



**GREATER GIYANI
MUNICIPALITY**

GREATER GIYANI MUNICIPALITY ANNUAL REPORT 2023-24

Taking the lead in service delivery

Vision: “A Municipality where environmental sustainability, tourism and agriculture, and mineral resources thrive for economic growth”

Mission: A democratic and accountable municipality that ensures the provision of services through sound environmental management practices, local economic development and community participation

JIM NGHALALUME COMMUNITY HALL



SIYANDHANI UPGRADING FROM GRAVEL TO PAVING



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TABLE OF ACRONYMS

AG	Auditor-General
GGM	Grater Giyani Municipality
MDM	Mopani District Municipality
COMM	Communications Division
CWP	Community Works Programme
DMP	Disaster Management Plan
DoE	Department of Energy
DoHS	Department of Human Settlement
Strats	Strategic Planning and Local Economic Development
EMP	Environmental Management Plan
EPWP	Expanded Public Works Programme
FBW	Free Basic Water
FY	Financial Year
IDP	Integrated Development Plan
IGR	Intergovernmental Relation
LED	Local Economic Development
MFMA	Municipal Finance Management Act, No, 56 of 2003
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MPAC	Municipal Public Account Committee
MSIG	Municipal Systems Improvement Grant
MW	Municipal Wide
N/A	Not applicable
SLA	Service Level Agreement
PIA	Project Implementing Agent
PMS	Performance Management System
PMU	Project Management Unit
SCM	Supply Chain Management
SLP	Social and Labour Plan
SDBIP	Service Delivery and Budget Implementation Plan

GENERAL INFORMATION

NAME OF ORGANIZATION	GREATER GIYANI MUNICIPALITY
TYPE OF ORGANIZATION	LOCAL GOVERNMENT/MUNICIPALITY CATEGORY B
PROVINCE	LIMPOPO
DISTRICT	MOPANI

REGISTERED ADDRESS

**CIVIC CENTRE
GIYANI MAIN
ROAD
GIYANI
0826**

POSTAL ADDRESS

**PRIVATE BAG X
9559
GIYANI
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WEBSITE

www.gretergiyani.gov.za

BANKERS

ABSA BANK LIMITED

AUDITORS

**AUDITOR-GENERAL OF
SOUTH AFRICA**

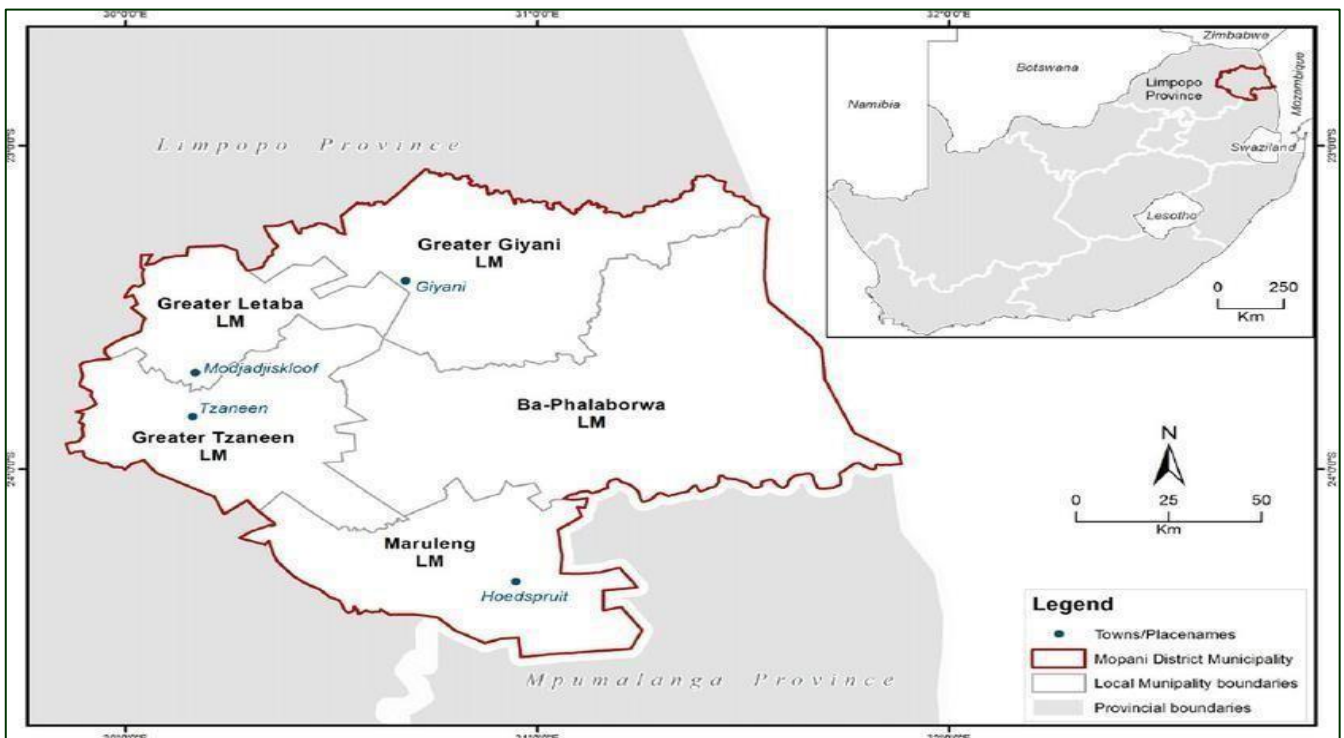
MAYOR

CLR ZITHA T

ACCOUNTING OFFICER / MUNICIPAL MANAGER

KHOZA VD

LOCATIONAL MAP





The Greater Giyani Municipality hereby, in terms of section 127 subsection 2 of the MFMA Act no 56 of 2003. Presented to council the Annual Report 2023/2024 which outlines achievements and challenges for the year under review.

Greater Giyani is a municipality where environmental sustainability, tourism, agriculture, and mineral resources thrives for economic growth.

As municipality, we are committed to continuously search for mechanism to identify priorities and problems in the quest for efficient and effective alternatives towards maximum and sustainable fulfilment of our mandate as enshrined in the Constitution of the Republic of South Africa. The mandates as highlighted in Section 152 (objects of local government):

- Provision of democratic and accountable government for our communities
- Provision of basic services in a sustainable manner
- Promotion of social and economic development
- Promotion of safe and healthy environment
- Encourage the involvement of communities in matters of local government
- Involvement of communities and community organizations in matters of local government.

The municipality also engaged in a strategic planning session which took place in Karibu Leisure Resort during the second quarter of the financial year. This exercise is part of the IDP review processes which look into the current vision, mission, and strategic objectives of the municipality. This process is also guided by:

- The need to set out the core principles, mechanisms and processes that give meaning to development and to empower the municipality to move progressively towards social and economic upliftment of communities and the provision of basic services to all communities.
- The democratic operative for local government to actively involve and engage communities.

The review process which facilitates planning and delivery, also informs decisions on issues that include budgeting, local economic development, and institutional transformation. This process was done in a consultative, systematic and strategic manner. The IDP processes also guided all the activities during the integration phase regarding all projects from other spheres of government, corporate service providers, NGOs, and the private sector institutions.

Furthermore, the municipality has developed and reviewed its policies in the 2023/24 financial year to align with new legislations.

Greater Giyani Municipality has complied with all the phases of the IDP in line with the adopted process plan. We engaged communities in the form of clusters which

has been adopted by the municipality. The municipality also consulted widely, key stakeholders and the private sector organizations, religious organizations, instruments of traditional leadership etc. This process has assisted the municipality in the compilation of the basket of developmental issues which remain endowed to our communities.

These developmental issues range from electricity, roads, water, sanitation, housing, access to health facilities, sporting amenities, crime, unemployment etc. The consultative processes are also informed by the National Development Plan (NDP) 2030 with its central focus on Reducing poverty and unemployment.

This is supported by the Local Government, Municipal System Act no 32 of 2000 which stipulate that the municipality must undertake developmental oriented planning so that to ensure that it, (a) strives to achieve the objectives of local government as set out in in section 152 of the constitution. (b) to give effect to its developmental duties as required by section 152 of the constitution.

The municipality, in line with the legislated imperatives has developed an annual report which gives account to municipal performance in terms of its own set pre-determined objectives which set target that need to be achieved at the end of that financial year. The annual report also indicates challenges for the targets not achieved and the reasons for non-achievement.

These are some of the achievements for the year under review:

- Shikhumba Upgrading from gravel to paving for 2.6 km
- Construct Silawa upgrading of roads from gravel to paving for 1,8 km
- Construction of Jim Nghalalume Community Hall
- Construction of Homu14B Sports Centre
- Construction of Civic Centre Building Phase 4
- Connect 565 units at Siyandhani Village
- Connect 181 units at Xivulani Village
- Connect 258 units at Mninginisi Block 3
- Connect 457 units at Homu 14A
- Connect 303 units at Bode Village
- Connect 210 units at Sikhunyani Village
- Connect 188 units at Mapayeni Village
- Connect 198 units at Gawula Village
- Connect 214 units at Khakhala Village
- Installation of energy saving streetlights on Giyani R81 Road Phase 2

These are just the highlight of some of the projects which were achieved in the financial year under review. There were many projects which are implemented in a multiyear set up and projects that are undertaken by the sector departments.

Some of the projects which experienced challenges during the year under review include and amongst others; a) Mavalani indoor sport centre, b) Section E sport centre, c) TP Khuvutlu Tennis court.

The municipality will continue improving the lives of the people of Giyani by amongst others electrifying the following communities (Xikukwani, Mnghonghoma, Matsotsosela, Mahlathi, Mageva, and Loloka,

It will further install energy saving streetlights, high mast and traffic lights. Furthermore, the municipality will upgrade roads at Shawela, Hlomela, and N'wa-Mankena, from gravel to paving.

We want to urge all Greater Giyani residents, stakeholders, NGOs, and the private sector institutions to maximumly participate in community IDP consultative meetings to assist the municipality to plan better for the realisation of its predetermined objectives.



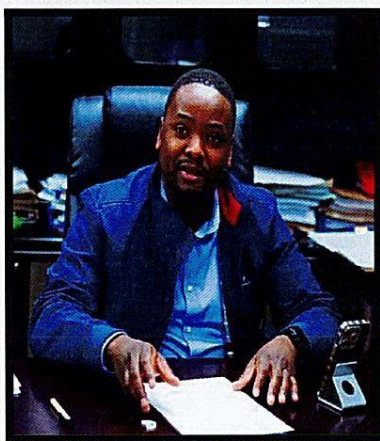
Cllr. Zitha T
Mayor

28 / 01 / 2025
Date

Chapter One: Overview by the Municipal Manager

Component B: Executive Summary

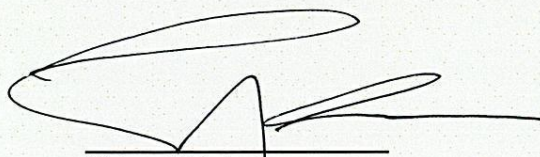
1.1 Overview by the Municipal Manager



Greater Giyani Municipality is an organization that derives its pride on environmental sustainability, tourism, mining and agriculture for economic growth. The 2023/24 Financial Year came with a lot of hard work from the municipal workforce and the collective commitments which resulted in significant achievement recorded in the period under reporting. The Municipality has been able to improve the lives of the Greater Giyani communities through infrastructure development such as electricity connections, paved roads, building of community halls, a sport centre, the provision of energy saving streetlights. These will assist in reduction of crime, encourage social cohesion, and facilitate economic development within the affected communities.

The municipality has also managed to assist SMME's financially and by exposing them to various markets where their products were showcased to larger audiences. The markets include Rand Easter Show, Durban Indaba, Marula Festival, and pop-up markets. The overall performance of the municipality has improved from 69% in the 2022/23 financial year to 80% in the current year. It is highly encouraging that our core business department, Basic Service Delivery, and Infrastructure Development, was able to achieve 73% on the planned targets which is an improvement compared to the 57% achieved in the 2022/23 financial year. Local Economic Development achieved 86% on the LED targets. Our bid specification, evaluation and adjudication committees sit regularly to ensure timeous appointment of service providers, regardless of the overwhelming number of bids we attract. However, high vacancy rate is a challenge due to limited financial resources and high personnel turnover. We also developed policies that guided the municipality's day to day functions and the policies are reviewed at least once per year.

In conclusion, the municipality has obtained an unqualified audit outcome during 2023/24 financial year as per the Auditor General of South Africa. Furthermore, the Municipality made improvements on its project expenditure by increasing spending of MIG and INEG to 100% in 2023/24 financial year and therefore realise its objectives.



Khoza VD
Municipal Manager

28/01/2025
Date

Municipal Functions, Population and Environmental Overview

1.2.1 Municipal Functions

	Responsible Department	Definition
Municipal Planning	Strategic Planning & LED	Development of the integrated development plan in terms of the municipal Systems Act, 32 of 2000.
Local Tourism	Strategic Planning & LED	The promotion, marketing and, if applicable, the development of any tourism attraction within the area of the municipality with a view to attract Tourist; to ensure access, and municipal services to such attraction, and to regulate structure and control
Markets	Community Services and Strategic planning and LED	The establishment, operations, management, conduct, regulations and / or control of markets other than fresh produce markets including market permits, location, times, conduct, etc.
Trading Regulations	Strategic Planning & LED	To regulate of any facility and /or activity related to the trading of goods and services within the municipal area not already regulated by National and provincial legislation
Municipal Parks	Technical Services and Community Services	The provision, management, control and maintenance of any land, garden or facility set aside for recreation, sightseeing and / or tourism and including playground, but exclude sport facilities.
Open places	Community Services	The management, maintenance, and control of any or facility owned by the municipality for public use.
Noise pollution	Community Services	The control and monitoring of noise that adversely affects the well-being of human health or the eco-system that is useful to maintain, now or in the future.
Control of public nuisance	Community Services	The regulation, control and monitoring of any facility or activity.
Municipal Airport	Technical Services	A demarcation area on land or water or a building which is used or intended to be used, either completely or in part, for the arrival or departure of aircraft which includes the establishment and maintenance of such a facility, including all infrastructure and services
Municipal Public Transport	Technical Services	The regulation and control and where applicable, the provision of services for the carriage of passengers, whether scheduled, operated on demand along a specific route or routes or, where applicable, within a particular area.
Storm Water drainage	Technical Services	The Management Systems to deal with storm water inbuilding-up areas.
Portable Water	Technical Services	The establishment, operation, management, and regulation of a potable water supply system, including the services and infrastructure required for the regulation of water conservation, purification, reticulation, and distribution; bulk supply to local supply.

Sanitation District function	Technical Services	The establishment, operation, management and maintenance and regulation of a system, including infrastructure, for the collection of human excreta and domestic wastewater to ensure minimum standard of service.
Refuse Removals, refuse dumps,	Community Services	Removal of any household or other waste and the disposal of such waste in an area, space or facility established for such purpose, and include the provision, maintenance and control

solid waste disposable		of any infrastructure or facility to ensure a clean and healthy environment.
Street Trading	Community Services	The control, regulation, and monitoring of the selling of goods and services along a public pavement or road reserve.
Billboards and the display of advertisements in public places	LED	The display of written or descriptive material, any sign or symbol or light that is not intended solely for illumination or as a warning against danger which: promotes the sale and / or encourages the used of goods and services found on the streets.
Amusement facilities/ beaches	Community Services	A public place for entertainment. The area for recreational opportunities and facilities along the seashore available for public use and any other aspect in this regard which falls outside the competency of the National and provincial government.
Cemeteries, Funeral Parlor, and crematoria	Community Services	The establishment, conduct, control facilities for the purpose of disposing of human and animal remains
Municipal Roads	Technical Services	The construction, maintenance, and control of all public roads
Street Lighting	Technical Service	The provision and maintenance of lighting for the illumination of streets.
Local Amenities	Technical services	The provision, management, preservation and maintenance of any municipal place, land and building reserved for the protection of places or objects of scenic, natural, historical, and cultural value or interest and the provision and control of any of such amenities.
Traffic and parking	Community Services	The management and regulation of traffic and parking within the area of the municipality including but not limited to the control over the operating speed of vehicles on municipal roads.
Municipal Public works	Technical Services	Any supporting infrastructure or services to empower a municipality to perform its functions
Building regulations	Technical Services	The regulation, through by-laws, of any temporary or permanent structure attached to, or to be attached to, the soil within the area of Jurisdiction of a municipality, which must at least provide for approval of building plans, building inspections.

1.2.1 Population

According to STATSSA of 2022 census, the total population of Greater Giyani is 316,841 with a total number of households of 79 735. This is a significant increase since the last full-blown census that was last conducted in 2011 which was 242 311 Population and 63 900 households. Greater Giyani now is the second biggest municipality in the Mopani District after Tzaneen. These figures are as a result of the current population growth rate which has also increased to 2,6% per annum as compared to 0,4% growth rate in 2011. The current statistical information available is only for the whole municipality, ward information will be released in future.

1.2.2 Environmental Overview

The Greater Giyani Municipality adheres to the provision of the National Environmental Management Act to prevent pollution and ecological degradation and ensure sustainable development. The municipality vision also makes specific reference to environmental sustainability as the core of our business.

Section 152 of the Constitution also prescribes to municipalities that they must ensure that communities live in a safe and healthy environment. Our environment is characterized by different environmental factors e.g. Climate, geomorphology, terrain, and soil suitability.

There are some environmental challenges that the municipality is having which need strong intervention from all stakeholders e.g., illegal dumping, deforestation, overstocking, veld fires and water pollution. These environmental challenges have serious impacts in terms of sound environmental management practices that will ensure environmental sustainability as enshrined in our vision. GGM is currently implementing various projects that are in line with sustainable development to prevent global warming.

1.3 Service Delivery Overview

The Greater Giyani municipality is required to deliver necessary basic services to its populace as specified in section 52 of the constitution of the Republic of South Africa of 1996, which is the object of local government. The municipality has managed to execute the mandate by delivering services to the community of Giyani. For the year under review the municipality met the target on MIG projects within SDBIP. However, the completion was at the planned targets not final completion since the projects are

Multi- Year Projects. The municipality is working hard to ensure that extra High mast lights are provided to communities where there is high crime rate to fight crime. Gravel Roads were upgraded to paving and Culvert bridges were also refurbished, and community halls were also constructed. The following are the list of projects and expenditure completed in the 2023/24 financial year:

Project name	Expenditure
Jim Nghalalume Community Hall	R24 698 432.10
Silawa Upgrading from gravel to paving 1.8km	R14 990 818.37
Shikhumba Upgrading from gravel to paving 2.6km	R28 478 173.75
Siyandhani Upgrading from gravel to paving 4.4km	R40 751 781.70
Refurbishment of Sporting Facilities (Homu 14B Sport Centre)	R12 337 419.93
Civic Centre Building Phase IV	R33 904 622.51
Civic Centre Parking Lot	R3 402 197.94
Electrification of Bode	R5 151 000.00
Electrification of Siyandhani	R7 990 000.00
Electrification of Shivulani	R3 077 000.00
Electrification of Mninginisi B3	R4 386 000.00
Electrification of Sikhunyane	R3 570 000.00
Electrification of Daniel Rabalela	R7 344 000.00
Electrification of Mapayeni	R3 196 000.00
Electrification of Homu 14 A	R7 769 000.00
Electrification of Homu 14 B	R5 202 000.00
Electrification of Gawula	R3 366 000.00
Electrification of Khakhala	R3 638 000.00
Installation of energy saving streetlights on Giyani R81 Road Phase 2	R6 961 852.82

1.4 Financial Health Overview

Greater Giyani Municipality continues to maintain a healthy financial position and the year under review was no exception. The municipality was able to maintain a positive bank balance (R248,8 million at year-end) throughout the whole financial year with its current ratio sitting at a ratio of 2.94 at year-end. The municipality remains financially viable and a going concern, the municipality has developed a Revenue Enhancement Strategy to improve its revenue collection and revenue base with the aim of using such financial resources to sustain service delivery. The strategy aims to address the revenue collection challenges the municipality is currently facing.

The municipality plans to target customers who can afford to pay for services in implementing its credit control policies with the aim of improving the debtors' collection ratio. The municipality continues to implement its Cost Containment Policy to ensure that spending is kept within the required norms as prescribed by National Treasury. The continuous implementation of the Revenue Enhancement Strategy and Cost Containment Policy assist the municipality to main the positive bank balance. The

municipality continues to spend the Municipal Infrastructure Grant (MIG) and Integrated National Electrification Grant (INEG) to accelerate service delivery and ultimately improve the standard of living within the communities of Giyani. The municipality spent 100% (MIG) and 100% (INEG) in the 2022/23 financial year, the municipality managed to maintain its spending in the 2023/24 financial year spending 100% in MIG and 100% in INEG.

1.5 Organizational Development Overview

The Municipality approved its Organizational Structure, and the structure is aligned with the IDP and the powers and functions to be conducted by the municipality, however there is a high vacancy rate of 39.4% and 61.6% of the positions have been filled (231 positions were vacant and 355 positions were filled). Most of the vacancies were not funded, however 25 positions were budgeted for 2024.25 financial year. The municipality is in the process of reviewing its organizational structure to make sure that the structure is realistic to the financial resources of the municipality and that critical positions are funded. The organizational structure was reviewed with the 2024/25 IDP.

1.6 Auditor General Report

Legislation mandates that upon closure of the financial year the municipality must prepare Annual Performance Report in terms of section 46 of the MSA and Annual Financial statements in terms of section 122 of the MFMA and submit to the Auditor General of South Africa for auditing. For Financial year 2023/24 the Municipality prepared and submitted the Annual Financial Statement and Annual Performance Report to the Auditor General of South Africa and the Municipality obtain Unqualified Audit Opinion.

Component A: Political and Administrative Governance

2.1 Political Governance (Public Participation)

Greater Giyani Council constitutes of 62 Councilors of which 40 are males and 22 are females, 31 Ward councilors and 31 Proportional Representatives. It is comprised of 7 full time councilors that are the Mayor, the Chief whip, the Speaker, MPAC Chairperson, Head of Infrastructure Development, Head of Budget, and Treasury and Head of Corporate and Shared Services. Ward councilors represents communities in wards they are voted in ensuring that service delivery is brought to the people. Proportional Representative play political roles in wards they are deployed together with respective ward councilors. Ward councilors and Proportional Representative Councilors both form council committees. They all attend quarterly arranged council meetings and monthly portfolio committee meetings and special meetings if arranged. The Municipality had 307 ward committee members.

Political decision taking

Political decisions are taken from the submissions of portfolio committee based on administration report generated by management led by the accounting officer. The municipality consist of six directorates namely, Office of the Municipal Manager; Community Services; Technical Services; Corporate Services; Budget and Treasury and Planning and Economic Development. Each of the six directorates is linked to portfolio committees which are chaired by councilors. Community Services Directorate is linked with Health & Social Development Portfolio Committee, Sports Recreation Arts & Culture and part of Public Transport and Roads.

Technical Services Directorate is linked with Water, Sanitation and Energy Portfolio Committee, Infrastructure Development Portfolio Committee and Public Transport and Roads. Corporate Services Directorate is linked with Portfolio Committee of Corporate and Shared Services. Budget and Treasury Directorate is linked with Finance Portfolio Committee. Planning and Economic Development directorate is linked with Portfolio Committee of Planning and Economic Development. All reports of portfolio committees originate from administration and after the portfolio committee has interrogated the report, such reports are recommended to Executive committee which with delegated powers the Executive Committee take decisions and other matters are referred to council as the council is the highest decision-making body. The council appointed the Audit Committee which assist, advice and alerting the municipality on issues of **compliance**. The council established the MPAC committee which plays an oversight role on the functions of council as well as compliance to all applicable legislations. The MPAC is comprised of 7 councilors namely: Cllr Makondo Risimati Eric (Chairperson), Cllr Mabunda Rhandu Clarence, Cllr Maluleke Msisinyane Respect, Cllr Maswanganyi Nxalati Nyanisi, Cllr Sambo Sharon, Cllr Mahasha Elia and Cllr Mhangwani Soyaphi Mackson

Political Management Team

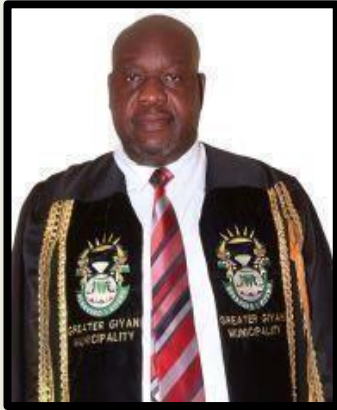
Cllr Thandi Zitha: Mayor



Powers and functions of the mayor

- Promote the image of the municipality.
- To ensure that the executive committee meetings perform its functions properly.
- To lead and promotes social and economic development in the municipality.
- To preside over public meetings and hearings
- To promote inter- governmental and inter institutional relations.
- To ensure in consultation with the municipal manager, that a proper committee service responsible

Cllr Mboweni AE: Speaker



The speaker of Municipal Council Must

- Preside at meetings of council.
- Performs the duties and exercises the powers delegated to the speaker in terms of section 59 of The local Government: Municipal System Act, 2000 (Act 32 of 2000):
- Must ensure that the council meets at least quarterly.
- Must ensure compliance in the council and council committee with the code of conduct set out in Schedule 1 to the Local Government: Municipal System Act, 2000 (Act 32 of 2000); and must ensure that council meetings are conducted in accordance with the rules and orders of the council.

Cllr Makondo T: Chief Whip



Duties of the Chief Whip to Municipal Council:

- Political Management of Council meetings and Committee Meetings
- Maintains discipline of Councilors
- Advice the Speaker on the amount of time to be allocated to the speaker and the order of such speakers addressing the council.
- Ensures that Councilors motions are prepared and timeously tabled in terms of the procedural rules of council.

Executive Committee

Cllr Ndaba NHP
Head: Finance



Cllr Mashale MR Head:
Public Roads &



Cllr Zitha TC
Head: Sports, Recreation, Arts
& Culture



Cllr Mabunda TJJ
Head: Infrastructure
Development



Cllr Maluleke GA Head: Water
& Sanitation



Cllr Baloyi C
Head: Planning & Economic Development



Cllr Nghunyule Mabunda RB
Head: Corporate & Shared
Services



Cllr Manganyi TC
Head: Health & Social
Development



Cllr Sekgobela NR
EXCO Member



2.2 Administrative Governance

Top Administrative Structures

Municipal Manager:
Khoza Vusi Duncan



Chief Finance Officer:
Nkuna F



Acting Director: Corporate
Services-
Rapelego MF



Director: Technical
Services-
Mashamba R.H



Director: Planning
& LED- Sithole K.V



Director: Community
Services-
Chabalala R.T



By the end of the financial year, 5 positions of section 54 and 56 managers were filled: Municipal Manager, Chief Financial Officer, Director Planning and Local Economic Development, Director Technical Services and Director Community Services. The position of the Director Corporate Services was vacant and the Deputy Director responsible for ICT and Records Management acted on the position for a period of 6 months.

No	Initials and Surname	Position	Duration
1.	Khoza VD	Municipal Manager	01/06/2023 - 31/05/2028
2.	Nkuna F	Chief Financial Officer	01/02/2023-31/01/2028
3.	Rapelego MF	Acting Director Corporate Services	18/01/2024 - 30/06/2024
4.	R.H. Mashamba	Director Technical Services	01/09/2019 - 31/08/2024
5.	K.V Sithole	Director Planning and Local Economic Development	02/01/2020 – 31/12/2024
6.	Chabalala RT	Director Community Services	01/09/2022 - 31/08/2027

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

COMPONENT B: INTERGOVERNMENTAL RELATIONS

Component B: Intergovernmental Relations

For the period under review the municipality participated in various Co- Operative Governance and Intergovernmental structures at all levels from the local sphere, district sphere, provincial and national sphere. Participation in such forums and IGR structures assisted service delivery in the sense that integration and alignment of various role players is realized to avoid the silo mentality existing in the public sector. Greater Giyani Municipality has benefitted in the IGR structure in the sense of best.

practice. While remarkable progress has been realized in IGR structures challenges still existed in the 2023/24 financial year with regard to the provision of reliable and accurate information from other public sector players and this affected the municipality 's planning especially the accuracy of the information in the IDP. Provision of progress in the implementation of sector departments within municipal boundaries is also still a challenge.

2.3 Intergovernmental Relations

NATIONAL INTERGOVERNMENTAL STRUCTURES

The municipality participates in national intergovernmental structures such as the following:

- National municipal manager's forum
 - South African Local Government Association sessions including working groups
 - Parliamentary Projects oversight visit (1 visit)
-

PROVINCIAL INTERGOVERNMENTAL STRUCTURES

The municipality participates in the following provincial intergovernmental structures:

- Premier-mayors' forum (4x Meeting)
- Provincial Chief whips Forum (2x meeting)
- Provincial Speakers Forum (1 x meeting)
- Provincial Monitoring and Evaluation forum (4 x meetings)
- Provincial Planning Forum (4 x meetings)
- Provincial CFOs Forum (4x meetings)
- Provincial Municipal Manager's forum (4X meetings)

DISTRICT INTERGOVERNMENTAL STRUCTURES

The municipality participated in the following District IGR structures during the period under review:

- District Speakers Forum (2 x meetings)
- District Mayors' Forum (2x meetings)
- District Chief whips Forum (2x meeting)
- District Municipal Manager's Forum (4 x meetings)
- District CFOs Forum (4x meetings)
- District Planning Forum (4x meetings)
- District Monitoring and Evaluation Forum (4x meetings)

The existence of the above IGR structures has assisted in the sharing of challenges, best practices, and resource mobilization. Alignment of programs and standardization of activities were also achieved from the district IGR structures.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The municipality also used its local IGR structures such as sector forums to ensure sector specific programs are aligned with those of other role players in the sectors. All forums were functional and holding their meetings.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

The Municipality established six clusters for public participation. Council meetings are held in public venues that are accessible to members of the public. Other forms of communication and public participation during the 2023/24 financial years include the usage of ward public meetings for the 31 wards wherein ward councilors provide feedback and progress report to ward members.

Apart from ward public meetings, the Quarterly Mayoral Imbizos were conducted during 2023/24 financial year. All issues raised which were related to the municipality were attended to and those related to sector departments were referred to relevant sector departments.

The municipal website, social media (WhatsApp & Facebook) as well as media houses are also useful tools which the municipality employed to communicate with its stakeholders to cover the cyberspace community.

The Municipal Newsletter RITO is published quarterly to communicate municipal programs.

ISSUES RAISED DURING THE MAYOR’S INTERACTION WITH THE COMMUNITIES THROUGH MAYORAL IMBIZO

VENUE	DATE	EVENT DESCRIPTION	ISSUES RAISED	PROGRESS
Shawela, Shikhumba, Mahumanii and neighboring villages	22/09/2023	Mayoral Imbizo	<ul style="list-style-type: none"> • Water • Shikhumba gravel to paving. <p>Shawela internal streets</p>	<ul style="list-style-type: none"> • Currently Mopani District Municipality is reticulating water to household. • Shawela project contractor has been appointed. Shikhumba gravel to paving has been completed and handed over to community
N’wadze kudzeku, Shivulani and Neighboring communities	01/12/2023	Mayoral Imbizo	<ul style="list-style-type: none"> • Main road to Giyani • Water challenges • Utilization of the community hall 	<ul style="list-style-type: none"> • Mopani District Municipality is inventing of issues of water. • The challenges regarding community hall have been resolved. • Department of Public Works, Roads and Infrastructure has appointed the

				consultant to start with the design
Modern boys soccer ground Maphata	27/03/2024	Mayoral Imbizo	<ul style="list-style-type: none"> • Internal streets • Water • Pavement of the main road 	<ul style="list-style-type: none"> • Consultant has been appointed to start with design. • Water challenges has been referred to Mopani District Municipality
Five Stokers Ximawusa Village	16/06 2024	Mayoral Imbizo	<ul style="list-style-type: none"> • Stock theft • Water challenges • Internal streets • need for sport Centre 	<ul style="list-style-type: none"> • The matter has been elevated to security cluster. • The matter had been reported to mopani for intervention. • The demand of the internal street challenges had been packaged for future project consideration in IDP

Ward Committees

The municipality has a fully functional ward committee system. All the 31 wards have 308 ward committee members instead of 310. Two ward committee members, from wards 7 and 11, were not elected due to traditional leadership disputes.

2.5 IDP PARTICIPATION AND ALIGNMENT

The IDP is reviewed annually and in-house. The IDP is reviewed in line with the required standard and template, and it is aligned to the budget. The IDP Process plan is developed and approved by the council as the road map for the review of the IDP/Budget. The IDP Steering committee is responsible for the review of the IDP and Budget. The draft IDP/Budget is tabled before the council for public participation process to unfold to wards and the municipality established six clusters for the purpose of the community accessibility and inputs. The IDP representative's forum where all the stake holders are represented is also conducted to interrogate the IDP document.

The other stakeholders that are consulted are the Traditional Authorities, NGO's, Businesses, Traditional Healers, and Pastors' Fraternity. Inputs to the IDP are also submitted physically to the office of the accounting officer.

All the inputs and comments are consolidated, and the report is developed based on the inputs. The process of prioritization takes place considering the available resources and capacity of the municipal.

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 54/56 Managers?	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

COMPONENT D: CORPORATE GOVERNANCE

COMPONENT D: OVERVIEW OF CORPORATE GOVERNANCE

For the 2023/24 financial year Greater Giyani Municipality took leaf from the King IV report on good governance by including in its operations the functionality of risk function as well as the development and implementation of corruption and anti-fraud strategies. The risk register was developed, and its focus was on Strategic Risks, Operational Risks and Human Resources risks.

2.6 RISK MANAGEMENT

The Municipality regards risk management as one of the pillars required for the sustainability and corporate management. In compliance with the MFMA which S62 (i) (c) requires a municipality to have and maintain an effective, efficient, and transparent system of risk management. For financial year 2023/24 the municipality had a dedicated risk unit to deal with risk matters. Risk assessment sessions were conducted with the assistance of the provincial Treasury and COGHSTA to help the municipality management with the identification and profiling of risks within the municipality.

Risk	Action Plan	Progress
1. Insufficient infrastructure networks.	Updating the stakeholders regarding the projects through ward councilors	Updating of stakeholders (PSC) regarding projects are being done to the community and Chief with the councilors on going
	Submission of procurement plan (2024/25 fy)	Procurement plan for 2024/25 has been submitted
	Implementation of procurement plan	Procurement plan is being implemented on going
	Penalize or terminate service provider contracts for poor performance (Enforcement of contracts)	No service provider has been penalized for poor performance
	Monitoring of projects	Monitoring of projects is being done monthly through site meeting, consultant meetings and weekly random site visit
	Submission of progress report to management committee	Monthly progress report has been prepared and submitted to audit committee meeting, PMS, and portfolio committee meeting.

<p>2. Stalled projects</p>	<p>Implementation of a 3-year plan on stalled projects signed by CFO and MM</p> <p>Project handover in consultation with office of the mayor</p> <p>Conduct proper Consultation with the community before the designs are approved</p> <p>Conduct Workshop for the community during the project initiation.</p>	<p>Awaiting appointment of the consultant for all stalled projects</p> <p>Shikhumba 2.6KM upgrading from gravel to paving has been handed over in consultation with office of the mayor.</p> <p>Consultation with the community is being done before designs are approved whenever there is a project to be conducted.</p> <p>Workshop to the community is being done during project initiation as and when there is a new project</p>
<p>3. Dilapidated/ageing infrastructure</p>	<p>Establishment of the committee to review the infrastructure designs</p> <p>To make provision budget to appoint service provider/committee</p> <p>Development of maintenance plan</p> <p>Appointment of additional security guards on all municipal facilities.</p>	<p>Committee to review infrastructure designs has not been established</p> <p>Provision budget to appoint the committee has not been done</p> <p>Maintenance plan has been developed and is being implemented on going</p> <p>8 EPWP participants have been appointed to guard municipal facilities</p>

<p>4. Environmental degradation</p>	<p>Completion of landfill site development (phase 1)</p> <p>Implementation of waste management by laws</p> <p>Conduct waste management education/awareness.</p> <p>Utilization of landfill site</p> <p>Reinstating of pound station (Refurbishment of pound station and appointment of pound master)</p>	<p>Tender advert has closed awaiting appointment of the contractor</p> <p>Waste management by-laws are implemented on going</p> <p>Awareness campaign on waste management has been conducted</p> <p>Landfill site is not utilized awaiting for outstanding work to be finalized by Technical Services</p> <p>In progress of replacement of 3 external and 3 internal doors & lock at pound station office, replacement of 3 external doors and installation of barge boards at pound station guard room, repairing ceiling boards at pound station guard room and storeroom, painting of internal and external walls, barge boards, window frames and door frames at guard room, storeroom and offices and fixing of gate.</p> <p>Animal food has been procured for the pounded animals</p>
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<p>5. Loss of potential investors.</p>	<p>Implementation of council resolution to demolishing/removal of illegal structures</p> <p>Removal of illegal hawkers</p> <p>Maintenance of the existing new market stalls</p> <p>Relocating Street vendors to new market stalls</p> <p>Engagement with traditional authority to acquire land for future development.</p> <p>Review and Gazetting of street trading by-laws</p> <p>Development of LED strategy</p>	<p>Action plan has been developed to get a court order. Various stakeholders will be consulted</p> <p>Removal of illegal hawkers not done awaiting court order</p> <p>Maintenance of new market stalls not done due to budget constrain, it has been budgeted for the financial year 2024/25</p> <p>Vendors not relocated, to be relocated after maintenance of new market stalls</p> <p>Engagement with Ngove Traditional Authority has been done to acquire land for future development</p> <p>Review of street trading by-laws has been done and the by-laws are being enforced with the assistance of SAPS and traffic officials</p> <p>LED strategy is being implemented on going.</p>
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6. Poor financial sustainability	<p>Implementation of revenue enhancement strategy</p> <p>Enforcement of revenue policy and by-laws.</p> <p>Conducting awareness on municipal services</p>	<p>Revenue enhancement strategy is being implemented ongoing</p> <p>Revenue policy and by-laws are being enforced on going</p> <p>Awareness on municipal services has been conducted</p>
7. Fraud and Corruption	<p>Conducting fraud awareness workshop to all officials</p> <p>Progress on the cases reported from National and Provincial fraud hotline.</p> <p>Implementation of anti-fraud corruption strategy</p>	<p>Fraud and corruption awareness has been conducted to new employees (Community Services, BTO, Mayor's Office, Corporate Services, MM's Office, and Technical Services)</p> <p>No fraud and corruption cases have been reported from National and Provincial hotline</p> <p>Anti-fraud corruption strategy is being implemented on going.</p>
8. Insufficient land ownership	<p>Implementation of SDF (Spatial development framework)</p> <p>Feasibility and research on town expansion. (Ngove town expansion, Application for township establishment)</p> <p>Enforcement of SPLUMA and LUMS</p>	<p>SDF is being implemented on-going</p> <p>Research on town expansion has been done. Applications for township establishment has been done waiting for the signing of agreement between the municipality and Ngove traditional authority</p> <p>SPLUMA and LUMS are being enforced on-going.</p>

9. Business continuity	Review of disaster recovery plan	Disaster recovery plan has been advertised
	Implementation of disaster recovery plan	Disaster recovery plan has been advertised
	Implementation of disaster recovery site	Disaster recovery plan has been advertised
	Finalization of business continuity plan	BCP to be finalized after the Installation of IT Network points, Wi-fi, testing of cameras and backup generator in the next financial due to budget constraints
	Implementation of business continuity plan	BCP to be implemented after the implementation of disaster recovery.
10. Inadequate organizational performance	Filling of vacant positions in line with our recruitment policy	46 positions have been filled
	Cascading of performance management to lower level	100% of performance agreements have been signed
	Including cross cutting of key performance indicator on performance agreements	Cross cutting of key performance indicator on performance agreements has been included on the performance agreement
	Development of the prototype of the organizational structure	Input has been populated on the development of prototype organizational structure.

Risk Management Committee meetings are held on a quarterly basis.

2.7 Anti-Corruption, Anti-Fraud and ANTI-CORRUPTION STRATEGY

The municipality has a Fraud and Corruption policy as well as Risk Management Policy in place. Risk Management Unit has been established and has two personnel, Deputy **Director-Risk** and **Assistant Director-Risk**.

Fraud and Corruption awareness campaigns are conducted quarterly.

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

During the 2023\24 financial year the Supply Chain Management policy was tabled to council for revision alongside other budget related policies. The revision considered the BBBEEE codes and changing supply chain regime.

SCM has two policies in place. They have been reviewed together with other budget related policies.

1. Supply Chain management Policy
2. Inventory management policy

Supply Chain Management Policy

The following list entails the deficiencies or limitations regarding the current policy.

1. Definitions
<p>1. Added definitions for the following words which are used frequently in the SCM Policy namely:</p> <ul style="list-style-type: none"> - Accounting Officer - CFO - Delegation - Emergency - Financial Interest - Single Provider - CSD <p>2. Changed year 2011 to 2017 on the Preferential Procurement Regulations as the latest regulations were promulgated now in year 2017.</p>
<p>3. “Long term contract” means a contract with a duration period exceeding one year changed to exceeding 3 years.</p> <p>4. ““The Act” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) has been changed to ““Act” or “MFMA” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);</p> <p>5. Added the following acts/regulations under ‘Other applicable regulations namely.</p> <p>(a) the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).</p> <p>(b) the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998</p>
2. Supply Chain Management Policy

<ol style="list-style-type: none"> 1. Paragraph 2(7) (a) states that the Policy states that the municipality is exempt from requesting three formal written quotations when procuring repairs and maintenance of Property, Plant and Equipment. Not all instances of the repairs and maintenance of Property, Plant and Equipment will be an emergency or the municipality can't source three quotations. 2. Added the following on paragraph 2(6) on instances of procurement for goods and services which are exempt from the SCM policy. <ol style="list-style-type: none"> (i) Periodic or quarterly security assessments of political office bearers and key officials (as per paragraph 13(6) of the Municipal Cost Containment Regulations 2019)
<p>3. AMENDMENT AND ADOPTION OF THE SUPPLY CHAIN MANAGEMENT POLICY</p>
<ol style="list-style-type: none"> 1. Changed the following words from <ol style="list-style-type: none"> (ii) Reviewed the policy as and when required but within a cycle of 5 years to 'Review at least annually the implementation of this policy.
<p>4. Sub delegations</p>
<ol style="list-style-type: none"> 1. Paragraph 5(4) (b) (i) refers to paragraph 5(2) (c) (iii) of the policy and the policy does not have such paragraph. It should be amended to the correct paragraph. (Paragraph 5(2) (c)). 2. On paragraph 4.2 and paragraph 5.1 the words Sections 79 and 106 of the Act have been changed to Section 79 of the Act because Sec 106 relates to Municipal Entities of which Greater Giyani Local Municipality does not have hence the Section is not applicable.
<p>5. Range of procurement process</p>
<ol style="list-style-type: none"> 1. Paragraph 12(4) was in incomplete and below were the additions. 2. The following wording has been changed from "The Accounting Officer may, after co with the municipal council and Heads of Departments, in writing change the different values have been changed to "The accounting officer may, in writing –

- a) Lower, but not increase, the different threshold values specified in sub-clause
- b) direct that –
 - (i) written or verbal quotations be obtained for any specific procurement of a tr value lower than R2 000 (VAT included);
 - (ii) formal written price quotations be obtained for any specific procurement of a t value lower than R30 000 (VAT included); or
 - (iii) a competitive bidding process be followed for any specific procurement of a tr value lower than R200 000 (VAT included).

3. The following paragraph has been added on panel appointments:

- The Municipality reserves the rights to appoint a panel of Service Providers or Contractors for period not more than 36 months and allocation of work must be done on rotational basis considering the final ranking and the satisfactory performance of the service provider.

6. GENERAL PRE-CONDITIONS FOR CONSIDERATION OF WRITTEN QUOTATIONSOR BIDS

1. On Paragraph 13(1), the following items to be furnished by the prospective bidders when submitted quotations or bids:
 - (i) Tax Pin
 - (ii) CSD Registration Number

2. On Paragraph 13(1)b, the following items to be furnished by the prospective bidders when submitted quotations or bids:

whether any Municipal staff member is a close family member of an owner, his/her partner serves on the board of directors, or are members or trustees, of the tendering enterprise.

The above changes have also been affected under item 6 of the General Preconditions to be aligned with legislation.

7. CENTRAL SUPPLIER DATABASE

1. On Paragraph 14(1) d, the following words have been added ‘which are currently not validated by the CSD’.

8. PETTY CASH

1. The following sentence has been added on paragraph 15 Petty cash purchases with threshold value from an amount of R1.00 up to an amount of R2 000 (VAT included) to be authorized by the Chief Financial Officer or his delegate.

9. VERBAL QUOTATIONS PROHIBITED

1. The following has been documented under paragraph 16:

The conditions for the procurement of goods or services through written quotations for amounts under the threshold for formal quotations as stated in clause 12(1)(c) & (d) are as follows:

- a) quotations for transactions up to a value of R 2 000 (VAT Included) must be obtained from at least two different providers preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the Municipality provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria set out in clause 14(1) (b), c) and (d) of this Policy;
 - b) providers must be requested to submit such quotations in writing.
 - c) if it is not possible to obtain at least two quotations, the reasons must be recorded and reported quarterly to the Supply Chain Manager.
 - d) if a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider.
 - e) any other conditions determined by the Accounting Officer.
2. No orders may be placed based on verbal price quotations.
 3. No quotation, written or verbal, may be made available by an official to a prospective bidder.

10. THE PROCEDURE FOR THE PROCUREMENT OF GOODS OR SERVICES THROUGH INFORMAL AND FORMAL WRITTEN QUOTATIONS

1. Paragraph 18 (i) added and deals with the composition of the quotation committee as follows.
“procurement requirements exceeding a value of R 30 000 (VAT Inclusive) must be submitted to the Quotations Evaluation Committee which comprises of Supply Chain Manager or his delegate, End User Representative and Secretary. The Quotations Evaluation Committee must make recommendation to the Chief Financial Officer or delegated official for approval”.

11. PROCESS FOR COMPETITIVE BIDDING

1. Paragraph 20 (i) added and deals with the need for Cost Containment Measures before any procurement is done as follows:
 - a. “ Cost containment determination (Needs analysis reports which necessitated the tender to be advertised).
 - b. The CFO to formally confirm in writing the availability of budget for adverts above R10m.

12. Bid documentation for competitive bids

1. Paragraph 21(5) does not state that the winning bidder's account for municipal rates and taxes and municipal service charges must not be in arrears for more than 3 months at the time of awarding.
2. Column headings for the 80/20 points system have been corrected from (<R30->R50m) to (R30K-<R50m)
3. Column headings for the 90/10 points system have been corrected from (<R50m) to (>R50m)
4. The following paragraphs have been added to paragraph 21:
 9. Pre-qualification criteria for preferential procurement:
 - a. If the municipality decides to apply pre-qualifying criteria to advance certain designated groups, the municipality must a. advertise the tender with a specific tendering condition that only one or more of the following tenderers may respond.
 - b. specify tenderer having a stipulated minimum B-BBEE status level of contributor.
 11. Subcontracting as condition of tender

If feasible to subcontract for a contract above R30 million, the municipality must apply subcontracting to advance designated groups.

(2) If the municipality applies subcontracting as contemplated in sub-regulation the municipality must advertise the tender with a specific tendering condition that the successful tenderer must subcontract a minimum of 30% of the value of the contract to(a) an EME or QSE.

13. PUBLIC INVITATION FOR COMPETITIVE BIDS

1. Added the following on paragraph 22(1) on public invitation of bids.
 - Whether the briefing session/site inspection session is compulsory or not
 - Municipality reserves the right to accept or reject any bid or part thereof and is not obliged to accept the lowest bid.
 - No bid will be accepted from the person in the service of the state.
 - Municipality reserves the right to accept a bid in part.
 - The tender validity periods.
 - Council reserves the right to appoint more than one bidder.
2. On paragraph 22.1.1, the words newspapers commonly circulating locally have been removed as it is not applicable anymore. The municipality advertises on the website and on e-portal as well as the CIDB.
3. Advertising on the CIDB website has been included as well.

14. NEGOTIATIONS WITH PREFERRED BIDDERS AND COMMUNICATION WITH PROSPECTIVE PROVIDERS AND BIDDERS

1. Paragraph 24(1) (e) (ii) Should be rephrased as it is still referring to the tenderer who scored the highest points. It should refer to a bidder that scored second highest points.

2. Paragraph 24(4) (C) refers to paragraph 25(3) (b) of the policy and the policy does not have that paragraph. It should be amended to the correct paragraph. (Paragraph 24(4)(b))
4. Paragraph 24(4) (d) refers to paragraph 25(3) (C) of the policy and the policy does not have that paragraph. It should be amended to the correct paragraph. (Paragraph 24(4) (C).
5. The last paragraph 24 (e) iv which reads that “ If a market related price is not agreed as envisaged in paragraph (e) (iii), the accounting officer must re-advertise the tender”, the words re-advertise must be replaced by the words ‘CANCEL’.
6. The following has been added on paragraph 24 (1) ‘does not lead to a lower price in respect of sale of land / goods”.

