



FINAL ANNUAL REPORT 2022/2023

John Taolo Gaetsewe District Municipality

Email: mmsec@taologaetsewe.gov.za

Website: www.taologaetsewe.gov.za

Tel: 053-712-8700

4 Federale Mynbou, Kuruman, NC, 8460

TABLE OF CONTENTS

CHAPTER 1 - MAYOR'S FOREWORD AND EXECUTIVE SUMMARY	5
COMPONENT A: MAYOR'S FOREWORD	5
COMPONENT B: EXECUTIVE SUMMARY	7
1.1 Municipal Manager's Overview	7
1.2 Municipal Functions, Population and Environmental Overview	9
1.3 Service Delivery Overview	17
1.4 Financial Health Overview	29
1.5 Organisational Development Overview	33
1.6 Auditor General Report - Current Year 2021/2022	34
1.7 Statutory Annual Report Process	34
CHAPTER 2 - GOVERNANCE	35
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE	35
2.1 Political Governance	35
2.2 Administrative Governance	37
COMPONENT B: CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS	39
2.3 Intergovernmental Relations	39
2.4 By-laws	45
2.5 Websites	46
2.6 Public Satisfaction on Municipal Services	46
CHAPTER 3 - SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)	51
COMPONENT A: BASIC SERVICES	51
3.1 Water Provision	52
3.2 Waste Water (Sanitation) Provision	52
3.3 Electricity	53
3.4 Waste Management	54
3.5 Housing	54
3.6 Free Basic Services and Indigent Support	55
COMPONENT B: Road and Transport	55
3.7 Roads	56

3.8	Transport (including vehicle licensing & public bus operation)	56
3.9	Waste Water (storm water drainage)	57
COMPONENT C: PLANNING AND DEVELOPMENT		58
3.10	Planning	58
3.11	Local Economic Development (including tourism and market places)	67
COMPONENT D: COMMUNITY AND SOCIAL SERVICES		70
3.12	Cemeteries and Crematoriums	70
3.13	Child Care, Aged Care, Social Programmes	70
COMPONENT E: ENVIRONMENTAL PROTECTION		71
3.14	Pollution Control	71
3.15	Bio-diversity; Landscape (incl. open spaces) and other (e.g. coastal protection)	71
COMPONENT F: HEALTH		71
3.16	Clinics	72
3.17	Ambulances	72
3.18	Health Inspection; Food & Abattoir Licensing; Inspections; Etc.	72
3.19	Police	83
3.20	Other (Disaster Management)	83
3.21	Executive and Council	86
3.22	Financial Services	87
3.23	Human Resource Services	87
3.24	Information and Communication Technology (ICT) Services	87
3.25	Property; Legal; Risk Management and Procurement Services	88
CHAPTER 4 - ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)		94
4.1	Employee Totals, Turnover and Vacancies	94
4.2	Policies	95
4.3	Injuries, Sickness and Suspensions	98
4.4	Performance Rewards	100
4.5	Skills Development and Training	101
4.6	Employee Expenditure	103
CHAPTER 5 - FINANCIAL PERFORMANCE		104
5.1	Statements of Financial Performance	106
5.2	Grants	108
5.3	Asset Management	108

5.4	Financial Ratios based on Key Performance Indicators _____	110
5.5	Capital Expenditure _____	117
5.6	Sources of finance _____	118
5.7	Capital spending on 5 largest projects _____	118
5.8	Basic Services and Infrastructure backlog - overview _____	119
5.9	Cashflow _____	119
5.10	Borrowing and Investments _____	122
5.11	Public Private Partnerships _____	123
5.12	Supply Chain Management _____	123
5.13	GRAP Compliance _____	123
5.14	Municipal Budget and Reporting Regulations (MBRR) Compliance _____	124
CHAPTER 6 - AUDITOR GENERAL AUDIT FINDINGS _____		125
6.1	AUDITOR GENERAL REPORTS YEAR - 2020/21 (PREVIOUS YEAR) _____	125
6.2	AUDITOR GENERAL REPORT YEAR 2021/22 _____	125
GLOSSARY _____		126
APPENDIX D - FUNCTIONS OF MUNICIPALITY / ENTITY _____		129
APPENDIX E - WARD REPORTING _____		130
APPENDIX F - WARD INFORMATION _____		131
APPENDIX G - RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 0 _____		131
APPENDIX H - LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS		132
APPENDIX I - MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE _____		135
APPENDIX J - DISCLOSURES OF FINANCIAL INTERESTS _____		137
APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG _____		140
APPENDIX N - CAPITAL PROGRAMME BY PROJECT YEAR 0 _____		140
APPENDIX O - CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 0 _____		140
VOLUME II: ANNUAL FINANCIAL STATEMENTS _____		146
VOLUME III: ANNUAL PERFORMANCE REPORT _____		146
VOLUME IV: AUDIT AND PERFORMANCE COMMITTEE REPORT _____		146
VOLUME V: AUDITOR-GENERAL'S REPORT _____		146
VOLUME VI: SPECIAL ADJUSTMENT BUDGET _____		Error! Bookmark not defined.

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

Audit processes are intricate endeavors demanding a wealth of skills, knowledge, and unwavering commitment. As auditees, it is our duty to furnish comprehensive financial statements and performance evaluations for the John Taolo Gaetsewe District Municipality. We approach this responsibility with the utmost seriousness, pledging to execute our tasks with the highest standards of integrity and professionalism.

Acknowledging the formidable challenges faced by the John Taolo Gaetsewe District Municipality over the past year, particularly in the wake of the COVID-19 pandemic, we recognize the substantial impacts on both the economy and the municipality's financial health. Despite these adversities, the municipality's management has demonstrated an unwavering dedication to enhancing performance and financial management.

We extend our gratitude to the management of the John Taolo Gaetsewe District Municipality for their tireless efforts during these challenging times. Managing a municipality is an inherently demanding task, and we commend the endeavors undertaken to secure the financial stability of the municipality.

As we embark on a new phase to implement the District Development Model (DDM), a government-driven strategy aimed at expediting socio-economic development and alleviating inequality in the country, we appreciate the prioritization of investments in underdeveloped districts. The collaborative approach involving various stakeholders, such as local government, the private sector, and civil society, is pivotal for driving development and generating employment opportunities. The DDM stands as a crucial tool in realizing the government's objectives of inclusive growth and diminishing poverty and inequality in South Africa.

Looking ahead, the management of the John Taolo Gaetsewe District Municipality has outlined plans to further enhance performance and financial management. This involves the implementation of new financial controls and systems, fortifying internal audit processes, and

enhancing transparency and accountability. We express confidence that these initiatives will contribute to a more robust and financially stable municipality.

In the upcoming year, we commit to working closely with the management to identify areas for improvement and offer guidance on best practices for financial management.

In conclusion, we convey our appreciation to the management of the John Taolo Gaetsewe District Municipality for their steadfast commitment to enhancing performance and financial management. We eagerly anticipate collaborating with the management in the coming year to bolster the ongoing success of the municipality.

MRS. P. Q. MOGATLE
EXECUTIVE MAYOR

COMPONENT B: EXECUTIVE SUMMARY

1.1 Municipal Manager's Overview

In the pursuit of transparency, accountability, and efficient governance, the John Taolo Gaetsewe District Municipality is delighted to present the executive summary of its final annual report for the financial year 2022/23. This report underscores the municipality's commitment to sound financial management, service delivery, and socio-economic development within our diverse district.

Financial Management and Audit Opinion:

The past financial year witnessed meticulous financial management practices that set the stage for a robust audit process. Our adherence to prudent financial governance, guided by the Municipal Finance Management Act, positions us well for a comprehensive and credible audit. We have proactively addressed potential audit risks, ensuring that our financial statements are accurate, transparent, and in compliance with relevant regulatory frameworks. We are pleased to announce that we obtained an Unqualified Audit Opinion for Financial Performance and a Clean Audit Opinion, reflecting the efficacy of our financial management practices.

Assurance of Quality Service Delivery:

This annual report underscores our dedication to ensuring quality service delivery that positively impacts the lives of our constituents. Our commitment to providing essential services, such as water supply, waste management, and infrastructure development, remains unwavering. Through rigorous monitoring and evaluation mechanisms, we have attained key milestones, demonstrating our capacity to transform commitments into tangible outcomes.

Community Engagement and Empowerment:

At the heart of our governance approach is the empowerment of our communities. Through extensive public participation, we have engaged with residents to shape our policies, plans, and projects. This collaborative approach ensures that our initiatives address the unique needs and aspirations of our diverse population, resulting in meaningful and sustainable outcomes.

Environmental Sustainability and Resilience:

Recognizing the significance of environmental sustainability, we have integrated eco-conscious practices into our strategies. Our environmental management initiatives, ranging from waste

reduction to renewable energy projects, not only align with global sustainability goals but also contribute to building a resilient district capable of withstanding future challenges.

Partnerships for Progress:

Our partnerships with various stakeholders, including government entities, non-governmental organizations, and the private sector, have fortified our capacity to effect transformative change. Collaborative efforts have enabled us to amplify the impact of our initiatives, making strides towards holistic development and improved living standards for our constituents.

The John Taolo Gaetsewe District Municipality's final annual report for the 2022/23 financial year serves as a testament to our commitment to transparent governance, efficient financial management, and inclusive development. As we embrace the upcoming audit process, we remain confident in our preparedness and resilience. Our collective dedication to service excellence and accountability positions us to propel our district towards a prosperous and sustainable future.

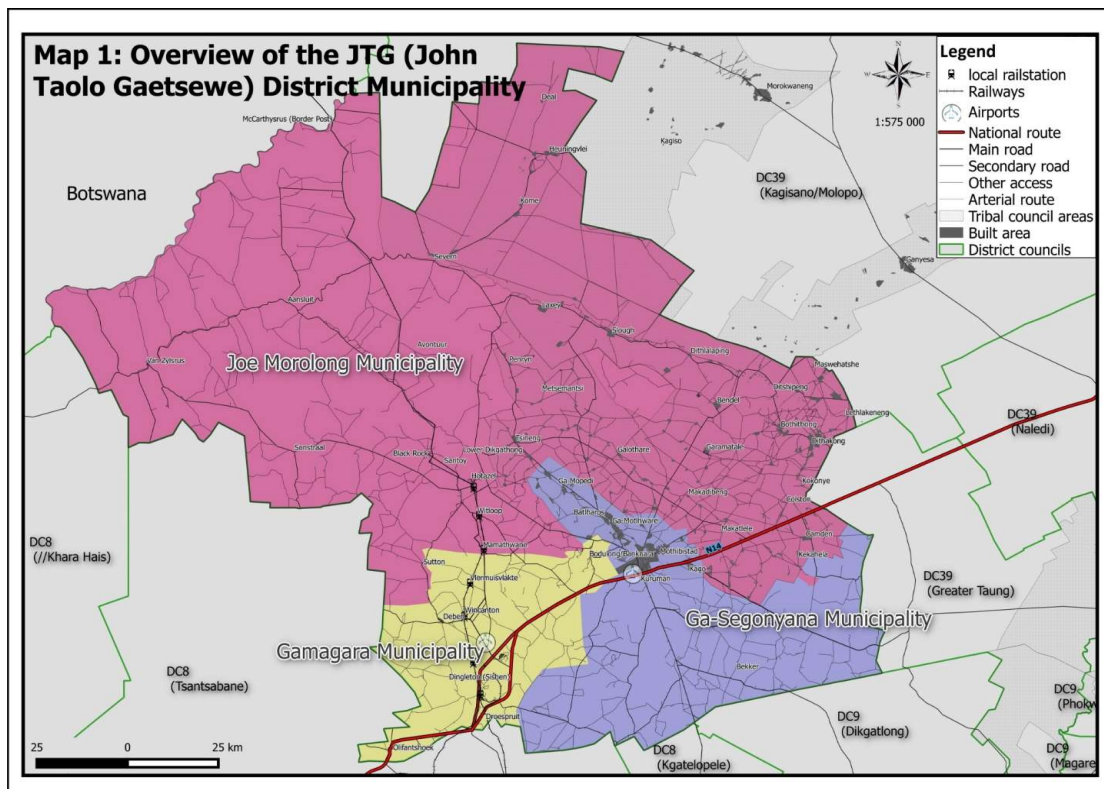
MR. K. K. TEISE
MUNICIPAL MANAGER

1.2 Municipal Functions, Population and Environmental Overview

The John Taolo Gaetsewe District Municipality (JTGDM) is situated in the Northern Cape Province and is bordered by (1) The ZF Mgcawu (previously Siyanda) and Francis Baard District Municipalities to the south and west; (2) The North West Province (Dr. Ruth Segomotsi Mompati District Municipality) to the east and northeast; and (3) Botswana to the northwest. Administratively, the JTGDM comprises three Local Municipalities: (1) The Gamagara Local Municipality; (2) The Ga-Segonyana Local Municipality; and (3) The Joe Morolong Local Municipality, which encapsulates the geographical area covered by the former District Management Area and the former Moshaweng Local Municipality. *(Source: JT Gaetsewe 16-17 SDF Review)*

JT Gaetsewe is the second smallest district in the Northern Cape, occupying only 6% of the Province (27 293 km²). The largest area within JT Gaetsewe is the former District Management Area (DMA) with over 10 000 km². Joe Morolong covers the next largest area of 9 477 km² (JTGDM, IDP 2020-21). The JT Gaetsewe District comprises of 186 towns and settlements of which the majority (80%) are villages in the Joe Morolong Municipality.

The JT Gaetsewe Municipal Area



(Source: JT Gaetsewe DM 2017 SDF)

Population Demographics

In terms of local population dynamics, the population of John Taolo Gaetsewe District Municipality has increased from 224 799 in 2011 to 242 264 in 2016 i.e. an increase of 17 465. The increase in population is experienced in Ga-Segonyana Local Municipality and Gamagara Local Municipality, with a decrease in population experienced in Joe Morolong Local Municipality. The table below illustrates the John Taolo Gaetsewe District Municipality population as captured in the Census 2011 and 2016 figures from Statistics South Africa.

Population Dynamics

Population/ Areas	2011		2016	
	Population	Contribution to JTG in %	Population	Contribution to JTG in %
Gamagara	41 617	19	53 656	22
Ga-Segonyana	93 651	42	104 408	43
Joe Morolong	89 530	40	84 201	35
John Taolo Gaetsewe	224 799	100	242 264	100
Northern Cape	1 145 861		1 193 780	

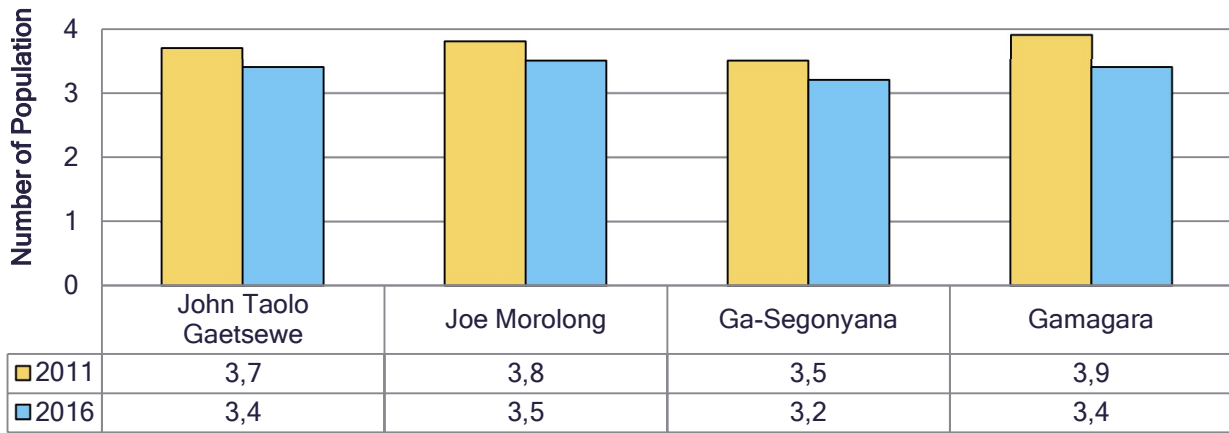
It is evident from the table above that the population of Ga-Segonyana LM has increased from 93 651 in 2011 to 104 408 in 2016 with the increase from 42% in 2011 to 43% in 2016 within the District context. Another increase within the John Taolo Gaetsewe District Municipality is experienced in Gamagara LM where population has increased from 41 617 in 2011 to 53 656 in 2016 from 19% to 22%. A decrease in population is experienced in Joe Morolong LM with the population of 89 530 in 2011 to 84 201 in 2016 with a decrease from 40% in 2011 to 35% in 2016 within the District context. There is a movement of people predominantly from the municipal jurisdiction area of the Joe Morolong Local Municipality to Ga-Segonyana LM and Gamagara LM.

The population growth rate in John Taolo Gaetsewe District Municipality between 2011 and 2016 is 0.017 as compared to the 0.009 for the Northern Cape Province (StatsSA, 2016). The increase in population growth is attributed to in-migration and high fertility rate. It is clear that the trend in the district municipal area is towards a growing population. This is largely attributable to the mining activities around the District

Population Distribution

The household size within John Taolo Gaetsewe District Municipality was calculated at both urban and rural settlements through Stats SA data 2011. Household as defined by StatsSA

refers to "a group of people, who live together at least 4 nights per week, eat together and share resources or a single person who lives alone". The figure below illustrates the household size within John Taolo Gaetsewe District Municipality per each local municipality.



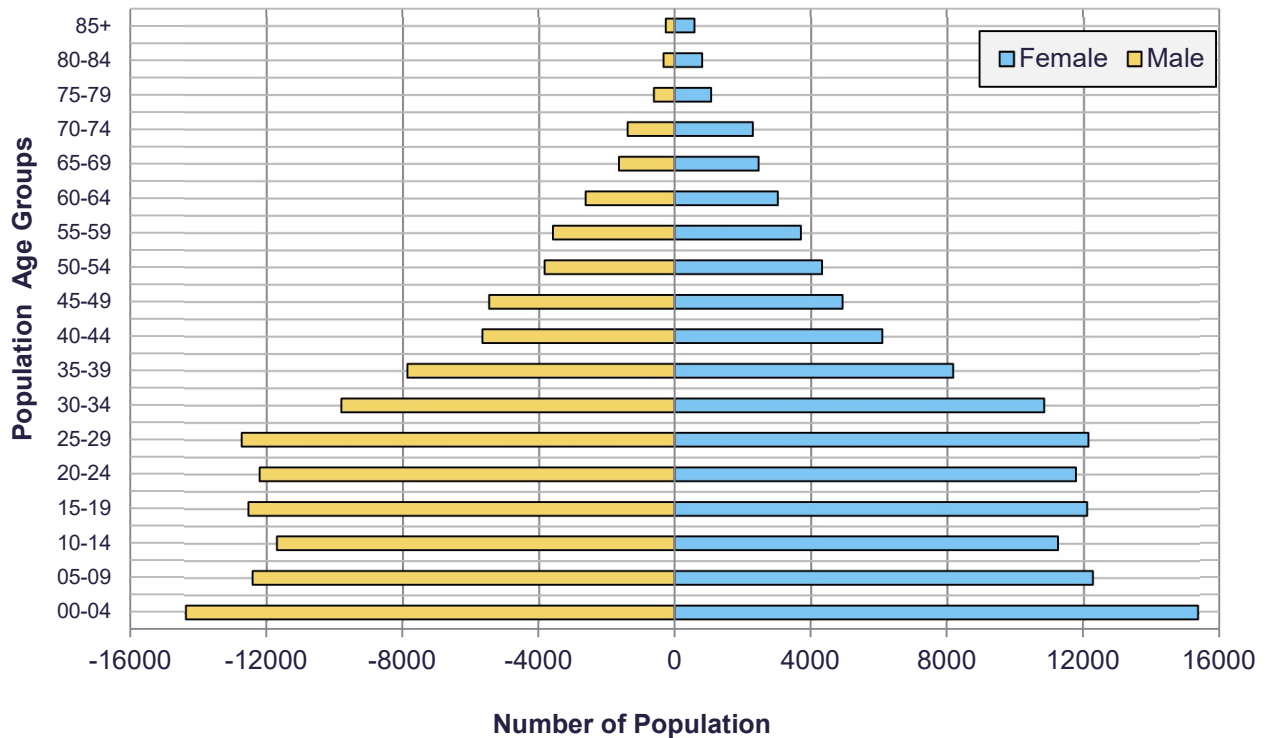
(Source: StatsSA 2016)

It is clear from figure above that the household size decreased from 2011 to 2016 in all local municipalities within the district. A huge decrease is experienced in Gamagara LM from 3.9 in 2011 to 3.4 in 2016, this may be due to the high number of rental accommodation status which includes the in-migration (within the district) and out-migration (from outside the district) arising from work opportunities in Gamagara Local Municipality. The low decrease in Joe Morolong LM and Ga-Segonyana LM is as a result of increase in number of households and high dependency due to level of poverty within the areas, especially in Joe Morolong LM where high number of outmigration is experienced.

Age profile

The age composition is often demonstrated using population pyramid which graphically illustrates the distribution of various age groups in a population. Population pyramids are often viewed as the most effective way to graphically depict the age and sex distribution of a population including age dependency ratio, partly because of the very clear image these pyramids present. Age dependency ratio is the ratio of persons aged under 15 years and older than 64 years to those aged between 15 and 64 years in a population. This ratio has importance because it shows the ratio of economically inactive compared to economically active. Economically active people are expected to earn money, pay tax and contribute to the overall economy whereas economically inactive people are considered as the bigger recipients of government spending e.g. education, social welfare grants and health care. Therefore, the

lower the ratio the better is the situation. The figure below illustrates the population pyramid for John Taolo Gaetsewe District Municipality as captured in the Census 2011.

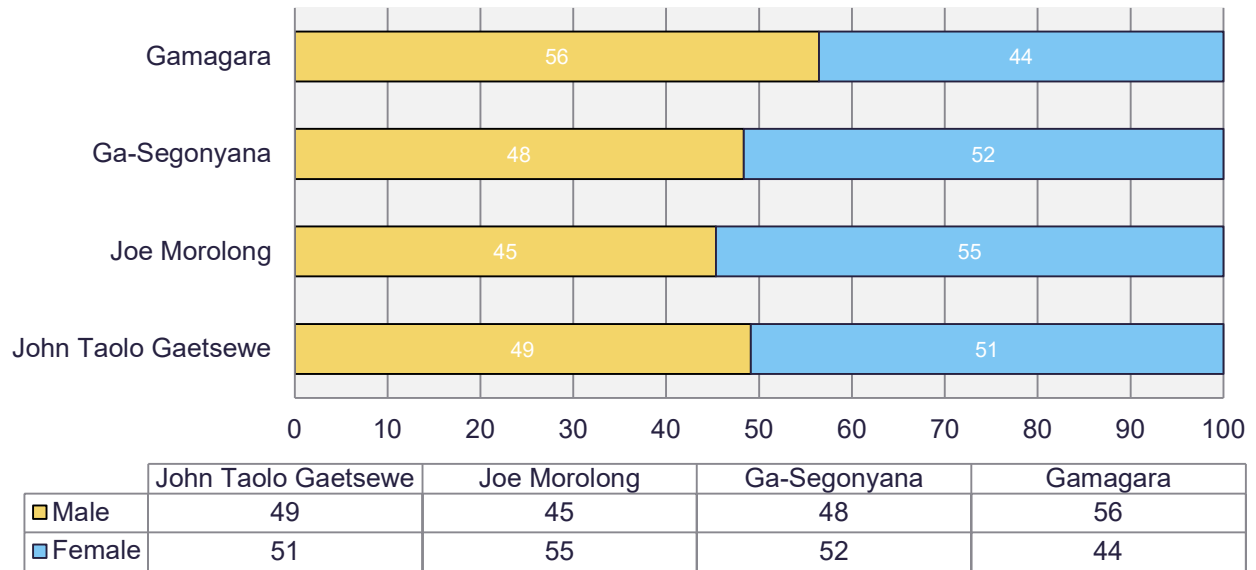


(Source: StatsSA 2016)

The age profile of the JTGDM in based on Community Survey 2016 as follows: 0 - 14 years: 31.92%; 15 - 64 years: 63.32%; and older than 65: 4.76%. It is not that different from the national profile on Census 2011 (i.e. 0 - 14 years: 31.03%; 15 - 64 years: 63.59%; and older than 65: 5.39%). The figure above shows a generally youthful population between the age segment 15 - 36 of 100 973 people i.e. 41.68%. The implication of this is that there should be equitable distribution of social facilities and development opportunities in line with gender proportions as per figure above.

Gender profile

The migration statistics shows that Gamagara LM has a large number of migrants. Generally male working population migrates to earn for the family. Probably due to the presence of large number of migrant workers in the Gamagara LM, the gender composition is slightly skewed towards the male. A similar conclusion can be drawn for Joe Morolong LM where both shares of migrated population and male population are lowest in the district. The figure below illustrates the information as captured above.



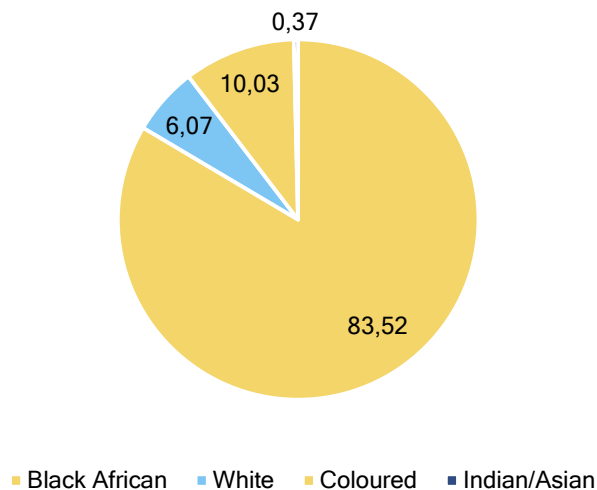
(Source: StatsSA 2016)

Female population contributes 51% of the total District population prevalent in Joe Morolong LM and Ga-Segonyana LM. This figure is slightly similar to the StatsSA 2011 national (51.35%) and provincial (50.69%) figures. The share of the female population is highest in Joe Morolong LM whereas it is lowest in Gamagara LM.

Racial distribution

The racial profile of the JTGDM is as follows: Black/African: 83.52%; Coloured: 10.03%; Asian and Indian: 0.37%; White: 6.07%.

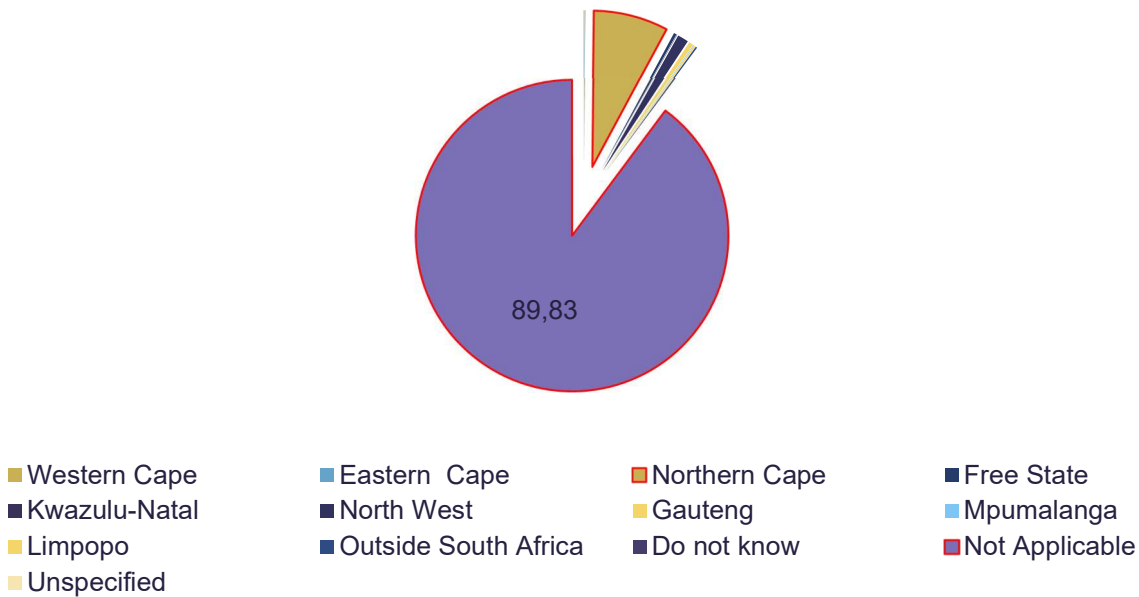
JTGDM Population Group



(Source: StatsSA 2016)

Population Migration

We live in a rapidly changing world in which forced migration have a significant impact on the economic, political and social agendas. The figure below illustrates the level of migration regarding the province of previous residence.



(Source: StatsSA 2016)

It is clear from the figure above that 89.83% of the population originates and still stay in JTGDM. The figure above shows that 89.8% of the population in JTGDM were considered “not applicable”, due to the fact that they do not influence the migration patterns. Within the local municipalities, Gamagara LM (13.7%) experiences a high in-migration within district, with Ga-Segonyana LM (12.4%) and Joe Morolong LM (5%).

Migrated population within the JTGDM contribute approximately 10.17% to the total population, where most of this population originates from Northern Cape Province (7.65). The migration statistics roughly indicates that most of the economic activities are concentrated in the first two local municipalities and people have migrated there in search of jobs and better livelihood.

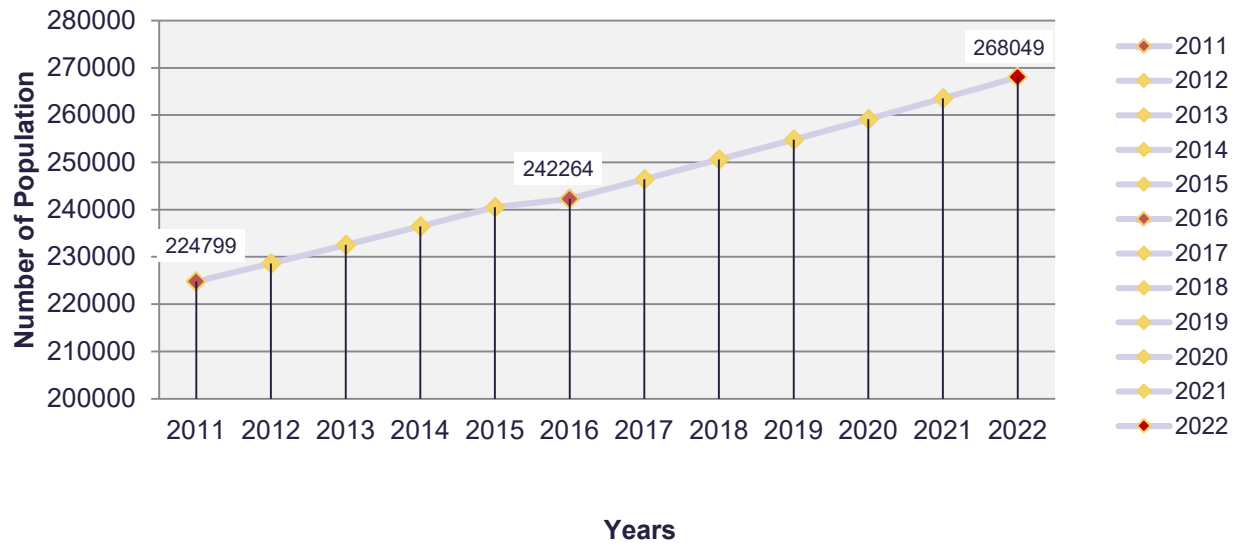
However, JTGDM is experiencing mining closure which is one of the mining industry's toughest sustainable development challenges.

Population in most South African predominantly rural municipalities is not influenced by foreigners residing within their areas as in the case of Joe Morolong LM. Foreigners are more likely to be located at urban areas where development is at a high level. This movement of people is predominantly from the municipal jurisdiction area of the Joe Morolong Local Municipality to Ga-Segonyana LM and Gamagara LM. According to Census 2011 there are more males than females that have moved to John Taolo Gaetsewe District Municipality and this is attributed to job opportunities in the mining sector within the district.

Within the District, people migrate mostly to Ga-Segonyana LM and Gamagara LM. This is consistent with a recent CSIR research project, Spatial and Temporal Evidence for Planning in South Africa (StepSA), explored the use of voter registration information as an alternative source of migration data. Anonymised voter registration data were provided by the Independent Electoral Commission of South Africa for several consecutive elections covering a 12-year period. The data, once spatialised (and related to a single set of voting districts), could then be processed to extract movement trends between different election periods (Maritz and Kok, 2013).

Population Projections

A population projection refers to an extrapolation of historical data into the future, i.e. an attempt to describe what is likely to happen under certain explicit assumptions about the future as related to the immediate past. The District population growth as per Census 2011 and Community Survey 2016 shows a positive growth rate of 1.6 and 0.017 respectively. The figure below is an illustration of population projections of the JTGDM using the intercensal growth rate of 0.017 which shows an increasing population 268049 by 2022. This projection does not take into consideration other factors such as fertility, mortality and migration.



(Source: StatsSA 2011 & 2016)

1.3 Service Delivery Overview

The John Taolo Gaetsewe District area being mainly rural nature, lower level of service of infrastructure is being implemented, for instance water networks are of a supply targeting 200m communal taps, roads networks are prioritised to render access to social amenities like schools, clinic, etc. The service delivery infrastructure planning as implemented by the District Municipality is mainly driven by grants relating to the built industry skills development and roads asset management. All infrastructure planning and skills development grants were effectively used and spent within the financial year.

There are three modes of transportation in the District namely Road, Rail and Air. The District is engaging key stakeholders to establish a regional airport so that the public will not only rely to develop the air travel the transportation. The District had set up the Rural Road Asset Management Systems (RRAMS), and collects road, bridge and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa (RISFSA). The systems improve the accuracy of roads information as collected per the latest data on municipal roads and do thus guide infrastructure maintenance and investments. This if adhered to assists in the reduction of vehicle operating costs.

There are currently 2,594.352km of municipal road network captured on the District Rural Road Asset Management System. A total of 49.002km is block paved, 1,358.465km is earth, 864.954km gravel and 321.931km flexible pavement. The Municipality maintains the Roads Asset Management Plan (RAMP) developed through the RRAMS and continues to improve data on all municipal roads to guide infrastructure investment on roads. The RAMP assists on imputing in the reduction of the vehicle operating costs and in extending the lifespan of municipal roads. The plan is also critical in the allocation of road infrastructure related grants.

Four Civil Engineering technicians are running the RRAMS programme. The technicians are trained in the road management system and they are crucial in roads data gathering and arrangement. They assisted local municipalities on planning information required for roads. The RRAMS software is shared with the local municipalities and the roads official s for each local municipality have viewer access to the programme.

Professional capacitation of graduates in the built industry under the Infrastructure Skills Development Grant (ISDG) programme is ongoing. Since inception of the grant, three Town Planning graduates trained through the ISDG programme are appointed in the three municipalities as professionals in management positions. Further three town planning graduates under the programme are employed by the municipalities on a permanent basis. One registered a professional Civil Engineering Technician is appointed in the Technical Services Department of a nearby local municipality. Further two Civil Engineering Technicians are completing their registration as professionals. This development is relevant to the programme objectives as it enhances the built environment levels of professionalism in local government.

Reviewed business plans for the upgrading of municipal roads, manufacturing of interlocking paving blocks, capacity development in the municipality to efficiently implement Human Settlement Accreditation related functions were submitted in request of funding. The Integrated Transport Plan is reviewed in the 2022/23 financial year and the District will explore its implementation on achieving sustainable integrated transport in detail. In this way, a step change will be achieved by prioritising the right development in the right locations, along major road and activity route in the district.

This approach, coupled with a focus on public transport (PT), non-motorised transport (NMT) and Travel Demand Management (TDM) will reduce travel times and costs, as well as deliver important environmental benefits. This document seeks to set out the District's plans for transport within the wider context of its drive to create an equal society based on integrated communities, economic inclusion and access to opportunities.

The housing demand estimated for the planning period 2021- 2030 requires that approximately 335 hectares of land to be available in the JTG District to supply in the estimated housing backlog and another 2,246 hectares to accommodate the household growth in total with various housing options from both the public and private sector. This situation is reflected in the District Integrated Human Settlement Sector Plan reviewed in the 2019/20 financial year.

Challenges remain on water borne sanitation in addressing the basic housing needs and slow progress in eradicating housing backlogs. Challenges further, relates to addressing emergency housing needs which were created by floods experienced during the end of 2020/21 financial

year. The Municipality received funding to build temporary housing units in the Joe Morolong and Ga-Segonyana Local Municipalities. This project is at completion verification stages as at the end of the financial year.

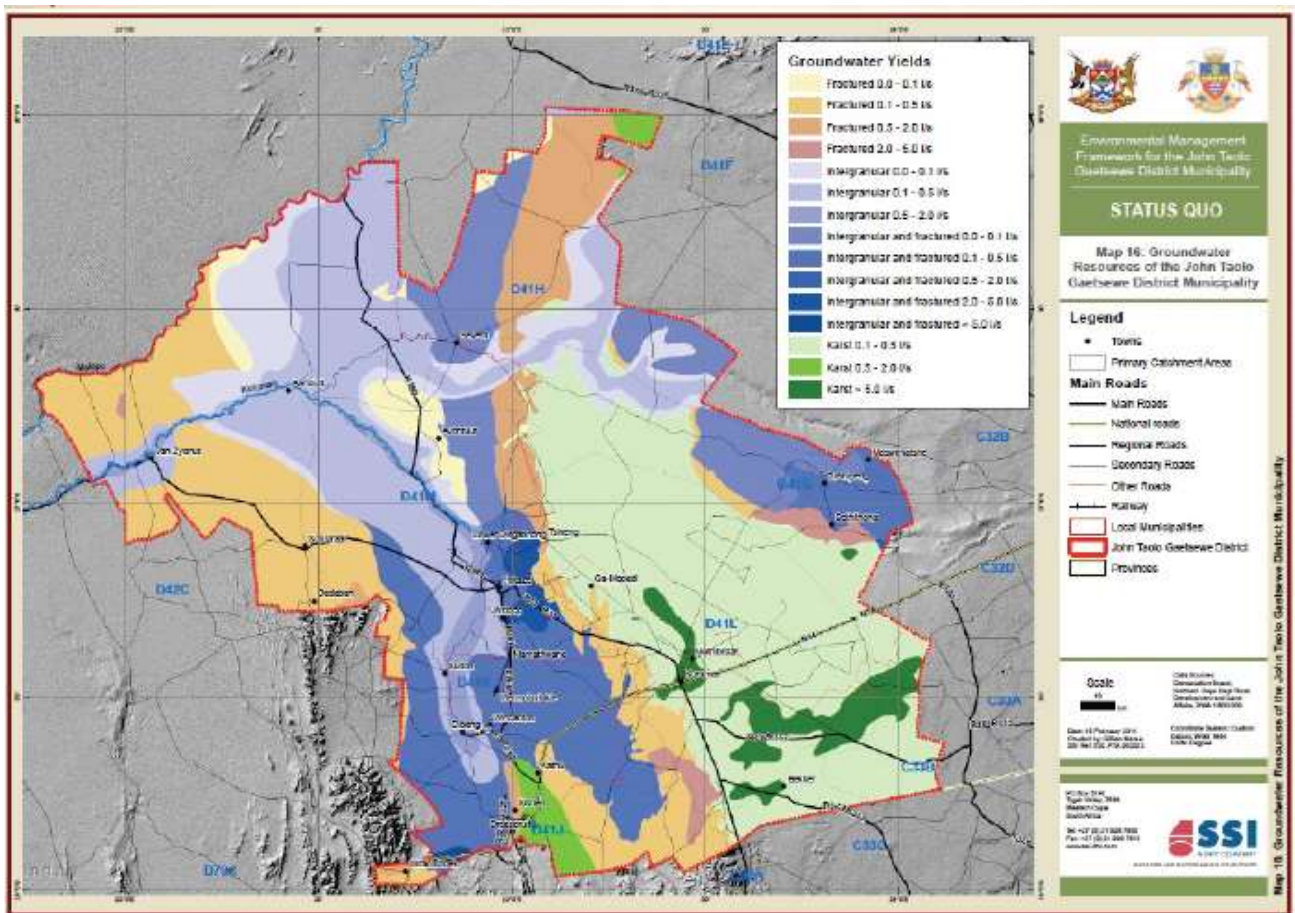
Water

The John Taolo Gaetsewe District Municipality is not a Water Service Authority and does thus not have the executive authority to provide water services within its area of jurisdiction in terms of the Municipal Structures Act (Act No. 117 of 1998) or the ministerial authorizations made in terms of this Act.

The district is, however, being plagued by several challenges on the supply of water. Around 8,251 (11,5%) household has no access to the safe drinking water. The 11,5% excludes 8,7% of the population which draws water from own boreholes, rain water harvesting, water carrier/tanker or flowing water/stream/river etc. Only 37,7% have yard piped connections in their yards.

The JTGDM has a “flat” geomorphic profile, with the Kuruman hill’s ridge system bisecting the district along a north-south axis. The drainage pattern in the district is determined by this ridge system, channeling all streams northwards and then sharply westwards. Falling in the Lower Vaal Water Management Area, the most important catchment area in the JTGDM is the Korannaberg Mountains, from which the majority of the streams in the district spring and from where they drain into the Kuruman River system. (Source: JT Gaetsewe 2017 SDF Review)

Groundwater yields



(Source: JT Gaetsewe 2011-12 SDF Review)

Access to piped water

All the local municipalities in the District are responsible for the development and maintenance of water sources, like boreholes, operation and maintenance of bulk pipeline, operation and maintenance of reticulation network, process operation and maintenance of water treatment works to ensure rendering of portable water to the community. The sources of water supply are the aquifers located along villages and town. The water network reticulation for all the villages is the 200m radius communal standpipes beside the township and town areas which has yard connections.

The municipalities are reticulating water in all the villages however like most municipalities in semi-arid areas with insufficient rainfall, most borehole are drying up. As a way to manage and control the dwindling water resource the municipalities installed pre-paid meter in the villages however the lack of cooperation to pay services by some community members are a challenge to this initiative as they constantly vandalise installed prepaid standpipes. Access to basic services is one of the important priorities of the municipalities. Around 8,251 (11,5%) household

has no access to the safe drinking water that's excluding 8,7% who managed to get water from own boreholes, rain water tank, water carrier/tanker or flowing water/stream/river etc. And because of the rural nature of the municipalities only 37,7% have yard piped connections. The Municipalities have intensified water provision through Municipal Infrastructure Grant programme as reflected on projects undertaken per municipalities. Bulk is generally still issue, which hampers provision of waterborne sewerage in townships like Vanzylsrus.

The first phase of the Vaal Gamagara water supply pipeline, which is the upgrade of the existing scheme has been completed. An extension of the pipeline to service areas which have a dire need of water in the far north of the District is being explored. The following are the 2016 Stats for the District and Municipalities:

Table 1: Distribution of households by access to safe drinking water by municipality, CS 2016

Municipality	Access to safe drinking water		No access to safe drinking water		Total Households
	Households	Percentage	Households	Percentage	
Joe Morolong	21,497	90,3	2,303	9,7	23,800
Ga-Segonyana	27,615	85,3	4,774	14,7	32,388
Gamagara	14,502	92,5	1,174	7,5	15,677
John Taolo Gaetsewe	63,614	88,5	8,251	11,5	71,865

Table 2: Distribution of households by main source of water for drinking, CS 2016

Municipality	Piped (tap) water inside the dwelling/house/yard		Piped water on community stand / Neighbour's tap/Public/communal tap		Others		Total Households
	Households	Percentage	Households	Percentage	Households	Percentage	
Joe Morolong	2,439	10,2	18,520	77,4	2,961	12,4	23,919
Ga-Segonyana	11,530	35,3	18,410	56,4	2,729	8,4	32,669
Gamagara	13,328	84,8	1,782	11,3	612	4	15,723
John Taolo Gaetsewe	27,297	37,7	38,712	53,5	6,301	8,7	72,310

Table 3: Distribution of households by main source of drinking water supplier, CS 2016

Municipality	Municipality		Other Water scheme		Water vendors		Own service		Flowing water/stream/river/spring/rain-water		Total House-holds
	House-holds	%	House-holds	%	House-holds	%	House-holds	%	House-holds	%	
Joe Morolong	17,665	74,2	2,383	10,0	84	0,4	3,123	13,1	550	2,3	23,805
Ga-Segonyana	22,747	70,4	5,673	17,6	1,514	4,7	2,298	7,1	68	0,2	32,300
Gamagara	15,000	95,5	127	0,8	69	0,4	511	3,3	-	-	15,707
John Taolo Gaetsewe	55,415	77,2	8,183	11,4	1,666	2,3	5,932	8,3	8,3	0,9	71,812

Table 4: Distribution of households by water interruptions in the last three months, CS 2016

Municipality	Water interruptions		No Water interruptions		Total Households
	Households	Percentage	Households	Percentage	
John Taolo Gaetsewe	16,483	30,1	38,356	69,9	54,838

Sanitation

Sanitation is a basic need in communities which can pose serious health and hygiene risks for communities and the environment at large scale, if not properly managed and monitored. According to the White Paper on Basic Household Sanitation, 2001, basic sanitation is defined as: "The minimum acceptable basic level of sanitation is: Appropriate health and hygiene awareness and behaviour - A System for disposing of human excreta, household waste water and refuse, which is acceptable and affordable to the users, safe, hygienic and easily accessible and which does not have an unacceptable impact on the environmental and a toilet facility for each household".

A total of 65 469 (90.5%) households in the District has some form of toilet, and around 6 841 (9.5%) have no access to sanitation services. 40 377 (56%) households in the District are the Pit latrine toilets and only 22 480 (31%) households are Flush toilets.

The Provincial Department of Water and Sanitation and CoGHSTA are funding sanitation projects in the district to eradicate the inadequate toilets and providing toilets where there is a lack through the different government grants. Based on the 2016 STATS the sanitation backlog for John Taolo Gaetsewe can be determined to be 9,453 households.

Table 28: Distribution of households by type of toilet facility and municipality, CS 2016

Municipality	Flush toilets connected to a public sewerage system	Flush toilets connected to a septic tank or conservancy tank	Chemical toilets	Pit latrine toilet with ventilation pipe	Pit latrine toilet without ventilation pipe	Ecological toilet / other	Bucket toilet	No Toilet
Joe Morolong	1,281	233	172	12,921	5,596	509	1,025	2,182
Ga-Segonyana	5,717	1,772	35	6,115	15,612	453	162	2,789
Gamagara	12,712	764	34	55	79	208	1	1,869
John Taolo Gaetsewe	19,711	2,769	241	19,090	21,287	1,170	1,202	6,841

The 2016 STATS, indicates that the households overall rating for sanitation services is at 45.2% and 16.7% of households have no access to sanitation.

Refuse Removal

In the case of refuse removal, 24.63% of the population within the JTGDGM have their refuse removed by the local authority or a private company at least once a week or less often. This is far below less than half the provincial figure of 64.89%. In relation to the other four other districts in the province, it is far below the figure in this regard in these municipalities which all have percentages above 75%.

In the absence of a refuse removal service, population is dependent on their own endeavour, with 63.65% of the population within the JTGDGM having their own refuse dump. This is more than three times the provincial figure 21.45% respectively, and far higher than the figure in the four other districts in the province, which all have figures of less than 20%. With regards to the situation in the three local municipalities in the district, while 84.92% of the population in Gamagara LM and 67.87 % in the province have their refuse removed by the local authority or a private, only 12.33% in the Ga-Segonyana LM and 3.09% in the Joe Morolong have access to such a service. According to SEAT (2014), refuse removal in the JTG district area has not shown any real improvement in the past three years, nor in the 10 years between 2001 and 2011 Census.

Household level of refuse removal

	Joe Morolong	Ga-Segonyana	Gamagara	John Taolo Gaetsewe
Removed by local authority/private company/community members at least once a week	2 539	12 630	44 489	59 658
Removed by local authority/private company/community members less often than once a week	58	242	1 071	1 372
Communal refuse dump	4 902	4 737	1 125	10 764
Communal container/central collection point	1 320	2 168	409	3 896
Own refuse dump	71 031	77 757	5 402	154 190
Dump or leave rubbish anywhere (no rubbish disposal)	3 002	4 084	567	7 653
Other	1 349	2 790	592	4 731

(Source: StatsSA 2016)

Electricity

The Part B of Schedule 4 and 5 of the Constitution in section 156(1) grant Municipalities executive authority to administer the local government matters and list as part of the powers and functions, Electricity reticulation. Part of the reticulation includes Bulk supply of electricity, the transmission, distribution and, where applicable, the generation of electricity, and also the regulation, control and maintenance of the electricity reticulation network. However only around 30% of the households in the District obtain electricity from the municipalities the other 70% is supplied directly by Eskom, and that deprives the municipalities an income generating opportunities.

The 2016 Community Survey indicates that 8,527 (11.8%) of the households are still with no electricity in the District. Majority 58 753 (81%) of the households are on Prepaid. Only around (1232) 1.7% households use alternative source of energy.

Coordination between stakeholders has slightly improved - local municipalities in the District and Eskom. Support on electricity supply strategy from ESKOM is an area of discussion. This being reflected and raised in the district planning platforms.

Access to electricity

Table 59: Distribution of households by main type of energy source

Municipality	In-house Convention Meter	In-house pre-paid meter	Connected to other source which household pays for	Connected to other source which households is not paying for	Solar home system	Generator/ Battery	Other	No Access to Electricity	Total
Joe Morolong	768	19,727	46	26	10	0	85	3,258	23,920
Ga-Segonyana	1,438	26,848	529	21	127	120	59	3,526	32,668
Gamagara	1,595	12,178	156	24	12	0	15	1,743	15,723
John Taolo Gaetsewe DM	3,801	58,753	731	71	149	120	159	8,527	72,311

42 342 (68%) of the households in the District use Eskom prepaid, and 18 541(30%) households' electricity is provided by municipality, it can also be noted that 60 888 (98%) households utilizes prepaid electricity in the District

Table 60: Distribution of households by municipality and supplier of electricity

Municipality	Municipality Prepaid	Municipality Post-paid	Eskom Prepaid	Eskom Post-paid	Other Supplier	Total
Joe Morolong	2,216	7	17,741	149	146	20,259
Ga-Segonyana	7,207	168	20,532	135	33	28,074
Gamagara	9,117	335	4,069	213	26	13,760
John Taolo Gaetsewe DM	18,541	510	42,342	497	205	62,094

Housing

The District Municipality remains a level 1 accredited municipality. Engaged on the level 2 accreditation assessment for the District Municipality are at an advanced stage.

The District has an Integrated Human Settlement Sector plan which provide the strategic direction for transforming human settlements in the John Taolo Gaetsewe District aligned to the Provincial Department and Local municipalities' Sector plans and IDPs. This transformation relate to accelerating human settlement delivery on well-located land, that provide opportunities to beneficiaries to access the property market and have sufficient access to social amenities and economic opportunities. This transformation will further support the integration of communities and the spatial restructuring of the towns and villages in the Municipal area.

Table 42: The following are household growth projections 2016, 2021 to 2024 (STATS 2016)

Backlog indicator	Total Households			Growth (Calculated)
	CS 2016	2021 Estimates	2024 Estimates	
Joe Morolong	23 919	24 159	24 304	0,2%
Ga-Segonyana	32 669	40 517	46 104	4,4%
Gamagara	15 723	24 303	31 560	9,1%
John Taolo Gaetsewe	72 310	88 979	101 968	3,6%

The using the 2016 Community Survey growth projections the household's growth in the District can be calculated to be 88 979 in 2021 and 101 968 by 2024. Using the SMEC report 2013 growth scenario for that was anticipated for 2019, the housing backlog and delivery by 2030 may be calculated as follows:

Table 43: The housing backlog and targeted delivery of housing units

		Gamagara	Joe Morolong	Ga-Segonyana	JTG
Housing Backlog 2021	Total Backlog/Need	4 440	4 817	7 441	16 698
Future Growth in Households (2021-2030) – Maximum growth scenario	Future Demand: Low Income	12,180	5,046	6,867	24,094
	Future Demand: Gap Market	9,035	765	2,657	12,457
Proposed Average Supply/ Delivery of units – 2021-2030	Total Housing Delivery/Supply Rate	2 609 units/year	1 112 units/year	1 770 units/year	5 491 units/year
	Supply for Backlog Eradication by 2030	488 units/year	530 units/year	817 units/year	1 836 units/year
	Supply for Future Growth – Low Income group (moderate growth)	1218 units/year	505 units/year	687 units/year	2,409 units/year
	Supply for Future Growth – Gap Market	903 units/year	77 units/year	266 units/year	1,246 units/year

The municipal targets for housing supply should balance their yearly allocations towards addressing the backlog, vs providing for the upgrading of informal settlements and providing for the household growth and gap market. This balance is necessary to ensure that the

municipality provide for the backlog and for the income groups that increase their revenue base, and hence support the municipal financial sustainability.

