026,00) (R1 162 026,00) Municipal consumption (400 l/d for every 100m2 gross floor space) (R303 807,18) (R298 050,83) Unaccounted Consumption/Distribution Loss (R27 015 675,04) (R24 199 071,60) (R161 171 172,22) (R158 348 812,43) Total (R14 008 437,22) (R27 793 043,43) Furthermore, management should consider renaming the line-item bulk purchases to inventory consumed for fair representation of the financial statements.					

	2. Inventory disclosure note: Through the audit of the inventory disclosure note, we have noted that the THLM disclosure note does not separately disclose the amount of inventories recognized as an expense during the period.					
OTHER IMPORTANT MATTERS						
Finding	**Finding Details**	**Root Cause**	**Recommendations**	**Responsible Person**	**Due Date**	**Action Plan**
1. PPE - Expenditure incorrectly capitalised as work in progress asset.	The municipality has received Integrated National Electrification Programme (INEP) grant amounting to R12 000 000 from the Department of Minerals, Resources and Energy in the 2022/23 financial year. # Project Amount (Excluding VAT) 1 Electrification of Households in Moloto (Mafishane & DK) – Ward 2, 4 347 242,73 2 Electrification of Households in Magodongo – Ward 3 6 086 819,50 TOTAL 10 434 062,23 It was noted that the municipality capitalised these projects as work in progress assets in the annual financial statements instead of expensing the cost in the statement of financial performance. The municipality does not have control over	Management did not ensure that the costs incurred on projects relating to INEP are expensed and not capitalized.	Management should adjust the annual financial statements to reflect alignment with Accounting for Integrated National Electrification Programme (INEP) guide for GRAP.	Walter Mtshweni, Richard Makhubele	30-Jun-2024	All INEP expenditure is treated and disclosed as operational expenditure. And once the projects are completed they are handed over to Eskom for capitalisation and management.

	these projects in terms of GRAP 1 because the projects are being constructed on behalf of Eskom.					
The DTI was not notified of the successful bidder and the value of the contract.	During the audit of compliance with applicable laws and regulations it was noted that the municipality procured goods which falls within the designated sector production for local content and Department of Trade and Industry (DTI) was not notified of the winning bidder, the value of the award, The DTI was also not provided with copies of the contract together the winning bidder's MBD 6,2 certificate and The bidding documentation did not stipulate that the rates of exchange quoted by the bidder in the Declaration Certificate (MBD 6.2) will be verified. # Name of supplier Tender number Goods procured Value of award 1 Tshwele Logistics THLM/SCM05/2022-2023/WS01/WP1 Mathyzensloop to Kwaggafontein booster pump station – Civil works 17 604 796 2 Mbako Projects and trading CC THLM/SCM05/2022-2023/WS01/WP2 Mathyzensloop to Kwaggafontein booster pump station – Mechanical works 18 828 409 3 Sheila and Katlego Construction and projects THLM/SCM03/2022-23/RS02 Construction of Mountain View (Mandela drive) Bus route 17 146	Failed ensure compliance with applicable laws and regulations on procurement of goods and services in relation to local content.	Management should ensure that proper internal controls are implemented to ensure that the requirements of Local Content and Production are complied with. The controls could include introducing a compliance check list that will be specific to Local Content and Production	Lydia Sehlako	30-Jun-2024	Management will report all projects affected by local content which the municipality appointed from the 1st of July 2022 to 15th January 2023 only due to the amendment of Preferential Procurement Policy Framework Act, 2000, Preferential Procurement Regulations of 2022. The minister has excluded local content in the Preferential Procurement Regulations of 2022. Therefore, local content was no longer applicable from the 16th of January 2023.

	730 4 TOBC Integrations THLM/SCM04/2022-23/RS03 Construction of Zakheni Bus route 10 244 938 5 Salarefeloe Trading Enterprise THLM/SCM06/2022-2023/SF01 Upgrading of Kwaggafontein Stadium 29 100 487 6 Esinenhlanhla Logistics and Projects THLM/SCM01/2022-2023/RS05 Panel of contractors for routine road maintenance as and when required for a period of 36 months 7 947 553 7 MFTP Snappy JV THLM/SCM08/2022-2023/RS01 Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile Hani Local Municipal for a period of three (03) years as and when required 6 947 672 8 Oradimpho trading enterprise THLM/SCM01/2022-2023/RS05 Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile Hani Local Municipal for a period of three (03) years as and when required 2 854 951 9 Irhalane construction THLM/SCM08/2022-2023/RS01 Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile Hani Local Municipal for a period of three (03) years as and when required 5 661 425					

ACTION PLAN

	10 Kuye Trading THLM/SCM08/2022-2023/RS01 Appointment of a panel of contractors for rehabilitation of road infrastructure for Thembisile Hani Local Municipal for a period of three (03) years as and when required 5 562 613 11 Zondiwe Construction - THLM/SCM01/2022-2023/RS05 THLM/SCM01/2022-2023/RS05 Panel of contractors for routine road maintenance as and when required for a period of 36 months 5 673 228 127 572 802					
Differences identified between final budget amount per statement of comparison of budget and actual amounts and the approved adjusted budget.	During the audit of the statement of comparison of budget and actual amounts, we identified a difference between the final budget amount reported on the statement and the final approved adjusted budget amount for the following line items: Line item Final budget amount per statement Final budget amount per approved adjusted budget Difference Lease rentals on operating lease (R5 400 000) 0 (R5 400 000) Amnesty written off (R3 005 496) 0 (R3 005 496) TOTAL DIFFERENCE (R8 405 496)	Lack review of the final budget amount per statement of comparison of budget and actual amounts against the approved adjusted budget	Management should implement adequate controls to ensure that there is appropriate and accurate support the reported information in the annual financial statements. Management should make the necessary adjustment on the statement of comparison of budget and actual amounts.	Josta Moyo	30-Jun-2024	The unit will ensure that the the figures captured on the AFS are figures that are balancing to A or B Schedule(s) for budget approved by the council under Table A4 or Table B4, also ensure that when disclosing the GRAP compliance the figures are balancing back to mSCOA
Transactions disclosed as deviations without meeting	During the audit of deviations disclosure note in the financial statements, we note that the municipality procured a service through a deviation which did not meet any of the	None adherence to the procurement plan of the municipality, and	Management should implement adequate controls to ensure that all Supply Chain	Lydia Sehlako	30-Jun-2024	Adequate controls to ensure that all Supply Chain Management regulations are adhered to and that