15. COMMITTEE SYSTEM FOR COMPETITIVE BIDS

1. Paragraph 26(4)(A) should be amended to paragraph 27,28 and 29 of the SCM policy, and

16. BID SPECIFICATION COMMITTEE

1. The composition of the bid specification committee added to include.
Composition of Bid Specification Committee.
A Bid Specification Committee must be composed of the following.
 - a) Chairperson
 - b) At least 2 members one of which is a manager or delegated official from the user department requesting goods or services.
 - c) One official from SCM Unit providing also secretarial duties

17. Bid Evaluation Committee

1. The policy did not indicate the minimum number of members that the committee must have.
The policy was added as follows: The evaluation committee shall comprise not less than three people. The chairperson shall be an employee of Greater Giyani Municipality with requisite skills. Other members shall include a supply chain management practitioner and where relevant, include an official from the department requiring the goods and services.
2. Paragraph 28(a) (ii) refers to paragraph 28(2) (F) which is not in the policy. The correct paragraph should be quoted (Paragraph 21(9)(h)
A paragraph should be added on the policy to provide more details on administrative requirements which will lead to disqualification such as, initialing of all pages by an authorized signatory, signing of all places where the signature is required, proof of purchase of bid document.

18. Locality

1. The following wording has been removed from paragraph 34 as it refers to locality which is now outlawed:
 - (a) Firstly, suppliers and businesses within the municipality/municipal district.
 - (b) Secondly, suppliers and businesses within the relevant province; and
 - (c) Thirdly, suppliers and businesses within the Republic of South Africa.
2. These principles are to be embodied in the points allocated in terms of the Preferential Procurement Policy of the municipality.

19. APPOINTMENT OF PANEL OF CONSULTANTS

1. The following has been added on paragraph 35 (9) on remuneration of consultants.
The Accounting Officer must follow a fair and reasonable remuneration framework for consultants considering the rates:
 - (a) Determined in the Guideline on fees for audits undertaken on behalf of the Auditor General of South Africa, issued by the South African Institute of Chartered Accountants
 - (b) Set out in the 'Guide for Hourly fees for Consultants, issued by the Department of Public Service and Administration
 - (c) Where the consultant belongs to a professional body, the rate of remuneration as stipulated by that body; and
 - (d) In any other case, the rate stipulated as per competitive process.
2. The following has been added on the minimum clauses of service level agreements with consultants. The service level agreement between the municipality and the consultant must include as a minimum the following clauses namely
 - a) How the consultant will transfer skills to the officials of the municipality
 - b) objective for transfer of skills, including the nature, scope, and goals of the training Programme.
 - c) The list of employees to be trained.
 - d) Contents of the skills to be transferred.
 - e) Fee retention or penalty clause for poor performance

20. Procurement of goods and services under contracts secured by other organs of state

1. Consideration is given to regulation 32 once there has been update from National Treasury from time to time in line with Circulars.

21. Deviation from, and ratification of minor breaches of, procurement processes

1. Paragraph 36(2) refers to paragraph 37(1) (a) and (b) of the policy and the policy does not have such paragraph. The correct paragraph was corrected to be quoted as follows. (Paragraph 36(1)(a) and (b))
2. Paragraph 36(3) refers to paragraph 37(2) of the policy and it does not relate to the matter on paragraph 36(3). The correct paragraph should be quoted. (Paragraph 36(2)).
3. On paragraph 36 (a)i, details of emergency examples have been added as follows Circumstances that warrant emergency dispensation, includes but are not limited to.
 - a) the possibility of human injury or death.
 - b) the prevalence of human suffering or deprivation of rights.
 - c) the possibility of damage to property or suffering and death of livestock and animals.
 - d) the interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality.
 - e) the possibility of serious damage occurring to the natural environment.
 - f) the possibility that failure to take necessary action may result in the municipality not being able to render an essential community service.
 - g) the possibility that the security of the state could be compromised.
 - h) The prevailing situation, or imminent danger, should be of such a scale and nature that it could not readily be alleviated by interim measures, in order to allow time for the formal tender process.

22. UNSOLICITED BIDS

1. Paragraph 37(3) refers to paragraph 38(2) for unsolicited bid which was incorrect, The correct paragraph should be 37(2)
2. Paragraph 37(4) refers to paragraph 38(3) for unsolicited bid which is incorrect, the correct paragraph should be 37(3)
3. The following has been added on paragraph 37.
 - (1) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the Accounting Officer depending on its delegations.
 - (2) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.
 - (3) When considering the matter, the adjudication committee must take into account –
 - a) any comments submitted by the public; and

b) any written comments and recommendations of the National Treasury or the relevant provincial treasury.

(4) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the accounting officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.

(5) Closed bids shall only be accepted after the municipality failed to attract potential service providers through normal competitive bidding processes.

23. PAYMENT OF SUB-CONTRACTORS OR JOINT VENTURE PARTNERS

1. The following has been added on paragraph 55.

2. Payment of sub-contractors or joint venture partners

The Chief Financial Officer or an official designated by the Chief Financial Officer may consent to the direct payment of sub-contractors or joint venture partners by way of -

- (a) an approved cession; or
- (b) an agreement for direct payment.

3. Cessionary payment

The municipality shall accept cessionary payment under the following conditions:

- a) Signed agreement between the parties involved.
- b) Provided that the cede submit original and valid tax clearance certificate and pin.
- c) The cede is not blacklisted in the National Treasury database.
- d) The cede is listed on the Central Supplier Database
- e) The cede signs the MDB 4' Independence Declaration.

Cessionary payments shall be approved by delegated officials in terms of approved delegations.

4. Cession can only enter into if it is for purchase of the material or stock by the appointed service provider or financing cession to the appointment service provider.

5. No official other than the Accounting Officer shall enter into cession on behalf of the municipality

24. COMBATING OF ABUSE OF SUPPLY CHAIN MANAGEMENT SYSTEM
1. Paragraph 38(2) refers to paragraph 39(1) (b) (ii), (e), or F of the policy and the policy does not have that paragraph. The correct paragraph should be quoted. (Paragraph 38(1)(b)(ii),(e)or F
25. DISPOSAL MANAGEMENT
1. Paragraph 40(5) (b) (ii) refers to paragraph (41) (4) (b) (ii) for property development which is in incorrect section. The correct paragraph to be quoted is paragraph 40(5) (b) (i).
26. Risk Management
1. The municipality should have a fraud helpline or suggestion box to report fraud. This has been added as point no 41.3.9
27. PROHIBITION ON AWARDS TO PERSONS WHOSE TAX MATTERS ARE NOT IN ORDER
1. The policy should also include that the tax status of a bidder should be verified at the time of appointment.
28. ETHICAL STANDARDS
1. Paragraph 46(2) (d) refers to paragraph 47(2) (C) regarding rewards, gift, favour, hospitality or other benefits which is an incorrect paragraph. The correct paragraph should be quoted. (Paragraph 46(2) (c). Paragraph 46(3) refers to paragraph 47(2) (d) and (e) of the policy. The paragraph quoted is incorrect. The correct paragraph to be quoted is paragraph 46(2)(d) and (e)
29. INDUCEMENTS, REWARDS, GIFTS, AND FAVOURS TO MUNICIPALITIES, OFFICIALS AND OTHER ROLE PLAYERS
1. Paragraph 47(2) and (3) refers to paragraph 48(1) which is incorrect paragraph. The correct paragraph should be quoted. (Paragraph 47(1)).

2.9. By-laws-New By –Laws introduced in 2023/24

There were no new by-laws.

2.10 WEBSITES (ICT)

Municipal website: content and currency of material Publishing date	
Budget documents	07 July 2023
Final SDBIP 2023/24	11 August 2023
Senior Managers Performance Agreements	22 August 2023
Tender advert	22 August 2023
Draft SDBIP 2023-2024	24 August 2023

Banking details for purchase of tender documents	24 August 2023
Tender advert	25 August 2023
Schedule of council meeting	09 September 2023
7 days Tender advert	0 6 September 2023
Tender advert	0 7 September 2023
Tender advert	21 September 2023
Tender advert	07 November 2023
First Quarter Back to Basics Report	29 November 2023
First Quarter SDBIP Report	29 November 2023
Various bid advertisements	26 June 2024
Advertisement	30 January 2024
Service provider for fixing traffic lights next to nursing college	30 January 2024
Service provider for fixing traffic lights next to Shimati garage	30 January 2024
Appointment of a service provider for transporting 310 people	30 January 2024
Appointment of service provider for the fixing of traffic lights	30 January 2024
Consumables, tools and accessories	30 January 2024
Hand operated lawn mower and patrol	30 January 2024
Heavy duty rectangular plastic folding tables	30 January 2024
Promotional materials: T-shirts, bags and notebooks	30 January 2024
Cash management and investment policy	30 January 2024
7 days advertisement	14 February 2024
7 days advertisement for honey sucker and PPE	01 February 2024
Annual Report 2022/23	02 February 2024
Cleaning materials	23 February 2024
Hiring of lawn mower	23 February 2024
Servicing of air conditioners at all municipal premises	23 February 2024
Adjusted SDBIP 2023/24	15 April 2024
Final reviewed IDP draft	19 April 2024
Indigent notice	13 April 2024
Municipality pictures	17 April 2024
Oversight report 2022/23	17 April 2024
Schedule for public participation on IDP, budget and tariff structure	15 April 2024
Tender advertisement	29 April 2024
Tender advertisements	29 April 2024
Erratum for briefing date for waste disposal site	08 May 2024
Final forum meeting	13 May 2024
Lawn mower	16 May 2024
Tender advertisement	23 May 2024
Tender advertisement	17 May 2024
Third quarter SDBIP 2023/24	27 May 2024
Third Quarter Back to Basics	27 May 2024
Final SDBIP 2024/25	12 June 2024
Approved tariff structure	15 June 2024
Disability and gender awareness	15 June 2024

Performance Agreements	15 June 2024
Erratum tender	06 June 2024
Policies documents	15 June 2024
Pictures on the slider	27 June 2024
Employee wellness day	19 June 2024
Supplementary valuation roll	21 June 2024
Supply and delivery of 3 hand operated lawn mowers	25 June 2024
Tender advertisement	21 June 2024
Various posts advertisement	06 June 2024

MUNICIPAL WEBSITE CONTENT AND ACCESS

of prescribed key website Most content material were placed on the municipal website and the publishing dates are indicated on the table above such as IDP, Budget, Annual Report , Performance Agreements, Budget related policies, Adverts for tenders and Adverts for Vacancies as indicated

2.10. PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

Public Participation surveys were conducted during the period under review. Forms were distributed at various municipal strategic points such as Giyani Library, testing grounds and Civic center. We received relatively balanced responses from the public. The municipality further relied on public participation as well as the usage of the Premier and Presidential Hotlines to gauge the level of satisfaction and \ dissatisfaction with municipal services.

Key general areas of satisfaction/ dissatisfaction include:

- State of roads conditions (Tarred Roads)
- water
- health and education services (Clinics, Hospitals and Schools)
- unemployment
- RDP houses
- Revenue services
- Long ques at the testing ground

COMPONENT A: BASIC SERVICES DELIVERY

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

3.1 WATER PROVISION

3.1.1 INTRODUCTION TO WATER PROVISION

The Water Services Act 108 of 1997 provides that all residents have a right to access of Water. Mopani District Municipality has been issued with a License to become the Water Services Authority for all its Local municipalities, in terms of the National Water Act 36 of 1998. It has appointed such Local Municipalities to become its Water Services Provider whereby a Budget for Operations and Maintenance is allocated to ensure that the Water Infrastructure is well functional. MDM is responsible for distributing water to the main pipeline. New Water Infrastructure projects remain the responsibility of the District Municipality. The report below provides information in terms of Households with water services and those that still remain with the backlog the municipality.

Sanitation Service Delivery Levels			
Households			
Description	2021/22	2022/23	2023/24
	Outcome No.	Actual No.	Outcome No.
Sanitation/sewerage; (above minimum level)	6430	6430	6430
Flush toilet (connected to sewerage)			
Flush toilet (with septic tank)	6430	6430	6430
Chemical toilet			
Pit toilet (ventilated)			
Other toilet provisions (above min. service level)			
Minimum service level and above sub-total			
Minimum service level and above percentage			
Sanitation/sewerage; (below minimum level)			
Bucket toilet			

Other toilet provisions (below min service level)			
No toilet provisions.			
Below Minimum service level sub-total			
Below Minimum service level percentage			
Total Households			

3.2 WASTEWATER

Households; Sanitation service delivery levels below the minimum				Households		
Description	2022/2023			2023/24		
	Original Budget No.	Adjustment Budget No.	Actual No.	Original Budget No.	Adjustment Budget No.	Actual No.
Formal Settlements						
Total Households below minimum service level	MDM	MDM	MDM	MDM	MDM	MDM
Proportion of households below minimum Service level						
Informal Settlements						
Total Households below minimum service level	MDM	MDM	MDM	MDM	MDM	MDM
Proportion of household's below Minimum service level						

Employees: Electricity Services		
Job	2022/23	2023/24

Level	Posts No.	No of Employees	Vacancies (fulltime equivalent s) No.	Vacancies (as a % of total posts) %	Posts No.	No of Employees	Vacancies (fulltime equivalent s) No.	Vacancies (as a % of total posts) %
0-3	0	0	0	0%	0	0	0	0%
4-6	5	3	2	40%	5	2	3	
7-9	3	2	1	33.3%	3	1	2	
10-12	0	0	0	0%	0	0	0	0%
13-15	5	3	2	40%	5	2	3	60%
16-18	0	0	0	0%	0	0	0	0%
19-20	0	0	0	0%	0	0	0	0%
Total	13	8	5	38.50%	13	5	8	61.53%

Employees: Water Services

Job Level	2022/23				2023/24			
	Posts No.	No of Employees	Vacancies fulltime equivalence) No.	Vacancies (as a % of total posts) %	Posts No.	No of Employees	Vacancies Fulltime Equivalence No.	Vacancies (as at % of total posts %)
0-3	0	0	0	0%	0	0	0	0%
4-6	0	0	0	0%	0	0	0	0%
7-9	0	0	0	0%	1	0	0	0%
10-12	1	1	0	0%	5	5	0	0%
13 -15	13	13	0	0%	13	8	5	38.46%
19-20	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Total	14	14	0	0%	19	13	5	31.57%

Solid waste service delivery levels			
Households			
Description	2021/22	2022/23	2023/24
	Actual No.	Actual No.	Actual No.
Solid waste removal: (minimum level) Removed at least once a week. Minimum service level and above sub-total Minimum service level and above percentage Solid waste removal: (below minimum level) Removed less frequently than once a week. Using communal refuse dump Using own refuse dump Other rubbish disposal No rubbish disposal Below minimum service level sub-total Below minimum service level percentage Total number of households	households in townships in rural areas Total: 6548	households in townships in rural areas Total: 6560 households in townships	households in townships in rural areas Total: 6560 households in townships
	48 weeks per annum (once per week)	48 weeks per annum (once per week)	48 weeks per annum (once per week)
	Refuse collected once per week. All General Waste Disposed at a municipal disposal site. Refuses are collected on a daily basis in the CBD. 10955 Household in rural area Backyard refuse collection in rural area	Refuse collected once per week. All General Waste Disposed at a municipal disposal site. Refuses are collected on a daily basis in the CBD.	Refuse collected once per week. All General Waste Disposed at a municipal disposal site. Refuses are collected on a daily basis in the CBD.

Employees; Solid Waste management services

Job Level	2022/23				2023/24			
	Posts No	No of Employees	Vacancies (fulltime equivalent) No.	Vacancies (as a % of total posts) %	Posts No.	No of Employees	Vacancies (fulltime equivalent) No.	Vacancies (as a % of total posts) %
0-3	1	1	0	100%	1	1	0	100%
4-6	3	2	1	33.33%	3	1	2	66.67%
7-9	1	0	1	100%	1	0	1	100%
10-12	11	10	1	9.0%	11	6	5	45.45%
13-15	31	26	5	16.12%	31	28	3	9.67%
16-18	0	0	0	100%	0	0	0	100%
19-20	0	0	0	100%	0	0	0	100%
Total	47	39	8	17.02%	48	36	11	25%

WASTE MANAGEMENT (THIS SECTION INCLUDES: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

Greater Giyani Municipality Collect refuses from residential units in all townships, Businesses, Schools, Churches and industrial. Litter picking is conducted in all main roads, internal streets, and CBD. The municipality currently has one waste disposal site in use.

Financial performance 2021/22,2022/23 and 2023/24 Electricity Services									
R`00									
Details	2021/22			2022/23			2023/24		
	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget	Actual
Total operational revenue (excluding tariffs)	0	0	0	0	0	0	0	0	0
Expenditure							17 376 907.82	12 243 370.96	69 248 101.55
Employees	3 670 875	2 280 764	803 572	3 745 033	2322	854 327	3 800 407.82	2 979 981.96	2 334 475.14
Repairs and Maintenance	2 500 000	6 000 000	4 401 569	6 000 000	6000	0	10 000 000	5 146 8890	
Other	2 114 000	2 117 000	2 151 604	2 802 137	2024	1005	3 576 500	4 116 500	66 913 626.41
Total operational Expenditure	32,129,858	46,207,814	35,012,918.29	12 547 170	10 346	2332	17 376 907.82	12 243 370.96	69 248 101.55

Net Operational (service) expenditure									
Financial performance 2020/21, 2021/22,2022/23 Refuse Solid Waste Management Services (Community Services)									
Details	2021/22			2022/23			2023/24		
	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget	Actual
Total operational revenue				11 200 000	9 040 000	8 276 420	9 524 350	8 776 242	
Expenditure;	10 221 001	8 142 878	8 098 053				16 925 661.01	11 220 882.65	16 675 933.37
Employees	10778875	8 533 794	9 795 388	11 126 875	8 578 222	6 989 783	12 569 661.01	9 319 882.65	12 045 035.97
Repairs and maintenance	500 000	200 000	312 923	200 000	200 000	0	250 000	250 000	0
Other				3 223 640	1 085 167	538 676	4 106 000	1 651 000	4 630 897.40
Total operational expenditure				14 550 514	9 863 389	7 528 459	16 925 661.01	11 220 882.65	16 675 933.37

THE TABLE BELOW REFLECTS THE AVAILABILITY AND BACKLOG OF COLLECTION OF WASTE WITHIN WARDS

WARD	AVAILABLE	BACKLOG
1	Unstructured services	Blinkwater, Ximausa, Noblehoek
2	0	Phikela, Rivala, Maxavela, Mavhuza
3	0	Babangu, Ndengeza RDP, Ntshunxi
4	0	Basani, N'wamankena, Maswanganyi
5	0	Sifasonke, Zamani, Tomu
6	0	Gon'on'o, Hlaneki, Khani
7	0	Siyandhani, Bode

8	0	Silawa, Shimange, Dingamazi, Skhiming, Botshabelo
9	0	Homu 14A, Homu 14B
10	0	Gija-Ngove, Nkomo C, Nkomo B
11	Giyani E, D1	0
12	Giyani A	Homu 14 C
13	Giyani D2 and Giyani F	B9
14	Unstructured services	Makosha, Shikukwani
15	Unstructured services	Nwadzekudzeku and Shivulani
16	Unstructured services	Mninginisi B2, B3, Mhlava Willem
17	Unstructured services	Thomo
18	Unstructured services	Gawula, Khakhala, Muyexe
19	Mahlathi unstructured services	Hlomela, Ndindani, Mahlathi, Shingwedzi Camp
20	0	Bonwani, Mavalani, Mbatlo
21	Krematart, Ngove unstructured service	Ngove, Krematart, Dzingi-Dzingi
22	0	Shawela, Shikhumba
23	0	Mbhedle, Guwela, Kheyi, Mushiyani, Nsavulani
24	0	Mnghonghoma, Loloka, Mageva
25	0	Daniel Rabalelo, Mageva township, Dzumeri
26	0	Maphata, Sikhunyani, Nkomo A, Bambeni
27	0	Mayephu, Mzilela, Matsotsosela, Xitlakati, Khaxani
28	0	Mphagani, Zava
29	0	Makhuva, Mbaula, Phalaubeni
30	0	Mapuve, Jim Nghalalume, Eco-park
31	0	Mapayeni, N'wakhuwani, Vuhehli, Mnyangani
TOTAL		

3.6.1 CHALLENGES

There is a huge backlog of refuse removal services as the service is yet to be extended to rural communities. Lack of proper waste management infrastructure is also a challenge as waste disposal is not meeting the minimum requirements for safe disposal of waste. The municipality also does not have sufficient funds to initiate recycling initiatives. There are also ageing staff and shortage of employees as a result the municipality relies on contract workers to render the waste management services. Insufficient resources to extend refuse removal services to rural communities. Lack of law enforcers to enforce by laws. The dumping site is due for rehabilitation and closure.

3.6.2 INTERVENTIONS

A landfill site development project is under way. The Buyback Centre constructed to support recycling initiatives. Budget set aside under the EPWP Program to appoint personnel on a contract basis to work on waste. Installed no dumping sign as part of awareness. Waste management by-law is Gazetted and implemented. Skip bins are rented as per the approved tariff structure. Skip bins are placed in strategic areas to combat dumping waste in open spaces. Intensification of environmental education awareness to school and community members. Development of Robust Clean-up plan for all villages. Waste disposal closure license extended by two years, thus 2024.

The table below reflects availability and backlog of standard sports facilities within wards.

WARD	AVAILABLE	BACKLOG
1	0	Blinkwater, Ximawusa, Noblehoek
2	Mavhuza	Rivala, Phikela, Mashavela
3	0	Babangu, Nden'eza, RDP, Ntshuxi
4	0	Basani, Nwamankena, Maswanganyi
5	0	Sifasonke, Zamani, Tomu
6	Khani	Gon'on'o, Hlaneki
7	0	Siyandhani, Bode
8	0	Dingamazi, Shimange, Silawa, Sekhimini, Botshabelo
9	Homu 14B	Homu 14 A
10	0	Nkomo B, Nkomo C, Gija-Ngove
11	Section E	Giyani D1
12	Giyani A	Homu 14C
13	0	Giyani D2, Giyani F, B9
14	0	Makosha, Shikukwani
15	Shivulani	Nwadzekudzekuku
16	0	Mninginisi B3, Mninginisi B2, Mhlava Willem
17	0	Thomo
18	Gawula, Muyexe	Khakhala
19	0	Hlomela, Ndindani, Mahlathi, Phalabubeni
20	0	Bonwani, Mavalani, Mbatlo
21	0	Ngove, Kremetart, Dzingi-Dzingi
22	Shawela	Shawela RDP, Shikhumba
23	0	Mbhedle, Guwela, Kheyi, Mushiyani, Nsavulani
24	Mageva	Mnghonghoma, Loloka
25	0	Daniel Rabalelo, Mageva Township, Dzumeri
26	0	Maphata, Sikhunyani, Bambeni, Nkomo A

27	Mzilela	Mayephu, Matsotsosela, Khaxani, Xitlakati
28	0	Mphagani, Zava
29	0	Makhuva, Mbaula,u
30	0	Mapuve, Nghalalume
31	0	Mapayeni, N'wakhuwani, Vuhehli, Mnyangani

The report reflects only halls built by the municipality. Excluded are privately owned halls and those built by another sector department.

THE TABLE BELOW REFLECTS THE AVAILABILITY AND BACKLOG OF COMMUNITY HALLS WITHIN WARDS

WARD COMMUNITY HALLS

WARD	AVAILABLE	BACKLOG
1	0	Blinkwater, Ximawusa, Noblehoek
2	0	Rivala, Phikela, Mashavela, Ndengeza
3	0	Babangu, Nden'eza, RDP, Ntshuxi, Mavhuza
4	0	Basani, Nwamankena, Maswanganyi
5	0	Sifasonke, Zamani, Tomu
6	0	Gon'on'o, Hlaneki, Khani
7	0	Siyandhani, Bode
8	0	Dingamazi, Shimange, Silawa, Sekhimini, Botshabelo
9	0	Homu 14 A, Homu 14B
10	0	Ngove, Nkomo B, Nkomo C
11	Giyani Community Hall	Giyani E, Giyani D1, Giyani BA, Giyani C
12	0	Giyani A, Homu 14C, Manómbe
13	0	Giyani D2, Giyani F, Risinga View, B9
14	0	Makosha, Shikukwani
15	Nwadzekudzeku	Shivulani
16	0	Mninginisi B2, Mninginisi B3,
17	Thomo Community Hall	Mhlava Willem
18	0	Gawula, Muyexe, Khakhala
19	0	Hlomela, Ndindani, Mahlathi, Phalawubeni
20	0	Bonwani, Mavalani, Mbatlo
21	0	Ngove, Kremetart, Dzingi-Dzingi
22	0	Shawela, Shikhumba
23	0	Mbhedle, Guwela, Kheyi, Mushiyani, Loloka
24	0	Mnghonghoma, Bambeni, Mageva
25	0	Daniel Rabalelo, Ndhambi, Mageva Township

26	0	Maphata, Sikhunyani, Nkomo A
27	0	Mzilela, Mayephu, Matsotsosela, Khaxani, Xitlakati
28	0	Mphagani, Nwamarhanga
29	0	Makhuva, Mbaula, Nsavulani
30	Jim Nghalalume	Mapuve, Ecopark
31	0	Mapayeni, N'wakhuwani, Vuhehli, Mnyangani

3.7 Housing

The powers and functions for the provision and construction of housing lies with the provincial government under the Department of Co-operative Governance, Human Settlements and Traditional Affairs. The role of the municipality is to identify housing demands needs through the development of the Housing Chapter and identification of beneficiaries. For the 2023/24 financial year a total of 375 houses were allocated to Greater Giyani Municipality. The implementing agent was the Department of Co-operative Governance, Human Settlements and Traditional Affairs.

3.6 Free Basic Services and Indigent Support

Introduction to Free Basic Services and Indigent

Free basic services to low-income households									
	Number of households								
	Total	Household's earnings less than R2000 per month							
			Free basic water	Free basic sanitation	Free basic electricity	Free basic refuse			
	Total	Accesses	%	Accesses	%	Accesses	%	Accesses	%
2020/21			171		171		1809		
2022/23			390		0		6834		390
2023/24			MDM		MDM		4518		201

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The municipality is faced with numerous applications of indigents; however, municipality is doing everything in its powers to support local communities with the need of free basic services.

Component B: Roads and Transport

3.7 Introduction to Roads

Gravel road infrastructure Kilometers				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2021/22	2 913	2.7 KM	16.95 KM	2 640
2022/23	2 889	1.6 KM	11.4 KM	2 538
2023/24	2 880.2	0km	8.8km	2 600

ROADS AND TRANSPORT Employees	Posts No.	No of Employees.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
	2022/23				2023/24			
0-3	1	1	0	100%	1	1	0	100%
4-6	1	1	0	100%	1	1	0	100%
7-9	3	0	3	100%	1	1	0	100%
10-12	20	16	4	20%	20	13	7	65%
13-15	33	18	15	45.45%	33	16	17	48.5%
16-18	0	0	0	0%	0	0	0	0%
19-20	0	0	0	0%	0	0	0	0%
Total	58	36	21	36.20%	56	32	24	57.14%

Asphalted Road Infrastructure					
	Total Asphalted roads	New asphalt roads	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted	Asphalt roads maintained
2022/23	17.61 KM	11.4 KM	5.4 KM	0 KM	0.81 KM
2023/24	10.81 KM	0km	9.31km	0km	1.5km

Financial performance 2020/21,2021/22 and 2022/23: Road Services
R`000

Details	2021/22			2022/23			2023/24		
	Original Budget	Adjusted budget	Actual	Original Budget	Adjusted budget	Actual	Original Budget	Adjusted budget	Actual
Employees	13 286 321	13 261 844	12 294 249	10 064 669	8 492 620	7 928 690	12 079 881.21	10 400 449.25	14 963 903.99
Repair & Maintenance	33 500 000	37 000 000	13 754 992	37 500 000	55 200 000	0	34 000 000	46 196 977	0
Other	642 000	530 000	665 506	246 265	543 265	525 131	650 000	940 000	12 548 353.27
Total operational expenditure	42 574 321	46 137 844	26 714 747	47 810 934	64 235 885	8 453 821	46 729 881	57 537 426	27 512 257.26
Net operational (service) expenditure									

Capital expenditure 2022/23 and 2023/24 Road Services
R '000

Capital project	2022/23				2023/24			
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
Civic Centre Building, Phase 4	18 543 541	14 339 275	17 673 696	3 334 421	6 000 000	19 576 087.95	16 009 959.41	3 566 128.54
Electrification of siyandhani Village	0	3 617 010	3 144 704	472 306	5 032 989	7 620 840	5 785 469.57	1 835 370,43
Electrification of Xivulani	0	0	0	0	4 100 000	4 100 000	3 350 629.56	749 370.44
Electrification of Mninginisi Block 3	0	0	0	0	3 780 000	5 131 620	4 462 278.25	669 341.75
Electrification of Homu 14 A Village	0	0	0	0	3 100 000	9 089 730	7 904 113.05	1 185 616.95
Electrification of Homu 14 B village	0	0	0	0	3 100 000	6 086 340	4 880 580.08	1 205 759.92

Electrification of Bode Village	0	0	0	0	4 100 000	6 026 670	5 240 582.61	786 087.39
Electrification of Sikhunyani Village	0	0	0	0	2 100 000	4 176 900	3 632 078.27	544 821.73
Electrification of Mapayeni Village	0	0	0	0	3 100 000	3 739 320	3 254 982.60	484 337.40
Electrification of Gawula Village	0	0	0	0	3 100 000	3,938,220	3 204 396.52	733 823.48
Electrification of Khakhala Village	0	0	0	0	3 100 000	4 256 460	3 701 269.55	555 190.45
Electrification of Daniel Rabalele Village	0	0	0	0	2 500 000	8 592 480	6 740 471.29	1 852 008.71
Detail design for Matsotso sela Village	0	0	0	0	230 000	230 000	152 678.89	77 321.11

Detail design for Mbhedle Village	0	0	0	0	230 000	230 000	0	230 000
Detail design for Mnghon ghoma Village	0	0	0	0	290 000	290 000	218 634.79	71 365.21
Detail design for Mahlathi village	0	0	0	0	230 000	230 000	150 782.61	79 217.39
Detail design for Mageva Village	0	0	0	0	230 000	230 000	389 109.60	-159 109.60
Detail design for Loloka village	0	0		0	230 000	230 000	125 652.17	104 247.83
Installation of High Mast Lights in 93 Villages (CBD)	1 000 000	1 480 000	1 286 765	193 235	2 500 000	1 000 000	0	1 000 000

Installation of energy saving streetlights	10 300 000	7 500 000	5 286 387	2 213 613	5 500 000	5 500 000	4 872 338.64	627 661.36
Capital Projects Waste Management								
Mavalani Indoor Sports Centre	21 457 650	10 343 971	9 089 342	1 254 629	16 313 679	9 263 679	7 672 665.02	1 591 013.98
Jim Nghalalume Community Hall	28 243 482	13 215 573	12 373 411	842 162	14 309 409 .79	14 842 432	14 710 262.2 4	132 169.76
Selawa Upgrading of Internal Streets	3 937 908	8 300 000	7 250 127	1 049 873	8 500 4 50.00	9 025 6 91.48	8 350 029.77	675 661.71
Internal Street								
Section E Sports Centre	1 00 000	50 000	0	50 000	1 500 000	250 000	0	250 000
Homu 14B Sports Centre	4 500 000	10 012 521	9 115 976	896 545	900 000	3 053 276	2 794 854.58	258 421.42
4.4km Siyandhani ring road	1000 000	11 020 236	9 582 730	1 437 506	32 07 0 764	40 781 608.03	38 618 840.7 5	

2.6km Shikhu mba upgrading from gravel to paving	1000 000	8 769 695	7 655 394	1 114 301	23 391 087.80	22 653 72 9.53	22 999 945.7 6	-346 216.23
3.6 km Shawela upgrading from gravel to paving	1000 000	500 000	0	500 000	1 000 000	3 149 155.97	2 730 424.79	418 731.18
Makosha upgrading from gravel to paving phase 2	100 000	500 000	391 282	108 718	1 500 000	1 500 000	1 296 896.70	203 103.30
2.6 km Hlomela upgrading From gravel to paving	1 500 000	500 000	431 919	68 081	2 577 159.4 1	4 327 159.41	4 667 184.53	-340 025.12
MIG Spending					68 712 550.00	77 952 433.21	77 952 433.21	0
Environ mental Awareness Campaign	Operational	Operational	Operational	Operational	Operational	Operational	Operational	Operational

Environmental Awareness Campaign	Operational	Operational	Operational	Operational		Operational	Operational	Operational
Scholar Patrol	Operational	Operational	Operational	Operational	Operational	Operational	Operational	Operational
Speed Checks	Operational	Operational	Operational	Operational	Operational	Operational	Operational	Operational
Traffic summonses issued	Operational	Operational	Operational	Operational	Operational	Operational	Operational	Operational
Driver's License Card Agency	Operational	Operational	Operational	Operational	Operational	Operational	Operational	Operational
Road Traffic Management Corporation fees	Operational	Operational	Operational	Operational	Operational	Operational	Operational	Operational
Vehicle Testing Station Calibration	Operational	Operational	Operational	Operational	Operational	Operational	Operational	Operational

80% Agency fees Operational Operational Operational Operational Operational Operational Operational Operational Operational

Road blocks Operational Operational Operational Operational Operational Operational Operational Operational Operational

3.8 Transport (Including Vehicle Licensing & Public Bus Operation)

Introduction to Transport

The municipality has a fully established licensing unit with the vehicle testing station, driver's license testing center and registering authority. However, these functions

belong to the Department of Transport, therefore the municipality operates under a Service Level Agreement. The municipality also has a law enforcement and traffic services unit responsible for public transport management and community safety. The key activities under this function are vehicle roadworthy compliance, vehicle speed control, scholar patrols, traffic escorts and pound services amongst others.

The majority of the Greater Giyani Municipality residents rely on public transport, this is evidenced by the number of buses and taxis on our roads. The municipality usually experiences road congestion during peak hours and in festive seasons. This is due to the lack of bus rank facilities, heavily congested Giyani taxi rank and public road infrastructure such as offloading and loading zones. To resolve this, the municipality needs secure land from Public Works or traditional leaders to develop taxi rank holding facility and bus rank facility. Land negotiation process is under way.

Public Transport

Status of Taxi Rank Facilities

LOCATION	STATUS	DESTINATIONS
Old Spar	Operational	Bushbuckridge, Polokwane, Tzaneen and Phalaborwa, Witbank
Shoprite	Operational	Malamulele
New Boxer Supermarket	Operational	Mooketsi, Vuhehli, Gawula
Ndhambi Hi TaxiRank	Operational	Giyani, Tzaneen
OBC (Main TaxiRank)	Operational	Phalaborwa, Acornhoek, Tzaneen, Polokwane, Pretoria, Rustenburg, Johannesburg

Public Transport Challenges

The major challenge experienced by the municipality is the lack of space for loading passengers. The municipality currently does not have an integrated transport plan which would then be used for management of Public Transport within area of municipal's jurisdiction.

3.9 Wastewater (Stormwater Drainage)

Actions that have been taken
Plans in place to develop the town.

The Municipality developed Stormwater Master Plan which will be implemented to eliminate flooding around town and townships.

Component C: Planning and Development

3.10 Planning

Applications for land use development						
Detail	Formalization of township		Rezoning		Built Environment	
	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24
	1	2	16	29	0	21

3.11 Local Economic Development (Including Tourism and Marketplaces)

Financial performance 2021/22, 2022/23 and 2023/24: Planning services R`000									
Details	2021/22			2022/23			2023/24		
	Original Budget	Adjusted budget	Actual	Original Budget	Adjusted budget	Actual	Original Budget	Adjusted budget	Actual
Total Operational Revenue	551574148	526702457	464275735	1025000	685000		840000	2321315	558315,09
Expenditure re:									
Employees	8814977	1102696	3540014.04	8821077.57	7433571.83	1105136	8589443.42	7507353.85	7251792.98
Repairs & Maintenance	0	0	0	0	0	0	0	0	0
Other	610500	215500	100954	704500	909500	66743	1057600	1923800	6547521.57

Total Operational Expenditure		1 203 650	0	9 525 578	8 343 071	1 171 879	9 647 043	9 431 154	13 799 314.55
Net operational (service) expenditure									

Comment on Local Economic Development Performance Overall:

4 SMMEs were supported financially in the 2023/24 financial year.

5 SMMEs were exposed to LED market.

8 SMMEs were exposed pop-up market.

Component D: Community & Social Services

Employees: Local Economic Development Services

Job level	2022/23				2023/24			
	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (asa % of total posts) %	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (asa % of total posts) %
0-3	1	1	0	100%	1	1	0	100%
4-6	2	0	2	100%	2	0	2	100%
7-9	0	0	0	0%	0	0	0	0%
10-12	6	4	2	33.33%	6	4	2	33.33%
13-15	0	0	0	0%	0	0	0	0%
16-18	0	0	0	0%	0	0	0	0%
19-20	0	0	0	0%	0	0	0	0%

Total	9	5	4	44.44%	9	5	4	44.44%

3.12 Libraries; Archives; Museums; Galleries; Community Facilities; Other (Theaters, Zoos, etc.)

- The municipality has one functional Library in Giyani

3.13 Cemeteries and Crematoriums

Introduction to Cemeteries & Crematoriums

Employees: Cemeteries and Crematoriums						
Job level	2021/22	2022/23		2023/24		
	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies(as a % of total posts) %
0-3	1	0	100%	1	0	100%
4-6	0	0	0%	0	0	0%
7-9	0	1	0%	0	0	0%
10-12	0	3	0%	1	1	100%
13-15	13	39	75%	11	41	73%
16-18	0	0	0%	0	0	0%
19-20	0	0	0%	0	0	0%
Total	14	43	75,43%	13	42	69.05%

The municipality has one cemetery under its control; the number of cemeteries under the control of the traditional authorities is yet to be audited. There is also no crematorium within the jurisdiction of the municipality.

Comment on the Performance of Cemeteries & Crematoriums Overall: Ensure all funded position are appointed.

The municipality is experiencing a challenge of space for the development of future cemetery site since most of the available land is under the control of the traditional leadership. Cemetery by-laws are gazetted and include clauses which will help the municipality to save space. There are no security personnel deployed and vandalism is taking place which results in damaging of tombstones after hours or over the weekend.

3.14 Childcare; Aged Care; Social Programmes

Introduction to Childcare; Aged Care and Social Programmes

The municipality has coordinators who focus on social programs such as HIV and AIDS, Women and Children, Youth, Old age, Gender, and Disability. There are also several forums as Aids council and technical committee, Men's forum, Disability's forum, and gender forum which champions the interest of these social sectors. At the core of it is that the oversight monitoring is done through the Health and Social Development Portfolio Committee. The municipality works closely with provincial and district departments that deal with social issues such as the Department of Social Development, Department of Health, South African Police Services and Chapter Nine institutions such as Human Rights and Gender Commissions as well as nongovernmental organizations.

The municipality is working together with Mopani District, LEDET and DEFF to raise awareness on the need to protect and conserve the environment.

Component E: Environmental Protection

3.15 Pollution Control

The municipality has a functional waste management service, providing refuse removal services to the Giyani township households once per week and daily in the CBD. Due to capacity challenges, the municipality is yet to extend waste management services to rural villages. The municipality is currently developing a landfill site and rehabilitating the current waste disposal site in compliance to the National Environmental Management: Waste Act and the GN No.636 National Norms and Standards for Disposal of Waste to landfill.

3.16 Biodiversity; Landscape; (Incl. Open Spaces)

GGM works jointly with DEA and LEDET to ensure biodiversity conservation construction in line with the climate change response strategy of the province. There are also municipal community parks that are well maintained, though there is a challenge of vandalism in the parks.

Component F: Health

- The clinics and ambulance services are rendered by the provincial department of Health and Social Development.

Component G: Security and Safety Police, Fire, and Other (Disaster Management, Animal Licensing and Control, Control of Public Nuisances and Other)

Introduction to Disaster Management, Animal Licensing and Control, Control of Public Nuisances, etc.

- The Police and Fire services are rendered by the provincial department and National Department. And fire rendered by the District Municipality. The municipality has animal pound station to be used for impoundment of animals. The development of by- laws for keeping animals to deal with licensing and control of animals is in progress.

Financial performance 2021/22, 2022/23 and 2023/24: Traffic										
R`000										
Details	2021/22		2022/23				2023/2024			
	Actual	Original budget	Original Budget	Adjustment Budget	Actual	Variance	Original Budget	Adjusted Budget	Actual	Variance
Total operational revenue	7 914 702	18 230 000	8 300 000	8 000 000	8 262 877	-262 877	8 700 000	8 225 000	8 061 372	163 628
Police Officers										
Other Employees	20 378 428	19 214 761	20 290 642	19 707 337	20 631 112	-923 775	22 266 008 .79	19 861 273.63	20 317 080.00	-455 806.37

Repairs & Maintenance	203 095	100 000	500 000	500 000	31076	468 924	500 000	500 000	0	
Other	84 346	1 227 500	16 790 3	850 981	292 706	460 609	1 283 000	437 000	541 998.78	
Total operational expenditure	20 665 869	20 542 261	20 830 091	21 641 623	-162 145	20 667 946	24 049 009	20 798 274	20 859 078.78	
Net operational (service) expenditure										

Component H: Sport and Recreation

Introduction to Sport and Recreation

3.17 Sport.

The table below reflects availability and backlog of standard Sports facilities within Wards.

Ward	Available	Backlog
1	0	Blinkwater, Ximawusa, Noblehoek
2	0	Rivala, Phikela, Mashavela, Ndengeza
3	0	Babangu, Mavhuza, RDP, Ntshuxi
4	0	Basani, Nwamankena, Maswanganyi
5	0	Sifasonke, Zamani, Tomu
6	Khani	Gon'on'o, Hlaneki
7	0	Siyandhani, Bode
8	0	Dingamazi, Shimange, Silawa, Sekhimini, Botshabelo
9	Homu 14B	Homu 14 A

10	0	Nkomo B, Nkomo C, Gija-Ngove
11	Section E	Giyani D1, Giyani BA, Giyani C
12	Giyani A	Homu 14C, Manómbe
13	0	Giyani D2, Giyani F, B9, Risinga View
14	0	Makosha, Shikukwani
15	Shivulani	Nwazekudzeku
16	0	Mninginisi B3, Mninginisi B2
17	0	Thomo, Mhlava Wellem
18	Gawula, Muyexe	Khakhala
19	0	Hlomela, Ndindani, Mahlathi, Phalawubeni
20	0	Bonwani, Mavalani, Mbatlo
21	0	Ngove, Kremetart, Dzingi-Dzingi
22	Shawela	Shawela RDP, Shikhumba
23	0	Mbhedle, Guwela, Kheyi, Mushiyan, Loloka
24	Mageva	Mnghonghoma, Bambeni
25	0	Daniel Rabalelo, Mageva Township, Ndhambhi
26	0	Maphata, Sikhunyani, Nkomo A
27	Mzilela	Mayephu, Matsotsosela, Khaxani, Xitlakati, Mzilele
28	0	Mphagani, Nwamarhanga
29	0	Makhuva, Mbaula, Nsavulani
30	0	Mapuve, Nghalalume, Eco-park
31	0	Mapayeni, N'wakhuwani, Vuhehli, Mnyangani
TOTAL		

3.18 RECREATION

THE TABLE BELOW REFLECTS THE AVAILABILITY AND BACKLOG OF COMMUNITY HALLS WITHIN WARDS

WARD COMMUNITY HALLS

WARD	AVAILABLE	BACKLOG
1	0	Blinkwater, Ximawusa, Noblehoek
2	0	Rivala, Phikela, Mashavela, Mavhuza

3	0	Babangu, Nden'eza, RDP, Ntshuxi
4	0	Basani, Nwamankena, Maswanganyi
5	0	Sifasonke,Zamani,Tomu
6	0	Gon'on'o, Hlaneki, Khani
7	0	Siyandhani, Bode
8	0	Dingamazi, Shimange, Silawa,Sekhimini, Botshabelo
9	0	Homu 14 A, Homu 14B
10	0	Gija-Ngove,Nkomo B, Nkomo C
11	Giyani Community Hall	Giyani E, Giyani D1
12	0	Giyani A, Homu 14C
13	0	Giyani D2,Giyani F
14	0	Makosha, Shikukwani
15	Nwazekudzeku	Shivulani
16	0	Mninginisi B2,Mninginisi B3, Mhlava Willem
17	Thomo Community Hall	N/A
18	0	Gawula, Muyexe, Khakhala
19	0	Hlomela, Ndindani, Mahlathi, Shingwedzi Camp
20	0	Bonwani, Mavalani, Mbatlo
21	0	Ngove, Kremetart,Dzingi-Dzingi
22	0	Shawela, Shikhumba
23	0	Mbhedle, Guwela, Kheyi, Mushiyani, Nsavulani
24	0	Mnghonghoma, Loloka, Mageva
25	0	Daniel Rabalelo, Dzumeri, Mageva Township
26	0	Maphata, Sikhunyani, Nkomo A, Bambeni
27	0	Mzilela, Mayephu, Matsotsosela, Khaxani, Xitlakati
28	0	Mphagani, Zava
29	0	Makhuva, Mbaula, Phalaubeni
30	Jim Nghalalume	Mapuve
31	0	Mapayeni, N'wakhuwani, Vuhehli, Mnyangani
Total		

Employees: Sport and Recreation								
Job level	2022/23				2023/24			
Job Level	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Pos ts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	0	100 %	1	1	0	100 %
4-6	2	2	0	100 %	2	2	0	100 %
7-9	1	1	0	100 %	0	0	0	0%
10-12	1	1	0	100 %	1	1	0	100 %
13-15	52	16	36	69,23%	43	17	26	72.08%
16-18	0	0	0	0%	0	0	0	0%
19-20					0	0	0	0%
Total	57	21	36	63,15%	47	21	26	55%

3.18.1 CHALLENGES: Insufficient funds

3.18.2 INTERVENTIONS: Ensure that there is budget, and all funded position are appointed

Component I: Corporate Policy Offices and Other Services

Corporate Policy Offices and Other Services

This component includes corporate policy offices, financial services, human resource services, ICT services, property services.

3.19 Introduction to Corporate Policy Offices, Executive and Council

This component includes Executive office (mayor; councilors; and municipal manager).

Comment on the Performance of the Executive and Council:

Introduction to Executive and Council:

Financial performance 2020/21,2021/22 and 2022/23 The Executive and CouncilR`000									
Details	2021/22			2022/23			2023/24		
	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget	Actual

Total operational revenue	N/A	N/A	N/A		N/A	N/A	0	0	0
Expenditure:									
Other Employees	30 198 592	23 663 423	24 066 373	24 024 711	24 932 744	25 184 214	32 310 934.35	33 539 158.49	26 274 100.20
Repairs & Maintenance	0	0	0	0	0	0	0	0	0
Other	8 014 284	7 830 788	8 418 567	10 055 514	10 283 873	10 422 086	13 211 500	14 812 000	12 738 057.87
Total operational expenditure	38 212 876	31 494 211	32 484 940	34 080 225	35 216 616	35 606 300	45 522 435	48 351 158	39 012 158.07
Net operational (service) expenditure									

3.20 Financial Services

Debt recovery						
Details of the types of account raised and recovered	2022/23			2023/24		
	Billed in year	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected.	Billed in year	Estimated out turn for accounts billed in year	Estimated proportion of accounts billed that were collected.
Property Rates	72 851 950.00	5645	63.38%	84 268 6 33.32	6351	54.60%
Electricity – B	N/A			N/A		
Water – B	N/A	N/A	N/A	N/A	N/A	N/A
Water – C	N/A	N/A	N/A	N/A	N/A	N/A
Sanitation	N/A	N/A	N/A	N/A	N/A	N/A
Refuse	8 526 324.00	6120	127.02%	10 066 7 37.45	6541	88.26%

B-Basic, C-Consumption. See chapter 6 for the Auditor] General's rating of the quality of the financial Accounts and the systems behind them		
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Job level		2022/23				2023/24			
Job Level	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a %of total posts) %	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a %of total posts) %	
0-3	4	4	0	0%	4	4	0	0%	
4-6	32	12	20	63%	18	13	5	27%	
7-9	1	1	0	0%	2	1	1	50%	
10-12	35	27	8	23%	13	7	6	46%	
13-15	1	1	0	0%	3	1	2	66%	
16-18	0	0	0	0%	0	0	0	0%	

19-20	0	0	0	0%	0	0	0	0%
Total	73	45	28	38.35%	36	22	14	38.88%

3.21 Human Resource Services Introduction to Human

Resource Services

Statistics for Human Resource Service

Human Resource Services Policy objectives taken from IDP							
Service Objectives	Outline service targets	2021/22		2022/23		2023/24	
		Target	Actual	Target	Actual	Target	Actual
To develop and retain best human capital, effective and efficient administrative and operational support system Service Indicators	Submit Employment equity report.						
To submit the		Submit Equity	Equity	Submit	Equity	Submit Equity	Equity report submitted.)

employment equity report to Dept. of Labor by 15 January 2024		report	report submitted.	Equity report	report submitted.	report	
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Employees: Human Resource Services								
Job level	2022/23				2023/24			
Job Level	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	1	1	0	0%	1	1	0	0%
4-6	8	7	1	12,5%	8	7	1	12,5%
7-9	0	0	0	0%	0	0	0	0%
10-12	4	2	2	50%	4	2	2	50%
13-15	0	0	0	0%	0	0	0	0%
16-18	0	0	0	0%	0	0	0	0%

19-20	0	0	0	0%	0	0	0	0%
Total	13	10	3	23,07%	13	10	3	23,07%

Comments on the Performance of Human Resource Services overall: Ensure all funded positions are appointed.