The housing demand estimated for the planning period 2021- 2030 requires that approximately 335 hectares of land to be available in the JTG District to supply in the estimated housing backlog and another 2,246 hectares to accommodate the household growth in total with various housing options from both the public and private sector. This land need is divided per local municipality as follows:

Table 44: The JTG estimated land requirement

Municipality	Type	Number of households	Size per dwelling unit	Estimated Land Required by 2021
Gamagara LM	Housing Backlog, 2021	4,440	300m ²	135 ha
	Housing Demand for all income groups due to household growth	28,073	500m ²	1,404 ha
Ga-Segonyana LM	Housing Backlog, 2021	7,441	300m ²	225 ha
	Housing Demand for all income groups due to household growth	10,713	500m ²	536 ha
Joe Morolong LM	Housing Backlog, 2021	4,817	300m ²	145 ha
	Housing Demand for all income groups due to household growth	6,112	500m ²	306 ha
John Taolo Gaetsewe DM		61,596	-	2,751ha

An estimated 505 hectares are required to accommodate the housing backlog of 16,698 households in the District within the 2021 to 2024 planning term. Moreover, the total average land required to accommodate various housing options due to the household growth (an estimated total of 44,897 additional households), is estimated at 2,245 hectares within the same term. Which brings the overall land requirement of 61,596 households to 2,751 ha. *(Source: Integrated Human Settlement Sector Plan, JTG-Reviewed)*

Roads, Storm water and Transport

Storm water management in various towns and townships seeks to mainly address roads surface water drainage problems. The storm-water infrastructure can best be described as aged. In a number of cases capacity problems are also experienced, due in large part to accumulation of debris in the pipes and surface drains. This debris (gravel, silt, refuse, etc.) are not being removed to allow storm-water systems to function efficiently. In some cases, culverts

crossing the roads have collapsed, grids from inlets have been stolen, which exacerbates the problem of refuse being deposited in the systems. The increased sewage influent at the various Waste Water Treatment Works (WWTW), indicates that storm-water is entering the sewerage.

Though the municipalities do not have storm-water bylaws or policies, they do have storm-water masterplans in place that will guide them on how to proceed to reduce the storm-water problems. There have not been any storm-water projects implemented in the municipalities. This indicates that storm-water management has not been a priority in the municipalities mainly because, probably because of the low rainfall in the area and related traffic volumes in the past. The initiative to compile the masterplans shows a paradigm shift towards mitigation of the storm-water risks and identification of mitigating projects to be implemented.

The Rural Asset Management Systems, is envisaged to assist the Local Municipalities in project prioritisation, maintenance scheduling and application of funding for maintenance and rehabilitation of the roads. The three local municipalities have Road Masterplans which incorporate the Storm-water master plans. There are currently 2,594.352km of municipal road network captured on the District Rural Road Asset Management System, of which 49.002km is Block paved, 1,358.465km is earth, 864.954km gravel and 321.931km have flexible pavement.

Table 16: The following is the total municipal road network for the District

Municipality	Flexible	Gravel	Block	Eart	Total
Gamagara	159.491	25.342	5.603	45.65	236.086
Ga-Segonyana	134.092	272.052	28.141	758.093	1192.378
Joe Morolong	28.348	567.56	15.258	554.722	1165.888
Total	321.931	864.954	49.002	1358.465	2594.352

The modes of transportation in the District beside road transportation are rail and air transportation. The air transportation is mainly of the private sector and as a result airport in the region are not on public grounds only. The District is spearheading stakeholder engagements for the establishment of a regional airport. The District also has an Integrated Transport Plan which is reviewed annually.

The rail infrastructure of the Northern Cape is an important element of the provincial transportation system. The rail transport is mainly utilised in the mining sectors. A railway line extends from Blackrock southwards past Sishen to Kimberley where it connects with the main Cape Town - Johannesburg line. A second line used to transport ore from this area extends from Sishen southwards to Saldanha Bay where it supplies the Saldanha Steel Plant.

Walking and cycling are the most dominant mode of non-motorised transport within the John Taolo Gaetsewe District Municipality with animal drawn transport being the least dominant and found mostly in rural low-income communities. The non-motorised transport within the District is slowly developing and has to date not been given substantial attention to reach appreciable impact in the District. The extent of non-motorised transport within the District still need to be comprehensively quantified. The non-motorised transport infrastructure has been developed in an ad-hoc fashion and there is a need for pedestrian side-walk and cycle path plan to be developed for John Taolo Gaetsewe District Municipality.

Because the District is mainly rural, the priority is to develop or improve the access roads in the villages and towns. The District assists the local municipalities in compiling the Roads Asset registers that will assist with the prioritisation of the road's construction and maintenance.

It is noteworthy that the roads agency function was moved away from the District Municipality and maintenance of provincial roads is now the sole responsibility of the Department of Roads and Public Works.

Comment on Access to Basic Services

Water, sanitation, roads, housing and refuse removal are still the biggest needs. The increase in mining related activities in the District puts severe strain on the roads infrastructure, with no short term alternative to roads. Mass transport and alternative modes of transport must be introduced in the District in conjunction with mixed land uses, proper land management and development.

1.4 Financial Health Overview

During the financial year all existing finance related policies were reviewed and was adopted to strengthen the financial management of the municipality. All creditors were paid within 30 days, and there was no loan commitment.

This overview highlights the Municipality's financial performance in the 2022/23 financial year. Full details appear in the audited Annual Financial Statements for the year ended 30 June 2023.

The municipality faced serious financial setbacks as compared to previous financial years mainly due to the prevailing market and economic conditions. However, such were closely monitored to ensure that the municipality continues to operate as a going concern. The effectiveness of the strategies and improvements deployed.

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Changes in Net Assets

Figures in Rand	Revaluation reserve	Accumulated surplus / deficit	Total net assets
Balance at 01 July 2021	62 024 719	40 123 830	102 148 549
Deficit for the year	-	(3 053 749)	(3 053 749)
Total changes	-	(3 053 749)	(3 053 749)
Restated* Balance at 01 July 2022	62 024 719	37 070 083	99 094 802
Changes in net assets	-	(5 022 499)	(5 022 499)
Deficit for the year	-	(5 022 499)	(5 022 499)
Total changes	-	(5 022 499)	(5 022 499)
Balance at 30 June 2023	62 024 719	32 047 584	94 072 303
Note(s)	17		

The municipality continued to maintain a Net Asset position for the year under review.

A decrease in total net asset was recorded for the 2022/23 financial year. The municipality recorded the deficit of R 2 094 378.

Below is an extract of the Statement of financial Performance:

John Taolo Gaetsewe District 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			
Rental of facilities and equipment	18	212 195	198 085
Other income	19	119 660	-
Administration and management fees	20	2 308 366	1 749 426
Interest income	21	5 038 457	2 311 221
Total revenue from exchange transactions		7 678 678	4 258 732
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	22	113 692 735	107 705 302
Contract revenue	16	39 353 102	11 589 715
Donations received	23	2 123 729	4 287 751
Total revenue from non-exchange transactions		155 169 566	123 582 768
Total revenue		162 848 244	127 841 500
Expenditure			
Employee related costs	24	(80 312 589)	(71 855 805)
Remuneration of councillors	25	(6 223 884)	(5 447 245)
Depreciation and amortisation	26	(5 646 440)	(4 857 829)
Finance costs	27	(1 434 301)	(1 295 545)
Debt impairment	28	(76 476)	-
Bad debts written-off	29	(69 552)	(1 486 177)
Contract costs	16	(39 353 102)	(10 078 013)
Transfers and Subsidies	30	-	(18 000)
Operational costs	31	(36 591 521)	(34 881 443)
Total expenditure		(169 707 865)	(129 920 057)
Operating deficit		(6 859 621)	(2 078 557)
Loss on disposal of assets	32	(721 414)	(1 370 480)
Fair value adjustments	33	1 116 433	1 379 750
Actuarial (losses)/gains	14	448 000	(93 000)
Gains on biological assets	34	1 264 499	109 212
Loss on non-current assets held for transfer	6	(270 396)	(2 302 904)
Gain from reversal of impairment	35	-	1 302 230
		1 837 122	(975 192)
Deficit for the year		(5 022 499)	(3 053 749)

Revenue increased to R 160 million (2022: R127 million) with the total expenditure increasing to R 163 million (2022: R 129 million).

The municipality will continue to prioritize the repairs and maintenance of assets because preservation is important for continued service delivery.

A net operating deficit of R 2 094 378 has been recorded during the year under review. This is from a net deficit position amounting to R 2 845 095 restated, recorded in the 2021/22 financial year.

Financial Overview: Year 2022/23			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	112 852	154 422	113 693
Taxes, Levies and tariffs			
Other	4 306	6 539	49 156
Sub Total	117 158	160 961	162 848
Less: Expenditure	116 593	160 539	169 708
Net Total*	566	422	(6 860)
<i>* Note: surplus/(defecit)</i>			T 1.4.2

Operating Ratios	
Detail	%
Employee Cost	51,0%
Repairs & Maintenance	0,4%
Finance Charges & Impairment	0,8%
	T 1.4.3

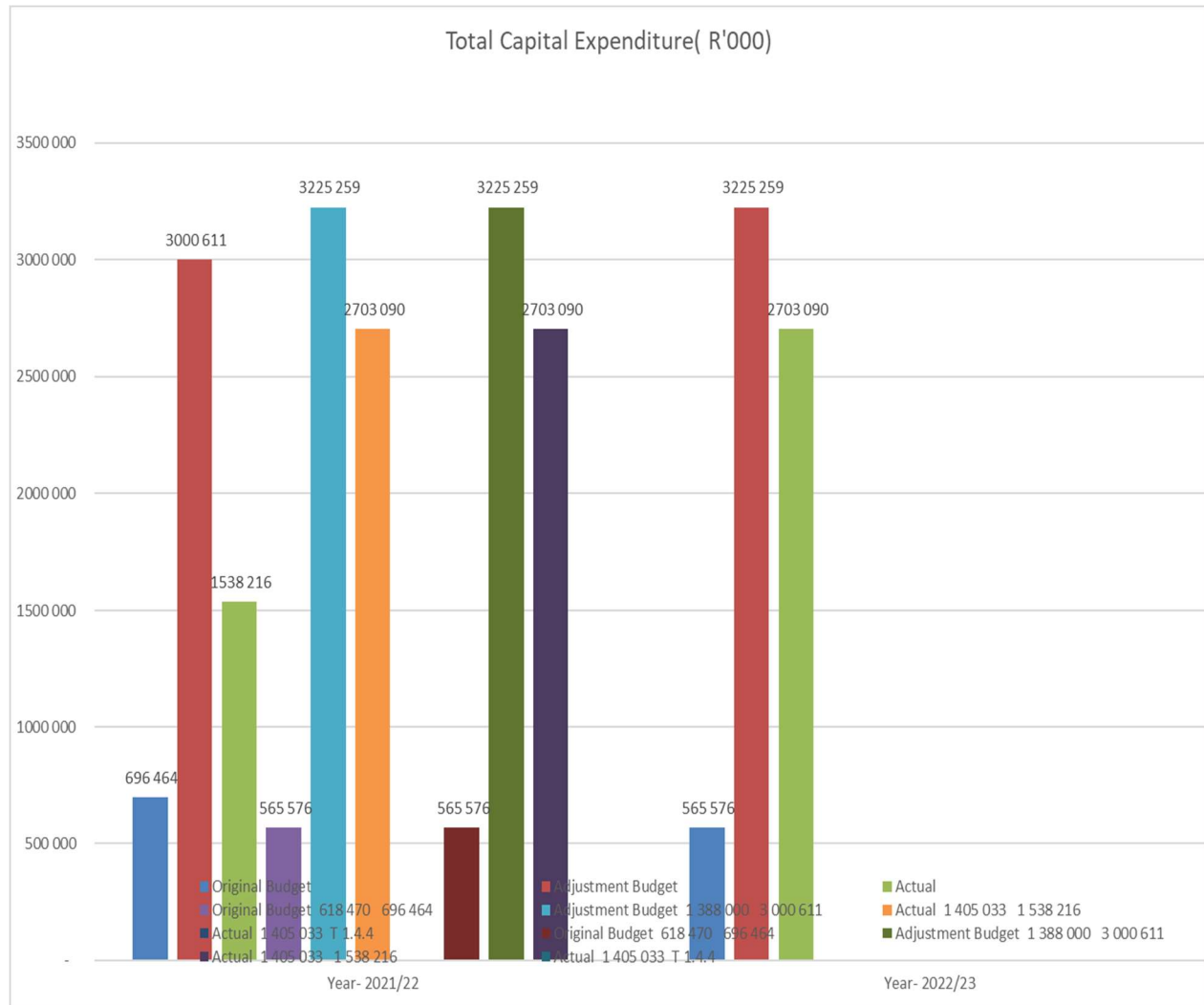
Comment on Operating Ratios

Employee costs including remunerations of councilors remain high at 51%. The high % is directly as a result of grant dependency and the inability to generate any additional revenue.

Repairs & Maintenance relates more to items of property plant and equipment and finance charges related to finance lease in respect of copy machines. Repairs & Maintenance relates more to items of property plant and equipment:

Total Capital Expenditure: Year -2019/20 to Year 2021/22			
			R'000
Detail	Year- 2020/21	Year- 2021/22	Year- 2022/23
Original Budget	618 470	696 464	565 576
Adjustment Budget	1 388 000	3 000 611	3 225 259
Actual	1 405 033	1 538 216	2 033 619
			T 1.4.4

For the 2022/23 the municipality invested towards property, plant and equipment and intangibles assets. Most part of the spending being on computer equipment. The spending on the capital expenditure relates to office equipment and IT equipment procured during the year.



The spending on the capital expenditure relates to office equipment and IT equipment procured during the year.

1.5 Organisational Development Overview

Organisational development was done in line with the approved Workplace Skills Plan for 2022/23. Additional training as identified during the performance assessments and requests from the Training and Development Committee were also accommodated. The Municipality focused on the prescribed minimum competency training of all qualifying staff members.

1.6 Auditor General Report - Current Year 2022/2023

The Municipality received an unqualified with findings opinion for the 2022/23 Financial Year. An audit action plan has been developed with the objective to sustain this audit outcome.

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
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	
8	Mayor tables the unaudited Annual Report	August
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	
17	Oversight report is made public	December
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January

Comment on the Annual Report Process

It is important that the above timetabled is followed as closely as possible. Completion of the Annual Report and especially the Annual Performance Report is of critical importance. It informs both the planning process for the IDP and also provides a tool to both Council and our community to measure our performance and progress in addressing services.

CHAPTER 2 - GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 Political Governance



Executive Mayor: Cllr. P. Q. Mogatle



Speaker: Cllr. I. E. Aiseng

The new Executive Mayor, as the Political Head, is supported by the following Mayoral Committee Members that headed the respective portfolio committees:

Councillor I Matebesi - Finance and Corporate Committee



Councillor KF Masilabele - Planning and Development Committee



Councillor O Kgodithata - Community Development Services Committee



Councillor PM Kgosiengwang - Infrastructure and Basic Services Committee


COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE (New Council inaugurated on 03 December 2021)

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Written and signed Apologies for non-attendance	Percentage Apologies not written for non-attendance
	FT/PT			%	%	%
Councillor PQ Mogatle	FT	Executive Mayor	ANC	100	-	-
Councillor IE Aiseng	FT	Speaker	ANC	90	-	10
Councillor KF Masilabele	FT	Chairperson: Development & Planning Committee	ANC	60	-	40
Councillor OH Kgodithata	FT	Chairperson: Community Development Services Committee	ANC	70	-	30
Councillor I Matebesi	PT	Chairperson: Finance and Corporate Committee	ANC	80	-	20
Councillor GG Kaotsane	PT	Infrastructure & Basic Services Committee	EFF	70	-	30
Councillor PM Kgosiengwang	FT	Chairperson: Infrastructure & Basic Services Committee	ANC	90	-	10
Councillor PJ Ohentswe	FT	Finance and Corporate Committee	EFF	50	-	50
Councillor TC Kegakilwe	FT	Community Development Services Committee	EFF	70	-	30
Councillor OD Mathibe	PT	Planning and Development Committee	DA	90	-	10
Councillor AI Eilerd	FT	Finance and Corporate Committee	DA	90	-	10
Councillor NG Ngesi	FT	Finance and Corporate Committee	ANC	90	-	10
Councillor N Tswere	PT	Planning and Development Committee	ANC	100	-	-
Councillor M Filipo	PT	Finance and Corporate Committee	ANC	90	-	10
Councillor TG Mosegedi	PT	Community Development Services Committee	ANC	80	-	20
Councillor N Mereotlhe	PT	Community Development Services Committee	ANC	90	-	10
Councillor KR Paul	FT	Community Development Services Committee	DA	90	-	10
Councillor KS Sethodi	PT	Community Development Services Committee	EFF	90	-	10
Councillor M Valela	PT	Infrastructure & Basic Services Committee	ANC	90	-	10
Councillor GM Chere	PT	Infrastructure & Basic Services Committee	ANC	90	-	10
Councillor TM Motsoare	PT	Planning and Development Committee	ANC	80	-	20
Councillor BI Sebego	PT	Infrastructure & Basic Services Committee	DA	90	-	10
Councillor OA Etshetshang	PT	Infrastructure & Basic Services Committee	EFF	70	-	10
Kgosi GE Thaganyane	PT	N/A	N/A	40	-	60
Kgosi PS Bareki	PT	N/A	N/A	30	-	70

Political Decision-taking

The Council of John Taolo Gaetsewe District Municipality is made up of four Portfolio Committees which report to Mayoral Committee and the Mayoral Committee reports to Council, eventually Council takes the final decision. The decision that Council takes its either approve the reports or reject them after altering where it deems necessary to do so.

Upon decision by Council, the administration wing has to implement that decision and report back to Council in the form of Council Resolution Register. The register will indicate as to how the administration has implemented the Council decision and progress thereof.

2.2 Administrative Governance

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Municipal Manager	Mr. DH Molaole
Corporate Services Department	Mrs. EM Tshabaemang (Director: Corporate Services)
BTO Department	Mrs. GP Moroane (Acting CFO)
Community Development Services Department	Mr. TH Matlhare (Acting Director: Community Development Services)
Economic Development Department	Mr. KK Teise (Director: Local Economic Development)
Basic Services & Infrastructure	Mr. MW Molusi (Director: Basic Services & Infrastructure)



Municipal Manager

Mr. D. H. Molaole



Director: Basic Services and Infrastructure

Mr. M. W. Motshabi



Director: Corporate Services

Mrs. E. M. Tshabaemang



Director: Development and Planning

Mr. K. K. Teise



Acting Director: Community Development Services

Mr. T. H. Matlhare



**Acting Chief Financial Officer: Budget and Treasury
Office**

Mrs. G. P. Moroane

COMPONENT B: CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The Municipality is part of and contribute to various cooperative governance and inter-governmental initiatives by the different spheres of Government and coordinate the inter-governmental relations forums in the District.

2.3 Intergovernmental Relations

National Intergovernmental Structures

The Municipality participates in various forums at national level. These forums include MINMEC and MINTECH meetings that are attended by the Executive Mayor and Municipal Manager or their delegates respectively. Other forums include the Municipal Managers Forum.

Provincial Intergovernmental Structure

The Municipality participates in the Premier's IGR where the Executive Mayor reports on the progress made in the District at large and presents a report on behalf of all the Municipalities in the District. The Municipal Manager also attends this with the Executive Mayor and also attends the HOD Forum. Various other provincial forums are participated in by the Municipality and ranges from health and safety to water and sanitation, to social MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars, set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.

Overview Supply Chain Management

MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars, set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.

The Municipality's Supply Chain Management Unit is a support function for all business units within the municipality, assisting them to implement their service delivery priorities. One of the main objectives of the unit is to ensure provision of efficient, transparent, fair, equitable and cost-effective procurement services.

The Unit operates under the direct supervision of the Acting Chief Financial Officer and the Head: Supply Chain Management, to whom this duty has been delegated to in terms of section 82 of the Act and its core functions are:

1. Demand Management;
2. Acquisition Management;
3. Logistics Management;
4. Disposal Management;
5. Risk management; and
6. Performance Management.

The supply chain management policy for the year 2022/23 was adopted by Council during May 2022 in term of SCM Regulation 3 (1) (a) and the amendment to this policy to incorporate Preferential Procurement Regulations 2022 was adopted by the Council on the 24th February 2023.

The main change made to the policy was to bring it in line with the structure of the SCM regulations. The aim was to establish a credible base from which the business processes can be developed. Further review of the current SCM policy was done in order to align the policy to the revised Preferential Procurement Regulations 2022, issued in terms of the section 5 of the preferential Procurement Policy Framework Act, Number 5 of 2000 (PPPFA). The revised regulations were published in the Government Gazette No 47452 on 04 November 2022, these regulations aim to align the Preferential Procurement Regulations, 2022, Central Supplier Database, E-Tender portal and the Broad - Based Black Economic Empowerment Act, 2003 effective from 7 December 2011, issued by National treasury

Performance of Supply Chain Management

In terms of the MFMA SCM regulations, the SCM policy of the municipality must provide for a system of demand, acquisition, logistics, disposal, risk and performance management, and the current policy has been aligned to provide for that.

1. DEMAND MANAGEMENT

The preferential policy objectives were identified at national level hence during the 2022/23 financial year a procurement plan was developed and the procurement preferential preference

points were set on how these objectives will be met for each contract for the 2022/23 financial year.

The National Treasury has issued a media release in February which informs or instruct all the state entities to put all the tenders on abeyance. This impacted on the fully implementation of the procurement plan.

The National Treasury has issued a Media release on the 30th May 2022 regarding the decision of the Constitutional Court that:

- the suspension of the declaration of the order of invalidity of the 2017 Regulations is still valid for the remainder of the 12-month period, namely until 16th January 2023. This means that
- the 2017 Regulations in there entirely are still valid, the bid committees are now permissible to do the procurement of goods and services to apply the 2017 PPFA Regulations until the 16th January 2023.
- The implementation of the new regulation (PPR 2022) is effective from the 16th January 2023. However, the Provincial Treasury planned to roll out the awareness of these changes on the 19th January 2023 for JTG region.
- The consultative process has been done with various stakeholders to ensure that the SCM policy is aligned with the new regulations (PPR 2022).
- The Council adopted amendment of the Supply Chain Management Policy which include Preferential Procurement Regulations 2022 on the 24th February 2023.

The table below depicts progress on the implementation of the 2022/23 procurement plan:

Bid Number	Bid Description	Date advertised	Closing Date	Date awarded	Awarded to	Bid Price Awarded (R)
01-2022/23	Supply and Delivery of ICT Equipment on a rate base for a period of 24 months (As and when needed)	15 Sept 2022	27 Oct 2022	23 Feb 2023	Bushi Holdings	Rate based Contract
02-2022/23	Supply and Delivery of Fencing Materials	15 Sept 2022	14 Oct 2022	10 Jan 2023	BK August	R371, 893,03 (vat Incl)
03-2022/23	Construction of temporary residential units (TRU) at various villages within the John Taolo Gaetsewe District Municipality	01 Mar 2023	14 Mar 2023	03 Apr 2023	Mainbic Bicacon Jv	R64441 per unit

Bid Number	Bid Description	Date advertised	Closing Date	Date awarded	Awarded to	Bid Price Awarded (R)
		01 Mar 2023	14 Mar 2023	03 Apr 2023	Phatsimo Developers	R64377,01 per unit
04-2022/23	Verification and valuation of municipal owned biological assets (game species) at Thwane game farm, Van Zylsrus for a period of 36 months	03 Mar 2023	03 April 2023	30 June 2023	EMS Solutions (Pty) Ltd	Rate based Contract
05-2022/23	The appointment of consultants for audit support and quality reviews for a period of 12 months	03 Mar 2023	24 Mar 2023	31 May 2023	CCG Systems (Pty) Ltd	Rate based Contract

From the table above, it is evident that 100% of planned procurement items were acquired during the 2022/23 financial year.

2. ACQUISITION MANAGEMENT

Thresholds as per section 12 of the SCM regulations has been set and complied with throughout the year. A thorough review of the bid documentation was done to ensure full compliance with all circulars and the latest SCM regulations to ensure full compliance in the 2022/23 financial year. A procurement plan was developed to guide all the procurement processes during the year and implemented accordingly.

Legal and Policy Implications

In accordance with Section 6(3) of the Council's Supply Chain Management Policy, the Municipal Manager must submit a Quarterly Report on the implementation of its Supply Chain Management Policy.

Furthermore, the Supply Chain Management activities are governed by various legislation which inter alia included revised PPPFA, MFMA, BBBEE and CIDB Act. Compliance to the Acts is paramount in order to ensure that the municipality has a procurement system that is fair, transparent, effective and economical.

Salient Details of Supply Chain Management Activities

The municipality remains on course with the implementation of its SCM Policy, and has steadily improved overall service delivery. A summary of SCM Activities is given below:

a) Supply Management Reforms

Management continues to ensure that all the all the procurement of goods and services comply to the revised Regulations, PPPFA, MFMA Circulars (CSD and E-Tender portal) and Practice notes. The following policies have been updated and adopted by the Council as required by the legislation:

- Supply Chain Management Policy for 2023/24 FY(Incorporating LGFIDPM - Annexure A)

b) Internal Auditor's Findings on the implementation of the SCM policy

Management has implemented the audit action in ensuring that for each service provider appointed on the quotations below R30 000 comply fully with the following:

- Complete the MBD forms
- CSD Registered
- Quotations vs pro forma invoice on accommodations *

c) Implementation of mSCOA SCM module

The SCM module on SAGE system is fully functional. The CCG Consultants continued to provide technical support as and when required.

d) SCM Unit Functionality

The Municipality continued to have and manage a fully functional SCM Unit e.g. through providing administrative and committee secretariat to the Bid Committees. This function ensures compliance in respect of formal committee practice and record.

e) Contract Management

The performance of contractors was evaluated on monthly basis as required by section 116 (2)(a) of the MFMA. Generally, the performance of contractors for various contracts within the municipality was satisfactory. The contract register had been developed and it was continuously updated.

f) Legal Implications

- In accordance with Section 6(3) of the Council's Supply Chain Management Policy, the Municipal Manager must submit a Quarterly Report on the implementation of its Supply Chain Management Policy.
- Furthermore, the Supply Chain Management activities are governed by various legislation which inter alia included revised PPPFA, MFMA, BBBEE and CIDB Act. Compliance to the Acts is paramount in order to ensure that the municipality has a procurement system that is fair, transparent, effective and economical.

3. LOGISTICS MANAGEMENT

An effective system of logistics management has been established. The municipality however does not necessarily have stores items such as small tools and equipment, but have consumable items such as stationery, refreshments etc. The continuous interrogation of inventories and improvements on systems and processes has yielded positive results in that there is a progressive reduction of stock holdings.

4. DISPOSAL MANAGEMENT

An effective system of disposal management has been established and detailed processes developed to ensure compliance with section 40 of the SCM regulations. Asset and Disposal Steering Committee is also established.

5. RISK MANAGEMENT

The contracts are being monitored on monthly basis, though there is a human capital challenge as there is only one monitoring officer. Also, measures are now being put in place to ensure identification, consideration and avoidance of potential risks in the supply chain management system in accordance with section 41 of the SCM regulations. The supply chain management operational risk register was maintained during the year under review.

Supply Chain Management is a specific focus area in the Auditor General's Report. Issues raised during the current period audit are addressed in the Audit Action Plan.

6. PERFORMANCE MANAGEMENT

A Contract Management Report on performance of service providers is included in **Appendix I** of the Annual Report.

2.4 By-laws

The Municipality published the Commonage Management By-Law in 2021/22. The public participation processes in respect of the Draft Air Quality Management and Municipal Health Services By-Laws were concluded.

2.5 Websites

Municipal Website: Content and Currency of Material	
Documents published on the Municipality's / Entity's Website	Yes / No
Current annual and adjustments budgets and all budget-related documents	Yes
All current budget-related policies	Yes
The previous annual report (Year -1)	Yes
The annual report (Year 0) published/to be published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Yes
All service delivery agreements (Year 0)	No
All long-term borrowing contracts (Year 0)	No
All supply chain management contracts above a prescribed value (give value) for Year 0	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 Year 1	No
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No
Public-private partnership agreements referred to in section 120 made in Year 0	No
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Yes

2.6 Public Satisfaction on Municipal Services

The Municipality commissioned a customer satisfaction survey on behalf of all the municipalities in the District. It was concluded during the 2015/16. Next survey will be conducted within the next 5-year cycle due to costs of survey. The findings are summarized below.

Although service protests were experienced in the District these protest were related to services provided by sector departments such as roads. Communities disrupted educational services in some areas of especially Joe Morolong Municipality because of the demand for roads. The Municipality facilitated at a political level to resolve the roads issue.

Comment on Satisfaction Levels

John Taolo Gaetsewe District Municipality commissioned a Customer Satisfaction Survey for the entire District. The Survey was also conducted in support of the Gamagara, Ga-Segonyana and Joe Morolong Local Municipalities. It was undertaken to gather information on customer requirements, their expectations on performance and measure the community satisfaction index (CSI). The survey served as a mechanism to identify and prioritize service improvement areas from a customer's perspective and provide a benchmark upon which future improvements in service delivery and customer satisfaction could be measured.

The study focused on generating information sourced from external customers (Individual & corporate, as well as NGOs, CBOs and SMMEs). This covered both the domestic, regional and international community. The study focused on a sample of John Taolo Gaetsewe District Area, Local Municipalities and other stakeholder service outlets e.g., tribal offices. This covered the communities that are resident within the John Taolo Gaetsewe District Area. The survey had a sample size of 500.

Local residents were appointed to distribute questionnaires with a target of at least 10 to achieve the overall target of 500 questionnaires. A random sample selection procedure was followed. Forms were completed using face to face contact. No telephone interviews were conducted.

The following findings have been summarised for easy referencing for Council and comprehensive reports are available at the Strategic Planning and Organizational Performance Management Unit:

Joe Morolong Local Municipality (Bothitong, Dikhing, Dithakong, Tsaelengwe, Pietersan and Washington):

Rating	Poor 1	Satisfactory 2	Good 3
Service Experience	599	117	428
Service Delivery	5115	534	924

Ga-Segonyana Local Municipality (Mothibistad, Kuruman, Bankhara Bodulung, Seven Miles, Gantatelang, Ditshoswaneng, Thamoyanche and Mapoteng):

Rating	Poor 1	Satisfactory 2	Good 3
Service Experience	790	419	959
Service Delivery	8080	1845	2578

Gamagara Local Municipality (Gamagara, Kathu and Dibeng):

Rating	Poor 1	Satisfactory 2	Good 3
Service Experience	181	160	347
Service Delivery	1372	1028	1604

The research results may be summarized as follows and is clearly addressing almost exclusively issues related to local municipalities:

A. Service Experience

- Service points are not easily accessible
- There are insufficient staff to provide effective service
- Staff are impatient and not helpful and unfriendly
- Staff are competent and knowledgeable
- Office hours of service points are unsuitable and inconvenient
- The municipal offices close early and this affects people who work
- Areas in and around the offices are clean and neat
- Residents doesn't find it easy to reach the municipality telephonically
- Switchboard staff are not friendly and courteous
- People at the helping desk are sometimes impatient in dealing with clients

B. Service Delivery

- The water is not of good quality and clean water is not provided to households.
- Water supply is very limited in rural areas, many households do not have taps in their homes.
- Sanitation services are generally poor. The communities are not satisfied with the sewer bucket removals which they felt are ineffective, sewerage suction tanker services are

not effective and the absence of waterborne sewerage systems which in some areas is very ineffectively.

- Lack of sanitation and sewerage services is severe in rural areas where some households do not have these services.
- People need to be notified when the water supply will not be available.
- Electricity bill is expensive and some areas do not access to electricity.
- People need to be notified when electricity supply will not be available.
- Roads and Storm Water need maintenance.
- Potholes are repaired within reasonable time.
- Speed humps are needed in busy areas and close to schools.
- Refuse removal in the most areas is very poor and attention needs to be paid to at least removal once a week and minimization of waste and refuse dumps that are unclean should be closed completely.
- Most areas where refuse has been removed not clean and are unhygienic.
- The refuse removal services need to be improved as some of the refuse bins are damaged by waste collectors.
- The communication between the municipality and the rest of the community needs more improvement.
- Municipal Health Services such as clinics close early while most of them have limited staff members; the service is reported as in general not satisfactory. In some rural wards there is a need for mobile clinics.
- There is a need for a hall, a park, sports facilities and a library in many areas/wards.
- Fire and rescue services are provided poorly in rural areas and there is need to expand the service to these areas.
- After hour municipal emergency services delay to respond or simply do not respond.
- The municipality's law enforcement and traffic services are mostly working in urban areas, are not visible in the rural areas.
- The rates and accounts service is generally poor.
- The accounts are often inaccurate. Billing is thumb sucked and residents don't have easy channels to complain about accounts.
- Residents in urban areas complain that they don't see the meter readers but do get accounts.
- The ward committees are functional, but regular report backs are not forthcoming.

- The municipality is not accessible to many and information published needs to be improved to be more relevant for local citizens.
- Council meetings are not always accessible.
- The residents would want to be involved in IDP/budget meetings but need to be well informed in advance.

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

The Municipality continues to support the locals with roads, human settlement and water quality monitoring services whereby planning documents are developed, related information and advices are given to the municipalities. An Integrated Transport Plan is developed and being reviewed, a comprehensive identification of the roads network through the Rural Roads Assets Management System (RRAMS) is made. Replacement of mud houses is continued and is depended on funding resources allocated. The intent is to implement housing projects as guided by the Integrated Human Settlement Plan over the years. This will, however be impeded by inadequate funding resources.

There are anticipated needs for increase on human resources. This is already visible by the contract appointment of interns on certain sectors - RRAMS programme. The outcome of Assessment of Bulk Water Services will surely also shed light on areas which need to be beefed up with human resources. The Municipality on economic development had commenced in ensuring that the District Growth Development Strategy, the Local Economic Development Strategy and the Small Medium and Macro Enterprises becomes in place. The procurement processes had commenced in the financial year under review.

COMPONENT A: BASIC SERVICES

The pressing needs on services are a coordinated supply of bulk water services so as to optimize efficiency on the supply of the service. On housing needs there is huge backlog of housing as indicated in the Council adopted Integrated Human Settlement Plan which needs to be addressed. The needed services for the new townships are equally an area to be addressed. The Norms and Standards of National Home Builders Registration Council (NHBRC) that houses be built only in areas where the Geotech and Dolomitic investigation are completed has been covered in many areas within the District.

Basic Services backlogs eradication is being hampered by poor roads conditions and this continue to have an effect on transportation services which in turn places duress on the better roads. The municipality had shed light on the magnitude of roads in the municipal space and

their overall conditions. This information is being used as a planning tool, to quantify the resources required in addressing these challenges in an informed manner.

3.1 Water Provision

Local Municipalities are Water Service Authorities and in some instances Water Services Providers. The District Municipality does however; support the local municipalities where feasible within the available resources.

Comment on Water Use by Sector

Though noted that there are the mining, agriculture and other water user sectors in the district, it cannot be ascertained yet what the actual volume of extraction, use and losses are. The Local Municipalities which are water services authorities cannot not avail this information as there are challenges relating to water metering still.

Comment on Water Services Performance Overall

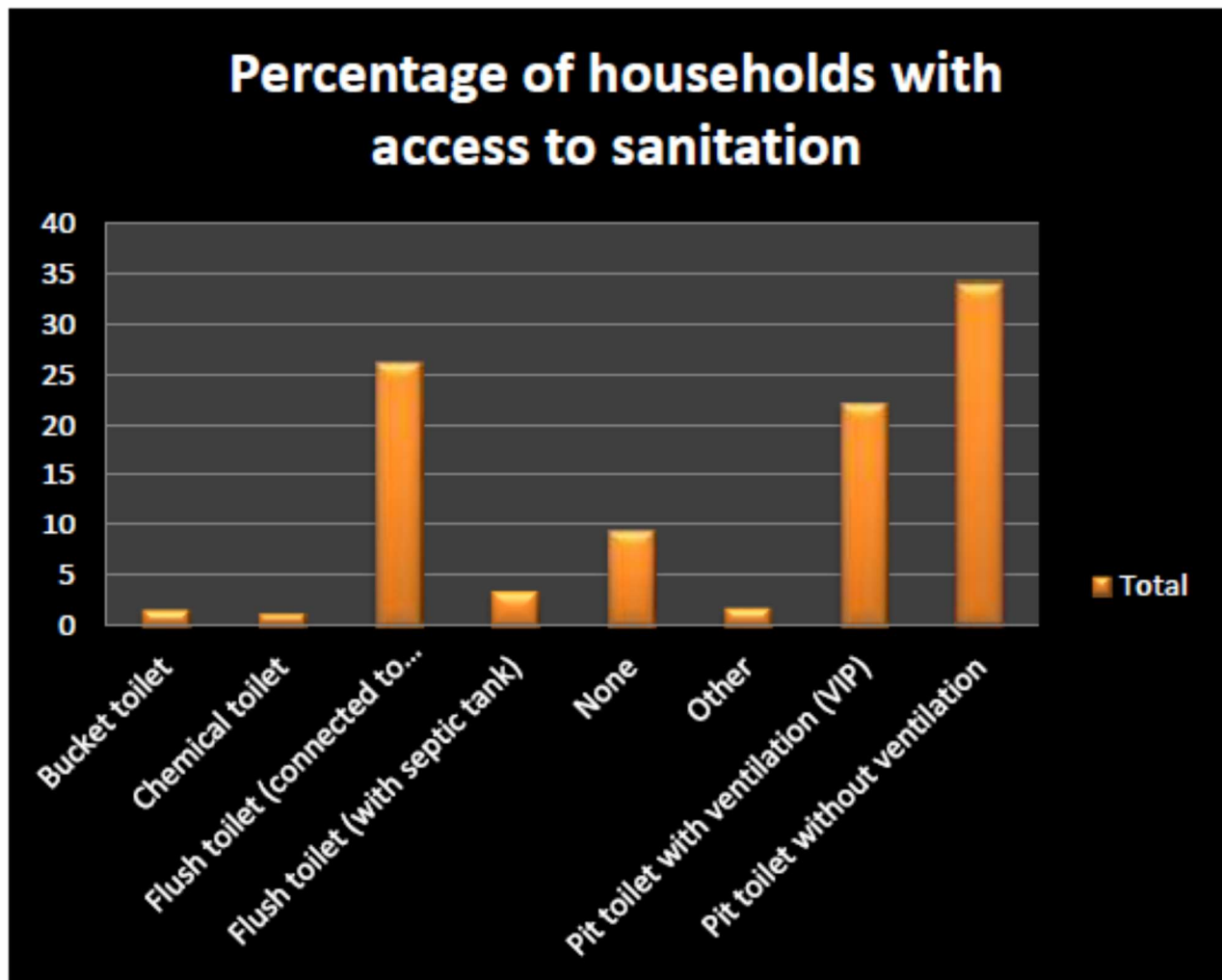
The Municipality targets to provide Bulk Water Services in a coordinated way and optimizing the district wide resources. The assessment can be attained within the approved budget. This outcome will assist in shedding light on how best the services can be performed in the district and this is being done in consultation with the local municipalities.

3.2 Waste Water (Sanitation) Provision

All of the municipalities within the area of jurisdiction of the JT Gaetsewe District Municipality (DC45) reported that they performed a sanitation function during the August 2008 capacity assessment review; in each case the function is rendered by the Technical Services (Basic Services and Infrastructure) Department, together with the Community Services Department in the case of the Ga-Segonyana Local Municipality (NC452), and consists in the main of the provision of waterborne and dry sanitation facilities.

In this regard it is noted that two of the municipalities within the area of jurisdiction of the JT Gaetsewe District Municipality (DC45) have officials managing the sanitation function who each hold a national diploma in civil engineering qualification. (Source: 2008 Municipal Demarcation Board Municipal Capacity Assessment Report)

JT Gaetsewe District Municipality monitors waste and sanitation on a monthly basis from an Environmental Health perspective.



Source: Census 2011

Comment on Sanitation Services Performance Overall

The MHS function of JTGDM monitor sanitation from an Environmental Health Perspective.

3.3 Electricity

The Services is being implemented by the local municipalities and in some areas by Eskom. There had however been a big coverage of household electricity - grid supply throughout the district. The areas still mainly not covered are new establishments - particularly informal settlements and in fills. There is however plans in place to augment such shortcomings, particularly in the Ga-Segonyana Local Municipal area. There are developments on alternate energy in the district with a solar park in Kathu being established. Few villages and many cattle

posts are being serviced by limited supply of alternate energy and the sustainability thereof in such instances is not well. There supply challenges in some towns, Kuruman and Kathu, where there is a need to augment the supply and in some instances the grant resources not adequate in the local municipalities.

Comment on Electricity Service Performance Overall

The District Municipality is currently not implementing the function and does engage with the locals where support is being requested.

3.4 Waste Management

JT Gaetsewe District Municipality does not provide this service.

Comment on Waste Management Service Performance Overall

JTGDM completed the IWMP for the whole district. The project was funded by DEA. A waste management forum was established at district level for support to local municipalities in implementing their IWMP.

3.5 Housing

The Integrated Human Settlement Plan (IHSP) is in place is reviewed annually. Council had approved a SDBIP which seeks that a Human Settlement Forum sits quarterly to ensure that the recommendations in the strategic plan are followed and the information is updated on an annual basis. There are projects reflected in the Human Settlement Plan and preparations of business cases are being in line with the Integrated Human Settlement Plan. The Municipality reports on matters relating to housing distress as from risks related to improper housing structures, disaster incidents and progress on projects implemented by the Local Municipalities.

Challenges are that the eradication of the housing backlogs are very slow in local municipalities, contract management challenges. The Local Municipalities had however, where there had been unsatisfactory progress terminated contracts where necessary.

Comment on the Performance of the Housing Service Overall

The performance of housing in overall is not very satisfactory due to insufficient funding, contract management challenges and aligning projects to the new Norms and Standards of NHBRC on Geotech and Dolomitic investigations. There are planning projects completed and ongoing, particularly on Geotech and Dolomitic investigations in all municipalities in the District.

There are four main construction sites in the district on civil engineering services for 240 low-cost houses in Wrenchville which has been completed and the construction of top structures thereof had commenced. The construction of 163 of the 177 houses in Bankhara/Bodulong has been completed. Both projects in the Ga-Segonyana Local Municipal area. A project of 5700 houses mixed development project at Kathu is at an advanced planning stage and Engineering Services for 1265 housing sites at Sesheng is at construction stage, both the projects are implemented at Gamagara Local Municipality.

3.6 Free Basic Services and Indigent Support

Provision of free basic services is with the local municipalities - this includes identification of indigents and policies addressing the methods of how such services are being provided.

Comment on Free Basic Services and Indigent Support Overall

Indigent support and free basic services is not provided by the District, but by the local municipalities.

COMPONENT B: Road and Transport

Transport within JT Gaetsewe District is characterized by a limited availability of number of transport modes, storage facilities and huge backlogs in communication. This is the reality despite the fact that Kuruman is an important distribution depot for the surrounding rural areas. The Municipality had through the development of the Rural Roads Asset Management identified the extent of the roads network and completed the review of the Integrated Transport Plan. The roads asset system and the transport plan will guide on transport infrastructure and the all pressing transport services needing attention.

Road transportation remains a challenge on certain focal areas: existence of by-laws, law enforcement, safety on roads, limitations of resources on planning tasks, fare structures for

different modes of public transportation, of taxi licensing, inadequacies of bus and taxi ranks, weigh bridges to regulate freight - where in place, being too small for the holding capacities.

3.7 Roads

All of the municipalities within the area of jurisdiction of the JT Gaetsewe District Municipality (DC45) reported that they performed the municipal roads function in each of the assessment periods under review. The function is performed within the Technical Services (Basic Services and Infrastructure) Department within each of the municipalities within the service area of the JT Gaetsewe District Municipality (DC45); only two of the officials managing the municipal roads function at the respective municipalities within the District Municipality are in possession of a national diploma in civil engineering qualification. It is noteworthy that the roads agency function was moved away from the District Municipality and is now the sole responsibility of the Provincial Roads Department.

The Integrated Transport Plan identified key transport infrastructure projects, including roads. The output on the Rural Roads Asset Management System (RRAMS) assists in guiding on prioritising roads needing attention. There is progress on district roads as being implemented by the Department of Roads and Public Works and local municipalities had also constructed some roads. The steps following the identification of roads needing attention will be followed by sourcing funding as to the projects implemented.

Of the 1 434,6 km's of municipal unpaved roads are assessed in the district, 15% are very poor, 52.2% poor and 32% are ranging from fair to good.

Comment on the Performance of Roads Overall

The projects embarked on are strategic projects and no capital projects were embarked upon. Operation related function of roads is with the local municipalities, the Department of Roads and Public Works and SANRAL on the national road. A Roads Management Plan (RAMP) was developed in the financial year to assist on municipal roads planning.

3.8 Transport (including vehicle licensing & public bus operation)

The Reviewed Integrated Transport Plan seeks to address the population and socio-economic transportation challenges by ensuring the existence of structures which initiate plans to ensure the existence of improved and maintained infrastructure and services. The mayor success this

far is the review of the Integrated Transport Plan and established Transport Forum by Council. There is cooperation of public transport industries and all other relevant stakeholders on the establishment of the transport forum.

Comment of the Performance of Transport Overall

The transport services are not properly regulated hence the establishment of the Transport forum to ensure the implementation of the District Integrated Transport Plan. The municipalities and the Department of Roads and Public Works are embarking on capital and operational projects roads projects.

Generally, the level of service on public transport is not satisfactory due to long waiting times for public transport. The condition increases hitchhiking and this in turn make taxi operators to erect informal taxi ranks on N14 and R31. The highest volumes of public transport (taxis and busses) of areas with 15 km's of the Kuruman town and the route linking Hotazel and Kuruman ranging between 651-1300 per day.

Road freight and parking in towns are areas and concern and there is a necessity for roads infrastructure plans in the municipalities to take care of.

Major maintenance roads on the N14 on the eastern side of the district for a distance of 54,56km are planned to commence in the coming financial year, structures are in place a construction firm is appointed. The R31 through the District is proclaimed as a National Road in the financial year.

A feasibility study of the N14/ R31 bypass road is being embarked on by the Gasegonyana Local Municipality. This effort is prompted by the need to reduce mainly heavy load traffic off the Kuruman town streets.

3.9 Waste Water (storm water drainage)

The storm water function in towns is being executed by the local municipalities; there are no adequate plans though to provide the service in villages. There is however limited, roads associated, developments during construction of new roads but this relates to the protection of roads infrastructure. Many existing rural settlements including informal settlements close to towns are in the risk of being below the flood lines.

Comment on the Performance of Storm Water Drainage Overall

There are no specific storm water capital projects in the district currently. The operations functions in the towns by the local municipalities are ongoing, particularly on maintenance related incidents causing flooding on roads.

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

3.10 Planning

The District compiles a package of plans. These plans include the Integrated Development Plan (IDP), Spatial Development Framework (SDF), Housing Sector Plans, Local Economic Development Strategy, Integrated Transport Strategy and District Growth and Development Strategy. The IDP is the master plan and covers a period of five years and must be reviewed annually. The development priorities contained in the IDP is based on the spatial priorities and objectives identified in the SDF.

The IDP must be aligned with all sector plans internally and externally. The District Municipal Planning Tribunal (DMPT) was established in 2016; in terms of the Spatial Planning and Land Use Management Act (SPLUMA), Act 16 of 2013. The DMPT was fully functional in dealing with development applications from all 3 local municipalities. For the year 2021/22 Local Municipalities opted out of the DMPT to establish their respective MPTs.

The values, vision and mission of the municipality that is also guiding planning and development in the District and indicated in the IDP are as follows: “The Vision” statement of the JT Gaetsewe District Municipality reflects its commitment to the ideal of an integrated, development-focused district, and is built on the following municipal core values:

- 🏗️ Development - strive for the development of the district and its people, while also striving for own personal development;
- 🏗️ Commitment - stay committed to the vision of the John Taolo Gaetsewe DM and to serving the people of the district in whatever you do;
- 🏗️ Care - to show empathy and care towards others, while striving to promote a positive working atmosphere; and

☞ Integrity - stay true to whatever you commit to, performing your duties to the best of your ability, while conducting yourself professionally at all times.

Vision

A global centre of excellence for environmentally sustainable, innovative and competitive iron ore and manganese mining and steel beneficiation that anchors a diversified and inclusive economy with an empowered and prosperous local community.

The vision statement of the JT Gaetsewe DM represents an ideal of what it wishes to achieve. It represents the main and ultimate deliverable of the municipality. The focus is on the value that the municipality aims to create and add for the communities of the district.

Mission

Accelerating the implementation of integrated development initiatives and providing support to local municipalities.

The above-mentioned mission statement reflects what the municipality will do in an ongoing manner to constantly striving towards achieving its vision. The District Development priorities indicated in the IDP are as follows:

- Water & Sanitation
- Roads & Transport
- Local economic development (LED)
- Land development and reform
- Integrated human settlements
- Sustainable Development Orientated Municipality
- Environmental management and conservation and climate change management
- Promotion of health in the District
- Disaster management

The District Reviewed Spatial Development Framework (SDF) was concluded in 2017. The reviewed SDF is compliant with Chapter 4(21) of the SPLUMA (Act 16 of 2013). Spatial

Development Frameworks are long terms plans that are reviewed every 5 years and can only be amended through a legislatively prescribed process.

The reviewed SDF retains the previous spatial development vision of the District as follows: *“The John Taolo Gaetsewe District Municipality will become a district in which all its residents...*

• ... engage in viable and sustainable wealth-generating economic activities. This will result in the eradication of poverty, and will ensure a dramatic reversal in the unequal distribution of wealth and income and the skewed access to opportunities in the district. Viable, well-planned rural development initiatives will bring an end to the deep poverty and the destitution of the district. Due to well researched and tested desert-resistant agricultural practices, high-value rural products will be produced and over-grazing and soil erosion won't be a problem any longer. Serious investment in and exploitation of renewable sources of energy will result in the district becoming self-reliant in the generation of electricity which will provide a sizeable injection into the national electricity grid.

• ... live in sustainable human settlements that are safe, vibrant and in balance with the environment. Young people will grow up with the prospect of a bright future, either in the district, or anywhere else in the world as the quality education they will have received, will prepared them for. Walking and cycling will be the two most common modes of movement within towns and villages, while a safe and reliable minibus system will provide public transport between settlements. Traffic management and road maintenance will mean that mining trucks no longer pass-through settlements and potholes will be a thing of the past. Water and energy-use, energy generation and the construction of housing, will be examples of “best practice in green design, building and living”. Due to proper, respected and wise land-use management, including the regulation of mining activities, uncontrolled settlement expansion will not take place and environmental damage will be minimised.

• ... participate in the governance of the district, including settlement formation and expansion, economic development, education, and the provision of basic services. Plans will be prepared with full participation of all interested and affected parties, which will be based on accurate information and will be implemented. Elected politicians and officials will serve the people and corruption and misappropriation of funds will be rare occurrences. Traditional leaders will serve on a civil society advisory body that is consulted on all strategic decisions by the elected politicians. Decisions that affect the public will be based on evidence, and only taken after careful consideration of all the viable options and deliberation on all the positions and perspectives in the district. Due to payment for services by all, and smart systems and practices, the municipalities in the district will be financially viable and desirable places to work in.

In support of the vision, the SDF provides a spatial structure that would promote the following development objectives:

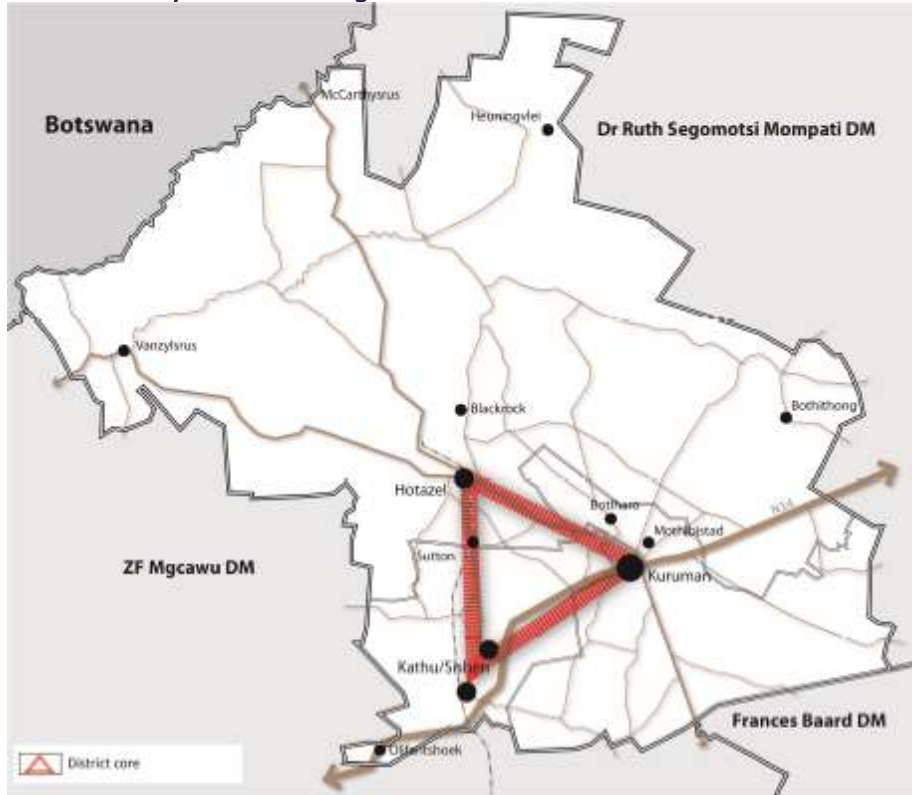
- Attract new business (especially manufacturing linked to other sectors e.g. mining, agriculture) to the district in a focused/core area.
- Create a spatial structure that would maximise accessibility of the dispersed population to a range of services and facilities.
- Support the diversification of the economy, whilst strengthening existing area-specific economic activities relating to specific regions.
- Promote expansion of the mining industry in such a way that its negative impacts are minimised and distressed mining communities are supported.
- Stimulate the agricultural sector through the strengthening of commercial farming and the creation of a new intensive agriculture and agro-processing SMME economy in densely populated rural areas with predominantly subsistence farming.
- Enhance tourism as a more important component integrated in the economy of the district.