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the criteria for a deviation.	preconditions for a deviation. Please see the transactions below: Appointed Contractor Description of Service Date Amount Spek Solutions (Pty) Ltd Monthly subscription and reactivation fees for three months. 28/11/2022 232 307,10 Spek Solutions (Pty) Ltd Vehicle tracking monthly fee 14/02/2023 39 687 Total amount 271 994,10	supply chain management regulations	Management regulations are adhered to and that deviations transactions are in line with SCM regulation 42. Management should make the necessary adjustment to their irregular expenditure register and adjust the deviations disclosure note.			deviations transactions are in line with SCM regulation 42 Is implemented. We are starting the procurement process 6 months before the end of the contract
Employee benefit obligation for long service awards is not complete and correctly valued	During the audit of employee benefit obligation: long service awards, when testing the input data that was utilised by the management experts to calculate the provision, we identified difference between the total number of employees who qualifies for the long services award as per the employee listing received from THLM and managements expert report. For summary on the differences noted refer to the table below: Description Number Number of employees as per management expert report 364 Number of employees as per THLM listing received for audit 374 Difference -10 Through discussions with management's expert,	Management falied to review final report from Actuary/ service report	Proper and thorough reviews on expert's reports should be conducted to ensure completeness and accuracy of the employee benefit obligation presented and disclosed on the annual financial statement.	Nnesana Matladi, Kholofelo Mabuela	30-Jun-2024	Management to do proper reviews on expert's reports to ensure completeness and accuracy of the employee benefit obligation presented and also to disclose on the annual financial statement.

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	it was confirmed that an incorrect number of employees was used to provide for the long service awards. The managements expert quantified the new amount of employee benefit obligation to be R12 095 527(amount as disclosed on the AFS submitted for audit: R11 780 189)					
Inappropriate disclosure of an attorney on the annual financial statements	Upon inspection of the Contingencies note 39 in the 30 June 2023 AFS, Ndobela Lamola was still listed as the attorney representing the municipality in the THLM vs Unlawful Occupiers of land at Empumelelweni; Verena; Zenzele; Phumula; Wolvenkop; Moloto South and Moloto North case although their contract lapsed in the previous financial year.	Proper assessment of the Contingent Liability Register	Management should adjust the annual financial statements to: Exclude Ndobela Lamola Attorneys as the attorney on the THLM vs Unlawful Occupiers of land at Empumelelweni; Verena; Zenzele; Phumula; Wolvenkop; Moloto South and Moloto North case.	Judas Skosana	30-Jun-2024	Regular assessment of the Contingent Liability register in line with the submission for AFS
Misclassification of Receivables - underbaking	During the audit of Receivables from exchange transactions – Underbanking. We noted that the DLTC Underbanking was not assessed in the current year for whether the classification of receivable was still relevant. As at 30 June 2023, the municipality was uncertain as to who is the debtor for the under banking and as the matter is still under investigation. The money refundable to the municipality is	Management failed to follow-up on items with no movement during the financial period under review.	Management should adjust the annual financial statements to reclassify the receivable to a contingent asset disclosure as per GRAP	Nolien Van Staden, Jessica Mahlangu	30-Jun-2024	To ensure that the disclosure of Contingent assets will be on the 6 months AFS ended 31 December 2023, however any progress/follow-up on this matter regarding the fraud case will have to be disclosed on future Annual l Financial Statements (AFS).

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	dependent on the outcome of the investigation and therefore a contingent asset should be raised.					
Receivables - Difference between General ledger (GL), Trial Balance (TB) and Annual financial Statements (AFS) .	During the audit of receivables, we noted differences between the trial Balance (TB), general ledger (GL) and submitted annual financial statement. The differences are indicated below. 1. Trial Balance vs Annual Financial Statements a) Consumer debtors Description Trial Balance (Net Amount) AFS (Net Amount) Difference Consumer Debtors- Water -744 728 432,40 27 967 382,00 -772 695 814,40 Consumer Debtors-Sewerage 17 587 475,73 507 247,00 17 080 228,73 Consumer Debtors- Refuse 432 424 894,87 12 491 585,00 419 933 309,87 Consumer Debtors - Property Rates 342 371 968,18 8 992 559,00 333 379 409,18 Total 47 655 906,38 49 958 773,00 -2 302 866,62 b) sundry debtors – Rentals Description Trial Balance AFS Difference sundry debtors - Rentals 929 244,41 582 275,00 346 969,41 Total 929 244,41 582 275,00 346 969,41	Oversight in ensuring that a full review is performed in ensuing that the three source documents (GL, TB and AFS) agree prior submission.	Management should involve the Munsoft service provider in ensuring that the MSCOA, GRAP and MFMA legislation are implemented without conflict.	Oupa Ledwaba	30-Jun-2024	Management has made an undertaking to ensure that the necessary processes are followed and available controls are adhered to ensure that the Consumer Debtors are balancing in comparison to the Trial Balance and alternatively the General Ledger so that information which is to be used for the Financial Statements purpose is accurate and complete. Monitoring and review on the matter will be done consistently.