3.22 Information Communication and Technology (ICT) Services

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

Introduction to Information and Communication Technology (ICT)

Information and Communication Technology ensure provision of services suchas Network connectivity, information management, Email messaging for communicating with the internal stakeholders and the outside world, enhancing service delivery by providing reliable systems. Enabling the integration of systems within the municipality to achieve Municipal objectives. ICT operates under the guidance of ICT policies and frameworks as mandated by corporate governance of ICT. There’s also an ICT committee that ensures good governance.

Services

Service statistics for ICT Services

For the period under review 2023/24, Information and Communication Technology provided and supplied ICT equipment e.g., computers, printers, 3Gs and Memory Sticks. The Unit also updated the Municipal website on a continuous basis and maintained network infrastructure for ease of communication. The Unit provided IT systems, user maintenance and support.

ICT Services Policy objectives taken from IDP.

ICT Services Policy objectives taken from IDP							
Service Objectives	Outline service target	2021/22		2022/23		2023/24	
		Target	Actual	Target	Actual	Target	Actual
To Develop and retain best human capital ,effective And efficient administrative And operational Support system	12 payments for leased desktop and laptop computers and procurement of IT equipment.	7 Payments for leased desktop and lap Top computers and Procurement of IT equipment.	7 Payments for leased desktop and lap Top computers and Procurement of IT equipment.	7 Payments for leased desktop and lap Top computers and Procurement of IT equipment.	7 Payments for leased desktop and lap Top computers and Procurement of IT equipment.	108 laptops procured	108 laptops procured
To Develop and retain best human capital ,effective And efficient administrative And operational Support system	Maintenance, support and provide connectivity to network (LAN and WAN). 12 Payments for 3Gs	Maintenance And support of ICT network	Maintenance and support of ICT network performed.	Maintenance And support of ICT network	Maintenance and support of ICT network performed.	Maintenance And support of ICT network	Maintenance and support of ICT network performed.
To	Number of IT	Co-ordinate	4xIT	Co-ordinate	4xIT	Co-ordinate	4xIT

Develop and retain best human capital, effective and efficient administrative And operational Support system	Steering Committee meetings coordinated	4x IT steering committee	Steering Committee meetings coordinated.	4x IT steering committee	Steering Committee meetings coordinated.	4x IT steering committee	Steering Committee meetings coordinated.
To Develop and retain best human capital ,effective And efficient administrative And operational Support system	% update of Municipal website	100% Municipal website update	100% Municipal website updated	100% Municipal website update	100% Municipal website updated	100% Municipal website update	100% Municipal website updated

The unit maintained and supported LAN/WAN connectivity within the Municipality and its remote sites.

The municipality appointed a Service Provider to assist with its ICT Security and Support. The municipality further uploaded the following documents on the website:

- Adverts for Tenders
- Performance Agreements
- SDBIP
- Performance Reports
- Adverts for Vacancies

- Annual Budget and related policies
- SPLUMA By-Laws

Job level	2022/23				2023/24			
	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of Total posts) %	Posts No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of Total posts) %
0-3	1	1	0	0%	1	1	0	0%
4-6	2	1	1	50%	2	2	0	0%
7-9	1	1	0	0%				
10-12	0	0	0	0%	2	2	0	0%
13-15	0	0	0	0%	0	0	0	0%
16-18	0	0	0	0%	0	0	0	0%
19-20	0	0	0	0%	0	0	0	0%
Total	4	3	1	25%	5	5	0	100%

Comment on the performance of ICT Services overall:

The user support turnaround for the year under review 2023/24 was satisfactory even though the Unit was unable to meet all their planned targets due to a shortage of staff.

3.23 Legal and Risk Management

Employees: legal and Risk Management								
Job level	2022/23				2023/24			
	Post s No.	No of Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Post s No.	No of Employee	Vaca ncies (fullti me equi vale nts) No.	Vacancies (as a % of total posts) %
0-3	2	2	2	100%	2	1	1	50%
4-6	2	1	1	50%	2	1	1	50%
7-9	N/A							
10-12	N/A							
13-15	N/A							
16-18	N/A							

Annual Performance Information

Summary of Performance for the 2023/24 financial year

1. Introduction

The Greater Giyani Municipality 2023/24 annual performance report reflects the institution's service delivery and developmental achievements, as well as challenges, in recognition of the municipality's obligation to be an accountable, transparent, and efficient organization. The compilation of this annual performance reports is done in compliance to various pieces of legislation. Key amongst such legislation is local Government: municipal system Act No. 32 of 2000, local Government: municipal finance management Act No 56 of 2003, and National Treasury circulars (especially circular 11 and 63.) The MSA and MFMA state that every municipality and entity must prepare an annual performance report which must form part of the annual report for each financial year in terms of the Act.

This annual performance report reflects the municipality's actual performance in relation to what was planned for in the IDP and SDBIP. It is therefore a post-reflection of planned targets and their actual with a provision for reasons for variance as well as mitigating\corrective measures taken. The annual performance report of the Greater Giyani municipality is aligned to the municipal IDP and Budget for the 2023\24 financial year and that it is aligned to the service delivery and Budget implementation plan and in-year reports.

2. PURPOSE

This annual performance report seeks to attain the following purpose:

- The provision of a report on performance in service delivery and budget implementation plan for the 2023/24 financial year
- To promote transparency and accountability for the activities and programs of the municipality vis-a –vis the six key performance areas
- To provide a record of activities of the municipality for the 2023/24 financial year to which this report relates.

The table below indicates progress per KPA.

KPA	Annual Indicators Assessed	Total Achieved	Total Not Achieved	Percentages of achieved per KPA
KPA-1: Spatial Rational	16	16	0	100%
KPA-2: Institutional Development and Transformation	18	13	5	72%
KPA-3: Infrastructure Development and Basic Services	52	38	14	73%
KPA-4: Local Economic Development	7	6	1	86%
KPA-5: Financial Viability	12	11	1	92%
KPA-6: Public Participation and Good Governance	23	19	4	83%

TOTAL	128	103	25	80%
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3. The Road Map

The attached Annual Performance Report of GGM is a product of in-year reports which have been consistently submitted to Council Committees and Council. Upon the signing of the SDBIP 2023/24 on the 26 June 2024, the Municipality facilitated the signing of performance agreements by the Senior Managers led by the Accounting Officer. Reports on the implementation of the SDBIP were sent to the Executive Committee to Council on quarterly basis.

The Greater Giyani Municipality was responsible for a total number of 128 Key Performance Indicators inclusive of projects for 2023/2024 financial year. The institution managed to achieve 103 indicators inclusive of projects ,25 targets were not achieved.

The overall institutional performance for 2023/2024 is at 80% as compared to the 69% for 2022/2023 financial year, which shows that the municipality has improved compared to the performance of the previous financial year.

COMPONENT K

Chapter 4– Organizational Development Performance

Introduction

The municipal Organizational structure is aligned to IDP and budget. The structure was also adopted by the council. All skills gaps that were crucial in work performance were identified and training interventions were made to address the skills gap. The institution complies with the national legislation.

4.1 Employee totals, turnover and vacancies

Employees					
Description	2022/24		2023/24		Staff turnover
	No. Employees	Terminations	No. of employees	Terminations	
Total Staff	353	29	352	40	11.36%

Vacancy Rate: 2023/24

Designation	*Total approved posts No.	*Variances (Total time that vacancies exist using fulltime equivalents) No.	*Variances (as a proportion of total posts in each category) %
Municipal Manager	1	N/A	0%
CFO	1	N/A	0%
Other S57 Managers (excluding Finance Posts)	4	N/A	0%
Other S57 Managers (Finance posts)	0		
Municipal Police	0		
Fire Fighters	0		
Senior Management: Levels 13-15 (excluding Finance Posts)	0		
Senior Management: Levels 13-15 (Finance Posts)	0		
Highly skilled supervision: Levels 9-12 (excluding Finance posts)	0		

Highly skilled supervision: Levels 9-12 (Finance posts)	0		
Total	6		

Turn-over Rate			
Details	Total Appointments as of beginning of financial year. No.	Terminations during the financial year No.	Turn-over Rate*
2023/24	45	40	11.12%

Comment on vacancies and turnover:

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.1. INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Municipality has taken into cognizance the history of apartheid laws and practices with the resultant disparities and inequalities, in the spirit of Employment Equity Act is geared towards achieving employment equity across all occupational levels and categories and therefore in order to redress the imbalance of the past and move towards a human and representative Labor market underpinned by Equity, Equity redress and Affirmative Action. The Municipality has Employment Equity Plan and active/ functional Employment Equity Committee. 2023/24 Employment Equity report was timeously submitted to the Department of Labour. HR Policies are in place.

5 POLICIES

HR Policies & Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council comment on failure to adopt
1	Affirmative Action	N/A		Legislated
2	Career & Retention Management	100%	100%	17 May 2024
3	Code of conduct for employees	100%	100%	30 May 2023
4	Delegations, Authorizations & responsibility	100%	100%	30 May 2023
5	Disciplinary Code & Procedures	100%	100%	30 May 2023
6	Essential Services	100%	100%	30 May 2023
7	Employee Assistance/ wellness	100%	100%	30 May 2023
8	Employment Equity	100%	100%	30 May 2023
9	Exit Management	N/A	100%	30 May 2023

10	Grievance Procedures	100%	100%	30 May 2023
11	HIV/AIDS	N/A	100%	30 May 2023
12	Human Resource & Development	100%	100%	30 May 2023
13	Information Technology	100%	100%	30 May 2023
14	Job Evaluation	100%	100%	30 May 2023
15	Leave	100%	100%	30 May 2023
16	Occupational Health & Safety	100%	100%	30 May 2023
18	Official Journeys	100%	100%	30 May 2023
19	Official working hours and overtime	100%	100%	30 May 2023
20	Organizational rights	100%	100%	30 May 2023
21	Payroll Deductions	100%	100%	30 May 2023
22	Performance Management & Development	100%	100%	30 May 2023
23	Recruitment, selection & Appointments	100%	100%	30 May 2023
24	Remuneration Scales & Allowances	100%	100%	30 May 2023
25	Resettlement	N/A	100%	30 May 2023
26	Sexual Harassment	N/A	100%	30 May 2023
27	Skills development	100%	100%	30 May 2023
28	Smoking	N/A	100%	30 May 2023
29	Special skills	100%	100%	30 May 2023
30	Work Organization	N/A	100%	30 May 2023
31	Uniforms & protect clothing	100%	100%	30 May 2023
32	Other	N/A		

Comment on Workforce Policy Development:

Over the years the Municipality has managed to develop all priority human resource policies, procedures, and systems in line with the MSA 2000 (S67) to ensure fair, efficient, effective, and transparent personnel administration. During 2023/24 emphasis was placed on improving implementation of the policies and amendment of those policies that were outdated. The implementation of the policies is monitored through Council resolution implementation report.

4.3 Injuries, sickness, and suspensions

Comment on injury and sick leave:

- 7 Injuries on-duty
- Employees who are on sick leave attach their medical certificates.

Comment on suspensions and cases of financial misconduct:

-1 official suspended.

Performance Rewards

Assessments for 2023/24 have not yet been conducted.

Introduction to Workforce:

COMPONENT C: CAPACITING THE MUNICIPAL WORKFORCE

SKILLS

The Work Skills Plan and Annual Training Report were developed and submitted to LGSETA within time frame. The municipality complies with the plan. Mandatory and discretionary grants were claimed and received to assist training interventions.

Skills Matrix									
Management	Gender	Employees in post as of 30 June 2024	Number of skilled employees required and actual as of 30 June 2024						
		NO:	Learnerships		Skills program & other short courses		Other forms of training		Total
			Actual	Target	Actual	Target	Actual	Target	
			From 1 July 2023- 30 June 2024		From 1 July 2023- 30 June 2024		From 1 July 2023- 30 June 2024		
MM	1M	1	1	1	2	1	N/A	N/A	3
S57 & Managers below	14M & 5F	19	N/A	N/A	32	19	N/A	N/A	32
Councillors,	8F & 19M	62	N/A	N/A	27	20	N/A	N/A	27
Senior Officials senior officials Managers	16M & 7F	23	N/A	N/A	21	21	N/A	N/A	21

Technicians & associate professionals	06 M & 2 F	09	N/A	N/A	8	8	N/A	N/A	8
Professionals	4 M	4	N/A	N/A	4	4	N/A	N/A	4
Clerical Sub Total	21M & 29F	60	1	1	43	43	2	3	47

Competency Level Requirement		
2021/2022	2022/23	2023/24
Senior Managers	Snr Managers	Senior Managers
1F 4 M	2F& 3 M	2F& 3 M
Managers	Managers	Managers
1 F M	3F & 13 M	3F & 11 M
Middle Managers	Middle Managers	Middle Managers
1f 2M	1F& 2M	4F& 5M
Admin	Admin	Admin
0	0	9F& 7M
Skills Development	Skills Development	Skills Development
2021/2022	2022/23	2023/24
1F 14M	1M	65M & 55 F



GREATER GIYANI MUNICIPALITY

ANNEXETURE A ANNUAL PERFORMANCE REPORT



ANNUAL PERFORMAMANCE REPORT 2023/24

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9.1. Spatial Rational	
9.2. Municipal Transformation and Organizational Development	
9.3. Basic service Delivery	

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1. Introduction and Legislation

The purpose of this report is to give feedback regarding the performance of the Greater Giyani Municipality as required by the Municipal Systems Act No 32 of 2000, section 41(e) and the Municipal Finance Management Act 56 of 2003, section 52(d). This report emanates from the Integrated Development Plan (IDP) and the Adjusted Service Delivery, Budget and Implementation Plan (SDBIP). The scorecards were developed to reflect cumulative performance, therefore the status of indicators are a reflection of the overall performance level achieved year to date.

METHODOLOGY FOLLOWED IN COMPILING THE REPORT

In terms of Section 46 of the Municipal Systems Act 32 of 2000, Municipalities are required to prepare for each financial year an annual performance reporting reflecting-

- (a) the performance of the municipality and of each external service provider during that financial year.
- (b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year and
- (c) Measures taken to improve performance.

According to the provisions of the Municipal Systems Act, 32 of 2000, municipalities must monitor and measure the progress of their performance by preparing quarterly and mid-year performance reports and annual performance report, in terms of Chapter 6 of the MSA, on performance management systems. These quarterly and mid-

year reports make up the municipality's annual performance reports (Section 46 report), which are submitted to the Auditor-General, together with the Annual financial statements, for auditing.

2. ACRONYMS AND ABBREVIATIONS

AG	Auditor General
GGM	Greater Giyani Municipality
MDM	Mopani District Municipality
CWP	Community Works Programme
DMP	Disaster Management Plan
DoE	Department of Energy
DoHS	Department of Human Settlement
EMP	Environmental Management Plan
EPWP	Expanded Public Works Programme
IDP	Integrated Development Plan
IGR	Inter-Governmental Relations
LED	Local Economic Development
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MPAC	Municipal Public Account Committee
MSIG	Municipal Systems Improvement Grant
N/A	Not Applicable
SLA	Service Level Agreement
PMS	Performance Management System
PMU	Project Management Unit
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan

3. VISION AND MISSION

Vision	
“A municipality where environmental sustainability, Agriculture and Tourism thrives for economic growth.”	
Mission	
Democratic and accountable Municipality that ensures the provision of quality and sustainable services through sound environmental management practices, local economic development, and community participation.	
4. DEPARTMENTS	
Greater Giyani Municipality administration is composed of the following departments: 1. Office of the Municipal Manager, 2. Corporate Services, 3. Planning & Development, 4. Budget and Treasury Office, 5. Technical Services, 6. Community Services	
Municipal Manager	To lead, direct and manage a motivated and inspired Administration and account to the Greater Giyani Municipality Council as Accounting Officer for long term Municipal sustainability to achieve a good creditor rating within the requirements of the relevant legislation and whereas the following sections within the department, i.e. Performance Management, Risk Management and Internal Auditing is managed for integration, efficient, economic and effective communication and service delivery.
Budget and Treasury Office (Finance)	To secure sound and sustainable management of the financial affairs of Greater Giyani Municipality by managing the budget and treasury office and advising and if necessary, assisting the accounting officer and other directors in their duties and delegation contained in the MFMA. Ensuring that the Greater Giyani Municipality is 100% financially viable when it comes to Cost Coverage and to manage the Grant Revenue of the municipality so that no grant funding is foregone
Community Services	To coordinate Sports, Arts and culture, Library services, Traffic and Licensing Services, Community Safety, Environmental and Waste management, Parks and Cemeteries.
Technical Services	To ensure that the service delivery requirements for roads are met and maintenance of water, sewerage and electricity are conducted for access to basic services as well as no less than an average of 100% MIG expenditure
Planning and Development	To direct the Greater Giyani Municipality’s resources for advanced economic development and investment growth through appropriate town and infrastructure planning in order that an environment is created whereby all residents will have a sustainable income
Corporate Services	To ensure efficient and effective operation of council services, human resources and management, Communication, Events and the provision of high-quality customer orientated administrative systems. Ensuring 100% compliance to the Skills Development Plan
5. MUNICIPAL MANAGER’S OVERVIEW	

The 2023/24 Financial Year brought with it some re-invigorated collective efforts from the municipal workforce, resulting in significant achievement recorded in the period under reporting. The Municipality has been able to improve the lives of the Greater Giyani communities through infrastructure development which include among others, electricity connections, high masts, sports centers, and paved roads. In view of the massive backlog on service delivery - exacerbated by low revenue collection on some of our projects, the municipality needs to accelerate implementation of the revenue enhancement strategy. This, to boost revenue collection.

The institutional capacity of Greater Giyani remains the central pillar of service delivery enablers. Meanwhile the high vacancy rate remains a serious challenge due to limited financial resources and high personnel turnover.

This report is based on information received from each department. This in view of the municipal performance in the 2023/24 financial year ending on the 30th of June 2024. It is a high-level report based on scores obtained through a process whereby actual information related to Key Performance Area (KPA), Strategic Objective, Programme and the aligned Key Performance Indicators are compared to the approved 2023/24 IDP and Special Adjusted SDBIP scorecards.

OVERVIEW OF SERVICE DELIVERY ACHIEVEMENTS

Water

The municipality provides 6 kiloliters of free basic water to all households with piped water. Boreholes are also used in communities where there is an acute shortage of water to augment the supply; the municipality is paying for diesel and electricity used for pumping water to the communities.

Electricity

Electricity is generated and distributed by Eskom. Electricity and energy are provided by means of the following sources: Grid electricity, which is supplied from power stations. Non-Grid electricity generated from solar panels, petrol and diesel generators, as well as other sources of energy which include batteries, paraffin, coal, wood, candles, gas, etc.

The municipality also provides free basic electricity to all qualifying household by providing electricity tokens worth 50kwh.

Sanitation

Sanitation is a major problem, which also contributes to health hazards and underground water pollution. Most of the people within the municipal jurisdiction area use pit latrines (28% in 2022) without ventilation while others have no sanitation facilities at all (50% in 2022). 36% of Households had RDP standard sanitation in 2022 with 41 108

(62%) households still below the RDP standard. The department of water and sanitation is in the planning process of constructing new sewer treatment works to augment the existing plant. (STATS SA 2022)

Refuse removal / solid waste.

The municipality has two solid waste disposal sites. The legal status of the old site is challenged since it does not adhere to the requirements of the Department of Environmental Affairs and Tourism. The site is located at the confluence of Murhogolo and Klein Letaba rivers and waste material overflows and contaminate rivers, causing health hazards. Littering and illegal dumping is also a major problem, particularly in the CBD area of Giyani Town and along the main roads. There is no proper refuse removal systems in the rural areas (69% use their own dump site) therefore, causing a health hazard. The municipality is intending to extend this service to rural areas (8 villages). A new land fill site has been established and has acquired the related legal status. The site is not functional. Fencing is completed and this financial year, the second phase will commence.

The municipality currently is responsible for maintenance of the Waste Disposal Site.

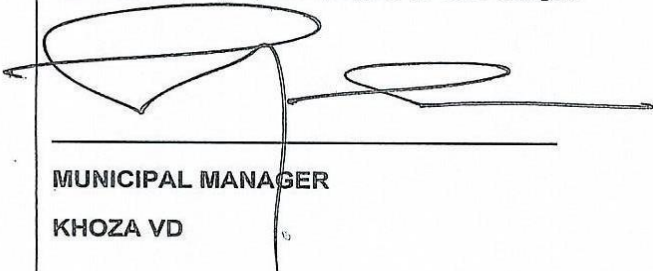
Roads and stormwater

The road network within Municipal area which was damaged by the rainfall during 2000 has been repaired. What remains now is for provisions to be made to ensure that they are maintained regularly. Most of the roads need rehabilitation and maintenance and bridges need to be repaired. Giyani has 79km of provincial tarred road and 414 km of gravel road.

Project Management

The Municipality has for the 2023/24 financial year completed 15 projects under building, roads and electrification ,5 projects were not completed and 12 multi-year projects which will be completed in the 2024/25 financial year.

The Municipality spent 100% of its MIG budget.



MUNICIPAL MANAGER
KHOZA VD

31/08/2024
DATE

6. Institutional Performance

The institution was responsible for a total of 128 indicators in the SDBIP. The municipality did not fully achieve its planned targets on Local Economic Development and Basic Service Delivery which contributed to the municipality not achieving 100% of planned targets in the approved Service Delivery and Budget Implementation Plan. The overall institutional performance on Service Delivery for 2023/2024 financial year as of 30 June 2024 was at 80%. All the assessed KPI's and Projects contribute to the overall performance level of the combined IDP and SDBIP Scorecards as reflected in this report.

7. Comparison of Institutional Performance Levels 2023/2024 – 2022/2023 Financial Year

In terms of Section 46 of the Municipal Systems Act, paragraph (b): the municipality must prepare for each financial year a performance report reflecting a comparison of performance referred to in paragraph (a) with targets set for and performances in the previous financial year.

The Greater Giyani Municipality was responsible for a total number of 128 Key Performance Indicators inclusive of projects for 2023/2024 financial year. The institution managed to achieve 103 indicators inclusive of projects ,25 targets were not achieved.

The overall institutional performance for 2023/2024 is at 80% as compared to the 69% for 2022/2023 financial year, which shows that the municipality has improved compared to the performance of the previous financial year.

SUMMARY OF PERFORMANCE TARGETS ACHIEVED AND NOT ACHIEVED PER STRATEGIC OBJECTIVE									
		2022/23				2023/2024			
No	Strategic Objective	Number of indicators Planned	Number of indicators Not Achieved	Number of Indicators Achieved	%of indicators Achieved	Number of indicators Planned	Number of indicators Not Achieved	Number of Indicators Achieved	% of indicators Achieved
1.	KPA 1: Spatial Rational	23	06	17	74%	16	0	16	100%
2.	KPA 2: Institutional Development and Municipal Transformation	26	10	16	62%	18	5	13	72%
3.	KPA 3: Basic Services and Infrastructure Development	44	19	25	57%	52	14	38	73%

4.	KPA 4: Local Economic Development	07	01	06	86%	7	1	6	86%
5.	KPA 5: Municipal Financial and Management Viability	13	0	13	100%	12	1	11	92%
6.	KPA 6: Good Governance & Public Participation	24	07	17	71%	23	4	19	83%
Overall Performance		137	43	94	69	128	25	103	80%

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
KPA 1 SPATIAL RATIONAL (High SDBIP)																		
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Number of Tribunal Sittings held	LUS gazetted.	Alignment of LUS	Alignment of LUS	Greater Giyani Municipality	All wards	Income	Operational	Operational	Alignment of LUS	4 Tribunal Sittings held by 30 June 2024	Target Overachieved (6 Tribunal sittings held)	2 more Tribunal Sittings held	Addressing backlog	None	Invitation, agenda and attendance register	P & Dev

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
KPA 2 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT (HIGHER SDBIP)																		
Council Services	To make decisions concerning the exercise of all the powers and performance of all the functions of the municipality	Number of Council Meetings coordinated and supported	22 Council meetings coordinated and supported 2022/23	Council Meeting	Organize Council Meeting as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	7 Council Meetings coordinated and supported by 30 June 2024	Target overachieved (13 council meetings coordinated and supported)	6 more council meetings coordinated and supported	Due to urgent matters that needed council approval	None	Notices of Invitations Agenda and Attendance Register	CORP

Council Services	To advise Council on policy matters and make recommendations to Council	Number of Executive Committee Meetings convened	20 Executive Committee Meetings convened 2022/23	Executive Committee Meetings	Organize Executive Committee Meetings as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	12 Executive Committee Meetings convened by 30 June 2024	Target not achieved (11 Executive committee meeting not convened)	1 Executive committee meeting not convened	There was no submission from committees	To develop a quarterly progress reporting template	Notices of Invitations Agenda and Attendance Register	Office of the Mayor
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Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Council Services	To advise EXCO on policy matters and make recommendations to EXCO	Number of Portfolio Committee Meetings held	84 Portfolio Committee Meetings held in 2022/23	Portfolio Committee Meetings	Organize Portfolio Committee meeting as per schedule	Greater Giyani Municipality	Administration	Income	Operational	Portfolio Committee Meetings	Operational	96 Portfolio Committee Meetings held by 30 June 2024	Target overachieved (97 Portfolio Committee Meetings held)	1 more Portfolio Committee Meetings held	Due to urgent matter that need council approval	None	Agenda, Minutes and Attendance Register	CORP

Council Services	To monitor and assess implementation of Council resolutions	Number of reports developed on implementation of council resolutions	4 Progress reports on implementation of council resolution developed	Council resolution implementation	Development of Council Resolution Register and monitor implementation of council resolutions.	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 progress reports on implementation of council resolutions to be developed by 30 June 2024	Target achieved (4 progress reports on implementation of council resolutions developed)	None	None	None	Council implementation report	CORP
Human Resources and Organizational Development	To develop and retain the best human capital, effective and efficient administrative and operational support system	Develop Work Skills Plan (WSP) and Annual Training Report (ATR) and submit to LGSETA	WSP and ATR developed and submitted to LGSETA by 30 April 2023	WSP and ATR	Development and submission of the WSP and ATR	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	Developed WSP and ATR submitted to LGSETA by 30 April 2024	Target achieved (Developed WSP and ATR submitted to LGSETA)	None	None	None	Proof of submission	CORP

Priority	Development	Key	Baseline	Project	Project	Location	Ward	Funding	Budget	Adjusted	Special	Annual	Actual	Variance	Reason for	Corrective	Portfolio	Dept.
Issue/Programme	Objective	performance Indicator	2022/23	Name	/Indicator Description			Source	2023/2024	Budget 2023/2024	budget adjusted 2023/24	Target	performance		Variance	Measures	Of Evidence	
Human Resources and Organizational Development	To develop and retain the best human capital, effective and efficient administrative and operational support system	Submit the Employment Equity report to Department of Labour (DoL)	Employment Equity Report submitted to DoL	Equity	Development and submission of the Employment Equity Report	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	Employment Equity Report submitted to DoL by 15 January 2024	Target achieved (Employment Equity Report submitted to DoL)	None	None	None	Proof of submission	CORP
Priority	Development	Key	Baseline	Project	Project	Location	Ward	Funding	Budget	Adjusted	Special	Annual	Actual	Variance	Reason for	Corrective	Portfolio	Dept.
Issue/Programme	Objective	performance Indicator	2022/23	Name	/Indicator Description			Source	2023/2024	Budget 2023/2024	budget adjusted 2023/24	Target	performance		Variance	Measures	Of Evidence	

KPA 3 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT (HIGHER SDBIP)

Waste Management	Accessible basic and infrastructure services	Number of wards to have access to refuse removal	All township s) A, D1, D2, E, F, Kremet art and CBD) in wards 11, 12, 13 and 21 had access to refuse removal	Waste Management	Collection of waste in wards 11, 12, 13 & 21	Sections A, D1, D2, E, F, Kremeta	Wards 11, 12, 13 & 21	Income	Operational	Operational	Operational	4 wards (11, 12, 13 and 21) to have access to refuse removal by 30 June 2024	Target achieved (4 wards (11, 12, 13 and 21) had access to refuse removal)	None	None	None	Billings Report	COM
Building and Construction	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Completion of guardhouse, vinyl flooring and ceiling for Mavalani Indoor Sports Centre	Paving of public parking, palisade fence, and installation on of the steel Column) in progress of Mavalani indoor sports Centre)	Mavalani indoor sports Centre	Construction of Mavalani Indoor Sports Centre	Mavalani Indoor Sport	Ward 20	LGE S/MIG	16,313,679	12,313,679	9,263,679	Completion of guardhouse, vinyl flooring and ceiling for Mavalani Indoor Sports Centre by 30 June 2024	Target not achieved (Substructure main hall and guardhouse has been completed for Mavalani Indoor Sports Centre)	Completion of guardhouse & main hall superstructure, vinyl flooring and ceiling	Slow physical progress due to discrepancies between Bill of Quantities and constructions drawings	Expediate progress of work, according to revised Bill of Quantities that aligns with the drawings	Progress Reports	TECH

Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Building and Construction	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Construction of Jim Nghalume community hall	Construction has started at Jim Nghalume community hall	Jim Nghalume community hall	Construction of Jim Nghalume community hall	Jim Nghalume	Ward 30	LGES/MIG	14,309,409,79	14,842,432	14,842,432	Construction of Jim Nghalume community hall by 30 June 2024	Target achieved (Construction of Jim Nghalume community hall)	None	None	None	Progress Report and Practical Completion Certificate	TECH
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Construction of Selawa upgrading of roads from gravel to paving for 1,8 km	Base layer has been completed for Selawa upgrading of roads from gravel to paving for 1,8 km	Selawa upgrading of roads from gravel to paving	To construct Selawa upgrading of roads from gravel to paving	Silawa	Ward 8	LGES/MIG	8,500,450.00	9,025,691.48	9,025,691.48	1,8km upgrading of road from gravel to paving at Selawa by 30 June 2024	Target achieved (1,8km upgrading of road from gravel to paving at Selawa)	None	None	None	Progress Report and Practical Completion Certificate	TECH
Building and	To develop sustainable	Construction of Homu	Completed grandstand	Homu14 B Sports Centre	Construction of Homu	Homu 14B	Ward 9	LGE SMI G	900,000	3,053,276	3,053,276	Construction of Homu1	Target achieved (Constr	None	None	None	Progress report and	TECH

Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Construction	infrastructure networks which promotes economic growth and improve quality of life	u14B Sports center	canopy, elevated steel tank refurbishment of the guard housing of the borehole for Homu1 4B Sports center		u14B Sports Centre							4B Sports Centre by 30 June 2024	uction of Homu1 4B Sports Centre)				Practical Completion Certificate	
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Sub mission of Detailed Design for Servicing of 539 sites at Section F	New Indicator	Servicing of 539 sites	Finalization of Servicing of 539 sites designs	Section F	Ward 13	LGE S/MI G	1,000,000	750,000.00	750,000.00	Submission of Detailed Design for Servicing of 539 sites at Section F by 30 June 2024	Target achieved (Detailed Design for Servicing of 539 sites at Section F has been submitted)	None	None	None	Detailed Design	TECH

Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Development of Preliminary Design for 4,2km Upgrading from gravel to paving Giyani Nwamankena	New Indicator	Upgrading from gravel to paving Giyani Nwamankena	Upgrading from gravel to paving Giyani Nwamankena	Nwamankena	Ward 8	LGE S/M/G	500,000	500,000	500,000	Development of Preliminary Design for 4,2km Upgrading from gravel to paving Giyani Nwamankena by 30 June 2024	Target achieved (Preliminary Design for 4,2km Upgrading from gravel to paving Giyani Nwamankena has been developed)	None	None	None	Appointment Letter and Preliminary Design Report	TECH
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth	Construction of Siyandhani ring road for 4,4km	Service provider/engineer Siyandhani Ring Road for 4.4 km has been appointed and construct	Siyandhani ring road	Construction of Siyandhani ring road	Siyandhani	Ward 7	LGE S/M/G	32,070,764	40,790,764	40,781,608,03	4,4km ring road constructed at Siyandhani by 30 June 2024	Target not achieved (4,4km ring road at Siyandhani has reached practical	Road markings corrections and kerbing alignment for 4,4km ring road at Siyandhani	The project had reached practical completion. However, there were only few outstanding issues which the contractor had to complete.	To ensure that practical completion is done on time to give the contractor 14 days to complete minor issues according to general conditions of contracts.	Progress Reports and Practical Completion	TECH

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
	and improve quality of life		ion has started.														Certificate	
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Shikhumba Upgrading from gravel to paving for 2.6 km	Service provider/engineer for Shikhumba Upgrading from gravel to paving for 2,6km has been appointed	Shikhumba Upgrading from gravel to paving	Shikhumba Upgrading from gravel to paving for 2.6 km	Shikhumba	Ward 22	LGE SMI G	23,391,087.80	24,253,729.53	22,653,729.53	2,6km Upgrading from gravel to paving at Shikhumba by 30 June 2024	Target achieved (2,6km Upgrading from gravel to paving at Shikhumba)	None	None	None	Progress Reports and Practical Completion Certificate	TECH

Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and improve	Appointment of contractor for 3.6km upgrading from gravel to paving	First Project site appraisal has been conducted, scoping and preliminary design has been completed for	Shawela Upgrading from gravel to paving	Shawela Upgrading from gravel to paving	Shawela	Ward 22	LGE S/M/G	1,000,000	1,000,000	1,000,000	Appointment of contractor for 3.6km upgrading from gravel to paving at Shawela by 30	Target achieved (Contractor for 3.6km upgrading from gravel to paving at Shawela has	None	None	None	Detailed design, Tender document, Appointment letter	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
	quality of life	g at Shawela	Shawela upgrading from gravel to paving for 3.6 km									June 2024	been appointed)					

Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Connection of paypoint and boomgate at Civic Centre parking lot	Parking lot at Civic Centre upgraded	Upgrading of parking lot	Upgrading of parking lot	Greater Giyani Municipality		LGE S/M/G	1,300,000	1,300,000	1,300,000	Connection of paypoint and boomgate at Civic Centre parking lot by 30 June 2024	Target not achieved (Boomgate at Civic Centre parking lot has been connected)	Pay point at Civic Centre not connected	Due to budget constraints	To implement the revenue enhancement strategy	Progress Report and Practical Completion Certificate	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Appointment of service provider for 3,5km Upgrading of phase 2 from Gravel to Paving at Makosha	Detailed design for Makosha upgrading from Gravel to Paving Phase 2 for 4,1km has been developed	Upgrading of Makosha phase 2 from Gravel to Paving	Upgrading of Makosha phase 2 from Gravel to Paving	Makosha	Ward 14	LGES/MIG	1,500,000	1,500,000	1,500,000	Appointment of service provider for 3,5km Upgrading of phase 2 from Gravel to Paving at Makosha by 30 June 2024	Target not achieved, (Approved Terms of Reference to appoint Service provider for 3,5km Upgrading of phase 2 from Gravel to Paving at Makosha)	Appointment of service provider for 3,5km Upgrading of phase 2 from Gravel to Paving at Makosha Contractor	Delays in transferring the road from Department of Public Works to municipality	Continue engagement with Provincial Public Works to transfer the road to the municipality and request MIG grant	Tender draft document and Appointment letter	TECH
Roads, Bridges and Storm water	To develop sustainable infrastructure networks which promotes	Appointment of contractor for 2.6km upgr	Development of preliminary Design Report	Hlomela upgrading from Gravel to Paving	Upgrading of Hlomela upgrading from Gravel	Hlomela	Ward 19	LGES/MIG	2,527,159,41	1,027,159	4,327,159.41	Appointment of contractor for 2.6km upgrading from gravel to paving	Target achieved (Contractor for 2.6km upgrading from gravel	None	None	None	Appointment letter	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

	economic growth and improve quality of life	adding from gravel to paving for at Hlomelela			rel to Paving for 2,6km							for at Hlomelela by 30 June 2024	to paving at Hlomelela has been appointed)					
Building and Construction	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Appointment of consultant for refurbishment of Section E Sports Centre	Section E sport Centre Service provider/engineer not appointed	Refurbishment of Section E Sports Centre	Refurbishment of Section E Sports Centre	Section E	Ward 20	LGES/MIG	1,500,000	250,000	250,000	Appointment of consultant for refurbishment of Section E Sports Centre by 30 June 2024	Target not achieved (Approved Terms Of Reference to appoint consultant for refurbishment of Section E Sports Centre)	Appointment of consultant at Section E Sports Centre	Due to budget constraints	Intensify implementation of revenue enhancement strategy	Appointment letter	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Building and Construction	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Appointment of consultant for refurbishment of Sporting Facilities (Gawula)	Fixing of defects not done	Refurbishment of Sporting Facilities (Gawula)	Refurbishment of Sporting Facilities (Gawula)	Gawula	Ward 18	LGES/MIG	2,000,000	250,000	250,000	Appointment of consultant for refurbishment of Sporting Facilities (Gawula) by 30 June 2024	Target not achieved (Draft Terms of Reference to appoint Consultant for refurbishment of Sporting Facilities Gawula)	Appointment of Consultant at refurbishment of Sporting Facilities Gawula	Due to budget constraints	Intensify implementation of revenue enhancement strategy	Appointment letter	TECH
Asset Management	To improve financial management systems to enhance value base	Number of Fleet Fuel and Maintenance Expenditure Management	4 Quarterly Fleet Fuel and Maintenance Expenditure Management Report	Fleet Vehicles & Machinery	Performance fuel and expenditure management.	Greater Gyi Municipality	Administration	Income	Operational	Operational	Operational	4 Quarterly Fleet Fuel and Maintenance Expenditure Management Report compiled by 30 June 2024	Target not achieved (4 drafts Quarterly Fleet Fuel and Maintenance Expenditure Management Report)	4 Quarterly Fleet Fuel and Maintenance Expenditure Management Report	Reports were not submitted for signing	To ensure that reports are signed on a quarterly basis.	Fleet Fuel and Maintenance Report.	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

		nt compiled										June 2024	compiled)					
Building and Construction	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Construction of Civic Centre Building Phase 4	Installed stand-by generator, piping of the HVAC system, installation of the ceiling on the Council Chamber, preparation of the concrete works inside	Civic Centre Building Phase 4	Construction of Civic Centre Building Phase 4	Giyani CBD		MIG/LGES	6,000,000.00	22,576,087.95	19,576,087.95	Construction of Civic Centre Building Phase 4 by 30 June 2024	Target achieved (Construction of Civic Centre Building Phase 4)	None	None	None	Progress Report and Practical Completion Certificate	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

			the Council Chamber															
Building and Construction	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Appointment of contractor for construction of Waste Disposal Site	Construction	Waste Disposal Site	Waste Disposal Site	Greater Giyani	All wards	MIG	5,300 000	5,300 000	1,000000	Appointment of contractor for construction of Waste Disposal Site by 30 June 2024	Target not achieved (Approved Terms Of Reference to appoint contractor for Waste Disposal Site)	Appointment of Contractor for Waste Disposal Site	There was a delay on the development specification document	Ensure that there is forward planning in the implementation of the project	Tender document and Appointment Letter	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

PMU	To improve financial management systems to enhance venue base	% MIG Budget spent	100% MIG budget spent	MIG Spending	Spending 100 % of MIG allocated fund	Greater Giyani Municipality	Administration	MIG	72,338,000.00	64,462,433.21	64,462,433.21	100% MIG Budget spent by 30 June 2024	Target achieved (100% MIG budget spent)	None	None	None	MIG Spending Report	TECH
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KPA 4 LOCAL ECONOMIC DEVELOPMENT (HIGHER SDBIP)

Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
LED Strategy	To Create an Enabling Environment for Sustainable Economic Growth	Adoption of the LED Strategy by Council	1 LED Strategy not reviewed	LED Strategy Review	LED Strategy to be reviewed and submitted to Council for approval	Greater Giyani Municipality	Giyani	Income	Operational	Operational	Operational	Adoption of the LED Strategy by Council by 30 June 2024	Target achieved (LED Strategy by Council has been adopted)	None	None	None	Final LED Strategy and Council Resolution	P & Dev

LED Forum	To Create an Enabling Environment for Sustainable Economic Growth	Number of LED Forum held	4 LED Forum held	LED Forum meeting	1 LED Forum meeting held per quarter	Greater Giyani Municipality	All Wards	Income	Operational	Operational	Operational	4 LED Forum held by June 2024	Target achieved (4 LED Forum held)	None	None	None	Invitation, Minutes and Attendance Register	P & Dev
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
LIBRA	To Create an Enabling Environment for Sustainable Economic Growth	Number of Business Registration and Licensing adjudication committee meetings held	4 Business Registration and Licensing adjudication committee meeting held	Adjudication committee meetings	4 Adjudication Committee Meetings held per quarter	Greater Giyani Municipality	All Wards	Income	Operational	Operational	Operational	4 Business Registration and Licensing adjudication committee meetings held by 30 June 2024	Target achieved (4 Business Registration and Licensing adjudication committee meetings held)	None	None	None	Invitation, Minutes and Attendance Register	P & Dev

Priority Issue/Program me	Developmen t Objective	Key performan ce Indicator	Baseline 2022/23	Project Name	Project /Indicato r Descripti on	Locati on	Ward	Fundi ng Source	Budget 2023/ 2024	Adjusted Budget 2023/ 2024	Special budget adjusted 2023/24	Annual Target	Actual performan ce	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidenc e	Dept.
SMME Support (Projects & Cooperatives	To Create an Enabling Environment For Sustainable Economic Growth	Number of SMM E's supported financially	4 SMME's supported financially	SMME Support	Financially support projects & cooperatives that are operational but facing some challenges.	Greater Giyani Municipality	All Wards	LED Support funds	R1,590,000	1,620,000.00	1,620,000.00	6 SMME'S Supported financially by 30 June 2024	Target not achieved (4 SMME'S Supported financially)	2 SMME's not supported financially	The municipality did not receive adequate number of qualifying SMME's.	Ensure that the SMME's support programme is advertised on local radio station and local newspaper & municipal social media pages	Call for proposals, Application Form and Acknowledgment letter	P & Dev
Priority Issue/Program me	Developmen t Objective	Key performan ce Indicator	Baseline 2022/23	Project Name	Project /Indicato r Descripti on	Locati on	Ward	Fundi ng Source	Budget 2023/ 2024	Adjusted Budget 2023/ 2024	Special budget adjusted 2023/24	Annual Target	Actual performan ce	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidenc e	Dept.

Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
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KPA 5 MUNICIPAL FINANCE MANAGEMENT AND VIABILITY (HIGHER SDBIP)

Budget and Reporting	To improve financial management systems to enhance venue base	Obtaining unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Complying with legislative framework works, keeping records and submit AFS	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	Obtaining unqualified Audit Opinion by 30 June 2024	Target achieved (Unqualified Audit Opinion obtained)	None	None	None	AGS A Audit Report	B&T
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KPA 6 GOOD GOVERNANCE AND PUBLIC PARTICIPATION (HIGHER SDBIP)

Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
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Integrated Development Planning	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Review the IDP for 2023/2024 and development of 2024/25 IDP financial year	Reviewed the IDP for 2022/23 and developed 2023/24 IDP financial year)	IDP Review	Compile IDP analysis phase, Organize the IDP rep forum . Conduct Strategic Planning session and present to the IDP rep forum , Draft IDP completed	Greater Giyani Municipality	Administration	Income	600,000.00	600,000.00		Review the IDP for 2023/2024 and development of 2024/25 IDP financial year by 31 May 2024	Target achieved (Reviewed IDP for 2023/2024 and developed 2024/25 IDP financial year)	None	None	None	Council Resolution (Adopted Process Plan) , Draft Analysis phase(Chapter) ,Council Resolution (Draft IDP) and Attendance Registers & Council Resolution	P&Dev
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

					and submitted to Council for adoption by 31 March 2023, IDP Public participation, Final IDP submitted to council for adoption by 31 May 2023												(Final IDP and attendance registers)	
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Performance Management	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Develop and submit the 2024/2025 SDBIP to the Mayor for signature within 28 days after approval of the budget	SDBIP 2023/2024 was developed and submitted to the mayor within 28 days after approval of the budget	Development of Service Delivery and Budget Implementation Plan (SDBIP)	Collect information from departments, develop a draft SDBIP, submit to departments for inputs, incorporate inputs Submit to the Mayor for signature, submit	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	Development and submission of the 2024/2025 SDBIP to the Mayor for signature within 28 days after approval of the budget by 30 June 2024	Target achieved (Developed and submitted the 2024/2025 SDBIP to the Mayor for signature within 28 days after approval of the budget)	None	None	None	Signed SDBIP and Proof of Submission	MM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

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Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Locati on	Ward	Fundi ng Source	Budget 2023/ 2024	Adjusted Budget 2023/ 2024	Special budget adjusted 2023/24	Annual Target	Actual performan ce	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidenc e	Dept.

Risk Management	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Number of Risk management Committee meetings held	4 risk activities held	Risk Management committee	Organize Risk Management Committee meetings	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 Risk management Committee meeting held by 30 June 2024	Target achieved (4 risk management committee meetings held)	None	None	None	Minutes and Attendance Register	MM
Risk Management	To develop governance structures and systems that will ensure	% Of total number of risk implemented (Strat	Implementation of risk mitigation plans	Risk Register	Implementation of the risk management action	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	100% of total number of risks implemented (Strategic and Operati	Target not achieved. 59% (136/236) of risk implem	41% (99/236) risk implementation plan	Delay in finalizing the recommended work by DWS to obtain landfill operation	All the outstanding activities to be implemented has been carried to the next financial year	Updated Risk register	MM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

	effective public consultation and organizational discipline	egic and Operational)			n plan							onal) by 30 June 2024	ented Strategic and Operational)		license, disaster recovery plan, BCP, appointment of positions, conducting awareness on municipal services, MSCOA training, capturing of CSD number on MSCOA, appointments of complaints forum			
Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Locati on	Ward	Fundi ng Source	Budget 2023/ 2024	Adjusted Budget 2023/ 2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidenc e	Dept.