The reviewed SDF supports the SPLUMA principles and the incorporation thereof is indicated as follows:

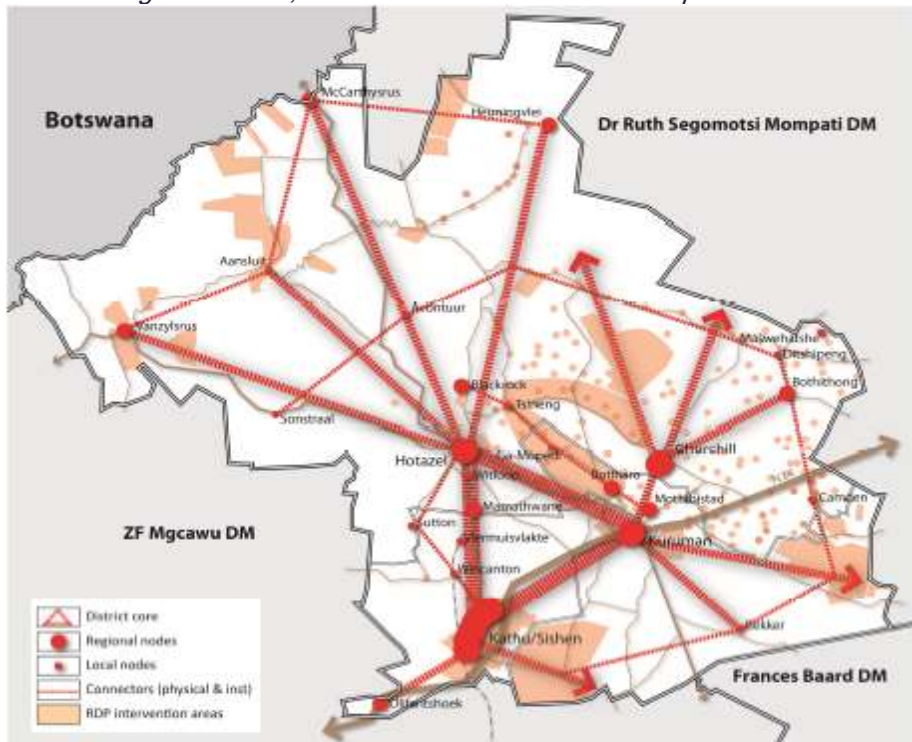
SPLUMA Principles	Spatial Application in JTGDM SDF
Spatial Justice	Connectors between regional nodes, local nodes and human development hubs serve impoverished villages.
Spatial Sustainability	Strategies in functional economic regions address mining, agricultural and tourism activities as major economic activities in the area. The locality of the region on the N14 highway is proposed to accommodate a light industrial strip between Kuruman and Sishen/Kathu, which will assist in a diversifying the economy and creating job opportunities. The clustering of social facilities in nodes should further combat sprawl and assist with the creation of viable communities and sustainable settlements.
Spatial Efficiency	Through the integration of mining, agricultural (both commercial and subsistence) and tourism activities in spatial planning, area-based strategies could be applied more efficiently.
Spatial Resilience	The spatial framework provides a conceptual spatial idea, which gives guidance to context-specific implementation relating to the characteristics of a specific place and in relation to a specific community.
Good Administration	The spatial framework builds on the spatial framework of the Northern Cape, whilst taking cognisance of planning in the three local municipalities, thus supporting the principle of intergovernmental coordination.

The following elements guide the spatial structure of the district and form the basis of the SDF:

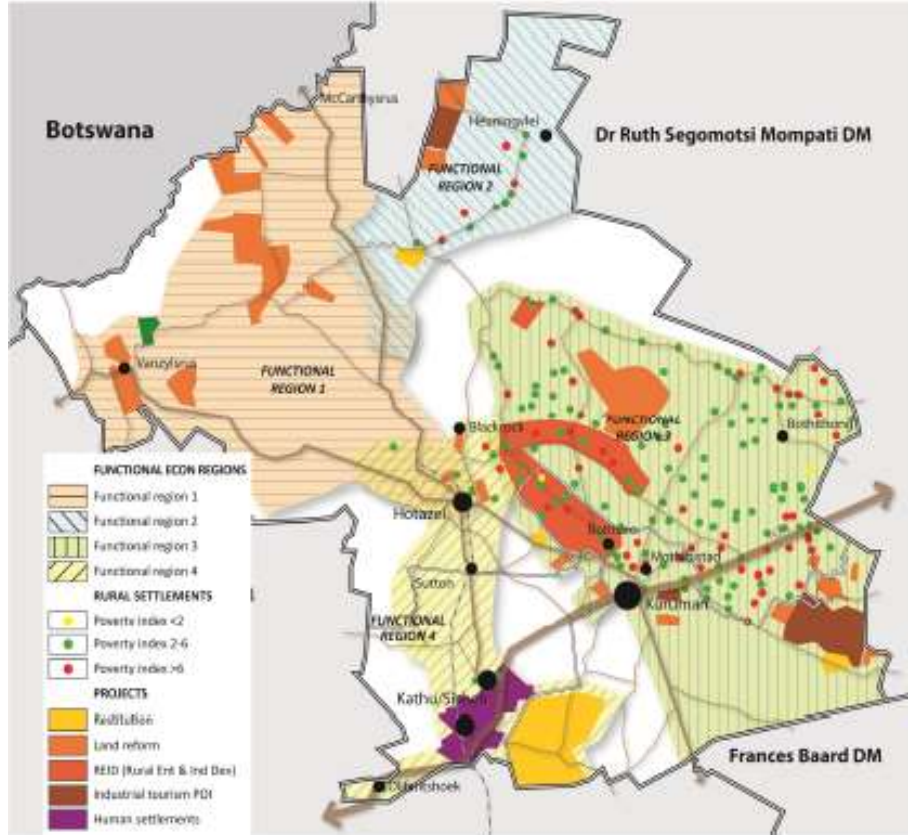
Spatial structuring element 1: Intensified district core



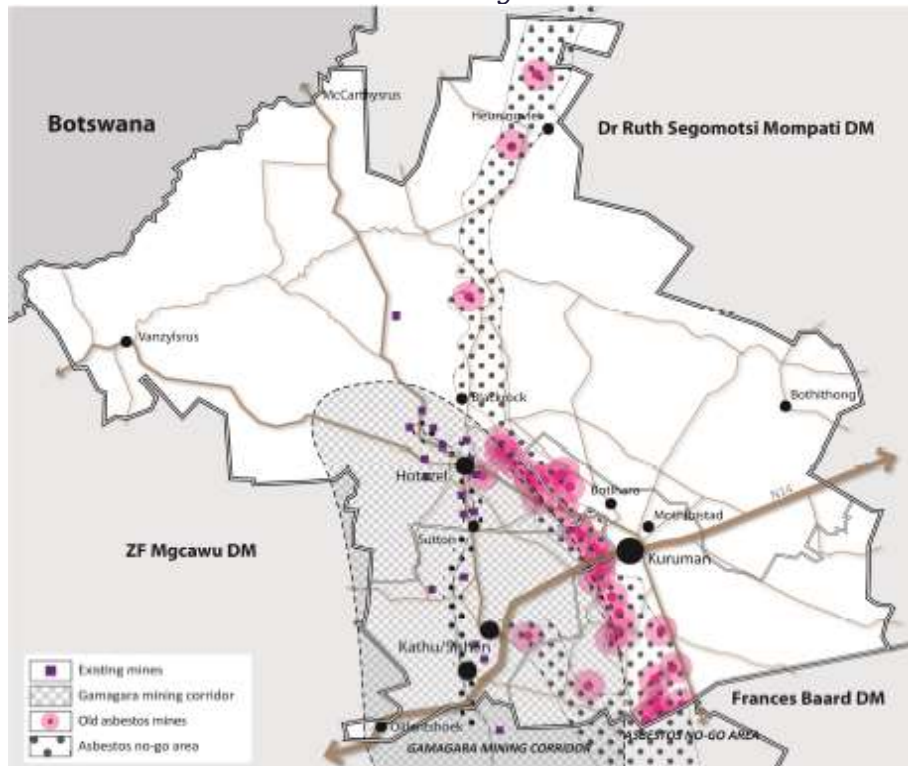
Spatial structuring element 2: Polycentric network of nodes and (physical and institutional) connecting routes - Regional nodes, Local nodes and Human Development Hubs



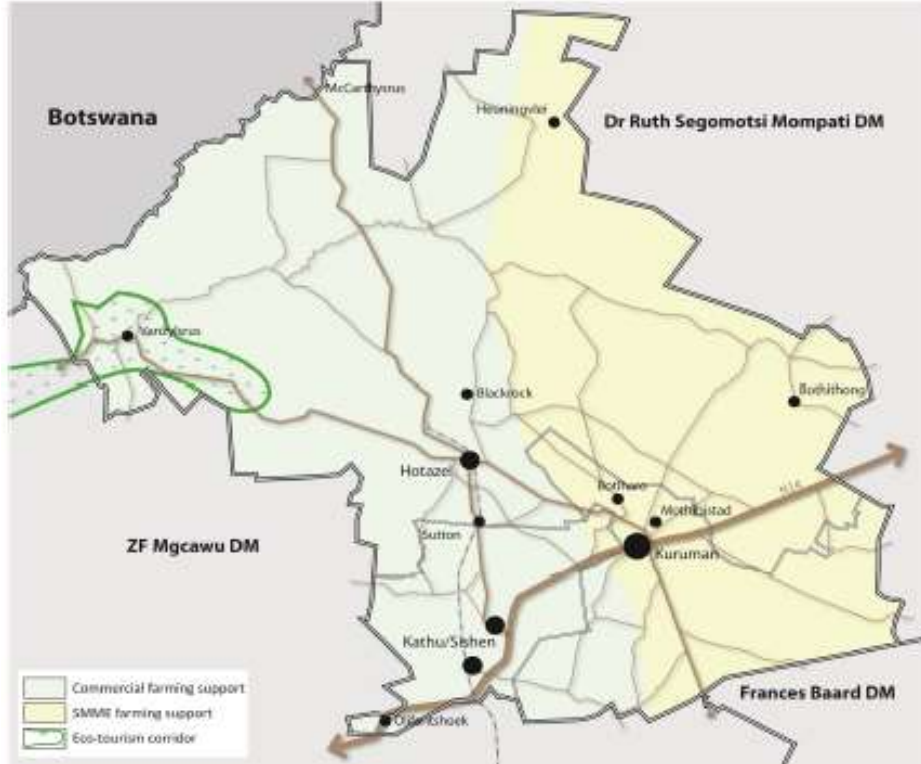
Spatial structuring element 3: Functional economic regions - Functional Regions 1 - 4



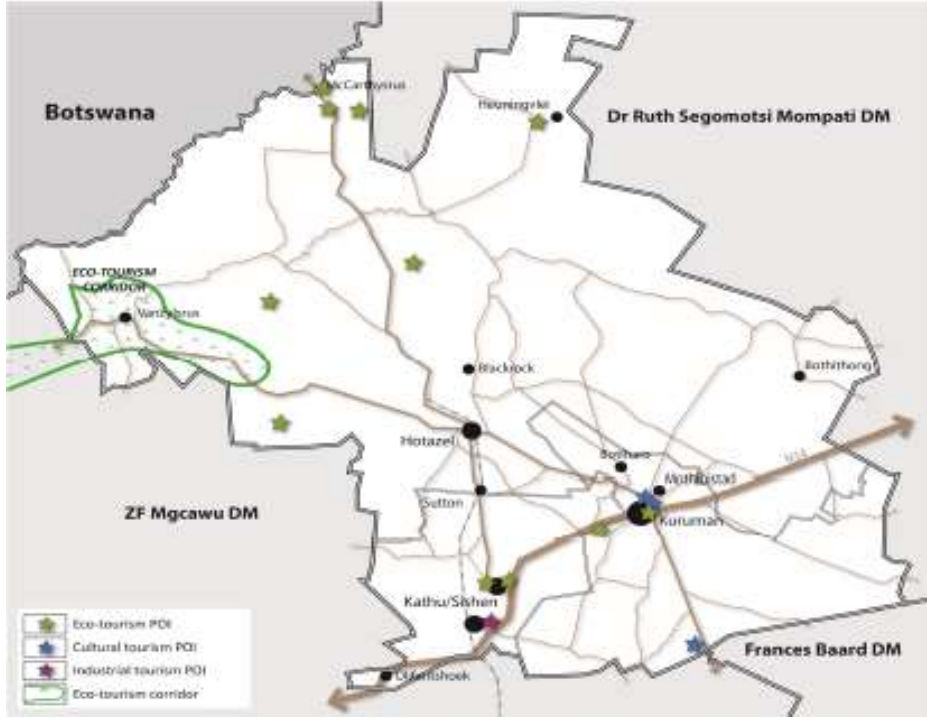
Spatial structuring element 4: Mines and mining activities - Gamagara Mining Corridor, Active mines and Asbestos no-go area



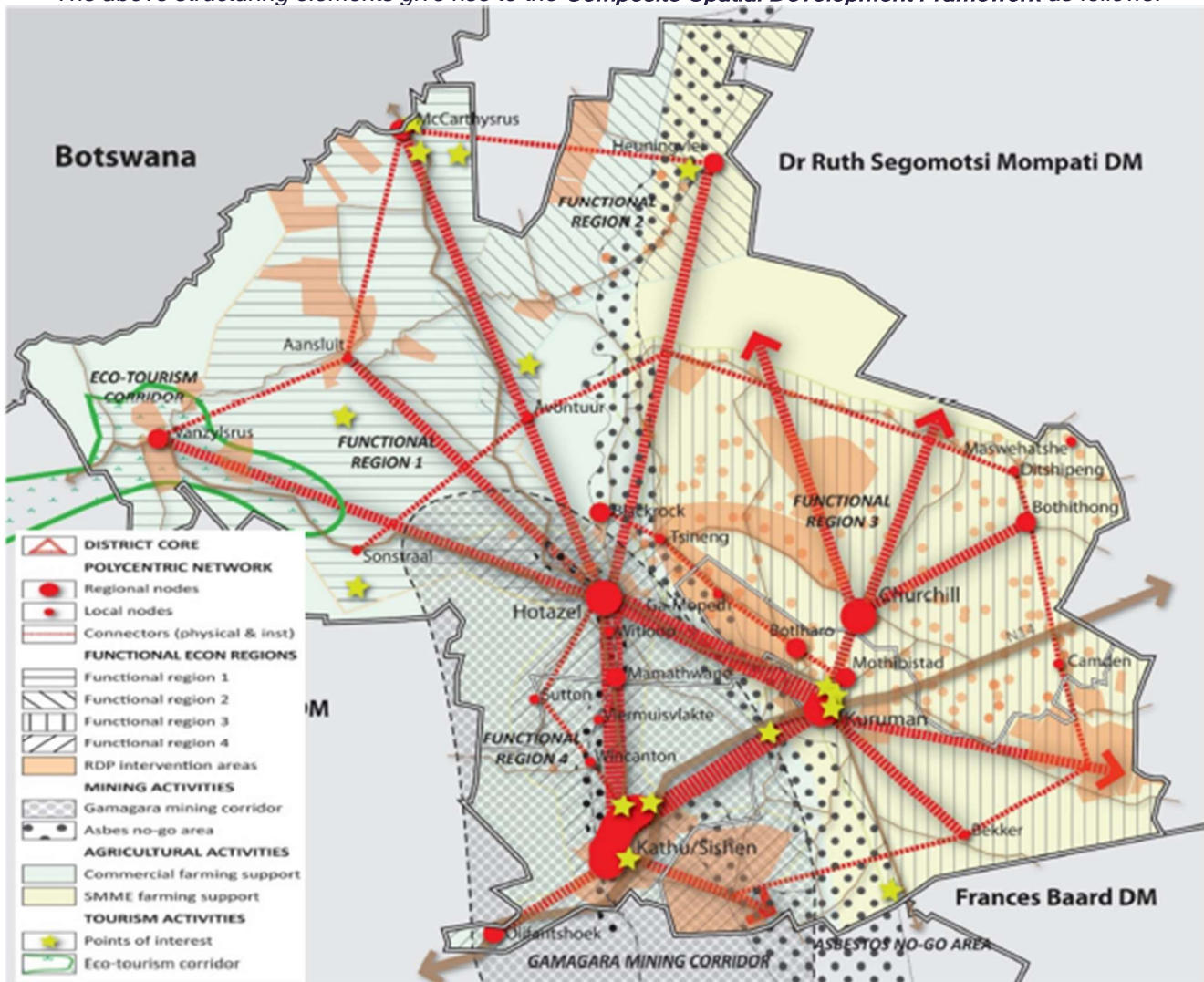
Spatial structuring element 5: Agricultural activities - Commercial farming and rural extensive farming



Spatial structuring element 6: Tourism activities- Points of interest and Eco-tourism Corridor



The above structuring elements give rise to the *Composite Spatial Development Framework* as follows:



Employees: Planning Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	2	2	2	0	0%
7 - 9	1	1	1	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	4	4	4	0	0%

T 3.10.4

Comment on the performance of physical planning overall

The Municipality commenced with the following physical planning projects:

- Human Settlement Plans - completed. Funding is dependent on grants and unfortunately limits the roll out of projects. Reviews are now taking place annually.
- Integrated Transport Plan - Consultation of the final draft was concluded in the 2017/18 Financial Year. Reviews are taking place on a quinquennial basis.
- The Rural Roads Asset Management Strategy project is a multi-year project is progressing well and is still unfolding.
- Integrated infrastructure plan - development of the plan commenced and will be concluded in phases due to lack of information and funding
- Air Quality Section 78 Assessment could not commence in 2017/18 and concluded in 2019/20 instead.

3.11 Local Economic Development (including tourism and market places)

LED is the function under which the following programmes are implemented as priorities:

- **Tourism**
 - Tourism Awareness Campaigns
 - Entrepreneurial support
 - Cleaning Campaign
 - Skills Development
 - Schools Tourism
 - Women in tourism
- **Comprehensive Rural Development Programme(CRDP)**
 - AGRI- Park project
 - Support Agriculture Cooperatives (Youth and Women)
 - Enterprise development
 - Support to local emerging farmers
 - Management of commonage farms
 - Agricultural Programs
 - JTG Rural Development Plan
- **SMME**
 - Enterprise development
 - Supplier development
 - Database development
 - Help develop Business plan
 - Lobby for funds for Enterprises

Comment on local job opportunities

The mining sector created more jobs, followed by Sectoral Departments and Tourism in the District. Provincially unemployment stand at 28% and John Taolo Gaetsewe District at 28,5%. Municipalities plan to have a mining Supplier Day/awareness for communities and business people.

Comment on local economic development performance overall

Each local area has a unique set of opportunities, problems, and has developed an LED strategy that is specific to its local context. The local municipalities agreed in line with the legislation that the JTG District municipality can run/drive the following priorities:

Eight priorities:

- Tourism development and running of office
- Support SMME's and Cooperatives
- Coordination of Social and Labour Plan
- Support to Local Emerging Farmers
- Infrastructure: Roads and bulk water
- Agri-Park Mega Project
- DPMT coordination
- Regional Development agency

The Local Economic Development (LED) and Tourism Unit got involved in number of initiatives and activities that steered economic development in the District for the period under review. These events have big economic benefits to the business and community at large as they create temporary job opportunities to the residents of the District and they are not limited to the following:

- Desperados Bikers rally
- Annual Durban Tourism Indaba
- Kurara Clap your hands Annual festival
- Harambe Annual Festival
- Second Eye Annual Festival
- Saluki Annual Festival
- Kgalagadi Jazz Festival

Unfortunately, due to the COVID-19 lockdown regulations the JTGDM deemed it necessary to postpone its participation in all public events until a directive is given to resume with such events.

CRDP

The Unit envisaged to work together with relevant sectoral Department in all spheres to harness resources and avoid unnecessary duplication of projects for community development. Fourteen Agricultural cooperatives are assisted by the Cooperative Grant. John Taolo Gaetsewe District Municipality facilitated the process and it will be an ongoing effort.

Implementation of the Agri-park is of great help to local farmers. The coordination of farmers in JTG District is on track. The Pilot Project (Heuningvlei Farmer Production Support Unit) hand-over by the Deputy President was postponed to the next financial year hopefully in September 2023. It must be noted that according to National Department, Heuningvlei Farmer Support Unit is one of the best in the Country and it is getting a necessary attention even in Parliament (FPSU) The following was purchased for the Project:

- Two Trucks (10 Ton)
- Two Toyota Single cab Bakkies (GD6)
- Deeping Spray
- Crate Neck Clamps
- 30 Bonsmara Bulls
- Mobile Kraals

Progress to date (With Heuningvlei FPSU)

In 2018, through the services of Urban Econ Service Provider, we drafted the Heuningvlei Farmer Production Support Unit business plan together as a District. That business plan enabled us to establish the Heunngvlei FPSU as it currently is. However, it has now been 5 years and that business plan needs to be updated and more importantly there is a need for a business plan that will map an exit strategy of governmental support of the FPSU.

The Department has requested assistance from our sister Chief Directorate: Small Business Development, to assist with the update of the Heuningvlei Business Plan. They have requested for an active participation of key FPSU stakeholders in the drafting of the Business Plan. The plan is to offer a skills development training for three days on the drafting of a business plan (as a form of skills transfer) and to continue for the remaining two days with the actual drafting/

updating of the Heuningvlei FPSU Business Plan. This Business Plan is actually an exit Strategy for Department to allow/prepare farmers to run the FPSU effectively, efficiently and independently.

Farmer Production Support Unit (Ga-Segonyana - Yale Farm)

The Department of Rural Development has appointed a Service Provider to develop a Business Plan. The Department is currently mobilizing farmers that are within a 60KM radius including those in Gamagara. As soon as the mobilization is finalized, the Department will then formalize them into a Cooperative.

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

The District Municipality only perform municipal health services. Other services are provided by the local municipalities where those functions are assigned to them and where they have the resources to do so.

3.12 Cemeteries and Crematoriums

The MHS section of JTGDM monitors Funeral Undertakers and Mortuaries in terms of the National Health Act and regulations.

Service Statistics for Cemeteries and Crematoriums

Funeral Undertakers and Mortuaries are regularly monitored for compliance in terms of the National Health Act, 61 of 2003.

Comment on the performance of cemeteries and crematoriums overall

JTGDM monitor Cemeteries, funeral undertakers and mortuaries as part of the Municipal Health function - disposal of the dead. Fencing of cemeteries is on an annual basis implemented. Eleven cemetery sites were fenced in both Joe Morolong and Ga-Segonyana Local Municipalities.

3.13 Child Care, Aged Care, Social Programmes

The MHS Section of JTGDM monitors Environmental Health risk factors at Child Care Facilities as part of the MHS function.

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection. The Department of Environmental Affairs (National) has approved funding for Environmental Protection and Infrastructure Programme (EPIP). The Department remains committed in supporting municipalities through funding initiatives that enhance the protection of environment and responsible use of natural resources. A number of projects has been approved and are implemented from 2017/18-2021/22 MTEF Cycle in the local municipalities.

The projects are as follows. Waste Management and Greening; Greening and Open Space Management; and Establishment of a Game Farm.

3.14 Pollution Control

Environmental Pollution Control is conducted in terms of the Municipal Health Services function within the scope of the National Health Act.

Comment on the performance of pollution control overall

Monitoring of Environmental Pollution is conducted in terms of the Municipal Health function within the scope of the National Health Act, 61 of 2003.

3.15 Bio-diversity; Landscape (incl. open spaces) and other (e.g. coastal protection)

This service is not provided by the District Municipality.

COMPONENT F: HEALTH

This component includes: clinics; ambulance services; and health inspections. The 9 Municipal Health functions defined as Environmental Health was delegated to District and Metro Municipalities in South Africa. Environmental Health is the only preventative health service designed to identify and contain environmental risk factors that have a detrimental effect to the health of communities.

3.16 Clinics

The Municipal Health function at JTGDM monitor Health Care Facilities from an Environmental Health perspective.

Comment on the performance of clinics overall

As indicated Health Care Facilities and Hazardous Medical Waste are monitored by the Municipal Health Section of JTGDM from an Environmental Health perspective.

3.17 Ambulances

This service is not provided by the District Municipality, but by the Provincial Department of Health.

3.18 Health Inspection; Food & Abattoir Licensing; Inspections; Etc.

MHS is a District and Metro Municipal function and consist of the following:

DEPARTMENT OF HEALTH
 No. R. 698 26 June 2009
 HEALTH PROFESSIONS ACT, 1974 (ACT NO. 56 OF 1974)
 REGULATIONS DEFINING THE SCOPE OF THE PROFESSION OF ENVIRONMENTAL
 HEALTH: AMENDMENT

The Minister of Health has, under section 33(1), read with section 61(2) of the Health Professions Act, 1974 (Act No. 56 of 1974), and on the recommendation of the Health Professions Council of South Africa, amended the regulations promulgated by Government Notice No. R. 888 of 26 April 1991, as reflected in the Schedule.

SCHEDULE

Definitions

1.

In this Schedule, "**the regulations**" means the regulations relating to the scope of the profession of environmental health published under Government Notice No. R. 888 of 25 April 1991, and any word or expression to which a meaning has been assigned in the regulations shall bear such meaning, unless the context otherwise indicates.

Amendment of the regulations

2.

The regulations are hereby amended by the addition at the end of the regulations as an annexure, of the following Scope of Practice of Environmental Health Practitioners:-

ANNEXURE

SCOPE OF PRACTICE OF ENVIRONMENTAL HEALTH PRACTITIONERS

In addition to the scope of the profession as prescribed in the regulations, the following acts fall within the scope of practice of environmental health practitioners.

Environmental health services include performance of the following acts:

(1) WATER MONITORING - District Municipal Health Competency

- (a) Monitoring water quality and availability, including mapping water sources and enforcing laws and regulations related to water quality management;
- (b) ensuring water safety and accessibility in respect of a safe quality (microbiological, physical and chemical) and an adequate quantity for domestic use as well as in respect of the quality for recreational, industrial, food production and any other human or animal use;
- (c) promoting access to water for all communities by providing inputs toward the planning, design and management of the water supply system and ensuring healthy community water supplies through surveillance;
- (d) ensuring monitoring of effective waste water treatment and water pollution control, including the collection, treatment and safe disposal of sewage and other water-borne waste, and surveillance of the quality of surface water (including sea water) and ground water;
- (e) advocating proper and safe water usage and waste water disposal;
- (f) sampling and testing water in the field and examining and analysing it in a laboratory.

(2) FOOD CONTROL - District Municipal Health Competency

- (a) Ensuring food safety in respect of acceptable microbiological and chemical standards, quality of all food for human consumption and optimal hygiene control throughout the food supply chain from the point of origin, all primary raw material or raw products production, up to the point of consumption;
- (b) inspecting food production, distribution and consumption areas;
- (c) monitoring informal food trading;
- (d) inspecting food premises and any nuisances emanating therefrom;
- (e) enforcing food legislation and the Codex Alimentarius;
- (f) applying food quality monitoring programmes and principles through various techniques, e.g. Hazard Analysis and Critical Control Points System (HACCP System) audits;
- (g) promoting the safe transportation, handling, storage and preparation of foodstuffs used in the Primary School Nutrition Programme (PSNP), prisons, health establishments, at airports, etc.;

- (h) promoting the safe handling of meat and meat products through, amongst others, meat inspections and examination of abattoirs;
- (i) promoting the safe handling of milk and milk products.

(3) WASTE MANAGEMENT AND GENERAL HYGIENE MONITORING - District Municipal Health Competency

- (a) Ensuring proper refuse storage, collection, transportation, transfer and processing, materials recovery, and final disposal;
- (b) ensuring proper management of liquid waste including sewage and industrial effluents;
- (c) ensuring the proper storage, treatment, collection, transportation, handling and disposal of medical waste and hazardous waste;
- (d) sampling and analysing any waste or waste product such as sewage or refuse;
- (e) investigating and inspecting any activity relating to the waste stream or any product resulting therefrom;
- (f) advocating proper sanitation;
- (g) controlling the handling and disposal of diseased animal tissue;
- (h) ensuring safe usage of treated sewage sludge and ensuring that reclaimed waste is safe for health;
- (i) ensuring waste management including auditing of waste management systems and adherence to the 'cradle-to-grave' approach.

(4) HEALTH SURVEILLANCE OF PREMISES - District Municipal Health Competency

- (a) Conducting environmental health impact assessments of, amongst others, housing projects;
- (b) assessing aspects such as ventilation and indoor air quality, lighting, moisture-proofing, thermal quality, structural safety and floor space;
- (c) assessing overcrowded, dirty or other unsatisfactory health conditions on any residential, commercial, industrial or other occupied premises;
- (d) monitoring all buildings and all other permanent or temporary physical structures used for residential, public or institutional purposes (including health care and other care, detainment, work and recreation, travel,

- tourism, holidaying and camping) and the facilities in connection therewith and the immediate precincts;
- (e) ensuring urban and rural land-use planning and practices that are conducive to sustainable development by conducting sound environmental health impact and other assessments;
 - (f) ensuring the prevention and abatement of any condition on any premises, which is likely to constitute a health hazard;
 - (g) ensuring the health safety of public transport facilities such as buses, trains, taxis, boats and aeroplanes as well as all other facilities in connection therewith;
 - (h) ensuring compliance with the principles of Local Agenda 21 and the Healthy Cities approach to integrated service rendering and the practical minimising of any environmental health risk.

(5) SURVEILLANCE AND PREVENTION OF COMMUNICABLE DISEASES, EXCLUDING IMMUNIZATIONS - District Municipal Health Competency

- (a) Promoting health and hygiene, aiming at preventing environmentally induced diseases and related communicable diseases;
- (b) Collecting, analysing and disseminating epidemiological data and information;
- (c) Using the Participatory Hygiene and Sanitation Transformation (PHAST) training approaches and any other educational training programmes or approaches for effectual control measures at community level;
- (d) Conducting epidemiological surveillance of diseases;
- (e) Establishing an effective environmental health surveillance and information system within the different spheres of governance;
- (f) Developing environmental health measures, including protocols, with reference to epidemics, emergencies, diseases and migrations of populations.

(6) VECTOR CONTROL MONITORING - District Municipal Health Competency

- (a) Identifying vectors, their habitats and breeding places;
- (b) conducting vector control in the interest of public health, including control of arthropods, molluscs, rodents and other alternative hosts of diseases;

- (c) removing or remedying conditions resulting in or favouring the prevalence of or increase in rodents, insects, disease carriers or pests;
- (d) ensuring the residual spraying of premises and precincts;
- (e) investigating zoonotic diseases and vector-borne diseases in the working and living environment;
- (f) surveying imported cargo and livestock for the prevalence of disease vectors;
- (g) undertaking serological testing of rodents, dogs and other pets or animals.

(7) ENVIRONMENTAL POLLUTION CONTROL - District Municipal Health Competency

- (a) Ensuring hygienic working, living and recreational environments;
- (b) identifying the polluting agents and sources of water, air and soil pollution;
- (c) conducting environmental health impact assessments of development projects and policies, including assessments of major hazard installations;
- (d) Identifying environmental health hazards and conducting risk assessment and mapping thereof;
- (e) Preventing accidents, e.g. owing to paraffin usage;
- (f) Approving environmental health impact assessment reports and commenting on environmental impact assessment applications;
- (g) Ensuring clean and safe air externally (ambient and point sources) through emission inventory monitoring, modelling and toxicological reports, reviews and complaint investigations;
- (h) Controlling and preventing vibration and noise pollution;
- (i) Preventing and controlling soil pollution that is detrimental to human, animal or plant life;
- (j) Ensuring compliance with the provisions of the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993), and its regulations, including anticipating, identifying, evaluating and controlling occupational hazards;
- (k) Taking the required preventative measures to ensure that the general environment is free from health risks;
- (l) Ensuring the registration, permitting, monitoring and auditing of all industries, activities, trade, etc., which involves controlling the internal

effects of pollution on the worker and the external effects of pollution on the community and the environment;

- (m) Monitoring management of infrastructure integrity, including management of the infrastructure integrity of pipelines and tanks;
- (n) Ensuring, jointly with other role players, a readiness for abnormal operating conditions and disasters;
- (o) Developing sustainable indicators appropriate for monitoring the effectiveness of environmental management systems of industries.

(8) DISPOSAL OF THE DEAD - District Municipal Health Competency

- (a) Controlling, restricting or prohibiting the business of an undertaker or embalmer, mortuaries and other places or facilities for the storage of dead bodies;
- (b) monitoring practices at cemeteries, crematoria and other facilities used for the disposal of dead bodies;
- (c) managing, controlling and monitoring exhumations and reburials or the disposal of human remains.

(9) CHEMICAL SAFETY - District Municipal Health Competency

- (a) Monitoring and regulating all operators, fumigation firms and formal and informal retailers that deal with the manufacture, application, transport and storage of chemicals;
- (b) Permitting, licensing and auditing the premises of the above, e.g. by issuing Scheduled Trade Permits;
- (c) Facilitating advice, education and training on pesticides and/or chemical safety.

(10) NOISE CONTROL - District Municipal Health Competency

- (a) Assessing the extent of noise pollution and its effects on human health;
- (b) facilitating noise control measures;
- (c) measuring ambient sound levels and noise levels.

(11) RADIATION (IONISING AND NON-IONISING) MONITORING AND CONTROL - District Municipal Health Competency

- (a) Ensuring ionising and non-ionising radiation sources are registered with the Department of Health;
- (b) ensuring registered ionising and non-ionising sources meet licence conditions;
- (c) monitoring the safe transportation of radioactive material to ensure compliance;
- (d) ensuring radioactive sources are licensed at the South African Nuclear Energy Corporation (NECSA);
- (e) ensuring the proper disposal of all radiation waste materials from hospitals and other licensed establishments;
- (f) ensuring protection against any form or sources of electromagnetic radiation.

(12) PORT HEALTH - Department of Health Competence

- (a) Monitoring, inspecting, sampling and labelling all imported foodstuffs, cosmetics and disinfectants at all ports of entry (harbours and border posts);
- (b) monitoring all imported foodstuffs, cosmetics and disinfectants for which a certificate of approval is required;
- (c) sampling foodstuffs consumed on board all aeroplanes and ships;
- (d) monitoring, inspecting and sampling (for chemical and bacteria testing purposes) all maize and wheat imports;
- (e) monitoring continuous rodent and vector control at airports and harbours;
- (f) monitoring imports of used pneumatic tyres for the prevalence of mosquitoes such as the Aedes species (vectors for yellow fever, dengue fever and encephalitis);
- (g) Providing a continuous vaccination programme for seafarers at all ports;
- (h) Monitoring and inspecting all hazardous cargo entering the country;
- (i) Monitoring and preventing communicable diseases on a 24 hour-basis;
- (j) Monitoring water on board ships to ensure that it is safe for human consumption;
- (k) Monitoring food wastes and medical waste for disposal.

(13) MALARIA CONTROL - Department of Healthy Competency

- (a) Ensuring, developing and implementing a malaria control programme for the country, thus lowering parasite levels in the population and preventing deaths through rapid diagnosis and prompt treatment;
- (b) Ensuring a continued active and feasible malaria surveillance programme;
- (c) Carrying out house-to-house surveys to actively detect malaria cases;
- (d) Ensuring blood smears are taken from foreigners and people who have visited malaria-endemic countries for malaria parasitaemia screening;
- (e) ensuring randomised screening of the population by blood sampling for testing during seasonal changes in high-risk malaria areas;
- (f) carrying out epidemiological surveys to research the extent of transmission and gather data on the infected population;
- (g) undertaking vector control on an annual basis by application of residual insecticides on inner wall surfaces, roofs and eaves of dwellings in malaria areas;
- (h) conducting continued health education and awareness programmes on malaria, for example by distributing pamphlets and launching campaigns.

(14) CONTROL AND MONITORING OF HAZARDOUS SUBSTANCES - Department of Health

Competency

- (a) Ensuring the correct labelling of hazardous substances;
- (b) Ensuring all active ingredients are indicated;
- (c) Ensuring warning signs are indicated;
- (d) Ensuring precautions are taken during storage and transportation, and the appropriate protective gear is used during handling;
- (e) Ensuring all hazardous substances are registered with the Departments of Agriculture and Environmental Affairs and Tourism;
- (f) Ensuring hazardous substances control to prevent injury, ill-health or death by reason of the toxic, corrosive, irritant or flammable nature of substances;
- (g) Ensuring control over the importation, manufacture, sale, operation, application, modification or dumping of such substances;
- (h) Ensuring premises are licensed and registered with the appropriate authorities;

- (i)* Inspecting premises to ensure compliance with safety, storage and other precaution measures;
- (j)* Ensuring sampling is done according to approved procedures;
- (k)* Ensuring all labelling regulations are complied with;
- (l)* Checking all stock records and ensuring the hazardous substance register is up to date;
- (m)* Ensuring that empty containers are disposed of according to statutory requirements.

(Signed)
DR A MOTSOLEDI, MP
MINISTER OF HEALTH

Service Statistics for Health Inspection, etc.: Municipal Health Services

Breakdown of Targets and Actual Performance	
Actions Annual Target	528
Actions Quarterly Target	132
Actions Actual Performance	856
Break Down	
Water	76
Health Surveillance of Premises	65
ECD	76
Food Premises	541
Awareness Campaigns	18
Food Samples	12
Funeral Undertakers	25
Air quality Management Inspections	43

Comment on the performance of clinics overall

As indicated Health Care Facilities and Hazardous Medical Waste are monitored by the Municipal Health Section of JTGDM from an Environmental Health perspective.

There is a healthy relationship between the National Department of Health and the District Municipality. The National Department of Health recently deployed one Environmental Health Practitioner (Community Service) for one year to do community services in the District. The Community Development Services Department appreciates efforts by the National Department and therefore would like to lobby for another Environmental Health Practitioner (Community services) to assist in the District. The Department needs internships for both Disaster Management and Municipal Health Services. Therefore the Community Development Services Department would further like to engage organizations like NARYSEC to see how we can forge good relations so that we can be able to work together in future, especially on issues related to environment.

The Department (Community Development Services) has also prepared business plans that have been send to different stakeholders to assist with funding of environmental projects in order to further enhance service delivery.

There are also challenges facing this profession in our district, for example geographically the District is huge and the resources and the manpower are few, therefore the Environmental Health Practitioners has to travel long distances to execute their duties. Compliance remains

a challenge in most businesses and government institutions, but the EHP's try everything in their power to do their job, by advising and taking the necessary punitive measures were possible. In some instances they must be able to identify themselves fully because some new business owners will not trust them thinking that they are not the right personnel.

COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc. Security and Safety is not a District Municipality function.

3.19 Police

Security and Safety is not a District Municipality function.

3.20 Other (Disaster Management)

1) ACTIVITIES DURING THE YEAR

1.1) Attendance of meetings

- District Disaster Management Advisory Forum Meetings was combined with COVID JOC meetings.
- Virtual JOC meetings commenced on a quarterly base.
- Disaster Management Unit meetings commenced on a monthly base.
- Fire Protection Association meetings commenced by annually.
- Road Incident Management System meetings commenced on a quarterly base.

1.2) Contingency Planning

The following Contingency Plans were compiled and submitted.

- Winter Season Contingency Plan
- Heavy Rain Contingency Plan
- Veldt fire Contingency Plan
- Contingency Plan for the Festive Season of 2021
- Contingency Plans for the Easter weekend of 2022

1.3) Compilation of reports

- Compilation of 4 Quarterly reports for the JTGDM Council.

- Compilation of 4 Quarterly Reports for the Provincial Disaster Management Centre
- Compilation of Annual JTGDM Report
- Compilation of Annual Provincial Disaster Management Report

2) RESULTS OF PREVENTION AND MITIGATION INITIATIVES

2.1) Road Incident Management System Workshop

Awareness programs focused on the following prioritised disaster risks:

- Fire Awareness
- Severe Weather Storms
- COVID Awareness

2.2) Disaster Risk Reduction

- 10 Disaster Management Employees received in-house Disaster Management Centre training.

3) CLASSIFICATION, MAGNITUDE AND SEVERITY OF DISASTERS/ INCIDENTS

3.1) Emergencies Coordinated

- 2067 Emergencies were co-ordinated and monitored by the DMC.
- Standing Operating Procedures were activated for all emergencies handled.

3.2) COVID 19 Disaster

The Head of the National Disaster Management Centre (NDMC), announced the revocation of the classification of the COVID-19 pandemic as a national disaster, in Government Gazette Nr. 46199 on 05 April 2022.

4) PROBLEMS EXPERIECED IN DEALING WITH INCIDENTS

- Role Players/ Sector Departments, Local Municipalities do not budget for Disaster Assistance in their Operational Budget.
- Slow response from Sector Departments.

5) WAY IN WHICH PROBLEMS WERE ADDRESSED

JTG District Municipality developed and approved a COVID Contingency plan.

6) DISASTER MANAGEMENT PLAN

DMP and DMF were compiled and reviewed for each Local Municipality and the District Municipality.

COMPONENT H: SPORTS AND RECREATION

This component includes: community parks; sports fields; community halls; stadiums; swimming pools; and camp sites. As part of employee wellness a service provider was appointed to develop an Integrated Employee Wellness policy and strategy. Sports and recreation is covered in the employee wellness activity program. This service is however not provided to communities.

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate services policies, financial services, human resource services, ICT services, property services. All policies have been consulted with all stakeholders, thereafter the policies were submitted to Council for approval and implemented as required.

3.21 Executive and Council

This component includes: Executive office (mayor; councilors; and municipal manager). The Municipal priorities for 2021/22 as indicated below. The priorities are numbered for convenience only. Priorities are regarded as equally important:

1. Water & Sanitation
2. Roads & Transport
3. Local economic development (LED)
4. Land development and reform
5. Integrated human settlements
6. Sustainable Development Orientated Municipality
7. Environmental management and conservation and climate change management
8. Promotion of health in the District
9. Disaster management

Service Statistics for the Executive and Council

The Municipality does not provide services directly to communities. The annual performance of the Municipality is indicated in the Unaudited Annual Performance Report in Volume 3.

Comment on the performance of the Executive and Council

Council managed to meet successfully during the year and a number of ordinary and special meetings were held. Council fulfilled its oversight obligations with the assistance of the Municipal Public Accounts Committee, as well as the Audit and Performance Committee.

Management to the most extent were also effective and is continuing with its change management process. Problems were however experienced in the Budget and Treasury Office, where interventions had to be made during the year. Certain processes in this regard is still unfolding. The Municipality also progressed to an unqualified without findings audit opinion 2020/21 Financial Year.

3.22 Financial Services

Please refer to the Unaudited Annual Financial Statements 2021-2022 in the Annual Report Volume II.

3.23 Human Resource Services

The HR unit is responsible for individual performance management, skills development, bursaries recruitment & selection, HR administration, employee benefits and leave management.

Comment on the performance of Human Resource Services overall

Bio-metric and CCTV systems were introduced as a control to adhere to attendance and punctuality policies of Council. The mentioned capital projects will serve the purpose to safeguard Council property as well as to address the safety of Councilors and Officials.

Budgeted vacant positions were advertised and filled as per approved organogram. Performance assessments were conducted and reported to council on quarterly basis. Leave has been administered and reconsolidated on monthly basis. Training programs (including on-job training) have been implemented for all officials (including interns) and councilors.

3.24 Information and Communication Technology (ICT) Services

During the year under review, network problems were experienced especially at Technical Services, Management did address the issues as the needs arise. Council envisaged to address these IT challenges during the next financial year by allocating sufficient budget for improvement of IT infrastructure.

IT audit findings were fully addressed. The accounting system and HR system was changed from Sebata EMS to Sage Evolution and Sage 300 People systems.

3.25 Property; Legal; Risk Management and Procurement Services

Tremendous improvement has been recorded around seating of MPAC and MPAC resolutions, where even the prior year UIF register has been worked on and minuted for council resolutions.

The members of the MPAC have received numerous and rigorous training throughout the year in order to ensure that we build capacity around them in relation to the required investigations of MPAC. There has also been interaction between MPAC and the Provincial Legislature in terms of workshops facilitated by COGHSTA and the Provincial Legislature.

Issues of compliance have been tackled in line with departmental and functional adherence to policy and legislation. Management has put systems in place to ensure that all units, departments and the Office of the Municipal Manager take charge and responsibility in responding to possible breaches. We expect, going forward to enforce the improvement in the upcoming years by making compliance a performance target for Directors.

The continuous implementation of the Risk Management Model assisted the Municipality to identify risks, to assess risk and to treat risk, related to the operations and performance of the Municipality. The Municipal Council adopted a Risk Management Framework that formed the basis of developing and/or implementing the following:

- Risk Management Policy, which is a comprehensive policy that outlines the risk management methodology to be used for the identification and assessment of risk;
- Fraud and Corruption Management and Promotion of Ethics and Professionalism Policy and Plan.
- Risk Register for 2022/23, with quarterly progress reviews and reporting during the year;
- Risk Management Strategy and Implementation Plan that guides risk management activities and reporting during the year. Progress was also monitored and reported on during the year on a quarterly basis;
- Risk based auditing and the development of internal audit plans;
- Risk assessment and Risk Register for the 2023/24 Financial Year; and
- Risk Management Strategy and Implementation Plan for 2023/24.

The Municipality continued to implement and review risk management progress as displayed in the figure below:

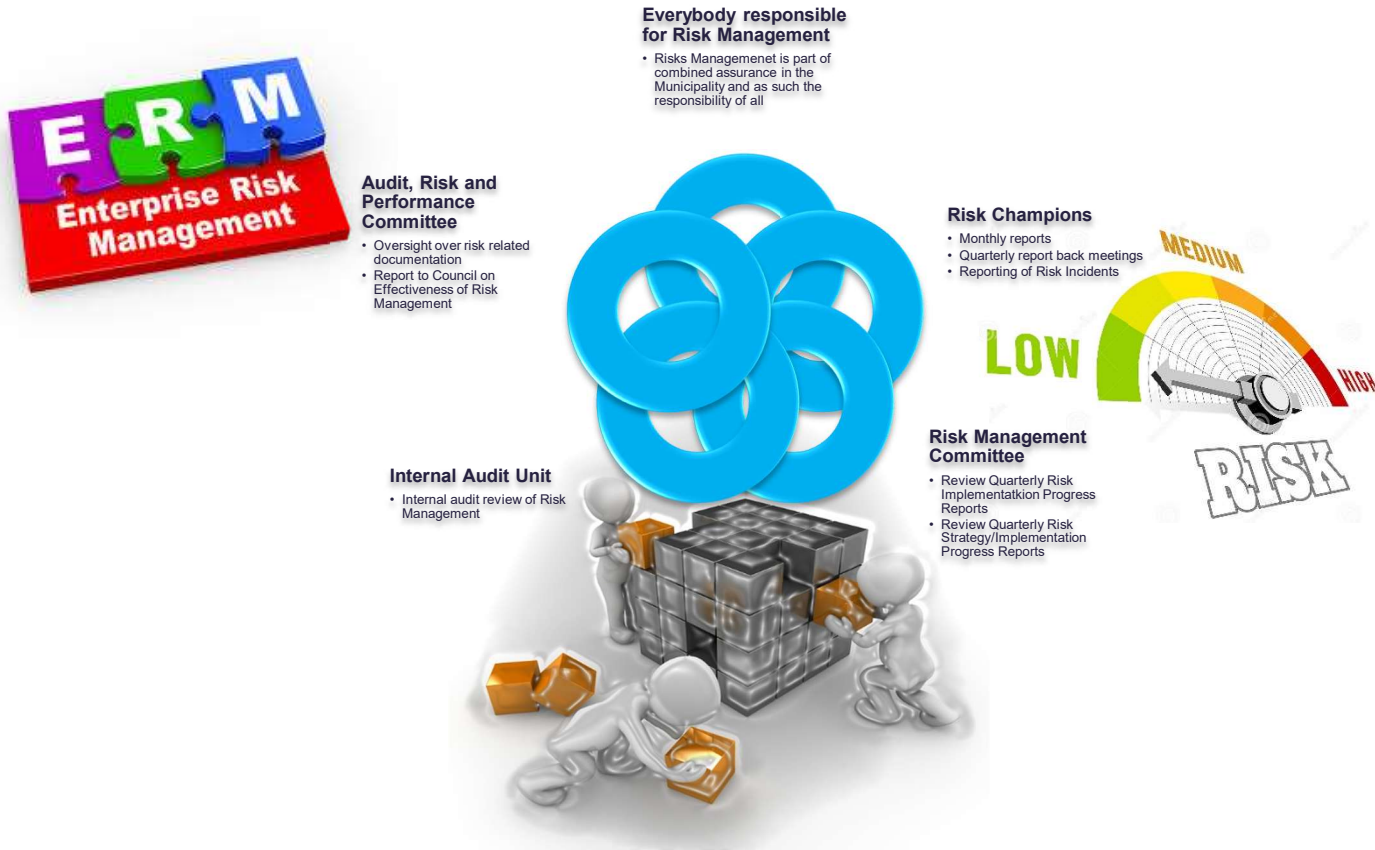
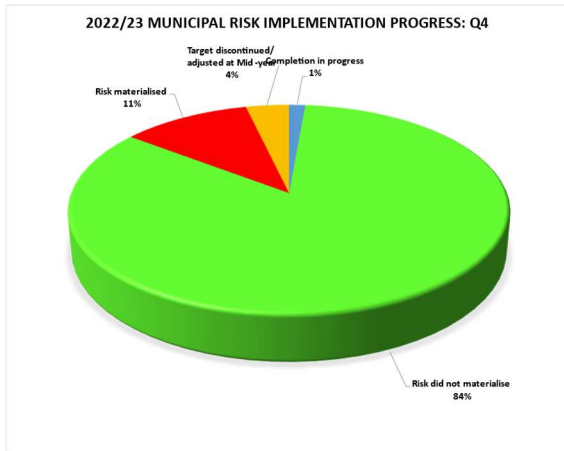


Figure 1: Integrated Risk Management

Risk Management Champions were identified for each business unit in the Municipality. Quarterly updates of the risk register and report were based on the monthly reports and quarterly meetings with Risk Champions. In addition to this, Risk Champions also reported on the occurrence of risk incidents during each quarter. This was included in the library of risk incidents that has commenced in 2019/20 and continued in 2022/23.

Risk register updates and reports were reviewed by the internal Risk Committee, before submission to the Audit and Performance Committee of Council. The combination of reporting and participation of Risk Champions, reporting to the internal Risk Committee and its review of documentation, as well as the review of the Audit and Performance Committee all contributed to the increased awareness of risk and the combined responsibility to manage it.



The quarterly risk reporting included a dashboard that enabled Management to view its risk implementation progress at a glance. The risk that did not materialize for 2021/22 was 91% and reduced to 84% for 2022/23. Risk that materialized was 7% 2021/22 and increased to 11% for 2022/23.