ACTION PLAN

	2. General ledger vs Annual Financial Statements a) Consumer debtors Description General ledger (Net Amount) AFS (Net Amount) Difference Consumer Debtors- Water -744 728 432,40 27 967 382,00 -772 695 814,40 Consumer Debtors-Sewerage 17 587 475,73 507 247,00 17 080 228,73 Consumer Debtors- Refuse 432 424 894,87 12 491 585,00 419 933 309,87 Consumer Debtors - Property Rates 342 371 968,18 8 992 559,00 333 379 409,18 Total 47 655 906,38 49 958 773,00 -2 302 866,62 b) sundry debtors – Rentals Description General ledger AFS Difference sundry debtors - Rentals 929 244,41 582 275,00 346 969,41 Total 929 244,41 582 275,00 346 969,41					
Differences between notes 42 and 14	During the audit of note 42 (Risk Management), it was identified that the amount of non-current liabilities(Advance payments: Land) disclosed on the note does not agree with the amount disclosed on the face of the annual financial statements. Amount as per note 14 Amount as per note 42	Management failed to ensure completeness and accuracy on all Statements versus the Notes to AFS	Management should implement adequate monitoring and reviews to ensure that all amounts on the disclosure notes agrees to the face of the annual financial statements.	Nolien Van Staden	30-Jun-2024	This audit finding on the incorrect amount disclosed in Mote 43 ,Risk management, in respect of Advance payments on Land held for sale was because of management not reviewing the completeness and accuracy of the Annual

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	Difference R 6 886 716,00 R 6 387 385,00 R 499 331,00					Financial Statements (AFS) on time before submitting to NT and AGSA . Management together with the Assistant Manager AFS and VAT have to ensure that with any submission of AFS's all amounts disclosed in the notes of the AFS can be traced back to the General Ledger closing amounts. and to the face of the Statement of Financial Position (Balance sheet) and Statement of Financial Performance.(Income statement).
Misstatements identified in the Property, Plant and Equipment Note.3	During the audit of Property, Plant and Equipment Note no.39 disclosed in the annual financial statements for the year ended 30 June 2023, it was noted that there were discrepancies when casting the balances for certain classes of assets for the 2022/23 financial year and some of the comparatives. Furthermore, there were issue identified regarding use of revaluations when assets are carried at cost less accumulated depreciation and any impairment losses. The table below illustrates the extent of	Management did not review and monitor compliance with GRAP 17	Management should implement adequate monitoring and reviews to ensure that all amounts on the disclosure notes are casted correctly and ensure that the amounts are accurate. Further, ensure that the words used in the notes of the financial statements are consistent with the	Nolien Van Staden, Richard Makhubele	30-Jun-2024	All figures disclosed on the quartley AFS will be cast on excel to prevent any numerical calculations errors

	misstatements that have been identified and the line items affected: (i). Reconciliation of property, plant and equipment - 30 June 2023 FAR including WIP allocations Class of asset Closing balance as per AFS (Note no.3) Auditors Recalculation of closing balance Difference IT equipment 7 639 245 11 596 169 3 956 924 Community assets 197 821 163 200 770 563 2 949 400 Solid waste 69 108 262 65 257 757 -3 850 505 Storm water 97 996 016 82 798 727 -15 197 289 Water network - Boreholes 33 189 826 40 926 843 7 737 017 Sanitation Infrastructure 60 955 947 54 087 369 -6 868 578 Roads Infrastructure 526 355 947 527 247 798 891 851 Water Supply Distribution 416 614 427 385 389 497 -31 224 930 Water Supply Bulk Mains 75 596 541 109 422 521 33 852 980 Pumpstations 204 890 842 215 786 929 10 896 087 Reservoirs 198 556 384 195 439 278 -3 117 106 (ii). Reconciliation of property, plant and equipment - 30 June 2022 FAR including WIP allocation		accounting policy. Management should adjust the AFS for the misstatements identified.			

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	Class of asset Closing balance as per AFS (Note no.3) Auditors Recalculation of closing balance Difference Solid Waste 67 087 649 67 087 132 -517 Sanitation Infrastructure 62 542 636 62 543 157 521 Reservoirs 203 509 390 203 474 806 -4 584 (iii). Reconciliation of property, plant and equipment - 30 June 2022 FAR Class of asset Closing balance as per AFS (Note no.3) Auditors Recalculation of closing balance Difference Reservoirs 203 509 390 203 474 806 -34 584 (v). Reconciliation of property, plant and equipment - 30 June 2022 FAR including WIP and PPE note The 2022 balances of the following classes of assets in the reconciliation including WIP were not correctly carried over to the PPE note. Please below: Class of asset Closing balance as per PPE Note (Note no.3) Amount per reconciliation including WIP 30 June 2022 Difference Water network - Boreholes 38 339 751 42 190 260 -3 850 509 Solid waste Infrastructure 70 938 154 67 087 649 3 850 509					
Disclosure of halted construction or	During the audit of Property, plant and equipment note it was noted that management did not indicate whether any impairment losses	None adherence in line with the disclosure	Management should ensure that the disclosure in the annual	Richard Makhubele, Nolien Van Staden	30-Jun-2024	A disclosure note has been added on the AFS template to address any impairment