Internal Auditing	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Develop Audit Committee Charter and submit to council for approval	Audit Committee Charter developed and submitted to council for approval	Audit Committee Charter	Audit Committee Charter submitted to council for approval	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	Audit Committee Charter developed and submitted to council for approval by 30 June 2024	Target achieved (Audit Charter developed and approved by council)	None	None	None	Approved Audit Committee Charter	MM
Internal Auditing	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Develop the 3 year Internal Audit Plan, and Internal Audit Charter and submit to Audit	3-year Internal Audit plan and Internal Audit Charter developed and submitted to Audit Committee for approval	Internal Audit Plan and Internal Audit Charter	Develop the Internal Audit Plan and Internal Audit Charter and submit to Audit Com	Greater Giyani Municipality	All Wards	Income	Operational	Operational	Operational	3-year Internal Audit plan and Internal Audit Charter developed and submitted to Audit Committee for approval by	Target achieved (3year Internal Audit plan and Internal Audit Charter developed and submitted to Audit Committee for	None	None	None	Approved 3-year Internal Audit plan, Internal Audit Charter	MM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

		Com mitte e for appr oval			mitte e for appro val							30 June	appro val)					
Public Participatio n	To develop governan ce structure s and systems that will ensure effective public consultat ion and organizat ional discipline	Num ber of publi c partic ipatio ns to be cond ucted	8 public participat ions conduce d	Public Participa tion	Cons ult mem bers of the publi c on servi ce deliv ery issue s	Gre ater Giy ani Mu nici palit y	All war ds	Inco me	Opera tional	Opera tional	Operation al	4 public particip ations conduc ted by 30 June 2024	Target achieve d (4 public particip ations conduc ted)	None	None	None	Atten danc e Regis ter and Progr amm e	CORP

KPA 1 SPATIAL RATIONAL (LOWER SDBIP)

Priority Issue/Program me	Developmen t Objective	Key performan ce Indicator	Baseline 2022/23	Project Name	Project /Indicato r Descripti on	Locati on	Ward	Fundi ng Source	Budget 2023/ 2024	Adjusted Budget 2023/ 2024	Special budget adjusted 2023/24	Annual Target	Actual performan ce	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidenc e	Dept.
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Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	To compile draft land use application for town establishment (Ndengeza)	New Indicator	Township establishment Ndengeza Village 500 sites	Township establishment	Ndengeza Village	Ward 3	LGES	700 000	250,000	250,000	To compile draft land use application for town establishment (Ndengeza) by 30 June 2024	Target achieved (Draft land use application for town establishment compiled Ndengeza)	None	None	None	Draft Layout and Draft Land use application	P & Dev
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Submit land application for Golf Course Development to Tribunal	Application to Rezone and subdivide Golf Course compiled	Golf Course Development	Rezoning and subdivision of Golf Course	Giyani D1	Ward 11	Income	600 000.00	500,000	500,000	Submit land application to Rezone and subdivide Golf Course to Tribunal by 30 June 2024	Target achieved (Land application to Rezone and subdivide Golf Course submitted to Tribunal)	None	None	None	Land Application and Proof of submission	P & Dev
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Submit application for Formalization of Makosha Risinga Extension	Application for Formalization of Makosha Risinga Extension compiled	Formalization of Makosha Risinga	Formalization of Makosha Risinga	Risinga	Ward 13	LGES	300 000.00	150,000	150,000	Submit application for Formalization of Makosha Risinga Extension by 30 June 2024	Target achieved (Application for Formalization of Makosha Risinga Extension submitted)	None	None	None	Land Application and Proof of submission	P & Dev
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Submit Church view draft general plan to Surveyor General	Draft Layout Plan	Approval of Building plans	Formalization of Church View	Church View	Ward 11	LGES	300 000.00	300 000.00	300 000.00	Submit Church view draft general plan to Surveyor General Office by 30 June 2024	Target achieved (Church view draft general plan to Surveyor General Office submitted)	None	None	None	Land Application, Draft general plan and Proof of submission	P & Dev
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

		Office																
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Submission of street names for Giyani Section A to Surveyor General	Draft Street names submitted to Council	Street naming Giyani section A& F	Street naming Giyani Section A & F	Giyani Section A & F		LGES	300 000.00	300 000.00	300 000.00	Submission of street names for Giyani Section A to Surveyor General by 30 June 2024	Target achieved (Street names for Giyani Section A to Surveyor General submitted)	None	None	None	Proof of submission	P & Dev
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Submission of street names for Giyani BA to Surveyor General	Draft Street names submitted to Council	Street naming Giyani BA & C	Street naming Giyani BA & C	Giyani BA and C		LGES	300 000.00	300 000.00	300 000.00	Submission of street names for Giyani BA to Surveyor General by 30 June 2024	Target achieved (Street names for Giyani BA to Surveyor General submitted)	None	None	None	Proof of submission	P & Dev
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Submission of street names for Giyani Section E to Surveyor General	Draft Street names submitted to Council	Street naming Giyani E	Street naming Giyani E	Giyani E	Ward 11	LGES	300 000	300 000	300 000	Submission of street names for Giyani Section E to Surveyor General by 30 June 2024	Target achieved (Street names for Giyani Section E to Surveyor General submitted)	None	None	None	Proof of submission	P & Dev
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Submission of street names for Kremetart to Surveyor General	Draft Street names submitted to Council	Street naming Kremetart	Street naming Kremetart	Kremetart	Ward 7	LGES	300 000	300 000	300 000	Submission of street names for Kremetart to Surveyor General by 30 June 2024	Target achieved (Street names for Kremetart to Surveyor General submitted)	None	None	None	Proof of submission	P & Dev
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	To submit site demarcation application for town establishment (Dzumeri & Sikhunya) to Tribunal	Draft Land use application for town establishment (Dzumeri & Sikhunya)	Site Demarcation in Sikhunya, ani & Dzumeri villages	Township establishment	Sikhunya and Dzumeri	Ward 26 and 25	LGES	700 000	700 000	700 000	Submit site demarcation application (Sikhunya & Dzumeri) to Tribunal by 30 June 2024	Target achieved (Site demarcation application Sikhunya & Dzumeri to Tribunal submitted)	None	None	None	Draft layout, Site demarcation application (township establishment and Proof of submission)	P & Dev

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable	Submit subdivision and Rezoning application of 3 Municipal Properties in Villages compiled	Subdivision and Rezoning application of 3 Municipal Properties in Villages compiled	Subdivision, Rezoning of Municipal Properties	Rezoning and subdivision of 3 Municipal Properties in	Thomo, Homu & Mageva	Ward, 9, 17, 24	Income	600 000.00	600 000.00	600 000.00	Submit subdivision and Rezoning application of 3 Municipal Properties (Thomo	Target achieved (Subdivision and Rezoning application of 3 Municipal Properti	None	None	None	Proof of submission and application	P & Dev
Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
	development	erties (Thomo, Homu & Mageva) to Tribunal			villages							, Homu & Mageva) to Tribunal by 30 June 2024	es (Thomo, Homu & Mageva) to Tribunal submitted)					

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Submit Rezoning and subdivision application for municipal parks to Tribunal	Rezoning and subdivision application for municipal parks compiled	Rezoning and subdivision of parks	Rezoning and subdivision of parks	Giyani township	Ward 13	LGES	700 000.00	700 000.00	700 000.00	Submit Rezoning and subdivision application for municipal parks to Tribunal by 30 June 2024	Target achieved (Rezoning and subdivision application for municipal parks to Tribunal submitted)	None	None	None	Proof of submission and application	P & Dev
Spatial and Town Planning	To develop an effective spatial framework	To develop Mahumani precinct	Draft precinct plan for Mahumani Village pending	Mahumani Precinct Plan	Mahumani Precinct Plan	Nkomo	Ward 10	LGES	500,000	400,000	400,000	Development of Mahumani precinct	Target achieved (Mahumani precinct)	None	None	None	Final Precinct Plan	P & Dev
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
	k that promotes integrated and sustainable development	nt plan	final consultations and submission to Council									t plan by 30 June 2024	plan developed)					

Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Upgrade GIS System	GIS System upgraded	GIS Upgrade	GIS Upgrade	Greater Giyani	All wards	LGES	700 000.00	700 000.00	700 000.00	Upgrade GIS System by 30 June 2024	Target achieved (GIS System upgraded)	None	None	None	Appointment Letter and Confirmation of system upgrade	P & Dev
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Spatial and Town Planning	To develop an effective spatial framework that promotes integrated and sustainable development	Compilation of land use application for Sikhunyani township establishment	Feasibility study and draft layout for Sikhunyani township establishment conducted	Township establishment Sikhunyani	Township establishment	Sikhunyani	Ward 26	LGES	500 000.00	1,100,000	1,100,000	Compilation of land use application for Sikhunyani township establishment by 30 June 2024	Target achieved (land use application for Sikhunyani township establishment compiled)	None	None	None	Land use application	P & Dev

Buildings Regulation	To comply with building regulations	To approve building plans	New Indicator	Approval of Building plans	Approval of Building plans	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	100% approval of building plans by 30 June 2024	Target achieved (100% (23/23) building plans approved)	None	None	None	Register & Report	P & Dev
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
KPA 2 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT (LOWER SDBIP)																		
Wellness Program	To have an effective and productive workforce	Coordinate wellness events	New Indicator	Wellness Program	Coordination of Wellness events	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	2 Wellness events coordinated by 30 June 2024	Target achieved (2 Wellness events coordinated)	None	None	None	Invitations and attendance register	CORP

Occupational Health and Safety Program	To create a conducive working environment	Conduct inspection on OHS	4 OHS onsite inspection conducted	Occupational health	Development of 4 OHS reports	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 OHS onsite inspection conducted at Civic Centre, Unigaz, Testing Station and brick yard by 30 June 2024	Target achieved (4 OHS onsite inspection conducted at Civic Centre, Unigaz, Testing Station and brick yard)	None	None	None	OHS Report	CORP
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Reviewal of Governanc e Policies	Develop ment of policies to ensure good governan ce	Revi ew Governanc e polici es Fram ewor k	HR policies reviewed	Governa nce Policies	Revie wing of the Governanc e Polici es	Gre ater Giy ani Mu nicip ality	Adm inist ratio n	Inco me	Opera tional	Opera tional	Opera tional	Review 51 Governanc e polici es by 30 June 2024	Target overach ieved (Revie wed 53 Governanc e polici es)	2 more Governanc e polici es reviewed	Introduction of new polici es	None	List of polici es to be revie wed and coun cil resol ution, list of appro ved polici es and coun cil resol ution	CORP
Human Resources and Organizational Development	To improve efficiency and effectiveness of the municipality	Revi ew the Organi zati onal Struc ture	Organiza tional structure reviewed	Organiza tional Structure review	Revie w organ izati onal struc ture	Gre ater Giy ani Mu nicip ality	Adm inist ratio n	Inco me	Opera tional	Opera tional	Opera tional	Review ed organ izati onal struc ture by 30 June 2024	Target achieve d (Revie wed organ izati onal struc ture)	None	None	None	Draft Organi zati onal Struc ture and Coun cil Resol ution and	CORP
Priority Issue/Program me	Developmen t Objective	Key performanc e Indicator	Baseline 2022/23	Project Name	Project /Indicato r Descripti on	Locati on	Ward	Fundi ng Source	Budget 2023/ 2024	Adjusted Budget 2023/ 2024	Special budget adjusted 2023/24	Annual Target	Actual performanc e	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidenc e	Dept.

																		Council resolution of approved organizational structure	
Human Resources and Organizational Development	To develop and retain the best Human Capital, Effective and Efficient Administrative and Operational Support System	Number of posts filled in terms of the organogram	35 posts filled	Personnel Recruitment	Personnel Recruitment as per priority list	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	40 posts to be Filled in terms of the organogram by 30 June 2024	Target overachieved (45 posts filed)	5 more post filled	Due to introduction of post which were not in the recruitment plan for the 2023/24 financial year	None	Appointment letters	CORP	
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.	

Human Resources and Organizational Development	To maintain harmony in the workplace	Number of Local Labour Forum meetings held	10 Local Labour Forum Meetings held in 2022/23	Labour Relations	Maintain good labour relations	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	12 LLF meetings to be held by 30 June 2024	Target not achieved (10 LLF meetings held)	2 LLF meeting not held	Poor attendance during the first half of the financial year	Leadership of the Unions met with the Accounting Officer and agreed on escalation of differences	invitations and attendance register	CORP
Information Technology	To ensure that the public is informed about the affairs of the municipality	% Of municipal website updated	100% network infrastructure maintained	Update of Municipal website	Placing of compliance documents on municipal website	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	100% of municipal website updated by 30 June 2024	Target achieved (100% of municipal website updated)	None	None	None	Report	CORP
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Information Technology	To ensure good governance of ICT	Number of IT Steering Committee Meetings to be conducted	4 meetings held in 2022/23 Financial year	IT Governance, Risks and Compliance	Coordination of the IT Steering Committee Meeting	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 IT Steering Committee meetings conducted by 30 June 2024	Target achieved (4 IT Steering Committee meetings conducted)	None	None	None	Invitation, Minutes and Attendance Register	CORP
Office Support-Provision of Office Furniture	To ensure conducive working environment by providing office furniture	Coordination and facilitation of procurement of office furniture	Procurement were done	Office Furniture	Provision of office furniture	GGM	Administration	Income	Operational	Operational	Operational	Provide office furniture to 10 Offices by 30 June 2024	Target not achieved (Approved Memo)	Provide office furniture to 10 Offices	Due to budget constraints	Intensify implementation of revenue enhancement strategy	Approved Memo, Advert & Delivery Note and Invoice	CORP
Security of Municipal Premises	To install Cameras at old building	Coordination and facilitation	Specification, Evaluation and Adjudication were	Installation of Security cameras at Old Civic	Provision of security	GGM	Administration	Income	Operational	Operational	Operational	Coordinate and facilitate the installation	Target not achieved (Security)	Installation of security cameras at Old Civic	Budget constraints	Intensify implementation of revenue enhancement strategy	Approved Memo, Adve	MM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

		of installation of Cameras at Old Civic Centre Building	concluded	Centre Building	cameras							ion of 16 security Cameras at Old Civic Centre Building by 30 June 2024	cameras not installed)	Centre Building			rt & Delivery Note and Invoice	
Installation of Walkthrough Metal Detector and X-Ray Machine at Civic Centre	To install Metal detector and X-Ray Machine at testing station	Coordination and facilitation of Walkthrough metal detector and X-Ray Machine at Civic	Specification, Evaluation and Adjudication were concluded	Acquisition and installation of Walkthrough metal detector and X-Ray Machine at Civic Centre	To install Metal detector and X-Ray Machine at Civic Centre	GGM	Administration	Income	Operational	Operational	Operational	Coordinate and facilitate the Acquisition and installation of Walkthrough metal detector and X-Ray Machine at Civic Centre by 30	Target not achieved (Metal detector and X-Ray Machine not acquired and installed)	Acquisition and installation of Walkthrough metal detector	Due to budget constraints	Intensify implementation of revenue enhancement strategy	Approved Memo, Advert & Delivery Note and Invoice	MM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
		Centre										June 2024						

Management of litigation	To safeguard municipal interests in all legal related matters and to ensure that all municipal operations are conducted within the parameters of the law	% of litigation cases attended to	5 litigation cases were concluded out of the 17 cases	Management of litigations	To safeguard municipal interests in all legal matters	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	100% of litigation cases attended to by 30 June 2024	Target achieved (100% (69/69) litigation cases attended)	None	None	None	Signed Quarterly Litigation Register	CORP
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
KPA 3 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT (LOWER SDBIP)																		

Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Connect 565 units at Siyandhani village	Contract for connection of 470 units at Siyandhani Village appointed	Electrification of Siyandhani Village (565)	Construction of Electrical Network Infrastructure	Siyandhani Village	13	INEP /LGE S	503 2989	503 2989	7 620 840	Connection of 565 units at Siyandhani Village by 30 June 2024	Target achieved (565 units at Siyandhani Village connected)	None	None	None	Appointment Letter , Progress Report , Progress Reports and Practical Completion Certificate	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Connect 181 units at Xivulani village	New Indicator	Electrification of Xivulani Village (181)	Construction of Electrical Network Infrastructure	Xivulani Village	15	INEP /LGE S	4,100,000	4,100,000	4,100,000	Connection of 181 units at Xivulani Village by 30 June 2024	Target achieved (181 units at Xivulani Village connected)	None	None	None	Appointment Letter, Progress and Practical Completion Certificate	TECH
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Connect 258 units at Mninginisi Block 3	New Indicator	Electrification of Mninginisi Block 3 (258)	Construction of Electrical Network Infrastructure	Mninginisi Village	6	INEP /LGE S	3,780,000	3,780,000	5,131,620	Connection of 258 units at Mninginisi Block 3 by 30 June 2024	Target achieved (258 units at Mninginisi Block 3 connected)	None	None	None	Appointment letter, Progress Report, and Practical Completion Certificate	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Connect 457 units at Homu 14A	New Indicator	Electrification of Home 14A (457)	Construction of Electrical Network Infrastructure	Homu 14A	9	INEP /LGE S	3,100,000	3,100,000	6,089,730	Connection of 457 units at Homu 14A by 30 June 2024	Target achieved (457 units at Homu 14A connected)	None	None	None	Appointment letter, Progress Report and Practical Completion Certificate	TECH
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Connect 303 units at Bode Village	New Indicator	Electrification of Bode village (303)	Construction of Electrical Network Infrastructure	Bode Village	23	INEP /LGE S	4,100,000	4,100,000	6,026,670	Connection of 303 units at Bode Village by 30 June 2024	Target achieved (303 units at Bode Village connected)	None	None	None	Appointment letter, Progress Report, Progress Reports and Practical Completion	TECH
Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

																		Certificate	
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Connect 210 units at Sikhunyani Village	New Indicator	Electrification of Sikhunyani Village (210)	Construction of Electrical Network Infrastructure	Sikhunyani Village	15	INEP /LGE S	2,100,000	2,100,000	4,176,900	Connection of 210 units at Sikhunyani Village by 30 June 2024	Target achieved (210 units at Sikhunyani Village connected)	None	None	None	Appointment Letter, Progress and Practical Completion Certificate	TECH	
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.	

Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Connect 188 units at Mapayeni Village	New Indicator	Electrification of Mapayeni Village (188)	Construction of Electrical Network Infrastructure	Mapayeni Village	26	INEP /LGE S	3,100,000	3,100,000	3,739,320	Connection of 188 units at Mapayeni Village by 30 June 2024	Target achieved (188 units at Mapayeni Village connected)	None	None	None	Appointment Letter, Progress Report and Practical Completion Certificate	TECH
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life?	Connect 432 units at Daniel Rabelela Village	New Indicator	Electrification of Daniel Rabelela Village (432)	Electrification of Daniel Rabelela Village	Daniel Rabelela Village	25	INEP /LGE S	2,500,000	5,592,480	8,592,480	Connection of 432 units at Daniel Rabelela Village by 30 June 2024	Target not achieved (283 units at Daniel Rabelela Village)	149 units at Daniel Rabelela Village not connected	Due to incomplete structures and vacant stands.	149 units will be connected using Eskom post connection at no cost.	Appointment Letter, Progress Report, and Practical Completion Certificate	TECH

Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Connect 306 units at Homu 14B	New Indicator	Electrification of Homu 14B (306)	Electrification of Homu 14B	Homu 14B	9	INEP /LGE S	3,100,000	3,100,000	6,086,340	Connection of 306 units at Homu 14B by 30 June 2024	Target not achieved (240 units at Homu 14B)	66 units at Homu 14B not connected	Due to incomplete structures and vacant stands.	66 units will be connected using ESKOM post connection at no cost.	Appointment Letter, Progress Report and Practical Completion Certificate	TECH

Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Connect 198 units at Gawula Village	New Indicator	Electrification of Gawula Village (198)	Electrification of Gawula Village	Gawula Village	18	LGES	3,100,000	3,100,000	3,938,220	Connection of 198 units at Gawula Village by 30 June 2024	Target achieved (198 units at Gawula Village connected)	None	None	None	Appointment Letter, Progress Report and Practical Completion Certificate	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Connect 214 units at Khakhala Village	New Indicator	Electrification of Khakhala Village (214)	Electrification of Khakhala Village	Khakhala Village	18	INEP/LGES	3,100,000	3,100,000	4,256,460	Connection of 214 units at Khakhala Village by 30 June 2024	Target achieved (214 units at Khakhala Village connected)	None	None	None	Appointment Letter, Progress Report and Practical Completion Certificate	TECH

Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Develop a detailed design for connection of 100 units at Loloka Village	New Indicator	Electrification of Loloka Village (100)	Electrification of Loloka Village	Loloka Village	24	LGES	230,000	230,000	230,000	Development of a detail design for connection of 100 units at Loloka Village by 30 June 2024	Target achieved (Detail design for connection of 100 units at Loloka Village developed)	None	None	None	Appointment Letter and Detailed Designs	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life?	Develop a detailed design for connection of 306 units at Mageva Village	New Indicator	Electrification of Mageva Village (306)	Electrification of Mageva Village	Mageva Village	15	Income	230,000	230,000	230,000	Development of a detail design for connection of 306 units at Mageva Village by 30 June 2024	Target achieved (Detail design for connection of 306 units at Mageva Village developed)	None	None	None	Appointment Letter and Detailed Designs	TECH

Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life?	Develop a detailed design for connection of 100 units at Mahlathi Village	New Indicator	Electrification of Mahlathi Village (100)	Electrification of Mahlathi Village	Mahlathi Village	19	Income	230,000	230,000	230,000	Development of a detailed design for connection of 100 units at Mahlathi Village by 30 June 2024	Target achieved (Detailed design for connection of 100 units at Mahlathi Village developed)	None	None	None	Appointment Letter and Detailed Designs	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life?	Develop a detailed design for connection of 100 units at Matsotsoela Village	New Indicator	Electrification of Matsotsoela Village (100)	Electrification of Matsotsoela Village	Matsotsoela Village	27	Income	230,000	230,000	230,000	Development of a detailed design for connection of 100 units at Matsotsoela Village by 30 June 2024	Target achieved (Detailed design for connection of 100 units at Matsotsoela Village developed)	None	None	None	Appointment Letter and Detailed Designs	TECH

Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Develop a detailed design for connection of 150 units at Mbhedle Village	New Indicator	Electrification of Mbhedle Village (150)	Electrification of Mbhedle Village	Mbhedle Village	27	Income	230,000	230,000	230,000	Development of detailed design for connection of 150 units at Mbhedle Village by 30	Target not achieved (Draft development of detailed design for connection of 150 units at Mbhedle Village)	Detailed design not developed at Mbhedle Village	DMRE funded ESKOM to execute the project	Project to be done by ESKOM	Appointment Letter and Detailed Designs	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
												June 2024						

Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Develop a detailed design for connection of 145 units at Mnghonghoma Village	New Indicator	Electrification of Mnghonghoma Village (145)	Electrification of Mnghonghoma Village	Mnghonghoma Village	24	Income	290,000	290,000	290,000	Development of a detailed design for connection of 145 units at Mnghonghoma Village by 30 June 2024	Target achieved (Development of a detailed design for connection of 145 units at Mnghonghoma Village)	None	None	None	Appointment Letter and Detailed Designs	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Installation of 4 high mast at Giyani Section A and C (ward 12)	2 high masts in Siyandh ani/CBD Intersection and Section E installed	Installation of high mast	Installation of high mast	Greater Giyani	All wards	LGES	2,500,000	2,500,000	2,500,000	Installation of 4 high mast at Giyani Section A and C (ward 12) by 30 June 2024	Target not achieved (Installation of 4 high mast at Giyani Section A and C (ward 12))	Installation of 4 high mast at Giyani Section A and C (ward 12)	Decline of appointment by the contractor	To re-advertise the tender	Appointment Letter, Progress Report and Practical Completion Certificate	TECH

Electricity Provision	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Install energy saving street lights	143 energy saving streetlights installed	Installation of energy saving streetlights	Installation of energy saving streetlights	Greater Giyani	All wards	LGES	5,500,000	5,500,000	5,500,000	Installation of 124 energy saving streetlights by 30 June 2024	Target achieved (124 energy saving streetlights installed)	None	None	None	Progress Report and Practical Completion Certificate	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Building and Construction	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Appointment of Consultant for Mageva Soccer pitch extension	Mageva Soccer pitch extension not constructed	Extension of Mageva soccer pitch	To construct an extension of Mageva soccer pitch	Mageva - Dzumiri	25	LGES	2,000,000	250,000	250,000	Appointment of Consultant for Mageva Soccer pitch extension by 30 June 2024	Target not achieved (Approved Terms of Reference to appoint consultant for Mageva Soccer pitch extension)	Appointment of Consultant	Due to budget constraints	Intensify implementation of revenue enhancement strategy	Detailed Designs, and Appointment Letter	TECH

EPWP Infrastructure	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Number of people to be appointed through EPWP Infrastructure Program	200 people appointed through EPWP Infrastructure program	EPWP Infrastructure	Creation of jobs through EPWP Infrastructure Program	Giyani Townships	All wards	EPWP	5,000,000	5 100,000	5 100,000	200 People appointed through EPWP Infrastructure Program by 30 June 2024	Target achieved (200 People appointed through EPWP Infrastructure Program)	None	None	None	Signed Appointment Memo	TECH
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
		amm e																

EPWP Environmental and Culture	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Number of people to be appointed through EPWP Environmental Program	150 people appointed	EPWP Environmental	Creation of jobs through EPWP Environmental Program	Giyani Township	All wards	EPWP	4 400 000	4 534,000	4 710,000	150 people appointed through EPWP Environmental program by 30 June 2024	Target achieved (150 people appointed through EPWP Environmental program)	None	None	None	Signed Appointment Memo	COMM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
EPWP Social	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Number of people to be appointed through Social by 30 June 2024	New Indicator	EPWP Social	Creation of jobs through Social Program	Giyani Township	All wards	EPWP	1 000 000	1 000 000	1 000 000	34 people appointed through EPWP social program by 30 June 2024	Target not achieved (8 people appointed through EPWP Social program)	26 people appointed through EPWP Social program	The municipality has appointed security service provider to safeguard 9 municipal facilities	To conduct assessment on other facilities before we can deploy EPWP social securities	Signed Appointment Memo	CORP

Environmental Awareness Campaign	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Number of environmental awareness and educational programs to be conducted	12 Awareness campaigns and educational programs conducted	Environmental Awareness Campaign	Conducting Education awareness campaigns on environmental management to com	Greater Giyani	All wards	Income	Operational	Operational	Operational	12 Environmental awareness and educational programs conducted by 30 June 2024	Target overachieved (16 environmental awareness and educational programs conducted)	4 more environmental awareness campaigns and educational programs conducted	*Recommendation by the draft IWMP*GM C requirement	None	Schedule and Attendance Registers	COMM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
					munities													
Scholar Patrol	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Number of scholar patrol to be conducted	20 Scholar patrols conducted	Scholar Patrol	Conducting of Scholar patrols	Greater Giyani	All Wards	Income	Operational	Operational	Operational	20 scholar patrols conducted by 30 June 2024	Target achieved (25 scholar patrols conducted)	5 more scholar patrol conducted	Request from schools due to high enrollment of learners for safety purposes *Adherence and support to the Department scholar patrols programme	None	Reports	COMM

Speed Checks	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Number of speed checks conducted	40 speed checks conducted	Speed Checks	Conductio n of Speed Checks	Greater Giyani	All Wards	income	Operational	Operational	Operational	40 Speed checks conducted by 30 June 2024	Target achieved (40 speed checks conducted)	None	None	None	Reports	COMM
Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/ 2024	Adjusted Budget 2023/ 2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Traffic summonses issued	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Number of Traffic summons issued	1744 of Traffic summons issued	Traffic summonses issued	Issuing of traffic summons	Greater Giyani	All Wards	income	Operational	Operational	Operational	1000 (sec 56) summonses issued by 30 June 2024	Target overachieved (1541 summonses issued)	541 more summonses issued	Due to traffic growth in town and increase in traffic offences	None	Reports	COMM

Payment of AARTO fees	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Number of Payment of AARTO fees facilitated	11 payments of AARTO fees facilitated	AARTO	Facilitating payment of AARTO	Giyani Section C	Ward 12	Income	Operational	Operational	Operational	12 payments of AARTO fees facilitated by 30 June 2024	Target achieved (12 AARTO payments facilitated)	None	None	None	Reports	COMM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Payment of DLCA fees	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Number of Payment of DLCA fees facilitated	11 payments of DLCA fees facilitated	DLCA	Facilitating payment of DLCA	Giyani Section C	Ward 12	Income	Operational	Operational	Operational	12 payments of DLCA fees facilitated by 30 June 2024	Target achieved (12 DLCA payments facilitated)	None	None	None	Reports	COMM

RTMC payments	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Number of RTMC payments facilitated	11 payments of RTMC fees facilitated	Road Traffic Management Corporation fees	Facilitating payment of RTMC fees	Giyani Section C	Ward 12	Income	Operational	Operational	Operational	12 payments of RTMC fees facilitated by 30 June 2024	Target achieved (12 RTMC payments facilitated)	None	None	None	Reports	COMM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Calibration of VTS	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Number of Calibration of VTS done	1 calibration of VTS test equipment done	Vehicle Testing Station Calibration	Facilitating calibration of VTS equipment	Giyani Section C	Ward 12	Income	Operational	Operational	Operational	1 calibration of VTS test equipment done by 30 June 2024	Target achieved (Calibration of VTS test equipment done)	None	None	None	Report	COMM

Payment of Agency fees	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Number of Agency fees facilitated for payment	11 payment of Agency fee facilitated	80% Agency fees	Facilitating payment of 80% agency	Giyani Section C	Ward 12	Income	Operational	Operational	Operational	12 payments for Agency fees facilitated by 30 June 2024	Target achieved (12 Agency fees payments facilitated)	None	None	None	Reports	COMM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Road safety Operations	To develop sustainable infrastructure networks which promotes economic growth and improve quality of life	Number of Road blocks held	12 Roadblocks operation held	Roadblocks	Conducting of Road blocks	Greater Giyani	All wards	Income	Operational	Operational	Operational	12 Roadblocks held by 30 June 2024	Target achieved (12 Roadblocks conducted)	None	None	None	Attendance Registers	COMM

Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
KPA 4 LOCAL ECONOMIC DEVELOPMENT (LOWER SDBIP)																		
SMME Exposure to markets	To Create an Enabling Environment For Sustainable	Number of SMME's exposed	4 SMMEs exposed to LED market	SMME's exposure to market	SMM Es exposed to market by	Greater Giyani	All wards	Income	Operational	Operational	Operational	4 SMMEs exposed to LED market	Target achieved (5 SMMEs exposed to LED market)	1 more SMME'S exposed to LED market	Mopani allocated more stalls to accommodate	None	Invitation, Attendance register	P & Dev
Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
	ble Economic Growth	to LED market			taking them along to different LED exhibition markets							by 30 June 2024	LED market)		te more SMME'S			

SMME Exposure to markets	To Create an Enabling Environment For Sustainable Economic Growth	Number of SMM E's exposed to pop up market	4 SMME's exposed to pop up market	SMME's exposure to pop up market	SMM Es exposed to local market	Greater Giyani	All wards	Income	Operational	Operational	Operational	4 SMME's exposed to pop up market by 30 June 2024	Target achieved (8 SMME's exposed to pop up market)	4 more SMMES exposed to LED market	Mopani District Municipality requested additional SMMES to participate	None	Invitation, Attendance register	P & Dev
Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
Planning and LED awareness	To Create an Enabling Environment for Sustainable Economic Growth	Number of Planning and LED Awareness to be conducted	4 Planning and LED Awareness conducted	Planning and LED Awareness conducted	Planning and LED Awareness conducted	Greater Giyani	All wards	Income	Operational	Operational	Operational	4 Planning and LED Awareness conducted by 30 June 2024	Target achieved (4 Planning and LED Awareness conducted)	None	None	None	Attendance register	P & Dev
Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

KPA 5 MUNICIPAL FINANCE MANAGEMENT AND VIABILITY (LOWER SDBIP)

Revenue Management	To improve financial management systems to enhance	Review the revenue enhancement	Revenue enhancement policies were reviewed and	Revenue enhancement policies review	Send the policies for inputs by other depar	Greater Giyani Municip	Administration	Income	Operational	Operational	Operational	Revenue enhancement strategy reviewed and	Target not achieved (Revenue enhancement	Revenue enhancement strategy reviewed and implemented.	System challenges	Do follow up on time	Report on Implementation of the Revenue	B&T
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
	venue base	policies	impleme nted		tment . Present the draft review to mana gement. Submit to council for approval.	palit y						implem ented by 30 June 2024	strategy reviewe d and implem ented)				Enhancem ent Strategy	

Budget and Reporting	To improve financial management systems to enhance revenue base	Draft budget tabled to council	Draft budget was tabled to council	Draft budget	Collect budget information from departments, Consolidate the budget, Present	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	Draft budget tabled to council by 31 March 2024	Target achieved (Draft budget tabled to council)	None	None	None	Draft budget and Council Resolution	B&T
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
					ent the draft to management, portfolio committee, exco and Submit to council for approval													

Budget and Reporting	To improve financial management systems to enhance revenue base	Submit the final budget to council	Final budget was submitted to council	Final budget	Take the draft budget for public participation with the IDP. Incorporate	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	Final budget submitted to council by 31 May 2024	Target achieved (Final budget submitted to council)	None	None	None	Approved Final budget and Council Resolution	B&T
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
					porate inputs and submit the budget for final approval													

Budget and Reporting	To improve financial management systems to enhance revenue base	Submit the Annual Financial statements to AG	Financial statements were compiled and submit to AG	Financial statements	Compile the financial statement. Review the compiled financial statement. Present to management meeting. Sub	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	Annual Financial statements compiled and submitted to AG by 31 August 2023	Target achieved (Annual Financial statements compiled and submitted to AG)	None	None	None	Copy of Annual Financial Statement Financial statements	B&T
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
					mit to AG for auditing.													

Budget and Reporting	To improve financial management systems to enhance venue base	Number of section 71 reports submitted to Treasury within 10 working days after the end of the month	12 Reports submitted in 2022/23 FY	Section 71 report submission	Compile the section 71 report. Submit to treasury within 10 working days after the end of the month.	Greater Gyani Municipality	Administration	Income	Operational	Operational	Operational	12 Section 71 Reports submitted to Treasury by 30 June 2024	Target achieved (12 Section 71 Reports submitted to Treasury)	None	None	None	Proof of submission to Treasury	B&T
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Budget and Reporting	To improve financial management systems to enhance revenue base	Section 72 Mid-year) report submitted to Mayor and Treasury on or before 25 January	1 Section 72 Report submitted to Mayor and Treasury on or before 25 January 2024 as per the legislation.	Section 72 report submission	Compile the section 72 report and submit to the Mayor and Treasury on or before 25 January 2024 as per the legislation.	Greater Gyani Municipality	Administration	Income	Operational	Operational	Operational	1 Section 72 Report submitted to Mayor and Treasury on or before 25 January 2024.	Target achieved (1 Section 72 Report submitted to Mayor and Treasury)	None	None	None	Sec 72 Report, Mayor's and Treasury acknowledgment of receipt.	B&T
Supply Chain Management	To improve financial management systems to enhance	Number of Quarterly UIF reports/ Letters	2 Quarterly UIF letters/report submitted on UIF identified	UIF Expenditure	submit quarterly letters submitted to	Greater Gyani Municipality	Administration	Income	capital and operational	Operational	Operational	2 Quarterly UIF letters/report submitted on UIF identified	Target achieved (2 Quarterly UIF letters/report submitted on	None	None	None	Proof of submission to MEC and AG	B&T
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

	venue base	r submitted to AGS A and MEC for local government	per quarterly		AGS A and MEC for local government on UIF Identified per quarter							d per quarter	UIF identified per quarter)					
Supply Chain Management	To improve financial management systems to enhance venue base	Number of Quarterly SCM reports submitted to the MM per quarter	1 Quarterly SCM reports submitted to MM	Supply Chain Management Reports	Submit quarterly Supply Chain Management reports to MM per quarter	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 Quarterly SCM reports submitted to MM by 30 June 2024	Target achieved (4 Quarterly SCM reports submitted to MM)	None	None	None	Quarterly SCM reports and MM's Acknowledgment of receipt	B&T
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Asset Management	To improve financial management systems	Number of Quarterly Insurance Report to Risk Management Unit	4 Quarterly Insurance Report to Risk Management Committee	Insurance Report	Submit quarterly Insurance reports to Risk Management Unit	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 Quarterly Insurance reports be submitted to Risk Management Unit by 30 June 2024	Target achieved (4 Quarterly Insurance reports be submitted to Risk Management Unit)	None	None	None	Insurance Report & Proof of submission	B&T
Asset Management	To improve financial management systems	Number of Quarterly Assets Management Report developed	4 Quarterly asset report developed	Asset management Report	Develop quarterly Asset management report	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 Quarterly Assets management reports developed by 30 June 2024	Target achieved (4 Quarterly Assets management reports developed)	None	None	None	Asset Management Report	B&T
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Asset Management	To improve financial management systems to enhance venue base	Number of Asset verification reports submitted to MM	New Indicator	Asset Register	Receive new acquisitions, Barcode and capture into the asset register. Capture the expense of the project in progress. When the project is completed the unbu	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	1 Asset verification report submitted to MM by 30 June 2024	Target achieved (1 Asset verification report submitted to MM)	None	None	None	Signed Asset Verification Report	B&T
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

					ndlin g and capit alizati on into the asset regist er takes effect													
Priority Issue/Program me	Developmen t Objective	Key performan ce Indicator	Baseline 2022/23	Project Name	Project /Indicato r Descripti on	Locati on	Ward	Fundi ng Source	Budget 2023/ 2024	Adjusted Budget 2023/ 2024	Special budget adjusted 2023/24	Annual Target	Actual performan ce	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidenc e	Dept.
KPA 6 GOOD GOVERNANCE AND PUBLIC PARTICIPATION (LOWER SDBIP)																		
Public Participatio n	To develop governan ce structures and systems that will	Num ber of ward com mitte e meeti	372 Ward Committ ee meetings	Support services for monthly ward committee meetings	Supp ort servi ces throu gh PPO s to	Gre ater Giy ani Mu nici palit y	Adm inist ratio n	Inco me	Opera tional	Operat ional	Operation al	372 Ward Committ ee meetings conducte d by 30	Target achieve d (372 Ward Commit tee meeting s	None	None	None	Attend ance Regist er, Ward Comm ittee Quarte	CORP
Priority Issue/Program me	Developmen t Objective	Key performan ce Indicator	Baseline 2022/23	Project Name	Project /Indicato r Descripti on	Locati on	Ward	Fundi ng Source	Budget 2023/ 2024	Adjusted Budget 2023/ 2024	Special budget adjusted 2023/24	Annual Target	Actual performan ce	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidenc e	Dept.

	ensure effective public consultation and organizational discipline	ings conducted			have monthly ward committee meetings in each of 31 wards							June 2024	conducted)				ly Reports	
Internal Auditing	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	% of findings resolved in the Internal Audit Action Plan	53% of findings (77 out of 145) resolved in the Internal Audit Action Plan	Internal Audit Action Plan	Implementation of the Internal Audit Action Plan	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	100% of findings resolved in the Internal Audit Action Plan by 30 June 2024	Target not achieved. 60.45% of findings (133 out of 220) resolved in the Internal Audit action Plan	39.54 % of findings (87out of 220) not resolved in the Internal action plan	Slow implementation of Internal Auditor's recommendations by Management.	One on one sessions with the affected Department / section continuous follow up with responsible officials	Updated Internal Audit Action Plan	MM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Internal Auditing	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	% Of findings resolved in the AG(SA) Action Plan	(24% of findings (12 out of 51) resolved in the AGSA's Action Plan	AG(SA) action plan	Implementation of the AG(SA) action plan	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	100% of findings resolved in the AG(SA) Action Plan by 30 June 2024	Target not achieved (14% of findings (07 out of 49) resolved in the AG(SA) Action Plan)	86%42 of findings (42 out of 49) not resolved in the Audit Action Plan	Slow implementation of External Auditor's recommendations by Management.	continuous follow up with responsible officials_One on one sessions with the affected Department / section	Updated Audit Action Plan	MM
Internal Auditing	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Number of Audit and Performance Audit Committee meetings held	9 Audit and Performance Committee meeting held	Audit and Performance Audit Committee	Organize Audit and Performance Audit Committee meetings	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 Audit and Performance Committee meetings held by 30 June 2024	Target overachieved (9 Audit and Performance Committee meetings held)	5 more Audit and Performance Committee meetings held	There was a need for special Audit Committee Meetings	None	Attendance Register, and Minutes	MM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Internal Auditing	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Number of Audit and Performance Reports developed and submitted to Council	4 Audit and Performance Audit Committee Reports	Audit and Performance Audit Committee Reports	Develop Audit and Performance Audit Committee Reports	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 Audit and Performance Audit Committee Reports developed and submitted to Council by 30 June 2024	Target achieved (4 Audit and Performance Audit Committee Reports developed and submitted to Council)	None	None	None	Report to Council, Council Resolution	MM
Performance Management	To develop governance structures and systems that will ensure effective public consultation	Number of institutional performance reports developed and submitted to Council	(4 Institutional performance reports developed and submitted to Council	Quarterly performance reports	Develop a reporting template and send to departments,	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 Institutional performance reports developed and submitted to Council	Target achieved (4 Institutional performance reports developed and submitted to Council)	None	None	None	Institutional Performance Report and Council Resolution	MM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

	ion and organizational discipline	oped and submitted to Council			receive completed template and consolidate into one report. Organize SDBI P Management meeting to consider the report. Submit the report to Council for							by 30 June 2024	Council)					
Priority Issue/Program me	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project /Indicator Description	Location	Ward	Funding Source	Budget 2023/ 2024	Adjusted Budget 2023/ 2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.
					approval.													

Library Outreach Program	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Number of library outreach conducted	12 Library outreach conducted	Library outreach	conduct library outreach to identified schools	Greater Giyani Municipality	All wards	Income	Operational	Operational	Operational	12 Library outreach conducted by 30 June 2024	Target achieved (14 Library Outreach conducted at Gidela High, Noblehoek High, Ximuwini Primary, Nwamvimbi High and Khomisani Primary)	2 more Library outreach	Due to the request from schools and the commitment to DoE for sustainable management of schools Libraries	None	Program and Attendance Registers	COMM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Promote community and environmental welfare	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Number of activities conducted on special programs by 30 June 2024 (Disability awareness, women's month, youth programs, older persons, men's forum)	16 Special Programs activities conducted	Special Programs	Organize and conduct the special programs undertaken in the different desks of the Special Programs Unit	Greater Giyani Municipality	All wards	Income	Operational	Operational	Operational	21 Special Programs organized by 30 June 2024	Target achieved (21 Special Programs organized)	None	None	None	Invitations, Programme and Attendance Registers	Office of the Mayor
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

		m and HIV and Aids)																
Newsletter	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Number of Rito newsletters to be produced	2 Rito newsletter edition produced and circulated	Rito newsletter	Producing of the Rito newsletter	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 Rito newsletter edition produced by 30 June 2024	Target not achieved (3 Rito newsletter edition produced)	Rito newsletter edition not produced	Contract expired	Adhere to forward planning strategy	Rito Newsletter Editions	Office of the Mayor
Public Participation	To develop governance structures and systems that will	Number of imbizos to be	3 imbizos convened	Public Participation	Consult members of the public on servi	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	4 imbizos convened by 30 June 2024	Target achieved (4 imbizos convened)	None	None	None	Invitations, Attendance Registers and	Office of the Mayor
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

	ensure effective public consultation and organizational discipline	convened			ce delivery issues	palit y											Programme	
Public Participation	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Number of ward report back meetings to be conducted	124 Report back meetings held	Ward Public Report Back meetings	Consult members of the public on service delivery issues	Greater Giyani Municipality	All wards	Income	Operational	Operational	Operational	124 ward report back meetings conducted by 30 June 2024	Target achieved (124 ward report back meetings conducted)	None	None	None	Attendance Registers and Minutes	CORP
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

Public Hearing of MPAC	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Number of MPAC Public Hearing to be coordinated	1 MPAC Public Hearing coordinated by 31 March 2023	MPAC Public Hearing	Conduct public hearing of the 2022/23 Annual Report	Greater Giyani Municipality	Administration	Income	Operational	Operational	Operational	1 MPAC Public Hearing coordinated by 31 March 2024	Target achieved (1 MPAC Public Hearing coordinated)	None	None	None	Public Notice and Attendance Registers	CORP
Customer Satisfaction Survey	To develop governance structures and systems that will ensure effective public consultation and organizational discipline	Review Customer Satisfaction Survey	1 Customer satisfaction Survey reviewed	Customer Satisfaction Survey	Distribution of Customer Satisfaction survey questionnaire to communities to collect	Greater Giyani Municipality	All wards	Income	Operational	Operational	Operational	1 Customer satisfaction Survey reviewed by 30 June 2024	Target achieved (1 Customer satisfaction Survey reviewed)	None	None	None	Reports and Questionnaires	Office of the Mayor
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

					infor matio n on custo mer satisf actio n													
Arts and Culture Support	To promote Arts, Culture and Heritage within the community members	Number of Arts, Culture Festival and Heritage Day Celebration to be hosted	1 event of Arts and Culture festival to be held by September 2022	Arts, Culture & Heritage Day Festival	Host Arts, Culture and Heritage festival	All Wards	All wards	Income	Operational	Operational	Operational	1 Arts, Culture and Heritage festival held by 30 June 2024	Target achieved (1 Arts, Culture and Heritage Festival held)	None	None	None	Invitation and Attendance Register	COMM
Sport Development	To develop Sports programmes within the	Number of sports development	1 sporting code supported)	Sport Development	To host sports devel	All Wards	All wards	Income	Operational	Operational	Operational	1 sports development event coordinated by	Target achieved (6 sports development events	5 more sports development events coordinated	Due to Cluster elimination programme and need to develop	None	Attendance register	COMM
Priority Issue/Programme	Development Objective	Key performance Indicator	Baseline 2022/23	Project Name	Project/Indicator Description	Location	Ward	Funding Source	Budget 2023/2024	Adjusted Budget 2023/2024	Special budget adjusted 2023/24	Annual Target	Actual performance	Variance	Reason for Variance	Corrective Measures	Portfolio Of Evidence	Dept.

	community members	nt event s coordinate d			opme nt							30 June 2024	coordin ated)		talents in new sporting codes such as under 13 golf, rugby, cricket, tennis, volleyball, boxing, netball and soccer			
Indigenous games	To promote the Indigenous games within the community members	Number of local indigenous games conducted	1 Coordinated selection of local team of Indigenous game	Indigenous Games	To host local Indigenous games	All Wards	All wards	Income	Operational	Indigenous Games	Operational	1 local indigenous game conducted by 30 June 2024	Target achieved (7 local indigenous game conducted)	6 more local indigenous game conducted	Due to Cluster elimination programme and need to engage full participation of all 96 villages	None	Attendance Register	COMM

9. Measures taken to improve performance.

MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT					
No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
1	Executive Committee Meetings	12 Executive Committee Meetings convened by 30 June 2024	Target not achieved 1 Executive Committee Meetings convened by 30 June 2024	There was no submission from committees	To develop a quarterly progress reporting template

2	Installation of Security cameras at Old Civic Centre Building	Coordinate and facilitate the installation of 16 security Cameras at Old Civic Centre Building by 30 June 2024	Target not Achieved (Security cameras not installed)	Budget constraints	Intensify implementation of revenue enhancement strategy
3	Office Furniture	Provide office furniture to 10 Offices by 30 June 2024	Target not achieved (Approved Memo)	Due to budget constraints	Intensify implementation of revenue enhancement strategy
4	Labour Relation	12 Local Labour Forums meetings held in 2023	Target not achieved. (10 LLF meetings conducted)	Poor attendance during the first half of the financial year	Leadership of the Unions met with the Accounting Officer and agreed on escalation of differences
5	Acquisition and installation of Walkthrough metal detector and X-Ray Machine at Civic Centre	Coordinate and facilitate the Acquisition and installation of Walkthrough metal detector and X-Ray Machine at Civic Centre by 30 June 2024	Target not achieved (Metal detector and X-Ray Machine not acquired and installed)	Due to budget constraints	Intensify implementation of revenue enhancement strategy

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
1.	Mavalani indoor sports Centre	Completion of guardhouse, vinyl flooring and ceiling for Mavalani Indoor Sports Centre by 30 June 2024	Target not achieved (substructure main hall and guardhouse has been completed and superstructure main hall and guardhouse is in progress for Mavalani Indoor Sports Centre)	Slow physical progress due to discrepancies between Bill of Quantities and constructions drawings	Expediate progress of work, according to revised Bill of Quantities that aligns with the drawings.

2.	Upgrading of Makosha phase 2 from Gravel to Paving	Appointment of service provider for 3,5km Upgrading of phase 2 from Gravel to Paving at Makosha by 30 June 2024	Target not achieved, (Approved Terms of Reference to appoint Service provider for 3,5km Upgrading of phase 2 from Gravel to Paving at Makosha)	Delays in transferring the road from Department of Public Works to municipality	Continue engagement with Provincial Public Works to transfer the road to the municipality and request MIG grant
3.	Refurbishment of Section E Sports Centre	Appointment of consultant for refurbishment of Section E Sports Centre by 30 June 2024	Target not achieved (Approved Terms of Reference to appoint consultant for refurbishment of Section E Sports Centre)	Due to budget constraints	Intensify implementation of revenue enhancement strategy
4.	Refurbishment of Sporting Facilities (Gawula)	Appointment of consultant for refurbishment of Sporting Facilities (Gawula) by 30 June 2024	Target not achieved (Draft Terms of Reference to appoint Consultant for refurbishment of Sporting Facilities Gawula)	Due to budget constraints	Intensify implementation of revenue enhancement strategy
5.	Waste Disposal Site	Appointment of contractor for construction of Waste Disposal Site by 30 June 2024	Target not achieved (Approved Terms of Reference to appoint contractor for Waste Disposal Site)	There was a delay on the development specification document	Ensure that there is forward planning in the implementation of the project
6.	Siyandhani Ring Road	4,4km ring road constructed at Siyandhani by 30 June 2024	Target not achieved (4,4km ring road at Siyandhani has reached practical completion phase)	The project had reached practical completion. However, there were only few outstanding issues which the contractor had to complete.	To ensure that practical completion is done on time to give the contractor 14 days to complete minor issues according to general conditions of contracts.
7.	Fleet vehicles and machinery	4 Quarterly Fleet Fuel and Maintenance Expenditure Management Report compiled by 30 June 2024	Target not achieved (4 drafts Quarterly Fleet Fuel and Maintenance Expenditure Management Report)	Reports were not submitted for signing	To ensure that reports are signed on a quarterly basis.
8.	Extension of Mageva soccer pitch	Appointment of Consultant for Mageva Soccer pitch extension by 30 June 2024	Target not achieved (Approved Terms of Reference to appoint consultant for Mageva Soccer pitch extension)	Due to budget constraints	Intensify implementation of revenue enhancement strategy
9.	Electrification of Daniel Rabelela Village (432)	Connection of 432 units at Daniel Rabelela Village by 30 June 2024	Target not achieved (283 units at Daniel Rabelela Village)	Due to incomplete structures and vacant stands.	149 units will be connected using ESKOM post connection at no cost.

