



**GREATER LETABA
MUNICIPALITY**

MAATLA GO SETSHABA



2023 24 ANNUAL REPORT



Table of contents

1.1. Chapter 1: Mayor's foreword and executive summary	6
1.2. Municipal Manager's foreword.....	8
1.3. Municipal overview	11
1.4. A short description of the municipality.....	11
1.5. Social analysis.....	12
1.6. Population and housing size	12
1.7. Age and gender profile	12
1.8. People with disability and types of disability	13
1.9. Education profile	13
1.10. Employment profile	14
1.11. Employment and unemployment rate	15
1.12. Multi-purposes community centres... ..	15
1.13. Community facilities.....	15
1.14. Basic Services	16
1.15. Transport infrastructure	17
1.16. Access to health care	18
1.17. Heritage sites.....	19
1.18. Thusong service centre	19
1.19. Executive summary.....	31
1.20. Other municipal context.....	33
1.21. Achievements	33
1.22. Challenges... ..	34
 2.. Chapter: Governance.....	 35
2.1. Municipality's political structure	38
2.2. Executive Committee Members.....	39
2.3. Municipal committees... ..	40
2.4. Municipal Public Account Committee (MPAC)	41
2.5 Rules and Ethics committee	42
2.6 Disciplinary Board	42
2.7 Municipal council.....	43
2.8. Portfolio committee functionality... ..	44
2.9. Audit committee functionality... ..	44

2.10. Administrative governance structure	45
2.11. Intergovernmental relations	47
2.12. Public Accountability and Participation	47
2.13. Ward committee	48
2. Corporate governance	49
2.15. Risk management	49
2.16. Anti-corruption and fraud	52
2.17. Supply chain management	52
2.18. By-laws	53
2.19. Websites	53
2.20. Governance highlights	54
 Chapter 3: Service delivery performance	 56
3.1. Annual performance report 2023/2024	57
 Chapter 4: Organisational development performance	 109
4.1. Introduction	110
4.2. Managing municipal workforce levels	110
4.3. Staff establishment	111
4.4 Staff turnover rate	111
4.5. Employment equity	112
4.6. Capacitating the employment workforce	113
4.7. Performance management system	115
4.8. Municipal workforce expenditure	121
4.9. Organisational development performance highlights	123
 Chapter 5: Financial performance	 124
5.1. Introduction	125
5.2. Statement of financial performance... ..	125
5.3. Greater Letaba Municipality financial performance analysis	126

5.4. Audited 2023/24 financial statement and information management	127
---	-----

Chapter 6: Auditor General Audit findings	214
---	-----

6.1. Introduction	214
-------------------------	-----

6.2. Auditor General's opinion for 2023/24 financial year	216
---	-----

Tables

Table 1.1. Population distribution in terms of gender and group	12
---	----

Table 1.2. Disability by type	13
-------------------------------------	----

Table 1.3. Levels of education in Greater Letaba and Mopani District	14
--	----

Table 2.1. Municipal committees	40
---------------------------------------	----

Table 2.2. MPAC committee	41
---------------------------------	----

Table 2.3. Statistical report on attendance of meetings	43
---	----

Table 2.4. Statistical report on attendance of audit committee meetings	45
---	----

Table 2.5. Major risks identified during risk assessment workshop	50
---	----

Table 3.1. Service delivery backlog	108
---	-----

Table 4.1 Total staff establishment	111
---	-----

Table 4.2. Workforce profile per occupational category	112
--	-----

Table 4.3. Budget allocated and spent for skills development	113
--	-----

Table 4.4. Personnel expenditure	122
--	-----

Table 4.5. Remuneration package 2023/24	123
---	-----

Table 5.1. Operating ratio	125
----------------------------------	-----

Table 5.2. Financial overview	125
-------------------------------------	-----

Table 5.3. Capital expenditure	126
--------------------------------------	-----

Figure

Figure 1. 1. Population distribution in terms of gender	12
---	----

Figure 1. 2. Employment per gender of households	15
--	----

Appendices

Appendix A: Councillors, committee allocation and council attendance

Appendix B: Committees and committee purposes

Appendix C: Third tier administrative structure

Appendix D: Functions of municipality entity

Appendix E: Ward reporting

Appendix F: Ward information by

Appendix G: Recommendation by Audit and Performance Committee 2023/24

Appendix H: Long term contracts and public-private partnerships

Appendix I: Service Provider Performance

Appendix J: Capital Program by Projects

Appendix K: Capital Program by Wards

Appendix L: Service Connection Backlogs at schools and clinics

Appendix M: Service backlog experienced by communities

Appendix N: Declaration of loans and grants made by the municipality

Appendix O: Declaration of returns not made in due time under MFMA S71

Appendix P: Disclosure of financial interests.

1.1. MAYOR'S FOREWORD



In the financial year 2023/24, the council of 1st November 2021 continue to forge direction for better service delivery to our people. We have inputted in the Budget and IDP and the path has been clear in terms of the direction we must take as an institution in the remainder of the council term.

We are highly enthusiastic in fulfilling the core mandate of the people. We stand firm, having acquired the right technocrats who will lead the municipality in the right direction administratively. We trust them to spearhead this ship for us.

I present the Annual Report of Greater Letaba Municipality for the 2023/24 financial year to the community and all its stakeholders. This report is published in terms of the Municipal Finance Management Act No 56 Of 2003; it is a culmination of decisions which were taken by the Council for the year under review.