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development of PPE	have been recognised in relation to the halted construction or development of PPE, in line with the disclosure requirements of GRAP 17.	requirements of GRAP 17	financial statements in terms of GRAP 17 is complete and indicate whether there were any impairment losses in relation to construction or development of items of PPE.			on halted projects, and will be updated on the quarterly, mid-year and annual financial statement
Inconsistencies in the amount presented and disclosed for depreciation amortisation	During the audit of Depreciation and amortisation, it was noted that there were inconsistencies in terms of the amount that should be presented and disclosed as Depreciation and Amortisation in the annual financial statements. Refer to the table below: AFS Line item Amount per Statement of Performance Amount on per note 30 Amount per PPE and Intangible Asset notes i.e. no. 3 and 4 Depreciation and amortisation 94 122 789 94 208 685 94 128 685	Failed to review that the depreciation amount disclosed on the face of the AFS is the same as in the disclosure note	Management should implement adequate monitoring and reviews to ensure that all amounts on the disclosure notes agrees to the face of Annual financial statements and other disclosure in the annual financial statements. Management should adjust the annual financial statements to reflect the correct amount for Depreciation and Amortisation.	Nolien Van Staden, Richard Makhubele	30-Jun-2024	Management will review all quarterly, mid-year and annual financial statements to ensure that all the disclosures notes agree with the face of the Annual Financial Statements.
Misstatements identified in the Property, Plant and Equipment	During the audit of Property, Plant and Equipment, we selected a sample of movable assets from the fixed assets register (FAR) for physical verification in order for the audit team to obtain reasonable assurance over their	Management did not implement adequate monitoring and reviews of the	Management should revisit the entire population of movable assets and ensure that the details of the assets	Richard Makhubele	30-Jun-2024	Monthly reviewal of the additions on the movable assets to ensure the

	existence and the fixed asset register is the underlying record of all assets that the entity has control of and we use this as a basis for all asset verification. During the physical verifications, we started the existence test using the traditional approach which is to trace the asset recorded on the fixed asset register to the floor using the asset's asset bar code number. However, we were unable to physically verify the assets using this approach due to the following reasons: 1. The assets were not tagged/ did not have a bar-code attached to them as assigned in the fixed asset register. 2. The asset selected from the fixed asset register did not match the description of the asset verified. 3. For the assets that were not tagged, neither using the asset tags nor handwritten asset numbers, there is also no other unique identifying attribute such as serial numbers and name of the asset for the auditor to verify the asset. The following table depicts the assets that could not be verified:	movable assets register	recorded on the FAR matches the physical items on the floor. Management should bar code assets to allow for identification of assets in terms of the Asset Management Procedures Manual. Management should adjust the AFS for the misstatements identified.			barcodes align with the asset register

	(i) Assets could not be verified as a result of the fixed asset register not having enough details or assets bar coded. 1 Bar code Asset description Other details Value of asset 1 TBA Storage Msa (Server Storage) No other details included in the FAR R 146 307,35 2 TBA UPS No other details included in the FAR R 91 209,48 (ii) Asset could not be verified as the bar code was attached to an item not matching the description in the fixed asset register 2 Bar code Asset description per FAR Description General per FAR Value of asset Details per verification 1 12705 Laptop CND32611ZL R 38 585,12 High back office chair The impact of finding under (i) and (ii) is an overstatement of assets projected at R 1 458 839,53. (iii) The assets were not barcoded in line with the asset management procedures manual. 3 Bar code Asset description Other details Value of asset 1 TBA Speed measuring camera No other details included in the FAR R 157 142,86 2 TBA Handheld Measuring device and printer No other details included in the FAR R 69 925					

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Misstatements identified in the Prior Error Note	During the audit of Prior Period Note no.41 disclosed in the annual financial statements for the year ended 30 June 2023, it was noted that there were reclassification of cost capitalised to WIP and based on the on audit work done these costs were incurred in the 2020/21 financial year. However, these cost were added to the prior year General Expenses figure, instead of decreasing the opening accumulated surplus for the 2021/22 financial year. The table below illustrates the expenses and dates they were incurred: Date Supplier Details Invoice number Amount Excl VAT 2021/03/31 SML Projects Preliminary and general, boreholes inspection and reporting 1 2 597 054,09 2021/06/22 SML Projects Preliminary and general, boreholes inspection and reporting 2 754 650,00 2021/06/25 AVPP Industries Geohydrological Assessment and reporting 67 498 801,00	Inconsistent application of gross and net amounts when calculating the prior period error adjustment.	Management should implement adequate monitoring and reviews to ensure that all amounts on the disclosure notes are allocated to the correct accounts/line items.	Richard Makhubele, Nolien Van Staden	30-Jun-2024	Management will ensure that prior year corrections are disclosed in the correct financial year which they relate to, and it will be updated quarterly, mid-year and annual financial statements
Misclassification of service charges	During the audit of note 41 (Prior- year adjustments) revenue from exchange and non-exchange transaction, it was identified that service charges including water, sewerage and refuse was incorrectly classified as revenue from non-exchange transaction instead of revenue exchange transaction.	Management failed to ensure completeness and accuracy of the AFS - Statements versus Notes to the AFS.	Management should reclassify water, sewerage and refuse into the right financial statements line item under note 41 to	Nolien Van Staden	30-Jun-2024	Management together with the Assistant manager AFS and VAT needs to ensure that all disclosure notes in the AFS can be traced back to the general ledger closing balances and to the Statement of Financial

			revenue from exchange transaction.			Position (Balance sheet) and Statement of Financial Performance (Income statement) before submitting to NT and AGSA, Management neglect the reviewing of the AFS because of time strains during the preparation and finalisation of the AFS due to not performing reconciliations on a monthly basis. Assistant manager on AFS and ATt has to ensure that there are monthly reconciliations on all votes in the General ledger. Any differences need to be followed-up before closing off the financial system in the following month., this will ensure that come year-end management will have more time to review the AFS for completeness and accuracy. on the notes and disclosure notes in the Annual financial statements.
Differences identified in the	During the audit of the reportable segments, we noted differences between the amounts reported	Management failed to ensure	Management should implement adequate	Nolien Van Staden	30-Jun-2024	Assistant manager AFS & VAT need to ensure that the