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT					
No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
10.	Electrification of Homu 14B (306)	Connection of 306 units at Homu 14B by 30 June 2024	Target not achieved (241 units at Homu 14B)	Due to incomplete structures and vacant stands.	65 units will be connected using Eskom post connection at no cost.
11.	Electrification of Mbhedle Village (150)	Development of detailed design for connection of 150 units at Mbhedle Village by 30 June 2024	Target not achieved (Draft development of detailed design for connection of 150 units at Mbhedle Village)	DMRE funded Eskom to execute the project	Project to be done by Eskom
12.	Installation of high mast	Installation of 4 high mast at Giyani Section A and C (ward 12) by 30 June 2024	Target not achieved (Installation of 4 high mast at Giyani Section A and C (ward 12))	Decline of appointment by the contractor	To re-advertise the tender
13.	Upgrading of parking lot	Connection of paypoint and boomgate at Civic Centre parking lot by 30 June 2024	Target not achieved (Boom gate at Civic Centre parking lot has been connected)	Due to budget constraints	To implement the revenue enhancement strategy
14.	EPWP Social	34 people appointed through EPWP social program by 30 June 2024	Target not achieved (8 people appointed through EPWP Social program)	The municipality has appointed security service provider to safeguard 9 municipal facilities	To conduct assessment on other facilities before we can deploy EPWP social securities
LOCAL ECONOMIC DEVELOPMENT					
No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
1.	SMME Support	6 SMME'S Supported financially by 30 June 2024	Target not achieved (4 SMME'S Supported financially)	The municipality did not receive adequate number of qualifying SMME's.	Ensure that the SMME's support Programme is advertised on local radio station and local newspaper & municipal social media pages
MUNICIPAL FINANCE MANAGEMENT AND VIABILITY					

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
01	Revenue enhancement policies review	Revenue enhancement strategy reviewed and implemented by 30 June 2024	Target not achieved (Revenue enhancement strategy reviewed and implemented)	System challenges	Do follow up on time
GOOD GOVERNANCE AND PUBLIC PARTICIPATION					
	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
1	Risk Register	100% of total number of risks implemented (Strategic and Operational) by 30 June 2024	Target not achieved. 59% (136/236) of risk implemented Strategic and Operational)	Delay in finalizing the recommended work by DWS to obtain landfill operation license, disaster recovery plan, BCP, appointment of positions, conducting awareness on municipal services, MSCOA training, capturing of CSD number on mscoa, appointments of complaints forum.	All the outstanding activities to be implemented has been carried to the next financial year.

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

No.	PROJECT NAME.	TARGET	STATUS	CHALLENGES	INTERVENTIONS
3	Internal Audit Action Plan	100% of findings resolved in the Internal Audit Action Plan by 30 June 2024	Target not achieved. 60.45% of findings (133 out of 220) resolved in the Internal Audit action Plan.	Slow implementation of Internal Auditor's recommendations by Management.	One on one sessions with the affected Department / section continuous follow up with responsible officials.
4	AG(SA) action plan	100% of findings resolved in the AG(SA) Action Plan by 30 June 2024	Target not achieved (14% of findings (07 out 49) resolved in the AG(SA) Action Plan)	Slow implementation of External Auditor's recommendations by Management.	continuous follow up with responsible officials. One on one sessions with the affected Department / section.
5	Rito newsletter	4 Rito newsletter edition produced by 30 June 2024	Target not achieved (3 Rito newsletter edition produced)	Contract expired	We will resume printing as soon as tender is awarded.

Signed by

Khoza VD

Municipal Manager

Date:

31/08/2024



GREATER GIYANI MUNICIPALITY

ANNEXETURE B

Audit Action Plan
for the Year Ended 30 June 2024

(2023/2024)



GREATER GIYANI MUNICIPALITY

Audit Action Plan

Year Ended 30 June 2024

			FINANCIAL YEAR			2023/24											
			Municipality Name			Greater Giyani Municipality											
			Audit Opinion			Unqualified											
			Reporting Period														
NO.	Finding No.	Audit Findings	Category of Finding	Comment number	Description of Finding	Action Plan Description	Start Date	Completion Date	Person Responsible	Action Owner	Progress	Narrative to Progress	Internal Audit Comments	NO.	Finding No.	Audit Findings	

1	Non-compliance with Credit Control Policy	Internal Control Deficiency	3	<p>During the audit of receivables from exchange and non-exchange transactions, we noted that the Credit Control and Debt Collection Policy paragraph 12 states that the Municipality may disconnect services on accounts that are in arrears. Furthermore, the Municipality is required to take all the necessary steps to recover long outstanding debts, including instituting legal proceedings against such debtors.</p> <p>Through enquiry with management, we were informed that the Municipality has sent out statements as reminders to customers of their long outstanding debts. However, no further steps were taken to recover long outstanding debts, such as disconnecting services or appointing a debt collector.</p>	<p>The policy to be amended to ensure issues of disconnections are removed.</p> <p>To appoint Debt Collectors.</p> <p>Debt collectors to collect debts which will have been outstanding for more than 60 days.</p>	01-Feb-25	31-May-25	Muhlari N	Nkuna F				1	Non-compliance with Credit Control Policy
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2	1	High level review of AFS	AFS	1	<p>Issue 1.1 – The difference on the statement of comparison of budget and actual reflected a positive instead of negative.</p> <p>Issue no 1.2- water mark included on page 71 of the annual financial statements (Reflect as for discussion purpose only)</p> <p>Issue 1.3: Page number not reflected on page 13 of the AFS</p> <p>Issue 1.4: Differences between the corresponding figures and prior year audited figures on the cashflow statement</p> <p>Issue 1.5: Differences between the corresponding figures and prior year audited figures on the disclosure note</p> <p>Issue 1.6: Differences between the asset register and the financial statements</p> <p>Issue 1.7: The financial years included on page 83 - 86 don't correspond with the column for total for the respective year's .The total for 2024 related party is reflected under 2023</p>	<p>Assets Consultant to be appointed by 31 March 2025.</p> <p>Technical Service to submit completion certificates to Assets by 30 July 2025.</p> <p>Technical Services to submit / provide close out report by 30 July 2025 to Assets for unbundling purposes.</p> <p>Coordination between Technical Services and BTO (Assets).</p> <p>Share (Emails) cut-off dates for submission of Invoices.</p> <p>AFS process plan to be developed indicating timelines thereof and ensure draft AFS are ready by the 10th August 2025.</p> <p>External AFS preparer should appoint his / her own independent external reviewer and that must be included in the SLA.</p> <p>Attendance of AFS Process Plan meetings should be mandatory.</p>	01-Feb-25	30-Jul-25	Mashau N	Nkuna F				2	1	High level review of AFS
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3	2	High level review of APR	AOPO	1	<p>Issue 2.1 – listing for the following reported achievements not submitted with the annual performance report</p> <p>Issue 2.2: reported achievements on the annual performance report did not indicate if the planned targets were achieved or not.</p> <p>Issue 2.3: Spelling errors on the annual performance report</p>	APR process plan to be developed.	01-Feb-25	30-Mar-25	Mtileni R	Khoza VD				3	2	High level review of APR
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4		Prior period adjustments - Incorrect line item included in the note for prior period error adjustments	Prior Period Adjustments	28.3	Contrary to the above requirements, we identified that management have incorrectly included receivables from exchange as account that was adjusted with R23 million instead of receivables from non-exchange transactions.	Adequately review the prior period error note to ensure that all the necessary disclosures as required by the applicable accounting standards	01-Feb-25	30-Jul-25	Mashau N	Nkuna F					4		Prior period adjustments - Incorrect line item included in the note for prior period error adjustments
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5		Prior period adjustments - The affected component note reference not included on the disclosure note	Prior Period Adjustments	28.2	Contrary to the above requirements, we identified that management have not included note reference number on the line items that were adjusted in the 2023/24 financial year.	Adequately review the prior period error note to ensure that all the necessary disclosures as required by the applicable accounting standards	01-Feb-25	30-Jul-25	Mashau N	Nkuna F				5		Prior period adjustments - The affected component note reference not included on the disclosure note
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6		Awards to suppliers in service of other state institutions	Procurement and Contract Management	5	<p>Contrary to the above requirements, we identified the following issues:</p> <p>The following suppliers' directors/ owners are employees of other state institutions, they have not declared in the MBD4 forms that they are employees in service of other state institutions in terms of the municipal SCM regulations and the Municipality's SCM policy, their quotations have been considered for further evaluation and awarded contrary to the regulations, SCM policy and the MFMA.</p>	<p>Include the transaction in the irregular expenditure register and be referred to council for investigation and recommendation</p> <p>Notify National Treasury to add defaulted suppliers on the database of restricted suppliers for wrongful declaration of MBD4 form</p> <p>Develop a clause to penalize service providers for false or failure to make declaration.</p> <p>Conduct awareness during briefing session regarding false declaration</p>	01-Feb-25	30-Mar-25	Maluleke GP	Nkuna F					6		Awards to suppliers in service of other state institutions
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7		Leave Accrual - Compliance		20	However, based on the record of work done on the Leave Accrual, we have noted from the sample selected that the following employees did not forfeit their leave days as per the above requirement:	Engage with the system administrator to ensure leave days are capped at 48 days.	01-Feb-25	30-Mar-25	Chauke HD	Rapelego MF				7		Leave Accrual - Compliance
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8		Differences between segment reporting disclosure note and the amounts presented	11	During the audit of segment reporting (Disclosure note 61) it was noted that the amounts on the disclosure note do not agree to the amount presented on the face of the financial statement. Refer to table below for differences identified:	Training on segment reporting Visit GRAP website to check the new standards	01-Feb-25	30-Apr-25	Mashaun	Nkuna F				8	
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9	Expenditure - Cut-Off Issues	Expenditure	26	<p>Contrary to the above requirements, we have noted from the sample selected for audit that the below transactions were recognized in the current financial year while the transaction occurred in other financial years:</p>	<p>Create check list for all the invoices to be paid, indicating the payment date and the work done (financial year).</p> <p>Review</p> <p>Where there is no Budget, Finance should be informed so that GRAP 14 can be applied.</p> <p>Multi-year projects should be indicated as such</p>	01-Feb-25	30-May-25	Shivambu J	Nkuna F					9	
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10	Contingent liabilities – Contingent liabilities disclosed is misstated .	Contingent liabilities	25	Contrary to the above requirements, we performed the third-party confirmations (Lawyers confirmations) and noted that the Municipality understated the balance of Contingent Liabilities with the amount of R1 186 327.60.	<p>Litigation registers to be updated with Legal and Finance section. (monthly)</p> <p>Obtain legal confirmation, progress report and invoices of work performed up to 30 June from all attorneys and reconcile to the litigation register (31 July 2025)</p> <p>Standard operating procedure to be able to determine possible contingent liabilities cost.</p>	01-Feb-25	31-Jul-25	Mthombeni F	Rapelego MF				10	
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11	Consequence Management: irregular expenditure not investigated	Consequence Management	34.1	Contrary to the above requirements, we identified that the irregular expenditure amounting to R5, 831,520.78 incurred in the 2022/23 financial period was not investigated:	<p>All irregular expenditures to be reported to Council through SCM.</p> <p>All requested information through the Office of the Mayor should be submitted, provided that the information is available.</p> <p>Establish the process for writing off transactions when the documents cannot be found, and present it to the Council.</p>	01-Feb-25	30-Mar-25	Maluleke GP	Nkuna F				11	
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12		Consequence Management: MPAC recommendation for 2023 fruitless expenditure not implemented.	Consequence Management	34.2	Contrary to the above requirements, we identified that management have not implemented MPAC recommendation to recover the following fruitless expenditure. Management have not raised a receivable at year end as proof that the recommendation are being implemented.	Further clarification from MPAC	28-Feb-25	30-Mar-25	Khoza VD	Khoza VD					12	
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13	Segment reporting not presented in accordance with GRAP 18 requirements	16	Contrary to above, during the audit of segment reporting as per Note:61 to AFS we noted the following: Management identified the following department as reportable segment which based on the below considerations as guided by GRAP 18 are not reportable segment as defined.	Training on segment reporting Visit GRAP website to check the new standards	01-Feb-25	30-Apr-25	Mashau N	Nkuna F				13	
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14	Expenditure Management	Expenditure	37	<p>Contrary to the above requirements, during the audit of Expenditure management we noted the following:</p> <ul style="list-style-type: none"> • Reasonable steps as required by Section 62(1)(d) were not taken to prevent Unauthorised Expenditure amounting to R14 057 872; • Reasonable steps as required by Section 62(1)(d) were not taken to prevent Fruitless and Wasteful Expenditure amounting to R3 125 043; and • Reasonable steps as required by Section 62(1)(d) were not taken to prevent Irregular Expenditure amounting to R5 600 604. <p>Management oversight.As a result of the above, there is a material non-compliance and will be reported in both management report and audit report.</p>	Unauthorised expenditure = Resolved Fruitless and wasteful = Continuous trainings for all the committees.	01-Feb-25	30-Mar-25	Malul eke GP Shiva mbu J Mash au N	Nkuna F					14	
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15	Expenditure - Local Travel - Cut-Off Issues	Expenditure	41	Contrary to the above requirements, we have noted from the sample selected for audit that the below transactions were recognized in the current financial year while the transaction occurred outside the current financial year:	Investigate all payments from 01 July 2024 to 31 January 2025 to identify payments belonging to the previous financial year (01 Feb - 28 Feb 2025) Create a checklist for all the invoices to be paid, indicating the payment dates and the work done (financial year).	01-Feb-25	28 Feb 2025 2025/02/01	Shivambu J Malul eke GP	Nkuna F					15	
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16	Accrued Overtime – Memorandum for overtime not approved	Accrued overtime	36	Contrary to the above requirements, during the Accrued Overtime audit we noted from the sample selected that the memo for working overtime has not been approved. Refer to the attached for the detailed: Management oversightAs a result of the above, the Accrued overtime may be overstated.	Implementation of the new overtime policy. Memos should be supported by documents indicating the availability of the budget. Checklist should include approved Memorandum.	01-Feb-25	28-Feb-25	Chauke HD	Rapelego MF				16	
17	Points on specific goals not correctly calculated	Procurement and Contract Management	42	However, during the audit of price calculations for bids we noted differences between our re-calculations and management's calculation, see tenders affected below: 1. G/G/M/6109/001/2024 Anaka Group: appointment of service provider for hiring of photocopier machines and maintenance for a period of 36 months in Greater Giyani Municipality premises. 2. G/G/M/6601/002/2024 Bolombe 82 Trading: Appointment of a service provider	Trainings on all 3 committees (Bid Specification, Bid evaluation and Bid adjudication) regarding new SCM developments.	01-Feb-25	31-May-25	Maluleke GP	Nkuna F				17	

				<p>(Contractor) for upgrading of Hlomela Internal Streets (2.6 KM) from gravel to paving.</p> <p>3. G/G/M/6107/003/2024 Judy and Newie Projects: Appointment of a service provider for construction of a guard house and fencing of stores.</p> <p>5. G/G/M/6601/004/2024 Tshiamiso Trading 135: appointment of civil engineering service provider (Contractor): Shawela upgrading from gravel to paving: 3.6KM. 6. G/G/M/6601/004/2024 Tshiamiso Trading 135: appointment of civil engineering service provider (Contractor): Shawela upgrading from gravel to paving: 3.6KM.</p> <p>7. G/G/M/6104/003/2023 Lylascene: Appointment of service provider to supply and deliver personal protective clothing of general workers, drivers, and driver operators.</p>									
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18	Commitments	10	We noted that note 42 of commitments was not as per GRAP requirement, instead the municipality disclosed a list of capital and operational contracts in place.	Training on GRAP 18 Review process (31 July 2025)	01-Feb-25	30-Mar-25	Mashau N	Nkuna F				18
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19	Traffic fines revenue & receivables misstatement	49	<p>During the audit of traffic fines receivables, we noted that there are traffic fines that are withdrawn but form part of revenue and are included in the traffic fines receivables balance.</p> <p>The following traffic fines were noted to have been included in the traffic fines reconciliation:</p>	<p>1. The following registers should be compiled dating back to 2016/2017:</p> <ul style="list-style-type: none"> Ø List of traffic fines withdrawn Ø List of traffic fines paid. Ø List of traffic fines damaged. <p>2. The prepared list of withdrawn, paid and damaged should be reconciled to the overall schedule of traffic fines as at 30 June 2024</p> <p>3. A council submission should be made for the write off traffic fines which are</p>	01-Feb-25	31-Mar-25	Baloyi KR	Chabala RT				19	
							Muhlari N	Nkuna F					
							Khosa G						

					older than two years in line with the instructions was issued in terms of the Criminal Procedure Act by National Prosecuting Authority (NPA)										
20	Principal Agent		14	Contrary to the above the municipality entered into an agreement with Root-X Auctioneers : 2013/024345/07 represented by Mr. Alec Ramasimu Prince Monyela on the 25 January 2024 for the auctioneering services of the municipalities assets. As a result of the agree the service provider was appointed to act on behalf of the municipality to sell their municipal assets to a third party. The agreement resulted in a principal agent relationship being formed however this principal agent relationship was not disclosed on note 52The principal agent disclosure (note 52) is incomplete and may be material misstated.	External AFS preparer should appoint his / her own independent external reviewer and it should be included in the SLA.	01-Feb-25	30-Jul-25	Mashau N	Nkuna F					20	

21	Risk management	Risk Management	21.1	<p>Contrary to the above the municipality has disclosed the following financial obligation on the face of the statement of financial position: payables from exchange transactions, Deferred income and bank overdraft however on note 53 – Risk management the municipality has only assessed the liquidity risk for payables from exchange transactions. The municipality has not assessed the liquidity risk for the bank overdraft and deferred income.</p> <p>Furthermore, it is noted that the municipality disclosure market risk but under market risk the municipality only assessed interest risk. The municipality has not assessed the currency and other price risk affecting the municipality.</p> <p>The risk management disclosure (note 53) is incomplete and may be material misstated.</p>	Session with the AFS preparer to understand Risk Management disclosure note.	23-Jan-25	30-Jun-25	Mashau N	Nkuna F				21	
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22	Risk management	Risk Management	21.2	<p>Contrary to the above the municipality has disclosed the following statement on note 53. Risk management: "The utilization of credit limits monitored. Sakes to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.</p> <p>Based on audit of revenue it was confirmed that the municipality does not offer credit to their customers therefore the above statement does is not applicable to Greater Giyani Municipality. The risk management disclosure note has incorrectly been disclosed.</p>	Session with the AFS preparer to understand Risk Management disclosure note.	23-Jan-25	30-Jul-25	Mashau N	Nkuna F					22	
23	CFO not appointed on a permanent basis		27	<p>Fediam Nkuna (CFO) was appointed a five-year contract effective from 1 February 2023 as per CR49-30/01/23 SC, however MSA 57(7) that states: Appointments of senior managers after 1 November 2022 were not made on a permanent basis, as required by section 57(7) of the Municipal Systems Act.</p>	Engage with AGSA whether the finding was resolved or not	01-Feb-25	28-Feb-25	Chauke HD	Rapelego MF					23	

24	GGM did not conduct the staff skills audit once every 5 years.	27	<p>The auditee conducted the staff skills audit once every 5 years. The municipality did not conduct a staff skills audit once every 5 years in terms of MSR 48(3).</p> <p>The staff skills audit must be conducted within 24 months from election of the new council (i.e., November 2021) of a municipality (i.e., November 2023) to conduct the skills audit.</p>	Engage with AGSA	01-Feb-25	28-Feb-25	Chauke HD	Rapelego MF				24	
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25	Gap Analysis	53	<p>We evaluated management's GAP analysis contrary to the requirements of Section 5 (1) of the cost containment regulations, we identified that management did perform an appropriate GAP analysis to ensure effective assessment of the needs and requirements that confirms that it does not have the requisite skills or resources in its full - time employ</p> <p>We identified the following aspects that management did not consider in their GAP analysis to ensure effective identification of gaps between the current available human resource and human resources required to complete a specific project</p> <ul style="list-style-type: none"> • Assessments of cost effectiveness of filling permanent capacity versus making use of consultants • considerations given to whether the objectives of the auditee would be better achieved through the appointment of consultants or permanent staff 	<p>Review of consultant reduction strategy to align with section 5 (1) of the cost containment regulations.</p>	01-Feb-25	30-Mar-25	Chauke HD Malulake GP	Rapelego MF Nkuna F				25	
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26	Cash flows		48	During the audit of the cash flow statement the following differences were noted.	Training on GRAP Standards Prepare Interim Financial Statements	22-Jan-25	30-Apr-25	Mashau N	Nkuna F					26	
27	Inaccurate allocation of interest to services	Receivables		We have identified that the municipality has allocated interest of outstanding debtors to different service lines incorrectly for receivables. The incorrectly calculated interest was subsequently allocated to different debtors for the purpose of determining the customers' individual gross balances. Refer to below for details: Management calculated interest allocation to each service line by allocating interest due under each period of the age analysis using a	To convene a meeting with AGSA for clarification and way forward.	01-Feb-25	28-Feb-25	Muhliari N	Nkuna F					27	

				balance receivable under the same period. For example, management allocated the interest of R 5 627 862,17 under the "current" period, using balances which were due under the same period of R 11 296 019,33 excluding interest.											
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28	Expenditure - Free Basic Electricity is provided to unqualifying beneficiaries	Expenditure	47	<p>Contrary to the above requirements, during the audit of the Free Basic Electricity Register, we noted the below exceptions that may be made to unqualifying beneficiaries:</p> <p>1. Same meter number was duplicated on the FBE register for different beneficiaries. Refer below for the link to the beneficiaries:</p> <p>2. The following beneficiaries were found with no ID number on the FBE Register:</p>	<p>Procurement of system to be able to track the qualifying indigents.</p> <p>Verification of the qualifying beneficiaries.</p> <p>All unqualifying beneficiaries should be formally informed, and be requested to pay for all the services that they benefited (letters of demand). (31 Mar 2025)</p> <p>Adendum of the Indigents policy (Qualifying criteria). (30 Apr 2025)</p>	01-Feb-25	30 Jun 2025	Baloyi E	Mahani NT						28	
								Mthombeni F	Rapelego MF							
								Muhlari N	Nkuna F							

29	Indigent Register	44	<p>Contrary to the above requirements, during the audit of the Indigent Register, we noted that the below listed beneficiaries were approved as indigent beneficiaries regardless of them not qualifying:</p> <p>1. Beneficiaries earning above the threshold. Based on our conversation with management, they have informed us that the beneficiaries were approved because they are pensioners. However, the policy does not approve. See below unqualifying beneficiaries from the sample selected for audit:</p>	Adendum of the policy (Old age and Pensioners)	01-Feb-25	30-Apr-25	Muhlari N	Nkuna F				29	
30	Offsetting of VAT Input and VAT Output	54	<p>Contrary to the above requirements, the VAT accrual account does not represent amounts to be received or paid, but rather amounts that are associated with transactions that are yet to be settled. There is currently no money to be received or paid to SARS for these amounts as yet. As there is there is no transaction to "settle" with a specific counterparty at this</p>	Review AFS to ensure alignment with GRAP 1	01-Feb-25	30-Apr-25	Mashaun N	Nkuna F				30	

				point, the requirements for set off are inappropriate. As a result, separate presentation of the VAT input and VAT Output is more appropriate. Management oversightAs a result of the above, there is a noncompliance with GRAP 1.39 which resulted in the understatement of both current assets and current liabilities.									
31	Project withdrawn not written off as fruitless and impaired.	22	During the audit of halted project for the access road to tribal offices, we noted that the project has been halted for as far from 2019. When we inspected the financial statements, we noted that the reason for the delay was that the "Consultant was appointed for designs, the project was earmarked for MIG, COGTA no longer funding and the project to be withdrawn." From the inspection of the reason, it is clear that there is intention to withdraw to the project, however, we have noted that no impairment has been recognized, as the intention to withdraw the project is an indicator that there are no longer economic benefit to be derived from the R 2 982 099 spent.	Compile a list of all halted projects Asses each project to determine if they qualify as fruitless and wasteful expenditure. Disclose the projects and amount of fruitless and wasteful expenditure. Refer them to Council and to	23-Jan-25	31-Jan-25	Baloyi HE	Mahani NT					32
							Maluleke GP	Nkuna F					

				<p>The value of work in progress as presented on the annual financial statements is overstated as assets with impairment indicators have not being impaired. The value of the misstatement cannot be determined. These misstatements will be evaluated with other misstatement to determine the impact on the audit outcome.</p> <p>As some of these projects were funded by government grants, not prioritising this project to ensure that it is complete result in possible non-compliance with grant conditions and also possible material irregularity as the municipality might have to incur double expenditure for the damages as a result of project not be finalised in time.</p> <p>Further, as the project is withdrawn, the expended funds are fruitless and wasteful expenditure and should be disclosed as such.</p>	<p>MPAC for further investigation.</p> <p>To update WIP and Assets Register</p>										
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32	Finding 1-Cash and Cash Equivalents – Difference between amount on the disclosure and amount on the statement of financial position	Cash and cash equivalents	8	Contrary to the above requirements, we identified the following issues: Issue 1 .1 –Difference between the amount disclosed under Note 14: Cash and Cash Equivalents and the Statement of Financial Position for the ABSA-Current Account-4077078193 (Main Account).	Submission of the draft AFS with all supporting schedules to Internal Audit, Coghsta, Provincial Treasury and Audit Committee in terms of the approved AFS process plan.	01-Feb-25	30 July 2025	Mashau N	Nkuna F					32	
33	Finding 2-Cash and Cash Equivalents – Difference between amount on the TB and amount of bank statement	Cash and cash equivalents	8	The application of Standards of GRAP with additional disclosures, when necessary, is presumed to result in financial statements Issue 1 .2 –The bank reconciliation statements submitted for the ABSA-Current Account-4077078193 (Main Account) and ABSA-Current Account-409332071 (Traffic Deposit) for the month ended 30 June 2024 do not adequately reconcile the amount as per the trial balance to the amount as per the bank statement	Development and enforcement of AFS process plan Review of AFS	01-Feb-25	30-Apr-25	Mashau N	Nkuna F					33	

34	Contingent assets note not disclosed on the AFS	Contingent liabilities	33	<p>Contrary to the above requirements, we identified that management did not include Contingent asset note in the Annual Financial Statement even though there was a balance from the previous year. The omission of this disclosure note results in the AFS not being fairly presented.</p> <ul style="list-style-type: none"> As a result of the above discrepancy, the financial statement submitted for audit are not fairly presented. Contingent assets misstated. The misstatement will be evaluated with other misstatement to determine the impact on the audit outcome of the municipality. 	<p>Litigation register to be updated with Legal and Finance section.</p> <p>Obtain legal confirmation from all attorneys and reconcile to the litigation register</p> <p>Review the contingent liabilities and assets as disclosed in the AFS against the register and legal confirmation.</p>	01-Feb-25	30-Apr-25	Mthombeni F	Rapelego MF				34	
35	Contingent liabilities - Contingent liabilities not complete	Contingent liabilities	50	<p>During the audit of contingent liabilities, we identified through inspection of the external confirmations received from Ransford Mbewe attorneys that the auditee have the following contingencies that have not been disclosed on the AFS. The contingencies disclosed on the annual</p>	<p>Litigation register to be updated with Legal and Finance section.</p> <p>Obtain legal confirmation from</p>	01-Feb-25	30-Apr-25	Mthombeni F	Rapelego MF				35	

			<p>financial statements is not complete.</p> <p>As a result of the above, contingent liabilities disclosure note on the annual financial statements is not complete.</p>	<p>all attorneys and reconcile to the litigation register</p> <p>Review the contingent liabilities and assets as disclosed in the AFS against the register and legal confirmation.</p>										
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36	Additional disclosure in terms of Municipal Finance Management Act incomplete		9	We noted that note 58 of the financial statements submitted for audit did not disclose total amount of contributions to organised local government for the financial year, and the amount of any contributions outstanding as at the end of the financial year. As a result of the above discrepancy, the financial statement submitted for audit might be materially misstated.	Develop AFS preparation checklist Benchmarking with other Municipalities on the AFS disclosure note	01-Feb-25	30-Mar-25	Mashau N	Nkuna F				36
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37	Delayed Projects - Assets not Impaired.	Immovable assets	23	<p>During the audit of halted project for the refurbishment of the Gawula Sporting facility, we noted that an impairment assessment was done for all the assets, and the resultant of this assessment was that there is no impairment on the halted project for the above mentioned project.</p> <p>However, through inspection of the note 4 on the Annual Financial Statements, the reason stated for the delay is that "The project was affected by scope creep which resulted on the over-expenditure of allocated project budget to complete the scope of work. There is still an outstanding scope to complete the project, and some items that were constructed have dilapidated. The municipality has a budget for 2023/24FY to resume the project and a memo to re-appoint the service providers has been developed".</p> <p>Furthermore, during physical verification that was undertaken on the 06 November 2024- (please see pictures below), we noted that there are indicators of impairment on the sports center. Some of the assets noted to be impaired on the sports</p>	To engage with AGSA to relook at the evidence provided.	01-Feb-25	28-Feb-25	Malul eke GP	Nkuna F				37
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			<p>centre included the following:</p> <ol style="list-style-type: none"> 1. Palisade fencing - Noteworthy of the pillars of the fence are missing from the entire set surrounding the sport center. 2. Ablution rooms – The zincs on the roofing had fallen off, the windows have been broken. <p>Because of the above, the sporting center seem to be impaired (physical verification and reasons stated on the AFS). However, we noted that the carrying value of the project, as reported on the financial statements, has not been impaired and it has been carrying at R4 234 167 as far as 2019 year end. Further, the impairment reports provided do not calculate the recoverable amount of the project.</p> <p>The value of work in progress as presented on the annual financial</p>										
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			<p>statements is overstated as assets with impairment indicators have not being impaired. The value of the misstatement cannot be determined. These misstatement will be evaluated with other misstatement to determine the impact on the audit outcome.</p> <p>As some of these projects were funded by government grants, not prioritising these project to ensure that they are complete result in possible non-compliance with grant conditions and also possible material irregularity as the municipality might have to incur additional expenditure to repair the damages, as a result of project not be finalised in time.</p>										
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38	Provision for rehabilitation	Provision	40	<p>During the testing of the Provision of the rehabilitation of the dumping site, we noted that there was no finance cost recognized as per GRAP 19:67 by using the closing balance as at 30 June 2023, which was the best estimate going into the 2024 as per GRAP 19:66, the amount of interest to be recognized was to be R2 112 329.</p> <p>As a result of this omission, the finance cost as per note 39 for the year is understated by R2 112 329.</p> <p>Further, due to this omission, the Gain on provision as per note 25 is overstated by the same amount.</p>	To engage AGSA	01-Feb-25	28-Feb-25	Maluleke GP	Nkuna F				38
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39	Inventory disclosure note not complete.	Inventory	18	Contrary to the above requirements, we identified that management did not include narration detailing that the inventory balance at year end is inclusive of the stands sold and pending transfer of ownership by the deed office to the buyers. The omission of these narration results in the note not being fairly presented as material information relating to the note have not been included. The value of the inventory sold and pending transfer of ownership need to be included on the note.	Develop AFS preparation checklist Benchmarking with other Municipalities on the AFS disclosure note	01-Feb-25	30-Mar-25	Malul eke GP	Nkuna F					39
40	Fixed Assets Register CAATs analysis	Movable assets	52	During the testing of the Fixed Asset Register submitted for the year ended 30 June 2024, we noted that there were assets which had no barcodes, and assets which had duplicated barcodes. The schedules for each of these are contained in the attached below: This results in an internal control deficiency as there is no unique identification number for each asset.	Review Fixed Assets Register utilizing Microsoft excel Training on microsoft excel	01-Feb-25	30-Mar-25	Malul eke GP	Nkuna F					40

41	Payables from exchange transactions	Payables	19.1	Contrary to the above requirements, during the audit of payables from exchange transactions we have noted that the amounts as per the Trial Balance does not agree to the amounts as per the Trade Payables Listing and Accrual Listing. Refer to the below table for details:	Develop AFS preparation check list Review process	01-Feb-25	30-Mar-25	Shivambu J	Nkuna F					41
42	AOPO - Variance between the listing and the reported achievements	Predetermined objectives	29.1	Contrary to the above requirements, we identified that total as reflected on the listing don't agree to the reported achievements on the annual performance report:	Departments to submit listings on a quarterly basis to review the listings with the evidence. The finding was Partially resolved during the audit, confirmed through the management report	01-Feb-25	31-May-25	Mtleni R	Khoza VD	Partially Resolved				42

					from AGSA								
43	Target incorrectly reported as achieved at year end	Predetermined objectives	7	Contrary to the above requirements, we identified that management incorrectly reported the target for the following indicator as achieved even though the target was not achieved. Management planned for 6 SMMEs to be supported financially by 30 June 2024, however management only managed to support 3 but reported 4. The reported achievements for Dr Shongile Primary Agricultural Co-Operative is not valid as the payment (financial support) was only made on the 1 July 2024 which is after the	IA to engage with AGSA whether the finding was resolved or not	01-Feb-25	28-Feb-25	Mtile ni R	Khoza VD				43

				reporting date of 30 June 2024. The reported achievements on the annual performance report is misstated. .The impact of these misstatement will be evaluated further to determine the impact on the audit outcome of the municipality.									
44	Project with outstanding snag list items reported as complete at year end .	Predetermined objectives	29.2	The reported achievements on the annual performance report is misstated .The misstatement will be evaluated further to determine the impact of these misstatement on the audit outcome of the municipality.	Accurate reporting of project status supported by evidence Include KPI for PMS deliverables on Directors Performance Agreement (31 March 2025)	01-Feb-25	30-Apr-25	Baloyi HE Mtile ni R	Mahani NT Khoza VD				44

45	Variance between the APR ,Design and Design approval for electricity connection	Predetermined objectives	29.6	The reported achievements on the annual performance report is misstated .The misstatement will be evaluated further to determine the impact of these misstatement on the audit outcome of the municipality.	Accurate reporting of project status supported by evidence Include KPI for PMS deliverables on Directors Performance Agreement (30 April 2025)	01-Feb-25	30-Apr-25	Baloyi E Mtsheni R	Mahani NT Khoza VD					45
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46	AOPO : The quarterly fleet fuel and maintenance report not signed	Predetermined objectives	29.3	The reported achievements on the annual performance report is misstated . Issue 1 .1 –Difference between the amount disclosed under Note 14: Cash and Cash Equivalents and the Statement of Financial Position for the ABSA-Current Account-4077078193 (Main Account).	Review of the POE's where it indicates report to be approved on the SDBIP	01-Feb-25	30-Apr-25	Mtile ni R	Khoza VD					46
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47	AOPO : Internal control deficiencies identified.	Predetermined objectives	29.7	<p>Contrary to the above requirements, we identified the following internal control deficiencies during the audit of AOPO:</p> <p>Issue 1 Incorrect service provider name included in the MIG reconciliation submitted for audit.</p> <p>Issue 2 Name of the location as reflected on the completion certificated dont agree to the name of the village as reflected on the SDBIP and APR</p> <p>Issue 3 Incorrect client information captured on the electricity connection listing</p> <p>Issue 4 Incorrect date captured on the listing for number of environmental awarness and educational programs to be conducted</p>	Departments to submit listings on a quarterly basis to review the listings with the evidence.	01-Feb-25	28-Feb-25	Mtile ni R	Khoza VD					47
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48	AOPO : Foreign national without valid documentation connected with electricity .	Predetermined objectives	29.5	Contrary to the above requirements, we identified that the following foreign national without valid supporting documentation was connected with electricity. These is a non-compliant with the grant conditions as the expenditure was not incurred in line with the grant condition and will also result in misstatement in grants and subsidies.	Internal verification of the evidence attached (South African documents)	01-Feb-25	30-Apr-25	Baloyi E	Mahani NT				48
49	AOPO : Certificate did not indicate the total number of households connected .	Predetermined objectives	29.4	Contrary to the above requirements, we identified that the completion certificate submitted for audit did not indicate the total number of households connected with electricity.	Standard template to be used for completion certificates The finding was Partially resolved during the audit, confirmed through the management report from	01-Feb-25	30-Apr-25	Baloyi E	Mahani NT	Partially Resolved			49

					AGSA								
50	SCM Policy	Procurement and Contract Management	6	<p>However, during the analysis of the 2023/24 SCM policy it was noted that the municipality's policy was not amended to take into account Government Gazette No.4198 issued 14 December 2023 paragraph 2. Paragraph 12. Range of procurement process of the 2023/24 SCM policy still stated that:</p> <ol style="list-style-type: none"> 1. Good and services may only be provided by way of <ol style="list-style-type: none"> 1. Direct purchase up to a transaction value of R 2000 (VAT included) 2. Written and informal or verbal quotation of a transaction value of over R 2001 up to R 10 000(VAT Included) 3. Formal three written price quotation for procurement of a transaction value over R 10 001 up R 200 000(VAT included) and 4. A competitive bidding process of – <ol style="list-style-type: none"> 1. Procurement of above a transaction 	Amend the SCM policy to comply with the new Act Submit the Policy to Council for approval	01-Feb-25	31-May-25	Maluleke GP	Nkuna F				50

				value of R 200 000(VAT included and 2. The procurement of long term contracts which is not in alignment with Government Gazette No.4198 issued 14 December 2023 paragraph 2. Possible noncompliance with Government Gazette No.4198 issued 14 December 2023 paragraph 2 during the SCM procurement process.									
51	Deviation not reported to council	Procurement and Contract Management	32	During the audit of deviation, it was noted that the municipality hired Mvuri Business Enterprise for the hiring of a bulldozer and excavator to clear of stormwater drainage through a deviation as the storm water was causing environmental harm to the community. The deviation occurred on the 13 February 2024 thereafter council had a meeting on the 28 February 2024/. Through inspection of the meeting held by council on the 28 February 2024 held at Mopani Legislative Chambers it was noted that the accounting	IA to engage with AGSA whether the finding was resolved or not	01-Feb-25	28-Feb-25	Malul eke GP	Nkuna F				51

			officer did not report the deviation for Mvuri to council												
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52	Contract expansion have not been tabled in the council	Procurement and Contract Management	38	<p>During the audit of contract management, it was noted that the municipality has the following contract expansion/modification which were approved by the accounting officer :</p> <p>1. Subject: Contract No: G/G/M/6005/003/2021 : Greater Giyani Municipality : Construction of Jim Nghalalume community Hall : Request for Approval : Extension of Time</p> <p>2. Subject: Contract No: G/G/M/6501/003/2022 Greater Giyani Municipality : Construction of Mavalani Indoor Sports Centre : Variation order No.2 Request For approval of descoping request.</p> <p>However, these contract modifications were not table in council before they were approved as required by MFMA sec 116(3)(a) Non-compliance with the municipal finance management act 56 of 2003 section116 3(a).</p>	<p>Memorandum for an extension , after being approved by the MM, should be submitted to the Council through the SCM office.</p> <p>PMU to benchmark with other Municipalities.</p> <p>Checking the practicality of delegating powers to MM by Council (30 April 2025)</p>	01-Feb-25	30-Apr-25	Malul eke GP Baloyi HE Mabunda HS	Nkuna F Mahani NT Rapelego MF				52
39	Inventory disclosure note not complete.	Inventory	18	<p>Contrary to the above requirements, we identified that management did not include narration detailing that the inventory balance at year end is inclusive of the stands sold and</p>	<p>Develop AFS preparation check list</p> <p>Benchmarking with other</p>	01-Feb-25	30-Mar-25	Malul eke GP	Nkuna F				39

				pending transfer of ownership by the deed office to the buyers. The omission of these narration results in the note not being fairly presented as material information relating to the note have not been included. The value of the inventory sold and pending transfer of ownership need to be included on the note.	Municipalities on the AFS disclosure note									
40	Fixed Assets Register CAATs analysis	Movable assets	52	<p>During the testing of the Fixed Asset Register submitted for the year ended 30 June 2024, we noted that there were assets which had no barcodes, and assets which had duplicated barcodes. The schedules for each of these are contained in the attached below:</p> <p>This is results in an internal control deficiency as there is no unique identification number for each asset.</p>	<p>Review Fixed Assets Register utilizing Microsoft excel</p> <p>Training on microsoft excel</p>	01-Feb-25	30-Mar-25	Maluleke GP	Nkuna F					40

41	Payables from exchange transactions	Payables	19.1	Contrary to the above requirements, during the audit of payables from exchange transactions we have noted that the amounts as per the Trial Balance does not agree to the amounts as per the Trade Payables Listing and Accrual Listing. Refer to the below table for details:	Develop AFS preparation checklist Review process	01-Feb-25	30-Mar-25	Shivambu J	Nkuna F				41
42	AOPO - Variance between the listing and the reported achievements	Predetermined objectives	29.1	Contrary to the above requirements, we identified that total as reflected on the listing don't agree to the reported achievements on the annual performance report:	Departments to submit listings on a quarterly basis to review the listings with the evidence. The finding was Partially	01-Feb-25	31-May-25	Mtile ni R	Khoza VD	Partially Resolved			42

					resolved during the audit, confirmed through the management report from AGSA									
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43	Target incorrectly reported as achieved at year end	Predetermined objectives	7	<p>Contrary to the above requirements, we identified that management incorrectly reported the target for the following indicator as achieved even though the target was not achieved. Management planned for 6 SMMEs to be supported financially by 30 June 2024, however management only managed to support 3 but reported 4. The reported achievements for Dr Shongile Primary Agricultural Co-Operative is not valid as the payment (financial support) was only made on the 1 July 2024 which is after the reporting date of 30 June 2024.</p> <p>The reported achievements on the annual performance report is misstated. The impact of these misstatement will be evaluated further to determine the impact on the audit outcome of the municipality.</p>	IA to engage with AGSA whether the finding was resolved or not	01-Feb-25	28-Feb-25	Mtile ni R	Khoza VD				43
44	Project with outstanding snag list items reported as complete at year end .	Predetermined objectives	29.2	The reported achievements on the annual performance report is misstated .The misstatement will be evaluated further to determine the impact of these misstatement on the audit outcome of the municipality.	Accurate reporting of project status supported by evidence Include KPI for PMS deliverabl	01-Feb-25	30-Apr-25	Baloyi HE Mtile ni R	Mahani NT Khoza VD				44

					es on Directors Performa nce Agreeme nt (31 March 2025)										
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45	Variance between the APR ,Design and Design approval for electricity connection	Predetermined objectives	29.6	The reported achievements on the annual performance report is misstated .The misstatement will be evaluated further to determine the impact of these misstatement on the audit outcome of the municipality.	Accurate reporting of project status supported by evidence Include KPI for PMS deliverables on Directors Performance Agreement (30 April 2025)	01-Feb-25	30-Apr-25	Baloyi E Mtile ni R	Mahani NT Khoza VD					45
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46	AOPO : The quarterly fleet fuel and maintenance report not signed	Predetermined objectives	29.3	The reported achievements on the annual performance report is misstated . Issue 1 .1 –Difference between the amount disclosed under Note 14: Cash and Cash Equivalents and the Statement of Financial Position for the ABSA-Current Account-4077078193 (Main Account).	Review of the POE's where it indicates report to be approved on the SDBIP	01-Feb-25	30-Apr-25	Mtile ni R	Khoza VD					46
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47	AOPO : Internal control deficiencies identified.	Predetermined objectives	29.7	<p>Contrary to the above requirements, we identified the following internal control deficiencies during the audit of AOPO:</p> <p>Issue 1 Incorrect service provider name included in the MIG reconciliation submitted for audit.</p> <p>Issue 2 Name of the location as reflected on the completion certificated dont agree to the name of the village as reflected on the SDBIP and APR</p> <p>Issue 3 Incorrect client information captured on the electricity connection listing</p> <p>Issue 4 Incorrect date captured on the listing for number of environmental awarness and educational programs to be conducted</p>	Departments to submit listings on a quarterly basis to review the listings with the evidence.	01-Feb-25	28-Feb-25	Mtile ni R	Khoza VD				47
48	AOPO : Foreign national without valid documentation connected with	Predetermined objectives	29.5	<p>Contrary to the above requirements, we identified that the following foreign national without valid supporting documentation was connected with electricity. These is a</p>	Internal verification of the evidence attached (South African documents)	01-Feb-25	30-Apr-25	Baloyi E	Mahani NT				48

	electricity			non-compliant with the grant conditions as the expenditure was not incurred in line with the grant condition and will also result in misstatement in grants and subsidies.									
49	AOPO : Certificate did not indicate the total number of households connected .	Predetermined objectives	29.4	Contrary to the above requirements, we identified that the completion certificate submitted for audit did not indicate the total number of households connected with electricity.	Standard template to be used for completion certificates The finding was Partially resolved during the audit, confirmed through the management report from AGSA	01-Feb-25	30-Apr-25	Baloyi E	Mahani NT	Partially Resolved			49

50	SCM Policy	Procurement and Contract Management	6	<p>However, during the analysis of the 2023/24 SCM policy it was noted that the municipality's policy was not amended to take into account Government Gazette No.4198 issued 14 December 2023 paragraph 2. Paragraph 12. Range of procurement process of the 2023/24 SCM policy still stated that:</p> <ol style="list-style-type: none"> 1. Good and services may only be provided by way of <ol style="list-style-type: none"> 1. Direct purchase up to a transaction value of R 2000 (VAT included) 2. Written and informal or verbal quotation of a transaction value of over R 2001 up to R 10 000(VAT Included) 3. Formal three written price quotation for procurement of a transaction value over R 10 001 up R 200 000(VAT included) and 4. A competitive bidding process of – <ol style="list-style-type: none"> 1. Procurement of above a transaction value of R 200 000(VAT included) and 2. The procurement of long term contracts which is not in alignment with Government Gazette No.4198 issued 14 December 2023 paragraph 2. Possible noncompliance with Government Gazette No.4198 issued 14 	Amend the SCM policy to comply with the new Act Submit the Policy to Council for approval	01-Feb-25	31-May-25	Malul eke GP	Nkuna F				50
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				December 2023 paragraph 2 during the SCM procurement process.									
51	Deviation not reported to council	Procurement and Contract Management	32	During the audit of deviation, it was noted that the municipality hired Mvuri Business Enterprise for the hiring of a bulldozer and excavator to clear of stormwater drainage through a deviation as the storm water was causing environmental harm to the community. The deviation occurred on the 13 February 2024 thereafter council had a meeting on the 28 February 2024/. Through inspection of the meeting held by council on the 28 February 2024 held at Mopani Legislative	IA to engage with AGSA whether the finding was resolved or not	01-Feb-25	28-Feb-25	Maluleke GP	Nkuna F				51

			Chambers it was noted that the accounting officer did not report the deviation for Mvuri to council											
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						terminated without having to reappoint them on the system.										
52	Contract expansion have not been tabled in the council	Procurement and Contract Management	38	<p>During the audit of contract management, it was noted that the municipality has the following contract expansion/modification which were approved by the accounting officer :</p> <p>1. Subject: Contract No: G/G/M/6005/003/2021 : Greater Giyani Municipality : Construction of Jim Nghalalume community Hall : Request for Approval : Extension of Time</p> <p>2. Subject: Contract No: G/G/M/6501/003/2022 Greater Giyani Municipality : Construction of Mavalani Indoor Sports Centre : Variation order No.2 Request For approval of descoping request.</p> <p>However, these contract modifications were not table in council before they were approved as required by MFMA sec 116(3)(a) Non-compliance with the municipal finance management act 56 of 2003 section116 3(a).</p>	<p>Memorandum for an extension , after being approved by the MM, should be submitted to the Council through the SCM office.</p> <p>PMU to benchmark with other Municipalities.</p> <p>Checking the practicality of delegating powers to MM by Council (30 April 2025)</p>	01-Feb-25	30-Apr-25	Maluleke GP Baloyi HE Mabunda HS	Nkuna F Mahani NT Rapelego MF						52	

53	Contract not awarded to the highest scoring bidder	Procurement and Contract Management	12	<p>Contrary to the above requirements, we identified the following issues:</p> <p>When performing our audit work, we noted that the contract was not awarded to the bidder who scored the highest points for the following bid:</p> <p>G/G/M/6601/004/2024 Appointment of civil engineering service provider (Contractor): Shawela upgrading from gravel to paving: 3.6KM</p> <p>Bids/quotations affected:</p>	IA to engage with AGSA whether the finding was resolved or not	01-Feb-25	28-Feb-25	Maluleke GP	Nkuna F					53	
54	Bidders unfairly disqualified	Procurement and Contract Management	45	<p>When performing our audit work, we noted that bidders relating to the bids below were unfairly disqualified:</p> <p>1. G/G/M/6273/002/2023: Supply and delivery of PPE uniform for 212 participants under Expanded Public Works Programme (EPWP)</p> <p>The bidder: Suberbuys Group was disqualified for the following reason: 1. Proof of company lease agreement not attached.</p> <p>We checked the residential and business address dated 5 July 2023 from Nethengwe</p>	Training Develop SCM check list	01-Feb-25	31-May-25	Maluleke GP	Nkuna F					54	