The internal Risk Management Committee (RMC) consists of Senior Management. All members signed the Risk Committee Charter and performed their duties in terms of the Charter. Key performance indicators were developed for the Risk Management Committee and included in the Charter. The Committee was able to assess its performance for 2022/23, in terms of these indicators. The assessment is as follows:

IDP OBJECTIVE	IDP KPI	RMC KPI	OUTPUTS	FREQUENCY	PERFORMANCE ASSESSMENT
<i>To manage risks to the Municipality</i>	Number of quarterly Internal Risk Management Committee Meetings held by 30 June	4 Quarterly RMC meetings held by 30 June	✓ Minutes of RMC meetings	✓ Quarterly	✓ The RMC meetings took place on a quarterly basis. Four meetings were held.
<i>To manage risks to the Municipality</i>	Risk assessment annually completed by 30 June	Draft combined Strategic and Operational Risk Register Reviewed by 10 June.	✓ Reviewed strategic risk register	✓ Annually	✓ The RMC reviewed the draft Risk Register for 2023/24 prior to submission to the Audit Risk and Performance Committee (ARPC)
<i>To manage risks to the Municipality</i>	Number of quarterly risk register progress reports submitted by 30 June	Risk Management Strategy/ Implementation Plan annually reviewed by 31 May.	✓ Reviewed Risk Management Strategy/ Implementation Plan annually reviewed	✓ Annually	✓ The RMC reviewed the draft Risk Management Strategy/ Implementation Plan for 2023/24 prior to submission to the ARPC
<i>To manage risks to the Municipality</i>	Number of quarterly risk register progress reports	4 Quarterly risk register updates (risk reports)	✓ Reviewed quarterly risk progress reports	✓ Quarterly	✓ The RMC reviewed four quarterly risk register updates

IDP OBJECTIVE	IDP KPI	RMC KPI	OUTPUTS	FREQUENCY	PERFORMANCE ASSESSMENT
<i>To manage risks to the Municipality</i>	submitted by 30 June	reviewed by 30 May.			and progress reports prior to submission to the ARPC
	Number of quarterly risk strategy/implementation plan progress reports submitted by 30 June	4 Quarterly Risk Management Strategy/Implementation Plan progress reports reviewed by 30 June	✓ Reviewed Risk Management Strategy/Implementation Plan progress reports	✓ Quarterly	✓ The RMC reviewed four quarterly Risk Management Strategy/Implementation Plan reports prior to submission to the ARPC
<i>To manage risks to the Municipality</i>	Risk management policy annually reviewed by 31 May	Reviewed Risk Management Policies annually reviewed by 31 March	✓ Reviewed Risk Management Policy	✓ Annually	✓ The policy was not amended and was reaffirmed by Council.
<i>To manage risks to the Municipality</i>	Fraud Prevention Policy Annually reviewed by 31 May	Reviewed Fraud Management Policy annually reviewed by 31 March	✓ Reviewed Fraud Management Policy	✓ Annually	✓ The policy was only amended in terms of the Vision and was reaffirmed by Council.
<i>To manage risks to the Municipality</i>	Number of quarterly Internal Risk Management Committee Meetings held by 30 June	RMC Charter reviewed by 31 May.	✓ Reviewed RMC Charter	✓ Triennially	✓ The RMC Charter was reviewed.
	Number of quarterly Internal Risk Management Committee Meetings held by 30 June	RMC Performance Indicators Developed	✓ RMC Key Performance Indicators	✓ Triennially	✓ The RMC Charter was reviewed. KPIs remained unchanged.
<i>To manage risks to the Municipality</i>	Number of quarterly Internal Risk Management Committee Meetings held by 30 June	RMC self-assessment annually performed	✓ Annual self-assessment report	✓ Annually	✓ The RMC performed a self-assessment for 2021/22, prior to submission to the ARPC and inclusion in the Annual Report.
	Number of quarterly Internal Risk Management Committee Meetings held by 30 June	Risk incident register reviewed.	✓ Reviewed Risk Incident Register	✓ Quarterly	✓ Reported risk incidents were reviewed on a quarterly basis.

IDP OBJECTIVE	IDP KPI	RMC KPI	OUTPUTS	FREQUENCY	PERFORMANCE ASSESSMENT
<i>To manage risks to the Municipality</i>	Number of quarterly Internal Risk Management Committee Meetings held by 30 June	Annual Report risk management comment reviewed by 15 August	✓ Reviewed Annual Report risk management comment	✓ Annually	✓ The RMC reviewed the input to the 2021/22 Annual Report, prior to submission to the ARPC.

Risk Management is continually improved upon and has proven to be a valuable tool in the combined assurance process, as well as the general management and performance of the Municipality. The Audit, Risk and Performance Committee performed independent oversight over risk management on behalf of Council and reported quarterly to Council on the effectiveness of Risk Management.

Risk and ethics awareness sessions were conducted with all internal departments in preparation for the risk assessment for the 2022/23 financial year, as well as for the role out and management thereof. This was repeated with the Risk Champions for the 2023/24 risk assessment process. The concepts of risk, risk management, risk assessment and ethics were discussed in terms of the policies of Council and the relevant legislation. Particular attention was given to the concepts related to unethical behavior, including dishonesty, fraud, corruption, theft, and maladministration.

Service Statistics for Property, Legal, Risk Management and Procurement Services

The legal cases have reduced in number due to the careful and considerate way of dealing with such cases, consulting the aggrieved and promoting discussions in a quest of arriving at amicable solutions on pending cases, which recognises that even compromises become a requirement after all options are tested. We commit to deal with all remaining cases in the spirit of the public interest, prudence regarding funds, avoidance of policy abuse and adhering to legislation, in the process following good corporate practices.

The procurement of municipal services is expected to adhere to the principles of completion, accountability, transparency, equity and fairness.

The above principles become the terrain for contestation from time to time due to either the public or administrative considerations. It must be emphasized that the guidance by the Constitution of South Africa, the Supply Chain Policy and Regulations must at all times be adhered to.

We also need at our municipal level to win the public and private sector confidence regarding the processes and procedures we undertake to arrive at procurement outcomes. That will go a long way in attracting funding for municipal functions, especially when government as a whole and members of society place their trust in municipal systems, municipal officials and executives.

Comment on the performance of Property Services overall

Property services is limited to the maintenance and/or refurbishment of municipal properties.

COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises. The Municipality provides none of the above services. The Community Services Department perform inspections at abattoirs, but the Municipality do not have any abattoirs.

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

The Organisational Performance is reported on in Volume 3 of the Annual Report, in the annual performance report.

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

As per amended Systems Act, the Organogram is annually reviewed and approved by Council. The 20-21 was approved by Council in May 2020 for implementation from 1st July 2020.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

The Organisational Performance is reported on in Volume 3 of the Annual Report, in the annual performance report.

4.1 Employee Totals, Turnover and Vacancies

Vacancy Rate: Year 0			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0.00
CFO	1	1	100.00
Other S57 Managers (excluding Finance Posts)	4	1	25.00
Other S57 Managers (Finance posts)	0	0	0.00
Police officers	0	0	0.00
Fire fighters	0	0	0.00
Senior management: Levels 13-15 (excluding Finance Posts)	3	1	33.00
Senior management: Levels 13-15 (Finance posts)	2	0	100.00
Highly skilled supervision: levels 9-12 (excluding Finance posts)	11	4	37.00
Highly skilled supervision: levels 9-12 (Finance posts)	3	0	100.00
Total	32	12	37.50

<p><i>Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). 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.</i></p>	<p>T 4.1.2</p>
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Year -2	-	-	-
Year -1			%
Year 0	25	6	5.5
<p><i>* Divide the number of employees who have left the organization within a year, by total number of employees who occupied posts at the beginning of the year</i></p>			<p>T 4.1.3</p>

Comment on vacancies and turnover

Budgeted vacant positions were filled as per Council's recruitment and selection policy.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

A functional Local Labour Forum (LLF) was assisting in a stable working environment. Relevant issues were discussed and resolved at LLF level and submitted to Council for approval. Despite the functional LLF some issues in the workplace still need attention and it is envisaged in coming financial year Management will try to resolve these issues in LLF.

4.2 Policies

Institutional Policies, Plans & Frameworks				
No.	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1.	Cash & Investment Policy	100	100	6.14.30/05/2022

2.	Expenditure Management Policy	100	100	6.14.30/05/2022
3.	Fund & Reserve Policy	100	100	6.14.30/05/2022
4.	Accounting Policy	100	100	6.14.30/05/2022
5.	Telephone Policy	100	100	6.14.30/05/2022
6.	Remuneration Policy	100	100	F19.29/08/2022
7.	Housing Allowance Policy	100	100	F19.29/08/2022
8.	Rental of Council Facilities Policy	100	100	6.14.30/05/2022
9.	Catering Policy	100	100	6.14.30/05/2022
10.	Attendance & Punctuality	100	100	F19.29/08/2022
11.	Credit Control Policy	100	100	6.14.30/05/2022
12.	Fraud and Corruption Management, Promotion of Ethics and Professionalism Policy and Plan	100	100	6.9.30/05/2022
13.	National Environmental Health Policy	100	100	H02.29/08/2022
14.	Expanded Public Works Policy	100	100	F19.29/08/2022
15.	Information Technology Policy	100	100	F19.29/08/2022
16.	Compassion & Bereavement Policy	100	100	F19.29/08/2022
17.	Internship & Experiential Policy	100	100	F19.29/08/2022
18.	Fleet Management Policy	100	100	F19.29/08/2022
19.	Job Evaluation Policy	100	100	F19.29/08/2022
20.	Corporate Governance of Information & Communication Technology Policy	100	100	F19.29/08/2022
21.	Commonage Policy	100	100	F19.29/08/2022
22.	Records Management Policy	100	100	F19.29/08/2022
23.	Registry Manual	100	100	F19.29/08/2022
24.	Recruitment & Selection Policy	100	100	F19.29/08/2022
25.	Sexual Harassment Policy	100	100	F19.29/08/2022
26.	Staff Retention Policy	100	100	F19.29/08/2022
27.	Risk Management Policy	100	100	6.10.30/05/2022
28.	Transfer Policy	100	100	F19.29/08/2022
29.	Training & Development Policy	100	100	F19.29/08/2022
30.	Vehicle Allowance Policy	100	100	F19.29/08/2022
31.	Individual Performance Management Policy	100	100	F19.29/08/2022
32.	Dress Code Policy	100	100	F19.29/08/2022
33.	Delegations Framework	100	100	F19.29/08/2022

34.	Leave Management Policy	100	100	F19.29/08/2022
35.	Acting & Secondment Policy	100	100	F19.29/08/2022
36.	Long Term Financial Plan	100	100	6.14.30/05/2022
37.	Study Assistance Policy	100	100	F19.29/08/2022
38.	Bursary Policy (non-employees)	100	100	F19.29/08/2022
39.	Placement Policy	100	100	F19.29/08/2022
40.	Employment Equity Plan	100	100	F19.29/08/2022
41.	HRM Strategy	100	100	F19.29/08/2022
42.	Assets Management Policy	100	100	F19.29/08/2022
43.	Budget Policy	100	100	6.14.30/05/2022
44.	Travel & Subsistence Policy	100	100	6.14.30/05/2022
45.	Tariff Policy	100	100	6.14.30/05/2022
46.	Credit Control & Debt Collection Policy	100	100	6.14.30/05/2022
47.	Impairment Policy	100	100	6.14.30/05/2022
48.	Supply Chain Management Policy	100	100	6.14.30/05/2022
49.	Petty Cash Policy	100	100	6.14.30/05/2022
50.	3G Card Policy	100	100	6.14.30/05/2022
51.	Cost Containment Policy	100	100	6.14.30/05/2022
52.	Virement Policy	100	100	6.14.30/05/2022
53.	Infrastructure Procurement Policy	100	100	F19.29/08/2022
54.	Unauthorised, Irregular, Fruitless & Wasteful Expenditure Policy	100	100	6.14.30/05/2022

Comment on workforce policy development

Policies are annually reviewed and presented to Council. Revenue Enhancement Strategy will be developed for 2023/24 financial year.

4.3 Injuries, Sickness and Suspensions

Quarter 1 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	180	n/a
Sick leave		
With sick note	376	n/a
Without sick note	27	n/a
Additional paid sick leave	Nil	n/a
Special leave		
<i>Study</i>	22	n/a
<i>Family responsibility</i>	39	n/a
<i>Court appearance</i>	6	n/a
<i>Maternity leave</i>	22	n/a
<i>Sports / cultural activities</i>	Nil	n/a
<i>Performance</i>	Nil	n/a
<i>Special</i>	Nil	n/a
Council resolutions/ Overtime	33	n/a
Unpaid	Nil	n/a
Long Service	17	n/a

Quarter 2 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	287	n/a
Sick leave		
With sick note	312	n/a
Without sick note	11	n/a
Additional paid sick leave	Nil	n/a
Special leave		
<i>Study</i>	50	n/a
<i>Family responsibility</i>	28	n/a
<i>Court appearance</i>	Nil	n/a
<i>Maternity leave</i>	41	n/a
<i>Sports / cultural activities</i>	Nil	n/a
<i>Performance</i>	Nil	n/a
<i>Special</i>	Nil	n/a

Council resolutions/ Overtime	67	n/a
Unpaid	Nil	n/a
Long Service	8	n/a

Quarter 3 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	49	n/a
Sick leave		
With sick note	297	n/a
Without sick note	10	n/a
Additional paid sick leave	Nil	n/a
Special leave		
<i>Study</i>	Nil	n/a
<i>Family responsibility</i>	6	n/a
<i>Court appearance</i>	Nil	n/a
<i>Maternity leave</i>	22	n/a
<i>Sports / cultural activities</i>	Nil	n/a
<i>Performance</i>	Nil	n/a
<i>Special</i>		n/a
Council resolutions/ Overtime	17	n/a
Unpaid	Nil	
Long Service	11	n/a

Quarter 4 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	226	n/a
Sick leave		
With sick note	303	n/a
Without sick note	3	n/a
Additional paid sick leave	Nil	n/a
Special leave		
<i>Study</i>	41	n/a
<i>Family responsibility</i>	39	n/a
<i>Court appearance</i>	Nil	n/a
<i>Paternity</i>	5	n/a

<i>Maternity leave</i>	55	n/a
<i>Sports / cultural activities</i>	Nil	n/a
<i>Performance</i>	Nil	n/a
<i>Special (Union)</i>	4	n/a
Council resolutions/ Overtime	85	n/a
Unpaid	Nil	
Long Service	2	n/a

Comment on injury and sick leave

Throughout the year the municipality has experienced minor incidents where sick leave of some staff members is of high rate. There are cases of sick leave days being depleted before the end of the sick leave cycle (31 December 2023). There is a need to introduce a Wellness Programme in the workplace.

In addition to the Wellness Programme, an Occupational Health and Safety (OHS) Committee was elected for JTGDM in ensuring a safe workplace.

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
None	-	-	-	-

4.4 Performance Rewards

Implementation of Performance rewards are in line with the Individual Performance Management (IPMS) policy.

Comment on performance rewards

No performance rewards issued during the year.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

Skills and developed of staff and councilors was done in line with the Work Skills Plan and Training & Development Policy.

4.5 Skills Development and Training

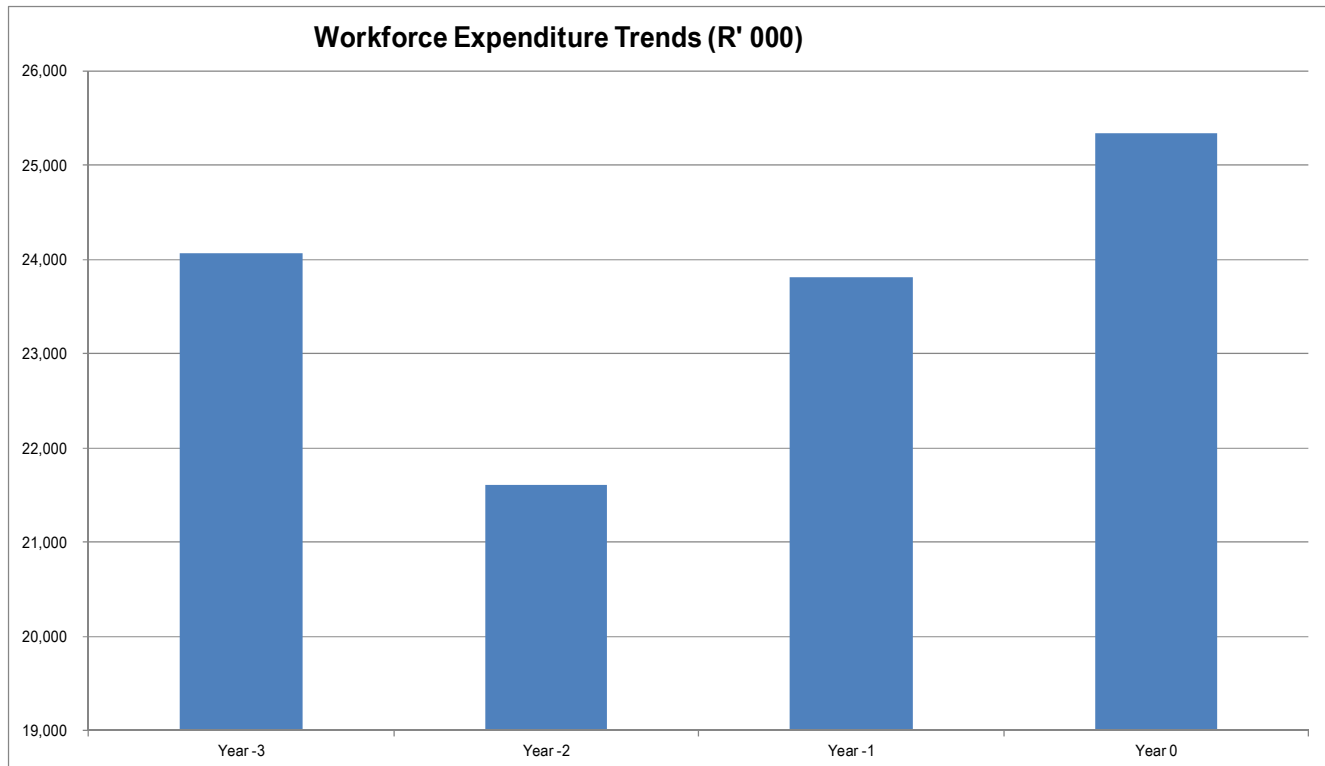
Management level	Gender	Employees in post as at 30 June Year 1	Learnerships		Skills programmes & other short courses			Other forms of training			Total		Target
			Actual: End of Year 0	Actual: End of Year 1	Actual: End of Year 0	Actual: End of Year 1	Target	Actual: End of Year 0	Actual: End of Year 1	Target	Actual: End of Year 0	Actual: End of Year 1	
			No.										
MM and s57	Female	2	0	0	1	0	2	1	1	2	1	4	
	Male	4	0	0	0	0	4	0	0	4	0	8	
Councillors and middle managers	Female	8	0	0	5	4	8	2	1	4	7	5	12
	Male	12	0	0	4	4	12	1	0	1	5	4	13
Technicians and associate professionals*	Female	7	0	0	3	1	7	2	1	7	5	2	14
	Male	9	0	0	6	3	9	3	2	9	9	5	18
Professionals	Female	18	0	0	2	3	9	2	5	0	4	8	9
	Male	8	0	0	3	0	4	3	0	0	6	0	4
Sub total	Female	35	0	0	11	8	26	7	8	13	18	16	39
	Male	33	0	0	13	7	29	7	2	14	20	9	43
Total		68	0	0	24	15	55	14	10	27	38	25	82

Skills Development Expenditure											R'000
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1								
			Learnerships		Skills programmes & other short courses		Other forms of training		Total		
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	2	0	0	1	1	1	1	2	2	
	Male	4	0	0	0	0	0	0	4	0	
Legislators, and middle managers	Female	12	0	0	5	4	2	2	7	6	
	Male	5	0	0	4	2	1	1	5	3	
Professionals	Female	20	0	0	2	2	2	2	4	4	
	Male	10	0	0	3	3	0	3	3	6	
Technicians and associate professionals	Female	13	0	0	13	4	0	2	13	6	
	Male	18	0	0							

					18	5	0	3	18	8
Clerks	Female	28	0	2	28	1	9	9	37	12
	Male	8	0	1	8	0	1	1	9	2
Service and sales workers	Female	1	0	0	1	1	0	0	1	1
	Male	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	Female	2	0	0	2	0	0	0	2	0
	Male	6	0	0	6	1	0	0	6	1
Elementary occupations	Female	4	0	0	4	0	0	0	4	0
	Male	10	0	0	10	0	0	0	10	0
Sub total	Female	82	0	0	56	13	14	16	70	31
	Male	61	0	0	49	11	2	10	55	20
Total		143	0	0	105	24	16	26	125	51
<i>*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.</i>									1%*	*R962 499.78
										T4.5.3

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.6 Employee Expenditure



Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 10-13)	Female	5
	Male	5
Skilled (Levels 7-9)	Female	2
	Male	0
Highly skilled production (Levels 6)	Female	3
	Male	0
Highly skilled supervision (Levels 4)	Female	0
	Male	0
Middle management (Levels 3)	Female	0
	Male	0
MM and S 57	Female	0
	Male	0
Total		15

Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).

Disclosures of Financial Interests

All Senior Managers and Councillors have completed the Interests Disclosure Register in the year under review.

CHAPTER 5 – FINANCIAL PERFORMANCE

The Office of the Auditor General conducted an audit on the municipality's 2022/23 Annual Financial Statements and issued an unqualified with findings audit opinion.

The municipality has consistently received unqualified opinions on its financial statements and performance information. However, the continued material compliance findings on procurement and contract management and expenditure management remains unchanged from the previous year. The municipality however strives to ensure improvement given its strengths which includes but are not limited to:

1. Responsiveness of the Council, Council Committees, Management team and municipal staff on issues pertaining to improved systems.
2. Effectiveness of the Risk and Internal Audit functionaries within the municipality as well as the Advisory of the Audit, Risk and Performance Management Committee
3. Continued improvements on the functionality and operations of the core financial management system.
4. Success in data migration processes conducted
5. Development of and monitoring implementation of the Audit Action Plan, aimed at addressing other matters that the Office of the Auditor General emphasized on during the previous audits.

Furthermore, the plan that was developed to address the going - concern issues of prior period, was fully implemented and monitored on an ongoing basis.

Period	30-Jun-23		
Schedule	Going Concern assessment		
Key Financial Ratios	2022/23	2021/22	Commentary
Current Ratio	1,15	1,23	Current assets exceeds current liabilities, this confirms that the municipality is liquid
Total Current assets	44 876 130	63 684 450	
Total Current liabilities	39 136 579	51 651 503	
Acid test ratios	0,99	1,10	The ratio is above 1 which is an indication that the municipality will be able to pay its current liabilities as they come
Currents assets	44 876 130	63 684 450	
Less inventory	6 245 596	7 101 793	
/Current liabilities	39 136 579	51 651 503	
Debt ratio	3	3	For the year under review as well as the budgeted 2022/23 financials years the total assets are above the municipality's debt. This is an indication of a solvent municipality.
Total assets	138 846 882	156 815 303	
Total current Assets	44 876 130	63 684 450	
Total non current Assets	93 970 752	93 130 853	
Total liabilities	44 774 579	57 720 503	
Total current liabilities	39 136 579	51 651 503	
Total non current liabilities	5 638 000	6 069 000	
Net Revenue to Net expenditure			
Revenue	162 848 244	127 841 500	Municipality spent over the revenue generated. This is an indication of tough economic environment.
Total revenue from exchange transaction	7 678 678	4 258 732	
Total revenue from non-exchange transaction	155 169 566	123 582 768	
Expenditure	-169 707 865	-129 920 057	
Employee related benefits	-80 312 589	-71 855 805	
Remunerations of Councillors	-6 223 884	-5 447 245	
Depreciation and amortisation	-5 646 440	-4 857 829	
Finance charges	-1 434 301	-1 295 545	
Debt impairment	-76 476	-	
Contract costs	-39 353 102	-10 078 013	
Bad debts written-off	-69 552	-1 486 177	
Transfers and subsidies	-	-18 000	
Other Expenditure	-36 591 521	-34 881 443	
Other Financial liabilities	-	-	
Indications of financial support			The Municipality is expecting 106 128 000 for the 2023/24 financial year from various departments including the national treasury.
Budgeted operating cash flows			Based on the budget expenditure incurred by the municipality is expected to be less than the total revenue received.
Council or management intentions to liquidate the municipality or cease operations			No resolution
Key Management positions			MM was appointed on 1st June 2023 and the CFO resigned on 31st July 2023. Manager : Budget, Reporting and Compliance has since been appointed as the Acting CFO.
other issues			
Pending legal or regulatory proceedings			Estimated costs on pending legal or regulatory proceedings against the municipality amount is R 3 881 280.6
Changes in law that is likely to affect the municipality adversely			There are no expected changes in law that are likely to impact the municipality.
Conclusion			
Based on the above analysis the municipality is liquid and solvent, even though the expenditure is above the revenue. The most significant indicator of going concern issues for the municipality is an intention by government to merge a municipality. Of which there are no indications that JTG will be merged. Further there is no indication that the government intends to close the municipality. In case the municipality experiences the difficulties, provincial government usually intervenes by placing the municipality under			

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The financial performance of the Municipality as at 30 June 2023 is reported in the audited Annual Financial Statements in Vol II.

5.1 Statements of Financial Performance

Reconciliation of Table A1 Budget Summary															
Description	2022/23										2021/22				
	Original Budget	Budget Adjustments (i.Lo. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.Lo. s31 of the MFMA)	Virement (i.Lo. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
R thousands	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Financial Performance															
Property rates										0					
Service charges										0					
Investment revenue	1 240	8 721	9 961			9 961	4 405		(5 556)	44%	355%				2 511
Transfers recognised - operational	112 852	2 187	115 039			115 039	113 993		(1 346)	99%	101%				100 941
Contracted Services		39 383	39 383			39 383	39 383								
Other own revenue	3 066	12	3 078			3 078	2 634		(444)	86%	86%				2 445
Total Revenue (excluding capital transfers and contributions)	117 158	50 303	167 461			167 461	160 085								105 897
Employee costs	87 850	(5 345)	82 505			82 505	79 174		(3 331)	96%	90%				64 431
Remuneration of councillors	6 413	(311)	6 102			6 102	6 224		122	102%	97%				5 150
Debt impairment							(76)		(76)	0%	0%				109
Bad debts written-off	111		111				(70)			0%	0%				
Depreciation & asset impairment	2 385	1 863	4 248			4 248	1 373		(2 876)	32%	58%				4 075
Finance charges	210	1 092	1 302			1 302	374		(928)	0%	0%				658
Materials and bulk purchases										#DIV/0!	0%				
Inventory consumed											0%				
Contracted Services		(39 383)	(39 383)			(39 383)	39 353		78 736						
Transfers and grants	(102)	102								0%	0%				208
Other expenditure	(19 522)	(7 365)	(26 887)			(26 887)	36 652		63 539	-136%	-188%				31 645
Total Expenditure	77 346	(49 347)	27 998			27 887	163 003		135 185	0%	0%				106 277
Surplus/(Deficit)	39 813	99 651	139 463			139 574	(2 918)		(142 562)	-2%	-7%				(380)
Transfers recognised - capital										0%	0%				
Contributions recognised - capital & contributed assets		6 500	6 500			6 500	1 120		(5 380)	0%	0%				
Surplus/(Deficit) after capital transfers & contributions		6 500	6 500			6 500	1 120		(5 380)	0%	0%				
Share of surplus/ (deficit) of associate										0%	0%				
Surplus/(Deficit) for the year	39 813	106 151	145 963			146 074	(1 798)		(142 562)	-1%	-5%				(380)
Capital expenditure & funds sources										0%	0%				
Capital expenditure	566	2 660								0%	0%				967
Transfers recognised - capital										0%	#DIV/0!				
Public contributions & donations										0%	0%				
Borrowing										0%	0%				
Internally generated funds						1 737			(1 737)	#DIV/0!	#DIV/0!				967
Total sources of capital funds										#DIV/0!	#DIV/0!				967
Cash flows															
Net cash from (used) operating	1 400	4 593	5 993			5 993	14 541		8 547	243%	1038%				8 075
Net cash from (used) investing	(566)	(9 160)	(9 725)			(9 725)	2 034		11 759	-21%	-360%				(967)
Net cash from (used) financing										#DIV/0!	0%				(731)
Cash/cash equivalents at the year end	835	(4 567)	(3 732)			(3 732)	16 574		20 306	-444%	1986%				6 377

T 5.1.1

From the table above, it is clear that the budget as adopted by Council for the 2022/23 financial year, implemented and monitored, was credible. This due to the fact that 78% of the budgeted revenue was recognized for the year, with 66% of the budgeted expenditure being spent.

Only realistically anticipated revenue sources were budgeted for, with improved controls on cashflow and expenditure management processes.

SYNOPSIS FINANCIAL PERFORMANCE	FINANCIAL YEAR		% (Increase)/decrease
	2023	2022	
Total Revenue	162 848 244,00	127 841 500,00	-27,38%
Grants	113 692 735,00	107 705 302,00	-5,56%
Contract Revenue	39 353 102,00	11 589 715,00	100,00%
Donations	2 123 729,00	4 287 751,00	50,47%
Grants as a % of revenue	69,82%	84,25%	
Contract revenue as a % of revenue	24,17%	9,07%	
Donation as a % of revenue	1,30%	3,35%	
Total Expenditure	169 707 865,00	129 920 057,00	-30,62%
Employee Related Costs	80 312 589,00	71 855 805,00	-11,77%
Councillors Remuneration	6 223 884,00	5 445 710,00	-14,29%
Generals Expenses	36 591 521,00	34 881 443,00	-4,90%
%Employee Costs	50,99%	59,50%	
Expenses	21,56%	26,85%	
Surplus/(Deficit)	-3 214 378,00	-2 692 746,00	-19,37%

Revenue Management

As per the analysis above, the municipal revenue increased by 27.38% as compared to the prior year. It is evident that for the period under review, 69.82% of the total municipal revenue is from grants and subsidies 0%, 1.30% related to donation received, 24.17% is the contact revenue and the remaining is the municipality's own generated revenue. This is mainly due to the fact that John Taolo Gaetsewe District is a district municipality with limited revenue streams.

Expenditure Management

Though the employee related costs continued to be one of the two key cost drivers at 50.99% (2022: 59%) during the financial year 2022/23 there was decrease of 8.51%. In spite of the 8.51% increase employee related costs and remuneration of councilors have increase per line by 3% and 5 % respectively for 2022/23.

The second highest cost driver is the operational costs/general expenses at 22% (2022: 27%). Cost containment measures continued to be implemented during the year under review.

Surplus/Deficit

The municipality recorded a deficit of R 5 022 499 for the year under review.

5.2 Grants

Grant Performance							R' 000
Description	2021/22	2022/23			2022/23		
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)	
Operating Transfers and Grants							
National Government:	107 291	9 695	9 695	113 022	400%	400%	
Equitable share	95 976	–	–	102 257	0%	0%	
Finance Management Grant	1 000	1 000	1 000	1 000	100%	100%	
Infrastructure Skills Development Grant	5 500	5 500	5 500	5 500	100%	100%	
Rural Road Asset Management Grant	2 027	2 122	2 122	2 122	100%	100%	
Extended Public Works Programme Grant	1 075	1 073	1 073	1 073	100%	100%	
Municipal disaster Relief Grant	–	–	–	–	0%	0%	
LG SETA	50	–	–	1 070	0%	0%	
COVID-19 Grant	1 663	–	–	–	0%	0%	
Municipal Housing Emergency Grant	–	–	–	–	0%	0%	
Provincial Government:	802	–	0	670	–	0	
HIV and AIDS Council	497	–	–	370	0%	0%	
Housing	300	–	–	300	0%	0%	
Sports and Recreation	–	–	–	–	0%	0%	
NEAR Grant	–	–	–	–	0%	0%	
Khotso Pula Nala Grant	–	–	–	–	0%	0%	
FIRE Grant	5	–	0	0	0%	100%	
District Municipality:	–	–	–	–			
<i>[insert description]</i>							
Other grant providers:	–	–	–	–	0%	0%	
<i>Municipal disaster Grant</i>	–	–	–	–	0%	0%	
Total Operating Transfers and Grants	108 093	9 695	9 695	113 693	1173%	1173%	

Variations are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of

T 5.2.1

Comment on operating transfers and grants

Based on Table 5.2.1 above, the municipality recognized 99.87% of its budgeted grants revenue for the 2022/23 financial year, conditional grants were fully spent.

5.3 Asset Management

During the year the municipality acquired the office equipment aimed at enabling and improving efficiency of operations. Management also continued to manage and safeguard the municipal assets in line with the approved Municipal Assets Management Policy and report on a quarterly basis.

The municipality acquired a total of R 2.7m assets. The largest assets procured during the year under review, IT equipment (computer equipment).

The table below highlight the three largest assets procured by the municipality during the year under review:

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 2022/23				
Asset 1				
Name	Vehicle			
Description	BMW			
Asset Type	Vehicle			
Key Staff Involved	Teise K K			
Staff Responsibilities	Key Performance area			
Asset Value	647 159,13			
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policies			
Asset 2				
Name	Vehicle			
Description	BMW			
Asset Type	Vehicle			
Key Staff Involved	Teise K K			
Staff Responsibilities	Key Performance area			
Asset Value	631 518,26			
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policies			
Asset 3				
Name	CPU			
Description	Lenovo			
Asset Type	Computer Equipment			
Key Staff Involved	Molusi MW			
Staff Responsibilities	Key Performance area			
Asset Value	28 200,00			
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset	IT and Asset Management Policies			

The municipality also has an Asset Management Steering Committee, being the structure tasked with, amongst others, ensuring the safeguards of the municipal assets. Functionality of

this structure was effective in the 2022/23 financial year and the same will be ensured fully in the 2023/24 financial year.

No additions and refurbishments were made to existing office buildings that increased the asset value of said buildings, and no property was purchased during the year under review.

The municipality investment property appreciated in value from R 7 110 000 to R 8 230 000 for the 2022/23 of the financial year, as per the valuation done by an Independent Valuer.

Comment on repair and maintenance expenditure

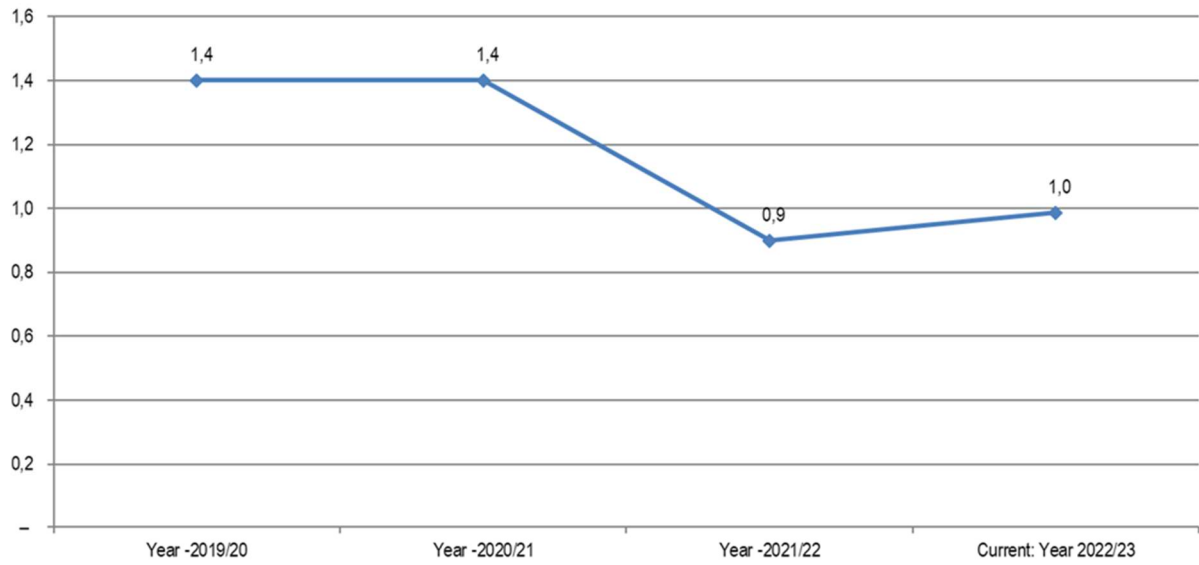
Repairs and maintenance were mostly related to the maintenance of buildings, vehicles and equipment. High % rate is an indication that municipal assets are aged and may soon require renewal/replenishment/replacement.

Repair and Maintenance Expenditure: Year 2022/23				
				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	330	390	675	118%
				T 5.3.4

5.4 Financial Ratios based on Key Performance Indicators

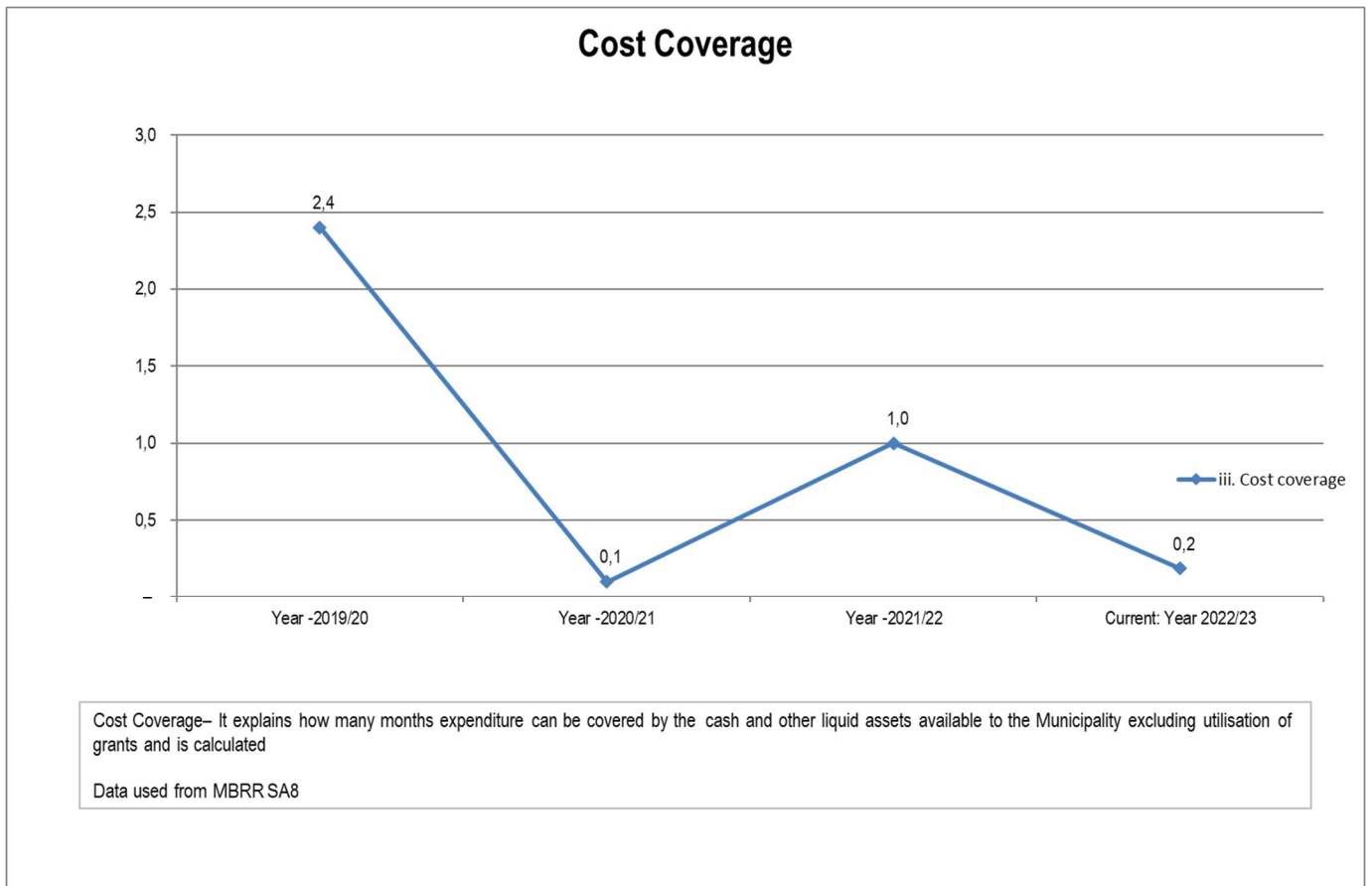
A detailed analysis of the following ratios, amongst others, is provided under 5.0.1 above.

Liquidity Ratio



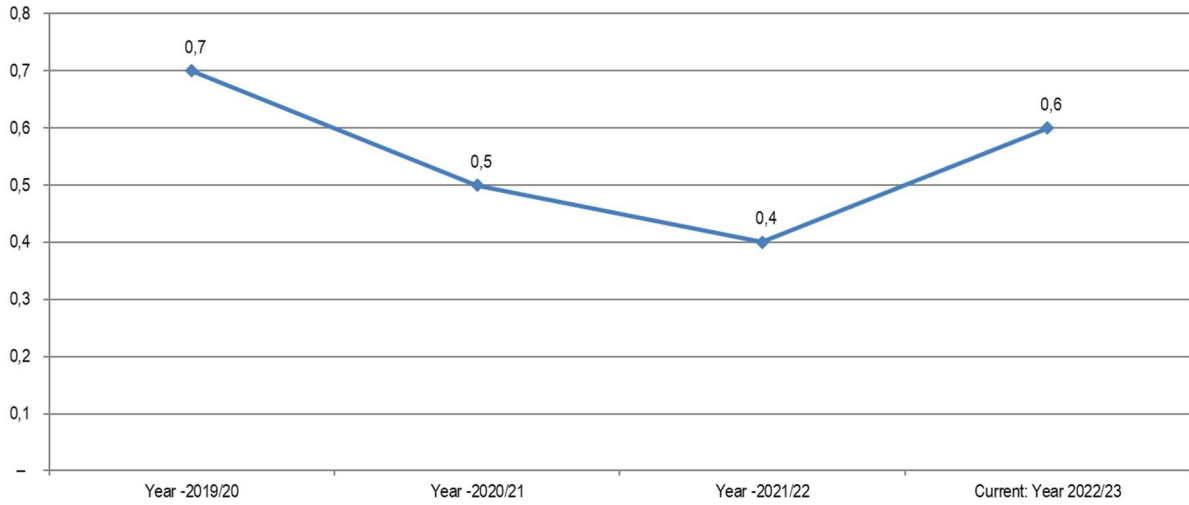
Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year) by the municipality's current liabilities. A higher ratio is better.

Data used from MBRR SA8



The Municipality did not have any service debtors in 2022/23 or the prior years.

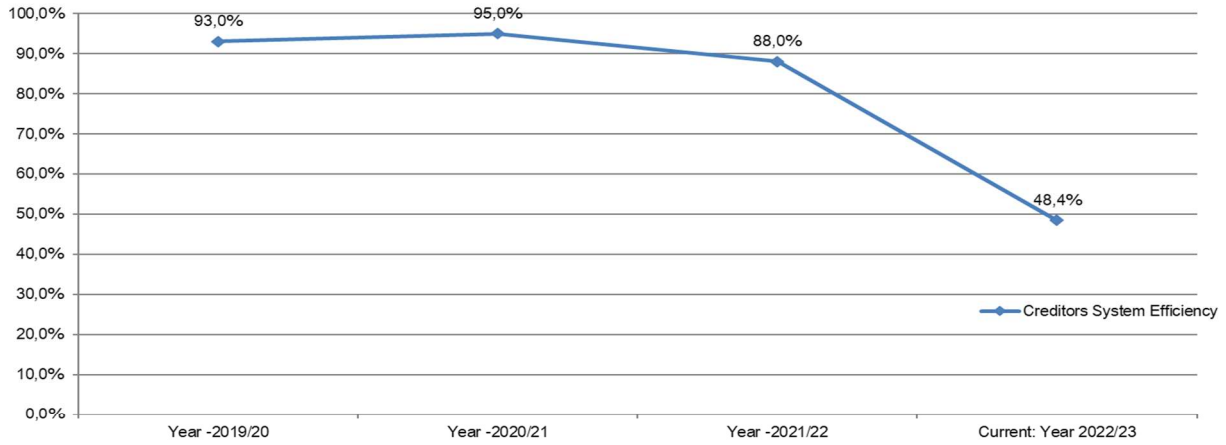
Debt Coverage



Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

Data used from MBRR SA8

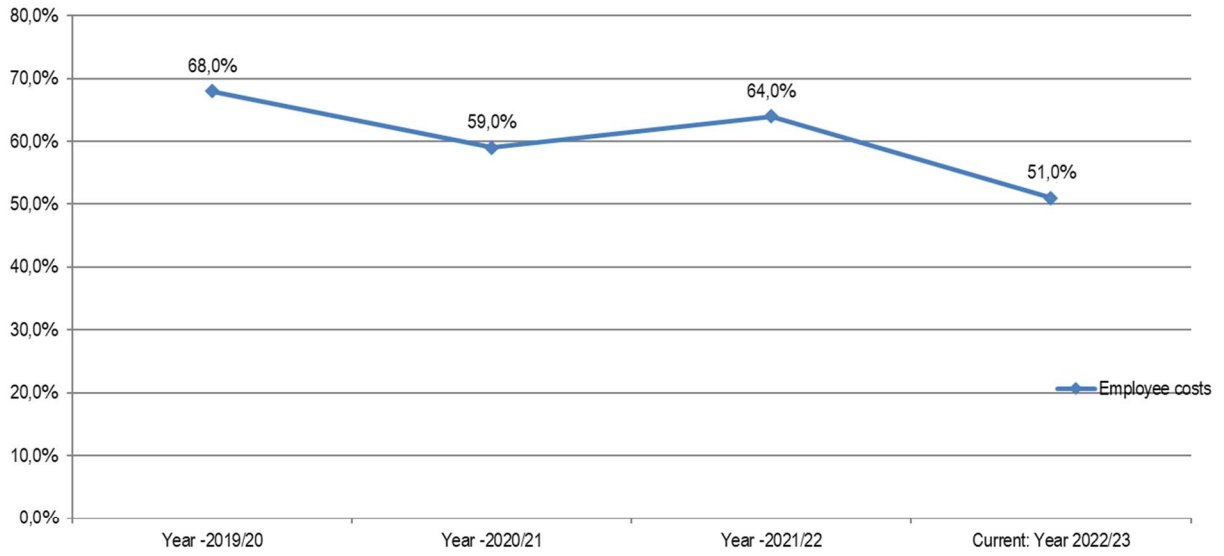
Creditors System Efficiency



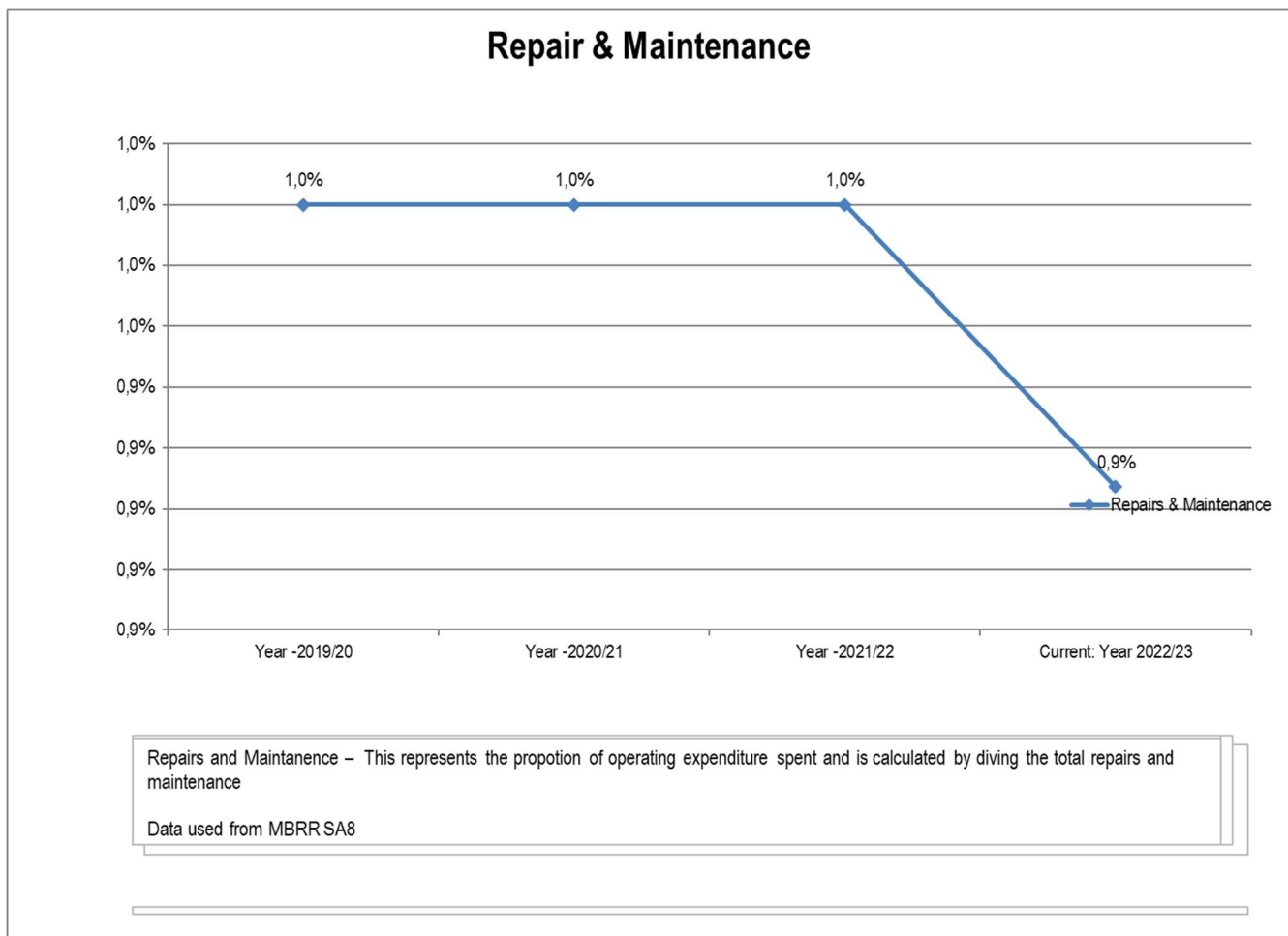
Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8

Employee Costs



Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.
 Data used from MBRR SA8



Comment on financial ratios

The cash reserves were increased significantly as compared to prior periods mainly due to the improved cash flow management processes implemented during the year.

The municipality continued to maintain a positive liquidity ratio. Improved measures to collect debt were explored during the 2022/23 financial year.

1. **The liquidity ratio** is slightly higher than the norm of 1:3, and indicates that the municipality has sufficient current assets to cover its current liabilities, i.e. that it is factually solvent. It is noted that a significant value of current assets relates to receivables from exchange and inventory (being properties held for disposal with no proceeds).
2. **Cost Coverage ratio** - It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilization of grants.

3. **Creditor System Efficiency ratio** - Creditor payments were monitored during the year so as to minimize instances of non-compliance. The municipality has improved in this area. The ratio has improved in comparison to the preceding three years. This is an area in which the municipality still aims to improve its efficiency, and the handling of supplier documentation.
4. **Capital Charges to Operations ratio** - The municipality currently has one source of debt which is serviced monthly
 - a. Finance leases for office equipment.

These debts are relatively small based on the scale of the municipalities' operations and, therefore, this ratio indicates that the municipality is able to service these debts comfortably.

5. **Debt Coverage ratio** - The debt of the municipality is relatively low in relation to the scale of its operations. The debt relates to finance leases on office equipment.
6. **Employee Costs ratio** - The employee costs relative to operating revenue has decreased as compared to the prior years. The decrease is largely attributable to
 - a. the review and change in approach on management of the organizational structure.
 - b. the economic changes and decrease in the post-retirement medical aid benefit obligation (based on the valuation by an independent actuary).

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

Capital expenditure was not related to major infrastructure projects, as very limited allocation was made for capital projects on the budget. Capital expenditure was mostly related to the acquisition of new core financial management system, office equipment, computer hard- and software.

5.5 Capital Expenditure

John Taolo Gaetsewe District Municipality's assigned functions are mainly service-oriented e.g. Disaster Management, Environmental Health, Planning etc. therefore the most portion of the budgeted expenses are operational.

5.6 Sources of finance

Capital Expenditure - Funding Sources: Year - 2021/22 to Year 2022/23							R' 000
Details	Year 2021/22	Year 2022/23					
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)	
Source of finance							
External loans							
Public contributions and donations							
Grants and subsidies							
Other	1 538 216,00	565 576,00	2 659 683,00	2 703 090,00	470,3%	477,9%	
Total	1 538 216,00	565 576,00	2 659 683,00	2 703 090,00	470,26%	477,94%	
<i>Percentage of finance</i>							
External loans	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	
Public contributions and donations	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	
Grants and subsidies	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	
Other	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	
Capital expenditure							
Water and sanitation							
Electricity							
Housing							
Roads and storm water							
Other	1 538 216,00	565 576,00	2 659 683,00	2 703 090,00	470,3%	477,9%	
Total	1 538 216,00	565 576,00	2 659 683,00	2 703 090,00	470,26%	477,94%	
<i>Percentage of expenditure</i>							
Water and sanitation	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	
Electricity	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	
Housing	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	
Roads and storm water	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	
Other	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	

T 5.6.1

Comment on sources of funding

JTGDM is essentially dependent on grants and is not able to generate revenue as a District Municipality. Funds utilized for capital expenditure were sourced from internal revenue.

5.7 Capital spending on 5 largest projects

Comment on capital projects

The Municipality did not have large capital infrastructure projects. Only two (2) cars and computer equipment, as indicated under 5.3 Assets Management.