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reportable segments line items.	in the report and the actual amount per statement of financial performance and statement of financial position as follows: The following are the total amounts inaccurate on the reportable segments: Statement of financial performance differences Report line item Amount recalculated by auditor per report Amount per statement of financial performance Difference Expenditure other R633 056 678 R632 067 128 R989 550	completeness and accuracy of Segmental statements	controls to ensure that the information reported on in the reportable segments is accurate and consistent with other information in the annual financial statements. Management should make the necessary adjustment on the reportable segments to ensure they are accurate and consistent with other information already presented in the annual financial statements.			information in the reportable sentimental statements reconciles back to the surplus/(deficit) for the reporting period under review and all columns adds up.
Provision for service bonus not estimated accurately	During the audit of provision for bonus, we noted that the municipality did not take into account the salary increase for the 2023/24 financial year which will also affect the comparative. Provision opening balance – 2022 year - end provision Item Recorded amounts (R') Annual increase 2022 Audit Amount (R') Difference (R') Opening balance (2022 provision) 8 226 182 4,9% 8 650 033 403 082 Provision made during current year – Closing balance 2023	Management failed to ensure that salary increase percentage was calculated on the provision for bonus.	Management should implement adequate controls to ensure that the provision for service bonuses is estimated accurately.	Nnesana Matladi	30-Jun-2024	Management need to ensure that calculattion on the provision for bonus is complete and accurate on the Financial statements

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	Item Recorded amounts (R') Annual increase 2023 Audit Amount (R') Difference (R') Current year provision (2023) 9 010 362 5,4% 9 496 921 486 559					
1. Inventory Valuation	During the audit of inventory (Water held for distribution), difference between the number of kilolitres billed in terms of the invoices and THLM meter readings were noted as follows: Rand Water Rand Water Date THLM Schedule KL per the invoice Differences in KL Jul-22 992 529,00 1 025 759 - 33 230,00 Aug-22 992 587,00 1 025 467 - 32 880,00 Sep-22 985 634,00 985 810 - 176,00 Oct-22 984 932,00 984 853 79,00 Nov-22 983 414,00 1 016 476 - 33 062,00 Dec-22 1 020 888,00 1 021 192 - 304,00 Jan-23 1 014 885,00 952 551 62 334,00 Feb-23 915 485,00 909 959 5 526,00 Mar-23 885 421,00 954 826 - 69 405,00 Apr-23 856 303,00 887 706 -31 403,00 May-23 873 358,00 965 665 - 92 307,00 Jun-23 977 135,00 977 135 - Total 11 482 571,00 11 707 399 - 224 828,00 City of Tshwane City of Tshwane Date THLM Schedule KL per the invoice	Management did not ensure that an accrual is recognized for the consumed but not yet invoiced.	• Management should consider raising an accrual on the under billing of city of Tshwane. • Management should consider following the instructions received from the supplier on how the meter reading reports should be read and update the valuation of inventory accordingly.	Richard Makhubele, Walter Mtshweni	30-Jun-2024	Assets and Technical services will review and reconcile the invoices from Rand Water and City of Tshwane on a monthly basis to ensure that the litres paid for are what has been received.

	Differences in KL Jul-22 5 500,00 5 500,00 - Aug-22 117 500,00 117 500,00 - Sep-22 600,00 600,00 - Oct-22 141 700,00 172 500 Nov-22 138 200,00 107 400,00 30 800,00 Dec-22 78 400,00 78 400,00 - Jan-23 154 400,00 154 400,00 - Feb-23 42 900,00 13 828,50 29 071,50 Mar-23 43 000,00 43 000.00 Apr-23 17 900,00 17 900,00 - May-23 76 700,00 71 300,00 5 400,00 Jun-23 71 435,00 48 800,00 22 635,00 Total 888 235,00 615 628,50 87 906,50 Through discussion with management, it was noted that the City of Tshwane billing was understated when compared to the meter readings that were independently done by THLM. Furthermore, this was queries with City of Tshwane and no adjustments were subsequently made to the billing (Invoices). While Rand water billing was queried, a directive was provided to management on how to read the meter readings properly. Therefore, the meter readings done by management were overstated based on how the meter readings report was interpreted by management. Auditors were also not able to confirm the value					

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	of the water purchased from city of Tshwane for the month of October 2022 and March 2023, since the invoices for these two months were not submitted for audit.					
COIDA certificate submitted belongs to other companies.	When inspecting the bid returnable document for tender number THLM/SCM20/2022-2023/RS05 and THLM/SCM01/2022/QRS01, we noted that the COIDA submitted by The SNP group (Pty) Ltd and Oradimpho trading enterprise belong to other companies. When verifying the COIDA certificate on department of labour website we had identified that the numbers on the certificate belongs to other companies. The number on The SNP group (Pty) Ltd, 2020168096 belongs to Mu Isreal farmland and the number on Oradimpho trading enterprise, 2021045801 belongs to Dumeleng Transport and construction.	Non-compliance with PPR 5(6)	Management should ensure that all bidders who did not meet the minimum score are disqualified to ensure fairness and equity in the procurement process.	Lydia Sehlako	30-Jun-2024	Management will verify all appointed panel contractors and service providers where COIDA certificate was a compliance requirement on website of the department of labour. The target is to start with the projects appointed in the second quarter of the financial year namely : 1.Appointment of a contractor for the construction of Mountainview (Mandela Drive) bus route-Phase 2 2.Appointment of a contractor for the construction of Mathyzensloop to Kwaggafontein Booster Pump Station (Mechanical Works) 3.Appointment of a contractor for the construction of Mathyzensloop to Kwaggafontein Booster