		<p>Royal Council and confirmed that:</p> <ol style="list-style-type: none"> 1. Dzhang Vhahangwele (director) and Superbuys Group (Pty) Ltd (2014/144490/07) are both residents of Garside Village A & B stand no 120. 2. Proof of residence of both the company and the director from the traditional council were attached <p>Further, we inspected the Superbuys Group CSD report dated 5 July 2023 and confirmed that the business address is Garside Village A & B stand no 120.</p> <p>Therefore, it was not possible for Superbuys Group to submit a proof of company lease agreement as they were not leasing and have appropriately provided proof of residence from the traditional council for the company, a similar proof of residence was attached and accepted for the winning bidder Nwazulu Trading Enterprise, therefore Superbuys Group was not fairly disqualified.</p> <ol style="list-style-type: none"> 2. G/GM/6114/001/2024 Appointment of an auctioneer for the auction for municipal assets for a period of 3 years 										
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			<p>Upon, inspection of the bid documents submitted by the winning bidder (Root X Auctioneers), it was noted that:</p> <ol style="list-style-type: none"> 1. Municipal rates and taxes were in the name of Root X Trust dated 15 August 2023 and not in the name Root X Auctioneers which was the reason for 222 Auctions (Pty) Ltd being disqualified. 2. Therefore for fairness, the same criteria should have been applied to the winning bidder, resulting in them being disqualified <p>For fairness of the evaluation process, the winning bidder should have been disqualified.</p>											
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55	List of awarded tenders not complete	Procurement and Contract Management	46	<p>Contrary to the above requirement, it was noted that the list of awarded tenders published on the Greater Giyani Municipality's website did not include the following bids which were included in the contract register:</p> <ol style="list-style-type: none"> 1. Root X auctioneers – Appointment of auctioneers for the auction of municipal assets 2. Lwazi Engineering – Appointment of Civil Engineering service provider for professional work at Giyani waste disposal site 3. Gumela General Dealer & Projects CC - Appointment of Civil Engineering service provider for professional work for Nwamankena internal street 	<p>SCM to perform a recon between list of awarded tenders on the website and contract register.</p> <p>IA to perform a quarterly audits of cotract register.</p>	01-Feb-25	30-Apr-25	Maluleke GP	Nkuna F				55	
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56	Evaluation criteria applied in evaluating the quotations are not the same as those indicated in the original request for quotations	Procurement and Contract Management	13	<p>When performing our audit work, we noted that one of the criteria used was not included in the original quotation. The following criteria were not indicated in the original request for quotation but were used for scoring the bidders in the quotation allocation/evaluation summary:</p> <p>Specific goal: Black persons living in the rural area or underdeveloped townships Point allocation: 8</p> <p>This results in irregular expenditure which has not been disclosed in the financial statements</p>	<p>Appoint an official at the ASD level to assist the municipality with compliance and contract-related issues (Allocation of Budget and advertisement of post)</p> <p>The use of a consultant to assist with compliance and contract-related issues.</p> <p>Review of previous transactions to identify non compliance with SCM regulations and other irregularities.</p>	01-Feb-25	30-Jun-25	Maluleke GP	Nkuna F				56	
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57	Related parties - Prior period adjustments not disclosed	Related parties	28.1	Contrary to the above requirements, we identified that management made the following adjustments to related party prior year audited balances ,however the adjustments was not disclosed under the prior period error note . The prior period error adjustments note is not complete.	Proper review of the AFS Utilize the AFS checklist from National Treasury to review the AFS.	01-Feb-25	30 July 2025	Mashau N	Nkuna F					57	
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58	Non-compliance with rental policy - Lease agreements not renewed	Revenue	30	<p>However, during the audit of revenue from exchange transaction it was noted that there municipality has not been issuing out the renewals of the lease agreements to the relevant tenants every 12 months. The municipality only issued out the initial lease agreement in 2021 thereafter no other documents was issued to the lessee after the lapse of the initial rental agreement.</p> <p>Possible overstatement of revenue due to lack of a binding agreement between the municipality and the lessee.</p>	Renewal of Lease Agreements before commencement of each financial year.	01-Feb-25	28-Feb-25	Bam uza MA	Nkuna NJ					58	
59	Difference between amounts disclosed on Annual Financial statements and deferred income schedule.	Deferred Income	15.1	The financial statement submitted for audit might be materially misstated. The misstatement will be evaluated with other misstatement to determine the impact on the audit outcome of the municipality.	Engage with AGSA whether the finding was resolved or not	01-Feb-25	28-Feb-25	Muhlari N Bam uza MA	Nkuna F Nkuna NJ					59	

	Difference between amounts on the deferred income schedule and supporting documentation.	Deferred Income	15.2	we identified that the total deferred income received as per the deferred income is inconsistent with supporting documentation provided (Proof of payments)	Engage with AGSA whether the finding was resolved or not	01-Feb-25	28-Feb-25	Muhlari N	Nkuna F					60	
Number of Actions					60										
Number of Actions In Progress (Partially Resolved)					2										
Number of Actions Resolved					12										



GREATER GIYANI MUNICIPALITY

ANNEXETURE C

Annual Financial Statements and Financial Performance
for the Year Ended 30 June 2024

(2023/2024)

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024



GREATER GIYANI MUNICIPALITY

Annual Financial Statements and Financial Performance for the
Year Ended 30 June 2024

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Legal form of entity	Greater Giyani Municipality
Nature of business and principal activities	Greater Giyani Municipality is a municipality performing functions set out in the Constitution (Act 108 of 1996) of service provisions. The services are referred to as basic services, including water, sanitation and refuse removal.
Mayoral committee	
Executive Mayor	Cllr T Zitha
Speaker	Cllr AE Mboweni
Chief Whip	Cllr T Makondo
EXCO Member	Cllr NHP Ndaba (Finance)
EXCO Member	Cllr RB Ngunyule - Mabunda (Corporate and Shared Services)
EXCO Member	Cllr TJJ Mabunda (Infrastructure Development)
EXCO Member	Cllr C Baloyi (Planning and Economic Development)
EXCO Member	Cllr GA Maluleke (Water, Sanitation and Energy)
EXCO Member	Cllr TC Manganyi (Health and Social Development)
EXCO Member	Cllr MR Mashale (Public Roads and Transport)
EXCO Member	Cllr TC Zitha (Sports, Recreation, Arts and Culture)
EXCO Member	Cllr RN Sekgobela (Office of the Mayor)
	Cllr M Shiviti (Chairperson of Chairperson)
	Cllr RE Makondo (MPAC Chairperson)
	Cllr RG Ngunyula (Chairperson of Finance)
	Cllr PT Mokgobi (Chairperson of Corporate and Shared Services)
	Cllr MC Chabalala (Chairperson of Infrastructure)
	Cllr TE Nkuna (Chairperson of Planning and Economic Development)
	Cllr CS Rikhotso (Chairperson of Water, Sanitation and Energy)
	Cllr JN Mashele (Chairperson of Health and Social Development)
	Cllr TN Shirinda (Chairperson of Public Roads and Transport)
	Cllr XL Ngobeni (Chairperson of Sports, Recreation, Arts and Culture)
	Cllr NR Shilowa (Chairperson of Ethics Committee)
	Cllr NP Mlambo
	Cllr NS Monyipote
	Cllr VS Makamu
	Cllr MC Machipi
	Cllr SS Mavasa
	Cllr RC Mabunda
	Cllr NN Maswanganyi
	Cllr MA Khosa
	Cllr TE Rikhotso
	Cllr MR Maluleke
	Cllr SS Mathebula
	Cllr S Sambo
	Cllr SC Mahlawule
	Cllr GE Kobane (Resigned)
	Cllr PH Makhavela
	Cllr TA Mathonsi
	Cllr RE Ngoveni
	Cllr KO Maswanganyi
	Cllr P Rikhotso
	Cllr JP Shibambu

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

General Information

	Cllr L Nkuna Cllr RT Mabunda Cllr E Mahasha Cllr A Rabothata Cllr BA Shibambu Cllr KS Dlamini Cllr MD Hlungwani Cllr ML Chauke Cllr TI Rikhotso (Resigned) Cllr TN Baloyi Cllr TP Mashaba Cllr PP Mkhari Cllr MS Hlongwane Cllr DJ Hlongwane Cllr TP Mashaba Cllr SM Mhangwane Cllr MM Mathonsi Cllr SR Nkuna Cllr IT Shivambu Cllr KT Ngobeni Cllr S Ngobeni
Grading of local authority	3
Accounting Officer	V D Khoza
Chief Finance Officer (CFO)	F Nkuna
Business address	BA 59 Civic Centre Giyani CBD 0826
Postal address	Private Bag X9559 Giyani 0826
Bankers	ABSA Giyani Branch
Auditors	Auditor General South Africa (AGSA)
Level of assurance	These annual financial statements have been prepared in line with the requirements of Generally Recognised Accounting Practices (GRAP) and all other applicable legislations.
Preparer	The annual financial statements were internally compiled by: F Nkuna (Chief Financial Officer)

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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Abbreviations used:

AC	Audit Committee
AGSA	Auditor General of South Africa
AO	Accounting Officer
ASB	Accounting Standards Board
CFO	Chief Financial Officer
COIDA	Compensation for Occupational Injuries and Diseases Act
COVID-19	Coronavirus 2019
CPI	Consumer Price Index
EPWP	Expanded Public Works Program
FMG	Finance Management Grant
GRAP	Generally Recognised Accounting Practice
IAS	International Accounting Standards
IASB	International Accounting Standards Boards
INEG	Integrated National Electrification Grant
IT	Information Technology
LGSETA	Local Government Sector Education and Training Authority
LSA	Long Service Awards
MDRF	Municipal Disaster Relief Grant

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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MFMA	Municipal Finance Management Act
MSCOA	Municipal Standards Charts Of Accounts
MIG	Municipal Infrastructure Grant
PAYE	Pay As You Earn
PEMA	Post Employment Medical Aid
SDL	Skills Development Levy
SME	Small Medium Enterprise
UIF	Unemployment Insurance Fund
VAT	Value Added Tax

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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 accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2025 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 wholly dependent on the municipality 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 external auditors are responsible for independently reviewing and reporting on the municipality's annual financial statements. The annual financial statements have been examined by the municipality's external auditors and their report is presented on page 8.

The annual financial statements set out on page 10 to 100, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2024 and were signed on its behalf by:

V D Khoza

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Officer's Report

The accounting officer submits his report for the year ended 30 June 2024.

1. Review of activities

Main business and operations

The municipality is engaged in Greater Giyani Municipality is a Municipality performing functions set out in the constitution (act 108 of 1996) of service provisions. The services are referred to as basic services, including water, sanitation and refuse removal 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

We draw attention to the fact that at 30 June 2024, the Municipality had an accumulated surplus (deficit) of R 1 443 155 531 and that the Municipality's total assets exceed its liabilities by R 1 443 155 531.

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.

3. Subsequent events

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

On the 2nd of July 2024 there was an incident of fire at the old Civic centre building, which has caused the damage on the insignificant part of the building which the extent of the damage is unquantifiable and movable assets with the carrying value of R 5 345. And the incident is classified as a non-adjusting event.

The contract of employment for Mr. R.H Mashamba the Director – Technical Services expired on 31 August 2024. The council appointed Mr N.T Mahani to act on the position from 1 September 2024.

The council appointed Mr M.F Rapelego as a Director – Corporate and Shared Services with effect from 1 September 2024. At the time of appointment, Mr M.F Rapelego was acting the same position

On 17 October 2024, the Minister of the Department of Cooperative Governance and Traditional Affairs (CoGTA) approved and gazetted upper limits for members of municipal councils (Government Gazette No.51407). In line with the gazette, the council sat on 11 November 2024 in a special council meeting and took a resolution to approve the implementation therefore through requesting for concurrence from the MEC of the Department of Cooperative Governance, Human Settlements and Traditional Affairs (CoGHSTA) Limpopo (CR24-11/11/24SP). The MEC for CoGHSTA has in response issued a concurrence letter dated 12 November 2024.

4. Accounting Officer

The accounting officer of the municipality during the year and to the date of this report is.

Name	Nationality
V D Khoza	South African

5. Auditors

Auditor General South Africa (AGSA) will continue in office for the next financial period.

The annual financial statements set out on page 9 to 100, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2024 and were signed on its behalf by:

V D Khoza
Accounting Officer

AUDIT COMMITTEE ANNUAL REPORT 2023/24

We are pleased to present our report for the financial year ended 30 June 2024

1. Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 166 of the Municipal Finance Management Act and Circular 65 issued by National Treasury. The Audit Committee reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, and it has regulated its affairs in compliance with this charter and , has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein and the related code of conduct, policies and practices.

2. Audit Committee members and attendance

The Audit Committee, consisting of independent external members and should meet at least four times per annum as per its approved terms of reference, although additional special meetings may be called as and when the need arises. The table below illustrates the number of meetings held during the 2023/2024 financial year and the attendance thereof by members:

Surname and Initial	Ordinary meeting	Meetings	Total
Mhlongo K. (Chairperson)	4	5	9
Baloyi N.T	4	5	9
Msesenyana KD	4	5	9
Muthivhi L.J	3	5	8
Mabuza J.M	4	4	8

3. The Effectiveness of Internal Control

Internal control environment system has improved significantly. However, there were several deficiencies in the system of internal control and/or deviations reported by the internal audit unit and the Auditor-General.

4. In-Year Management and Monthly/Quarterly Report

The audit committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the accounting officer of the municipality during the year under review. The municipality does have an effective monthly and quarterly reporting systems to the Council as required by the Municipal Finance Management Act (MFMA).

5. Performance Management

The AC reviewed the functionality of the performance management system and it appears to be functional. However there is room for improvement in so far as achievement of planned targets is concerned and capacitating the Performance Management Unit.

6. Risk Management

The AC is of the opinion that municipality's risk management is effective for the year under review. The Municipality implemented a comprehensive risk management strategy and related policies. Management has followed a sound and effective approach in identifying strategic risks, mitigation plans, and reviewing progress thereof. However, there is still room for improvement in so far as implementation of hotline as part of fraud prevention strategy is concerned.

7. Compliance with laws and regulations

Several instances of non-compliance with the enabling laws and regulations were identified by Audit Committee, AGSA, and Internal Audit unit during the year. Consequently, establishing an effective system for monitoring compliance with laws and regulations.

8. Internal Audit

The AC is satisfied with the effectiveness of Internal Audit unit and urge Management and Council to ensure that capacity is added to this unit to ensure complete coverage of the entire risk universe at least within 3 years cycle.

9. Progress in implementation of Internal Audit and AGSA findings from prior year

AGSA and Internal Audit recommendations were not fully implemented by management at the time of this report.

10. Implementations of Audit Committee Recommendations by management

A material number of Audit Committee recommendations to management were implemented which is commendable.

11. Conclusion

The Audit Committee wishes to acknowledge the commitment from Council, management and staff of the municipality. The stability in terms of the political and administrative leadership of the municipality has immensely contributed to the improvements reported here above. We would also like to thank the Mayor for her support, Councillors, Senior management for their efforts and internal audit for their contribution.

A handwritten signature in black ink, appearing to read 'Mhlongo K.', is enclosed in a thin black rectangular box.

Mhlongo K. (Mr)
Chairperson of the Audit Committee Greater Giyani Municipality
August 2024

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Position as at 30 June 2024

Figures in Rand	Note(s)	2024	2023 Restated*
Assets			
Current Assets			
Inventories	9	33 517 017	33 043 090
Other financial assets	7	-	-
Receivables from exchange transactions	10	50 325 509	32 099 563
Receivables from non-exchange transactions	11	50 313 435	67 178 881
VAT receivable	12	20 823 570	16 177 101
Other receivables from exchange transactions	13	11 296 128	14 467 380
Cash and cash equivalents	14	250 549 884	248 013 459
		416 825 543	410 979 474
Non-Current Assets			
Investment property	3	44 207 157	26 234 421
Property, plant and equipment	4	1 172 417 719	1 091 181 620
Intangible assets	5	2 065 181	996 253
Heritage assets	6	339 867	206 303
		1 219 029 924	1 118 618 597
Total Assets		1 635 855 467	1 529 598 071
Liabilities			
Current Liabilities			
Payables from exchange transactions	18	113 525 220	115 013 709
Employee benefit obligation	8	1 435 000	1 525 000
Unspent conditional grants and receipts	15	2 333	3 758 762
Provisions - rehabilitation of dumping site	17	-	5 473 837
Deferred income	16	25 031 317	24 792 248
Bank overdraft	14	1 684 163	-
		141 678 033	150 563 556
Non-Current Liabilities			
Employee benefit obligation	8	27 159 000	22 719 000
Provisions - rehabilitation of dumping site	17	23 862 903	37 900 467
		51 021 903	60 619 467
Total Liabilities		192 699 936	211 183 023
Net Assets		1 443 155 531	1 318 415 048
Accumulated surplus		1 443 155 531	1 318 415 048
Total Net Assets		1 443 155 531	1 318 415 048

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Performance

Figures in Rand	Note(s)	2024	2023 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	19	9 321 962	8 526 324
Rental of facilities and equipment	20	273 811	445 756
Interest received on overdue accounts (other services)	21	3 992 553	3 283 704
Debt impairment reversal	22	-	27 591 715
Agency services	23	557 560	650 644
Licenses and permits	24	7 307 730	7 109 523
Gains on provisions	25	20 494 409	-
Actuarial gains	26	2 882 000	4 470 000
Gain on assets disposal		330 927	-
Other income	27	2 859 938	1 906 857
Interest received - investment	28	25 579 179	17 351 270
Total revenue from exchange transactions		73 600 069	71 335 793
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	29	86 839 750	72 851 950
Traffic fines	30	753 642	1 222 834
Interest-overdue accounts (property rates)	31	40 708 966	32 418 395
Transfer revenue			
Government grants & subsidies	32	503 547 104	471 604 290
Donations received	33	18 571 592	13 871 397
Total revenue from non-exchange transactions		650 421 054	591 968 866
Total revenue	34	724 021 123	663 304 659
Expenditure			
Employee related costs	35	(180 278 615)	(167 464 399)
Remuneration of councillors	36	(26 480 050)	(25 382 201)
Depreciation and amortisation	37	(94 573 830)	(91 077 377)
Impairment loss/ Reversal of impairments	38	(8 470 785)	(1 852 217)
Finance costs	39	(5 235 115)	(4 568 091)
Lease rentals on operating lease	40	(2 011 139)	(1 910 539)
Debt Impairment	41	(97 910 914)	(104 753 695)
Contracted services	42	(88 394 594)	(68 044 372)
Transfers and Subsidies	43	(1 500 000)	(1 600 000)
Loss on assets written off and disposal	44	(2 424 748)	(4 205 555)
Damaged and Obsolete inventory written off		(39 553)	(16 395)
Repairs and maintenance	45	(11 724 328)	(7 371 294)
General Expenses	46	(80 236 966)	(95 252 909)
Total expenditure		(599 280 637)	(573 499 044)
Surplus for the year		124 740 486	89 805 615

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	1 223 727 220	1 223 727 220
Adjustments		
Correction of errors	4 882 213	4 882 213
Balance at 01 July 2022 as restated*	1 228 609 433	1 228 609 433
Changes in net assets		
Surplus for the year	89 805 615	89 805 615
Total changes	89 805 615	89 805 615
Restated* Balance at 01 July 2023	1 318 415 045	1 318 415 045
Changes in net assets		
Surplus for the year	124 740 486	124 740 486
Total changes	124 740 486	124 740 486
Balance at 30 June 2024	1 443 155 531	1 443 155 531
Note(s)		

Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Cash receipts from customers		103 316 995	14 415 945
Grants		499 790 675	464 771 319
Interest income		70 280 698	53 053 369
Other income		2 859 938	1 906 857
		<u>676 248 306</u>	<u>534 147 490</u>
Payments			
Employee costs		(194 599 704)	(187 014 322)
Suppliers		(237 095 160)	(100 654 843)
Finance costs		(3 122 786)	(1 985 370)
Grants and subsidies		(1 500 000)	(1 600 000)
		<u>(436 317 650)</u>	<u>(291 254 535)</u>
Net cash flows from operating activities	48	<u>239 930 656</u>	<u>242 892 955</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(234 925 434)	(211 457 203)
Purchase of other intangible assets	5	(3 906 846)	(3 384 923)
Purchase of heritage assets	6	(246 114)	-
Net cash flows from investing activities		<u>(239 078 394)</u>	<u>(214 842 126)</u>
Cash flows from financing activities			
Net increase/(decrease) in cash and cash equivalents		852 262	28 050 829
Cash and cash equivalents at the beginning of the year		248 013 459	219 962 630
Cash and cash equivalents at the end of the year	14	<u>248 865 721</u>	<u>248 013 459</u>

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget on comparable basis	Actual amounts between final basis	Difference budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	9 424 350	(678 108)	8 746 242	9 321 962	575 720	
Rental of facilities and equipment	695 300	(530 300)	165 000	273 811	108 811	
Interest received (trading)	3 480 370	(2 037 370)	1 443 000	3 992 553	2 549 553	
Agency services	5 896 800	(4 896 800)	1 000 000	557 560	(442 440)	
Licences and permits	8 450 000	(265 000)	8 185 000	7 307 730	(877 270)	
Gain on provisions	-	-	-	20 494 409	20 494 409	
Actuarial gains	-	-	-	2 882 000	2 882 000	
Gain on sale of assets	100 000	900 000	1 000 000	330 927	(669 073)	
Other income	11 406 574	(7 255 036)	4 151 538	2 859 938	(1 291 600)	
Interest received - investment	12 249 957	5 569 981	17 819 938	25 579 179	7 759 241	
Total revenue from exchange transactions	51 703 351	(9 192 633)	42 510 718	73 600 069	31 089 351	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	79 316 562	604 204	79 920 766	86 839 750	6 918 984	
Traffic fines	365 795	(260 795)	105 000	753 642	648 642	
Interest -overdue accounts (Property rates)	22 570 417	-	22 570 417	40 708 966	18 138 549	
Transfer revenue						
Government grants & subsidies	486 901 000	16 637 000	503 538 000	503 547 104	9 104	
Donations	-	-	-	18 571 592	18 571 592	
Total revenue from non-exchange transactions	589 153 774	16 980 409	606 134 183	650 421 054	44 286 871	
Total revenue	640 857 125	7 787 776	648 644 901	724 021 123	75 376 222	
Expenditure						
Personnel	(200 327 289)	21 655 981	(178 671 308)	(180 278 615)	(1 607 307)	
Remuneration of councillors	(24 915 963)	(968 788)	(25 884 751)	(26 480 050)	(595 299)	
Depreciation and amortisation	(95 000 000)	(1 000 000)	(96 000 000)	(94 573 830)	1 426 170	
Impairment loss/ Reversal of impairments	-	-	-	(8 470 785)	(8 470 785)	
Finance costs	-	-	-	(5 235 115)	(5 235 115)	
Lease rentals on operating lease	(2 400 000)	-	(2 400 000)	(2 011 139)	388 861	
Debt Impairment	(29 000 000)	(93 278 267)	(122 278 267)	(97 910 914)	24 367 353	
Contracted Services	(57 246 500)	1 731 461	(55 515 039)	(88 394 594)	(32 879 555)	
Transfers and Subsidies	(1 500 000)	-	(1 500 000)	(1 500 000)	-	
Repairs and maintenance	(61 220 000)	(5 943 866)	(67 163 866)	(11 724 328)	55 439 538	
General Expenses	(76 733 832)	(6 549 717)	(83 283 549)	(80 236 966)	3 046 583	
Loss on assets written off	-	-	-	(2 424 748)	(2 424 748)	
Damaged and obsolete inventory written off	-	-	-	(39 553)	(39 553)	
Total expenditure	(548 343 584)	(84 353 196)	(632 696 780)	(599 280 637)	33 416 143	

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget on comparable	Actual amounts between final basis	Difference budget and actual	Reference
Figures in Rand						
Surplus before taxation	92 513 541	(76 565 420)	15 948 121	124 740 486	108 792 365	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	92 513 541	(76 565 420)	15 948 121	124 740 486	108 792 365	

Reconciliation

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget on comparable	Actual amounts between final basis	Difference budget and actual	Reference
Figures in Rand						
Statement of Financial Position						
Assets						
Current Assets						
Inventories	8 738 033	24 655 057	33 393 090	33 517 017	123 927	
Receivables from exchange transactions	(13 386 556)	131 870 373	118 483 817	50 325 509	(68 158 308)	
Receivables from non-exchange transactions	685 423	52 168 678	52 854 101	50 313 435	(2 540 666)	
VAT receivable	2 148 936	61 521 277	63 670 213	20 823 570	(42 846 643)	
Other receivable from exchange transactions	-	-	-	11 296 128	11 296 128	
Cash and cash equivalents	170 556 875	(55 590 791)	114 966 084	250 549 884	135 583 800	
	168 742 711	214 624 594	383 367 305	416 825 543	33 458 238	
Non-Current Assets						
Investment property	25 599 820	(21 277 274)	4 322 546	44 207 157	39 884 611	
Property, plant and equipment	1 018 393 659	392 236 285	1 410 629 944	1 172 417 719	(238 212 225)	
Intangible assets	12 734 315	(3 801 238)	8 933 077	2 065 181	(6 867 896)	
Heritage assets	-	-	-	339 867	339 867	
	1 056 727 794	367 157 773	1 423 885 567	1 219 029 924	(204 855 643)	
Total Assets	1 225 470 505	581 782 367	1 807 252 872	1 635 855 467	(171 397 405)	
Liabilities						
Current Liabilities						
Payables from exchange transactions	128 879 365	(15 000)	128 864 365	113 525 218	(15 339 147)	
Employee benefit obligation	-	-	-	1 435 000	1 435 000	
Unspent conditional grants and receipts	-	-	-	2 333	2 333	
Provisions - rehabilitation of dumping site	59 465 286	(174 883 271)	(115 417 985)	-	115 417 985	
Vat payable	1 998 936	66 982	2 065 918	-	(2 065 918)	
Deferred income	-	-	-	25 031 317	25 031 317	
Bank overdraft	-	-	-	1 684 163	1 684 163	
	190 343 587	(174 831 289)	15 512 298	141 678 031	126 165 733	
Non-Current Liabilities						
Employee benefit obligation	-	-	-	27 159 000	27 159 000	
Provisions - rehabilitation of dumping site	1 091 000	-	1 091 000	23 862 903	22 771 903	
	1 091 000	-	1 091 000	51 021 903	49 930 903	
Total Liabilities	191 434 587	(174 831 289)	16 603 298	192 699 934	176 096 636	
Net Assets	1 034 035 918	756 613 656	1 790 649 574	1 443 155 533	(347 494 041)	

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget on comparable	Actual amounts between final basis	Difference budget and actual	Reference
Figures in Rand						
Net Assets						
Net Assets Attributable to Owners of Controlling Entity						
Reserves						
Accumulated surplus	1 034 035 918	756 613 656	1 790 649 574	1 443 155 531	(347 494 043)	

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

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

Cash Flow Statement

Cash flows from operating activities

Receipts

Cash Receipts from customers	137 153 113	(78 976 119)	58 176 994	103 316 995	45 140 001	
Grants	486 901 000	16 637 000	503 538 000	499 790 675	(3 747 325)	
Interest income	27 948 005	(10 128 067)	17 819 938	70 280 698	52 460 760	
Other income	-	-	-	2 859 938	2 859 938	
	652 002 118	(72 467 186)	579 534 932	676 248 306	96 713 374	

Payments

Employee costs	(225 243 252)	20 687 193	(204 556 059)	(194 599 702)	9 956 357	
Suppliers	(209 013 807)	(25 039 899)	(234 053 706)	(237 095 160)	(3 041 454)	
Finance costs	-	-	-	(3 122 786)	(3 122 786)	
Transfers and subsidies	(1 500 000)	-	(1 500 000)	(1 500 000)	-	
	(435 757 059)	(4 352 706)	(440 109 765)	(436 317 648)	3 792 117	

Net cash flows from operating activities	216 245 059	(76 819 892)	139 425 167	239 930 658	100 505 491	
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Cash flows from investing activities

Purchase of property, plant and equipment	(248 389 120)	(24 166 241)	(272 555 361)	(234 925 434)	37 629 927	
Purchase of intangible assets	-	-	-	(3 906 846)	(3 906 846)	
Purchase of heritage assets	-	-	-	(246 114)	(246 114)	
Net cash flows from investing activities	(248 389 120)	(24 166 241)	(272 555 361)	(239 078 394)	33 476 967	

Net increase/(decrease) in cash and cash equivalents	(32 144 061)	(100 986 133)	(133 130 194)	852 264	133 982 458	
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Cash and cash equivalents at the beginning of the year	202 643 436	45 452 842	248 096 278	248 013 459	(82 819)	
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Cash and cash equivalents at the end of the year	170 499 375	(55 533 291)	114 966 084	248 865 723	133 899 639	
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Reconciliation

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Significant Accounting Policies

Figures in Rand	Note(s)	2024	2023
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1. Significant accounting policies

The significant accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparation

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.

These accounting policies are consistent with the previous period.

1.2 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.3 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.

1.4 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.

The entity does not retrospectively adjust the accounting of past items (or group of items) that were previously assessed as immaterial, unless an error occurred.

1.5 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:

Trade 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.

The impairment for trade receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Significant Accounting Policies

1.5 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. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the end of the reporting period.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the municipality for similar financial instruments.

The carrying amount of available-for-sale financial assets would be an estimated R - lower or R - higher were the discounted rate used in the discount cash flow analysis to differ by 10% from management's estimates.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. 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.

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 17 - Provisions.

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.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 8.

Effective interest rate

The municipality used the prime interest rate to discount future cash flows.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Significant Accounting Policies

1.5 Significant judgements and sources of estimation uncertainty (continued)

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.6 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
- 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.

The useful lives of items of investment property has been assessed as follows:

Straight line method 30 years

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.

1.7 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

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

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Significant Accounting Policies

1.7 Property, plant and equipment (continued)

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.

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.

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

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight-line	30 Years
Graders	Straight-line	5 - 15 years
Tractors	Straight-line	5 - 15 years
Lawn mowers	Straight-line	5 -15 years
Compressors	Straight-line	5 -15 years
Radio equipment	Straight-line	5 -15 years
Tipppers	Straight-line	5 - 15 years
Chairs	Straight-line	5 -10 years
Tables and desks	Straight-line	5 -10 years
Cabinets and cupboards	Straight-line	5 -10 years
Truck and light vehicles	Straight-line	5 - 15 years
Ordinary motor vehicles	Straight-line	5 - 10 years
Office machines	Straight-line	3 - 5 years
Air conditioners	Straight-line	5 - 8 years
Computer hardware	Straight-line	3 - 9 years
Cemeteries	Straight-line	25 - 30 years
Community halls (Center)	Straight-line	20 - 30 years
Libraries	Straight-line	25 -30 years
Parks	Straight-line	30 years
Sports and related stadiums	Straight-line	20 - 30 years
Tennis courts	Straight-line	25 -30 years
Golf courses	Straight-line	10 - 30 years
Outdoor sports facilities	Straight-line	10 - 30 years
Flood lighting	Straight-line	10 -30 years
Roads and road furniture	Straight-line	5 - 20 years
Other roads	Straight-line	20 years
Traffic lights	Straight-line	20 years
Traffic islands	Straight-line	20 - 25 years
Streets lights	Straight-line	20 - 25 years
Storm water drains	Straight-line	10 - 80 years
Bridges, subways and culverts	Straight-line	30 - 80 years

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Significant Accounting Policies

1.7 Property, plant and equipment (continued)

Car parks	Straight-line	20 years
Bus terminals	Straight-line	20 years
Bulk refuse containers (skips)	Straight-line	5 - 10 years
Household refuse bins	Straight-line	5 - 15 years
Fire horses	Straight-line	5 - 15 years
Other fire fighting equipments	Straight-line	5 - 15 years
Emergency equipment	Straight-line	5 years
Mayoral Chain		No asset life as no depreciation is charged
Mace		No asset life as no depreciation is charged
Mayoral gown		No asset life as no depreciation is charged

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

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

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

1.8 Intangible assets

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.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

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 carried at cost less any accumulated amortisation and any impairment losses.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Significant Accounting Policies

1.8 Intangible assets (continued)

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

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

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software - Licenses	Straight-line	12 months

1.9 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. No assets lives are allocated

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.

Initial measurement

Heritage assets are measured at cost.

Where 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 measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Derecognition

The municipality derecognises heritage asset 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 a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.10 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.

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Significant Accounting Policies

1.10 Financial instruments (continued)

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment.

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

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 amortised 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 entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-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, a municipality 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.

Reclassifications

The entity does not reclassify a financial instrument while it is issued or held unless it is:
combined instrument that is required to be measured at fair value; or

- a residual interest of another entity; or
- an investment in a residual interest that meets the requirements for reclassification.

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1.10 Financial instruments (continued)

If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the entity reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.

If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the entity reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.

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 on uncollectable 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 through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed 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.

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

- the entity designates at fair value at initial recognition; or
- are held for trading.

1.11 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.

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1.11 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 - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.12 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.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase.

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.

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.

1.13 Cash and cash equivalents

Cash and cash equivalents comprise bank balances and deposits held at call with banks which are available on demand.

1.14 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

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Significant Accounting Policies

1.14 Impairment of cash-generating assets (continued)

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Judgements made by management in applying the criteria to designate assets as cash-generating assets or non-cash-generating assets, are as follows:

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Basis for estimates of future cash flows

In measuring value in use the municipality:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

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Significant Accounting Policies

1.14 Impairment of cash-generating assets (continued)

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the municipality expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

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Significant Accounting Policies

1.14 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.

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Significant Accounting Policies

1.14 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.

1.15 Impairment of non-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.

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

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

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Significant Accounting Policies

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

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Judgements made by management in applying the criteria to designate assets as non-cash-generating assets or cash-generating assets, are as follows:

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

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Significant Accounting Policies

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

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.

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 Employee benefits

Identification

Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered.

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service.

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Other long-term employee benefits are all employee benefits other than short-term employee benefits, post-employment benefits and termination benefits.

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either: (a) an entity's decision to terminate an employee's employment before the normal retirement date; or (b) an employee's decision to accept an offer of benefits in exchange for the termination of employment.

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1.16 Employee benefits (continued)

Short-term employee benefits

Recognition and measurement

All short-term employee benefits

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

(a) 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 recognises 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.

(b) As an expense, unless another Standard of GRAP requires or permits the inclusion of the benefits in the cost of an asset.

Bonus, incentive and performance related payments

The entity recognises the expected cost of bonus, incentive and performance related payments when, and only when:

(a) the entity has a present legal or constructive obligation to make such payments as a result of past events; and

(b) a reliable estimate of the obligation can be made. A present obligation exists when, and only when, the entity has no realistic alternative but to make the payments.

Post-employment benefits: Distinction between defined contribution plans and defined benefit plans

Insured benefits

The entity may pay insurance premiums to fund a post-employment benefit plan. The entity treats such a plan as a defined contribution plan unless the entity will have (either directly or indirectly through the plan) a legal or constructive obligation either to:

(a) pay the employee benefits directly when they fall due; or

(b) pay further amounts if the insurer does not pay all future employee benefits relating to employee service in the current and prior reporting periods. If the entity retains such a legal or constructive obligation, the entity treats the plan as a defined benefit plan.

Post-employment benefits: Defined contribution plans

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Significant Accounting Policies

1.16 Employee benefits (continued)

Post-employment benefits: Defined benefit plans

Recognition and measurement

The entity determines the net defined benefit liability (asset) with sufficient regularity that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period.

Statement of financial position

The entity recognises the net defined benefit liability (asset) in the statement of financial position. When the entity has a surplus in a defined benefit plan, it measures the net defined benefit asset at the lower of:

- (a) the surplus in the defined benefit plan; and
- (b) the asset ceiling, determined using the discount rate specified. Any adjustments arising from the limit is recognised in surplus or deficit.

Recognition and measurement: Present value of defined benefit obligations and current service cost

Actuarial valuation method

The entity uses the projected unit credit method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost.

Attributing benefit to periods of service

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, the entity attributes benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, the entity attributes benefit on a straight-line basis from:

- (a) the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- (b) the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the end of the reporting period, for the period over which the obligations are to be settled.

Actuarial assumptions: Mortality

The entity determines its mortality assumptions by reference to its best estimate of the mortality of plan members both during and after employment.

Actuarial assumptions: Discount rate

The rate used to discount post-employment benefit obligations (both funded and unfunded) 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 post-employment benefit obligations.

Actuarial assumptions: Salaries, benefits and medical costs

The entity measures its defined benefit obligations on a basis that reflects:

- (a) the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the end of the reporting period;

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Significant Accounting Policies

1.16 Employee benefits (continued)

- (b) any estimated future salary increases that affect the benefits payable;
- (c) the effect of any limit on the employer's share of the cost of the future benefits;
- (d) contributions from employees or third parties that reduce the ultimate cost to the entity of those benefits; and
- (e) 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:
 - (i) those changes were enacted before the end of the reporting period; or
 - (ii) historical data, 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 takes account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

Past service cost and gains and losses on settlement

When determining past service cost, or a gain or loss on settlement, the entity remeasures the net defined benefit liability (asset) using the current fair value of plan assets and current actuarial assumptions (including current market interest rates and other current market prices), reflecting:

- (a) the benefits offered under the plan and the plan assets before the plan amendment, curtailment or settlement; and
- (b) the benefits offered under the plan and the plan assets after the plan amendment, curtailment or settlement.

Past service cost

The entity recognises past service cost as an expense at the earlier of the following dates:

- (a) when the plan amendment or curtailment occurs; and
- (b) when the entity recognises related restructuring costs or termination benefits.

Gains and losses on settlement

The entity recognises a gain or loss on the settlement of a defined benefit plan when the settlement occurs.

Recognition and measurement: Plan assets

Fair value of plan assets

The fair value of any plan assets is deducted from the present value of the defined benefit obligation in determining the deficit or surplus.

Reimbursements

When, and only when, it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the entity:

- (a) Recognises its right to reimbursement as a separate asset. The entity measures the asset at fair value.
- (b) Disaggregate and recognise changes in the fair value of its right to reimbursement in the same way as for changes in the fair value of plan assets. The components of defined benefit cost recognised as below (see section on Components of defined benefit cost), may be recognised net of amounts relating to changes in the carrying amount of the right to reimbursement.

Components of defined benefit cost

The entity recognises the components of defined benefit cost in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset, as follows:

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1.16 Employee benefits (continued)

- (a) service cost;
- (b) net interest on the net defined benefit liability (asset); and
- (c) remeasurements of the net defined benefit liability (asset).

Current service cost

The entity determines current service cost using actuarial assumptions determined at the start of the reporting period. However, if the entity remeasures the net defined benefit liability (asset) in accordance with the section on Past service cost gains and losses on settlement, it determines current service cost for the remainder of the reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to remeasure the net defined benefit liability (asset) in accordance with the section on Past service cost gains and losses on settlement (part b).

Net interest on the net defined benefit liability (asset)

The entity determines net interest on the net defined benefit liability (asset) by multiplying the net defined benefit liability (asset) by the discount rate specified.

To determine net interest, the entity uses the net defined benefit liability (asset) and the discount rate determined at the start of the reporting period. However, if the entity remeasures the net defined benefit liability (asset) in accordance with the section on Past service cost gains and losses on settlement, the entity determines net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement using:

- (a) the net defined benefit liability (asset) determined in accordance with the section on Past service cost gains and losses on settlement (part b); and
- (b) the discount rate used to remeasure the net defined benefit liability (asset) in accordance with the section on Past service cost gains and losses on settlement (part b).

In applying this, the entity also takes into account any changes in the net defined benefit liability (asset) during the period resulting from contributions or benefit payments.

Remeasurements of the net defined benefit liability (asset)

Remeasurements of the net defined benefit liability (asset) comprise:

- (a) actuarial gains and losses;
- (b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
- (c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

Presentation

Offset

The entity offsets an asset relating to one plan against a liability relating to another plan when, and only when, the entity:

- (a) has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan; and
- (b) intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

Current/non-current distinction

The entity offsets an asset relating to one plan against a liability relating to another plan when, and only when, the entity:

- (a) has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan; and

Greater Giyani Municipality

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Significant Accounting Policies

1.16 Employee benefits (continued)

(b) intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

Components of defined benefit cost

The entity recognises service cost, net interest on the net defined benefit liability (asset) and remeasurements in surplus or deficit.

Other long-term employee benefits

Recognition and measurement

For other long-term employee benefits, the entity recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- (a) service cost;
- (b) net interest on the net defined benefit liability (asset); and
- (c) remeasurements of the net defined benefit liability (asset).

Termination benefits

Recognition

The entity recognises a liability and expense for termination benefits at the earlier of the following dates: (a) when the entity can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of GRAP 19 and involves the payment of termination benefits.

Measurement

The entity measures termination benefits on initial recognition, and measures and recognise subsequent changes, in accordance with the nature of the employee benefit, provided that if the termination benefits are an enhancement to post-employment benefits, the entity applies the requirements for post-employment benefits. Otherwise:

- (a) If the termination benefits are expected to be settled wholly before twelve months after the end of the reporting period in which the termination benefit is recognised, the entity applies the requirements for short-term employee benefits.
- (b) If the termination benefits are not expected to be settled wholly before twelve months after the end of the reporting period, the entity applies the requirements for other long-term employee benefits.

1.17 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.

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Significant Accounting Policies

1.17 Provisions and contingencies (continued)

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 (deficit).

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.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of an activity/operating unit concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 50.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The municipality recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and

Greater Giyani Municipality

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Significant Accounting Policies

1.17 Provisions and contingencies (continued)

- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the municipality for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the municipality considers that an outflow of economic resources is probable, an municipality recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

Provision for rehabilitation for dumping site

Provision for rehabilitation of landfill site is determined by the expert and it is initially and subsequently recognised at cost.

Changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in the discount rate.

The periodic unwinding of the discount is recognised in surplus or deficit as a finance cost as it occurs.

1.18 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
- 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.

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Significant Accounting Policies

1.19 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.

Agency Services

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

The revenue is limited to the amount of any fee or commission payable to the municipality as compensation for executing the agreed services.

Collection charges are recognised when such amounts are incurred.

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 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.

Deferred Income

Deferred income (also known as deferred revenue, unearned revenue, or unearned income) is, in accrual accounting, money received for goods or services which has not yet been earned.

Greater Giyani Municipality

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Significant Accounting Policies

1.19 Revenue from exchange transactions (continued)

Deferred income is recorded as a liability until delivery of goods and services is made, at which time it is converted into revenue.

Greater Giyani Municipality

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Significant Accounting Policies

1.20 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

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.

Taxes

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources. Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured. The degree of probability attached to the inflow of resources is determined on the basis of evidence available at the time of initial recognition, which includes, but is not limited to, disclosure of the taxable event by the taxpayer.

The taxable event for value added tax is the undertaking of taxable activity during the taxation period by the taxpayer.

Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

Transfers

Apart from Services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Greater Giyani Municipality

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Significant Accounting Policies

1.20 Revenue from non-exchange transactions (continued)

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

Fines are recognised when traffic fines are issued or when the date to appear in court per traffic fine arrive or on cash received by municipality

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Grants

Unconditional Grants

Equitable share and LGSETA allocations are recognised as revenue as and when they are received.

Conditional Grants

Conditional grants are recognized as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits, or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor.

1.21 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.22 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year. When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed.

Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.23 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.

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Significant Accounting Policies

1.24 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.

1.25 Irregular expenditure

Irregular expenditure that was incurred and identified during the current financial and which was written off before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which writing off is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only written off in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount written off.

Irregular expenditure that was incurred and identified during the current financial year and which was not wrote off by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements.

The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been written off and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance

1.26 Budget information

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a modified cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2023/07/01 to 2024/06/30.

The budget for the economic entity includes all the entities approved budgets under its control.

Explanation of Variances

Differences between budget and actuals which are less than 10% are considered immaterial and will be accepted without further explanation.

Differences between Original Budget and Adjustment budget which are less than 10% are considered immaterial and will be accepted without further explanation.

Explanations will be provided for all variances which exceeds 10% of budget versus actuals and Original Budget versus Adjustment Budget.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Significant Accounting Policies

1.26 Budget information (continued)

Comparative information is not required.

1.27 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the ventures).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

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

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favorable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.28 Events after reporting date

Events after reporting date are those events, both favorable and unfavorable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.29 Value Added Tax

Revenue, expenses and assets are recognised net of amounts of Value Added Tax. The net amount of Value Added Tax recoverable from or payable to SARS is included as part of receivables or payables in the Statement of Financial Position.

The municipality is a registered VAT vendor and account for VAT on a payment basis.

The following rates are applicable:

Standard rated supplies (15%)

Greater Giyani Municipality

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Significant Accounting Policies

1.29 Value Added Tax (continued)

Zero rated supplies (0%)

Exempted supplies (-)

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

2024

2023

2. New standards and interpretations

2.1 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 2024 or later periods:

2.2 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2024 or later periods but are not relevant to its operations:

GRAP 1 (amended): Presentation of Financial Statements (Going Concern)

The Board undertook a project in 2021 to consider the guidance and disclosure requirements on going concern in the relevant Standards of GRAP. As an outcome of this project, the Board agreed to include additional guidance and disclosures on going concern in this Standard. Consequential amendments are also made to the Standard of GRAP on Events After the Reporting Date.

Applicability of going concern in the public sector

An entity prepares its financial statements on a going concern basis unless there is an intention to liquidate the entity, to cease operating, or if there is no realistic alternative but to do so. A liquidation or cessation of an entity's operations will result in the termination of all its functions.

In South Africa, specific legislative requirements need to be followed before a decision is taken to liquidate a public sector entity, to cease or scale back its operations, to transfer some or all of its functions to another entity, or to merge one or more entities. The "intention" to liquidate an entity, to cease or scale back its operations, to transfer some or all of its functions to another entity, or to merge one or more entities needs to be established. This intention can be reflected in a number of ways and may encompass legislation passed in Parliament or a provincial legislature, cabinet decision, ministerial order, a decision made by a municipal council, board, council or equivalent, a regulation or a notice, or other official means.

The liquidation or cessation of a public sector entity's operations is rare, and only in the case of dissolution without any continuation of the entity's operations will the going concern basis cease to apply. When all, or some of the functions of an entity are transferred to another entity, or when a decision is taken to merge one or more entities, the application of the going concern basis remains appropriate. This is because the entity's functions will continue to be provided in a modified form, even though they are executed by another entity.

The Board agreed to include explanatory guidance in this Standard on the application of the going concern assumption by public sector entities.

Where some of an entity's functions are transferred in a transfer of functions, and the remaining functions are discontinued, there are two separate transactions. The Board concluded that management should assess these transactions separately based on the functions transferred, those to be discontinued (if any), and those that may be retained and continued (if any), to determine if preparing the entity's financial statements on a going concern basis remains appropriate.

Disclosure on going concern

The Board's project highlighted a need for specific disclosures on going concern, material uncertainties relating to going concern, and actions taken by management to mitigate these uncertainties. Consideration was also given to the practices, guidance and requirements in other countries and/or from other standard-setting bodies on these matters.

To address the diversity in the information disclosed on going concern, the Board agreed to expand the disclosure requirements in this Standard to ensure that consistent disclosures are provided.

The effective date of these revisions have not yet been set.

The municipality does not envisage the adoption of the standard until such time as it becomes applicable to the municipality's operations.

It is unlikely that the standard will have a material impact on the municipality's annual financial statements.

Notes to the Annual Financial Statements

2. New standards and interpretations (continued)

GRAP 103 (as revised): Heritage Assets

Background

The Accounting Standards Board (the Board) completed its post-implementation review of the Standard of GRAP on Heritage Assets (GRAP 103) (hereafter referred to as “the review”) in 2020. Based on the feedback received as part of the review, the Board agreed to reconsider certain principles in GRAP 103.

The objective of the project was to revise and clarify principles in GRAP 103 following feedback received from the review and actions agreed by the Board.

Key amendments to GRAP 103

The Board agreed that the definition of a heritage asset in GRAP 103 should be reconsidered to better align it with the legislative explanation of a heritage resource in the National Heritage Resources Act, 1999, and the classification by the South African Heritage Resources Agency.

The proposed definition focuses on assets that have “cultural significance” and defines a heritage asset as “an asset that has cultural significance, and is held indefinitely for the benefit of present and future generations”. “Cultural significance” has also been defined and described in GRAP 103 based on legislation.

The characteristics displayed by heritage assets, and the range of assets that could be heritage assets, have also been aligned with legislation.