5.8 Basic Services and Infrastructure backlog - overview

This function is provided by the Local Municipalities and is not reported on.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

Cash flow and investments is regarded as extremely important, because it affects the operations and service delivery of the Municipality. This is managed in terms of the policies of Council in this regard, as well as the Cash and Investment Regulations of the MFMA.

5.9 Cashflow

Cash Flow Statement

Figures in Rand	Note(s)	2023	2022 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		3 905 925	190 975
Grants		113 822 256	106 925 744
Interest income		5 038 457	2 311 808
Construction contracts		-	50 973 000
		<u>122 766 638</u>	<u>160 401 327</u>
Payments			
Employee costs		(86 661 036)	(76 226 095)
Suppliers		(48 666 664)	(48 675 959)
Finance costs		(742 301)	(730 545)
		<u>(136 070 001)</u>	<u>(125 632 599)</u>
Net cash flows from operating activities	36	<u>(13 303 363)</u>	<u>34 768 728</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(2 611 590)	(1 137 383)
Purchase of other intangible assets	10	(91 500)	(400 834)
Proceeds from sale of biological assets	7	-	667 745
Net cash flows from investing activities		<u>(2 703 090)</u>	<u>(870 472)</u>
Cash flows from financing activities			
Finance lease payments		(560 063)	(203 763)
Net increase/(decrease) in cash and cash equivalents		<u>(16 566 516)</u>	<u>33 694 493</u>
Cash and cash equivalents at the beginning of the year		45 785 521	12 091 027
Cash and cash equivalents at the end of the year	3	<u>29 219 005</u>	<u>45 785 520</u>

As indicated above, on an extract of the audited 2022/23 Annual Financial Statements i.e. the Cash Flow Statement, the municipality recorded a 56.70% decrease in terms of the cash and cash equivalents for the 2022/23 financial year.

Further to note are the following:

- a. there is an overall 30.66% increase recorded for the cash received during the year under review
- b. of the receipted cash:
 - i. cash outflows from operating activities constituted -219.64% (2022: 83.61%)
 - ii. net cash flows from Investing activities constituted -58.73% (2022: -58.73%)
 - iii. net cash flows from financing activities constituted -63.62% (2022: -376.71%)

Cash Flow Outcomes				
R'000				
Description	Year - 2021/22	Current: Year 2022/23		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	191	2 142	2 342	3 906
Government - operating	106 926	111 952	153 160	113 822
Government - capital	–	–	–	–
Interest	2 312	736	4 348	5 038
Dividends				
Payments				
Suppliers and employees	(48 676)	(113 118)	(150 381)	(135 328)
Finance charges	(731)	(210)	(410)	(742)
Transfers and Grants		(102)	(924)	
NET CASH FROM/(USED) OPERATING ACTIVITIES	60 022	1 400	8 134	(13 303)
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–	–	–	–
Proceeds on sale of biological assets	668			-
Purchase of property, plant and equipment	(1 137)	–	–	(2 612)
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables		–	–	
Decrease (increase) in non-current investments		–	–	
purchase of other intangible assets	(401)	–	–	(92)
Payments				
Capital assets		(566)	(9 725)	
NET CASH FROM/(USED) INVESTING ACTIVITIES	(870)	(566)	(9 725)	(2 703)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–			
Borrowing long term/refinancing	–	–		
Increase (decrease) in consumer deposits	–			
Payments				
Repayment of borrowing	–	–	–	–
Finance lease payments	204	–	–	(560)
NET CASH FROM/(USED) FINANCING ACTIVITIES	204	–	–	(560)
NET INCREASE/ (DECREASE) IN CASH HELD	59 355	835	(1 591)	(16 567)
Cash/cash equivalents at the year begin:	8 744	8 744	12 091	68 099
Cash/cash equivalents at the year end:	68 099	9 579	10 500	51 533
Source: MBRR A7				T 5.9.1

Comment on cash flow outcomes

There is a significant improvement on cash and cash equivalents balance at year end. The municipality's cash is tied up in the receivables by organs of state, namely local municipalities within the District. Improved cash flow management principles and practices were employed during the year under review, which led to the municipality recording an improved cash flow position.

5.10 Borrowing and Investments

No new loans were made and reserves were invested in terms of the appropriate policy of Council and the MFMA Regulations in this regard.

Actual Borrowings: Year -2020/21to Year 2022/23			
			R' 000
Instrument	Year 2020/21	Year 2021/22	Year 2022/23
Municipality			
Long-Term Loans (annuity/reducing balance)			
Financial Leases			
Municipality Total	0	0	0
Municipal Entities			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total	0	0	0
			T 5.10.2

Investments were only made in line with the Municipal Cash and Investment Management Policy i.e. at registered banks in terms of the Banks Act, with balances on the accounts as indicated on the table below:

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	1 141	8
Short-term deposits	22 844 848	42 645 711
Bank balance	6 373 018	3 139 802
	29 219 005	45 785 521

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

The municipality had the following bank accounts and cash on hand:

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
STD BANK - Main Account - 240923804	6 373 018	3 139 802	9 681 231	6 373 018	3 139 802	9 681 231
STD BANK - Call Account - 508871803-020	-	-	17 821	-	-	17 821
STD BANK - Call Account - 048483353-025	-	-	435 414	-	-	435 414
STD BANK - Call Account - 048483353-027	-	-	1 955 592	-	-	1 955 592
Cash on Hand	1 141	8	969	1 141	8	969
ABSA BANK - Fixed Account - 9370995821	-	2 798 359	-	-	2 798 359	-
ABSA BANK - Fixed Account - 9370194405	22 387 095	39 847 353	-	22 387 095	39 847 353	-
ABSA BANK - Fixed Account - 9372758744	345 428	-	-	345 428	-	-
NEDBANK - Call Account - 037881102918/000064	112 325	-	-	112 325	-	-
Total	29 219 005	45 785 522	12 091 027	29 219 005	45 785 522	12 091 027

Comment on investments

From the table above it is evident that the municipality ensured that it maintains a separate investment account for each grant received. This was to ensure that any unspent portion of grants will be fully cash backed.

5.11 Public Private Partnerships

The Municipality does not have any public private partnerships.

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 Supply Chain Management

Officials in the Supply Chain Unit comply with the minimum competency requirements.

All issues of non-compliance of policies and regulations raised in prior periods were addressed in the audit action plan in response to the Auditor General's Report. Further details are provided as per section 2.8 of this report.

5.13 GRAP Compliance

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other

stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The Municipality is GRAP compliant. As part of addressing capacity challenges experienced in Budget and Treasury Office, for the year under review, officials in the Budget and Treasury Office were assigned to work with the team appointed to assist in compiling the Annual Financial Statements. This was done as part of the Consultants Reduction Plan and is to continue in the foreseeable future.

5.14 Municipal Budget and Reporting Regulations (MBRR) Compliance

The municipality is to strengthen further MBRR compliance and continued to implement the updates and notices communicated from time to time by National Treasury.

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

Upon conclusion of auditing the Auditor General audited the financial and performance information for the 2021/22 Financial Year.

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 2020/21

6.1 AUDITOR GENERAL REPORTS YEAR – 2021/22 (PREVIOUS YEAR)

The Municipality received an unqualified without findings audit opinion for the 2021/22 Financial Year. Management compiled and implemented the Audit Action Plan as adopted. The Plan was implemented during the year with confirmed success.

COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2022/23 CURRENT YEAR)

6.2 AUDITOR GENERAL REPORT YEAR 2022/23

The Municipality received an unqualified with findings audit opinion for the 2022/23 Financial Year. The report of the Auditor General is attached hereto as Volume IV. Management compiled an Audit Action Plan to implement remedial actions, and ensure its success.

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” 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 “ <i>what we do</i> ”.
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 performance indicators	Key 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 performance areas	Key <ul style="list-style-type: none"> • 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:	<p>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.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <ul style="list-style-type: none"> 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 - COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

This is discussed in Chapter 2 under Governance and no additional information is provided here.

APPENDIX B - COMMITTEES AND COMMITTEE PURPOSES

This is discussed in Chapter 2 under Governance and no additional information is provided here.

APPENDIX C -THIRD TIER ADMINISTRATIVE STRUCTURE

This is discussed in Chapter 2 under Governance and no additional information is provided here.

APPENDIX D - FUNCTIONS OF MUNICIPALITY / ENTITY

Positioning of the functions and responsibilities of district municipalities in relation to the integrated municipal governance framework

Function in schedules 4 and 5 of the Constitution	Integrated Planning and Development Facilitation	Promoting bulk infrastructural development and services for the district as a whole	Building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking	Promoting the equitable distribution of resources between the local municipalities in its area to ensure appropriate levels of municipal services within the area
Air pollution			✓	
Building regulations			✓	
Electricity and gas reticulation		✓		
Firefighting services		✓		
Local tourism	✓			✓
Municipal airports		✓		
Municipal health services		✓		✓
Municipal public transport		✓		✓
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		✓		✓
Storm water management systems in built-up areas		✓		✓
Trading regulations			✓	

Function in schedules 4 and 5 of the Constitution	Integrated Planning and Development Facilitation	Promoting bulk infrastructural development and services for the district as a whole	Building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking	Promoting the equitable distribution of resources between the local municipalities in its area to ensure appropriate levels of municipal services within the area
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems		✓		✓
Billboards and the display of advertisements in public places				
Municipal planning	✓			
Cemeteries, funeral parlours and crematoria		✓		
Cleansing				
Control of public nuisances				
Control of undertakings that sell liquor to the public				
Facilities for the accommodation, care and burial of animals				
Fencing and fences				
Licensing of dogs				
Licensing and control of undertakings that sell food to the public				
Local amenities		✓		✓
Local sport facilities		✓		✓
Markets	✓		✓	✓
Municipal abattoirs		✓		✓
Municipal parks and recreation		✓		✓
Municipal roads		✓		✓
Noise pollution				
Pounds				
Public places				
Refuse removal, refuse dumps and solid waste disposal		✓		✓
Street trading			✓	
Street lighting		✓		✓
Traffic and parking		✓		✓

APPENDIX E - WARD REPORTING

The District Municipality does have ward committees, as this is a function performed by the local municipalities.

APPENDIX F - WARD INFORMATION

The District Municipality does have ward committees, as this is a function performed by the local municipalities. Capital projects is discussed in Chapter 5 of the report.

APPENDIX G - RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 0

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendation during the Year 0	Recommendation adopted (enter Yes) If not adopted (provide explanation)
Quarter 2, 3 and 4.	Matter to be referred to the Mayoral Committee for review of:	Yes
	Creditors and debtors analysis.	Yes
	Payments made after 30 June (testing cut off).	Yes
	Review aged items for creditors and debtors and recommend an implementation plan.	Yes
	Internal audit to perform a follow up audit by the 15th of August and report to the next Audit Committee meeting.	Yes
	Report referred to MM to follow up with Corporate Services Manager for his urgent attention (DD 7 August 2015 for input, implementation and action).	Yes
	The report should be presented to the NEXT Audit and Performance Committee together with the Accounting Officer's action plan to turn around the plight of Corporate Services.	Yes
	Report referred to Accounting Officer to ensure it's finalised.	Yes
	All internal audit findings per quarter should be summarised in one document and be monitored for implementation by the Chief Risk Officer for implementation through the office of the MM every fourth night.	Yes
	The Compliance Officer needs to monitor all compliance issues and update the Municipal Manager who will in turn advice the office of the Mayor on all compliance issues.	Yes
	The Compliance Officer and the Accounting Officer must review all the Audit Reports Q1,2,3 and 4 Issued by Internal Audit, and come up with a way forward to manage compliance (Director Internal Audit to facilitate this process).	Yes
	Communications portfolio to be part of this meeting.	Yes
	Management must ensure that Financials are reviewed and presented to Council by the Audit and Performance Committee prior to them being submitted to Auditor General.	Yes

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendation during the Year 0	Recommendation adopted (enter Yes) If not adopted (provide explanation)
	Performance information is also part of the AFS, so the above is also applicable.	Yes

Refer to Volume IV for the Audit and Performance Committee report upon adoption by Council for the year ended 30 June 2023.

APPENDIX H - LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

No long-term contracts were entered into during 2022/23. There are no public private partnerships.

NO	SERVICE PROVIDER	TYPE OF SERVICE	EFFECTIVE DATE	COMPLETION DATE	DURATION	SLA signed (YES/NO)
1	Reneilwe Consulting & Planners	Professional Services for RRAMS & ISDG	2020/12/01	2023/11/30	36 months	Yes
2	Phatsimo Developers	Provision of temporary Shelter	2023/04/01	2023/06/30	3 months	Yes
3	Main Bicacon JV	Provision of temporary Shelter	2023/03/31	2023/06/30	2 months	Yes
4	Multichoice	DSTV	2014/03/14	Can be terminated any time if not needed	Continuous Contract	Yes
5	ABC Laboratories	Laboratories Analysis	2021/07/01	2023/06/30	24 Months	Yes
6	DDP (Pty) Ltd	Valuation of municipal properties for the period of 24 months – DDP Ltd	2020/07/21	2023/07/23	36 months	Yes
7	Arch Actuaries Consulting	Actuaries for a period of 24 months	2020/07/21	2023/07/23	36 months	Yes
8	Standard Bank	Provision of Banking	2012/08/01	2017/07/31	Extended on a month to month until the appointment	Yes

					of a new sp is made	
9	Maxprof (Pty) Ltd	Professional Services for VAT recovery	2021/06/30	2023/05/31	Extended on a month to month until the appointment of a new sp is made	Yes
10	CCG Systems (Pty) Ltd	Provision of ERP Financial Systems that is mSCOA Compliant	2022/05/31	2025/05/30	3 years	Yes
11	CCG Systems (Pty) Ltd	The appointment of consultants for assistance with the preparation of annual financial statement, quality and grap compliance review of the annual financial statement and provision of assistance with the clearing of findings raised by the internal and external auditors for a period of 36 months on as and when required rate basis	2019/07/01	2022/12/30	3 years	Yes
12	CCG Systems (Pty) Ltd	The appointment of consultants for audit support and quality reviews for a period of 12 months	2023/06/01	2024/05/31	12 months	Yes
13	Kunene Makopo Risk Solution	Provision of Insurance Services of Properties and Liabilities	2020/03/25	2023/06/30	36 months	Yes
14	Koikanyang Incorporated	Attorneys	2020/02/10	2023/02/09	Extended on a month to month until the appointment of a new sp is made	Yes

15	Telkom	PBX Rental Term Service Agreement	2018/10/29	2021/11/21	Extended on a month to month	Yes
16	Telkom	ISDN PRA Service agreement	2018/10/29	2021/11/21	Extended on a month to month	Yes
17	JTG Development Trust	Lease of a building	2011/10/01	Extended up until 2022/12/31	Extended on a month to month	Yes
18	Lefetlho Trading (Pty)Ltd	Provision of Cleaning materials	2020/08/01	2023/07/30	36 months	Yes
19	PAPKRAST Group	Maintenance of Municipal Websites	2020/07/01	2022/06/30	Extended on a month to month until the appointment of a new sp is made	Yes
20	Vysyem Traders C.C	Provision of photocopying machines	2021/05/17	2023/05/16	Extended on a month to month until the appointment of a new sp is made	Yes
21	Kathu Technical College	Lease of a building	2021/05/01	2023/04/30	24 months	Yes
22	Vysyem Traders C.C	Supply & Delivery of Stationery	2021/07/01	2023/06/30	24 months	Yes
23	Tshia Logistics (Pty) Ltd	Disinfection of Municipal Offices	2022/07/01	2023/06/30	12 months	Ye
24	Prosper Business Enterprise (Pty) Ltd	Servicing and Re-gas of Air conditioners	2021/07/01	2023/06/30	24 months	Yes
25	Vuyani and Monwabisi Investment holdings	Security Services	2021/07/01	2023/06/30	24 months	Yes
26	South African Qualification Authority	Verification of qualifications	2021/10/25	As and when required	8 months	Yes
27	Pioneer Business Consulting	Learnership: Environmental Practice	2021/07/12	2023/07/11	24 months	Yes

APPENDIX I - MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

The Municipality has no municipal entities.

NO	SERVICE PROVIDER	TYPE OF SERVICE	EFFECTIVE DATE	COMPLETION DATE	PERFORMANCE RATING (Better, Acceptable, Marginal, or Unsatisfactory)	TIME MANAGEMENT (Satisfactory, Average, Poor)	CUSTOMER RELATIONS (Satisfactory, Average, Poor)	COMMENTS
OFFICE OF THE MM & CORPORATR SERVICES: CONTRACTS								
1	JTG Development Trust	Lease of a building	2011/10/01	2021/09/01	Marginal	Satisfactory	Average	Extended up until 30 June 2022
2	Telkom	PBX Rental Term Service Agreement	2018/10/29	2021/11/30	Acceptable	Satisfactory	Satisfactory	Extended on a month-to-month basis
3	Telkom	ISDN PRA Service agreement	2018/10/29	2021/11/30	Acceptable	Satisfactory	Satisfactory	Extended on a month-to-month basis
4	Koikanyang Incorporated	Attorneys	2020/02/10	2023/02/09	Acceptable	Satisfactory	Satisfactory	
5	Lefetho Trading (Pty)Ltd	Provision of Cleaning materials	2020/08/01	2023/07/30	Acceptable	Satisfactory	Satisfactory	
6	PAPKRAST Group	Maintenance of Municipal Websites	2020/07/01	2022/06/30	Acceptable	Satisfactory	Satisfactory	
7	Kathu Technical College	Lease of a building	2021/05/01	2023/04/30	Acceptable	Satisfactory	Satisfactory	
8	Vysyem Traders C.C	Provision of photocopying machines	2021/05/13	2023/05/31	Marginal	Satisfactory	Average	
9	Vuyani and Monwabisi Investment Holdings	Security Services	2021/07/01	2023/06/30	Acceptable	Satisfactory	Satisfactory	
10	Vysyem Traders C.C	Supply & Delivery of Stationery	2021/07/01	2023/06/30	Acceptable	Satisfactory	Satisfactory	
11	Tshia Logistics (Pty) Ltd	Disinfection of Municipal Offices	2021/07/01	2022/06/30	Acceptable	Satisfactory	Satisfactory	
12	Prosper Business Enterprise (Pty) Ltd	Servicing and Re-gas of Air conditioners	2021/07/01	2023/06/30	Acceptable	Satisfactory	Satisfactory	
13	South African Qualification Authority	Verification of qualifications	2021/10/25	As and when required	Acceptable	Satisfactory	Satisfactory	

14	Pioneer Business Consulting	Learnership: Environmental Practice	2021/07/12	2023/07/11	Acceptable	Satisfactory	Satisfactory	
BASIC SERVICES DEPARTMENT: CONTRACTS								
15	Reneilwe Consulting & Projects	Professional Services for RRAMS & ISDG	2020/12/01	2023/11/30	Acceptable	Satisfactory	Satisfactory	
16	Phatsimo Developers	Provision of temporary Shelter	2023/04/01	2023/06/30	Acceptable	Satisfactory	Satisfactory	
17	Main Bicacon JV	Provision of temporary Shelter	2023/04/01	2023/06/30	Acceptable	Satisfactory	Satisfactory	
COMMUNITY DEVELOPMENT SERVICES: CONTRACTS								
18	Multichoice	DSTV	2014/03/14	Can be terminated any time if not needed	Acceptable	Satisfactory	Satisfactory	
19	ABC Laboratories	Laboratories Analysis	2021/07/01	2023/06/30	Acceptable	Satisfactory	Satisfactory	
BUDGET & TREASURY OFFICE: CONTRACTS								
20	Standard Bank	Banking	2012/08/01	Extended on a month to month basis	Acceptable	Satisfactory	Satisfactory	Extended on a month to month basis
21	MaxProf	Professional Services for VAT recovery	2021/04/03	2023/06/30	Acceptable	Satisfactory	Satisfactory	
22	CCG Systems	Provision of ERP Financial Systems that is mSCOA Compliant	2022/05/31	2025/05/30	Acceptable	Satisfactory	Satisfactory	
23	CCG Systems (Pty) Ltd	The appointment of consultants for assistance with the preparation of annual financial statement, quality and GRAP compliance review of the annual financial statement and provision of assistance with the clearing of findings raised by the internal and external	2019/07/01	2022/06/30	Acceptable	Satisfactory	Satisfactory	Expired and extended up until 30 November 2022

		auditors for a period of 36 months on as and when required rate basis						
24	Kunene Makopo Risk Solutions (Pty) Ltd	Provision of Insurance Services of Properties and Liabilities	2020/05/01	2023/04/30	Acceptable	Average	Satisfactory	Extended on a month to month up until 30 November 2022
25	DDP (Pty) Ltd	Valuation of municipal properties for the period of 24 months	2020/07/21	2023/07/23	Acceptable	Satisfactory	Satisfactory	

APPENDIX J - DISCLOSURES OF FINANCIAL INTERESTS

All councillors and senior managers are required to declare their business interests annually.

Such business interests are:

DISCLOSURE OF FINANCIAL INTERESTS FOR COUNCILLORS & SNR OFFICIALS			
01st JULY 2022 – UNTIL 30 JUNE 2023			
Position	Name	Description of Financial Interests (Nil / Or Details)	Id Number
Executive Mayor	PQ Mogatle	Pulane Mogatle Trading Enterprise Bomme-Sejo Services and Supply Co-Operative Limited Queen Felicity Fuel and Truck Inn Annex Langdon Commodities Smelters Adonia Kuruman Mall	810313 0613 08 0
Speaker	IE Aiseng	Nil	700727 5997 08 6
JTG Councillors	KF Masilabele	Nil	801010 0866 08 7
	OH Kgotodithata	Faraway Agricultural Refemele Multi-Purpose Primary Co-operative Limited	661205 1018 08 9
	NG Ngesi	Joyful Attempt Construction and Projects 99 Bokone Mining Primary C-Operative Limited Nkavutha Transport Service Mpho ya Basadi Supplier and Projects	670725 0604 08 3

		Bangeko Construction and Projects Gamotinye Investment Holding Ditukus Projects Abotype Tulasign Abotrim Ladospace Batlharo le Batlhaping Mining solutions NC Women Mining Projects Retsogile Mining Resources	
	PM Kgosienewang	Kgosienewang Civil and General Construction	530313 5841 08 1
	KR Paul	Koklas Catering and Cleaning Service Dikoke Gambling Enterprise and Manufacturing	850221 0725 08 8
	AI Eilerd	Nil	780109 5170 08 4
	PJ Ohentswe	PJO Contractor Mothisize S.T.P.J. Construction and Manufacturing Hiddekil Mining and Logistics Ohentswe Construction Supply and Training Perth1 Stop Station and Shop Letso Investment JTG Logistics JTG Community Development Association SABA Logistics	860812 6151 08 5
	TC Moilwe	Nil	840920 1188 08 8
Seconded Councillors (Joe Morolong)	I Matebese	Candle Away General Trading Avera General Trading	870527 6308 08 3
	N. Tswere	Batho Phuthanang Sand Mining Tsela Kgopo Primary Co-Operative Limited Gabosegangwe Trading	671010 1948 08 9
	M Filipino	Nil	890708 1075 08 5

	T Mosegedi	Mosegedi Construction and Supply	881013 5815 08 6
	G Kaotsane	Hiddekil Mining and Logistics Asili Ya Mama SABA Logistics	840930 5916 08 7
	O Etshetshang	OTT Solution Providers	880105 0621 08 8
Seconded Councillors (Ga-Segonyana)	G Chere	Nil	741225 2309 08 3
	N Mereotlhe	Poplas Restaurant	821117 0484 08 8
	M Elliot	Nil	800304 6057 08 5
	O Mathibe	Nomisa Enterprise	581229 5182 08 6
	K. Setlhodi	Nil	770105 1177 08 3
Seconded Councillors (Gamagara)	B Sebeo	Mapoteng Community Forum	860124 5520 08 2
	T Motsoare	Pharaphama Multi Business Goodness of Umzansi Trading and Projects Gamagara Business Forum Tsantsabane Social and Labour Development Forum	671104 5686 08 2
Municipal Manager (Until 31st July 2022)	D. Molaole	Ba-Ga-Matswiri Mining-Resource Moshu 1640 Mining Company Phimola Keledi Burial Scheme	730116 5489 08 4
Municipal Manager (from 1st June 2023)	K Teise	Kuruman Development Corporation Kurara Clap Your Hands01 Kagisano Motlhaping Manganese Mine Kagisano Manganese and Iron Ore Mine KM Manganese and Iron Ore Mine	700414 6044 08 1
Director: Local Economic Development			
Chief Financial Officer	GP Moroane	Envision Forthtoo	790208 0478 08 4
Director Corporate Services	E. Tshabaemang	JC Chabi Trade and Construction services Kuruman Voice of Hope	720906 1206 082

Director: Community Development Services	TH Matlhare	Maremane Mining and Projects Moremolemo Trading	670106 5885 08 6
Acting Director: Local Economic Development (from 1st June 2023)	B. Segoje	Nil	730717 5874 08 4
Director: Basic Services & Infrastructure	M Molusi	Nil	680311 6045 08 0

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

Revenue collection details are disclosed in the Unaudited Annual Financial Statements and no further information is provided.

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Grant information details are disclosed in the Unaudited Annual Financial Statements and no further information is provided.

APPENDIX M: CAPITAL EXPENDITURE - NEW & UPGRADE/RENEWAL PROGRAMMES

Capital expenditure details are disclosed in the Unaudited Annual Financial Statements and no further information is provided.

APPENDIX N - CAPITAL PROGRAMME BY PROJECT YEAR 0

Capital expenditure details are disclosed in the Unaudited Annual Financial Statements and no further information is provided.

APPENDIX O - CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 0

Capital expenditure details are disclosed in the Unaudited Annual Financial Statements and no further information is provided. It is however important to note that the District Municipality does not have wards.

APPENDIX P - SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

This function is performed by the local municipalities.

APPENDIX Q - SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service backlogs are indicated in the tables below and is based on information from StatsSA Community Survey 2016.

Dwelling type

Housing Types					
Type of main dwelling	Northern Cape	John Taolo Gaetsewe	Joe Morolong	Ga-Segonyana	Gamagara
Formal dwelling/house or brick/concrete block structure on a	920,702	184,071	60940.00	80,831	42,301
Traditional dwelling/hut/structure made of traditional mater	25,457	14,406	10083.00	4,322	-
Flat or apartment in a block of flats	7,754	743	45.00	337	361
Cluster house in complex	1,241	345	0	23	322
Townhouse (semi-detached house in a complex)	3,648	683	27.00	336	320
Semi-detached house	21,423	1,546	129.00	509	908
Formal dwelling/house/flat/room in backyard	58,229	15,567	7608.00	7,069	890
Informal dwelling/shack in backyard	45,013	7,177	2092.00	3,548	1,536
Informal dwelling/shack not in backyard (e.g. in an informal	92,146	11,870	2853.00	3,594	5,423
Room/flatlet on a property or larger dwelling/servants quart	2,875	700	-	655	45
Caravan/tent	862	238	39.00	17	183
Other	14,293	4,917	385.00	3,166	1,366
Unspecified	137	-	-	-	-
Total	1,193,780	242,264	84,201	104,408	53,656

Source: StatsSA 2016

Energy source for cooking

Main Source of Energy for Cooking				
	NC451: Joe Morolong	NC452: Ga-Segonyana	NC453: Gamagara	DC45: John Taolo Gaetsewe
Electricity from mains	49 867	88 951	45 876	184 693
Other source of electricity (e.g. generator; etc.)	54	32	112	197
Gas	2 190	9 310	4 088	15 587
Paraffin	1 038	1 267	1 064	3 370
Wood	30 679	4 594	2 084	37 358
Coal	41	-	-	41
Animal dung	117	4	-	121
Solar	-	-	147	147
Other	61	-	24	84
None	145	114	261	519
Unspecified	9	136	-	145

Access to water sources

Water Sources within JTGDM				
	Joe Morolong	Ga-Segonyana	Gamagara	John Taolo Gaetsewe
Public/communal tap	27 815	28 283	3 006	59 104
Water-carrier/tanker	315	2 364	278	2 956
Borehole outside the yard	1 238	456	185	1 879
Flowing water/stream/river	2 259	-	-	2 259
Well	406	41	-	444
Spring	-	47	-	47
Other	305	937	361	1 602

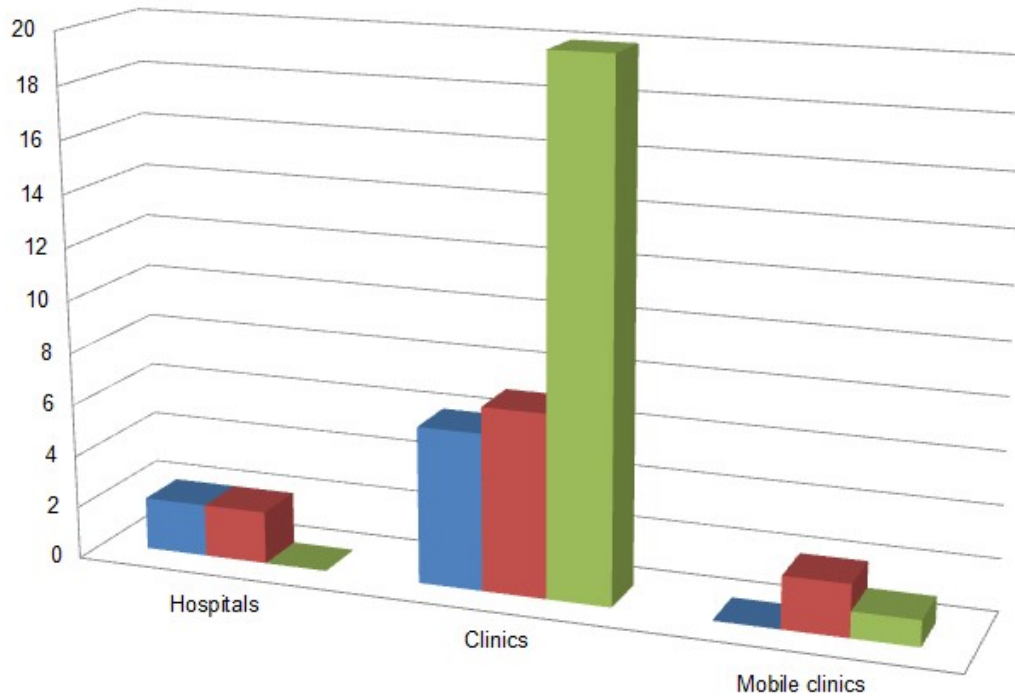
Household access to sanitation (toilet facilities)

Access to sanitation within JTGDM				
	NC451: Joe Morolong	NC452: Ga-Segonyana	NC453: Gamagara	DC45: John Taolo Gaetsewe
Flush toilet connected to a public sewerage system	3 345	18 682	46 505	68 533
Flush toilet connected to a septic tank or conservancy tank	623	4 903	1 766	7 292
Chemical toilet	632	66	27	724

Pit latrine/toilet with ventilation pipe	46 958	22 976	452	70 387
Pit latrine/toilet without ventilation pipe	21 202	48 645	147	69 994
Ecological toilet (e.g. Urine diversion; enviroloo; etc.)	1 880	69	-	1 949
Bucket toilet (collected by municipality)	-	89	-	89
Bucket toilet (emptied by household)	3 311	543	2	3 856
Other	552	1 330	645	2 528
None	5 697	7 104	4 112	16 912

Household level of refuse removal

Refuse removal within JTGDM				
	NC451: Joe Morolong	NC452: Ga-Segonyana	NC453: Gamagara	DC45: John Taolo Gaetsewe
Removed by local authority/private company/community members at least once a week	2 539	12 630	44 489	59 658
Removed by local authority/private company/community members less often than once a week	58	242	1 071	1 372
Communal refuse dump	4 902	4 737	1 125	10 764
Communal container/central collection point	1 320	2 168	409	3 896
Own refuse dump	71 031	77 757	5 402	154 190
Dump or leave rubbish anywhere (no rubbish disposal)	3 002	4 084	567	7 653
Other	1 349	2 790	592	4 731



	Hospitals	Clinics	Mobile clinics
Gamagara LM	2	6	0
Ga-Segonyana LM	2	7	2
Joe Morolong LM	0	20	1

Detail breakdown of educational levels in the District

Figure 20: Highest Level of Education

	Northern Cape	DC45: John Taolo Gaetsewe	NC451: Joe Morolong	NC452: Ga-Segonyana	NC453: Gamagara
No schooling	175 584	42 628	18 569	16 320	7 739
Grade 0	43 087	10 508	4 455	4 758	1 296
Grade 1/Sub A/Class 1	30 584	7 323	3 880	2 576	867
Grade 2/Sub B/Class 2	25 270	6 046	2 769	2 537	740
Grade 3/Standard 1/ABET 1	44 975	11 165	5 057	4 468	1 640
Grade 4/Standard 2	46 382	10 886	4 988	4 214	1 685
Grade 5/Standard 3/ABET 2	47 613	9 996	4 546	3 533	1 917
Grade 6/Standard 4	59 918	11 604	4 571	4 580	2 453
Grade 7/Standard 5/ABET 3	66 386	11 966	4 542	4 917	2 507
Grade 8/Standard 6/Form 1	84 813	13 606	5 055	5 927	2 624
Grade 9/Standard 7/Form 2/ABET 4/Occupational certificate NQF Level 1	84 188	15 446	5 067	6 817	3 562

Grade 10/Standard 8/Form 3/Occupational certificate NQF Level 2	109 531	19 191	5 501	8 575	5 115
Grade 11/Standard 9/Form 4/NCV Level 3/ Occupational certificate NQF Level 3	83 298	18 533	4 909	9 661	3 964
Grade 12/Standard 10/Form 5/Matric/NCV Level 4/ Occupational certificate NQF Level 3	212 153	36 578	6 802	18 144	11 631
NTC I/N1	663	279	12	88	179
NTCII/N2	1 569	576	98	153	325
NTCIII/N3	2 098	695	124	210	360
N4/NTC 4/Occupational certificate NQF Level 5	3 173	1 112	130	444	538
N5/NTC 5/Occupational certificate NQF Level 5	2 244	851	82	285	484
N6/NTC 6/Occupational certificate NQF Level 5	3 707	1 283	263	418	602
Certificate with less than Grade 12/Std 10	499	79	-	36	43
Diploma with less than Grade 12/Std 10	1 301	310	20	132	157
Higher/National/Advanced Certificate with Grade 12/Occupational certificate NQF	5 007	727	207	199	322
Diploma with Grade 12/Std 10/Occupational certificate NQF Level 6	13 728	1 899	262	1 046	590
Higher Diploma/Occupational certificate NQF Level 7	5 120	979	272	234	474
Post-Higher Diploma (Master's	2 578	439	129	201	109
Bachelor's degree/Occupational certificate NQF Level 7	10 910	1 297	215	789	293
Honours degree/Post-graduate diploma/Occupational certificate NQF Level 8	5 091	795	96	459	240
Master's/Professional Master's at NQF Level 9 degree	1 318	210	80	63	66
PHD (Doctoral degree/Professional doctoral degree at NQF Level 10)	505	113	10	29	74
Other	3 988	1 127	147	618	363
Do not know	14 582	3 722	1 149	1 878	696
Unspecified	1 917	296	193	103	-

APPENDIX R - DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY
No additional information is disclosed other than what is contained in the Unaudited Annual Financial Statements.

APPENDIX S - NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT
The Integrated Development Plan of the Municipality is structured to include the National Outcomes and Key Performance Areas for Local Government. The Unaudited Annual Performance Report of the Municipality contains information in this regard. No additional information is disclosed.

VOLUME II: ANNUAL FINANCIAL STATEMENTS

The Audited Annual Financial Statements for the 2022/23 Financial Year is enclosed hereto.

VOLUME III: ANNUAL PERFORMANCE REPORT

The Audited Annual Performance Report for the 2022/23 Financial Year is enclosed hereto.

VOLUME IV: AUDIT AND PERFORMANCE COMMITTEE REPORT

The Audit and Performance Committee Report for the 2022/23 Financial Year is enclosed hereto.

VOLUME V: AUDITOR-GENERAL'S REPORT

The Auditor-General's Report for the 2022/23 Financial Year is enclosed hereto.



FINAL ANNUAL REPORT 2022/2023 Vol. 1

John Taolo Gaetsewe District Municipality

Email: mmsec@taologaetsewe.gov.za

Website: www.taologaetsewe.gov.za

Tel: 053-712-8700

4 Federale Mynbou, Kuruman, NC, 8460



AUDITED ANNUAL FINANCIAL STATEMENTS 2022/2023 Vol. 2

John Taolo Gaetsewe District Municipality

Email: mmsec@taologaetsewe.gov.za

Website: www.taologaetsewe.gov.za

Tel: 053-712-8700

4 Federale Mynbou, Kuruman, NC, 8460



John Taolo Gaetsewe District Municipality
Annual financial statements
for the year ended 30 June 2023

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

General Information

Legal form of entity	The entity is a category C Municipality (District Municipality) as defined by the Municipal Structures Act (Act 117 of 1998)	
Nature of business and principal activities	John Taolo Gaetsewe Municipality is a district municipality performing the functions as set out in the Constitution (Act no 108 of 1996).	
Jurisdiction	The John Taolo Gaetsewe Municipality includes the municipality areas of Gamagara Municipality, Ga-Segonyana Municipality and Joe Morolong Municipality. Demarcation Code - DC45 John Taolo Gaetsewe	
Mayoral committee		
Executive Mayor	Mogatle P.Q	
Executive Councillors	Masilabele K.F. Matebese I. Kgopodithata O.H. Kgosienewang P.M.	
Councillors	Ngesi N. Moiwe T.C. Tswere K.N. Etshetsang O.A. Sebego B.I. Motsoare T.M. Kaotsane G.G. Chere G.M. Mereotlhe N. Valela M.E. Setlhodi K.S. Mathibe O.D. Mosegedi T.G. Filipo M.P. Ohentswe P.J. Paul K.R. Eilerd A.I.	
Grading of local authority	3	
Speaker	Aiseng I.	
Accounting Officer	Molaole D.H.	Presiding MM up to 31/07/2022
	Teise K.K	Acting MM 01 August 2022 to 31 January 2023
	M.W. Molusi	Acting MM 01 February 2023 to 31 May 2023
	Teise K.K	Appointed MM 01 June 2023
Chief Financial Officer	Moroane G.P Presiding CFO up to 31/07/2023	
	Shupu L.L Acting CFO 01 August 2023	

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

General Information

Registered office	P.O. Box 1480 Kuruman 8460
Business address	4 Federale Mynbou Street Kuruman 8460
Primary bankers	The Standard Bank of South Africa Limited
Auditors	Auditor-General of South Africa
Attorneys	Koikanyang Incorporated

John Taolo Gaetsewe District 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:

	Page
Accounting Officer's Responsibilities and Approval	4
Audit Committee Report	5 - 6
Accounting Officer's Report	7
Statement of Financial Position	8
Statement of Financial Performance	9
Statement of Changes in Net Assets	10
Cash Flow Statement	11
Statement of Comparison of Budget and Actual Amounts	12 - 14
Accounting Policies	15 - 40
Notes to the Annual Financial Statements	41 - 78

Abbreviations used:

DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
MFMA	Municipal Finance Management Act

John Taolo Gaetsewe District 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.

The accounting officer 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 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 accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2024 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The municipality is largely dependent on the government for continued funding of operations. The annual financial statements are prepared on the basis that the municipality is a going concern and that the municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

Although the accounting officer are primarily responsible for the financial affairs of the municipality, they are supported by the municipality's external auditors.

The annual financial statements have been prepared on the going concern basis, were approved by the Accounting Officer on August 31, 2023 and were signed on its behalf by:"

Accounting Officer
K.K Teise

JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY

AUDIT, RISK AND PERFORMANCE COMMITTEE REPORT FOR THE YEAR ENDED

30 JUNE 2023

1. Legislative requirements

The purpose of this report is to communicate to the Council the Audit, Risk and Performance Committee's (ARPC) assessment in carrying out its oversight responsibilities in terms of section 166 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003, as amended) (MFMA), read with circular 65 published by the National Treasury for the year ended 30 June 2023.

The MFMA obliges every municipality to establish an independent audit committee, which must advise the municipal council, political office-bearers, accounting officer and management staff of the municipality, on matters relating to internal financial controls and internal audits, risk management, accounting policies, the adequacy, reliability and accuracy of financial reporting and information, performance management, effective governance, compliance with the MFMA, the annual Division of Revenue Act (DoRA) and any other applicable legislation, and any other issues referred to it by the municipality.

The ARPC is governed by formal terms of reference, which are reviewed annually and approved by Council. The ARPC is pleased to present its report for the financial year ended 30 June 2023.

2. Audit committee members and attendance

The ARPC has been appointed by the John Taolo Gaetsewe District Municipality. Service level agreements between the District and Gamagara, Ga-Segonyana and Joe Morolong Local Municipalities provide for a shared ARPC within the District.

The ARPC consists of the members listed hereunder and should meet 4 times per annum as per its approved terms of reference. During the year under review, 9 meetings were held:

- Previous ARPC:(Ended 31/12/2022)

Name of members	Number of meetings attended
Tshimomola R. (Chairperson)	6
Buys F.	4
Mashati M.	2
- Current ARPC: (Commenced 01/04/2023)

Name of members	Number of meetings attended
Snyders J (Chairperson)	3
Ntseno N.	3
Nkoe K.	3

The members of the ARPC held meetings with the municipal manager as the accounting officer, senior management of the municipality, the internal audit function and the external auditors, collectively and individually, on matters related to governance, internal control and risk in the municipality, throughout the reporting period.

The ARPC presented quarterly reports to Council on governance, internal control, risk, performance and financial information and other relevant matters concerning the municipality.

3. Audit committee's responsibility

The ARPC has complied with its responsibilities arising from section 166 of the MFMA read with MFMA Circular 65, and reports that it operated in terms of the audit committee charter read in conjunction with the internal audit charter.

4. Effectiveness of internal control

The ARPC relies on the Auditor General of South Africa (AGSA) and internal audit for the assessment of internal control. The ARPC acknowledges management's efforts to strengthen internal controls in the municipality.

The roles and responsibilities for business continuity, ethics and fraud prevention still need to be defined in the

municipality which will be attended to in the new financial year.

5. The quality reports submitted in terms of the MFMA and DORA

The ARPC is satisfied with the content and quality of monthly, quarterly and mid-year reports prepared and issued during the period under review. The reporting included unauthorised, irregular, fruitless and wasteful expenditure, deviations as well as DoRA funding and expenditure. Interim financial statements were also provided for review. The Chief Finance Officer (CFO)/Acting CFO is to be commended for establishing an ongoing financial reporting framework.

The ARPC has reviewed and commented on the municipality's annual financial statements and report on performance information and their timely submission to the external auditors by 31 August.

6. Internal audit function

The accounting officer is obliged, in terms of section 165 of the MFMA, to ensure that the entity has a system of internal audit under the control and direction of the audit committee.

An in-house internal audit unit was established and is fully capacitated. The current audit manager has been in the position since October 2022. The internal audit unit reports to the Municipal Manager administratively and functionally to the ARPC.

The ARPC is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the municipality and its audits.

Internal audit will commence with the implementation of the quality assurance improvement program and combined assurance will be implemented in the next financial year.

The internal audit manager is not at a senior manager level and does not attend all senior management and Council meetings. It was recommended that the internal audit manager attend senior management and Council meetings, ex officio, to be kept abreast of processes and decisions impacting the risk profile of the municipality. This will enforce the role of the internal audit function in providing assurance on governance, risk management and controls in the municipality. Management has committed to address it in the new financial year.

The internal audit function also provides the secretariat function for the ARPC.

7. Risk management function

The ARPC is responsible for the oversight of the risk management function. Risk management submitted reports to the ARPC on the municipality's management of risk. The ARPC has reviewed the risk register and the reports and is generally satisfied with the risk management process.

8. Evaluation of the finance function

The CFO resigned on 31 July 2023, which created a critical vacancy during the annual financial statement (AFS) preparation process. An acting CFO was appointed to manage the preparation and year-end audit process.

The AFS were prepared with the assistance of consultants due to capacity constraints and technical issues, with a view of achieving a clean audit. A reduction plan is in place to limit the use of consultants.

The ARPC is satisfied with the district municipality's finance function during the year under review.

9. Performance management

Part of the responsibilities of the ARPC includes the review of organizational performance management. In general, the audit committee is satisfied that the performance report has been prepared in terms of the prescripts.

10. Evaluation of the annual financial statements

The ARPC has reviewed the AFS. Except for the matters identified by the external auditors in the auditor's report, the audit ARPC is comfortable that the annual financial statements have been prepared in terms of General Recognised Accounting Practice (GRAP) and the MFMA.

12. External auditor's report

The external audit function, performed by the AGSA is independent of the entity.

The ARPC confirms that it has been actively involved throughout the audit process and has been thoroughly appraised of the issues giving rise to the audit opinion.

The ARPC concurs with and accepts the conclusion and unqualified audit opinion of the external auditors on the AFS. The committee is of the view that the AFS be accepted and read together with the report of the external auditors. No material findings were reported on performance information.

ARPC also concurs with findings raised regarding compliance with legislation. The ARPC is comfortable that given the implementation of effective and efficient controls, these matters should be adequately dealt with in future periods.

The ARPC has met with the external auditors to ensure that there are no unresolved issues and acknowledges the diligence and cooperation of the external audit team.

On behalf of the audit, risk and performance committee:


Johann Snyders

ARPC Chairperson
31 January 2024

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Officer's Report

The accounting officer submits his report for the year ended 30 June 2023.

1. Review of activities

Main business and operations

John Taolo Gaetsewe District Municipality is a district municipality performing the functions as set out in the constitution (act no 108 of 1996) and operates principally in South Africa.

The operating results and state of affairs of the Municipality are fully set out in the attached Annual Financial Statements and do not in our opinion require any further comment

2. Going concern

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.

The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the accounting officer will continue to procure funding for the ongoing operations of the municipality.

3. Subsequent events

The accounting officer is not aware of any matter or circumstance arising since the end of the financial year.

4. Municipal Manager's interest in contracts

The Municipal Manager did not have an interest in any of the contracts entered into during the current financial year.

5. Accounting policies

The annual financial statements prepared in accordance with the prescribed Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board as the prescribed framework by National Treasury.

6. Non-current assets

No major changes in the nature or the policy relating to the use of the non-current assets of the Municipality occurred during the year.

7. Accounting officer

The accounting officer of the municipality during the second quarter and to the date of this report is as follows:		
D.H. Molaole	South Africa	Presiding MM up to 31 July 2022
K.K Teise	South Africa	Acting MM 01 August 2022 to 31 January 2023
M.W. Molusi	South Africa	Acting MM 01 February 2023 to 31 May 2023
K.K Teise	South Africa	Appointed Municipal Manager 01 June 2023

8. Bankers

Accounts were held with The Standard Bank of South Africa Limited (being the primary bankers), as well as investment accounts with Standard Bank of South Africa, Nedbank and ABSA during the year.

9. Auditors

Auditor-General of South Africa will continue in office for the next financial period.

John Taolo Gaetsewe District 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			
Cash and cash equivalents	3	29 219 005	45 785 521
Receivables from exchange transactions	4	8 375 605	8 267 123
Statutory receivable	5	1 035 924	2 530 013
Inventories	6	6 245 596	7 101 793
		44 876 130	63 684 450
Non-Current Assets			
Biological assets	7	4 817 749	4 185 653
Investment property	8	8 230 000	7 110 000
Property, plant and equipment	9	80 021 510	80 392 233
Intangible assets	10	881 743	1 423 217
Heritage assets	11	19 750	19 750
		93 970 752	93 130 853
Total Assets		138 846 882	156 815 303
Liabilities			
Current Liabilities			
Finance lease obligation	12	-	560 063
Payables from exchange transactions	13	36 779 935	9 566 214
Employee benefit obligation	14	1 100 000	1 045 000
Unspent conditional grants and receipts	15	1 226 462	1 096 941
Contract advances	16	30 182	39 383 285
		39 136 579	51 651 503
Non-Current Liabilities			
Employee benefit obligation	14	5 638 000	6 069 000
Total Liabilities		44 774 579	57 720 503
Net Assets		94 072 303	99 094 800
Reserves			
Revaluation reserve	17	62 024 719	62 024 719
Accumulated surplus		32 047 584	37 070 081
Total Net Assets		94 072 303	99 094 800

* See Note 51

John Taolo Gaetsewe District 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			
Rental of facilities and equipment	18	212 195	198 085
Other income	19	119 660	-
Administration and management fees	20	2 308 366	1 749 426
Interest income	21	5 038 457	2 311 221
Total revenue from exchange transactions		7 678 678	4 258 732
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	22	113 692 735	107 705 302
Contract revenue	16	39 353 102	11 589 715
Donations received	23	2 123 729	4 287 751
Total revenue from non-exchange transactions		155 169 566	123 582 768
Total revenue		162 848 244	127 841 500
Expenditure			
Employee related costs	24	(80 312 589)	(71 855 805)
Remuneration of councillors	25	(6 223 884)	(5 447 245)
Depreciation and amortisation	26	(5 646 440)	(4 857 829)
Finance costs	27	(1 434 301)	(1 295 545)
Debt impairment	28	(76 476)	-
Bad debts written-off	29	(69 552)	(1 486 177)
Contract costs	16	(39 353 102)	(10 078 013)
Transfers and Subsidies	30	-	(18 000)
Operational costs	31	(36 591 521)	(34 881 443)
Total expenditure		(169 707 865)	(129 920 057)
Operating deficit		(6 859 621)	(2 078 557)
Loss on disposal of assets	32	(721 414)	(1 370 480)
Fair value adjustments	33	1 116 433	1 379 750
Actuarial (losses)/gains	14	448 000	(93 000)
Gains on biological assets	34	1 264 499	109 212
Loss on non-current assets held for transfer	6	(270 396)	(2 302 904)
Gain from reversal of impairment	35	-	1 302 230
		1 837 122	(975 192)
Deficit for the year		(5 022 499)	(3 053 749)

* See Note 51

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Statement of Changes in Net Assets

Figures in Rand	Revaluation reserve	Accumulated surplus / deficit	Total net assets
Balance at 01 July 2021	62 024 719	40 123 830	102 148 549
Deficit for the year	-	(3 053 749)	(3 053 749)
Total changes	-	(3 053 749)	(3 053 749)
Restated* Balance at 01 July 2022	62 024 719	37 070 083	99 094 802
Changes in net assets			
Deficit for the year	-	(5 022 499)	(5 022 499)
Total changes	-	(5 022 499)	(5 022 499)
Balance at 30 June 2023	62 024 719	32 047 584	94 072 303
Note(s)	17		

* See Note 51

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Cash Flow Statement

Figures in Rand	Note(s)	2023	2022 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		3 905 925	190 975
Grants		113 822 256	106 925 744
Interest income		5 038 457	2 311 608
Construction contracts		-	50 973 000
		<u>122 766 638</u>	<u>160 401 327</u>
Payments			
Employee costs		(86 661 036)	(76 226 095)
Suppliers		(48 666 664)	(48 675 959)
Finance costs		(742 301)	(730 545)
		<u>(136 070 001)</u>	<u>(125 632 599)</u>
Net cash flows from operating activities	36	<u>(13 303 363)</u>	<u>34 768 728</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(2 611 590)	(1 137 383)
Purchase of other intangible assets	10	(91 500)	(400 834)
Proceeds from sale of biological assets	7	-	667 745
Net cash flows from investing activities		<u>(2 703 090)</u>	<u>(870 472)</u>
Cash flows from financing activities			
Finance lease payments		(560 063)	(203 763)
Net increase/(decrease) in cash and cash equivalents		<u>(16 566 516)</u>	<u>33 694 493</u>
Cash and cash equivalents at the beginning of the year		45 785 521	12 091 027
Cash and cash equivalents at the end of the year	3	<u>29 219 005</u>	<u>45 785 520</u>

* See Note 51

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Rental of facilities and equipment	229 360	-	229 360	212 195	(17 165)	
Other income	-	12 303	12 303	119 660	107 357	1
Administration and management fees	2 100 135	-	2 100 135	2 308 366	208 231	
Interest received	1 976 649	2 220 734	4 197 383	5 038 457	841 074	
Total revenue from exchange transactions	4 306 144	2 233 037	6 539 181	7 678 678	1 139 497	
Revenue from non-exchange transactions						
Transfer revenue						
Government grants & subsidies	112 852 000	2 187 000	115 039 000	113 692 735	(1 346 265)	
Contract revenue	-	39 383 285	39 383 285	39 353 102	(30 183)	
Donations received	-	6 500 000	6 500 000	2 123 729	(4 376 271)	2
Total revenue from non-exchange transactions	112 852 000	48 070 285	160 922 285	155 169 566	(5 752 719)	
Total revenue	117 158 144	50 303 322	167 461 466	162 848 244	(4 613 222)	
Expenditure						
Employee related costs	(87 850 399)	5 344 997	(82 505 402)	(80 312 589)	2 192 813	
Remuneration of councillors	(6 412 839)	310 623	(6 102 216)	(6 223 884)	(121 668)	
Depreciation and amortisation	(2 385 040)	(1 863 286)	(4 248 326)	(5 646 440)	(1 398 114)	3
Finance costs	(210 000)	(1 092 000)	(1 302 000)	(1 434 301)	(132 301)	4
Debt Impairment	-	-	-	(76 476)	(76 476)	5
Bad debts written off	(110 757)	-	(110 757)	(69 552)	41 205	6
Contract costs	-	(39 383 285)	(39 383 285)	(39 353 102)	30 183	
Transfers and Subsidies	(101 806)	101 806	-	-	-	
General Expenses	(19 521 727)	(7 365 498)	(26 887 225)	(36 591 521)	(9 704 296)	
Operational costs	-	-	-	-	-	7
Total expenditure	(116 592 568)	(43 946 643)	(160 539 211)	(169 707 865)	(9 168 654)	
Operating (deficit)	565 576	6 356 679	6 922 255	(6 859 621)	(13 781 876)	
Loss on disposal of assets and liabilities	-	-	-	(721 414)	(721 414)	8
Fair value adjustments	-	-	-	1 116 433	1 116 433	9
Actuarial gains/losses	-	-	-	448 000	448 000	10
Gain on biological assets	-	-	-	1 264 499	1 264 499	11
Loss on non-current assets held for sale or disposal groups	-	-	-	(270 396)	(270 396)	
	-	-	-	1 837 122	1 837 122	
Deficit	565 576	6 356 679	6 922 255	(5 022 499)	(11 944 754)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	565 576	6 356 679	6 922 255	(5 022 499)	(11 944 754)	

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
--	--------------------	-------------	--------------	------------------------------------------	-----------------------------------------------------	-----------

Figures in Rand

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Position						
Assets						
Current Assets						
Inventories	8 491 346	-	8 491 346	6 245 596	(2 245 750)	1
Receivables from exchange transactions	7 917 292	-	7 917 292	8 375 605	458 313	2
Statutory receivable	-	-	-	1 035 924	1 035 924	3
Cash and cash equivalents	11 836 695	26 573 916	38 410 611	29 219 005	(9 191 606)	4
	28 245 333	26 573 916	54 819 249	44 876 130	(9 943 119)	
Non-Current Assets						
Biological assets	5 264 916	-	5 264 916	4 817 749	(447 167)	
Investment property	6 570 000	540 000	7 110 000	8 230 000	1 120 000	5
Property, plant and equipment	75 914 904	8 849 424	84 764 328	80 021 510	(4 742 818)	
Intangible assets	4 510 353	(2 776 878)	1 733 475	881 743	(851 732)	6
Heritage assets	19 750	-	19 750	19 750	-	
	92 279 923	6 612 546	98 892 469	93 970 752	(4 921 717)	
Total Assets	120 525 256	33 186 462	153 711 718	138 846 882	(14 864 836)	
Liabilities						
Current Liabilities						
Payables from exchange transactions	7 882 374	506 988	8 389 362	36 779 935	28 390 573	7
Employee benefit obligation	-	1 000 000	1 000 000	1 100 000	100 000	8
Unspent conditional grants and receipts	(101 806)	101 806	-	1 226 462	1 226 462	9
Contract advances	-	-	-	30 182	30 182	
	7 780 568	1 608 794	9 389 362	39 136 579	29 747 217	
Non-Current Liabilities						
Employee benefit obligation	3 491 000	-	3 491 000	5 638 000	2 147 000	10
Total Liabilities	11 271 568	1 608 794	12 880 362	44 774 579	31 894 217	
Net Assets	109 253 688	31 577 668	140 831 356	94 072 303	(46 759 053)	
Reserves						
Revaluation reserve	63 703 719	24 358 245	88 061 964	62 024 719	(26 037 245)	
Accumulated surplus	45 549 969	7 219 423	52 769 392	32 047 587	(20 721 805)	
Total Net Assets	109 253 688	31 577 668	140 831 356	94 072 306	(46 759 050)	

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

Figures in Rand	Note(s)	2023	2022
-----------------	---------	------	------

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.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

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 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.