						Pump Station (Civil Works) 4.Appointment of a contractor for the construction of Zakheni bus route (Ward 04) 5.Upgrading of Kwaggafontein stadium phase 1 6.Appointment of a panel of routine road maintenance in all Thembisile Hani Local Municipality wards, as and when required for a period of 36 Months Furthermore the municipality will no longer issue allocation letters to the contractors identified by auditor general and verify all the panel if some had submitted fraudulent COIDA the user department will be notified so that they don't issue allocation letters further . Communication will be share with the user department not to issue allocation letters to the

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						following suppliers from the 2nd of December 2023 namely SNP group (Pty) Ltd and Oradimpho trading enterprise THLM/SCM20/2022-2023/RS05 and THLM/SCM01/2022/QRS01. Lastly the termination letter will be issued to the service providers.
Debt Impairment accuracy	During the audit of debt impairment, it was noted that the impairment for traffic fines for the prior year balance was not assessed and recalculated for the current year period to determine how much need to be provided for as required by paragraph 9.3.1 of the THLM credit control and debt collection policy and GRAP 104. Management brought forward the impairment from FY2022 to be the impairment for FY2023.The above have the following impact on the impairment calculation: Description AFS Auditor's consideration Difference Traffic Fines-Impairment R36 348 157 R38 855 663,73 -R2 507 506,73	Incomplete application of the impairment on Traffic Fines on all the previous years consistently.	Management should revisit the calculation of debt impairment for traffic fines to ensure that its accurate. Adjustment should be made on the disclosure note of debt impairment and statutory receivables	Oupa Ledwaba	30-Jun-2024	Adjustment of the Impairment of the Traffic Fines on considering the closing Opening Balances for both financial years has been made and the AFS corrected accordingly on the post-audit.
1. Adjusting Events for	During the Audit of Contingent Liabilities, it was noted that the case Piet Chilli VS THLM was set down for hearing on the 15th of June 2023 and it was postponed to the 17th of July 2023. On the	Lack of Proper disclosure	Management should adjust the annual financial statements to: Include a Note to the	Judas Skosana	30-Jun-2024	Proper assessment of Contingent Liability Register

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Contingent Liability	17th of July 2023 the matter was removed from the roll. According to GRAP 14 paragraph 08, this is an adjusting event as the settlement received after the reporting date confirms that the entity no longer has a contingent liability as at year end. We noted that the Municipality did not adjust for this adjusting event after the reporting period as required by GRAP 14.		Annual Financial Statements relating to Events after the Reporting Date, stating that there has been an adjusting event in relation to contingencies.			in line with GRAP requirements.
Contract extended after the expiry date of the initial contract	The Municipality initially entered in to contracts with various contractors, then later extended the contracts after they had already expired, this is in contravention of the Municipal policy and MFMA. The contracts below bear reference. Count Contractor Description Contract start Expiry Extension 1 Vuxaka Consulting Engineers Panel of consulting engineering firms for the implementation of building and recreational facilities projects for a period of 36 months(Thembalethu Bus Route) 25-Sep-19 24-Sep-22 27-Feb-23 2 SML Projects Panel of consulting engineering firms for the implementation of water projects projects for a period of 36 months(Construction of Entokozweni water infrastructure water 17) 25-Sep-19 24-Sep-22 27-Feb-23 3 Wamil Construction Construction of Moloto	Non-compliance to MFMA in relation to contract management	Management should implement adequate controls to ensure that contracts are extended while they are still active.	Jessica Mahlangu, Lydia Sehlako	30-Jun-2024	Management has established contract management committee which is represented by top management and Supply chain management which monitor the contract register and procurement plan progress. One of the management resolution is to advertise project six months' prior the expiry of the contract to avoid the recurrence of the same finding. And also the list of the projects at evaluation will serve in the contract management committee for management to prioritise the

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	Multi-Purpose Centre 25-Sep-19 24-Sep-22 28-Feb-23 4 Energy Dots (Pty) Ltd Retrofitting of High Mast Lights 25-Sep-19 24-Sep-22 27-Feb-23 5 SPO Consulting Engineers Construction of Phumula Multi-Purpose Centre 25-Sep-19 24-Sep-22 27-Feb-23 6 Phamela Engineering Services Upgrading of Kwaggafontein Stadium project 25-Sep-19 24-Sep-22 27-Feb-23 7 Mangadi Vinique THL\M/SCM01/2020-2021/SDS01-PST (Cluster A and B) 25-Sep-19 24-Sep-22 27-Feb-23					projects according to the order of service delivery.
Disclosure of a Contingent Asset (case) that is inactive.	During the audit of contingencies, it was noted that the case of THLM vs Unlawful Occupiers of the Farm Kwa-Mhlanga 617 JR (Moloto South) was no longer proceeded with as the land invaders, evaded the land after THLM consulted with attorneys but before the case was enrolled in court. Therefore, the basis of the case was null & void and could no longer be prosecuted further. Upon inspection of note 39; Contingencies in the annual financial statements for the year ended 30 June 2023, it was verified that the THLM vs Unlawful Occupiers of the Farm Kwa-Mhlanga 617 JR (Moloto South) case was disclosed, although it is no longer an active case for THLM. The impact of the above is that the case no	Lack of proper disclosure	Management should adjust the annual financial statements to exclude the Contingent Assets relating to: 1. THLM vs Unlawful Occupiers of the Farm Kwa-Mhlanga 617 JR (Moloto South)	Judas Skosana	30-Jun-2024	Proper assessment of Contingent Liability Register in line with GRAP requirements