The amendments further relate to the Classification of dual purpose heritage assets, Determining a reliable value for a heritage asset, Protective rights imposed on heritage assets, Re-assessing if a reliable value becomes available subsequently, Aggregation of individually insignificant heritage assets, Impairment of heritage assets, Mandatory disclosures of heritage assets borrowed or on loan.

The effective date of these revisions have not yet been set.

The effective date of the standard is for years beginning on or after 01 April 2023.

The municipality does not envisage the adoption of the standard until such time as it becomes applicable to the municipality's operations.

It is unlikely that the standard will have a material impact on the municipality's annual financial statements.

GRAP 104 (as revised): Financial Instruments

Following the global financial crisis, a number of concerns were raised about the accounting for financial instruments. This included that (a) information on credit losses and defaults on financial assets was received too late to enable proper decision-making, (b) using fair value in certain instances was inappropriate, and (c) some of the existing accounting requirements were seen as too rules based. As a result, the International Accounting Standards Board® amended its existing Standards to deal with these issues. The IASB issued IFRS® Standard on Financial Instruments (IFRS 9) in 2009 to address many of the concerns raised. Revisions were also made to IAS® on Financial Instruments: Presentation and the IFRS Standard® on Financial Instruments: Disclosures. The IPSASB issued revised International Public Sector Accounting Standards in June 2018 so as to align them with the equivalent IFRS Standards.

The revisions better align the Standards of GRAP with recent international developments. The amendments result in better information available to make decisions about financial assets and their recoverability, and more transparent information on financial liabilities.

The most significant changes to the Standard affect:

- Financial guarantee contracts issued
 - Loan commitments issued
 - Classification of financial assets
 - Amortised cost of financial assets
 - Impairment of financial assets
 - Disclosures

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

2. New standards and interpretations (continued)

The effective date of the revisions is not yet set by the Minister of Finance.

The municipality does not envisage the adoption of the revisions until such time as it becomes applicable to the municipality's operations.

It is unlikely that the standard will have a material impact on the municipality's annual financial statements.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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3. Investment property

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	45 496 568	(1 289 411)	44 207 157	26 924 976	(690 555)	26 234 421

Reconciliation of investment property - 2024

	Opening balance	Additions	Impairments	Depreciation	Total
Investment property	26 234 421	18 571 591	(507 812)	(91 043)	44 207 157

Reconciliation of investment property - 2023

	Opening balance	Additions	Depreciation	Total
Investment property	25 599 820	725 396	(90 795)	26 234 421

The following properties are not in the name of the Municipality:

These properties are not in the investment property register:

Rental of these properties is not billed

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
3. Investment property (continued)		
GIYANI A ERF 121	600 000	600 000
GIYANI A ERF 123	200 000	200 000
GIYANI E ERF 401	400 000	400 000
GIYANI A ERF 149	200 000	200 000
GIYANI E ERF 655	240 000	240 000
GIYANI E ERF 656	240 000	240 000
GIYANI E ERF 662	400 000	400 000
GIYANI E ERF 666	400 000	400 000
GIYANI A ERF 187	440 000	440 000
GIYANI A ERF 188	520 000	520 000
GIYANI A ERF 189	600 000	600 000
GIYANI A ERF 190	460 000	460 000
GIYANI A ERF 195	200 000	200 000
GIYANI A ERF 1989	500 000	500 000
GIYANI A ERF 236	200 000	200 000
GIYANI A ERF 518	200 000	200 000
GIYANI A ERF 561	200 000	200 000
GIYANI A ERF 562	500 000	500 000
GIYANI A ERF 736	200 000	200 000
GIYANI A ERF 741	320 000	320 000
GIYANI A ERF 741	360 000	360 000
GIYANI A ERF 744	200 000	200 000
GIYANI A ERF 86	200 000	200 000
	7 780 000	7 780 000

Recognition of investment properties

The municipality has registered the investment properties (land and houses) in the Deeds Office and were recognised in the investment property register.

In the financial year 2019/2020 the council passed a resolution to demarcate (for residential purposes) and sell land belonging to the municipality. As a result of this land to the value R 31 085 000 was transferred from investment property to inventory.

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.

Restrictions on the realisability of investment property or the remittance of revenue and proceeds of disposal are as follows:

Contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements is as follows:

In the exceptional cases when the municipality has to measure investment property using the cost model in the Standard of GRAP on Property, Plant and Equipment when the municipality subsequently uses the fair value measurement, disclose the following:

- a description of the investment property,
- an explanation of why fair value cannot be determined reliably,
- if possible, the range of estimates within which fair value is highly likely to lie, and
- on disposal of investment property not carried at fair value:
 - the fact that the entity has disposed of investment property not carried at fair value,
 - the carrying amount of that investment property at the time of sale, and
 - the amount of gain or loss recognised.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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4. Property, plant and equipment

	2024			2023		
	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	43 416 035	-	43 416 035	43 416 035	-	43 416 035
Buildings	174 134 995	(39 233 894)	134 901 101	159 654 932	(34 184 880)	125 470 052
Plant and machinery	58 026 860	(14 188 886)	43 837 974	49 446 863	(15 735 932)	33 710 931
Furniture and fixtures	7 948 040	(3 616 922)	4 331 118	7 964 610	(2 876 712)	5 087 898
Motor vehicles	14 979 980	(8 553 245)	6 426 735	19 404 539	(10 995 123)	8 409 416
Office equipment	1 534 537	(956 242)	578 295	1 344 382	(860 369)	484 013
IT equipment	13 721 482	(6 083 875)	7 637 607	10 027 090	(5 631 822)	4 395 268
Infrastructure	1 260 115 424	(601 417 299)	658 698 125	1 173 560 535	(551 674 272)	621 886 263
Community	303 864 828	(37 897 967)	265 966 861	274 689 920	(31 744 991)	242 944 929
Electricity projects	4 543 284	-	4 543 284	3 144 704	-	3 144 704
Air conditioners	4 229 092	(2 148 508)	2 080 584	3 919 895	(1 687 784)	2 232 111
Total	1 886 514 557	(714 096 838)	1 172 417 719	1 746 573 505	(655 391 885)	1 091 181 620

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	WIP	Disposals	Transfers	Derecognition	Depreciation	Impairment loss	Total
Land	43 416 035	-	-	-	-	-	-	-	43 416 035
Buildings	125 470 052	14 568 453	-	-	-	(33 646)	(4 343 081)	(760 677)	134 901 101
Plant and machinery	33 710 931	15 085 637	-	(7 503)	-	(1 317 871)	(3 633 220)	-	43 837 974
Furniture and fixtures	5 087 898	-	-	(7 734)	-	-	(739 838)	(9 208)	4 331 118
Motor vehicles	8 409 416	-	-	-	-	(667 835)	(1 314 846)	-	6 426 735
Office equipment	484 013	199 069	-	(2 413)	-	-	(102 374)	-	578 295
IT equipment	4 395 268	4 433 924	-	(113 840)	-	(19 430)	(1 041 345)	(16 970)	7 637 607
Infrastructure	621 886 263	108 201 520	11 397 058	-	-	(1 792 439)	(74 946 831)	(6 047 446)	658 698 125
Community	242 944 929	17 505 117	11 669 790	-	-	-	(5 024 307)	(1 128 668)	265 966 861
Electricity projects	3 144 704	51 517 374	-	-	(50 118 794)	-	-	-	4 543 284
Airconditioners	2 232 111	347 492	-	-	-	-	(499 019)	-	2 080 584
	1 091 181 620	211 858 586	23 066 848	(131 490)	(50 118 794)	(3 831 221)	(91 644 861)	(7 962 969)	1 172 417 719

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Additions through donations	WIP	Assets written off	Derecognition	Impairment loss	Depreciation	Total
Land	30 270 035	-	13 146 000	-	-	-	-	-	43 416 035
Buildings	111 750 251	419 218	-	17 673 695	-	-	(216)	(4 372 896)	125 470 052
Plant and machinery	23 258 769	13 423 845	-	-	(896)	-	(4 242)	(2 966 545)	33 710 931
Furniture and fixtures	4 806 671	920 406	-	-	-	-	-	(639 179)	5 087 898
Motor vehicles	8 428 717	1 783 610	-	-	-	-	(289 371)	(1 513 540)	8 409 416
Office equipment	283 403	327 500	-	-	-	-	-	(126 890)	484 013
IT equipment	5 250 187	333 150	-	-	(8 475)	-	(1 581)	(1 178 013)	4 395 268
Infrastructure	610 135 172	-	-	90 243 948	(32 045)	(4 131 340)	(1 443 802)	(72 885 670)	621 886 263
Community	195 790 452	-	-	50 824 278	(16 150)	-	(110 260)	(3 543 391)	242 944 929
Electricity projects	-	-	-	3 144 704	-	-	-	-	3 144 704
Air conditioners	2 534 554	187 200	-	-	(16 651)	-	(2 743)	(470 249)	2 232 111
	992 508 211	17 394 929	13 146 000	161 886 625	(74 217)	(4 131 340)	(1 852 215)	(87 696 373) 1	091 181 620

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

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4. Property, plant and equipment

Capitalisation of Electrified

Electrification of villages' projects which are not complete at year-end are capitalised under Work-in-Progress in Property, Plant and Equipment.

Electrification of villages are only expensed upon completion in the Statement of Financial Performance when they are transferred to Eskom.

Reconciliation of assets impaired of 30 June 2024

	Carrying Value	Deemed Replacement Cost	Impairment loss
IT Equipment	21 837	(4 866)	16 971
Furniture and fittings	14 837	(5 628)	9 209
Investment Property	942 320	(434 508)	507 812
Buildings	948 105	(187 427)	760 678
Community Assets	1 489 919	(361 250)	1 128 669
Infrastructure	7 559 534	(1 512 087)	6 047 447
	10 976 552	(2 505 766)	8 470 786

Reconciliation of assets written off of 30 June 2024

	Cost	Accumulated depreciation	Accumulated Impairment	Carrying Value
Furniture and Fittings	20 336	(12 207)	(124)	8 005
IT Equipment	733 683	(594 750)	(8 478)	130 455
Plant and Machinery	6 508 314	(5 152 645)	(30 294)	1 325 375
Motor Vehicles	4 424 558	(3 451 524)	(305 200)	667 834
Office equipment	8 913	(6 501)	-	2 412
Aircons	38 302	(38 299)	-	3
Buildings	88 391	(53 945)	(799)	33 647
Infrastructure	33 043 689	(29 684 232)	(1 567 018)	1 792 439
	44 866 186	(38 994 103)	(1 911 913)	3 960 170

The following items were sold at an auction without resolution

	Cost	Accumulated Depreciations	Accumulated Impairment	Total
Nissan Patrol	602 629	(517 883)	-	84 746
CAT Bulldozer	5 100 000	(4 204 339)	-	895 661
	5 702 629	(4 722 222)	-	980 407

Borrowing costs capitalised

Greater Giyani Municipality

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Figures in Rand 2024 2023

4. Property, plant and equipment

Reconciliation of Work-in-Progress

	Included within Infrastructure	Total
0	1	1

	Included within Infrastructure	Included within Community	Included within Other PPE	Included within Electricity Projects	Total
Opening balance	71 064 387	135 482 865	30 105 343	3 144 704	239 797 299
Additions/capital expenditure	119 598 577	29 174 907	14 358 655	51 517 375	214 649 514
Transferred to completed items	(131 031 027)	(43 092 885)	(44 463 998)	(50 118 795)	(268 706 705)
	59 631 937	121 564 887	-	4 543 284	185 740 108

Reconciliation of Work-in-Progress 2023

	Included within Infrastructure	Included within Community	Included within Other PPE	Included within Electricity Projects	Total
Restated Opening balance	54 520 800	119 663 799	12 431 648	-	186 616 247
Additions/capital expenditure	87 898 632	50 824 278	18 093 181	35 320 353	192 136 444
Transferred to completed items	(71 355 045)	(35 005 211)	(419 486)	(32 175 649)	(138 955 391)
	71 064 387	135 482 866	30 105 343	3 144 704	239 797 300

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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4. Property, plant and equipment

List of halted

Carrying value of property, plant and equipment where construction or development has been halted either during the current or previous reporting period(s), including reasons and any impairment losses recognised in relation to these assets:

A. Development of Giyani section E sports centre	-	25 463 079
B. Access road to tribal offices	2 982 099	2 982 099
C. Refurbishment of Giyani Stadium	1 800 822	1 800 822
D. Refurbishment of Sporting Facilities (Gawula)	4 238 167	4 238 167
E. Makosha- Upgrading from gravel to paving.	1 296 896	-
	10 317 984	34 484 167

The halted projects were assessed for impairment and no impairment was recognised.

Reasons for project being halted:

A. Development of Section E sports Centre

There are items that were completed in the first phase, however due to scope creep, the available budget could not complete the whole project. The project is planned to be completed through own funding, implementation will be in 2024/25 FY. However there is an opportunity presented by Department of Sport, Arts and Culture to fund the project to complete all the outstanding items.

B. Access Road to Tribal Offices:

Consultant was appointed for designs, the project was earmarked for MIG, COGTA no longer funding and the project to be withdrawn.

C. Refurbishment of Giyani Stadium: Sporting:

The community has resolved to have the project reinstated and refurbish the outstanding items. Greater Giyani Municipality has put allocated budget to resume with the project, to refurbish the combi courts and ablution facilities and construction of the clear view boundary wall.

D. Refurbishment of Sporting Facilities (Gawula):

The project was affected by scope creep which resulted on the over-expenditure of allocated project budget to complete the scope of work. There is still an outstanding scope to complete the project, and some items that were constructed have dilapidated. The municipality has a budget for 2023/24FY to resume the project and a memo to re-appoint the service providers has been developed.

E. Makosha- Upgrading from gravel to paving.

Project is currently on hold due to funding problems - Coghsta rejected the funding application stating that the road is under the custodian of RAL

Greater Giyani Municipality

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5. Intangible assets

	2024			2023		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	16 966 083	(14 900 902)	2 065 181	13 059 237	(12 062 984)	996 253

Reconciliation of intangible assets - 2024

	Opening balance	Additions	Amortisation	Total
Computer software	996 253	3 906 846	(2 837 918)	2 065 181

Reconciliation of intangible assets - 2023

	Opening balance	Additions	Amortisation	Total
Computer software	901 273	3 384 923	(3 289 943)	996 253

Greater Giyani Municipality

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6. Heritage assets

	2024			2023		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Heritage assets which fair values cannot be reliably measured: (Para .94)						
Council related assets	339 867	-	339 867	206 303	-	206 303

Reconciliation of heritage assets 2024

	Opening balance	Additions	Derecognition of damaged heritage assets	Total
Heritage assets which fair values cannot be reliably measured: (Para .94)				
Council related assets	206 303	246 114	(112 550)	339 867

Reconciliation of heritage assets 2023

	Opening balance	Total
Heritage assets which fair values cannot be reliably measured: (Para .94)		
Council related assets	206 303	206 303

Age and/or condition of heritage assets

All heritage assets have a condition grading of 3, which translate to be FAIR in terms of the municipality's generic condition assessment methodology.

Council related assets are not held for sale.

Council related assets are not held for security at year end.

Greater Giyani Municipality

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Figures in Rand	2024	2023
7. Other Financial Assets		
VBS Investments	148 534 882	148 534 882
Impairment on VBS investment	(148 534 882)	(148 534 882)
	-	-

Impairment is provided for investment in VBS as per National Treasury communication in 2018 financial year due to the bank being put under curatorship and the possibility that the capital invested might be irrecoverable.

Subsequent to the receipt of R10 727 810 during the month of February 2022 through the bank liquidator, the status has since not changed. The municipality has since reviewed impairment as a result of the payment received.

National Treasury has commissioned investigation into the transactions and the council has implemented consequence management.

8. Employee benefit obligations

Defined benefit plans

The effective date of the valuation is 30 June 2024 (the "Valuation Date 30 June 2024").

The valuation considers all employees, retirees and their dependents whose participation in the health care arrangements entitles them to a post-employment medical aid subsidy. The post-employment health care liability is not a funded arrangement, i.e. no separate assets have been set aside to meet this liability.

Eligible employees will receive a post-employment subsidy of 60% of the contribution payable should they be a member of a medical scheme at retirement. All subsidies are subject to a maximum of R 5 277.38 for the year ending 30 June 2023. The maximum subsidy amount has been assumed to increase in the future at 5.4% of salary inflation.

Table below shows the development of the accrued liability over the current period, and projects the Municipality's Unfunded Accrued Liability and periodic costs over the two-year period following the Valuation Date.

Past year and future projected liability	Year ending 30/06/2020	Year ending 30/06/2021	Year ending 30/06/2022	Year ending 30/06/2023	Year ending 30/06/2024
Opening accrued liability	18 884 884	14 421 000	16 755 000	16 968 000	16 233 000
Current service cost	1 233 262	832 000	1 164 000	1 325 000	1 226 000
Interest cost	2 020 683	1 639 000	1 798 000	2 009 000	2 044 000
Actuarial loss/(gain)	(7 717 829)	(137 000)	(2 749 000)	(4 069 000)	(2 918 000)
	14 421 000	16 755 000	16 968 000	16 233 000	16 585 000

Notes

- These projections assume that the Municipality's health care arrangements and subsidy policy will remain as outlined above, and that all the actuarial assumptions made are borne out in practice. In addition, it is assumed that no contributions are made by the Municipality towards prefunding its liability via an off-balance sheet vehicle.
- Contributions or benefits paid refer to medical scheme contributions made by the Municipality with respect to its subsidy of current continuation members.
- There are no Past Service Costs, Curtailments or Settlements to reflect.

Key Assumptions

Discount rate	12.33%	12.59%
Health care cost inflation rate	7.8%	8.45%
Maximum subsidy inflation rate	5.48%	5.96%
	24	25

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand 2024 2023

8. Employee benefit obligations (continued)

1 0

Long service awards

The Municipality offers employees Long service award for every five years of service completed, from ten years of service to 45 years of service.

The salaries used in the valuation include an assumed increase on 1 July 2024 of 5.4% as per the SALGBC Circular No.: 01/2024. The next salary increase was assumed to take place on 1 July 2024.

The accrued liabilities and the plan assets for the current period and the previous four periods.

Past year and future projected liability	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024
Opening accrued balance	4 891 500	5 434 000	5 891 000	6 377 000	6 418 000
Current service cost	466 133	546 000	623 000	653 000	4 282 000
Interest cost	365 230	372 000	518 000	659 000	655 000
Payment made during the year	(321 080)	(669 000)	(623 000)	(870 000)	(1 247 000)
Actuarial loss/(gain)	32 217	208 000	(32 000)	(401 000)	36 000
	5 434 000	5 891 000	6 377 000	6 418 000	10 144 000

Non-current liabilities	(27 159 000)	(22 719 000)
Current liabilities	(1 435 000)	(1 525 000)
	(28 594 000)	(24 244 000)

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	11,21 %	11,26 %
General earnings inflation rate	6,35 %	6,54 %
Expected increase in salaries	5,40 %	5,40 %

Greater Giyani Municipality

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9. Inventories		
Consumable stores	2 432 017	1 958 090
Stands	31 085 000	31 085 000
	33 517 017	33 043 090

Inventory Reconciliation

Opening balance	33 043 090	33 038 033
Add: purchases for the year	11 956 222	10 675 950
Less: consumables for the year	(9 152 667)	(8 124 910)
Less: inventory on hand (Mopani District Municipality)	(2 290 075)	(2 529 588)
Less: damaged and obsolete inventory written off	(39 553)	(16 395)
Closing balance	33 517 017	33 043 090

There was no inventory held as collateral at year end.

In 2019/2020 financial year the municipality took a resolution to sell stands available for sale as per council resolution.

Included in the R 31 085 000 balance of the stands, there are stands which have already being sold amounting to R 25 031 317 pending ownership transfer with Deeds Register. The amount have been disclosed under Note 16 of the Deferred income.

10. Receivables from exchange transactions

Inter Municipal Account (Mopani District Municipality)	39 328 586	22 591 467
Agency fee (Mopani District Municipality)	7 132 837	6 575 276
Sundry receivables	4 257 312	4 256 040
Prepaid expenses	1 098 257	86 385
Accrued interest receivables	2 134 126	2 036 605
Sundry receivables-Provision for doubtful debts	(3 685 772)	(3 685 772)
Staff receivables	60 163	235 328
Payroll debtors	-	4 234
	50 325 509	32 099 563

Included in sundry debtors of R 4 257 312 is (R 3 596 58) which relates to sale of stands through an auction during 2009. The balance in this attorneys trust account is unknown. Due to the dispute with the auctioneer, the outstanding amount was never paid to the Municipality and as a result, it was provided for in full based on the credit control policy and Free basic electricity debtors who benefited illegally in the prior years.

An amount of R 1 042 256,64 uncluded in sundry debtors is under investigation since they are not in the FBE Register

Staff receivables of R 60 163 (2024): R 235 328 (2023) relate to the overpayment of salaries to the councilors and employees. The amount is supposed to be paid back to the Municipality by the councilors. This is as per the council resolution taken by the Greater Giyani Municipal Council.

Reconciliation for impairment on sundry receivables

Opening Balance	(3 685 772)	(3 602 953)
Movement for the year	-	(82 819)
	(3 685 772)	(3 685 772)

Greater Giyani Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
10. Receivables from exchange transactions (continued)		
Reconciliation for Inter-municipal account MDM		
Accumulated Surplus - MDM	90 259 728	70 105 666
Revenue - Water	10 103 256	9 960 485
Revenue - Sewerage	4 051 725	3 821 308
Revenue - Interest	14 428 293	12 961 979
Water and Sewerage connections	12 596	27 246
Overheads - Employee related costs	(6 078 430)	(5 090 745)
Overheads - Operational expenditure	(826 245)	(1 329 653)
Gains and losses on provisions	-	(196 559)
Accounts Receivables - Water	(124 802 579)	(118 777 697)
Accounts Receivables - Sewerage	(31 200 645)	(28 214 862)
Account Receivable - Interest	(121 626 640)	(91 969 478)
Inventory	(2 290 076)	(2 529 588)
Provision for doubtful debts	128 640 431	128 640 432
	(39 328 586)	(22 591 466)
11. Receivables from non-exchange transactions		
Consumer debtors-Traffic Fines	27 079 687	26 419 537
Consumer debtors- Rates	361 790 906	300 176 815
Provision for impairment- Traffic fines	(27 113 564)	(26 434 564)
Debtors with credit balances (rates)	5 030 388	4 003 232
Provision for impairment- Consumer debtors	(316 473 982)	(236 986 139)
	50 313 435	67 178 881
Reconciliation of provision for impairment of receivables from non-exchange transactions		
Opening balance	(263 420 703)	(176 797 287)
Provision for impairment - consumer debtors	(79 487 843)	(85 333 986)
Provision for impairment - traffic fines	(679 000)	(1 289 430)
	(343 587 546)	(263 420 703)
Age analysis for debtors with credit balances - rates		
Current (0-30 days)	(23 450)	(251 111)
31-60 days	(1 461 096)	(935 245)
61-90 days	(2 031)	(36 234)
91-120 days	(81 097)	(1 511)
121-365 days	(1 342)	(39 758)
>365 days	(3 461 371)	(2 739 373)
	(5 030 387)	(4 003 232)
Age Analysis for Rates		
Current (0-30 days)	13 075 289	8 635 196
31-60 days	6 956 802	6 361 511
61-90 days	8 640 456	7 197 618
91-120 days	8 348 458	6 440 364
121-365 days	8 353 893	6 099 492
>365 days	334 981 314	265 442 634
	380 356 212	300 176 815

Greater Giyani Municipality

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Notes to the Annual Financial Statements

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12. VAT receivable		
VAT	20 823 570	16 177 101
VAT Reconciliation		
VAT Receivable	221 296 302	178 688 100
VAT Payable	(200 472 731)	(162 510 999)
	20 823 571	16 177 101
13. Other receivables from exchange transactions		
Gross balances		
Debtors with credit balances	1 871 714	1 789 875
Refuse	71 095 897	57 773 729
Housing rental	1 183 285	583 344
Cemeteries	2 969 795	2 400 924
	77 120 691	62 547 872
Less: Allowance for impairment		
Refuse	(62 191 544)	(45 713 501)
Housing rental	(1 035 538)	(461 997)
Cemeteries	(2 597 481)	(1 904 994)
	(65 824 563)	(48 080 492)
Net balance		
Debtors with credit balances	1 871 714	1 789 875
Refuse	8 904 353	12 060 228
Housing rental	147 747	121 347
Cemeteries	372 314	495 930
	11 296 128	14 467 380
Refuse		
Current (0 -30 days)	1 675 816	1 277 649
31 - 60 days	1 320 654	968 944
61 - 90 days	1 142 799	1 087 014
91 - 120 days	1 180 528	1 024 491
121 - 365 days	1 113 695	1 044 993
> 365 days	63 975 482	52 448 428
	70 408 974	57 851 519
Debtors with credit balances		
Current (0 -30 days)	(84 195)	(33 546)
31 - 60 days	(77 707)	(137 990)
61 - 90 days	(44 252)	(6 624)
91 - 120 days	(10 932)	(23 895)
121 - 365 days	(37 591)	(52 722)
> 365 days	(1 617 033)	(1 535 098)
	(1 871 710)	(1 789 875)

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
13. Other receivables from exchange transactions (continued)		
Housing rental		
Current (0 -30 days)	7 564	6 147
31 - 60 days	8 877	6 359
61 - 90 days	7 875	6 879
91 - 120 days	7 916	2 556
121 - 365 days	7 901	(1 314)
> 365 days	652 825	562 717
	692 958	583 344
Cemeteries		
Current (0 -30 days)	30 563	32 117
31 - 60 days	41 445	35 545
61 - 90 days	36 041	33 193
91 - 120 days	36 122	34 325
121 - 365 days	35 633	33 083
> 365 days	2 569 416	2 232 661
	2 749 220	2 400 924
Reconciliation of allowance for impairment		
Opening balance	(48 080 493)	(30 033 032)
Refuse removal	(16 478 043)	(17 397 199)
House rental	(573 540)	(124 235)
Cemetery	(692 487)	(526 027)
	(65 824 563)	(48 080 493)
14. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	250 549 884	248 013 459
Bank overdraft	(1 684 163)	-
	248 865 721	248 013 459
Current assets	250 549 884	248 013 459
Current liabilities	(1 684 163)	-
	248 865 721	248 013 459

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand 2024 2023

14. Cash and cash equivalents (continued)

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2024	30 June 2023	30 June 2022	30 June 2024	30 June 2023	30 June 2022
ABSA - Current Account - 4077078193 (Main Account)	(1 856 637)	47 163 556	71 175 907	(1 684 163)	44 841 634	71 457 309
ABSA - Current Account - 4077078486 (Salaries Account)	2 321 869	1 610 849	2 296 095	2 321 870	1 610 490	2 347 724
ABSA - Call Deposit - 4078155655	49 128 988	45 535 038	42 964 190	49 128 988	45 535 038	43 108 973
ABSA - Current Account - 4093302071 (Traffic Account)	4 775 233	4 509 089	4 315 531	4 776 979	4 509 869	4 319 248
ABSA - Call Deposit - 4078155744	194 322 046	151 516 427	98 398 398	194 322 045	151 516 428	98 729 376
Total	248 691 499	250 334 959	219 150 121	248 865 719	248 013 459	219 962 630

Included in the balance for cash and cash equivalent, there is a balance of R 24 455 584 (2024) and R 21 181 061 (2023) collected on behalf of Mopani District Municipality for water and sanitation transactions.

15. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts

Municipal Disaster Relief Grant	2 333	3 758 762
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Movement during the year

Balance at the beginning of the year	3 758 762	10 591 734
Additions during the year	123 003 241	112 280 000
Income recognition during the year	(126 759 670)	(119 112 972)
	2 333	3 758 762

The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the municipality has directly benefited.

The total unspent conditional grant consist of MDRG of R 2 333.

See note 32 for reconciliation of grants from National/Provincial Government.

16. Deferred income

From the 2020/2021 financial year to the year under review the Municipality has sold stands/sites but the transfer of ownership of the stands to the customers has not been finalised with Deeds Registration office. As a result the income received is still deferred pending the finalising of the transfer.

Deferred income	25 031 317	24 792 248
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Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand 2024 2023

17. Provisions - rehabilitation of dumping site

Reconciliation of provisions - rehabilitation of dumping site - 2024

	Opening Balance	Interest costs	Change in discount factor	Total
Rehabilitation of dumping-site	43 374 304	2 430 980	(21 942 381)	23 862 903

Reconciliation of provisions - rehabilitation of dumping site - 2023

	Opening Balance	Interest costs	Change in discount factor	Total
Environmental rehabilitation	41 340 189	4 568 091	(2 533 976)	43 374 304
Non-current liabilities			23 862 903	37 900 467
Current liabilities			-	5 473 837
			23 862 903	43 374 304

The dumping site rehabilitation is created for the rehabilitation of the current operational site which is evaluated at each year end to reflect the best estimate at reporting date. The site under consideration is at Giyani Section C landfill site.

The 2024 discounted value of the dumping site closure provision of R 23 862 903, compared to the provision of R 22 779 904 in the previous financial year. Composition of this change relate to changes in the CPI, discount rate and unit costs. The interest charged was R 2 430 980 relating to the assessment, as the provision decreased.

The dumping site closure provision is calculated as the net present value of future cash flows based on the expected remaining life of the dumping site and based on the size of the area that had been used for waste disposal as at 30 June 2024.

18. Payables from exchange transactions

Trade payables	12 541 170	17 636 487
Retentions	46 917 240	47 657 151
Accrued leave pay	22 345 278	23 874 028
Accrued 13th cheque	3 866 273	3 517 644
Payroll Creditors	497 074	188 522
Accruals	15 377 578	11 460 118
Unspecified direct deposits	2 038 580	2 500 997
Debtors with credit balances	6 902 102	5 793 107
Accrued overtime	3 039 925	2 385 655
	113 525 220	115 013 709

19. Service charges

Refuse removal	9 062 713	8 276 420
Cemeteries	259 249	249 904
	9 321 962	8 526 324

20. Rental of facilities and equipment

Premises		
Community facilities	106 883	111 897
Housing rental	86 988	82 632
	193 871	194 529

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

2024
2023

<u>2024</u>	<u>2023</u>
49940	1227

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
20. Rental of facilities and equipment (continued)	273 811	445 756
21. Interest received on overdue accounts (other services)		
Interest received (other services)	3 992 553	3 283 704
22. Debt impairment reversal		
Debt impairment reversal	-	27 591 715
23. Agency services		
Water and Sewer	557 560	650 644
24. Licences and permits		
Licences and permits - motor vehicles	7 164 402	7 041 781
Business licenses	143 328	67 742
	7 307 730	7 109 523
25. Gain on provisions		
Gain on provision for rehabilitation site	19 511 401	-
Gain on provision for leave	983 000	-
	20 494 401	-
26. Actuarial gains		
Actuarial gains on PEMA and LSA	2 882 000	4 470 000
27. Other income		
Advertisements	194 080	139 822
Application fees	116 721	97 640
Building plans	146 151	53 871
Clearance certificates	5 809	11 253
Confirmation letters	154 111	168 079
Escort fees	6 910	12 992
Library fees	974	897
Recoveries	3 477	-
Sale of grave plots	151 685	96 888
Sale of property	-	915
Sale of refuse bins	44 879	57 041
Tender documents	1 973 874	813 894
Transfer and registration	61 267	453 565
	2 859 938	1 906 857

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

	2024	2023
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28. Interest received on Investment

Interest revenue

Bank	8 912 315	6 850 585
Call accounts	16 666 864	10 500 685
	25 579 179	17 351 270

The Municipality has invested the VAT recoveries for the financial year under review in the Call account, which earned higher interest than a normal operating account.

The municipality maintained a positive bank balance in its bank accounts which earned interest

29. Property rates

Rates received

Residential	20 605 740	17 644 950
Commercial	26 602 710	25 213 664
State	37 568 037	28 242 253
Small holdings and farms	655 826	638 484
NPO	88	-
Industrial	1 407 349	1 112 599
	86 839 750	72 851 950

Valuations

Residential	2 824 421 800	2 650 816 800
Commercial	709 243 000	701 113 000
State	636 306 000	476 777 000
Institutes	32 842 000	32 422 000
Agricultural	5 230 000	5 230 000
Municipal and Public open space	161 019 000	159 411 000
Public service infrastructure	452 000	452 000
Industrial	129 042 000	129 042 000
Churches	43 749 000	42 209 000
Inconsistent with or in contravention of the permitted use of the property	2 612 000	2 612 000
	4 544 916 800	4 200 084 800

The valuation of land and buildings are performed every 5 years in terms of the Municipal Property Rates Act.

The municipality appointed a Municipal Valuer to compile the General Valuation Roll for implementation in the 2020-2025 financial years and to cause the Supplementary.

Valuation Roll in terms of section 78 of the Municipal Property Rates Act.

30. Traffic fines

Traffic fines issued	753 642	1 222 834
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31. Interest-overdue accounts (property rates)

Interest on overdue accounts (Property rates)	40 708 966	32 418 395
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The culture of non-payment still persist at the municipality hence the interest on overdue accounts still increase.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
32. Government grants & subsidies		
Operating grants		
Equitable share	376 486 000	352 203 000
Expanded Public Works Program (EPWP)	3 151 000	4 035 000
Finance Management Grant (FMG)	2 400 000	2 400 000
Local Govt Sector Education & Training Authority (LGSETA)	301 675	288 319
Disaster Relief Grant	7 997 432	-
	390 336 107	358 926 319
Capital grants		
Municipal Infrastructure Grant (MIG)	80 990 997	75 449 331
Integrated National Electrification Grant (INEG)	32 220 000	37 228 640
	113 210 997	112 677 971
	503 547 104	471 604 290

Government Grants and Subsidies consist of Conditional and Non conditions grants.

Non-conditional grants - No conditions are required for the municipality to meet on these category of grants. The following are conditional grants:

Equitable Share and LGSETA

Conditional grants - Conditions are needed to be met after receiving these particular grants. The following are conditional grants:

EPWP, FMG, MDRG, MIG and INEP

Where conditions were not met, grants will remain as liabilities under Unspent conditional grants and receipts note 15.

Below are reconciliations of conditional grants:

Municipal Infrastructure Grant (MIG)

Balance unspent at beginning of year	258 759	8 947 091
Not approved by National Treasury	(258 759)	66 761 000
Current-year receipts	80 991 000	(75 449 332)
Conditions met - transferred to revenue	(80 991 000)	-
	-	258 759

The remaining balance for MIG of R258 759 .43 from the previous year was savings from Ndhambi taxi rank project ,due to that roll over was not applied. The amount was off-setted in the current year Equitable share by National Treasury.

The remaining balance of R 2 568 in the current year is savings from the disaster projects as per the appointment letters.

Integrated National Electrification Grant (INEG)

Balance unspent at beginning of year	-	1 644 640
Current-year receipts	32 220 000	35 584 000
Conditions met - transferred to revenue	(32 220 000)	(37 228 640)
	-	-

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
Expanded Public Works Program (EPWP)		
Current-year receipts	3 151 000	4 035 000
Conditions met - transferred to revenue	(3 151 000)	(4 035 000)
	-	-
Municipal Disaster Relief Grant		
Balance unspent at beginning of year	3 500 000	-
Current-year receipts	4 500 000	3 500 000
Conditions met - transferred to revenue	(7 997 667)	-
	2 333	3 500 000
Conditions still to be met - remain liabilities (see note 15).		
Finance Management Grant (FMG)		
Current-year receipts	2 400 000	2 400 000
Conditions met - transferred to revenue	(2 400 000)	(2 400 000)
	-	-
33. Public contributions and donations		
Department of CoGHSTA	18 571 592	13 871 397
During the year the following land parcels were registered in the name of the municipality.		
Reconciliation of conditional contributions		
Land parcels	18 571 591	-
ERF 199 - Section F	-	4 800 000
ERF 676 - Section D	-	725 397
ERF 59 - Section BA	-	8 346 000
	18 571 591	13 871 397
34. Revenue		
Service charges	9 321 962	8 526 324
Rental of facilities and equipment	273 811	445 756
Interest received (trading)	3 992 553	3 283 704
Debt impairment reversal	-	27 591 715
Agency services	557 560	650 644
Licences and permits	7 307 730	7 109 523
Gains on provisions	20 494 409	-
Actuarial gains	2 882 000	4 470 000
Gain on assets disposal	330 927	-
Other income	2 859 938	1 906 857
Interest received - investment	25 579 179	17 351 270
Property rates	86 839 750	72 851 950
Traffic fines	753 642	1 222 834
Interest on overdue accounts (Property rates)	40 708 966	32 418 395
Government grants & subsidies	503 547 104	471 604 290
Donations received	18 571 592	13 871 397
	724 021 123	663 304 659

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
34. Revenue (continued)		
The amount included in revenue arising from exchanges of goods or services are as follows:		
Service charges	9 321 962	8 526 324
Rental of facilities and equipment	273 811	445 756
Interest received (trading)	3 992 553	3 283 704
Debt impairment reversal	-	27 591 715
Agency services	557 560	650 644
Licences and permits	7 307 730	7 109 523
Gains on provisions	20 494 409	-
Actuarial gains	2 882 000	4 470 000
Gain on assets disposal	330 927	-
Other income	2 859 938	1 906 857
Interest received - investment	25 579 179	17 351 270
	73 600 069	71 335 793
The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Property rates	86 839 750	72 851 950
Traffic fines	753 642	1 222 834
Interest on overdue accounts (Property rates)	40 708 966	32 418 395
Transfer revenue		
Government grants & subsidies	503 547 104	471 604 290
Public contributions and donations	18 571 592	13 871 397
	650 421 054	591 968 866

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
35. Employee related costs		
Acting allowances	56 721	371 914
Bargain council	42 493	40 511
Basic	111 106 366	105 038 218
Car allowance	13 273 712	11 815 736
Cellphone Allowance	1 039 213	945 950
Clothing Allowance	20 000	20 000
Danger allowance	366 762	352 170
Defined contribution plans	18 233 117	17 664 911
Housing benefits and allowances	396 705	405 665
Leave and bonus provision	-	259 071
Leave pay	1 167 930	1 173 156
Long-service awards	1 744 637	891 339
LSA and PEMA provision	6 960 000	3 776 000
Medical aid - company contributions	7 800 259	7 123 402
Night Shift	328 663	322 152
Overtime payments	6 744 729	6 923 494
Rural Allowance	223 877	177 574
SDL	1 301 835	1 221 929
UIF	703 471	692 611
Standby allowance	178 542	172 925
WCA	1 066 262	663 663
13th Cheques	7 523 321	7 412 007
	180 278 615	167 464 398

Remuneration of Accounting Officer

Annual Remuneration	1 077 340	669 914
Rural Allowance	41 948	28 829
Car Allowance	108 000	59 450
Contributions to UIF, Medical and Pension Funds	12 727	36 016
Subsistence and Travelling	44 446	5 293
Cellphone Allowance	24 000	10 400
Acting allowance	-	239 489
Back-pay	2 897	490 900
Non-pensionable allowance	20 340	1 695
	1 331 698	1 541 986

Mr VD Khoza was the Accounting Officer for the period under review.

Remuneration of chief finance officer

Annual Remuneration	683 581	252 500
Rural Allowance	40 456	14 317
Car Allowance	344 334	105 418
Contributions to UIF, Medical and Pension Funds	10 948	3 722
Subsistence and Travelling	84 149	69 442
Cellphone Allowance	16 800	7 000
Acting allowance	-	9 700
Back-pay	67 653	-
Non-pensionable allowance	20 340	8 475
	1 268 261	470 574

Mr F Nkuna was the Chief Finance Officer for the period under review.

Remuneration of Directors-Corporate & Shared Services

Greater Giyani Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
35. Employee related costs (continued)		
Annual Remuneration	404 034	799 792
Car Allowance	110 000	110 000
Cellphone Allowance	8 400	15 400
Contributions to UIF, Medical and Pension Funds	6 727	9 068
Subsistence & Travelling	41 741	88 965
Rural Allowance	21 122	38 145
Leave pay	67 809	-
Acting Allowance	-	2 383
Backpay	78 504	732
Non-pensionable allowance	11 865	10 170
	750 202	1 074 655

Mr N.R Mdaka resigned from his position as Director – Corporate and Shared Services on 31 December 2023. Mr M.F Rapelego was appointed to act on the position from 1 January 2024.

Remuneration of Director Technical Services

Annual Remuneration	811 855	698 999
Rural Allowance	41 682	38 036
Car Allowance	240 000	240 000
Contributions to UIF, Medical and Pension Funds	24 133	46 354
Cellphone Allowance	16 800	16 800
Subsistence & Travelling	63 299	43 738
Backpay	82 705	51 905
Non-pensionable allowance	20 340	10 170
	1 300 814	1 146 002

Mr. RH Mashampa was the director for Technical Services in the period under review.

Remuneration of Director Strategic Planning and LED

Annual Remuneration	710 397	614 827
Car Allowance	296 141	232 222
Rural Allowance	41 682	38 036
Contributions to UIF, Medical and Pension Funds	48 452	123 836
Cellphone Allowance	16 800	16 800
Subsistence & Travelling	129 971	136 113
Backpay	82 705	51 905
Acting Allowance	-	7 390
Non-pensionable allowance	20 340	10 170
Performance bonus	65 257	-
	1 411 745	1 231 299

Ms. KV Sithole was the director for Strategic Planning and LED for the period under review.

Remuneration of Director Community Services

Annual Remuneration	806 103	649 100
Car Allowance	212 000	30 000
Rural Allowance	37 087	20 210
Contributions to UIF, Medical and Pension Funds	26 118	40 760
Cellphone Allowance	16 800	14 000
Non-pensionable allowance	1 074	-
Subsistence & Travelling	102 167	52 200
Backpay	137 092	10 985
	1 338 441	817 255

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

	2024	2023
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35. Employee related costs (continued)

Ms RT Chabalala was the director Community Services for the period under review.

36. Remuneration of councillors

Mayor	1 003 681	952 258
Speaker	812 867	782 041
Councillors	23 692 387	22 745 713
Chief Whip	765 165	704 201
SDL	205 950	197 988
	26 480 050	25 382 201

In-kind benefits

The Mayor, Speaker, Chief Whip and Three Executive Committee Members are full-time (Head of Finance, Head of Corporate and Shared Services and Head of Infrastructure Portfolios). The Mayor, Speaker and Chief Whip are provided offices and secretarial support at the cost of the Council.

The Mayor and the Speaker each have the use of separate Council owned vehicles for official duties.

37. Depreciation and amortisation

Property, plant and equipment	91 644 868	87 696 640
Investment property	91 044	90 795
Intangible assets	2 837 918	3 289 942
	94 573 830	91 077 377

38. Impairment loss

Impairments

Property, plant and equipment	8 470 785	1 852 217
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39. Finance costs

Interest on late payments	3 122 786	-
Rehabilitation of dumping site	2 112 329	4 568 091
	5 235 115	4 568 091

40. Lease rentals on operating lease

Equipments

Contractual amounts	2 011 139	1 910 539
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41. Debt impairment

Traffic fines	679 000	1 289 430
Services	97 231 914	103 464 265
	97 910 914	104 753 695

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
42. Contracted services		
Infrastructure Services	6 108 895	7 421 354
Electrical Services	51 877 630	33 345 378
Business and advisory services	22 984 915	22 663 658
Other Contractors	7 423 154	4 613 982
	88 394 594	68 044 372
43. Transfer and subsidies		
SMME support	1 500 000	1 600 000
44. Loss on assets written off		
Loss on assets written off	2 424 748	4 205 555
45. Repairs and maintenance		
Landscaping	51 500	-
Equipment	59 403	31 076
Cemetries	-	172 000
Vehicles	1 428 649	375 336
Machinery	10 184 776	6 792 882
	11 724 328	7 371 294
46. General expenses		
Accommodations	4 622 374	3 969 975
Advertising	1 513 335	991 019
Auditors remuneration	5 465 477	4 835 617
Bad debts written-off	-	19 881 203
Bank charges	347 554	310 490
Cleaning	1 210 611	911 013
Community development and training	9 114 760	7 056 090
Consumables	7 262 668	9 989 809
Electricity	2 078 360	1 750 739
Free basis electricity	10 879 181	7 432 981
Fuel and oil	8 488 093	6 680 996
Gifts	70 531	129 555
Hire	1 394 224	1 570 762
Insurance	2 237 086	1 931 369
Bursaries	867 658	134 645
IT expenses	2 521 754	2 408 173
Legal services	4 124 926	11 146 878
Mayor's tournament	66 180	-
Motor vehicle expenses	244 728	249 315
Postage and courier	2 322	338 523
Printing and stationery	563 722	587 792
Protective clothing	1 625 634	1 427 477
Seating allowance	3 852 697	1 424 545
Subscriptions and membership fees	3 923 862	3 740 647
Telephone and fax	484 902	425 652
Travel - local	6 426 647	5 927 644
Uniforms	847 680	-
	80 236 966	95 252 909

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
47. Auditors' remuneration		
Fees	5 465 477	4 835 617
48. Cash generated from operations		
Surplus	124 740 486	89 805 615
Adjustments for:		
Depreciation and amortisation	94 573 830	91 077 377
Obsolete and damaged inventory written off	39 553	16 395
Loss on assets written off	2 424 748	4 205 555
Actuarial gains	(2 882 000)	(4 470 000)
Reversal of provisions	(20 494 409)	24 570 764
Donations received	(18 571 592)	(13 871 397)
Reversal of impairments	8 470 785	1 852 217
Debt impairment	97 910 914	14 593 255
Movements in retirement benefit	4 350 000	(646 000)
Contracted services	(49 971 948)	-
PEMA and LSA	6 960 000	-
WCA	1 066 262	-
Gain on asset disposal	(330 927)	-
Changes in working capital:		
Inventories	(513 480)	(21 452)
Receivables from exchange transactions	(17 127 689)	(20 115 256)
Consumer debtors	3 171 252	27 493 767
Other receivables from non-exchange transactions	16 865 446	19 995 939
Payables from exchange transactions	(2 586 746)	9 304 644
VAT	(4 646 469)	4 263 338
Unspent conditional grants and receipts	(3 756 429)	(6 832 971)
Deferred income	239 069	1 671 165
	239 930 656	242 892 955

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
49. Commitments		
Authorised capital expenditure		
Contract approved and some services have been rendered		
• Infrastructures	64 096 167	95 294 609
• Community	6 840 590	35 833 769
• Buildings	2 539 909	40 191 616
	73 476 666	171 319 994
Contract approved but where services have not been rendered		
• infrastructure	1 185 337	192 395
Total capital commitments		
Already contracted for but not provided for	73 476 666	171 319 994
Not yet contracted for and authorised by accounting officer	1 185 337	192 395
	74 662 003	171 512 389
Total commitments		
Total commitments		
Authorised capital expenditure	74 662 003	171 512 389
Operating leases - as lessee (expense)		
The municipality has entered into a 3 years contract, which commenced from 01 October 2020 to 31 September 2023 for photocopiers.		
There is no option for renewal or escalation at the end of the contract.		
The municipality does not have option to purchase the equipment's at the end of the contract.		
Operating lease payments represent rentals payable by the municipality with a minimum lease payments of R 864 065.63 (2024) (R 864 065.63 : 2023) for photocopiers and radiophones (R 69 148) (2024) :R 67 280 (2023). Contingent rent is payable on the number of copies made for the month.		
Rental expenses relating to operating leases		
Contractual payments	1 016 957	933 214
Contingent rents	994 922	977 325
	2 011 879	1 910 539

Greater Giyani Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
50. Contingencies		
The municipality has various claims of legal disputes with suppliers that are subject to mediation or legal process. The table below indicates the details of the claims:		
Case Description		
Mpongwa Hesevani Emmanuel vs GGM. The plaintiff is suing the Municipality for damages he suffered as result of rain	1 000 000	1 579 616
Dane Projects vs GGM. The municipality is being sued for outstanding invoices for work done.	7 140 000	9 242 001
Lunnick Base Khoza vs GGM. The municipality is sued for damage to a car accident owing to its failure to fix potholes	66 531	87 458
GGM vs TR construction & plant hire. The municipality is being sued for the claim of payment for the work allegedly done whilst claimant was a subcontractor.	863 598	1 142 871
Botshabelo Consulting Engineers vs GGM. The municipality is being sued for outstanding invoices for work done	-	8 484 794
PGN Civils (Pty) Ltd vs GGM. The municipality is being sued for outstanding invoices for work done	1 186 328	1 548 654
Rev Dr Mafrecha F Chabalala vs GGM Land dispute	1 600 000	1 973 216
Eternity Star Investment 231 CC//GGM - Contractual dispute on poor workmanship and some work not done	-	2 469 590
SIDA Consulting & Projects (Pty) Ltd//GGM - Contractual dispute	1 668 536	321 826
Emerald Fire Investment. Rescission Application	-	111 159
Mashimbye Witness//GGM	400 000	448 537
Kulani Ngoveni vs GGM - Civil suit against GGM	42 923	42 923
MAXWELL MKHACANI CHAUKE// GGM - Civil litigation against former Municipal Manager Mr Maxwel Mkhachani Chauke, in relation to allegations of financial misconduct.	35 000 000	-
Maselesele//GGM The matter arose as a land dispute where Plaintiff is accusing the municipality of trespassing and removing belongings	180 000	-
Moses Tembe vs GGM-The matter arose as a land dispute where plaintiff is occupying municipal land.	-	-
	49 147 916	27 452 645

Like any other institution or sector the legal framework incurs interests with annually, please draw reference from all matters on the register, the amounts for 2022 and 2023 and to be expected interests will be served for the 2024 financial year and will therefore differ where proper pleadings are exchanged, at the beginning of every financial year an amendment to particulars of claim (the application which is used to lodge civil proceedings) is made on every case in accordance with Rule 55A(7) of the High Court rules, see:

1. LUNICK BASE KHOZA // GGM
2. EMERALD FIRE // GGM
3. PGN CIVILS // GGM
4. MASHIMBYE // GGM
5. KULANI NGOBENI // GGM

Matters listed above are amongst others which have accumulated interests, and hence the difference in amounts submitted

The following Matters have been concluded during the financial year:

1. Botshabelo consulting engineers vs GGM
2. PGN Civils vs GGMEternity star investment vs GGM
3. Emerald fire investment vs GGM

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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Figures in Rand	2024	2023
50. Contingencies (continued)		
Contingent assets		
GGM vs Former MM. Recovery for fruitless and wasteful expenditure	2 793 037	2 793 037

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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51. Related parties

Relationships

Accounting Officer
Councillors
Members of key personnel
Members of key management

Refer to accounting officers' report page 9
Refer to general information on page 1 to 2
Refer to note 35
VD Khoza was the Accounting Officer during the year under review.
F Nkuna was the CFO during the year under review.
NR Mdaka resigned as the Director Corporate and Shared in December 2023 and MF Rapelego was appointed as the acting Director Corporate and Shared Services in January 2024
RH Mashamba was the Director Technical Services during the year under review.
K V Sithole was the Director Strategic Planning and LED during the year under review
R T Chabalala was Director Community Services during the year under review.