1.2 Materiality

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

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 judgement 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:

Receivables

The municipality assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit.

The municipality makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

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. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the operation surplus note.

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

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 quoted market price used for financial assets held by the municipality is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The municipality uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

An independent, qualified valuer will be appointed where necessary, for example in estimating the fair value of investment property or biological assets.

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. It is reasonably possible that the [name a key assumption] assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

Value in use of cash generating assets.

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. In addition, goodwill is tested on an annual basis for impairment. 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 goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including [list entity specific variables, i.e. production estimates, supply demand], together with economic factors such as [list economic factors such as exchange rates inflation interest].

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 - Provisions.

Useful lives of property, plant and equipment and other assets

The municipality's management determines the estimated useful lives and related depreciation charges for the property, plant and equipment and other assets. This estimate is based on industry norms and on the pattern in which an asset's future economic benefit or service potential is expected to be consumed by the municipality. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives and decrease depreciation charge where useful lives are more than previously estimated useful lives.

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

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.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the post retirement and long-term benefit obligations. In determining the appropriate discount rate, the municipality considers the market yields at the reporting date on government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension or other long-term liability. Where there is no market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, the municipality uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 14.

Effective interest rate

The municipality used the prime interest rate to discount future cash flow except for long term borrowings or finance leases, where the contractually agreed or implied interest rate is used.

Allowance for impairment of financial assets

On receivables 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 discounted at the effective interest rate, computed at initial recognition.

1.4 Biological assets

The entity recognises biological assets or agricultural produce when, and only when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits or service potential associated with the asset will flow to the municipality; and
- the fair value or cost of the asset can be measured reliably.

Biological assets are measured at their fair value less costs to sell.

A gain or loss arising on initial recognition of biological assets or agricultural produce at fair value less costs to sell and from a change in fair value less costs to sell of biological assets is included in surplus or deficit for the period in which it arises.

Where market determined prices or values are not available, the present value of the expected net cash inflows from the asset, discounted at a current market-determined pre-tax rate where applicable is used to determine fair value.

1.5 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or

Accounting Policies

1.5 Investment property (continued)

- sale in the ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential That are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

Fair value

Subsequent to initial measurement investment property is measured at fair value.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

When classification is difficult, the criteria used to distinguish investment property from owner-occupied property and from property held for sale in the ordinary course of operations, including the nature or type of properties classified as held for strategic purposes, are as follows: managements' intended usage of the property; and the extent to which it is owner occupied.

1.6 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.

Accounting Policies

1.6 Property, plant and equipment (continued)

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.

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.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses except for land, building and community assets which are carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognised.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

The depreciation charge for each period is recognised in surplus or deficit.

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	20-30 years
Furniture and fittings	Straight-line	5 -30 years
Motor vehicles	Straight-line	5 -15 years
Office equipment	Straight-line	5 -30 years
IT equipment	Straight-line	5 -30 years
Community assets- Land	Straight-line	Indefinite
Other property, plant and equipment	Straight-line	2 -25 years
Community assets - building	Straight-line	5 -30 years
Disaster unit - buildings	Straight-line	5 -30 years
Leased Assets	Straight-line	3 -8 years

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.6 Property, plant and equipment (continued)

The municipality has re-assessed the useful lives of property, plant and equipment 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 in terms of the Standard of GRAP on Accounting Policies, Changes in Estimates and Errors.

Assets of the municipality 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.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 9).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 47).

Compensation from third parties for an item of property, plant and equipment that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable

1.7 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.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

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.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Intangible assets are initially measured at cost

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

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. The amortisation charge for each period is recognised in surplus or deficit

The useful lives of items of intangible assets have been assessed as follows:

Item	Depreciation method	Average useful life
Computer software	Straight-line	5 -10 years

Accounting Policies

1.7 Intangible assets (continued)

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).

1.8 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

The Municipality recognises heritage assets as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the Municipality, and the cost or fair value can be measured reliably.

When the Municipality holds a heritage asset, but on initial recognition it does not meet the recognition criteria because it cannot be reliably measured, information of such heritage asset is disclosed in note 11 - Heritage assets

Heritage assets are initially measured at cost.

When a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Subsequent to initial measurement classes of heritage assets are carried at cost less any accumulated impairment losses.

The Municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

The Municipality derecognises heritage assets on disposal, or when no future economic benefits or service potential are expected from its used or disposal.

The gain or loss arising from the derecognition of a heritage asset is the difference between the net disposal proceeds and the carrying amount and is included in surplus or deficit when the item is derecognised.

Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

1.9 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.

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.9 Financial instruments (continued)

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
Cash and Cash equivalents	Financial asset measured at amortised cost
Receivables from Exchange transactions (Trade debtors)	Financial asset measured at amortised cost

The entity 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
Payables from Exchange transactions (Trade Payables)	Financial liability measured at amortised cost
Finance lease obligations	Financial liability measured at amortised cost
Unspent conditional grants and receipts, grant receivable	Financial liability measured at amortised cost

Accounting Policies

1.9 Financial instruments (continued)

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.

The entity recognises financial assets using trade date accounting.

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.

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.

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the municipality uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on municipality-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, an entity calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data .

Short-term receivables and payables are not discounted when the initial credit period granted or received is consistent with terms used in the public sector, either through established practices or legislation.

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 entity 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

Accounting Policies

1.9 Financial instruments (continued)

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.

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.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

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.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability

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. Any liabilities that are waived, forgiven or assumed by another entity by way of a nonexchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Nonexchange Transactions (Taxes and Transfers).

1.10 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 a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Accounting Policies

1.10 Statutory receivables (continued)

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

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 is recognised in surplus or deficit.

Accounting Policies

1.10 Statutory receivables (continued)

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;
- 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.

1.11 Value added taxation

The Municipality is registered with the South African Revenue Services (SARS) for VAT on the invoice basis, in accordance with Section 15(1) of the VAT Act No.89 of 1991. Additional text

1.12 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 - lessor

The municipality recognises finance lease receivables as assets on the statement of financial position. Such assets are presented as a receivable at an amount equal to the net investment in the lease.

Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the municipality's net investment in the finance lease.

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.12 Leases (continued)

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 .

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.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

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.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Any contingent rents are expensed in the period in which they are incurred.

1.13 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.

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 for all inventories having a similar nature and use to the municipality.

Accounting Policies

1.13 Inventories (continued)

When inventories are sold, the carrying amounts of those inventories are recognised as an 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.

1.14 Construction contracts

The municipality received a level two accreditation in terms of the National Housing Code during March 2022 for its participation in the National Housing Programme. It is a project developer in terms of arrangements related to the construction and transfer houses to the beneficiaries of the National Housing Programme.

Grants received to implement the National Housing Programme are recognised as contract revenue.

Contract revenue comprises:

- a) the initial amount of revenue agreed in the contract; and
- b) variations in contract work, claims and incentive payments to the extent that:
- c) it is probable that they will result in revenue; and
- d) they are capable of being reliably measured.

Contract revenue is measured at the fair value of the consideration received or receivable

When the outcome of a construction contract can be estimated reliably, contract revenue is recognised as revenue by reference to the stage of completion of the contract activity at the reporting date. The stage of completion is assessed with reference to a review of work performed. Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

The outcome of a construction contract can be estimated reliably when all the following conditions are satisfied:

- a) total contract revenue, if any, can be measured reliably;
- b) it is probable that the economic benefits or service potential associated with the contract will flow to the entity
- c) such other costs as are specifically chargeable to the customer under the terms of the contract.

Contract costs include the costs attributable to a contract for the period from the date of securing the contract to the final completion of the contract. Costs that cannot be attributed to contract activity or cannot be allocated to a contract are excluded from the costs of a construction contract.

Such costs include:

- a) general administration costs for which reimbursement is not specified in the contract;
- b) selling costs;
- c) research and development costs for which reimbursement is not specified in the contract; and
- d) depreciation of idle plant and equipment that is not used on a particular contract.

As with contract revenue, contract costs are recognised as expenses when the outcome of a construction contract can be estimated reliably, by reference to the stage of completion of the contract activity at the reporting date.

1.15 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.

Criteria developed by the Municipality to distinguish cash-generating assets from non-cash-generating assets are as follows: as the Municipality is a district Municipality, it does not hold assets which are specifically used to generate revenue (e.g. infrastructure relating to utilities), other than the farm used to hold biological assets. Other revenue generated by the Municipality is in exchange for services provided, for which the related assets (furniture, office equipment, etc.) are interchangeable with the assets used for non-cash generating activities.

Accounting Policies

1.15 Impairment of cash-generating assets (continued)

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

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.

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.

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

1.15 Impairment of cash-generating assets (continued)

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

1.15 Impairment of cash-generating assets (continued)

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.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.16 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

Criteria developed by the Municipality to distinguish non-cash-generating assets from cash-generating assets are as follows: as the municipality is a district Municipality, it does not hold assets which are specifically used to generate revenue (e.g. infrastructure relating to utilities), other than the farm used to hold biological assets. Revenue generated by the Municipality is in exchange for services provided, for which the related assets (furniture, office equipment, etc.) are interchangeable with the assets used for non-cash generating activities; all such interchangeable assets are deemed to be non-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.

Accounting Policies

1.16 Impairment of non-cash-generating assets (continued)

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.

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.

Accounting Policies

1.16 Impairment of non-cash-generating assets (continued)

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.17 Employee benefits

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 municipality during a reporting period, the municipality 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 municipality expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The municipality 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 municipality has no realistic alternative but to make the payments.

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

Accounting Policies

1.17 Employee benefits (continued)

Post-employment benefits: Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognise the contribution payable to a defined contribution plan in exchange for that service: as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an 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 contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects 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 obligation.

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.

Other long-term employee benefits

The Municipality has an obligation to provide other long-term service allowance benefits to the majority of its employees.

The Municipality's liability is based on an actuarial valuation. The Projected Unit Credit Method to determine the present value of the obligations.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:
the present value of the defined benefit obligation at the reporting date;
minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The entity shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:
current service cost;
interest cost;
actuarial gains and losses, which shall all be recognised immediately;

Accounting Policies

1.18 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.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 37.

A contingent liability is:

- a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality; or
- a present obligation that arises from past events but is not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Municipality.

The amounts disclosed as contingent liabilities or assets shall be the best estimate of the expenditure required to settle the obligation, or benefits to be obtained at the reporting date. The estimate may be based on guidance from experts, such as attorneys. Where it is not practicable to engage an expert, and it is not practicable to determine expected values with any certainty, the gross amount of a claim or dispute will be disclosed.

1.19 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-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and

Accounting Policies

1.19 Commitments (continued)

- 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.

1.20 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.

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 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 surveys of work performed.

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.

Accounting Policies

1.21 Revenue from non-exchange transactions

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.

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.

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met, a liability is recognised.

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.

Receivables that arise from statutory (non-contractual) arrangements are initially measured in accordance with this accounting policy, as well as the accounting policy on Statutory Receivables. The entity applies the accounting policy on Statutory Receivables for the subsequent measurement, derecognition, presentation and disclosure of statutory receivables.

Interest is recognised using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

Transfers

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.

Debt forgiveness and assumption of liabilities

The municipality recognise revenue in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability, provided that the debt forgiveness does not satisfy the definition of a contribution from owners.

Revenue arising from debt forgiveness is measured at the carrying amount of debt forgiven.

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.

Accounting Policies

1.21 Revenue from non-exchange transactions (continued)

Services in-kind

Except for financial guarantee contracts, the municipality recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related 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.

Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality disclose the nature and type of services in-kind received during the reporting period.

1.22 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.23 Accounting by principals and agents

Identification

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

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

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.

Accounting Policies

1.24 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.25 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- 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.

1.26 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.

1.27 Irregular expenditure

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

1.28 Revaluation reserve

The surplus arising from the revaluation of property, plant and equipment is credited to a non-distributable reserve.

On disposal, the net revaluation surplus is transferred to the accumulated surplus/deficit while gains or losses on disposal, based on revalued amounts, are credited or charged to the statement of financial performance.

1.29 Budget information

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2022/07/01 to 2023/06/30

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.

1.30 Related parties

A related party is a person or an municipality with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an municipality 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.

Accounting Policies

1.30 Related parties (continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the municipality.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.31 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.

1.32 Grant in aid

The Municipality transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the Municipality does not

- receive any goods or services directly in return, as would be expected in a purchase of sale transaction;
- expect to be repaid in future; or
- expect a financial return, as would be expected from an investment.

These transfers are recognised in the statement of financial performance as expenses in the period that the events given raise to the transfer occurred.

1.33 Accumulated surplus

The accumulated surplus represents the net difference between the total assets and the total liabilities of the municipality. Any surpluses and deficits realised during a specific financial year are credited / debited against accumulated surplus / deficit. Prior year adjustments, relating to income and expenditure, are credited / debited against accumulated surplus when retrospective adjustments are made.

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

There are no new standards that were issued and effective in the current year. The municipality has applied all standards and interpretations that were issued by the accounting standards board that are applicable to the municipality consistently with prior year.

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:
• GRAP 25 (as revised): Employee Benefits	01 April 2023	Unlikely there will be a material impact
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Unlikely there will be a material impact
• iGRAP 21: The Effect of Past Decisions on Materiality	01 April 2023	Unlikely there will be a material impact

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	1 141	8
Short-term deposits	22 844 846	42 645 711
Bank balance	6 373 018	3 139 802
	29 219 005	45 785 521

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

The municipality had the following bank accounts and cash on hand:

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
STD BANK - Main Account - 240923804	6 373 018	3 139 802	9 681 231	6 373 018	3 139 802	9 681 231
STD BANK - Call Account - 508871603-020	-	-	17 821	-	-	17 821
STD BANK - Call Account - 048463353-025	-	-	435 414	-	-	435 414
STD BANK - Call Account - 048463353-027	-	-	1 955 592	-	-	1 955 592
Cash on Hand	1 141	8	969	1 141	8	969
ABSA BANK - Fixed Account - 9370995821	-	2 798 359	-	-	2 798 359	-
ABSA BANK - Fixed Account - 9370194405	22 387 095	39 847 353	-	22 387 095	39 847 353	-
ABSA BANK - Fixed Account - 9372758744	345 426	-	-	345 426	-	-
NEDBANK - Call Account - 037881102918/000064	112 325	-	-	112 325	-	-
Total	29 219 005	45 785 522	12 091 027	29 219 005	45 785 522	12 091 027

The following investment accounts matured during the financial period (i.e. the opening and closing balances at the respective reporting dates were nil):

Standard Bank	Fixed deposit	048463353-042
Standard Bank	Fixed deposit	048463353-043
Standard Bank	Fixed deposit	048463353-044
Standard Bank	Fixed deposit	048463353-045
Standard Bank	Fixed deposit	048463353-046
Standard Bank	Fixed deposit	048463353-047
ABSA	Fixed deposit	2080528347
ABSA	Fixed deposit	2080528004
ABSA	Call account	9370995821
ABSA	Fixed deposit	9372756742
ABSA	Fixed deposit	2080979134
Nedbank	Call account	03/7881102918/000062
Nedbank	Call account	03/7881102918/000065
Nedbank	Call account	03/7881102918/000067

The following bank accounts were opened during 2022/23 financial year

Standard Bank	(Cheque) account	240 923 804
ABSA	Call account	9370194405
ABSA	Call account	9372758744
Nedbank	Call account	03/7881102918/000060
Nedbank	Call account	03/7881102918/000061
Nedbank	Call account	03/7881102918/000062
Nedbank	Call account	03/7881102918/000063
Nedbank	Call account	03/7881102918/000066
Nedbank	Call account	03/7881102918/000068
Nedbank	Call account	03/7881102918/000069

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
4. Receivables from exchange transactions		
Trade debtors	7 643 307	7 369 430
Accrued Interest - Investments	291 868	181 168
Prepaid expenses	-	712 844
Bursary repayment	2 480	3 680
Other debtors	437 950	1
	8 375 605	8 267 123

Trade and other receivables were not pledged as security.

Current (0 - 30 days)	1 659 172	1 613 425
31 - 60 Days	82 067	25 216
61 - 90 Days	637 960	132 503
+ 90 Days	6 435 524	6 851 533
Allowance for impairment	(439 118)	(355 555)
	8 375 605	8 267 122

	Other	Organs of state	Total
30 June 2023	-	-	-
Current (0 - 30 days)	816 135	843 037	1 659 172
31 - 60 Days	5 714	76 352	82 066
61 - 90 Days	17 477	620 482	637 959
+ 90 Days	481 843	5 953 683	6 435 526
Allowance for impairment	(439 118)	-	(439 118)
	882 051	7 493 554	8 375 605

Summary of receivables by customer classification	Other	Organs of state	Total
30 June 2022	-	-	-
Current (0 - 30 days)	1 002 555	610 870	1 613 425
31 - 60 Days	16 981	8 235	25 216
61 - 90 Days	47 342	85 161	132 503
+ 90 Days	340 373	6 511 160	6 851 533
Allowance for impairment	(355 555)	-	(355 555)
	1 051 696	7 215 426	8 267 122

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

Trade and other receivables past due but not impaired

Impairment is provided for on all individual accounts which are more than one month past due. The full amount is not impaired and variable rates are used on each individual account depending on the risk profile of the account. National and Provincial Government accounts and other receivables are not impaired. At 30 June 2023 R 6 650 518 (June 2022: R 6 619 855) trade receivables were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

1 month past due	76 352	22 608
2 months past due	620 482	92 707
3 months past due	5 953 683	6 506 259

Trade and other receivables impaired

As of 30 June 2023, trade and other receivables of - (2022: -) were impaired and provided for excluding organs of state, prepaid expenses, and the bursary repayment.

The amount of the allowance for impairment was R 439 117.77 as of 30 June 2023 (June 2022: R355 555).

5. Statutory receivables

VAT	1 035 924	2 530 013
-----	-----------	-----------

VAT receivables is a statutory receivables debtor as it arises from legislation (Vat added Tax Act) and requires settlement by another entity in cash. This receivable arises whenever the municipality enters into vatable transactions and is recognised at 15% on the transaction amount.

6. Inventories

Bricks	203 176	203 176
Crusher dust	20 724	4 860
Consumable stores	103 650	705 315
Properties to be transferred	5 918 046	6 188 442
	6 245 596	7 101 793

Inventory pledged as security

Inventory was not pledged as security.

7. Biological assets

	2023		2022	
	Cost / Valuation	Carrying value	Cost / Valuation	Carrying value
Biological assets - game	4 817 749	-	4 817 749	4 185 653

Reconciliation of biological assets - 2023

	Opening balance	Additions	Disposals	Gains or losses arising from changes in fair value	Total
Biological assets - game	4 185 653	1 264 499	(628 836)	(3 567)	4 817 749

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand 2023 2022

Reconciliation of biological assets - 2022

	Opening balance	Additions	Disposals	Gains or losses arising from changes in fair value	Total
Biological assets - game	5 264 916	97 042	(2 038 226)	861 921	4 185 653

Non-financial information

Quantities of each biological asset

Blesbok	6	-			
Blue wildebeest	155				126
Duiker	-				11
Eland	18				30
Gemsbok	209				93
Greater Kudu	-				2
Ostrich	53				50
Red hartebeest	14				25
Springbuck	269				336
Zebra	22				18
	746				691

The biological assets for the 2023 financial year were valued by EMS Solutions (PTY) Ltd an independent professional valuer.

Game is valued using officially listed and publicised game auction and numbers. An active market exists for game but some species have no commercial value and are counted but not valued for trading. These are reflected in the listing below.

Non-Biological assets with no commercial value

Bat-eared fox	-				21
Black backed jackal	3				4
Vultures	9				1
Domestic cattle	27				35
Domestic horses	14				10
Warthog	6				10
Steenbok (Ibex)	7				14
	66				95

Domestic animals on the farm are known to belong to members of the community, and are not considered to be assets of the municipality.

The key assumption in the valuation method used is that genetic variation in species are excluded from the valuation. This means that rare species sales values are excluded as their pricing is not a fair reflection of the game populations value.

The increase could be due to changes in environment factors such as rainfall, which resulted in an incline in population numbers.

A register containing the information required by section 63 of MFMA is available for inspection at the registered office of the municipality.

Pledged as security

The biological assets have not been pledged as security:

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

Methods and assumptions used in determining fair value

The fair value represents the market values for biological assets that are traded on active markets in the Northern Cape.

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

8. Investment property

	2023		2022	
	Cost / Valuation	Carrying value	Cost / Valuation	Carrying value
Investment property	8 230 000	-	7 110 000	-
		8 230 000		7 110 000

Reconciliation of investment property - 2023

	Opening balance	Fair value adjustments	Total
Investment property	7 110 000	1 120 000	8 230 000

Reconciliation of investment property - 2022

	Opening balance	Fair value adjustments	Total
Investment property	6 580 000	530 000	7 110 000

Pledged as security

Investment properties are not pledged as security.

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

Details of property

Erf 2617 - Kuruman - Campus

Freehold ownership property in the Kuruman registration division. Site area is 1190 m square. Title deed No. T1049/1993, previously T610/1978. Registration date is 15 June 1978 with conditions and servitudes in accordance with Erf 2617 which is a consolidation of erven 1105 and 1106

- Valuation

	2 980 000	2 360 000
--	-----------	-----------

Erf 938 Kuruman - Offices let to the John Taolo Gaetsewe Development Trust

Property in the Northern Cape province with title deed number T416/1996. Site area is 1190m²

- Valuation

	2 520 000	2 030 000
--	-----------	-----------

Erf 4439 Kuruman - Vacant stand

Property in the Northern Cape province with title deed number T26/2011 previously T25/2011. Site area is 17052m

- Valuation

	2 730 000	2 720 000
--	-----------	-----------

The effective date of the revaluations of investment property was 30 June 2023. Revaluations were performed by independent valuers, DDP Property Evaluation Experts. DDP Property Evaluation Experts are not connected to the municipality.

The method of valuation entailed the comparison of recent sales of land and buildings with similar value forming attributes in comparison to the subject property, situated in the surrounding area of the subject property. The market value was determined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

These assumptions were based on current market conditions.

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.

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

9. Property, plant and equipment

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	45 560 000	-	45 560 000	45 560 000	-	45 560 000
Buildings	23 477 229	(3 966 490)	19 510 739	23 477 229	(2 668 393)	20 808 836
Furniture and office equipment	5 852 929	(4 399 098)	1 453 831	5 768 022	(4 008 646)	1 759 376
Transport assets	16 412 750	(8 331 630)	8 081 120	13 378 116	(6 771 761)	6 606 355
Computer equipment	8 748 582	(6 710 452)	2 038 130	8 500 074	(6 024 873)	2 475 201
Community assets	622 000	(98 510)	523 490	622 000	(65 792)	556 208
Other property, plant and equipment	3 994 440	(1 140 240)	2 854 200	3 206 583	(580 326)	2 626 257
Total	104 667 930	(24 646 420)	80 021 510	100 512 024	(20 119 791)	80 392 233

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Depreciation	Total
Land	45 560 000	-	-	-	45 560 000
Buildings	20 808 836	-	-	(1 297 442)	19 510 739
Furniture and office equipment	1 759 376	354 015	(25 320)	(427 938)	1 453 831
Transport assets	6 606 355	3 309 392	(11 435)	(1 823 192)	8 081 120
Computer equipment	2 475 201	490 353	(55 218)	(872 206)	2 038 130
Community assets	556 208	-	-	(32 718)	523 490
Other property, plant and equipment	2 626 257	581 559	-	(560 575)	2 854 200
	80 392 233	4 735 319	(91 973)	(5 014 071)	80 021 510

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Depreciation	Total
Land	45 560 000	-	-	45 560 000
Buildings	22 172 109	-	(1 363 273)	20 808 836
Furniture and office equipment	1 902 556	266 002	(409 182)	1 759 376
Transport assets	4 694 498	3 059 009	(1 147 152)	6 606 355
Computer equipment	1 895 262	1 449 942	(870 003)	2 475 201
Community assets	589 263	-	(33 055)	556 208
Other property, plant and equipment	1 802 412	1 298 297	(474 452)	2 626 257
	78 616 100	6 073 250	(4 297 117)	80 392 233

Change in accounting estimate

The expected useful lives of property, plant and equipment has increased as a result of the re-assessment. The reassessment resulted in a decrease in depreciation of R259 365 in 2021/22 financial year and an increase in depreciation by the same amount in the futures period.

Assets subject to finance lease (net carrying amount)

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

Revaluations

The effective date of the revaluations of land and buildings was 30 June 2023. Revaluations were performed by independent valuers, DDP Property Evaluation Experts. DDP Property Evaluation Experts are not connected to the entity.

The method of valuation entailed the comparison of recent sales of land and buildings with similar value forming attributes in comparison to the subject property, situated in the surrounding area of the subject property. The market value was determined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

These assumptions were based on current market conditions.

Additions

Assets purchased for cash amounted to R 0 (June 2022: R 1 246 607).

Expenditure incurred to repair and maintain property, plant and equipment

Repairs of community owned properties	864 373	1 022 824
Maintenance of equipment	438 268	565 842
	1 302 641	1 588 666

None of the Property, Plant and Equipment has been pledged as security.

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.

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

10. Intangible assets

	2023			2022		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	3 834 976	(2 953 233)	881 743	3 791 976	(2 368 759)	1 423 217

Reconciliation of intangible assets - 2023

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software	1 423 217	91 500	(639)	(632 335)	881 743

Reconciliation of intangible assets - 2022

	Opening balance	Additions	Amortisation	Total
Computer software	1 595 400	400 834	(573 017)	1 423 217

Pledged as security

Intangible assets are not pledged as security.

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

11. Heritage assets

	2023			2022		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Mayoral chain	19 750	-	19 750	19 750	-	19 750

Reconciliation of heritage assets 2023

Mayoral chain	Opening balance	Total
	19 750	19 750

Reconciliation of heritage assets 2022

Mayoral chain	Opening balance	Total
	19 750	19 750

Assessment for Impairment of Heritage assets

The Mayoral chain was assessed for impairment and there were no indications of impairment noted

Pledged as security

The heritage assets are not pledged as security.

Expenditure incurred to repair/maintain heritage assets

No such expenditure was incurred in relation to heritage assets.

Other information

A register containing the information required by section 63 of the MFMA is available for inspection at the registered office of the municipality

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
12. Finance lease obligation		
Minimum lease payments due		
- within one year	-	928 696
	-	928 696
less: future finance charges	-	(368 633)
Present value of minimum lease payments	-	560 063
Present value of minimum lease payments due		
- within one year	-	560 063

It is the entity's policy to lease office equipment such as photocopying and printing machines under finance leases.

13. Payables from exchange transactions

Trade payables	25 659 627	901 818
Payroll related liabilities	109 770	473 447
Leave accrual	6 918 846	6 340 959
Bonus accrual	2 074 047	1 792 820
Retentions	1 967 655	-
Other Creditors	49 990	57 170
	36 779 935	9 566 214

14. Employee benefit obligations

The employee benefit obligation relate to post-retirement medical aid benefits provided and long service awards.

Impact of COVID-19:

It is difficult to estimate what impact the pandemic is likely to have on the Municipality's liability at this stage. There is still much uncertainty as to how it will affect mortality in the medium to long term, and what effect treatments and/or vaccines will have.

Once any long-term impacts of COVID-19 on the various valuation parameters becomes more evident, appropriate adjustments to the parameters will be feasible. In the meanwhile, any short-term impacts of actual experience being different to the current long-term assumptions will contribute to actuarial gain/loss items

Post-retirement Medical Aid Benefit and Long Service Award

The municipality provides post-employment medical aid benefits upon retirement to some retirees. The entitlement to post-employment medical aid benefits is based on special resolution by the council. The municipality operates an unfunded defined benefit plan for these qualifying individuals. No other post-retirement benefit are provided to these individuals.

The actuarial valuation of the present value of the obligation at 30 June 2023 was carried out by Arch Actuarial Consulting. The present value of the obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
Carrying value		
Present value of unfunded obligation at the beginning of the year	7 114 000	6 625 000
Net actuarial (gains)/ losses	(448 000)	93 000
Difference between expected and actual current service costs	(620 000)	(169 000)
Interest cost	692 000	565 000
	6 738 000	7 114 000
Non-current liabilities	5 638 000	6 069 000
Current liabilities	1 100 000	1 045 000
	6 738 000	7 114 000

Medical Aid Benefit-Key assumptions used

The Municipality provides post-employment medical aid benefits upon retirement to some retirees. The entitlement to post-employment medical aid benefits is based on special resolution by the council, or the terms of employment prevailing at the time the employees retired. The Municipality operates an unfunded defined benefit plan for these qualifying individuals. No other post-retirement benefit are provided to these individuals. The actuarial valuation of the present value of the obligation at 30 June 2023 was carried out by Arch Actuarial Consulting. The present value of the obligation, the related current service cost and past service cost, were measured using the projected unit credit method. Assumptions used at the reporting date for Medical Aid Benefit:

Discount rate	10,84 %	10,35 %
Health Care cost inflation	6,84 %	7,35 %
Net Discount rate	3,74 %	2,62 %

Present value of unfunded obligation at the beginning of the year	3 030 000	3 002 000
Actuarial (gains)/losses	(306 000)	84 000
Difference between expected and actual current service costs	(325 000)	(304 000)
Interest cost	297 000	248 000
	2 696 000	3 030 000
Non-current liabilities	2 383 000	2 705 000
Current liabilities	313 000	325 000
	2 696 000	3 030 000

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

Long Service Awards- Key Assumptions

Discount Rate	11 %	11 %
General Earnings Inflation Rate	6 %	7 %
Net effective discount rate	4	3

Long service awards

The municipality has an obligation to provide long service awards benefits to all its permanent employees. In terms of the municipalities policies and practice, permanent employees other than section 57 managers are entitled to a cash allowance, calculated in terms of the rules of the scheme, after 5, 10, 15, 20, 25, 30, 40 and 45 years of continued service. The municipality operates an unfunded defined benefit plan for these qualifying employees.

The actuarial valuation of the present value of the obligation at 30 June 2022 was carried out by Arch Actuarial Consulting CC. The present value of the obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

Present value of unfunded obligation at the beginning of the year	4 084 000	3 623 000
Actuarial (gains)/losses	(142 000)	9 000
Difference between expected and actual current service costs	(295 000)	135 000
Interest cost	395 000	317 000
	4 042 000	4 084 000

Non-current liabilities	3 255 000	3 364 000
Current liabilities	787 000	720 000
	4 042 000	4 084 000

15. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts

Khotso Pula Nala Grant	30 197	30 197
LG Seta	204 000	204 000
HIV & AIDS	129 521	-
CoGHSTA Housing Grant	862 744	862 744
	1 226 462	1 096 941

The nature and extent of government grants recognised in the interim financial statements and an indication of other forms of government assistance from which the municipality has directly benefited

16. Construction contracts

At 30 June 2023, retention of contracts in progress are 1 967 655.1 - (2022:0).

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

Agreements that meet all the criteria in paragraph .29 of GRAP9

The entity determines which agreements meet all the criteria in paragraph .29 of the Standard of GRAP on Revenue from Exchange Transactions continuously as construction progresses in the following manner:

The amount of revenue arising from such agreements in the period	39 383 285	50 973 000
The aggregate amount of costs incurred for agreements in progress	39 353 102	11 589 715
Amount of advances received for agreements in progress	30 182	39 383 285

The cost basis was utilised to compute the percentage of completion of the contract. The percentage of completion arises from the cost incurred in the current period over the estimated total cost. Contract Revenue is measured at the fair value of the contract revenue received. The revenue measurement is affected by uncertainties that depend on outcomes of future events.

17. Revaluation reserve

Opening balance	62 024 719	62 024 719
-----------------	------------	------------

The revaluation reserve is created by surplus arising from the revaluation of property, plant and equipment. The fair value assessment of land and buildings was performed by DDP Valuers as at 30 June 2023.

18. Rental of facilities and equipment

Premises	212 195	198 085
----------	---------	---------

19. Other income

Other income	119 660	-
--------------	---------	---

20. Administration and management fees

Product related services	2 177 182	1 626 751
Training (LGSETA)	131 184	122 675
	2 308 366	1 749 426

21. Interest received

Interest revenue

Interest charged on receivables from exchange transaction	799 866	585 729
Bank	4 238 591	1 725 492
	5 038 457	2 311 221

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
22. Government grants and subsidies		
Operating grants		
Equitable share	102 257 000	95 976 000
LG SETA	1 070 256	50 000
Fire grant	-	5
Financial management grant	1 000 000	1 000 000
Expanded public works program	1 073 000	1 075 000
Rural roads asset management grant	2 122 000	2 027 000
HIV/AIDS grant	370 479	114 249
COVID-19 grant	-	1 663 048
Infrastructure skills development grant	5 500 000	5 500 000
Housing accreditation grant	300 000	300 000
	113 692 735	107 705 302

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
Equitable share		
<p>The equitable share is a financial allocation from National Treasury in the form of an unconditional grant that enables municipalities to provide basic services to poor households, and to enable municipalities with limited own resources to afford basic administrative and governance capacity and perform core municipal functions.</p>		
Current-year receipts	102 257 000	95 976 000
Conditions met - transferred to revenue	(102 257 000)	(95 976 000)
Net grant receivable	-	-
Financial management grant		
Current-year receipts	1 000 000	1 000 000
Conditions met - transferred to revenue	(1 000 000)	(1 000 000)
Net of unspent grants	-	-
<p>The Financial management grant is paid by National Treasury to municipalities to help implement the financial reforms required by the MFMA.</p>		
Fire grant		
Balance unspent at beginning of year	-	5
Conditions met - transferred to revenue	-	(5)
Net of unspent grants	-	-
<p>Kuruman is prone to natural disasters, mainly fires. This grant was used to assist local municipalities to upgrade and render a fire service.</p>		
Housing accreditation grant		
Current-year receipts	300 000	300 000
Conditions met - transferred to revenue	(300 000)	(300 000)
Net of unspent grants	-	-
<p>The housing grant was utilised for the development of erven and the erection of top structures.</p>		
Khotso Pula Nala		
Balance unspent at beginning of year	30 197	30 197
<p>The grant related to disaster relief projects at the local municipalities in the district.</p>		
Expanded public works programme - incentive grant		
Current-year receipts	1 073 000	1 075 000
Conditions met - transferred to revenue	(1 073 000)	(1 075 000)
Net of unspent grants	-	-
<p>The grant was used for debushing, fencing of graveyards as well as to address issues of unemployment as it is labour intensive.</p>		
HIV and AIDS council		
Balance unspent at beginning of year	-	114 249
Current-year receipts	500 000	-
Conditions met - transferred to revenue	(370 479)	(114 249)

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
Net of unspent grants	129 521	-

The grant was used for HIV and AIDS awareness programmes

Infrastructure skill development grant

Current-year receipts	5 500 000	5 500 000
Conditions met - transferred to revenue	(5 500 000)	(5 500 000)
Net of unspent grants	-	-

The grant was used to employ interns for training in civil engineering, building inspections and town planning.

Rural road asset management grant

Current-year receipts	2 122 000	2 027 000
Conditions met - transferred to revenue	(2 122 000)	(2 027 000)
Net of unspent grants	-	-

This grant is gazetted in the DORA to establish a road asset management system. The municipality uses these funds to employ interns to analyse and report on road usage.

Covid 19 Grant

Balance unspent at beginning of year	-	1 663 048
Conditions met - transferred to revenue	-	(1 663 048)
	-	-

The grant was used for Covid 19 related expenditure.

LG SETA

Balance unspent at beginning of year	204 000	69 000
Current-year receipts	1 070 256	185 000
Conditions met - transferred to revenue	(1 070 256)	(50 000)
	204 000	204 000

The grant is used for learning interventions within the district

CoGHSTA - Housing development project

Balance unspent at beginning of year	862 744	862 744
--------------------------------------	---------	---------

Changes in level of government grants

Based on the allocations set out in the Division of Revenue Act, , no significant changes in the level of government grant funding are expected over the forthcoming 3 financial years.

23. Donations in kind

Assmang Black Rock Mine	2 123 729	4 287 751
-------------------------	-----------	-----------

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
24. Employee related costs		
Basic salary	51 955 976	47 599 551
Bonus	5 172 295	4 084 322
Medical aid - company contributions	3 997 132	3 615 430
Unemployment insurance fund	277 820	265 563
Skills development levy	653 851	590 988
Leave	3 717 899	3 562 979
Remote allowance	368 900	432 968
Non-Pension allowance	101 700	312 000
Inconvenience allowance	212 426	121 942
Nightshift allowance	561 425	548 676
Long-service awards	353 107	125 373
Acting allowances	686 381	45 916
Travel allowance	2 364 107	1 363 244
Housing benefits and allowances	1 896 412	1 794 438
Contribution provident fund	969 538	609 051
Contribution pension fund	7 402 547	6 703 456
Contribution industrial council	13 144	12 144
Change in valuation of employee benefit obligations	(620 000)	(169 000)
Cellular phone allowance	227 929	236 764
	80 312 589	71 855 805

The senior manager remuneration is in line with the upper limits as per the Government Gazette.

Remuneration of Former Municipal Management: DH Molaole

Annual Remuneration	105 589	1 267 066
Travel allowance	2 400	28 800
Remote Allowance	7 391	88 695
Cellular phone allowance	1 600	19 200
Performance Bonuses	177 389	177 389
Leave Payout	-	76 024
	294 369	1 657 174

Remuneration of Director of Infrastructure: MW Molusi

Annual Remuneration	951 535	920 327
Travel allowance	120 000	120 000
Additional transport allowance	28 800	28 800
Cellular phone allowance	19 200	19 200
Remote Allowance	75 008	72 823
Performance Bonus	295 661	145 646
Leave Payout	42 237	62 420
Acting Allowance	209 244	-
Non Pensionable Gratuity allowance	20 340	-
	1 762 025	1 369 216

Mr M. Molusi was acting in the position of municipal manager from 01 February 2023 until 31 May 2023.

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand 2023 2022

Remuneration of Director Community Service: TH Matlhare

Annual Remuneration	901 598	850 107
Travel allowance	100 800	100 800
Additional Transport allowance	28 800	28 800
Performance Bonuse	270 248	133 127
Remote Allowance	70 678	66 564
Cellular phone allowance	19 200	19 200
Leave Payout	181 453	38 036
Non Pensionable Gratuity allowance	20 340	-
	1 593 117	1 236 634

Remuneration of Director LED: K.K Teise

Annual Remuneration	949 750	899 363
Travel Allowance	140 964	140 964
Additional Transport allowance	28 800	28 800
Performance Bonuses	295 661	145 646
Remote Allowance	76 350	72 823
Cellular phone allowance	19 200	19 200
Leave Payout	210 562	62 420
Acting Allowance	314 344	-
Non Pensionable Gratuity allowance	20 340	-
	2 055 971	1 369 216

Remuneration of Acting Chief Financial Officer: GP Moroane

Annual Remuneration	987 535	956 327
Travel Allowance	84 000	84 000
Additional Transport allowance	28 800	28 800
Performance Bonuses	295 661	145 646
Remote Allowance	75 008	72 823
Cellular phone allowance	19 200	19 200
Leave Payout	198 515	41 613
Non Pensionable Gratuity allowance	20 340	-
	1 709 059	1 348 409

Remuneration of Director Corporate Services: EM Tshabaemang

Annual Remuneration	750 929	666 307
Travel Allowance	170 000	180 000
Additional Transport allowance	28 800	28 800
Performance Bonuses	268 091	118 482
Remote Allowance	64 465	59 241
Cellular phone allowance	19 200	19 200
Leave payout	34 360	50 779
Non Pensionable Gratuity allowance	20 340	-
	1 356 185	1 122 809

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand 2023 2022

25. Remuneration of councillors

Mayor, Speaker and Councillors 6 223 884 5 447 245

In-kind benefits

The Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The remuneration of councillors is in line with the 2023 upper limits as per the Government Gazette.

Executive Mayor: PQ Mogatle
Appointed 8 November 2021

Annual remuneration	840 326	478 952
Pension fund contributions	64 564	37 663
Skills development levy	7 980	4 554
Cell phone allowance	40 800	25 964
Mobile data	3 600	2 291
	957 270	549 424

Executive mayor: S Mosikatsi

Terminated 8 November 2021	-	-
Annual remuneration	-	236 392
Travel Allowance	-	30 789
Pension fund contributions	-	43 043
Skills development levy	-	2 265
Cell phone allowance	-	14 836
Mobile data	-	1 309
	-	328 634

Speaker: IE Aiseng
Appointed 9 November 2021

Annual remuneration	718 577	416 182
Pension fund contributions	-	4 303
Skills development levy	7 408	23 800
Cell phone allowance	40 800	2 164
Mobile data	3 600	2 291
	770 385	448 740

Speaker: PQ Mogatle

Terminated 8 November 2021	-	-
Annual remuneration	-	197 838
Travel Allowance	-	34 731
Skills development levy	-	2 165
Cell phone allowance	-	14 836
Pension fund contributions	-	17 217
Mobile data	-	1 309
	-	268 096

Member of the mayoral committee: OG Monaki

Terminated 8 November 2021	-	-
Annual remuneration	-	218 186
Pension Fund contributions	-	16 141
Cell phone allowance	-	14 836
Mobile data	-	1 309
Skills Development Levy	-	2 101
	-	252 573

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
Member of the mayoral committee: TG Anthony		
Terminated 8 November 2021	-	-
Annual remuneration	-	235 876
Skills development levy	-	2 440
Skills development levy	-	14 836
Mobile data	-	1 309
	-	254 461
MPAC Chairperson: OH Kgopodithata		
Terminated 8 November 2021	-	-
Annual remuneration	-	28 199
Skills development levy	-	322
Cell phone allowance	-	7 418
Mobile data	-	655
	-	36 594
Member of the mayoral committee: GC Assegai		
Terminated 8 November 2021	-	-
Annual remuneration	-	136 348
Cell phone allowance	-	7 418
Mobile data	-	655
Skills development Levy	-	1 438
	-	145 859
Member of mayoral committee: KF Masilabele		
Reappointed 9 November 2021		
Annual remuneration	630 906	601 189
Pension fund contributions	48 423	24 212
Skills development levy	6 047	5 991
Cell phone allowance	40 800	40 800
Mobile data	3 600	3 600
	729 776	675 792
Member of Mayoral Committee: OH Kgopodithata		
Appointed 9 November 2021		
Annual remuneration	627 747	366 862
Pension fund contributions	48 423	24 212
Skills development levy	6 015	3 568
Cell phone allowance	40 800	25 963
Mobile data	3 600	2 291
	726 585	422 896
Member of Mayoral Committee: I Matebese		
Appointed on 9 November 2021		
Annual remuneration	339 600	227 824
Mobile data	3 600	-
Skills development levy	3 948	2 278
Cell phone allowance	20 400	-
Transport allowance	54 000	-
	421 548	230 102
Member of Mayoral Committee: PM Kgosiengewang		
Appointed 9 November 2021		
Annual remuneration	606 641	391 074
Transport allowance	66 502	-
Skills development levy	6 820	4 052
Cell phone allowance	40 800	25 964

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
Mobile data	3 600	2 291
	724 363	423 381
MPAC Chairperson: TM Motsoare		
Appointed 9 November 2021		
Annual remuneration	80 662	45 026
Skills development levy	927	450
Mobile data	3 600	-
Cell phone allowance	20 400	-
	105 589	45 476
Councillor: NG Ngesi		
Appointed 9 November 2021		
Annual remuneration	262 700	164 851
Pension fund contributions	20 432	8 513
Skills development levy	2 645	1 705
Cell phone allowance	40 800	25 964
Mobile data	3 600	2 291
	330 177	203 324
Councillor: KR Paul		
Reappointed 9 November 2021		
Annual remuneration	243 610	225 177
Transport allowance	40 865	47 572
Skills development levy	2 985	2 855
Cell phone allowance	40 800	40 800
Mobile data	3 600	3 600
	331 860	320 004
Councillor: TC Moliwe/Kegakilwe		
Appointed 9 November 2021		
Annual remuneration	262 700	161 446
Pension fund contributions	20 432	11 919
Skills development levy	2 645	1 637
Cell phone allowance	40 800	25 964
Mobile data	3 600	2 291
	330 177	203 257
Councillor: AI Eilerd		
Appointed 9 November 2021		
Annual remuneration	283 132	173 365
Skills development levy	3 053	1 875
Cell phone allowance	40 800	25 964
Mobile data	3 600	2 291
	330 585	203 495
Chief Whip: TG Mosegedi		
Appointed 01 August 2022		
Annual remuneration	108 252	-
Skills development levy	1 203	-
Cell phone allowance	20 400	-
Mobile data	3 600	-
	133 455	-
Councillor (MPAC committee member): PJ Ohentswe		
Reappointed 9 November 2021		
Annual remuneration	264 618	243 111

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
Pension fund contributions	20 432	15 324
Skills development levy	2 664	2 610
Cell phone allowance	40 800	40 800
Mobile data	3 600	3 600
Transport allowance	-	13 739
	332 114	319 184
Councillor: KS Setlhodi		
Reappointed 9 November 2021	-	-
Annual remuneration	-	92 063
Pension fund contributions	-	6 811
Skills development levy	-	211
Cell phone allowance	-	14 836
Mobile data	-	1 309
	-	115 230
26. Depreciation and amortisation		
Property, plant and equipment	5 014 071	4 284 812
Intangible assets	632 369	573 017
	5 646 440	4 857 829
27. Finance costs		
Interest on overdue accounts	373 668	5 612
Finance leases	368 633	724 933
Interest on employee benefit obligations	692 000	565 000
	1 434 301	1 295 545
28. Debt impairment		
Debt impairment	76 476	-
29. Bad debts written-off		
Bad debts written off	69 552	1 486 177
During 2023 financial year the council approved write-offs of organs of state and of trade receivables. The R 69 552 that had been long standing and included interest was written off to this regard.		
30. Transfer and subsidies		
Other subsidies		
Bursaries to non-employees	-	18 000

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
31. Operational costs		
Advertising	212 355	19 057
Assessment rates	-	1 133
Auditors remuneration	3 234 015	3 007 782
Bank charges	223 083	168 556
Business Advisory Services	5 495 550	5 566 292
Maintenance of Equipment	369 068	565 842
Catering	572 842	765 033
Hire	454 301	162 492
Insurance premiums	1 501 111	74 254
Community development and training	1 702 690	1 530 800
Conferences and seminars	324 774	840 748
Maintenance of buildings and facilities	306 090	300 000
IT expenses	854 563	1 301 085
Legal fees	864 246	879 208
Call centre - disaster management	85 780	1 956 060
Municipal services	1 618 165	1 879 881
Postage and courier	7 472	3 148
Printing and stationery	387 356	695 897
Inventory Consumed	1 027 605	612 350
Repairs of community owned properties	864 373	1 022 824
Security services	2 990 314	2 671 347
Staff welfare	26 102	-
Membership fees	733 052	820 375
Telephone	473 597	436 552
Travel, subsistence and accommodation	6 240 210	4 341 329
Water quality monitoring	135 740	124 880
Uniforms	128 442	112 314
Study assistance	64 296	62 927
Training and Professional fees	3 551 828	2 774 442
Imbizo events	67 493	75 890
Cleaning Services	2 075 008	2 073 838
Communication	-	35 107
	36 591 521	34 881 443
32. Gain/(Loss) on disposal of asset		
Gain/(Loss) on disposal of assets	(721 414)	(1 370 480)
33. Fair value adjustments		
Fair value adjustment on Investment property	1 120 000	530 000
Fair value adjustment on Biological assets	(3 567)	849 750
	1 116 433	1 379 750
34. Gain on biological assets		
Gains or losses arising from a change in fair value less point of sale costs	1 264 499	109 212
35. Gain/Loss on debt impairment		
Gains/Loss on debt impairment	-	1 302 230

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
36. Cash generated from operations		
Deficit	(5 022 499)	(3 053 749)
Adjustments for:		
Depreciation and amortisation	5 646 440	4 895 388
Donations	(3 388 228)	-
Transfer of Land		2 302 904
Gain/Loss on disposal of assets		1 370 481
Fair value adjustments	(1 116 433)	(1 379 750)
Gain/(Loss) on biological assets	628 836	(97 168)
Interest income	560 063	-
Other non-cash adjustment	-	768 659
Donations	-	(4 287 751)
Debt impairment	76 476	(1 309 317)
Bad debts written off	69 55	1 486 178
Movements in retirement benefit assets and liabilities		489 000
Asset write-offs	92 576	-
	-	-
Changes in working capital:		
Inventories	856 197	(89 786)
Receivables from exchange transactions	(108 482)	(328 230)
Payables from exchange transactions	27 213 723	(3 529 231)
VAT	1 494 089	(1 421 459)
Unspent conditional grants and receipts	129 521	(779 558)
Contract advances	-	39 383 285
	30 450 507	34 419 896
37. Commitments		
Authorised expenditure		
Already contracted for but not provided for		
• Property, plant and equipment	-	1 334 560
Total capital commitments		
Already contracted for but not provided for	-	1 334 560

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

38. Contingencies

Matters disclosed in 2023

Zitshunele Trading & contracting CC VS John Taolo Gaetsewe District Municipality litigation claim of R2 300 000 plus R 200 000 (legal fees). The matter is still at a preliminary stage but there is a possibility that the matter may go to court.