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	longer meets the definition of a contingency because its existence will no longer be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, due to the fact that case will no longer be prosecuted in future as the land invaders, evaded the land before the case was enrolled.					
Misstatements identified in the Prior Year Adjustment Note	During the audit of our lead schedules, we noted that there are differences between the Prior year audited AFS and the current year submitted AFS, comparative figures. The differences do not equal to the amounts in the prior year adjustment note 41 of the annual financial statements for the year ended 30 June 2023. The details of the differences are as follows: Description Difference as per Auditors Lead Schedule Differences as per Note 41: prior year adjustment Difference Consumer Debtor- Water -5 068 255 -12 373 164 7 304 909 Consumer Debtor-Sewerage 86 360 -7 661 94 024 Consumer Debtor- Refuse 2 348 678 -1 921 2 350 599 Sundry Debtors- Rental -4851 -5151 300 Total -2 638 068 -12 387 897 9 749 832	Management failed to implement internal controls to ensure complete and accurate annual financial statements.	• Management should make adjustment to Note 41 in the annual financial statements. • Management should ensure consistent application when disclosing the amounts adjusted .Either net or gross amounts should be used when calculating the amounts of the prior period error.	Nolien Van Staden	30-Jun-2024	Management together with the Assistant manager AFS and VAT must ensure that all notes and disclosures on the Annual Financial Statement are calculated back to the to General Ledger closing balances, Statement of Financial Position (Balance sheet), and the Statement of Financial Performance (Income statement). Annual Financial Statements and all other Statements such as quarterly and Interim Financial Statements, management must ensure that enough time will be set aside to ensure proper review of the Financial Statements to ensure completeness and accuracy.

						All votes on the General Ledger must be reconciled every month, and all assistant managers have to ensure the completeness and accuracy thereof. Every month these must be reviewed by the Assistant Manager AFS and VAT must review all reconciliations and the CFO needs to approve. When this process is in place the completeness and accuracy of any financial statement will be timeouts, no long outstanding items, and journal capturing will happen at the last minute.
Blank Account holder Name in the Statements and in the Debtors age analysis	During the audit of receivables from exchange transactions – consumer debtors; we noted that the debtors age analysis contains account holders who are being billed on a monthly basis but contain accountholder names that are described as unknown or blank	Data cleansing process not completed. It is a work-in-progress process in ensuring that correcting all the accounts in the billing data is done.	Management should ensure that data cleansing is done on the debtors age analysist to identify the names of the account holders.	Oupa Ledwaba	30-Jun-2024	The Data Cleansing project is being implemented continuously throughout by making use of Ward Committees and communicating the message for the clients to submit information through various platforms of the municipal communication means. A plan to make use of some of the State-Owned

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						enterprises such as Eskom is also in the fold to be able to massively cleans the municipality's database.
Kwa-Mhlanga landfill site not licensed.	During the audit of the landfill sites, we noted that the municipality uses two landfills for general waste per Schedule 1 of Section 19 of NEWMA being the Kwaggafontein and KwaMhlanga landfill sites and we noted that council does not have a license to operate KwaMhlanga landfill site.	The municipality does not have a license to operate the KwaMhlanga landfill site	Management should ensure that the municipality obtains a license to operate the landfill site in order to comply with the requirements of NEWMA	Aminah Aphane	30-Jun-2024	The Department of Forestry Fisheries and Environment (DFFE) appointed ESCON consultants to assist with conducting of Environmental Impact Assessment for the licensing of kwaMhlanga and Verena landfill site. 0n the 18 October 2023 Proposed sites were submitted to DFFE. On the 09 November 2023 sites visits was conducted on 8 sites and two were found conducive.
Receivable - Incomplete disclosure statutory receivables	During the audit of statutory receivable in note 8, it was noted that the municipality did not disclose the following as required by GRAP 108: a) main events and circumstances that led to the recognition of the impairment loss b) information about the key indicators and assumptions used to assess and calculate whether statutory receivables were impaired during the reporting period c) An analysis of statutory receivables that are past due at the reporting, and which have been impaired.	Management failed to implement internal controls to ensure complete and accurate annual financial statements	Management should implement adequate monitoring and reviews to ensure that all amounts on the disclosure notes are casted correctly and ensure that the amounts are accurate. Management should	Nolien Van Staden	30-Jun-2024	Management should ensure completeness and accuracy of the AFS on a quarterly, mid-year and year-end basis.