Related party balances

Related party transactions

Key management information

Remuneration of management

Management class: Councillors

2024

Name	Basic salary	Cellphone and Car Allowance Data		SDL	Backpay	Total
Cllr. T Zitha	686 073	46 570	228 691	7 607	42 348	1 011 289
Cllr. AE Mboweni	548 859	46 570	182 953	6 185	34 485	819 052
Cllr. T Makondo	514 556	46 570	171 519	5 836	32 521	771 002
Cllr. RB Ngunyule Mabunda	514 556	46 570	171 519	5 829	32 521	770 995
Cllr. TJ Mabunda	514 556	46 570	171 519	5 829	32 521	770 995
Cllr. NHP Ndaba	514 556	46 570	171 519	6 537	32 521	771 703
Cllr. MR Mashale	287 060	46 570	95 687	3 483	19 486	452 286
Cllr. C Baloyi	287 060	46 570	95 687	3 471	19 486	452 274
Cllr. GA Maluleke	287 060	46 570	95 687	3 490	19 486	452 293
Cllr. TC Zitha	287 060	46 570	95 687	3 871	19 486	452 674
Cllr. TC Manganyi	287 060	46 570	95 687	3 471	19 486	452 274
Cllr. RE Makondo	504 217	46 570	171 519	5 776	31 928	760 010
Cllr. RN Sekgobela	216 492	46 570	72 372	2 776	18 913	357 123
Cllr. BA Shibambu	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. RC Mabunda	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. SS Mavasa	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. NN Maswanganyi	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. SS Mathebula	216 492	46 570	72 372	3 040	15 478	353 952
Cllr. M Shiviti	278 633	46 570	92 882	3 387	19 003	440 475
Cllr. GE Kobane	188 305	42 653	66 304	2 432	15 478	315 172
Cllr. NP Mlambo	217 117	46 570	72 372	2 746	15 478	354 283
Cllr. XL Ngobeni	278 633	44 570	92 882	3 364	19 003	438 452
Cllr. NS Monyipote	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. VS Makamu	216 492	46 570	72 372	2 742	15 478	353 654

Greater Giyani Municipality

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51. Related parties (continued)						
Cllr. MC Machipi	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. MC Chabalala	278 633	46 570	92 882	3 391	19 003	440 479
Cllr. RG Ngunyula	278 633	46 570	92 882	3 384	19 003	440 472
Cllr. PT Mokgobi	278 633	46 570	92 882	3 394	19 003	440 482
Cllr. MA Khosa	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. TE Rikhotso	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. MR Maluleke	216 492	46 570	72 372	2 744	15 478	353 656
Cllr. TE Nkuna	278 633	46 570	92 882	3 419	19 003	440 507
Cllr. S Sambo	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. SC Mahluleke	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. TN Shirinda	278 633	46 570	92 882	3 384	19 003	440 472
Cllr. PH Makhuvele	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. TA Mathonsi	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. NR Shilowa	278 633	46 570	92 882	3 384	19 003	440 472
Cllr. RE Ngoveni	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. KO Maswanganyi	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. P Rikhotso	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. JP Shibambu	216 492	46 570	72 372	2 769	15 478	353 681
Cllr. L Nkuna	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. RT Mabunda	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. E Mahasha	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. A Rabothata	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. JN Mashele	278 633	46 570	92 882	3 384	19 003	440 472
Cllr. CS Rikhotso	278 633	46 570	92 882	3 384	19 003	440 472
Cllr. KS Dlamini	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. MD Hlungwani	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. ML Chauke	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. TI Rikhotso	52 655	11 317	17 760	785	15 478	97 995
Cllr. TN Baloyi	286 354	46 570	95 687	3 432	16 051	448 094
Cllr. S Mongwe	-	-	-	122	12 161	12 283
Cllr. TP Mashaba	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. PP Mkhari	216 492	46 570	72 372	2 746	15 478	353 658
Cllr. MS Hlongwane	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. SM Mhangwane	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. MJ Nkuna	-	-	-	122	12 161	12 283
Cllr. DJ Hlongwane	216 492	46 570	72 372	2 742	15 478	353 654
Cllr. SR Nkuna	202 914	42 870	66 526	3 012	2 211	317 533
Cllr. MM Mathonsi	216 492	44 570	72 372	3 244	5 644	342 322
Cllr. S Ngobeni	145 633	21 600	48 544	3 200	-	218 977
Cllr. KL Ngobeni	216 492	44 570	72 372	3 234	4 422	341 090
Cllr. IN Shivambu	215 360	44 570	72 372	-	3 200	335 502
Cllr. MP Hlungwani	-	-	-	118	11 785	11 903
Cllr. MP Hlungwani	-	-	-	122	12 161	12 283
	16 688 069	2 858 070	5 576 707	205 938	1 151 266	26 480 050

2023

Name	Basic salary	Cellphone and Car allowance	SDL	Backpay	Total
Cllr. T Zitha	663 400	43 200	221 133	7 173	959 431
Cllr. AE Mboweni	530 721	43 200	176 907	5 851	778 873
Cllr. T Makondo	497 551	43 200	165 850	5 509	728 048
Cllr. RB Ngunyule Mabunda	497 551	43 200	165 850	5 453	726 953
Cllr. TJ Mabunda	497 551	43 200	165 850	5 528	728 067
Cllr. NHP Ndaba	497 551	43 200	165 850	6 348	737 437
Cllr. MR Mashale	277 574	43 200	92 525	3 446	440 500
Cllr. C Baloyi	277 574	43 200	92 525	3 333	427 115
Cllr. GA Maluleke	277 574	43 200	92 525	3 337	427 119

Greater Giyani Municipality

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Figures in Rand					2024	2023
51. Related parties (continued)						
Cllr. TC Zitha	277 574	43 200	92 525	3 757	14 958	432 014
Cllr. TC Manganyi	277 574	43 200	92 525	3 560	14 958	431 817
Cllr. RE Makondo	487 554	43 200	165 850	5 650	15 689	717 943
Cllr. RN Sekgobela	277 574	43 200	92 525	3 319	14 958	431 576
Cllr. BA Shibambu	209 941	43 200	69 981	2 687	19 706	345 515
Cllr. RC Mabunda	209 941	43 200	69 981	2 576	8 806	334 504
Cllr. SS Mavasa	209 941	43 200	69 981	2 577	8 806	334 505
Cllr. NN Maswanganyi	209 941	43 200	69 981	2 590	8 806	334 518
Cllr. SS Mathebula	209 941	43 200	69 981	2 957	18 088	344 167
Cllr. M Shiviti	269 425	43 200	89 808	3 263	10 281	415 977
Cllr. GE Kobane	209 941	43 200	69 981	2 629	14 124	339 875
Cllr. NP Mlambo	209 941	43 200	69 981	2 576	8 806	334 504
Cllr. XL Ngobeni	269 425	43 200	89 808	3 173	10 281	415 887
Cllr. NS Monyipote	209 941	43 200	69 981	2 576	8 806	334 504
Cllr. VS Makamu	209 941	43 200	69 981	2 576	8 808	334 506
Cllr. MC Machipi	209 941	43 200	69 981	2 580	8 806	334 508
Cllr. NC Chabalala	269 425	43 200	89 808	3 230	10 281	415 944
Cllr. RG Ngunyula	269 425	43 200	89 808	3 173	10 281	415 887
Cllr. PT Mokgobi	269 425	43 200	89 808	3 285	14 756	420 474
Cllr. MA Khosa	209 941	43 200	69 981	2 606	11 781	337 509
Cllr. TE Rikhotso	209 941	43 200	69 981	2 584	8 806	334 512
Cllr. MR Maluleke	209 941	43 200	69 981	2 678	8 806	334 606
Cllr. TE Nkuna	269 425	43 200	89 808	3 300	10 281	416 014
Cllr. S Sambo	209 941	43 200	69 981	2 929	8 806	334 857
Cllr. SC Mahlawule	209 941	43 200	69 981	2 643	15 202	340 967
Cllr. TN Shirinda	269 425	43 200	89 808	3 205	10 281	415 919
Cllr. PH Makhuvela	209 941	43 200	69 981	2 578	8 086	333 786
Cllr. TA Mathosi	209 941	43 200	69 981	2 582	8 806	334 510
Cllr. NR Shilowa	269 425	43 200	89 808	2 944	10 281	415 658
Cllr. RE Ngoveni	209 941	43 200	69 981	2 605	11 781	337 508
Cllr. KO Maswanganyi	209 941	43 200	69 981	2 576	8 806	334 504
Cllr. P Rikhotso	209 941	43 200	69 981	2 576	8 806	334 504
Cllr. JP Shibambu	209 941	43 200	69 981	2 587	8 806	334 515
Cllr. L Nkuna	209 941	43 200	69 981	2 576	8 806	334 504
Cllr. RT Mabunda	209 941	43 200	69 981	2 594	8 806	334 522
Cllr. E Mahasha	209 941	43 200	69 981	2 578	8 806	334 506
Cllr. A Rabothata	209 941	43 200	69 981	2 576	8 806	334 504
Cllr. JN Mashele	269 425	43 200	89 808	3 174	10 281	415 888
Cllr. CS Rikhotso	269 425	43 200	89 808	3 158	8 806	414 397
Cllr. KS Dlamini	209 941	43 200	69 981	2 586	8 806	334 514
Cllr. MD Hlungwani	209 941	43 200	69 981	2 576	8 806	334 504
Cllr. ML Chauke	209 941	43 200	69 981	2 576	8 806	334 504
Cllr. TI Rikhotso	209 941	43 200	69 981	2 580	8 806	334 508
Cllr. TN Baloyi	209 941	43 200	69 981	2 576	8 806	334 504
Cllr. S Mongwe	192 404	39 500	64 135	2 389	8 806	307 234
Cllr. TP Mashaba	209 941	43 200	69 981	2 576	8 806	334 504
Cllr. PP Mkhari	209 941	43 200	69 981	2 622	8 806	334 550
Cllr. MS Hlongwane	209 941	43 200	69 981	2 584	8 806	334 512
Cllr. SM Mahangwane	209 941	43 200	69 981	2 576	8 806	334 504
Cllr. MJ Nkuna	192 404	39 500	64 135	2 367	8 806	307 212
Cllr. MP Mathevula	122 264	24 700	40 751	1 592	13 281	202 588
Cllr. MP Hlungwani	192 404	39 500	64 118	2 367	17 826	316 215
Cllr. DJ Hlongwane	209 941	43 200	69 981	2 576	8 806	334 504
Cllr. TE Baloyi	-	-	-	86	8 550	8 636
Cllr. DE Baloyi	-	-	-	53	5 318	5 371
Cllr. B Gaveni	-	-	-	53	5 318	5 371
Cllr. E Malungana	-	-	-	15	1 500	1 515
Cllr. MI Shimange Fazi	-	-	-	45	4 475	4 520
Cllr. RO Mabasa	-	-	-	84	8 408	8 492
Cllr. S Makhubele	-	-	-	53	5 318	5 371

Greater Giyani Municipality

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51. Related parties (continued)				
Cllr. MW Mthombeni	-	-	53	5 318
Cllr. FC Makoseni	-	-	53	5 318
Cllr. XJ Valoyi	-	-	53	5 318
Cllr. CM Siweya	-	-	45	4 475
Cllr. NR Khandhela	-	-	45	4 475
Cllr. EN Mabunda	-	-	54	5 433
Cllr. SG Mthombeni	-	-	53	5 318
Cllr. NN Baloyi	-	-	45	4 475
Cllr. E Malungana	-	-	38	3 818
Cllr. TR Maluleke	-	-	45	4 475
Cllr. MJ Makhubele	-	-	60	2 975
Cllr. HW Mhlari	-	-	54	5 433
Cllr. TM Makhuvele	-	-	53	5 318
Cllr. DR Maswanganyi	-	-	15	1 500
Cllr. XB Mkansi	-	-	93	9 336
Cllr. HS Shivhambu	-	-	15	1 500
Cllr. MM Mathonsi	71 282	14 800	23 384	1 078
Cllr. MC Rikhotso	-	-	45	4 475
Cllr. HR Rikhotso	-	-	45	4 475
Cllr. T Makhubele	-	-	15	1 500
Cllr. KL Ngobeni	23 384	3 700	5 846	397
Cllr. MA Mthombeni	-	-	39	3 933
Cllr. DT Shivuri	-	-	45	4 475
Cllr. N Maluleke	-	-	45	4 475
Cllr. MA Makamu	-	-	38	3 194
Cllr. BI Mashele	-	-	45	4 475
Cllr. AF Mthombeni	-	-	4	381
Cllr. PS Mabulana	-	-	52	5 433
Cllr. MC Mhlongo	-	-	45	4 475
Cllr. SS Kubayi	-	-	45	4 475
Cllr. KA Manganyi	-	-	15	1 500
Cllr. PS Hlungwana	-	-	15	1 500
Cllr. XB Mkasi	-	-	15	1 500
Cllr. AM Mthombeni	-	-	15	1 500
Cllr. HR Shivambu	-	-	30	2 970
Cllr. MJ Makhubela	-	-	45	4 475
Cllr. MR Nkuna	-	-	8	762
Cllr. P Mazivuko	-	-	45	4 475
Cllr. TS Hlungwana	-	-	30	2 975
Cllr. NJ Zitha	-	-	45	4 475
Cllr. TP Chaka	-	-	30	4 475
Cllr. FJ Manganyi	-	-	20	2 043
Cllr. TJ Moswana	-	-	45	4 475
Cllr. MJ Chauke	-	-	30	2 975
Cllr. NM Madzunye	-	-	45	4 475
Cllr. RS Khosa	-	-	45	4 475
Cllr. DC Mashimbye	-	-	45	4 475
Cllr. RC Rikhotso	-	-	45	4 475
Cllr. FMI Shimange	-	-	15	1 500
	16 173 650	2 667 300	5 392 224	197 988
				951 039
				25 382 201

52. Accounting by principals and agents

The municipality is a party to a principal-agent arrangement(s).

Greater Giyani Municipality

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52. Accounting by principals and agents (continued)

Mopani District Municipality Mopani District Municipality

Greater Giyani Municipality and Mopani District Municipality entered into legislated arrangement under which the Greater Giyani Municipality serves as an agent and Mopani District as a Principal.

Under this arrangement, Greater Giyani Municipality performs water and sewer functions on behalf of the Mopani District, all monies earned by the Greater Giyani Municipality.

Money from water and sewer services are disclosed as a liability and any monies paid by Greater Giyani Municipality to ensure smooth running of the water and sewer functions are disclosed as a receivable by Greater Giyani Municipality.

Agency fee @ (Water 20% and Sewer 5%)	557 560	650 644
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Inter municipal Account

Mopani District Municipality	39 328 586	22 591 467
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Department of Transport - Limpopo

The Municipality has entered into an agreement with the Department of Transport under which the Department serves as a Principal and the Municipality as an agent.

Under this arrangement, the Municipality performs licensing functions on behalf of the department of transport and earns a commission of the total revenue collected from this services. The balance is transferred to the department of transport and other stakeholders. The following is a summary of revenue as a result of the arrangements at year end.

Agency fee

Total collection on behalf of the principal	25 057 232	23 907 350
Total amount paid or transferred to the principal	(17 892 829)	(16 865 568)
	7 164 403	7 041 782

Details of the arrangement(s) are as follows:

The municipality has been appointed to distribute water to local residences as distribution agent by the district municipality for which it is then entitled to a commission/agency fee for service rendered. The municipality accounts for revenue, expenditures and receivables relating to water transactions into loan account and it is disclosed under the same section of the annual financial statements. Refer to disclosure note for other receivables for full details note 10 for further reconciliation.

The municipality is entitled to 20% of the total collection

The municipality is also a party to an agreement between the municipality and the department of roads and transport to collect revenue licensing and permits. The municipality is entitled to 20% of the revenue collected.

Agency Expense

Root - X - Auctioneers (Pty) Ltd	235 175	-
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The municipality has appointed Root X Auctioneers (Pty) Ltd to render auction services to auction the assets of the municipality on the 3 years basis, through a tender process. The commencement of the is 25 January 2024.

The auctioneer is liable for the expenses incurred such as security, advertisement and etc.

Commission expense / Agency fee expense is 11.5%

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

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53. Risk management

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

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.

Payables from exchange transactions	82 427 966	84 797 413
Deferred income	25 031 317	24 792 248
Bank overdraft	1 684 163	-
	109 143 446	109 589 661

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.-performance by these counterparties.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2024	2023
Cash and cash equivalents	250 549 884	248 013 459
Receivables from exchange transactions	50 325 509	32 099 563
Other receivables from exchange transactions	11 296 128	14 467 380
VAT	20 823 570	16 177 101

Market risk

Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

54. Deviations

Bowmans	128 022	772 828
MM Baloyi Arttoneys	-	470 979
Isaaih Nyathi	855 250	1 056 053
Accomodations	-	6 715 612
Mvuri Business Eneterprise	239 020	-
Closing balance	1 222 292	9 015 472

55. Fruitless and wasteful expenditure

Opening balance as previously reported	7 526 790	7 236 461
Add: Fruitless and wasteful expenditure identified - current	3 125 043	290 329
Less: Amount written off - current	(267 874)	-
Closing balance	10 383 959	7 526 790

An amount of R 9 870.28 for 2019/2020 financial year is yet to be recovered, as per recommendation by MPAC.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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55. Fruitless and wasteful expenditure (continued)

An amount of R 22 455.00 is still under investigation by MPAC.

Greater Giyani Municipality

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Notes to the Annual Financial Statements

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55. Fruitless and wasteful expenditure (continued)

Details of fruitless and wasteful expenditure

Interest incurred for late payment of FBE	493	35 761
Interest incurred for late payment payment certificate	1 992 979	162 866
Interest incurred for late payment payment certificate	102 193	4 600
High Court order and interest	11 635	87 012
Interest for late payment of court award	2 257	-
Interest incurred for late payment of retention claimed/court award	1 013 617	-
Interest incurred for taxed costs - court award relating to Botshabelo Consulting Engineers	1 869	-
	3 125 043	290 239

56. Irregular expenditure

Opening balance as previously reported	28 502 602	15 922 713
Add: Irregular expenditure - current	7 981 274	14 363 302
Add: Irregular expenditure - prior period	-	(1 783 413)
Less: Amount written off - current	(12 289 827)	-
Closing balance	24 194 049	28 502 602

MPAC could not reach a conclusion on the investigation of R 9 640 992.69 for periods 2015/16 and 2016/17 respectively due to inadequate information.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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2024

2023

56. Irregular expenditure (continued)

Incidents/cases identified/reported in the current year include those listed below:

PPR implementation on specific goals	1 257 575	5 963 115
7 days advertisement was not done for this procurement	5 539 029	4 023 796
The threshold for this service is above R200 000 and it was not awarded on competitive bidding process as required by the SCM regulations	-	2 691 815
The supplier is in the services of the state and it was not declared in the service of the state.	92 860	1 684 576
Bidders unfairly disqualified	1 030 235	-
Evaluation criteria was not the same	61 575	-
	7 981 274	14 363 302

57. Unauthorised expenditure

Opening balance as previously reported	167 974 610	49 095 505
Add: Unauthorised expenditure - current	-	118 879 105
Less: Amount written off by council - current	(167 974 610)	-
Closing balance	-	167 974 610

The over expenditure incurred by municipal departments during the year is attributable to the following categories:

Non-cash	-	118 879 105
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Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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Figures in Rand	2024	2023
57. Unauthorised expenditure (continued)		
Analysed as follows: non-cash		
Depreciation and amortisation	-	77 377
Finance costs	-	4 568 091
Impairment loss	-	1 852 217
Debt impairment	-	88 278 267
Loss on assets written off	-	4 205 555
Obsolete inventory written off	-	16 395
Bad debts written off	-	19 881 203
	-	118 879 105
Analysed as follows: cash		
Finance and administration	-	118 878 105
58. Additional disclosure in terms of Municipal Finance Management Act		
SALGA		
Current year subscription / fee	42 549	40 510
Amount paid - current year	(42 549)	(40 510)
	-	-
Audit fees		
Current year subscription / fee	5 463 621	4 835 617
Amount paid - current year	(5 461 765)	(4 835 617)
	1 856	-
PAYE and UIF		
Current year subscription / fee	28 626 903	25 189 695
Amount paid - current year	(28 626 903)	(25 189 695)
	-	-
Pension and Medical Aid Deductions		
Current year subscription / fee	30 553 622	29 407 828
Amount paid - current year	(30 553 622)	(29 407 828)
	-	-
VAT		
VAT receivable	20 823 570	16 177 101

VAT output payables and VAT input receivables are shown in note .

All VAT returns have been submitted by the due date throughout the year.

Greater Giyani Municipality

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58. Additional disclosure in terms of Municipal Finance Management Act (continued)

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2024:

30 June 2024	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Cllr. Dlamini Khanyisa Sylvia	2 734	24 824	27 558
<hr/>			
30 June 2023	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Cllr. Rikhotso Tsakane Idah	1 557	42 152	43 709
Cllr Shibambu Basani Agnes	1 650	1 502	3 152
	3 207	43 654	46 861

During the year the following Councillors' had arrear accounts outstanding for more than 90 days.

59. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

1. Receivables from non exchange transactions - In prior year some customers amounting to R 23 030 240 were impaired based on the assessment made and in the current year the situation of those customers have changed, therefore impairment has since been reversed, as per GRAP 108 paragraph 36

2. VAT receivable - Prior period error arrised as a result of adjustment of incorrect declaration made to SARS whereby GGM declared vat on water transactions amounting to R 3 971 669 on behalf of Mopani district municipality.

3. Other receivables from exchange transactions - In prior year some customers with an amount of R 4 561 474 were impaired based on the assessment made and in the current year the situation of those customers have changed, therefore impairment has since been reversed, as per GRAP 108 paragraph 36

4 Cash in transist - Reclassification of transactions with an amount of R 82 819 were posted in the cash in transist control account which were not cleared in the prior year.

5. Payables from exchange transactions--Prior period error arrised as a result of adjustment of incorrect declaration for VAT amounting R 3 971 668 was made to SARS whereby GGM declared vat on water transactions on behalf of Mopani district municipality.

6. Debt impairment reversal-- In prior year some customers with an amount of R 14 984 324 were impaired based on the assesment made and in the current year the situation of those customers have changed, therefore impairment has since been reversed, as per GRAP 108 paragraph 36.

7. Employee related costs- Incidental cost (R63 939), Km travel (R2 105 593), daily allowance (R811 400) and food allowance (R139 850) were previously reported as employee cost

8. Remuneration of councillors- Incidental cost (R9 222), Km travel (R673 424), daily allowance (R63 319) and food allowance (R14 260) were previously reported as remuneration of councillors and related parties.

9. Debt impairment -- In prior year some customers with an amount of R 12 524 572 were impaired based on the assesment made and in the current year the situation of those customers have changed, therefore impairment has since been reversed, as per GRAP 108 paragraph 36.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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59. Prior-year adjustments (continued)

10. General expenses-employee related costs and remuneration of councillors costs totaling to (R3 881 006) are reclassified to general expenses.

11. Irregular expenditure - Irregular expenditure of R 1 783 413 was overstated in the prior year.

12. Rehabilitation of dumping site- The provision for rehabilitation of dumping site has been revised from R 43 374 304 to R22 779 904 relatively with the interest charge from R 4 568 091 to R1 985 370

Statement of financial position

2023

	Note	As previously reported	Correction of error	Re-classification	Restated
Receivables from non exchange transactions	10	44 148 641	23 030 240	-	67 178 881
VAT Receivables	12	15 904 882	272 219	-	16 177 101
Other receivables from exchange transactions	13	9 905 906	4 478 655	82 819	14 467 380
Cash and cash equivalents	14	248 096 278	-	(82 819)	248 013 459
Property, plant and equipment	4	1 091 178 641	2 979	-	1 091 181 620
Payables from exchange transactions		112 569 600	2 444 109	-	115 013 709
Current portion - rehabilitation of dumping site		5 473 837	-	-	5 473 837
Rehabilitation of dumping site		37 900 467	-	-	37 900 467
		1 565 178 252	30 228 202	-	1 595 406 454

Statement of financial performance

2023

	Note	As previously reported	Correction of error	Re-classification	Restated
Debt impairment reversal	22	12 607 391	14 984 324	-	27 591 715
Employee related costs	35	(170 585 180)	-	3 120 781	(167 464 399)
Remuneration of councillors	36	(26 142 426)	-	760 225	(25 382 201)
Finance costs	39	(4 568 091)	-	-	(4 568 091)
Debt impairment	41	(117 278 267)	12 524 572	-	(104 753 695)
Contracted services	42	(68 044 372)	-	-	(68 044 372)
General expenditure	46	(89 208 996)	(2 162 907)	(3 881 006)	(95 252 909)
Surplus for the year		(463 219 941)	25 345 989	-	(437 873 952)

Disclosure

2023

	Note	As previously reported	Correction of error	Restated
Irregular expenditure		14 363 302	(1 783 413)	12 579 889
Related parties		26 142 426	(760 225)	25 382 201

60. Going concern

We draw attention to the fact that at 30 June 2024, the municipality had an accumulated surplus (deficit) of R 1 443 155 531 and that the municipality's total assets exceed its liabilities by R 1 443 155 531.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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61. Segment information

General information

Identification of segments

The municipality is organised and reports to Council on the basis of Three (3) major functional areas or segments. The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Revenue and expenditure relating to these segments are allocated at a transactional level income relating to governance and administration of municipality are not allocated to these business units.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

The three key segment units comprise of:

- Finance and administration which include property rates, supply chain management, agency services and investments.
- Community & public safety which include traffic management, library services, cemetery management, solidwaste management and facility management
- Planning & economic development which include, outdoor advertisement, property transfers and registrations

Aggregated segments

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

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61. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2024

	Finance and administration	Community and Public Safety	Planning and economic development	Total
Revenue				
Service charges	-	9 321 962	-	9 321 962
Rental of facilities and equipment	-	273 811	-	273 811
Interest received on overdue accounts (other services)	-	3 992 553	-	3 992 553
Agency services	557 560	-	-	557 560
Licences and permits	-	7 307 730	-	7 307 730
Gains on provisions	983 008	-	-	983 008
Actuarial gains	2 882 000	-	-	2 882 000
Gain on assets disposal	19 511 401	-	-	19 511 401
Other income	1 973 874	204 448	678 139	2 856 461
Interest received - investment	25 579 179	-	-	25 579 179
Property rates	86 839 750	-	-	86 839 750
Traffic fines	-	753 642	-	753 642
Interest-overdue accounts (property rates)	40 708 966	-	-	40 708 966
Donations received	-	-	18 571 592	18 571 592
Total segment revenue	179 035 738	21 854 146	19 249 731	220 139 615
Entity's revenue				220 139 615

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

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	Finance and administration	Community and Public Safety	Planning and economic development	Total
61. Segment information (continued)				
Expenditure				
Employee related costs	4 290 138	51 688 208	7 309 220	63 287 566
Depreciation and amortisation	71 817	1 098 507	18 407	1 188 731
Finance cost	3 122 786	2 430 980	-	5 553 766
Debt impairment	97 231 914	679 000	-	97 910 914
Contracted services	25 097 244	-	-	25 097 244
Transfers and subsidies	-	-	1 500 000	1 500 000
General expenses	11 226 735	9 114 760	-	20 341 495
Total segment expenditure	141 040 634	65 011 455	8 827 627	214 879 716
Total segmental surplus/(deficit)	37 995 104	(43 157 309)	10 422 104	5 259 899
Assets				
Inventory	2 432 017	-	-	2 432 017
Receivables from non-exchange transactions	50 347 312	(33 877)	-	50 313 435
Other receivables from exchange transactions	-	9 424 414	-	9 424 414
Investment property	-	-	44 207 157	44 207 157
Property, Plant and Equipment	490 454	178 567 820	2 682 198	181 740 472
Total segment assets	53 269 783	187 958 357	46 889 355	288 117 495
Total assets as per Statement of financial Position				288 117 495
Liabilities				
Deferred income	-	-	25 031 317	25 031 317
Total liabilities as per Statement of financial Position				25 031 317

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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62. Budget differences

Material differences between budget and actual amounts

1. Rental of facilities

Service is dependent on the needs of the community members. An increment of over 10% indicates that the demand from community members were favourable in the current year when compared to the prior year.

2. Agency Services

Agency fees commission is depended on the water and sanitation collection, therefore the municipality collected less when compared to the previous year.

3. Gain on provisions

The increase is due to the gain on provision of rehabilitation of landfill site.

4. **Actuarial gain** is attributable to membership changes arising primarily due to the exit of several in-service members aged 59 or older, none of whom continued with the medical aid subsidy.

5. **License and permits** is a commission which is received for services rendered on behalf of department of transport therefore the municipality collected less than the anticipated budget hence the decrease when compared to the previous year.

6. Other income

Service is dependent on the needs of the community members. An increment of over 10% indicates that the demand from community members were favourable in the current year when compared to the prior year

7. Interest on investment

The variance was caused by a huge positive cash balance maintained by the municipality, furthermore there were also more investments made by the municipality.

8. Interest Received overdue accounts (Other services)

Interest is calculated on the receivable balances which it has increased compared to the prior year.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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62. Budget differences (continued)

9. Traffic fines

This was due to more roadblocks and enforcement measures conducted by the municipality.

10. Proceed on sale of assets

The increase is due to results of the Asset Auction and which were stolen and insurance settlements which was performed during the current year under review

11. Interest on overdue account (Property rates)

Impact of low revenue collection due to culture of non-payment has resulted in an increased debtor's book and increase the interest on outstanding debtors

12. Donations Received

During the year three properties were registered in the name of the Municipality

13. Reversal of impairments

It's due to more disposal of Assets as the results of Auction which was conducted in the current year.

14. Finance costs

This is due to the interest on the provision for rehabilitation of dumping site

15. Lease rentals on operating lease

The budget was decreased while checking the performance for the first nine month of the financial year, the contract is depended on the usage of the machine

16. Repairs & Maintenance

This is because of the reclassification from repairs and maintenance vote to WIP (Work in progress) because some of the maintenance was capital in nature.

17. Contracted Service

There was an increase in the professional fees' expenditure.

18. Loss on Assets written off

Due to the pavement milling projects undertaken by the municipality, the old tar roads and removal of Road Furniture derecognised resulted in the loss on asset written off.

19. Damaged and obsolete inventory written off

The increase is due to some of the wooden doors that were damaged by termites and damp course damaged by heat.

Greater Giyani Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

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62. Budget differences (continued)

EXPLANATION OF DIFFERENCES BETWEEN APPROVED BUDGET AND FINAL ADJUSTED BUDGET

1. Rental of facilities and equipment

A downward adjustment is based on actual performance of refuse removal during mid-year budget assessment. The service is depended on the demand by consumers, cost reflective tariffs also lowered the demand

2. Agency Services

This is due to water shortages in Mopani District, and it resulted in lower billing for water consumption

3. Other income

Services in this category is depended on the demand of services by consumers. Sale of Property did not perform as planned during the start of the budget processes.

4. Interest on Investment

The variance was caused by a huge positive cash balance maintained by the municipality, furthermore there were also more investments made by the municipality.

5. Interest received overdue account (other services)

A downward adjustment is based on actual performance of during mid-year budget assessment. The municipality had projected an increase in the payment of services which could have resulted in a decrease of receivables balances

6. Proceed on sale of assets

The increase is due to results of the Asset Auction and which were stolen and insurance settlements which was performed during the current year under review.

7. Traffic fines

This was due to less roadblocks and enforcement measures conducted by the municipality during the first half of the financial year.

8. Employee Related costs

The budget was decreased due to the budgeted vacant positions which were not filled for the first six month of the financial year and termination of employment during the first six month.

9. Repairs and maintenance

The budget was increased due to the need and backlog that is there in our communities to maintain roads and stormwater

10. Debt impairment

Debt impairment was adjusted based on the actual impairment in the prior year signed annual financial statements

63. Financial instruments disclosure

Categories of financial instruments**2024****Financial assets**

	At amortised cost	Total
Trade and other receivables from exchange transactions	50 325 509	50 325 509
Other receivables from exchange transactions	11 296 128	11 296 128
Cash and cash equivalents	250 549 884	250 549 884
	312 171 521	312 171 521

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	82 427 966	82 427 966

2023**Financial assets**

	At amortised cost	Total
Trade and other receivables from exchange transactions	32 099 563	32 099 563
Other receivables from exchange transactions	14 467 380	14 467 380
Cash and cash equivalents	248 013 459	248 013 459
	294 580 402	294 580 402

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	84 797 413	84 797 413

Financial instruments in Statement of financial performance**2024**

	At amortised cost	Total
Interest income (calculated using effective interest method) for financial instruments at amortised cost	70 280 698	70 280 698
Receivables Impairment for the year	(97 910 914)	(97 910 914)
	(27 630 216)	(27 630 216)

2023

	At amortised cost	Total
Interest income (calculated using effective interest method) for financial instruments at amortised cost	53 053 369	53 053 369
Receivables Impairment for the year	(104 753 695)	(104 753 695)
	(51 700 326)	(51 700 326)



GREATER GIYANI MUNICIPALITY

ANNEXETURE D AUDIT REPORT 2024

Report of the auditor-general to Limpopo Provincial Legislature and council on Greater Giyani Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Greater Giyani Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2024, 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 municipality as at 30 June 2024 and financial performance and cash flows for the year then ended in accordance with Standards of Generally recognised accounting practices (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and Division of Revenue Act 5 of 2023 (DoRA).

Basis for opinion

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

Emphasis of matters

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

Significant uncertainty

7. With reference to note 50 to the financial statements, the municipality is the defendant in multiple lawsuits. The municipality is opposing these claims. The ultimate outcome of these matters could not be determined and no provision for any liability that may result was made in the financial statements.

Material impairment

8. As disclosed in note 41 to the financial statements, a material impairment of R97 910 914 (2023: R104 753 695) was made as a result of debt which recovery is doubtful due to an inadequate debt collecting system.

Other matters

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

Unaudited supplementary schedules

10. The supplementary information as set out on pages xx to xx does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly, I do not express an opinion on them.

Unaudited disclosure notes

11. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirements did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the MFMA and 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.
13. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

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

15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 11 forms part of our auditor's report.

Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected key performance areas presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
17. I selected the following key performance areas presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected key performance areas that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Key performance area	Page numbers	Purpose
Key performance area 3 – Basic services and infrastructure development	xx	Provision for basic service to the community
Key performance area 4 – Local economic development	xx	Enhance economic development

18. I evaluated the reported performance information for the selected key performance areas against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
19. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents

- the reported performance information is presented in the annual performance report in the prescribed manner.
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets/ measures taken to improve performance.
20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
21. I did not identify any material findings on the reported performance information for the selected key performance areas.

Other matters

22. I draw attention to the matters below.

Achievement of planned targets

23. The annual performance report includes information on reported achievement against planned targets and provides explanations for over- or under achievement and measures taken to improve performance.
24. The tables that follow provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any under achievement of targets and measures taken to improve performance are included in the annual performance report on pages xx to xx.

Development priority: KPA 3 – Basic service delivery and infrastructure development

<p>Targets achieved: 77%</p> <p>Budget spent: 60%</p>

Key indicators not achieved	Planned target	Reported achievement
1. Number of people to be appointed through EPWP social program by 30 June 2024	34 People appointed through EPWP social program by 30 June 2024	Target not achieved (8 people appointed through EPWP social program)
2. Completion of guardhouse vinyl flooring and ceiling for Mavalani indoor sports centre	Completion of guardhouse, vinyl flooring and ceiling for Mavalani indoor sports centre by 30 June 2024	Target not achieved (substructure main hall and guard house has been completed for Mavalani indoor sports centre)
3. Connection of pay point and boom gate at civic centre parking lot	Connection of pay point and boom gate at civic centre parking lot by 30 June 2024	Target not achieved (Boom gate civic centre parking lot has been connected)
4. Appointment of service provider for 3,5 km upgrading of phase 2 from gravel to paving at Makosha	Appointment of service provider for 3,5 km upgrading of phase 2 from gravel to paving at Makosha by 30 June 2024	Target not achieved (Approved terms of reference to appoint service provider for 3,5 km upgrading of phase 2 from gravel to paving at Makosha)

Key indicators not achieved	Planned target	Reported achievement
5. Appointment of consultant for refurbishment of section E sports centre	Appointment of consultant for refurbishment of section E sports centre by 30 June 2024	Target not achieved (Approved terms of reference to appoint consultant for refurbishment of section E sports centre)
6. Appointment of consultant for refurbishment of sporting facilities (Gawula)	Appointment of consultant for refurbishment of sporting facilities (Gawula) by 30 June 2024	Target not achieved (Draft terms of reference to appoint consultant for refurbishment of sporting facilities Gawula)
7. Appointment of contractor for construction of wasteful disposal site	Appointment of contractor for construction of waste disposal site by 30 June 2024	Target not achieved (Approved terms of reference to appoint contractor for waste disposal site)
8. Develop a detailed design for connection of 150 units at Mbhedle village	Development of detailed design for connection of 150 units at Mbhedle village by 30 June 2024	Target not achieved (Draft development of detailed design for connection of 150 units at Mbhedle village)
9. Installation of 4 high mast at Giyani section A and C (ward 12)	Installation of 4 high mast at Giyani section A and C (ward 12) by 30 June 2024	Target Achieved not achieved (Installation of 4 high mast at Giyani Section A and C - ward 12)
10. Appointment of consultant for Mageva soccer pitch extension	Appointment of consultant for Mageva soccer pitch extension by 30 June 2024	Target not achieved (Approved terms of reference to appoint consultant for Mageva soccer pitch extension)

Development priority: KPA 4 – Local economic development

Targets achieved: 86%		
Budget spent: 80%		
Key indicators not achieved	Planned target	Reported achievement
1. Number of SMME' supported financially	6 SMME's supported financially by 30 June 2024	Target not achieved (4 SMME's supported financially)

Material misstatements

25. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for KPA 3 – basic service delivery and infrastructure development. Management subsequently corrected all the misstatements and I did not include any material findings in this report.

Report on compliance with legislation

26. 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.

27. 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.
28. 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.
29. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements, performance and annual report

30. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA.

Material misstatements of general expenditures, receivables from non-exchange transactions, statement of comparison of budget and actual amounts and cash flow statement identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Consequence management

31. Some of the irregular expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA .
32. Losses resulting from fruitless and wasteful expenditure were not recovered from the liable person, as required by section 32(2)(b) of the MFMA.

Expenditure management

33. Reasonable steps were not taken to prevent irregular expenditure amounting to R7 981 274 as disclosed in note 56 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by quotations not advertised for a minimum of 7 days.
34. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R3 125 043, as disclosed in note 55 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 charged on late payments.

Strategic planning and performance management

35. The performance management system and related controls were not maintained as it did not describe how the performance measurement, review and reporting processes should be

conducted and managed, as required by municipal planning and performance management regulation 7(1).

Other information in the annual report

36. The accounting officer is responsible for the other information included in the annual report which includes the audit committee's report. The other information referred to does not include the financial statements, the auditor's report and those selected key performance areas presented in the annual performance report that have been specifically reported on in this auditor's report.
37. 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.
38. 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 key performance areas presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
39. 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

40. I considered internal controls 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.
41. 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.
 - Lack of proper record keeping to ensure that complete, relevant, and accurate information is accessible in a timely manner and available to support financial statements and performance reporting.
 - Lack of management oversight in the preparation, monitoring and reporting of performance information.
 - Internal controls for monitoring compliance with laws and regulations are ineffective as they do not detect and prevent instances of non-compliance with applicable laws and regulations.

Material irregularities

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

Status of previously reported material irregularities

Free basic electricity provided to non-qualifying customers.

43. Section 78(1)(a) of the MFMA states that, "Each senior manager of a municipality and each official of a municipality exercising financial management responsibilities must take all reasonable steps within their respective areas of responsibility to ensure that the system of financial management and internal control established for the municipality is carried out diligently".
44. During the 2020-21 and 2021-22 financial year, the municipality paid Eskom an estimated amount of R4 303 563 for free basic electricity relating to beneficiaries who did not qualify to be classified as indigents as some were either deceased, employed by other organs of state and/ or the spouse were employed by an organ of state. This matter is a non-compliance with section 78(1)(a) of the MFMA as the senior managers of the municipality did not take reasonable steps within their respective areas of responsibility to ensure that the system of financial management and internal control established for the municipality, is carried out diligently as the municipality established an internal policy which stipulated the process and steps to be followed for identification, validation and approval of customers as indigents.
45. The non-compliance resulted in a likely material financial loss of R4 303 563 for the municipality, as payment was made for non-qualifying customers.
46. The accounting officer was notified of the material irregularity on 22 February 2022 and invited to make a written submission on the actions that will be taken to address the matter. The accounting officer responded on 22 March 2022 and 4 November 2022 and indicated that the following actions will be taken:
- The beneficiary list that led to the material irregularity was cancelled on 1 March 2022 with Eskom and the beneficiaries were re-registered up until 30 June 2022. A new beneficiary list was compiled, validated and sent to Eskom in October 2022.
 - The likely financial loss of R4 386 484 was disclosed as fruitless and wasteful expenditure in note 54 to the annual financial statements for the 2021-22 financial year.
 - An investigation was instituted on 4 November 2022 to investigate and report on the circumstances that led to the material irregularity by the Municipal Public Accounts Committee (MPAC) and we obtained an investigation report dated 18 October 2023 where the committee indicated that management should follow up on the recovery of the R2,7 million as per council resolution from beneficiaries employed by the state and report to council on a quarterly basis. MPAC indicated that information provided by management

was not adequate for the committee to make conclusions on how fruitless and wasteful expenditure was incurred by the municipality.

- A legal firm was appointed on 1 November 2023 to advise the accounting officer on the viability of recovery from free basic electricity beneficiaries employed by the state or the spouses of beneficiaries employed by the state. The legal firm was expected to give a report on the matter by end of March 2024.
- The engagement with the legal firm could not be concluded as intended due to inadequate communication between the municipality's legal office and the legal firm due to the following challenges:
 - The legal manager was dismissed on 30 August 2023.
 - The legal manager was reinstated on 22 January 2024.
 - The legal manager resigned on 25 April 2024.
 - The new permanent official was only appointed on 1 July 2024.
- Communication between the municipality and the legal firm was enhanced and an interim report dated 16 September 2024 was submitted. The report indicated that it is feasible to recover from beneficiaries employed by the state, beneficiaries whose spouse work for the state and indigent Companies and Intellectual Property Commission directors.
- The legal firm recommended that the municipality may appoint attorneys responsible for debt collection to recover monies from customers that wrongly and/ or fraudulently benefited from the free basic electricity, this should be done in full consideration of the costs to be incurred for issuing summons and obtaining judgment where necessary for each beneficiary.
- The interim report from the legal firm was provided to MPAC on 30 September 2024, to assist MPAC in investigating and reporting on the circumstances that led to the material irregularity. The investigation is planned to be finalised on or before 31 January 2025. The accounting officer plans to take action against the person/s found responsible and to initiate steps to recover the financial loss based on the outcome of the investigation.

47. I will follow up on this investigation and the implementation of any planned actions during my next audit.

Auditor-General

Polokwane

30 November 2024



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 key performance areas 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 controls
- obtain an understanding of internal controls 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 controls
- 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 audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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 Supply Chain Management Regulations_GNR 868_30 May 2005	SCM reg. 12(1)(c), 16(a), 17(a) & (c)
	SCM reg. 17(a) & 17(b)
	Section 16(a)
	SCM reg. 13(b) & (c)
	SCM reg. 43
	SCM reg. 19(a)
	SCM reg. 36(1)(a)
	SCM reg. 12(3)
	SCM reg. 27(2)(a) & (e)
	SCM reg. 22(1)(b) & 22(2)
	SCM reg. 28(1)(a)(i);
	SCM reg. 21(b);
	SCM reg. 29(1)(a) & (b)
	SCM reg. 29(5)(a)(ii) & (b)(ii)
	SCM reg. 38(1)(c); 38(1)(d)(ii)
	SCM reg. 38(1)(e) & (g)(i)
	SCM reg. 38 (1))(g)(ii) & (g)(iii)
	SCM reg. 32
	SCM reg. 36(1)
	SCM reg. 5
SCM reg. 44	
SCM reg. 46(2)(e) & (f);	
Municipal Finance Management Act 56 of 2003	Section 1
	Section 11(1)
	Section 13(2)
	Section 14(1)
	Section 14(2)(a) & (b)
	Section 15
	Section 24(2)(c)(iv)
	Section 28(1)
	Section 29(1)
	Section 29(2)(b)
	Section 32(2)
	Section 32(2)(a)
	Section 32(2)(a)(i) & (ii)
	Section 32(2)(b)
	Section 32(6)(a)

Legislation	Sections or regulations
	Section 32(7) Section 53(1)(c)(ii) Section 54(1)(c) Section 62(1)(d) Section 63(2)(a) & (c) Section 64(2)(b), (c), (e), (f) & (g) Section 65(2)(a), (b) & (e) Section 72(1)(a)(ii) Section 116(2)(c)(ii); 116(2)(b) Section 122(1) Section 122(1)(j) Section 122(2) Section 126(1)(a) & (b) Section 133(1)(a); 133(1)(c)(i); 133(1)(c)(ii) section 127(2) Section 127(5)(a)(i); 127(5)(a)(ii) Section 129(1); 129(3) Section 170 Section 171(4)(a) & (b)
Element: Preferential Procurement Policy Framework Act 5 of 2000 (PPPF Act)	PPPFA 2(1)(a), 2(1)(f)
Municipal Staff Regulations	Regulations 7(1), 31
Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2) Regulations 36(1)(a)
PPPF Act	Sections or regulations PPPFA sec. 2(1) PPR 2017 6(1) and 7(1) PPR 2022 4(1), 4(2) and 5(1) PPR 2017 6(6), 6(8), 7(8), 10(1) & (2) & 11(1) & (2) PPR 2022 4(4) & 5(4) PPR 2022 4(3), 5(2) & 5(3) PPR 2017 5(1) & 5(3) PPR 2017 5(6) PPR 2017 5(7) PPR 2017 8(2) PPR (2017) 9(1) PPR 2017 8(5) PPR 2017 6(2) and 6(3) PPR 2017 7(2), 7(3), 7(6) PPR 2017 4(1) & 4(2)

Legislation	Sections or regulations
Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Section 6(8)(a)
	Section 6(8)(b)
	Section 10(1)
	Section 5(6)
Disciplinary regulations for senior managers 2010	Section 5(2)
	Section 5(3)
	Section 8(4)
	Section 34(1)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 3(1)
Municipal Property Rates Act 6 of 2004	Section 3(1)(a)
Municipal Investment regulation	Section 3(3)
	Section 7
	Section 12(2)
	Section 12(3)
	Section 6
	Section 16(1)
Division of Revenue Act 4 of 2023	Section 16 (3)
	Section 11(6)(b)
	Section 12(5)
	Section 4(4)b
Municipal performance reg for municipal managers and managers directly accountable to municipal managers	Section 2(3)(a)
	Section 8(1) to 8(3)