John Taolo Gaetsewe District Municipality VS Edith Tshabaemang labour litigation claim of between R3 000 000 and R300 000 including legal fees. The first respondent (Ms Tshabaemang) has filed her answering affidavit. The municipality has filed the answering affidavit together with the application for condonation. However there were discussions of settlement between the municipality and Ms Tshabaemang which have not been concluded as of yet.

John Taolo Gaetsewe District Municipality VS T Mathabathe litigation claim of R3 000 000-R300 000 (legal fees)The matter is currently under appeal at the labour court. The court granted the leave to appeal.

John Taolo Gaetsewe District Municipality VS Public protector litigation claim of R 300 000 - R50 000 including legal fees. The applicant brought an application intention to tax bill of costs. We have perused the judgement the Municipality succeeded with the review application, however we ordered to pay the costs of the late filing of the condonation application in the sum of R 158 792.71.

IMATU obo Rossouw and Van der westhuizen VS John Taolo Gaetsewe District Municipality litigation claim of R800 000 and Legal cost of R500 000. The file is not part of our records. We noted the matter has been set down for hearing at the Labour Court on 02 March 2023. We appeared on 2nd of March 2023, the matter was postponed to 11 September 2023. The municipality was ordered to pay costs occasioned by the postponement. The next step is providing the municipality with a legal opinion on the prospects of success on the matter and to schedule a meeting with the MM once the legal opinion been submitted.

Matters disclosed in 2022

Zitshunele Trading & contracting CC VS John Taolo Gaetsewe District Municipality litigation claim of R2 214 604 plus R 100 000 (legal fees). The matter is still at a preliminary stage but there is a possibility that the matter may go to court.

John Taolo Gaetsewe District Municipality VS Edith Tshabaemang labour litigation claim of between R300 000 and R500 000 including legal fees. The matter is currently under review at labour court.

John Taolo Gaetsewe District Municipality VS SAMWU obo T Mathabathe litigation claim of R300 000-R500 000 (legal fees)The matter is currently under appeal at the labour court.

John Taolo Gaetsewe District Municipality VS Public protector litigation claim of R 50 000-R100 000 including legal fees.

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

39. Related parties

Subject to significant degree of control by a member of key management	John Taolo Gaetsewe Development Trust
Members of key management	Refer to note 24
Councillors	Refer to note 25

Compensation of key management personnel

The compensation of key management personnel is set out in note 24 to the Annual Financial Statements.

Related party balances

Amounts included in Trade receivable (Trade Payable) regarding related parties

John Taolo Gaetsewe Development Trust	21 723	7 033
---------------------------------------	--------	-------

All councillors and senior managers are required to declare their business interest annually. Such business interest are listed below:

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

Councillors:

P.Q Mogatle	Pulane Mogatle Trading Enterprise Bomme-Sejo Services and Supply Co-Operative Limited Queen Felicity Fuel and Truck Inn Annex Langdon Commodities Smelte Adonia Kuruman Mall
O.H Kgopodithata	Faraway Agricultural, Refemele Multi-Purpose Primary Co-operative Limited
N.G Ngesi	Joyful Attempt Construction and Projects 99 Bokone Mining Primary C-Operative Limited Nkavutha Transport Service Mpho ya Basadi Supplier and Projects Bangeko Construction and Projects Gamotinye Investment Holding Ditukus Projects Abotype, Tulasign, Abotrim, Ladospace Batharo le Bathaping Mining solutions NC Women Mining Projects Retsogile Mining Resources
P.M Kgosiengewang	Kgosiengewang Civil and General Construction
K.R Paul	Koklas Catering and Cleaning Service Dikoke Gambling Enterprise and Manufacturing
P.J Ohentswe	PJO Contractor Mothisize S.T.P.J Construction and Manufacturing Hiddel Mining and Logistics Ohentswe Construction Supply and Training Perth 1 Stop Station and Shop Letso Investment JTG Logistics JTG Community Development Association SABA Logistics

Senior Management:

K.K Teise	Kuruman Development Corporation Kurara Clap Your Hands01 Kagisano Motlhaping Manganese Mine Kagisano Manganese and Iron Ore Mine KM Manganese and Iron Ore Mine
G.P Moroane	EnvisionForthtoo
E. Tshabaemang	JC Chabi Trade and Construction Services Kuruman Voice of Hope
T.H Matlhare	Maremane Mining and Projects Moremolemo Trading
D.H Molaole	Maverick Trading 1640 cc Phimola Keledi Burial Scheme (Pty) Ltd

Those councillors and senior managers not listed above declared that they had no business interests

Councillors seconded from local Municipalities:

Joe Morolong Local Municipality

I. Matebese	Candle Away General Trading Avera General Trading
N. Tswere	Tsela Kgopo Primary Co-Operative Limited Batho Phutanang Sand Mining Gabosegangwe Trading
T. Mosegedi	Mosegedi Construction and Supply
G. Kaotsane	Hiddekil Mining and Logistics Asili Ya Mama SABA Logistics
O. Etshetshang	OTT Solution Providers

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

Ga-Segonyana Local Municipality

N. Mereothle
O. Mathibe

Poplas Restaurant
Nomisa Enterprise

Gamagara Local Municipality

B. Sebegu
T. Motsoare

Mapoteng Community Forum
Pharaphama Multi Business
Gamagara Business Forum
Tsantsabane Social and Labour Development Forum
Goodness of Umzansi Trading and Projects

No transactions were entered in to with these entities during the period.

40. Risk management

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, municipality treasury maintains flexibility in funding by maintaining availability under committed credit lines.

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.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the municipality's financial liabilities and net-settled derivative 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.

	Less than 1 year	Between 1 and 2 years
At 30 June 2023	-	-
Trade and other payables	35 726 286	-
At 30 June 2022	-	-
Trade and other payables	901 819	-
	36 628 105	-

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

Financial instrument	2023	2022
Trade Receivables from exchange transactions	7 015 921	7 309 902

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

Market risk

Interest rate risk

The entity's interest rate risk arises from long-term borrowings. Borrowings arise at fixed rates, which expose the Municipality to cash flow interest rate risk. Borrowings issued at fixed rates expose the entity to fair value interest rate risk.

During 2023 and 2022, the entity's borrowings at variable rate were denominated in the Rand.

The entity analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing. Based on these scenarios, the entity calculates the impact on surplus and deficit of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies.

Financial Instruments Categories	At Fair Value through Surplus/Deficit 2023	At Amortised Cost 2023	At Fair Value Through Surplus/deficit 2022	At Amortised Cost 2022
Financial Assets 2023/2022				
Receivables from exchange		7 331 386		8 211 210
Cash and Cash Equivalents		29 219 005		45 785 521
Financial Liabilities 2023/2022				
Contract advance	30 182		39 383 258	
Payables from exchange		25 659 628		901 819
Unspent conditional grants	1 226 462		1 096 941	
Finance Lease obligations		-		560 063

Price risk

The municipality is exposed to equity securities price risk because of investments held by the municipality and classified on the statement of financial position either as available-for-sale or at fair value through surplus or deficit. The municipality is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the municipality diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the municipality.

41. Going concern

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.

Non-compliance (30 days) - The municipality is currently not paying all their creditors within the accepted 30 days. This also resulted in fruitless and wasteful expenditure due to interest on overdue creditors account of R 373 668 .

Despite the above negative indicator, the municipality is a going concern because of the following:

It is a state entity set up by the Constitution of the Republic of South Africa to provide basic services to the community and is also funded by the state for that purpose. Failure to provide these services will prompt National Government intervention to ensure it stays functional and able to deliver basic services and consequently comply with the Constitution.

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
Government Grants		2024
Equitable Share		106 128 000
infrastructure Skills Development Grant		5 500 000
Rural Roads and Asset Management Grant		2 130 000
		113 758 000

42. Unauthorised expenditure

Opening balance as previously reported	12 523 188	17 063 289
Add: Unauthorised Expenditure - current	1 651 263	12 523 188
Less: Amount authorised - current	(1 651 263)	-
Less: Amount authorised - prior period	(12 523 188)	(17 063 289)
Closing balance	-	12 523 188

Analysed as follows (per vote)

Vote 1 -Executive & Council	1 305 007	748 067
Vote 2 - Finance & Administration	-	11 119 063
Vote 3 - Internal Audit	-	412 298
Vote 4 - Planning & Development	-	129 318
Vote 6 - Community & Social Services	346 255	59 169
Vote 8 - Health Services	-	55 273
	1 651 262	12 523 188

43. Fruitless and wasteful expenditure

Opening balance as previously reported	2 638	966
Add: Current year fruitless and wasteful expenditure	373 668	5 612
Less: Amount written off by council - current	(373 668)	(3 940)
Less: Amount written off by council - prior period	(2 638)	-
Closing balance	-	2 638

The amounts disclosed for fruitless and wasteful expenditure are exclusive of VAT.

44. Irregular expenditure

Opening balance as previously reported	-	230 254
Add: Irregular expenditure - current	45 368	462 387
Add: Irregular expenditure - prior period	217 764	-
Non Compliance with PPR2022	1 203 573	-
Less: Amount written off - current	(45 368)	(462 387)
Less: Amount written off - prior period	(217 764)	(230 254)
Closing balance	1 203 573	-

Incidents/cases identified in the current year include those listed below

The incident below related to non-compliance with procurement process requirements. The amounts below are inclusive of VAT.

Non Compliance with PPR2022	1 203 573	-
Competitive bid not advertised for 30 days	45 368	462 387
	1 248 941	462 387

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
45. Additional disclosure in terms of Municipal Finance Management Act		
Contributions to organised local government		
Current year subscription / fee	712 844	771 200
Amount paid - current year	(712 844)	(771 200)
	<u>-</u>	<u>-</u>
Audit fees		
Current year subscription / fee	3 234 015	3 007 782
Amount paid - current year	(3 193 818)	(3 007 782)
	<u>40 197</u>	<u>-</u>
SDL and UIF		
Current year subscription / fee	926 712	1 153 032
Amount paid - current year	(926 712)	(1 153 032)
	<u>-</u>	<u>-</u>
Pension and Medical Aid Deductions		
Current year subscription / fee	11 101 689	10 054 915
Amount paid - current year	(11 101 689)	(10 054 915)
	<u>-</u>	<u>-</u>
VAT		
VAT receivable	1 035 924	2 530 013

All VAT returns have been submitted by the due date throughout the year.

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

46. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette and section 36 of the Supply Chain Management regulations state that a supply management policy may allow the accounting officer -.

To dispense with the official procurement process established by the policy and to procure any required goods or services through any convenient process which may include direct negotiations, but only-.

- i. In an emergency
- ii. If such goods or services are produced or available from a single provider only
- iii. For acquisition of animals for zoos or
- iv. In any other exceptional case where it is impractical or impossible to follow the official procurement process

The accounting Officer may dispense with the official procurement process in the above circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the council and includes a note to the annual financial statements.

The following tables shows the amounts of deviation and reasons for deviation:

Reason for deviation		
Emergency	18 105	50 972 831
Sole supplier	141 841	54 338
Impractical or impossible to follow procurement process/exceptional case	1 176 154	874 353
Special works of art		
	1 336 100	51 901 522

47. Segment information

General information

The Municipality does not have reportable segment information.

John Taolo Gaetsewe District Municipality is located in Kuruman Northern cape ,geographic area inland.

Reporting Segment Reporting factors:

John Taolo Gaetsewe is a district municipality that does not offer a wide variety of services to the public. Due to its limited revenue streams and client base management reports on the municipality's financial health as a whole. The municipality also does not have any designated cost centres for the different revenue streams; and assets and liabilities are not linked to each, thus strengthening the point of reporting on an overall perspective.

48. Budget differences

Material differences between budget and actual amounts

STATEMENT OF FINANCIAL PERFORMANCE

- 1. Insurance claims/refund received not anticipated.
- 2. Decrease due to delay in transferring donated motor vehicles.
- 3. The municipality received furniture and office equipment from the mines. The assets were donated after the adjustment budget and there were no prior communications.
- 4. Increase in overdue accounts.
- 5. Impairment calculated on debtor.
- 6. Council approved write-offs of organs of state and of trade receivables.

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

7. Increase in fuel due to loadshedding.

8. The nature of this transaction requires the valuation and expert advice.

9. The nature of this transaction requires the valuation and expert advice.

10. The nature of this transaction requires the valuation and expert advice.

11. The nature of this transaction requires the valuation and expert advice.

STATEMENT OF FINANCIAL POSITION

1. Movement in consumables.

2. Movement in debt impairment.

3. The challenge of determining whether the municipality will have a VAT payable or receivable.

4. Large portion of investments related to housing emergency grant and were withdrawn.

5. The nature of this transaction requires the valuation and expert advice.

6. Current year movement relates to the additions and amortisation.

7. Accrued expenses and retention costs.

8. The nature of this transaction requires the valuation and expert advice.

Changes from the approved budget to the final budget

The changes between the approved and final budget are a consequence of changes in the overall budget parameters. For details on these changes please refer to pages to in the annual report

49. Regulation 45 of the supply chain management regulations

There were no awards to close family members of person of the state.

50. Events after the reporting date

The CFO, Galaletsang P. Moroane resigned on the 31st of July 2023. Lorato L. Shupu was appointed as the acting CFO on the 1st of August 2023.

51. Prior period errors

Presented below are those items contained in the statement of financial position, that have been affected by prior-year adjustments:

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

Statement of financial position

		As previously reported	classification	Restated
Receivables from exchange transactions	-	8 203 723	63 399	8 267 122
Property, plant and equipment	-	80 503 825	(111 592)	80 392 233
Accumulated surplus	-	(37 525 451)	455 370	(37 070 081)
Statutory receivable	-	2 537 650	(7 637)	2 530 013
Payables from exchange transactions	-	(9 166 672)	(399 540)	(9 566 212)
	-	44 553 075	-	44 553 075

Statement of financial performance

	Note	As previously reported	Classification	Restated
Interest income	-	2 311 608	(387)	2 311 221
Donations received	-	4 287 751	3 567	4 291 318
Employee related costs	-	(71 456 263)	(399 542)	(71 855 805)
Depreciation and amortisation	-	(4 895 388)	37 559	(4 857 829)
Rental of facilities	-	191 239	6 846	198 085
Operational costs	-	(34 883 051)	1 608	(34 881 443)
Fair value adjustments	-	1 391 921	(12 171)	1 379 750
Gain on biological asstes	-	97 041	12 171	109 212
Gain from reversal of impairment	-	1 309 317	(7 087)	1 302 230
	-	(101 645 825)	(357 436)	(102 003 261)

Errors

Receivables were restated as a result of interest income relating to 2023 that was incorrectly accrued for as a receivable in 2022 financial year. Receivables were also restated as a result of a correction on rental of facilities income and the debt impairment thereof.

Interest income was restated as a result of interest income relating to 2023 that was incorrectly accrued for as income in 2022 financial year.

Property plant and equipment was restated as a result of assets that were incorrectly recognised as donations during the 2022 financial year yet they were not received by the municipality. The correction also resulted in a restatement of depreciation.

Statutory receivable was restated as a result of the restatement of the VAT on rental of facilities and operational costs.

Payables were restated as a result of correction of leave accrual as at year end as the incorrect leave days had been used to calculate the leave accrual.

Accumulated surplus was restated as a result of the net effect of adjustments on Property plant and equipment (donated assets), Receivables from exchange transactions (Interest accrued) and payables (leave accrual).

Employee related costs was restated as a result of correction of leave accrual as at year end as the incorrect leave days had been used to calculate the leave accrual.

Operational costs expenditure was restated as a result of corrections on expenditure incurred.

Fair value adjustment and Gain on biological assets were restated, because 2021 values were used instead of 2022 values.



AUDITED ANNUAL PERFORMANCE REPORT 2022/2023 Vol. 3

John Taolo Gaetsewe District Municipality

Email: mmsec@taologaetsewe.gov.za

Website: www.taologaetsewe.gov.za

Tel: 053-712-8700

4 Federale Mynbou, Kuruman, NC, 8460

JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY



Audited Annual Performance Reporting

2022/23 FINANCIAL YEAR

Table of Contents

CHAPTER 1	3
1. Introduction	4
a. Legislative Requirements:	4
b. Outline of the Report:	5
CHAPTER 2	6
2. Annual Performance Information 22/23 Financial Year	7
a. Key Performance Areas:	7
b. Audit Outcome 2021/22:	8
c. Performance Information:	8
d. Performance Reporting Process:	10
e. Lessons Learned:	40

CHAPTER 1

1. Introduction

a. Legislative Requirements:

The **Municipal Planning and Performance Management Regulations (2001)** stipulate 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, organised and managed, including determining the roles of the different role-players” (Chapter 3, Section 7, Municipal Planning and Performance Management Regulations, 2001).

The Municipal Planning and Performance Management Regulations (2001), further instructs a municipality to ensure that its performance management system:

- Relates to the municipality’s employee performance management processes.
- Provides for the procedure by which the system is linked to the municipality’s integrated development planning processes.
- Is adopted by the municipality before or at the same time as the commencement of the process of setting key performance indicators and targets in accordance with its integrated development plan.

The **Municipal Systems Act 32 of 2000** determines specifically that individual Municipalities should develop their own performance management systems in the interest of efficient and effective management. This is achieved through planning targets and the achievement and maintenance of quality and accountability in the delivery of projects and services to the communities within the Municipality. The following is required of municipalities in terms of the Act:

Section 38-

- Establish a PMS that is commensurate with its resources, best suited to its circumstances and in line with the priorities, objectives and targets in the IDP.
- Promote a culture of performance management among its political structures, political office bearers and councillors and in its administration.

Section 41-

- Set appropriate key performance measures (indicators) as a yardstick for measuring performance with regard to the development priorities and objectives in the IDP.
- Set measurable performance targets for each of those development priorities and objectives.
- Monitor performance.

- Measure and evaluate performance at least once per year.
- Take steps to improve performance.
- Establish a process of regular reporting to Council, other political structures, political office bearers and staff of the Municipality; and of the public and appropriate organs of state.

Section 42-

Involve the local community in the development, implementation and review of the Municipality’s PMS, and, in particular, allow the community to participate in the setting of appropriate measures and targets.

Section 44-

Make known, both internal and to the general public, the performance measures and targets set by it for the purposes of its PMS.

Section 45-

Audit the results of the performance measurement as part of internal auditing processes and annually by the Auditor General.

Section 46-

Publish an annual performance report reflecting the performance of the Municipality and of each external service provider; a comparison of the performances with targets; and measures taken to improve performance.

b. Outline of the Report:

This document forms part of the John Taolo Gaetsewe District Municipality’s Annual Report for the 2021-2022 financial year. Combining our report on past accomplishments with our plans for the upcoming year provides the reader a useful, complete, and integrated picture of our performance. It represents a continuing step forward in the efforts of the District Municipality to implement the tenets of performance-based management at the heart of Local Government’s Key Performance Areas-

- **Chapter 1 – Introduction:** This chapter includes summary information about the Legislative Requirements on performance reporting and outlining of the report.
- **Chapter 2 – Annual Performance Information 22/23 Financial Year:** This chapter provides the performance report for the 2022-2023 financial year. The Performance Report provides a comprehensive outlook on the Key Performance Indicators per Key Performance Area of Local Government. It reports on performance measures, achievements, challenges and actual performance for the mentioned financial year as well as the audit outcome. The report also shows the significant changes undertaken on the current performance report to address performance findings and to ensure that there are system improvements.

CHAPTER 2

2. Annual Performance Information 22/23 Financial Year

a. Key Performance Areas:

In the intricate landscape of local government in South Africa, the Five National Key Performance Areas stand as beacons, guiding municipalities in their pursuit of effective governance, service delivery, and community empowerment. Each of these performance areas assumes a distinct role, woven into the fabric of administration to create a harmonious symphony of progress. Let's delve into the depths of each Key Performance Area to illuminate their significance and explore their areas of focus:

1. Local Economic Development (LED): Fostering Vibrant Communities

Local Economic Development goes beyond being a mere function; it's a philosophy that permeates the heart of a municipality. With the spirit of innovation and prosperity as its guiding force, LED strives to cultivate an environment that nurtures sustainable economic growth. This Key Performance Area focuses on bolstering the local economy, attracting investments, creating job opportunities, and enhancing the overall quality of life for residents. LED is a dynamic interplay of strategic planning, business development, and community engagement, where each note contributes to a symphony of flourishing communities.

2. Basic Service Delivery and Infrastructure: Building Foundations of Progress

At the core of effective governance lies the commitment to basic service delivery and infrastructure development. This Key Performance Area is a testament to a municipality's dedication to ensuring that its residents have access to essential services such as water, sanitation, electricity, and housing. The orchestration of infrastructure projects, maintenance, and improvements resonates with the pulse of community well-being. Through strategic planning, efficient resource allocation, and responsive governance, this area addresses the fundamental needs of citizens, creating a solid foundation upon which progress is built.

3. Municipal Financial Viability and Management: Ensuring Sustainable Progress

Sustainable progress rests on the pillars of financial viability and prudent management. This Key Performance Area focuses on the meticulous management of financial resources, adhering to sound financial practices, and fostering transparency and accountability. Balancing budgets, optimizing revenue streams, and effectively allocating funds for service delivery projects are integral facets of this endeavor. The symphony of financial management echoes with the principles of responsible governance, safeguarding the present and future interests of the municipality and its residents.

4. Good Governance and Public Participation: Nurturing Democracy

The vibrancy of local government is enriched by good governance and active public participation. This Key Performance Area emphasizes transparency, ethical conduct, and effective decision-making. It celebrates the diverse voices within the community, encouraging citizen engagement, collaboration, and co-creation. A

dynamic interplay of policies, regulations, and community interactions ensures that the municipality remains a bastion of democratic values, empowering residents to play an active role in shaping their shared destiny.

5. Urban and Rural Development: Shaping Liveable Spaces

In the intricate tapestry of municipalities, the canvas of urban and rural development is one that impacts every resident's daily life. This Key Performance Area focuses on crafting spaces that are not just functional but enriching. It encompasses spatial planning, land use management, and the creation of inclusive, sustainable communities. By cultivating urban and rural environments that balance progress and preservation, this area orchestrates spaces where residents can thrive, fostering social cohesion and enhancing the overall quality of life.

b. Audit Outcome 2021/22:

Clean audit opinion for performance management and a qualification for financial management.

c. Performance Information:

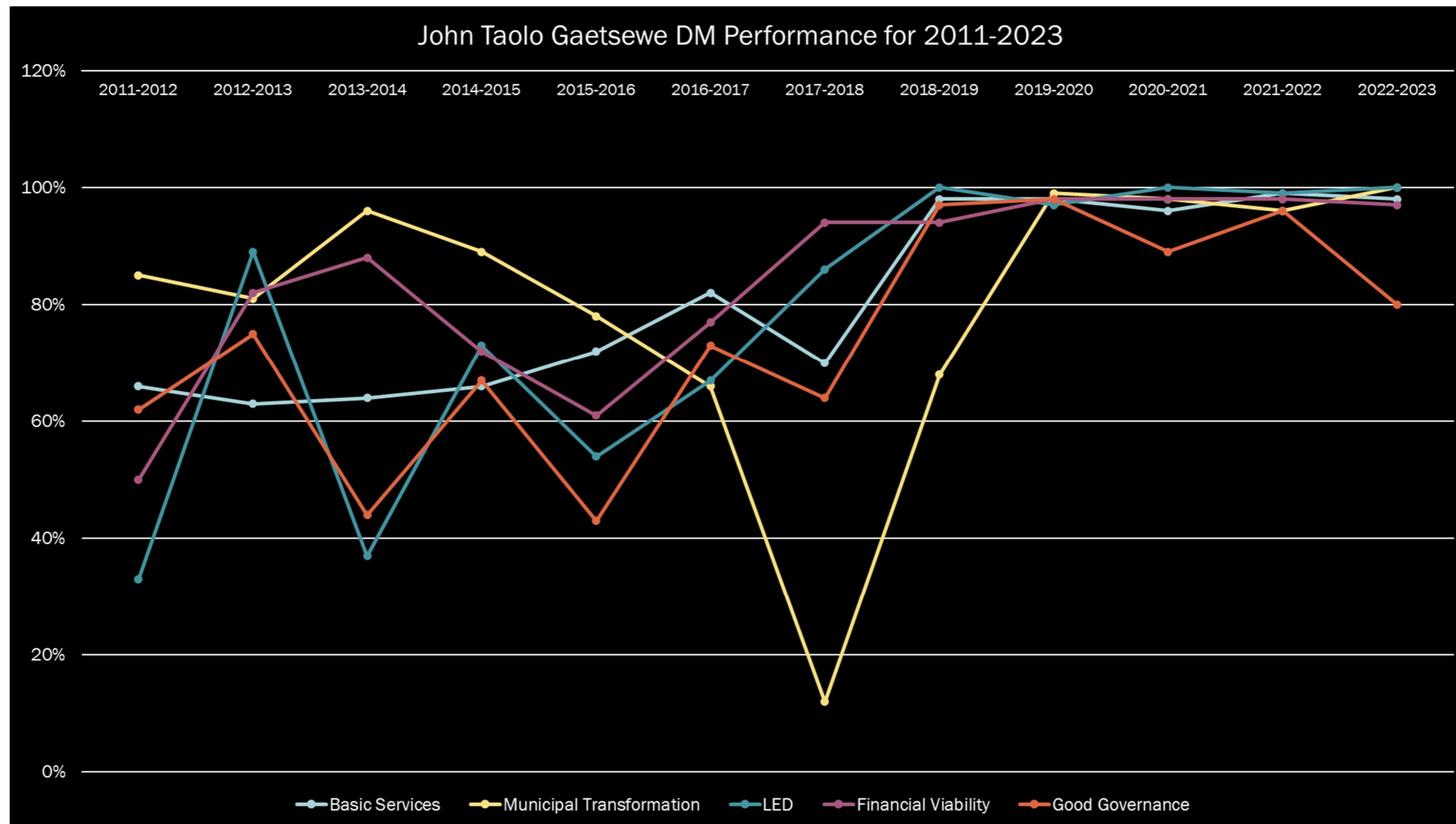
The current comprehensive report serves as a comprehensive exposé of the intricacies of the performance monitoring and reporting system tailored for the John Taolo Gaetsewe District Municipality. Within its pages lie a meticulous analysis of programme approvals and programme concept endorsements, an unveiling of management effectiveness and efficiency indicators, and a probing exploration of the Integrated Development Plan (IDP) implementation process up to the present juncture. This mosaic of information has been meticulously curated to illuminate the municipality's trajectory over the reporting period, encapsulating both achievements and challenges.

Embedded within the report's pages is a tableau that succinctly encapsulates the essence of key performance for the reported duration. This tableau is a culmination of various departments' endeavors, each a unique brushstroke contributing to the vivid portrait of the municipality's accomplishments. It is worth noting that amidst the tableau, certain performances have illuminated themselves as beacons, warranting special attention for their noteworthy trajectories.

The Basic Services and Infrastructure Department, for instance, has experienced a 10% downturn, decreasing from the 2021/22 financial year to settle at 88% for the 2022/23 financial year. In contrast, the Community Development Services Department emerges as a success story, marking a 1% surge to achieve a perfect score of 100%. The Corporate Services and Human Resources Department, which boasted a solid 96%, experienced a 9% reduction. Similarly, the Budget and Treasury Office slid 1% from its previous 98%, while the Development and Planning Department inched up by 1% from 99%. Last but not least, the Municipal Manager's Office's performance retreated by 8%, resting at 96%.

This nuanced ebb and flow of performances has sparked curiosity as to the underlying forces at play. Closer examination reveals a consistent thread weaving through these variances—a thread woven from the fabric of funding challenges and the intricacies of specialized targets. The decreased performance is not without its reasons; it finds its roots in a lack of funding allocated to specific Key Performance Indicators (KPIs) that are closely tied to housing-related endeavors. These specialized targets, such as the ambitious feasibility study for an alternative energy plan, carry with them unique demands and prerequisites, often requiring intricate resources and specialized funding streams.

It is within these challenges that opportunities for growth and transformation lie. As the municipality charts its course forward, it becomes imperative to strategically address the funding shortfalls and intricacies associated with these specialized objectives. Through innovative resource allocation strategies, collaboration with partners, and the harnessing of creative solutions, the municipality can unravel the knots that have tethered its performance, propelling it toward the attainment of its aspirational targets.



d. Performance Reporting Process:

Reporting on projects and programs serves as a pivotal cornerstone in the landscape of governance and accountability, transcending its role as a mere documentation of activities. Rather, it emerges as a powerful conduit that captures the essence of implementation progress and outcomes, while standing as a testament to an organization's commitment to transparency, responsibility, and the pursuit of excellence. This process of performance reporting is not merely an obligatory administrative exercise; it embodies a set of principles and practices that underpin effective performance management, driving institutions toward heightened efficiency, effectiveness, and sustainable growth.

At the heart of this endeavor lies the Organizational Performance Management System (OPMS) Framework, which acts as the compass guiding the John Taolo Gaetsewe District Municipality through the labyrinth of performance measurement and evaluation. This framework fosters a structured approach to managing performance, emphasizing alignment between organizational goals, strategies, and day-to-day operations. By weaving performance indicators into the fabric of its programs and initiatives, the municipality can establish a coherent narrative that interlinks intentions, actions, and results.

Supplementing the OPMS Framework is the Individual Performance Management (IPMS) Policy, which extends these principles to the realm of individual contributions. It embraces the notion that a mosaic of individual performances converges to shape the broader canvas of organizational success. By cultivating a culture of accountability at the individual level, the municipality fosters a collective commitment to excellence, ensuring that every cog in the wheel contributes to the machinery of progress.

Moreover, the Framework for Managing Programme Performance Information (FMPPI) provides a specialized lens through which the municipality scrutinizes the performance of its programs. It emphasizes the importance of a cohesive ecosystem where programs interlock seamlessly, propelling the organization toward its strategic goals. This framework ensures that performance metrics not only quantify accomplishments but also unravel the dynamics between programs, allowing for nuanced adjustments that maximize impact.

A cornerstone of performance reporting is the legal performance agreement between the Municipal Manager and Senior Managers. This agreement symbolizes a contract of commitment—an unwavering pledge to steer the municipality toward its envisioned future. It encapsulates not only targets but also the underlying ethos of accountability, while fostering a sense of ownership among senior leadership, who set the tone for the entire organization.

Performance management principles are interwoven with the practice of reporting. First, the principle of clarity underscores the importance of setting clear and measurable objectives. Performance reporting necessitates the translation of objectives into quantifiable indicators, enabling stakeholders to gauge progress accurately. Second, the principle of alignment reinforces the synchronization of actions with overarching organizational goals. Reporting becomes a conduit that weaves disparate endeavors into a coherent tapestry, illustrating the synergies between projects and their contribution to the bigger picture. Third, the principle of feedback introduces a dynamic of continuous improvement. Reporting is not a one-way transmission but a dialogue—a dialogue that invites introspection, course correction, and the cultivation of innovation in pursuit of higher standards.

The importance of performance reporting cannot be overstated. It bridges the chasm between intentions and outcomes, rendering the intangible tangible. It arms stakeholders with insights, enabling informed decision-making that begets optimized resource allocation. It nurtures public trust by showcasing accountability, echoing the sentiment of political scientist Robert Dahl: "The opposition is indispensable. A good statesman, like any other sensible human being, always learns more from his opponents than from his fervent supporters."

In a world defined by evolving challenges and ever-escalating expectations, performance reporting morphs into more than a mere tool—it metamorphoses into an enabler of evolution. It empowers organizations like the John Taolo Gaetsewe District Municipality to navigate the currents of change with acuity, charting trajectories that culminate in the realization of transformative impact.

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE (2022-2023)	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To mobilise, target, align and manage infrastructure investments sustainably	1	Development an alternative energy plan for the District submitted to the Municipal Manager by 30 June	Development an alternative energy plan for the District submitted to the Municipal Manager by 30 June	Date	PLAN	Annually	-	-	-	30-Jun	N/A	Unavailability of relevant resources to enable a feasibility study.	Target to be discontinued.	N/A	N/A	-	0	0	N/A	NOT ACHIEVED	Unavailability of relevant financial resources to enable a feasibility study	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To mobilise, target, align and manage infrastructure investments sustainably	2	Annual progress report on the implementation of the alternative energy plan submitted to the Municipal Manager by 30 June	Annual progress report on the implementation of the alternative energy plan submitted to the Municipal Manager by 30 June	-	-	-	-	-	-	-	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	N/A	N/A	N/A	Target not applicable for 2022/23	N/A	N/A	N/A	
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To improve the quality of life and over all well-being of the people	3	Number of quarterly progress reports on the eradication of mud houses submitted to the Municipal Manager by 30 June	4 quarterly progress reports on the eradication of mud houses submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To improve the quality of life and over all well-being of the people	4	Number of quarterly progress reports on the development of a Regional Hospital submitted to the Municipal Manager by 30 June	4 quarterly progress reports on the development of a Regional Hospital submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	The process is not at implementation stage yet.	The KPI & the target be rephrased to read "4 quarterly progress reports on the planning of the construction of a satellite university and mining college submitted to the Municipal Manager by 30 June"	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To build a resilient and transformed economy	5	Number of quarterly progress reports on the planning of the construction of a satellite university and mining college submitted to the Municipal Manager by 30 June	4 quarterly progress reports on the planning of the construction of a satellite university and mining college submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To build a resilient and transformed economy	6	Number of quarterly progress reports on the Extension of the Hotazel – Port Elizabeth railway line submitted to the Municipal Manager by 30 June	4 quarterly progress reports on the Extension of the Hotazel – Port Elizabeth railway line submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To build a resilient and transformed economy	7	Number of quarterly progress reports on the Improved school infrastructure submitted to the Municipal Manager by 30 June	4 quarterly progress reports on the Improved school infrastructure submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation	To mobilise, target, align and manage infrastructure investments sustainably	8	Number of quarterly progress reports on the water service authority Municipal Systems Act section 78 assessment submitted to the Municipal Manager by 30 June	4 quarterly progress reports on the water service authority Municipal Systems Act section 78 assessment submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To promote integrated human settlement planning	9	Number of quarterly human settlements accreditation implementation progress reports submitted to CoGHSTA by 30 June	4 quarterly human settlements accreditation implementation progress reports submitted to CoGHSTA by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Mandatory reports signed off by the Municipal Manager and are submitted to CoGHSTA – Duplication.	The KPI & the target be rephrased to read "4 quarterly human settlements accreditation implementation progress reports submitted to CoGHSTA".	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation	To provide bulk water and sanitation services	10	Number of biannual progress reports on the Vaal Gamagara water pipe outlet for neighbouring villages submitted to the Municipal Manager by 30 June	2 biannual progress reports on the Vaal Gamagara water pipe outlet for neighbouring villages submitted to the Municipal Manager by 30 June	Number	REPORT	Biannually	-	1	-	1	2	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	-	1	2	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To promote integrated human settlement planning	11	Provision of emergency housing report submitted to the Municipal Manager by 30 June	Provision of emergency housing report submitted to the Municipal Manager by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	0	N/A	N/A	N/A	N/A	-	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	12	Number of monthly RRAMS expenditure reports submitted to Department of Transport by 30 June	12 monthly RRAMS expenditure reports submitted to Department of Transport by 30 June	Number	REPORT	Monthly	3	3	3	3	12	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	3	3	-	3	12	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	13	Annual RRAMS Business Plan submitted to Department of Transport by 31 May	Annual RRAMS Business Plan submitted to Department of Transport by 31 May	Date	BUSINESS PLAN	Annually	-	-	-	31-May	31-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	31-May	31-May	-	N/A ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	14	Service Provider appointed to provide support with the updating of the RRAMS by 15 December	Service Provider appointed to provide support with the updating of the RRAMS by 15 December	-	-	-	-	-	-	N/A	Service provider appointed for a three-year term that will expire in 2023.	Target to be discontinued.	N/A	N/A	N/A	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	15	Number of quarterly RRAMS progress reports submitted to Department of Transport by 30 June	4 quarterly RRAMS progress reports submitted to Department of Transport by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Sustainable Development Orientated Municipality	To enhance the skills capacity of young professionals in the built environment	16	Annual ISDG Business Plan submitted to National Treasury by 31 August	Annual ISDG Business Plan submitted to National Treasury by 31 August	Date	BUSINESS PLAN	Annually	31-Aug	-	-	31-AUG	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	31-Aug	-	-	-	31-Aug	0	ACHIEVED	N/A	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Sustainable Development Orientated Municipality	To enhance the skills capacity of young professionals in the built environment	17	Number of monthly ISDG Grant Implementation reports submitted to National Treasury by 30 June	12 monthly ISDG Grant Implementation reports submitted to National Treasury by 30 June	Number	REPORT	Monthly	3	3	3	3	12	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	3	3	-	3	12	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Sustainable Development Orientated Municipality	To enhance the skills capacity of young professionals in the built environment	18	Number of quarterly ISDG Grant Implementation reports submitted to National Treasury by 30 June	4 quarterly ISDG Grant Implementation reports submitted to National Treasury by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	19	Number of triannual Integrated Transport Plan update progress reports submitted to the Municipal Manager by 30 June	3 triannual Integrated Transport Plan update progress reports submitted to the Municipal Manager by 30 June	Number	REPORT	Tri-annually	-	1	1	1	3	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	-	1	3	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	20	Draft Updated Integrated Transport Plan annually submitted to the Municipal Manager by 31 May	Draft Updated Integrated Transport Plan annually submitted to the Municipal Manager by 31 May	Date	ITEM AND PLAN	Annually	-	-	-	31-May	26-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	31-May	31-May	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	21	Integrated Transport Plan Stakeholder engagement annually completed by 31 March	Integrated Transport Plan Stakeholder engagement annually completed by 31 March	Date	REPORT	Annually	-	-	31-Mar	-	31-MAR	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	-	31-Mar	0	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	22	Final updated Integrated Transport Plan annually submitted to the Department of Transport, Safety and Liaison by 30 June	Final updated Integrated Transport Plan annually submitted to the Department of Transport, Safety and Liaison by 30 June	Date	PLAN	Annually	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	23	District Transport Authority established by 30 June	District Transport Authority established by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	Target to be discontinued.	N/A	N/A	-	0	0	N/A	NOT ACHIEVED	Unavailability of relevant financial resources to achieve target	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	24	Number of quarterly Joe Morolong LM internal road monitoring reports submitted to the Municipal Manager by 30 June	4 quarterly Joe Morolong LM internal road monitoring reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	25	Number of quarterly Gamagara LM internal road monitoring reports submitted to the Municipal Manager by 30 June	4 quarterly Gamagara LM internal road monitoring reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	26	Number of quarterly Ga-Segonyana LM internal road monitoring reports submitted to the Municipal Manager by 30 June	4 quarterly Ga-Segonyana LM internal road monitoring reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	27	Number of quarterly progress reports regarding engagements with key stakeholders for the establishment of the Regional Airport be submitted to the Municipal Manager by 30 June	4 quarterly progress reports regarding engagements with key stakeholders for the establishment of the Regional Airport be submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	The KPI & target to be more specific.	The KPI & the target be rephrased to read "4 quarterly progress reports regarding engagements with key stakeholders for the establishment of the Regional Airport be submitted to the Municipal Manager by 30 June".	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To develop community facilities	28	Brickmaking Business Plan annually submitted to the Provincial Department to access funding by 31 October	Brickmaking Business Plan annually submitted to the Provincial Department to access funding by 31 October	Date	PLAN	Annually	-	31-Oct	-	-	28-OCT	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	31-Oct	-	-	31-Oct	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation	To provide bulk water and sanitation services	29	Water Services Development Plan (WSDP) developed by 30 June	Water Services Development Plan (WSDP) developed by 30 June	Date	PLAN	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	0	0	N/A	NOT ACHIEVED	Unavailability of relevant financial resources to achieve target	N/A	N/A	N/A	
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation	To provide bulk water and sanitation services	30	Water Resource Management Strategy developed by 30 June	Water Resource Management Strategy developed by 30 June	Date	STRATEGY	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	0	0	N/A	NOT ACHIEVED	Unavailability of relevant financial resources to achieve target	N/A	N/A	N/A	
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated human settlements	To promote integrated human settlement planning	31	Integrated Infrastructure plan developed by 31 May	Integrated Infrastructure plan developed by 31 May	Date	PLAN	-	-	-	31-May	26-MAY	The plan is being reviewed.	Target breakdown to be included.	N/A	N/A	-	31-May	31-May	0	ACHIEVED	N/A	N/A	N/A	N/A	
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated human settlements	To provide adequate housing to residents of the District	32	Number of quarterly Neighbourhood Development Partnership Grant (NDPG) reports submitted to the Municipal Manager by 30 June	4 quarterly Neighbourhood Development Partnership Grant (NDPG) reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A	
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To develop community facilities	33	Identification of cemeteries to be upgraded annually completed by 30 September	Identification of cemeteries to be upgraded annually completed by 30 September	Date	REPORT	Annually	30-Sept	-	-	30-SEPT	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	26-Sept	-	-	26-Sept	4 DAYS	ACHIEVED	N/A	N/A	N/A	N/A		
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To develop community facilities	34	Number of quarterly EPWP Evaluation Reports submitted to Public Works by 30 June	4 quarterly EPWP Evaluation Reports submitted to Public Works by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A	
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To develop community facilities	35	2 cemetery upgrade projects completed in Ga-Segonyana LM by 30 June	2 cemetery upgrade projects completed in Ga-Segonyana LM by 30 June	Date	REPORT	Annually	-	-	30-Jun	0	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A	
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To develop community facilities	36	2 cemetery upgrade projects completed in Joe Morolong LM by 30 June	2 cemetery upgrade projects completed in Joe Morolong LM by 30 June	Date	REPORT	Annually	-	-	30-Jun	0	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A	

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To develop community facilities	37	38 cemetery upgrade jobs created in Ga-Segonyana LM by 30 June	38 cemetery upgrade jobs created in Ga-Segonyana LM by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	30-JUN	To accommodate the adjusted minimum EPWP FTEs from 13 to 14. The adjustments are of the Department of Public Works.	The KPI & the target be rephrased to read "38 cemetery upgrade jobs created in Ga-Segonyana LM by 30 June".	N/A	N/A	-	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	Department of Public Works determined that the number required for the projects is 38	Change 36 to 38
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To develop community facilities	38	38 cemetery upgrade jobs created in Joe Morolong LM by 30 June	38 cemetery upgrade jobs created in Joe Morolong LM by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	30-JUN	To accommodate the adjusted minimum EPWP FTEs from 13 to 14. The adjustments are of the Department of Public Works.	The KPI & the target be rephrased to read "38 cemetery upgrade jobs created in Joe Morolong LM by 30 June".	N/A	N/A	-	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	Department of Public Works determined that the number required for the projects is 38	Change 36 to 38
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	39	3 revised Internal Roads Paving EPWP Business Plans submitted to the Provincial Department by 31 October	3 revised Internal Roads Paving EPWP Business Plans submitted to the Provincial Department by 31 October	Date	BUSINESS PLANS	Annually	-	31-Oct	-	-	28-OCT	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	31-Oct	-	-	31-Oct	0	N/A	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To develop community facilities	40	Number of monthly EPWP Integrated Grant expenditure reports submitted to the Department of Public Works by 30 June	12 monthly EPWP Integrated Grant expenditure reports submitted to the Department of Public Works by 30 June	Number	REPORT	Monthly	3	3	3	3	12	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	3	3	-	3	12	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	41	Number of quarterly Human Settlement Sector Plan update progress reports submitted to the Municipal Manager by 30 June	4 quarterly Human Settlement Sector Plan update progress reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	42	Human Settlements Sector Plan annually reviewed by 31 May	Human Settlements Sector Plan annually reviewed by 31 May	Date	PLAN	Annually	-	-	-	31-May	30-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	31-May	31-May	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	43	Final reviewed Human Settlements Accreditation Business Plan annually submitted to COGHSTA by 30 September	Final reviewed Human Settlements Accreditation Business Plan annually submitted to COGHSTA by 30 September	Date	PLAN	Annually	30-Sept	-	-	-	30-SEPT	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	26-Sept	-	-	-	26-Sept	4 DAYS	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)	
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4								
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	44	Number of monthly human settlement progress reports submitted to the COGHSTA by 30 June	12 monthly human settlement progress reports submitted to the COGHSTA by 30 June	Number	REPORT	Monthly		3	3	3	3	12	Mandatory reports signed off by the Municipal Manager are submitted to COGHSTA.	The KPI & the target be rephrased to read "submitted to COGHSTA by 30 June" from "submitted to Municipal Manager by 30 June".	3	3	-	3	12	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	45	Number of quarterly human settlement progress reports submitted to the Municipal Manager by 30 June	4 quarterly human settlement progress reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly		1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	46	Draft reviewed Human Settlements Accreditation Business Plan annually submitted to Council by 31 May	Draft reviewed Human Settlements Accreditation Business Plan annually submitted to Council by 31 May	Date	ITEM AND PLAN	Annually		-	-	-	31-May	26-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	31-May	31-May	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	47	Number of quarterly Consumer Education Reports submitted to the Municipal Manager by 30 June	4 quarterly Consumer Education Reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly		1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	48	Number of quarterly Human Settlement Needs Register Reports submitted to the Municipal Manager by 30 June	4 quarterly Human Settlement Needs Register Reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly		1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	49	Human Settlements Register annually updated report by 30 June	Human Settlements Register annually updated report by 30 June	Date	REPORT	Annually		-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	50	Number of bi-annual Mandela House construction progress reports submitted to the Municipal Manager by 30 June	2 bi-annual Mandela House construction progress reports submitted to the Municipal Manager by 30 June	Number	REPORT	Biannually		-	1	-	1	2	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	-	1	2	0	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	51	Mandela Day House annually constructed by 30 June	Mandela Day House annually constructed by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	N/A	Unavailability of funding resources. Funding be planned for and the KPI be implemented in the 2022/23 financial year.	Target to be discontinued.	N/A	N/A	-	0	0	N/A	NOT ACHIEVED	Unavailability of relevant financial resources to achieve target	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	52	Number of quarterly Human Settlement Business Plan data collection reports submitted to the Municipal Manager by 30 June	4 quarterly Human Settlement Business Plan data collection reports submitted to the Municipal Manager by 30 June	Number	PLAN	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	53	Business Plans annually submitted to the Provincial Department to access human settlement funding by 31 October	Business Plans annually submitted to the Provincial Department to access human settlement funding by 31 October	Date	PLAN	Annually	-	31-Oct	-	-	18-OCT	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	31-Oct	-	-	31-Oct	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	54	Number of bi-annual Special Interest Groups housing construction progress reports submitted to the Municipal Manager by 30 June	2 bi-annual Special Interest Groups housing construction progress reports submitted to the Municipal Manager by 30 June	Number	REPORT	Biannually	-	1	-	1	2	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	-	1	2	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	55	House for Special Interest Groups annually completed by 30 June	House for Special Interest Groups annually completed by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	N/A	Unavailability of funding resources. Funding be planned for and the KPI be implemented in the 2022/23 financial year.	Target to be discontinued.	N/A	N/A	-	0	0	N/A	NOT ACHIEVED	Unavailability of relevant financial resources to achieve target	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	56	Number of quarterly human settlements projects monitoring reports submitted to COGHSTA by 30 June	4 quarterly human settlements projects monitoring reports submitted to COGHSTA by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To develop community facilities	57	Number of quarterly human settlement job creation reports submitted to the Municipal Manager by 30 June	4 quarterly human settlement job creation reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	-	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Promotion of Health in the District	To provide municipal health services to the communities of the District	58	Municipal Health Services Strategy reviewed by 30 June	Municipal Health Services Strategy reviewed by 30 June	Date	STRATEGY	Annually	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	21-Jun	21-Jun	9	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Promotion of Health in the District	To provide municipal health services to the communities of the District	59	Municipal health policy annually reviewed as per amendments of National Environmental Health Policy by 30 June	Municipal health policy annually reviewed as per amendments of National Environmental Health Policy by 30 June	Date	ITEM AND POLICY	Quinquennial	-	-	-	30-Jun	30-Jun	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	17-May	17-May	44	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	Adjust target description according to the reporting cycle	Change annually to quinquennially
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Promotion of Health in the District	To provide municipal health services to the communities of the District	60	Reviewed Municipal health tariffs annually submitted to BTO by 31 March	Reviewed Municipal health tariffs annually submitted to BTO by 31 March	Date	TARIFFS	Annually	-	-	31-Mar	-	31-Mar	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	31-Mar	-	31-Mar	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Promotion of Health in the District	To provide municipal health services to the communities of the District	61	Number of Municipal Health Services Actions performed by 30 June	528 Municipal Health Services Actions performed by 30 June	Number	REPORT	Annually	132	132	132	132	824	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	186	115	140	154	595	67	ACHIEVED	A higher number was achieved due to effectiveness of the department	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Environmental Management, Conservation and Climate Change Management	To provide municipal health services to the communities of the District	62	Air Quality Management Plan reviewed by 30 June	Air Quality Management Plan reviewed by 30 June	Date	PLAN	Annually	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	-	-	N/A	N/A	N/A	N/A	Department of Environmental Affairs will be reviewing District Air Quality Management plan in the next financial year, target to be discontinued to avoid duplication	Target discontinued
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Environmental Management, Conservation and Climate Change Management	To provide municipal health services to the communities of the District	63	Number of quarterly Air Quality Management Plan implementation reports submitted to the Municipal Manager by 30 June	4 quarterly Air Quality Management Plan implementation reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Environmental Management, Conservation and Climate Change Management	To provide municipal health services to the communities of the District	64	Comprehensive Climate Change Strategy reviewed by 30 June	Comprehensive Climate Change Strategy reviewed by 30 June	Date	STRATEGY	Annually	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	17-May	17-May	44	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Environmental Management, Conservation and Climate Change Management	To provide municipal health services to the communities of the District	65	Number of quarterly Comprehensive Climate Change Strategy implementation reports submitted to the Municipal Manager by 30 June	4 quarterly Comprehensive Climate Change Strategy implementation reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Environmental Management, Conservation and Climate Change Management	To provide municipal health services to the communities of the District	66	Annual report on business plans submitted for funding of Environmental Management projects by 30 June	Annual report on business plans submitted for funding of Environmental Management projects by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	30-Jun	N/A	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	67	Number of quarterly disaster statistical reports submitted to the Municipal Manager by 30 June	4 quarterly disaster statistical reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	68	Number of quarterly Disaster Management Advisory Forum meetings held by 30 June	4 quarterly Disaster Management Advisory Forum meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	69	Annual District Disaster Management Report submitted to Northern Cape Province by 30 June	Annual District Disaster Management Report submitted to Northern Cape Province by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	70	Number of Disaster Management Contingency Plans reviewed by 30 June	4 Disaster Management Contingency Plans reviewed by 30 June	Number	PLAN	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	71	Disaster Management Framework reviewed by 30 June	Disaster Management Framework reviewed by 30 June	Date	FRAMEWORK	Annually	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	72	Disaster Management Plan reviewed by 30 June	Disaster Management Plan reviewed by 30 June	Date	PLAN	Annually	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	73	Percentage of Disaster Management Volunteers trained by 30 June	100% of Disaster Management Volunteers trained by 30 June	Percentage	REPORT	Annually	-	-	-	100%	0	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	-	-	N/A	N/A	N/A	Training will not be done due to limited budget allocations	Target discontinued	