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	d) An analysis of statutory receivables that are past due that have not been impaired. e) Factors the entity considered in assessing impairment losses in (c) and (d) above.		adjust the AFS for the misstatements identified.			
Accruals and Payables: Differences between the listing and annual financial statements	During the audit a difference was identified between the amount disclosed in the annual financial statements and the accruals and payables listing (Schedule), the table below depicts the difference. Item AFS Amount Listing Amount Difference Accruals and Payables R32 385 290,00 R32 021 096,00 R364 194,00	Management failed to ensure completeness and accuracy of payables and accruals between the General Ledger and Listings	Management should implement adequate controls to ensure that the accruals and payables are reported accurately.	Nnesana Matladi	30-Jun-2024	Management need to ensure that the llistings of Accruals and payables reconcile tio the General ledger
VAT input & output declared on the VAT 201's does not match the municipalities records.	During the audit of the VAT compliance, it was noted that the VAT declared as per the municipalities VAT 201 returns vs the Input VAT analysis (being the general ledger report that summarizes the input vat paid by the municipality for the various tax periods) and the auditors recalculated output vat based on receipts received by the municipality, did not match. The municipality has an obligation to ensure that their VAT 201's reflect the VAT charged on supplies and the VAT paid when goods/services are purchased by the municipality. The following differences were noted while testing if the VAT account in the general ledger (Input VAT analysis) correspond with the VAT 201's: The following differences were noted while	Management failed to implement monthly internal controls to ensure complete and accurate annual financial statements.	Management should ensure that the VAT 201's reflect VAT charged on supplies and the VAT paid when goods/services are purchased by the municipality. Management should ensure that they comply with VAT Act regarding how VAT should be accounted for & declared.	Nolien Van Staden	30-Jun-2024	Management should ensure that there are monthly reconciliations and that all items in respect of VAT output, Vat Input and VAT control are complete and accurate.

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	testing if the auditors recalculated output vat based on receipts received by the municipality correspond with the VAT 201's: Receipts received by the Municipality (As per the cashflow workings) Collections: Water, refuse & sewerage R 17 967 391,74 Other Income (License & permits & Discount & early settlements) R 2 571 633,00 Agency Fees R 10 613 681,00 Total receipts inclusive of VAT R 31 152 705,74 Output VAT R 4 063 396,40 Output VAT paid over to SARS as per VAT 201's R 2 009 400,93 Underpayment to SARS for the 2023-year end R 2 053 995,47 Therefore, based on the above the municipality has failed to comply with the obligations imposed by SARS to vendors.					
VAT receivable incorrectly classified as an expense.	While auditing travel expenses, it was noted that VAT amount of the invoice was incorrectly classified as an expense. The municipality entered into an agreement to purchase goods and services from a VAT vendor. The municipality is therefore entitled to a deduction as per the VAT Act and therefore should	FInancial system was not cottect;ly aligned wiith Vat coding.	Management should ensure that there are adequate monitoring and review controls in place to ensure correct classification of VAT. Management should	Nnesana Matladi	30-Jun-2024	Management will ensure vat code is correctly implemented on the financial system

	recognize a statutory receivable. The following items as per the general ledger were incorrectly accounted for: Item Account Number Item Description Remarks Debit (A) IE0100570010010000000000000000000000000 Expenditure: Operational Cost: Travel and Subsistence:Domestic:Accommodation ZITHO TRADING GRV003507 Order 762,75 IE0100570010010000000000000000000000000 Expenditure: Operational Cost: Travel and Subsistence:Domestic:Accommodation ZITHO TRADING GRV003745 Order 508,50 IE0100570010010000000000000000000000000 Expenditure:Operational Cost:Travel and Subsistence:Domestic:Accommodation ZITHO TRADING GRV004003 Order 254,25 IE0100570010010000000000000000000000000 Expenditure:Operational Cost:Travel and Subsistence:Domestic:Accommodation ZITHO TRADING GRV003634 Order 223,50 Recognition of VAT on expenditure During the audit of expenditure, it was noted the following invoices were not recognized properly iNo Account Number Doc Number Remarks Amount per GL Invoice number Amount exclusive of VAT VAT Amount inclusive of VAT 1.		ensure that VAT on the invoices is recognized appropriately, and expenditure is recognized exclusive of VAT.			

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	IE00300200100800000000000000000000000000 90349250 GIJIMA HOLDINGS PTY LTD GIJIMA R21600 90342950 R18782,61 R2817,39 R21600 2. IE01004200000000000000000000000000000000 300052318 INSTITUTE OF INTERNAL AUDITORS R1157,63 300052318; 300052319; 300052320 R7717.5 R1157.64 R8875.14 in terms of the accounting standard. Item 1 Invoice amount recorded in the GL has been recognized inclusive of VAT. Item 2 The amount recognized in the GL for expenditure account is the VAT amount and not the amount exclusive of VAT.					
Omitted non-current additions in the current year and omitted total assets in the comparative year.	During the audit of the reportable segments, we noted that the municipality did not disclose the amounts of additions to non-current assets in line with the comparative period per GRAP 18(23)(b) Additionally,in the comparative period presented, the municipality did not disclose a reconciliation of the total reportable segments' assets to the entity's assets. Further to that, in the current year, net-assets were disclosed instead of total reportable segments' assets. The following are the total amounts omitted from	Management failed to implement internal controls to ensure accurate and complete annual financial statements	Management should implement adequate controls to ensure that there is verification of the completeness of the reported information and that the reported information is consistent with comparative periods. Management should	Nolien Van Staden, Jessica Mahlangu	30-Jun-2024	Management should ensure complete and accurate AFS on a quarterly, mid-year and year-end. Management must plan and set aside enough time to ensure all items required in respect of the Segmental Statements are visible, complete and accuirate.

	the reportable segments: Current year: Report line item Amount disclosed Amount required to be disclosed Impact of omission Additions to non-current assets 0 R306 034 292 Incomplete report Comparative year (2022) Report line item Amount disclosed Amount required to be disclosed Impact of omission Total reportable segments assets and entity assets R2 593 540 537 0 Differences identified		make the necessary adjustment on the reportable segments to ensure they are complete and consistent with the prior year.			