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	74	Number of quarterly disaster response and recovery inventory replenishment reports submitted to the Municipal Manager by 30 June	4 quarterly disaster response and recovery inventory replenishment reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	75	Annual progress report on the development of a fully-fledged Disaster Management Centre and functional satellite centre submitted to the Municipal Manager by 30 June	Annual progress report on the development of a fully-fledged Disaster Management Centre and functional satellite centre submitted to the Municipal Manager by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Orientated Municipality	To provide resources for the daily operations and maintenance of the Municipality	76	Council approved budget for the daily operations and maintenance of the Municipality by 31 May	Council approved budget for the daily operations and maintenance of the Municipality by 31 May	Date	BUDGET	Annually	-	-	-	31-May	26-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-May	30-May	1	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To provide auxiliary services	77	Number of quarterly auxiliary services reports submitted to the Municipal Manager by 30 June	4 quarterly auxiliary services reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To provide auxiliary services	78	Building Alterations (Strongroom) completed by 30 June	Building Alterations (Strongroom) completed by 30 June	Date	REPORT	Quinquennially	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	0	0	N/A	NOT ACHIEVED	Lack of funding	Proposal for the target to be removed in the new financial year	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To provide auxiliary services	79	Building renovations completed (Phase 1) by 30 June	Building renovations completed (Phase 1) by 30 June	Date	REPORT	Quinquennially	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	0	0	N/A	NOT ACHIEVED	Lack of funding	Proposal for the target to be removed in the new financial year	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To provide auxiliary services	80	Building renovations completed (Phase 2, including of Tourism Office) by 30 June	Building renovations completed (Phase 2, including of Tourism Office) by 30 June	Date	REPORT	Quinquennially	-	-	-	30-Jun	N/A	Delays are foreseen due to the cost associated with acquiring and maintaining a helicopter, as well as the piloting thereof.	Target to be discontinued.	N/A	N/A	N/A	0	0	N/A	NOT ACHIEVED	Lack of funding	Proposal for the target to be removed in the new financial year	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To govern municipal affairs	81	Number of quarterly ordinary Council meetings held by 30 June	4 quarterly ordinary Council meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To govern municipal affairs	82	Number of monthly Senior Management meetings held by 30 June	12 monthly Senior Management meetings held by 30 June	Number	MINUTES	Monthly	3	3	3	3	12	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	3	3	3	3	12	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To govern municipal affairs	83	Number of monthly Back to Basics reports submitted to COGHSTA by 30 June	12 monthly Back to Basics reports submitted to COGHSTA by 30 June	Number	REPORT	Monthly	3	3	3	3	12	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	0	1	-	-	1	1	N/A	Submission of new template by COGHSTA delayed Q1 reporting	N/A	Province has not provided a way forward in regards to reporting on Back2Basics, the target is no longer practicable	Target discontinued
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	84	Annual Audit Action Plan submitted to the Municipal Manager by 31 January	Annual Audit Action Plan submitted to the Municipal Manager by 31 January	Date	PLAN	Annually	-	-	31-Jan	-	25-JAN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	31-Jan	-	31-Jan	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmental-relation in the District	85	Number of quarterly District IGR Forum meetings held by 30 June	4 quarterly District IGR Forum meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmental-relation in the District	86	Number of quarterly MM's Forum meetings held by 30 June	4 quarterly MM's Forum meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	-	3	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmental-relation in the District	87	Number of quarterly District Financial Viability Forum meetings held by 30 June	4 quarterly District Financial Viability Forum meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmental-relation in the District	88	Number of quarterly District Planning and Performance Forum meetings held by 30 June	4 quarterly District Planning and Performance Forum meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmental-relation in the District	89	Number of quarterly District Health Council meetings held by 30 June	4 quarterly District Health Council meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmental-relation in the District	90	Number of quarterly Integrated Infrastructure Forum meetings held by 30 June	4 quarterly Integrated Infrastructure Forum meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmental relation in the District	91	Number of bi-annual Institutional Transformation and Development Forum meetings held by 30 June	2 bi-annual Institutional Transformation and Development Forum meetings held by 30 June	Number	MINUTES	Biannually	-	1	-	1	2	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women, children, youth, disabled, elderly	92	Number of bi-annual District AIDS Council meetings held by 30 June	2 bi-annual District AIDS Council meetings held by 30 June	Number	MINUTES	Biannually	-	1	-	1	2	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure legal compliance	93	Number of monthly compliance monitoring reports submitted to the Municipal Manager by 30 June	12 monthly compliance monitoring reports submitted to the Municipal Manager by 30 June	Number	REPORT	Monthly	3	3	3	3	12	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	3	3	3	3	12	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote oversight and public accountability	94	Number of monthly consolidated Audit Action Plan progress updates submitted to the Municipal Manager by 30 June	12 monthly consolidated Audit Action Plan progress updates submitted to the Municipal Manager by 30 June	Number	REPORT	Monthly	3	3	3	3	9	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	3	3	3	3	12	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote oversight and public accountability	95	Number of quarterly MPAC meetings held by 30 June	4 quarterly MPAC meetings held by 30 June	Number	REPORT	Quarterly	1	1	1	1	3	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	96	Number of quarterly internal audit reports issued for all municipalities by 30 June	4 quarterly internal audit reports issued for all municipalities by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	97	Annual Internal Audit Policy approved by Audit and Performance Committee by 30 June	Annual Internal Audit Policy approved by Audit and Performance Committee by 30 June	Date	POLICY	Annually	-	-	-	30-Jun	28-JUN	Delays are foreseen due to the non-availability of key stakeholders.	Target number to be reduced from 2 to 4.	N/A	N/A	N/A	27-Jun	27-Jun	3	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	98	Annual Internal Audit Charter approved by Audit and Performance Committee by 30 June	Annual Internal Audit Charter approved by Audit and Performance Committee by 30 June	Date	CHARTER	Annually	-	-	-	30-Jun	28-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	27-Jun	27-Jun	3	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	99	One year audit plans approved by Audit and Performance Committee by 30 June	One year audit plans approved by Audit and Performance Committee by 30 June	Date	PLAN	Annually	-	-	-	30-Jun	28-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	27-Jun	27-Jun	3	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	100	Three year rolling plans approved by Audit and Performance Committee by 30 June	Three year rolling plans approved by Audit and Performance Committee by 30 June	Date	ITEM AND PLAN	Annually	-	-	-	30-Jun	28-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	27-Jun	27-Jun	3	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	101	Number of quarterly Audit Committee meetings held by 30 June	4 quarterly Audit Committee meetings held by 30 June	Number	REPORT	Quarterly	1	1	1	1	5	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	102	Annual Council Approved Audit and Performance Charter by 30 June	Annual Council Approved Audit and Performance Charter by 30 June	Date	ITEM AND CHARTER	Annually	-	-	-	30-Jun	29-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	27-Jun	27-Jun	3	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	103	Annual Internal Audit Awareness Campaign held by 31 May	Annual Internal Audit Awareness Campaign held by 31 May	Date	REPORT	Annually	-	-	-	31-May	0	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	31-May	31-May	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmental-relation in the District	104	Number of bi-annual Mayor's Forum meetings held by 30 June	2 bi-annual Mayor's Forum meetings held by 30 June	Number	MINUTES	Quarterly	-	1	-	1	2	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmental-relation in the District	105	Number of bi-annual Speaker's Forum meetings held by 30 June	2 bi-annual Speaker's Forum meetings held by 30 June	Number	MINUTES	Bi-annually	-	1	-	1	2	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmental-relation in the District	106	Number of bi-annual Traditional Leaders' Forum meetings held by 30 June	2 bi-annual Traditional Leaders' Forum meetings held by 30 June	Number	MINUTES	Biannually	-	1	-	1	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	N/A	0	1	1	NOT ACHIEVED	Lack of funding	Proposal for the target to be reduced to an annual target in the new financial year	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	107	Number of quarterly District Communications Forum meetings held by 30 June	4 quarterly District Communications Forum meetings held by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	108	Number of quarterly external newsletters published by 30 June	4 quarterly external newsletters published by 30 June	Number	NEWSLETTER	Quarterly	1	1	1	1	3	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	109	Number of quarterly internal newsletters published on the intranet by 30 June	4 quarterly internal newsletters published on the intranet by 30 June	Number	NEWSLETTER	Quarterly	1	1	1	1	4	Target not achieved for Q2 due to municipal elections. Delays are foreseen if stakeholders are not available.	Target number reduced from 4 to 3.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	110	Stakeholder register annually updated by 31 July	Stakeholder register annually updated by 31 July	Date	REPORT	Annually	31-Jul	-	-	-	31-JUL	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	31-Jul	N/A	N/A	N/A	31-Jul	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	111	Local Municipalities supported to develop and/or review the respective LM Communication Strategies by 30 June	Local Municipalities supported to develop and/or review the respective LM Communication Strategies by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	30-SEPT	Target not achieved due to availability of stakeholders, on account of COVID-19 precautions.	Target to be discontinued.	N/A	N/A	N/A	0	N/A	NOT ACHIEVED	Lack of funding	To be concluded and prioritized in the new financial year	N/A	N/A	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	112	Public Participation and Communication Strategy annually reviewed by 31 March	Public Participation and Communication Strategy annually reviewed by 31 March	Date	STRATEGY	Annually	-	-	31-Mar	-	0	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	0	0	0	92	NOT ACHIEVED	Lack of funding	To be concluded and prioritized in the new financial year	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	113	Number of triannual Mayoral engagements with key stakeholders by 30 June	3 triannual Mayoral engagements with key stakeholders by 30 June	Number	REPORT	Quarterly	-	1	1	1	3	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	1	1	3	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	114	Number of council outreach programmes to communities by 30 June	2 council outreach programmes to communities by 30 June	Number	REPORT	Quarterly	-	1	-	1	5	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	N/A	1	0	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	115	Annual Mayoral State of the District Address (SODA) by 30 April	Annual Mayoral State of the District Address (SODA) by 30 April	Date	REPORT	Annually	-	-	-	30-Apr	0	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	-	-	N/A	N/A	N/A	N/A	SODA will not be done due to limited budget allocations	Target discontinued
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	116	Annual racial diversity awareness event held by 30 June	Annual racial diversity awareness event held by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	-	-	N/A	N/A	N/A	N/A	Awareness will not be done due to limited budget allocations	Target discontinued

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	117	Promotional materials developed by 30 June	Promotional materials developed by 30 June	Date	CALENDAR	Annually	-	-	-	30-Jun	28-FEB	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	12-Mar	N/A	N/A	12-Mar	111	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	118	Community satisfaction survey concluded by 30 June	Community satisfaction survey concluded by 30 June	Date	SURVEY	Annually	-	-	-	30-Jun	N/A	Target not achieved for Q2 due to municipal elections. Delays are foreseen if stakeholders are not available.	Target number reduced from 4 to 3.	N/A	N/A	N/A	0	N/A	NOT ACHIEVED	Lack of funding	To be concluded and prioritized in the new financial year	Survey will not be done due to limited budget allocations, however, Council resolved to keep target active	Adjustment to discontinue target annulled	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	119	District Service Delivery Charter annually reviewed by 31 May	District Service Delivery Charter annually reviewed by 31 May	Date	CHARTER	Annually	-	-	-	31-May	12-FEB	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	0	30	NOT ACHIEVED	Lack of funding	To be concluded and prioritized in the new financial year	N/A	N/A	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women, children, youth, disabled, elderly	120	Number of quarterly targeted group forum meetings held by 30 June	4 quarterly targeted group forum meetings held by 30 June	Number	REPORT	Quarterly	1	1	1	1	1	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women, children, youth, disabled, elderly	121	Number of quarterly targeted group campaigns conducted by 30 June	4 quarterly targeted group campaigns conducted by 30 June	Number	REPORT	Quarterly	1	1	1	1	1	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women, children, youth, disabled, elderly	122	Number of bi-annual District Disability Council meetings held by 30 June	2 bi-annual District Disability Council meetings held by 30 June	Number	REPORT	Biannually	-	1	-	1	1	Target not achieved due to the municipal elections. Delays are foreseen if stakeholders are not available to take their pictures.	Target date adjusted from 30 November to 30 June.	N/A	1	N/A	1	0	ACHIEVED	N/A	N/A	N/A	N/A	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women, children, youth, disabled, elderly	123	Percentage of students annually supported by 30 June	100% of students annually supported by 30 June	Percentage	REPORT	Annually	-	-	-	100%	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	0	N/A	NOT ACHIEVED	Lack of funding	Proposal for the target to be removed in the new financial year	N/A	N/A	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To manage risks to the Municipality	124	Number of quarterly Internal Risk Management Committee Meetings held by 30 June	4 quarterly Internal Risk Management Committee Meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To manage risks to the Municipality	125	Risk assessment annually completed by 30 June	Risk assessment annually completed by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A	

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To manage risks to the Municipality	126	Number of quarterly risk register progress reports submitted to the Municipal Manager by 30 June	4 quarterly risk register progress reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To manage risks to the Municipality	127	Number of quarterly risk strategy/implementation plan progress reports submitted to the Municipal Manager by 30 June	4 quarterly risk strategy/implementation plan progress reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To manage risks to the Municipality	128	Risk management policy annually reviewed by 31 May	Risk management policy annually reviewed by 31 May	Date	ITEM AND POLICY	Annually	-	-	-	31-May	26-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-May	30-May	1	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote ethical behaviour	129	Fraud Prevention Policy Annually reviewed by 31 May	Fraud Prevention Policy Annually reviewed by 31 May	Date	ITEM AND POLICY	Annually	-	-	-	31-May	26-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-May	30-May	1	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure effective strategic integrated sustainable development planning in the District	130	Annual Council approved IDP Framework by 31 August	Annual Council approved IDP Framework by 31 August	Date	ITEM AND FRAMEWORK	Annually	31-Aug	-	-	-	23-AUG	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	30-Aug	N/A	N/A	N/A	30-Aug	1	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure effective strategic integrated sustainable development planning in the District	131	Draft IDP annually adopted by Council by 31 March	Draft IDP annually adopted by Council by 31 March	Date	ITEM AND PLAN	Annually	-	-	31-Mar	-	29-MAR	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	31-Mar	N/A	31-Mar	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure effective strategic integrated sustainable development planning in the District	132	Draft Top-layer SDBIP annually submitted to Council with Draft IDP by 31 March	Draft Top-layer SDBIP annually submitted to Council with Draft IDP by 31 March	Date	ITEM AND PLAN	Annually	-	-	31-Mar	-	29-MAR	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	31-Mar	N/A	31-Mar	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure effective strategic integrated sustainable development planning in the District	133	IDP Lekgotla annually held by 30 June	IDP Lekgotla annually held by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	26-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	24-May	-	N/A	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure effective strategic integrated sustainable development planning in the District	134	Number of IDP and Budget Roadshows annually held by 31 May	4 IDP and Budget Roadshows annually held by 31 May	Number	REPORT	Annually	-	-	-	4	3	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	16	16	12	ACHIEVED	A higher number was achieved due to effectiveness of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure effective strategic integrated sustainable development planning in the District	135	Final IDP annually adopted by Council by 31 May	Final IDP annually adopted by Council by 31 May	Date	ITEM AND PLAN	Annually	-	-	-	31-May	26-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-May	30-May	1	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure effective strategic integrated sustainable development planning in the District	136	Final Draft Top-layer SDBIP annually submitted to Council with Draft IDP by 31 May	Final Draft Top-layer SDBIP annually submitted to Council with Draft IDP by 31 May	Date	ITEM AND PLAN	Annually	-	-	-	31-May	26-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-May	30-May	1	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To review and report IDP Implementation progress against predetermined objectives	137	Annually reviewed Organizational Performance Management Framework approved by Council by 31 May	Annually reviewed Organizational Performance Management Framework approved by Council by 31 May	Date	ITEM AND FRAMEWORK	Annually	-	-	-	31-May	26-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-May	30-May	1	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To review and report IDP Implementation progress against predetermined objectives	138	1st Quarter Performance Review Report annually submitted to Council by 30 November	1st Quarter Performance Review Report annually submitted to Council by 30 November	Date	ITEM AND REPORT	Annually	-	30-Nov	-	-	30-NOV	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	24-Nov	N/A	-	24-Nov	6	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To review and report IDP Implementation progress against predetermined objectives	139	Mid-year performance review report annually submitted to Council by 31 January	Mid-year performance review report annually submitted to Council by 31 January	Date	ITEM AND REPORT	Annually	-	-	31-Jan	-	25-JAN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	31-Jan	-	31-Jan	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To review and report IDP Implementation progress against predetermined objectives	140	3rd Quarter Performance Review Report annually submitted to Council by 31 May	3rd Quarter Performance Review Report annually submitted to Council by 31 May	Date	ITEM AND REPORT	Annually	-	-	-	31-May	11-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-May	30-May	1	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To review and report IDP Implementation progress against predetermined objectives	141	Annual report submitted to Auditor General by 31 August	Annual report submitted to Auditor General by 31 August	Date	REPORT	Annually	31-Aug	-	-	-	31-AUG	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	31-Aug	N/A	N/A	-	31-Aug	0	ACHIEVED	N/A	N/A	N/A	N/A
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To implement the Spatial Planning and Land Use Management Act (SPLUMA)	142	Spatial Development Framework reviewed by 30 June	Spatial Development Framework reviewed by 30 June	Date	FRAMEWORK	Quinquennially	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-June	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	143	DGDS triennially reviewed by 30 June	DGDS triennially reviewed by 30 June	Date	STRATEGY	Triennially	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-June	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	144	Number of quarterly DGDS Implementation monitoring reports submitted to the Municipal Manager by 30 June	4 quarterly DGDS Implementation monitoring reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	145	LED Strategy triennially reviewed by 31 May	LED Strategy triennially reviewed by 31 May	Date	STRATEGY	Triennially	-	-	-	31-May	31-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	31-May	31-May	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	146	SMME Strategy triennially reviewed by 30 June	SMME Strategy triennially reviewed by 30 June	Date	STRATEGY	Triennially	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-June	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	147	SLP Coordination Strategy triennially reviewed by 30 June	SLP Coordination Strategy triennially reviewed by 30 June	Date	STRATEGY	Triennially	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-June	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	148	Manufacturing Strategy triennially reviewed by 31 May	Manufacturing Strategy triennially reviewed by 31 May	Date	STRATEGY	Triennially	-	-	-	31-May	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	31-May	31-May	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	149	Number of quarterly LED Strategy Implementation monitoring reports submitted by 30 June	4 quarterly LED Strategy Implementation monitoring reports submitted by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	150	Number of quarterly LED Forum meetings held by 30 June	4 quarterly LED Forum meetings held by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	151	Regional Development Agency (multi-sectoral and multi-stakeholder) established by 30 June	Regional Development Agency (multi-sectoral and multi-stakeholder) established by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	N/A	Delays are foreseen if there is inadequate buy-in by stakeholders.	Target to be discontinued.	N/A	N/A	-	-	-	N/A	N/A	N/A	N/A	Agency will not be done due to limited budget allocations	Target discontinued

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	152	Number of quarterly Mining Forum meetings held by 30 June	4 quarterly Mining Forum meetings held by 30 June	Number	REPORT AND SUBMISSION REGISTER	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote employment opportunities in the District	153	Number of quarterly District SMME Database update reports submitted to the Municipal Manager by 30 June	4 quarterly District SMME Database update reports submitted to the Municipal Manager by 30 June	Number	REPORT AND SUBMISSION REGISTER	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To facilitate increased LED capacity in the District	154	Number of quarterly Local Municipalities LED support reports submitted to the Municipal Manager by 30 June	4 quarterly Local Municipalities LED support reports submitted to the Municipal Manager by 30 June	Number	REPORT AND SUBMISSION REGISTER	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To enhance tourism development and Promote the District as a preferred Tourism Destination	155	Tourism Marketing Strategy triennially reviewed by 31 May	Tourism Marketing Strategy triennially reviewed by 31 May	Date	STRATEGY	Triennially	-	-	-	31-May	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	31-May	31-May	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To enhance tourism development and Promote the District as a preferred Tourism Destination	156	Number of quarterly Tourism Marketing Strategy Implementation Reports submitted to the Municipal Manager by 30 June	4 quarterly Tourism Marketing Strategy Implementation Reports submitted to the Municipal Manager by 30 June	Number	REPORT AND SUBMISSION REGISTER	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To enhance tourism development and Promote the District as a preferred Tourism Destination	157	2 tourism promotion events participated in by 30 June	2 tourism promotion events participated in by 30 June	Date	REPORT AND SUBMISSION REGISTER	Annually	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	2	2	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To enhance tourism development and Promote the District as a preferred Tourism Destination	158	District Tourism Festival Concept Document reviewed by 31 May	District Tourism Festival Concept Document reviewed by 31 May	Date	REPORT AND SUBMISSION REGISTER	Annually	-	-	-	31-May	31-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	31-May	31-May	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To enhance tourism development and Promote the District as a preferred Tourism Destination	159	District Tourism Festival held by 30 September	District Tourism Festival held by 30 September	Date	REPORT AND SUBMISSION REGISTER	Annually	30-Sept	-	-	-	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	30-Sept	N/A	N/A	-	30-Sept	0	N/A	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To enhance tourism development and Promote the District as a preferred Tourism Destination	160	Conduct a feasibility study for the development of a special economic zone submitted to the Municipal Manager by 30 June	Conduct a feasibility study for the development of a special economic zone submitted to the Municipal Manager by 30 June	Date	REPORT AND SUBMISSION REGISTER	Annually	-	-	-	30-Jun	0	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	-	-	N/A	N/A	N/A	N/A	Study will not be done due to limited budget allocations	Target discontinued
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To enhance tourism development and Promote the District as a preferred Tourism Destination	161	Annual progress report on the implementation of the special economic zone feasibility study submitted to the Municipal Manager by 30 June	Annual progress report on the implementation of the special economic zone feasibility study submitted to the Municipal Manager by 30 June	Date	FEASIBILITY STUDY	Annually	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	-	-	N/A	N/A	N/A	N/A	Study will not be done due to limited budget allocations	Target discontinued
LOCAL ECONOMIC DEVELOPMENT	Land Development and Reform	To facilitate availability of land for Economic Development	162	Commonage farms refurbished by 30 June	Commonage farms refurbished by 30 June	Date	REPORT AND SUBMISSION REGISTER	Annually	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Land Development and Reform	To facilitate availability of land for Economic Development	163	Commonage Management policy annually reviewed by 31 May	Commonage Management policy annually reviewed by 31 May	Date	POLICY	Annually	-	-	-	31-May	31-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-May	30-May	1	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Land Development and Reform	To facilitate availability of land for Economic Development	164	Commonage tariff structure annually reviewed by 31 May	Commonage tariff structure annually reviewed by 31 May	Date	TARIFFS	Annually	-	-	-	31-May	31-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-May	30-May	1	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Land Development and Reform	To facilitate availability of land for Economic Development	165	Number of quarterly commonage management implementation reports submitted to the Municipal Manager by 30 June	4 quarterly commonage management implementation reports submitted to the Municipal Manager by 30 June	Date	REPORT AND SUBMISSION REGISTER	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To facilitate the co-ordination of CRDP	166	Number of quarterly agricultural programme reports submitted to the Municipal Manager by 30 June	4 quarterly agricultural programme reports submitted to the Municipal Manager by 30 June	Date	REPORT AND SUBMISSION REGISTER	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote the conservation and development of heritage resources	167	Heritage Resource conservation and management strategy developed by 30 June	Heritage Resource conservation and management strategy developed by 30 June	Date	STRATEGY	Triennially	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	-	-	N/A	N/A	N/A	N/A	Strategy will not be done due to limited budget allocations	Target discontinued

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote the conservation and development of heritage resources	168	Comprehensive heritage resource conservation and development plan for the District developed by 30 June	Comprehensive heritage resource conservation and development plan for the District developed by 30 June	Date	PLAN	Triennially	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	-	-	-	N/A	N/A	N/A	N/A	Plan is conditional to the development of the Heritage Resource conservation and management strategy	Target discontinued
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	169	Number of quarterly Budget and IDP Steering Committee meetings held by 30 June	4 quarterly Budget and IDP Steering Committee meetings held by 30 June	Number	REPORT	Quarterly	1	1	1	1	2	Means of verification to be amended. Current POEs are not adequately aligned. Due to dissolution of council and elections, meetings scheduled for Q2 could not take place.	POEs description amended. Target number reduced from 4 to 3.	0	1	1	0	2	2	NOT ACHIEVED	Temporary disruptions due to the CFO's contract ending in normal workflows and routines, impacting productivity and target attainment.	Business continuity plan and contingencies to be put in place to avoid similar future scenario.	Portfolio of evidence to be adjusted to align with current submission	Change minutes to report
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	170	Number of monthly MFMA Section 71 data strings validation report in the LG Portal within the prescribed timeframe	12 monthly MFMA Section 71 data strings validation report in the LG Portal within the prescribed timeframe	Number	REPORT	Monthly	3	3	3	3	12	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	3	3	3	3	12	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	171	Number of monthly MFMA Section 71 reports submitted to the Mayor within the prescribe timeframe	12 monthly MFMA Section 71 reports submitted to the Mayor within the prescribe timeframe	Number	REPORT	Monthly	3	3	3	3	12	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	3	3	3	3	12	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	172	Number of quarterly Consolidated Municipal financial reports (MFMA Section 11, 52 and 66 reports) submitted by 30 June	4 quarterly Consolidated Municipal financial reports (MFMA Section 11, 52 and 66 reports) submitted by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	173	Number of quarterly borrowing and investment monitoring data strings uploaded on the LG Portal by 30 June	4 quarterly borrowing and investment monitoring data strings uploaded on the LG Portal by 30 June	Number	VALIDATION REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	174	Annual Financial Statements submitted to Auditor General by 31 August	Annual Financial Statements submitted to Auditor General by 31 August	Date	AFS	Annually	31-Aug	-	-	-	31-AUG	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	31-Aug	N/A	N/A	N/A	31-Aug	0	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)	
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4								
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	175	Number of quarterly reports on internal audit findings responded to within the prescribed timeframe by 30 June	4 quarterly reports on internal audit findings responded to within the prescribed timeframe by 30 June	Number	REPORT	Quarterly		1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	176	Pre-audit data strings to the Annual Financial Statements uploaded to the LG Portal by 30 November	Pre-audit data strings to the Annual Financial Statements uploaded to the LG Portal by 30 November	Date	VALIDATION REPORT	Annually		-	30-Nov	-	-	30-NOV	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	30-Nov	N/A	N/A	30-Nov	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	177	Number of bi-annual reports on external audit findings responded to within the prescribed timeframe by 30 June	2 bi-annual reports on external audit findings responded to within the prescribed timeframe by 30 June	Number	REPORT	Biannually		1	1	-	-	2	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	N/A	N/A	2	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	178	Post-audit data strings to the Annual Financial Statements uploaded to the LG Portal by 31 March	Post-audit data strings to the Annual Financial Statements uploaded to the LG Portal by 31 March	Date	VALIDATION REPORT	Annually		-	-	31-Mar	-	31-MAR	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	31-Mar	N/A	31-Mar	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	179	Annual Mid-year budget report submitted to the Executive Mayor by 25 January	Annual Mid-year budget report submitted to the Executive Mayor by 25 January	Date	REPORT	Annually		-	-	25-Jan	-	25-JAN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	25-Jan	N/A	25-Jan	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	180	Adjustment Budget submitted to Council by 28 February	Adjustment Budget submitted to Council by 28 February	Date	BUDGET	Annually		-	-	28-Feb	-	28-FEB	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	28-Feb	N/A	28-Feb	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	181	Adjustment Budget data strings uploaded to the LG Portal by 31 March	Adjustment Budget data strings uploaded to the LG Portal by 31 March	Date	VALIDATION REPORT	Annually		-	-	31-Mar	-	29-MAR	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	31-Mar	N/A	31-Mar	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	182	Medium Term Revenue and Expenditure Framework submitted to the Municipal Manager by 31 May	Medium Term Revenue and Expenditure Framework submitted to the Municipal Manager by 31 May	Date	FRAMEWORK	Annually		-	-	-	31-May	30-MAY	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-May	30-May	1	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	183	Number of procedure manuals annually reviewed by 31 May	3 procedure manuals annually reviewed by 31 May	Number	MANUALS	Annually	-	-	-	3	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	3	3	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	184	Budget data strings uploaded to the LG Portal by 30 June	Budget data strings uploaded to the LG Portal by 30 June	Date	VALIDATION REPORT	Annually	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	185	Number of biannual financial statements submitted to Audit and Performance Committee by 30 June	2 biannual financial statements submitted to Audit and Performance Committee by 30 June	Number	FINANCIAL STATEMENTS	Biannually	-	1	-	1	2	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	186	Number of monthly financial performance reports submitted to Senior Management by 30 June	8 monthly financial performance reports submitted to Senior Management by 30 June	Number	REPORT	Monthly	2	2	2	2	8	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	2	2	2	2	8	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	187	Number of quarterly Back to Basics reports submitted to the Municipal Manager by 30 June	4 quarterly Back to Basics reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	8	Means of verification to be amended. Current POEs are not adequately aligned. Back to Basics reporting requirement requested on a quarterly basis.	POEs description amended. Target number reduced from 12 to 4.	1	0	-	-	1	0	N/A	N/A	N/A	Province has not provided a way forward in regards to reporting on Back2Basics, the target is no longer practicable	Target discontinued
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	188	Revenue enhancement strategy developed and annually reviewed by 30 June	Revenue enhancement strategy developed and annually reviewed by 30 June	Date	STRATEGY	Annually	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	189	Number of quarterly Financial Management Capability Maturity Model (FMCM) reports submitted to the Municipal Manager by 30 June	4 quarterly Financial Management Capability Maturity Model (FMCM) reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	3	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	0	1	-	-	1	1	N/A	N/A	N/A	Due to the FMCM reports being submitted on a web-based platform, the target is no longer practicable	Target discontinued
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	190	Annual Procurement Plan reviewed and submitted to the Municipal Manager by 30 June	Annual Procurement Plan reviewed and submitted to the Municipal Manager by 30 June	Date	PLAN	Annually	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	191	Number of quarterly progress reports on implementation of the procurement plan submitted to Office of the Municipal Manager and Treasuries by 30 June	4 quarterly progress reports on implementation of the procurement plan submitted to Office of the Municipal Manager and Treasuries by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	192	Number of quarterly reports on implementation of the Supply Chain Management policy submitted to the Executive Mayor and Council by 30 June	4 quarterly reports on implementation of the Supply Chain Management policy submitted to the Executive Mayor and Council by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	193	Contract management report submitted to the Municipal Manager by 30 June	Contract management report submitted to the Municipal Manager by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To ensure that the municipal assets are properly safeguarded	194	Percentage of assets insured by 30 June	Percentage of assets insured by 30 June	Percentage	REPORT	Quarterly	100%	100%	100%	100%	100%	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	100%	100%	100%	100%	100%	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To ensure that the municipal assets are properly safeguarded	195	Number of quarterly Asset Management Policy implementation reports submitted to the Municipal Manager by 30 June	4 quarterly Asset Management Policy implementation reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To ensure that the municipal assets are properly safeguarded	196	Number of quarterly Functional Assets Management Steering Committee meetings held by 30 June	4 quarterly Functional Assets Management Steering Committee meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	197	Comprehensive HR Strategy reviewed by 30 June	Comprehensive HR Strategy reviewed by 30 June	Date	STRATEGY	Annually	-	-	-	30-Jun	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	198	Number of bi-annual HR Strategy implementation monitoring reports submitted to Council by 30 June	Number of bi-annual HR Strategy implementation monitoring reports submitted to Council by 30 June	Number	REPORT	Biannually	-	1	-	1	2	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	199	Council approved staff structure annually reviewed by 30 June	Council approved staff structure annually reviewed by 30 June	Date	ORGANOGRAM	Annually	-	-	-	30-Jun	30-JUN	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	200	Number of quarterly HR status reports submitted to the Municipal Manager by 30 June	4 quarterly HR status reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To provide integrated human resource service	201	Quinquennially reviewed Employment Equity Plan by 31 May	Quinquennially reviewed Employment Equity Plan by 31 May	-	-	-	-	-	-	-	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Target not applicable for 2022/23	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	202	20 HR policies annually reviewed by 30 June	20 HR policies annually reviewed by 30 June	Date	POLICIES	Annually	-	-	-	30-Jun	0	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	203	Senior Management annual performance assessment panel facilitated by 30 September	Senior Management annual performance assessment panel facilitated by 30 September	Date	REPORT	Annually	30-Sept	-	-	-	30-SEPT	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	30-Sept	N/A	N/A	-	30-Sept	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	204	Number of bi-annual Individual Performance Committee meetings held by 30 June	2 bi-annual Individual Performance Committee meetings held by 30 June	Number	MINUTES	Biannually	-	1	-	1	2	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	205	Electronic Performance Management System implemented by 30 June	Electronic Performance Management System implemented by 30 June	Date	REPORT	Annually	-	-	-	30-Jun	N/A	Delays in the implementation of the electronic system due to inadequate infrastructure.	Target to be discontinued.	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide adequate opportunities for the development of employees and councillors	206	Annually reviewed WSP submitted to LGSETA by 30 April	Annually reviewed WSP submitted to LGSETA by 30 April	Date	ITEM AND PLAN	Annually	-	-	-	30-Apr	29-APR	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Apr	30-Apr	0	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide adequate opportunities for the development of employees and councillors	207	Annual training report submitted to LGSETA by 30 April	Annual training report submitted to LGSETA by 30 April	Date	REPORT	Annually	-	-	-	30-Apr	29-APR	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Apr	30-Apr	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide adequate opportunities for the development of employees and councillors	208	Number of bi-annual Training Committee meetings held by 30 June	2 bi-annual Training Committee meetings held by 30 June	Number	MINUTES	Biannually	-	1	-	1	2	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide IT services	209	IT Strategy biennially reviewed by 31 May	IT Strategy biennially reviewed by 31 May	Date	STRATEGY	Annually	-	-	-	31-May	N/A	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-May	30-May	1	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide IT services	210	IT Policy annually reviewed by 31 May	IT Policy annually reviewed by 31 May	Date	POLICY	Annually	-	-	-	31-May	0	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-May	30-May	1	ACHIEVED	An earlier date was achieved for the quarter due to efficiency of the department	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide IT services	211	Number of bi-annual internal IT Steering Committee meetings held by 30 June	2 bi-annual internal IT Steering Committee meetings held by 30 June	Number	MINUTES	Biannually	-	1	-	1	2	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide IT services	212	Number of monthly IT Support and IT Services Management reports submitted to the Municipal Manager by 30 June	12 monthly IT Support and IT Services Management reports submitted to the Municipal Manager by 30 June	Number	REPORT	Monthly	3	3	3	3	12	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	3	3	3	3	12	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide IT services	213	Disaster Recovery and Business Continuity Plan reviewed by 31 March	Disaster Recovery and Business Continuity Plan reviewed by 31 March	Date	PLAN	Annually	-	-	-	31-Mar	31-MAR	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	31-Mar	31-Mar	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide IT services	214	Number of quarterly Disaster Recovery and Business Continuity implementation reports submitted to the Municipal Manager by 30 June	4 quarterly Disaster Recovery and Business Continuity implementation reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2021/2022)	MOTIVATION FOR ADJUSTMENT (2021/2022)	PROPOSED PERFORMANCE ADJUSTMENT (2021/2022)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2022-2023)	VARIANCE	ACHIEVED / NOT ACHIEVED (2022-2023)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2022-2023)	CORRECTIVE MEASURES TO BE TAKEN (2022-2023)	MOTIVATION FOR ADJUSTMENT (2022-2023)	PROPOSED PERFORMANCE ADJUSTMENT (2022-2023)	
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4								
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide IT services	215	Number of monthly website maintenance reports submitted to the Municipal Manager by 30 June	12 monthly website maintenance reports submitted to the Municipal Manager by 30 June	Number	REPORT	Monthly		3	3	3	3	12	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	3	3	3	3	12	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide record management services	216	Record Management Policy annually reviewed by 30 June	Record Management Policy annually reviewed by 30 June	Date	POLICY	Annually		-	-	-	30-Jun	0	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	N/A	N/A
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide record management services	217	Number of quarterly record management reports submitted to the Municipal Manager by 30 June	4 quarterly record management reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly		1	1	1	1	4	Means of verification to be amended. Current POEs are not adequately aligned.	POEs description amended.	1	1	1	1	4	0	ACHIEVED	N/A	N/A	N/A	N/A

e. Lessons Learned:

Reward and Recognition: Fostering a Culture of Excellence

The establishment of a meaningful reward and recognition system is not an isolated endeavor; rather, it thrives within an ecosystem where performance feedback and discussions flourish. The very essence of effective performance management hinges on this symbiotic relationship—a reciprocal dance where each element feeds the other, amplifying their collective impact.

In this dynamic, continuous performance management emerges as the linchpin that bridges the realms of effort and acknowledgment. This intricate choreography enables management to discern activities and efforts that merit acclaim or reward. It unveils a tapestry of contributions, rendering visible the often-hidden threads of dedication and commitment. As the spotlight shines on these endeavors, a profound transformation is catalyzed—the cultivation of a growth mindset. Employees, recognizing that their hard work and dedication are both seen and valued, are spurred to embrace a mentality of continuous improvement and learning. The virtuous cycle of recognition begets an elevated commitment to excellence—a commitment that does not waver in the face of challenges but instead soars to new heights.

Employee Engagement and Productivity: Nurturing a Thriving Workforce

Employee engagement is the fuel that propels the machinery of productivity, a phenomenon where each individual's commitment converges to create an unstoppable momentum. The nexus between engagement and productivity finds its nexus in the realm of performance management. Engaged employees, invested in their roles and responsibilities, contribute exponentially more to their workplaces. They remain steadfast, evolving beyond mere job descriptions to actively contribute their insights, creativity, and enthusiasm. In this orchestration, performance management plays the role of conductor, orchestrating an ensemble where each employee's role is not merely a task but a meaningful contribution. When aligned with an encompassing vision and provided with constructive feedback, employees are empowered to amplify their engagement, resulting in a harmonious crescendo of enhanced productivity.

Employee Development Strategies: Nurturing Growth

Proactive employee development is the bedrock upon which organizations nurture growth and innovation. The journey of development is not a solitary expedition but a shared endeavor that thrives in the fertile soil of continuous performance management. Through regular catch-ups and deliberations, management embarks on a partnership with employees—one characterized by a mutual commitment to excellence. These interactions pave the way for the identification of development needs, the exploration of growth opportunities, and the formulation of comprehensive development plans. This alignment between individual aspirations and organizational goals is akin to the harmonization of instruments within an orchestra—each contributing its distinct notes to create a symphony of progress.

Clarification Concerning SMART Goals: Illuminating the Path Ahead

The essence of effective performance management rests in its ability to cut through ambiguity and illuminate the path toward achievement. This clarity is especially evident when it comes to goal setting—an indispensable element in an organization's journey. The intricate processes underpinning performance management disentangle the web of vagueness that can cloud goal establishment. With precision, the SMART framework—Specific, Measurable, Achievable, Relevant, and Time-bound—guides goal formulation, transforming aspirations into actionable roadmaps. Performance management does not merely elucidate these goals; it empowers individuals to embrace them wholeheartedly, confident in their clarity and pertinence.

Unveiling a Tapestry of Excellence

In this intricate choreography of performance management, a narrative of excellence unfolds—a narrative that transcends administrative processes and delves into the heart of organizational culture. The interplay between continuous performance management, recognition, engagement, development, and goal clarity forges a tapestry where each thread interlocks seamlessly with the others. The result is a vibrant fabric that encapsulates dedication, progress, and collective achievement.

This narrative is not confined to spreadsheets and reports; it resonates in the corridors, energizes boardrooms, and reverberates in every interaction. It is the heartbeat that propels organizations toward their aspirations, reminding us that performance management is more than a procedure—it is a symphony of growth, a testament to commitment, and an ode to the boundless potential that emerges when individuals and organizations harmonize their efforts in pursuit of excellence.



AGSA REPORT 2022/2023 VOL.4

John Taolo Gaetsewe District Municipality

Email: mmsec@taologaetsewe.gov.za

Website: www.taologaetsewe.gov.za

Tel: 053-712-8700

4 Federale Mynbou, Kuruman, NC, 8460

Report of the auditor-general to the Northern Cape Provincial Legislature and the council on John Taolo Gaetsewe District Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the John Taolo Gaetsewe District Municipality set out on pages xx to xx, 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 information with actual information 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 John Taolo Gaetsewe District 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 Practice (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.

Other matter

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

Unaudited disclosure notes

7. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed 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

8. 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 the 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.
9. 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

10. 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.
11. 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 annual performance report

12. 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 information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
13. I selected the following material performance indicators related to KPA 1 - Basic Service Delivery and Infrastructure Development presented in the annual performance report for the year ended 30 June 2023. I selected those indicators that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

- Number of quarterly progress reports on the Extension of the Hotazel – Port Elizabeth railway line submitted to the Municipal Manager by 30 June
- Number of monthly RRAMS expenditure reports submitted to Department of Transport by 30 June
- Annual RRAMS Business Plan submitted to Department of Transport by 31 May
- Service Provider appointed to provide support with the updating of the RRAMS by 15 December
- Number of quarterly RRAMS progress reports submitted to Department of Transport by 30 June
- Number of triannual Integrated Transport Plan update progress reports submitted to the Municipal Manager by 30 June
- Draft Updated Integrated Transport Plan annually submitted to the Municipal Manager by 31 May
- Integrated Transport Plan Stakeholder engagement annually completed by 31 March
- Final updated Integrated Transport Plan annually submitted to the Department of Transport, Safety and Liaison by 30 June
- District Transport Authority established by 30 June
- Number of quarterly Joe Morolong LM internal road monitoring reports submitted to the Municipal Manager by 30 June
- Number of quarterly Gamagara LM internal road monitoring reports submitted to the Municipal Manager by 30 June
- Number of quarterly Ga-Segonyana LM internal road monitoring reports submitted to the Municipal Manager by 30 June
- Number of quarterly progress reports regarding engagements with key stakeholders for the establishment of the Regional Airport be submitted to the Municipal Manager by 30 June
- 3 revised Internal Roads Paving EPWP Business Plans submitted to the Provincial Department by 31 October
- Number of quarterly progress reports on the eradication of mud houses submitted to the Municipal Manager by 30 June
- Number of quarterly progress reports on the development of a Regional Hospital submitted to the Municipal Manager by 30 June

- Provision of emergency housing report submitted to the Municipal Manager by 30 June
- Number of quarterly progress reports on the Improved school infrastructure submitted to the Municipal Manager by 30 June
- 2 cemetery upgrade projects completed in Ga-Segonyana LM by 30 June
- 2 cemetery upgrade projects completed in Joe Morolong LM by 30 June

14. I evaluated the reported performance information for the selected material performance indicators 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.

15. 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 measures taken to improve performance.

16. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

17. I did not identify any material findings on the reported performance information for the selected indicators.

Report on compliance with legislation

18. 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.

19. 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.
20. 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.
21. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Procurement and contract management

22. The preference point system was not applied to procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act.

Expenditure management

23. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R373 668, as disclosed in note 43 the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest and penalties on late payments.
24. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R 1 651 263, as disclosed in note 42 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by overspending of the approved budget.

Other information in the annual report

25. 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 those selected indicators presented in the annual performance report that have been specifically reported on in this auditor's report.
26. 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.
27. 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 indicators presented in

the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

28. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

29. 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.
30. 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.
31. There are weaknesses in controls over daily and monthly processing and reconciliation of transactions which resulted in material findings in the financial statements.
32. There is lack of monitoring of implementation of internal controls regarding compliance within the district municipality which resulted in material non-compliance with laws and regulations.

Material irregularities

33. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.

Material irregularities in progress

34. The material irregularities identified are as follows:

The appointment of consultants to prepare Annual Financial Statements (AFS) was not effective, efficient and economical

35. The accounting officer did not use the resources of the municipality effectively < efficiently and economically as required by section 62(1)(a) of the MFMA. This non-compliance has resulted in a likely material financial loss for the municipality as it has been making use of consultants for the preparation of their annual financial statements for the past five (5) years, without capacitating their internal staff. In addition, it was identified that the actual amount paid to consultants for the three years of service, exceeded the contract value. The full extent of the overpayment could not be determined due to lack of controls within the municipality in splitting the invoices per different types of services received from the consultants.
36. The accounting officer was notified of the material irregularity on 15 February 2023 and invited to make a written submission on the actions taken and that will be taken to address the matter.

The following actions have been taken by the accounting officer to address the material irregularity:

- Re-configuration of the organisation structure to incorporate a unit in the Budget and Treasury Office that deals specifically with preparation of financial statements and audit related processes by 31 May 2023.
- Review, Update and monitor implementation of the consultant reduction strategy and implementation plan by June 2023.
- Relevant officials within the Budget and Treasury Office to undergo refresher training on financial systems, GRAP and CaseWare planned for December 2023
- 2022/23 Interim financial statements and audit file prepared internally on quarterly basis and subjected to external reviews planned for June 2024
- Consultants appointed on the reduced scope to review the financial statements and assist with audit processes planned for 31 May 2023
- The accounting officer will start the investigation process in determining the relevant official for the MI, after the approval of the council target date 31 March 2023

37. I will follow up on the progress of the material irregularity during my next audit.

Other reports

38. In addition to the investigations relating to material irregularities, 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.

39. The municipality is still undergoing investigation which is conducted by the South African Police Services under the directorate for Priority, Crime, Investigation, Serious, and Commercial Crime Unit. The investigation is regarding the procurement processes of the temporary housing units.

Auditor General

Auditor-General

Kimberley

30 November 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

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 indicators 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.

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), 32(6)(a), Sections 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), 62(1)(f)(ii), Sections 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), Sections 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), Sections 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), Sections 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), Sections 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulation 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), 17(1)(b), Regulations 17(1)(c). 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a) and (b), 29(5)(a)(ii), 29(5)(b)(ii), Regulations 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), Regulations 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Sections 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, 2004	Regulations 17, 25(7A)

Legislation	Sections or regulations
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), 7(1), Regulations 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), 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)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 27(1), 29(1)(b)(ii), 29(2)(a), Sections 29(2)(c), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, Sections 43(2), 56(a), 57(2)(a), 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), Sections 67(1)(d), 74(1), 93J(1), 96(b) Parent municipality with ME: Sections 93B(a), 93B(b) Parent municipality with shared control of ME: Sections 93C(a)(iv), 93C(a)(v)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(5)(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)



AUDIT ACTION PLAN 2022/2023 VOL.5

John Taolo Gaetsewe District Municipality

Email: mmsec@taologaetsewe.gov.za

Website: www.taologaetsewe.gov.za

Tel: 053-712-8700

4 Federale Mynbou, Kuruman, NC, 8460

Project OPCAR (Operation Clean Audit Report) - 2022/2023

Joint Action Item List (JAIL)

Municipality: John Taolo Gaetsewe District Municipality

Date: 30 June 2024 31/01/2024

Task identified	3
Work in progress	0
Completed	0

Purpose: The purpose of the JAIL is to track the allocation and status of project actions

EX No.	Item	Rating/Impact on Audit Report	Internal Control Deficiency	Actions to be taken	COMPLETION STATUS	Target Date	Revised Date	Prog%	Responsibility	Department within the Municipality	Remarks
1	<p>Unauthorised expenditure During the audit of unauthorised expenditure, it was noted that the amount disclosed in Note 42 of the unaudited financial statements has been overstated in relation to the unauthorised expenditure amount for the current period i.e. 2022-2023.</p> <p>The identified differences on the unauthorised expenditure disclosed could not be as a result of the provision of the MFMA Circular 68 as indicated above, as the definition of unauthorised expenditure in the MFMA does not distinguish between cash and non-cash items and as a result the municipality is still required to take into account any non-cash items that were not budgeted for when calculating unauthorised expenditure as these items should have been budgeted for.</p> <p>The differences between the unauthorised expenditure presented in the unaudited financial statements and the unauthorised expenditure as recalculated are detailed below. The unauthorised expenditure relating to Vote 2 is the only one from capital expenditure.</p>		The municipality did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information	<p>The most effective processes are inclusive, transparent, and efficient. Management will improve on the budgeting processes:</p> <ol style="list-style-type: none"> 1. Ensuring that the budget controls are effectively implemented. 2. Ensure that the officials responsible for budget get proper training on budgeting realistically for non cash items . 3. Review the appropriation tool to ensure that unauthorised expenditure is calculated correctly. 	0	30-Jun-24		0%	Manager: Budget, Reporting & Compliance	Budget and Treasury Office (BTO)	
2	<p>SCM: Non-compliance with Treasury regulations and Preferential procurement regulation</p> <p>During the procurement testing, it was noted that the below suppliers that went under the quotation process did not adhere to the PPR 2022 which applies to quotations and tenders invited on or after 16 January 2023.</p> <p>Document number Supplier name Amount Date of procurement JTGDM/EFT06397 Galactic Deals 123 R19 028.12 2023/06/28 JTGDM/EFT06084 City Lodge Hotels R18 720.00 2023/04/14 JTGDM/EFT05748 Reshub R15 720 2023/02/10 JTGDM/EFT06107 Lefa Connection R12 600 2023/04/13 JTGDM/EFT05901 Media 24 R13 689.60 2023/03/14 JTDMEFT06403 Deco and catering by LSG R11 040 2023/06/30 JTGDM/EFT06001 Reshub R11 790 2023/03/24 JTGDM/EFT06085 RESHUB (Southern sun) R11 760 2023/04/11</p>		The municipality did not review and monitor compliance with applicable laws and regulations.	Council to review SCM policy. The SCM policy will be updated to include the application of PPR 2022 on the threshold below R30 000 as well and will be tabled on the next council meeting. Going forward SCM should apply the points on all the transacations.	0	31-Jan-24		0%	Head: SCM	Budget and Treasury Office (BTO)	
3	<p>Fruitless and wasteful expenditure Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R 373 668, as disclosed in note 43 to the annual financial statements in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest and penalties on late payments.</p>		The municipality did not review and monitor compliance with applicable laws and regulations.	<p>Meetings to be held with Eskom and Telkom in order to resolve the issue of auto generated penalties.</p> <p>Prepare monthly accounts recons for contracted services such as Telephone, electricity and municipal services.</p> <p>The management to ensure that the creditors are paid within the prescribed time to ensure compliance with the sec 65 (e) of the MFMA</p>	0	29-Feb-24		0%	Snr officer: Expenditure management and payroll	Budget and Treasury Office (BTO)	

TOTAL PROGRESS

0%

1. Description of finding	RESPONSIBLE PERSON: Manager: Budget, Reporting & Compliance
Internal Control Deficiency: Financial and performance management	Due Date: 30-Jun-24

Finding
<p>During the audit of unauthorised expenditure, it was noted that the amount disclosed in Note 42 of the unaudited financial statements has been overstated in relation to the unauthorised expenditure amount for the current period i.e. 2022-2023.</p> <p>The identified differences on the unauthorised expenditure disclosed could not be as a result of the provision of the MFMA Circular 68 as indicated above, as the definition of unauthorised expenditure in the MFMA does not distinguish between cash and non-cash items and as a result the municipality is still required to take into account any non-cash items that were not budgeted for when calculating unauthorised expenditure as these items should have been budgeted for.</p>

Proposed Solution		Resources to be used
<p>(a) The most effective processes are inclusive, transparent, and efficient. Management will improve on the budgeting processes:</p> <ol style="list-style-type: none"> 1. Ensuring that the budget controls are effectively implemented. 2. Ensure that the officials responsible for budget get proper training on budgeting realistically for non cash items . 3. Review the appropriation tool to ensure that unauthorised expenditure is calculated correctly. 	(a)	Municipal budget and reporting regulations MFMA National Treasury circulars IDP System generated budget reports
(b)	(b)	
(c)	(c)	
(d)	(d)	

Progress (from last reporting date)	
(a)	
(b)	
(c)	
(d)	

2. Description of finding	RESPONSIBLE PERSON: Head: SCM
Internal Control Deficiency: Financial and performance management re	Due Date: 31-Jan-24

Finding
<p>SCM Policy not followed (Quotations)</p> <p>During the procurement testing, it was noted that the below suppliers that went under the quotation process did not adhere to the PPR 2022 which applies to quotations and tenders invited on or after 16 January 2023.</p> <p>Document number Supplier name Amount Date of procurement</p> <p>JTGDM/EFT06397 Galactic Deals 123 R19 028.12 2023/06/28</p> <p>JTGDM/EFT06084 City Lodge Hotels R18 720.00 2023/04/14</p> <p>JTGDM/EFT05748 Reshub R15 720 2023/02/10</p> <p>JTGDM/EFT06107 Lefa Connection R12 600 2023/04/13</p> <p>JTGDM/EFT05901 Media 24 R13 689.60 2023/03/14</p> <p>JTDM/EFT06403 Deco and catering by LSG R11 040 2023/06/30</p> <p>JTGDM/EFT06001 Reshub R11 790 2023/03/24</p>

Proposed Solution	Resources to be used
(a) Council to review SCM policy. The SCM policy will be updated to include the application of PPR 2022 on the threshold below R30 000 as well and will be tabled on the next council meeting.	(a) Common interpretation and understanding of Gazette on the implementation of PPR2022
(b) Going forward SCM should apply the points on all the transactions.	(b) Common interpretation and understanding of Gazette on the implementation of PPR2022
(c)	(c)
(d)	(d)

Progress (from last reporting date)
(a)
(b)
(c)
(d)

3. Description of finding	RESPONSIBLE PERSON: Snr officer: Expenditure management and payroll
Internal Control Deficiency: Financial and performance management re	Due Date: 31-Jan-24

Finding
Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R 373 668, as disclosed in note 43 to the annual financial statements in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest and penalties on late payments.

Proposed Solution	Resources to be used
(a) Meetings to be held with Eskom and Telkom in order to resolve the issue of auto generated penalties	(a) MFMA act of 2003
(b) Prepare monthly accounts recons for contracted services such as Telephone, electricity and municipal services	(b) MFMA act of 2003
(c) The management to ensure that the creditors are paid within the prescribed time to ensure compliance with the sec 65 (e) of the MFMA	(c) MFMA Tax administration act
(d)	(d)

Progress (from last reporting date)
(a)
(b)
(c)
(d)

Allocation of points to completion of task:

5	Task completed	100%
4	Satisfactory progress	75% - 99%
3	Progress being made	50% - 74%
2	Slow progress	25% - 49%
1	No progress	0% - 24%