The Local Government: Municipal Finance Management Act 56 of 2003 requires municipalities to prepare an annual report for each financial year. It is fundamental to indicate that transparency is one of the trademarks of democratic South Africa and Greater Letaba Local Municipality is no exception. As we consistently report every year, the Annual Report has outlined the state of the municipality. It also unveils the activities undertaken to achieve the predetermined objectives as set out in the Integrated Development Plan, against the approved budget. It has also touched on key issues which the Auditor- General has highlighted for ratification in the Auditor-General South Africa (AGSA) report for the 2023/24 financial year where the municipality received an Unqualified Audit Opinion.

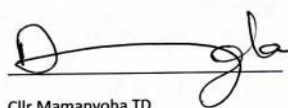
The Annual Report aims at enhancing governance, transparency and promoting accountability. It is a means of ensuring ongoing planning, monitoring, and evaluation which begins with the formulation and annual review of the IDP.

In line with section 152 of the constitution, the Annual Report looks at the period under review, measures the performance of the municipality in various areas, and presents an opportunity to citizens and stakeholders to assess the progress of the municipality. The municipality works in collaboration with governments departments and other entities to provide the desired services to the communities of Greater Letaba Municipality.

In all of this, National government is busy reviewing funding model for local government. In the main, regulations over municipal surcharges on electricity and identifying alternative sources of revenue for replacement will be explored. Conversely, municipalities are expected to augment revenue generating mechanisms in way that will not incur sunk cost.

We need an Increased budget which will imply transformation of the local areas into a better place to live and work; a good posture forward to realize our goals by increasing glimmer of hope, confidence and governments' accountability to citizens. Moreover, increased budget provides the municipality with more resources for service delivery, and we are expected to render and coordinate services that will ultimately improve the lives of our communities much better than previously. Our indictment is that we should enhance proper and effective management of budgets and optimal utilization of resources which involves spending all and not allowing any penny that will revert to the national treasury.

In conclusion, I would like to express my sincere gratitude to all Councillors, Officials, the entire community of Greater Letaba and all stakeholders for their dedication, support and co-operation, which enabled the institution to record all service delivery progress in the year under review. Through it all, accountability is key, citizens and stakeholders are thus invited to study the Annual Report to give inputs and feedback that comes in an informed manner. This will strengthen our ability to deliver services as we forge ahead.



Cllr Mamanyoha TD

Mayor

Municipal Manager's Foreword



Section 46 of the Local Government: Municipal Systems Act, 32 of 2000, mandates municipalities to prepare annual report for each year that reflect the municipality's performance during the financial year against set deliverables. Section 121 (1) of the Local Government: Municipal Finance Management Act 56 2003 also obligates municipalities to prepare annual report for each financial year. This Annual Report is therefore premised not only on a quest to improve accountability but also on legislative compliance.

In the past year, the Municipality has faced both challenges and successes, navigating drought, loadshedding and load reduction, devastating windstorms, and the unending after-effects of the global Covid-19 pandemic. These challenges tested the resilience of our residents, officials, management team, and stakeholders. Despite these adversities, the Municipality demonstrated resilience, ensuring continuity in basic service delivery, and maintaining its service and infrastructure development.

The collective strength that emerged positions the municipality for a promising future. Throughout the financial year, our efforts again maintained a positive payment culture through the effective implementation of credit control, this is especially a reality with businesses in Modjadjiskloof. This is evident in the ability of the Municipality to fund its operations and service its debts. We remain steadfast in our commitment to provide affordable and quality services in an efficient and effective manner to all our residents.

The Municipality has completed another year of improved service delivery with a performance of 71% from the Previous year's 65%, without negatively impacting on liquidity in the context of being able to fund operations and sustainably contributing to its reserves to fund future capital expansion and refurbishment. We ended the 2023/2024 year by improving on financial sustainability with a cash and cash equivalent balance of R12,4 million. An excellent cash

position was achieved with the municipality's total assets exceeding its total liabilities by R 1 116 196 944. The Municipality had no borrowings in the financial year under consideration.

This is despite the massive increment in the debt book as a result of revenue losses caused by non-payment of services by residents in Ga-Kgapane and Senwamokgope Townships. The traceability of all debtors poses an ongoing challenge to the debt collection process.

The low economic forecast and growth, the increase in unemployment and the above inflation increases of the general costs of living has impacted on the affordability of municipal accounts for poorer households. These economic challenges are also evident in the debtor's collection rate of 64% which is below the norm of 95%.

The Municipality implemented the National Treasury mSCOA specimen annual financial statements preparation template, where the financial statements are compiled utilizing the data strings extracted from the financial system. • An integrated revenue enhancement approach followed to combat revenue leakages.

Municipal Wide risk management remains a priority of the Greater Letaba Municipality and is a standing item on management meeting's agenda. This creates the opportunity for the early identification and mitigation of risks. During the year the risk register was updated to incorporate any organisational structure changes, alignment of strategic goals of the Integrated Development Plan (IDP) and top layer Service Delivery and Budget Implementation Plan (SDBIP) as well as Key Performance Indicators (KPIs). Amongst the top strategic risks identified were: The construction and operations of the landfill site; Attracting investment and providing an enabling environment for growth, Climate change resilience and mitigation, Land Invasion and illegal occupation of land. Further details of the strategic risks are captured in the Annual Report.

The Auditor-General of South Africa (AGSA) performed the required external audit in terms of the Public Audit Act requirements and have expressed their opinion on the 2023/2024 annual financial statements to be an unqualified opinion with material findings on compliance matters and the annual performance report. This is the fifth consecutive year that this good result has been achieved. This is testament to the hard work being put in by the administration to continuously improve service delivery whilst also maintaining the highest quality in the administrative processes. The Auditor- General acknowledged the great strides which the municipality has made over the past two and specifically commented the implementation of consequence management to ensure officials do their work diligently and efficiently.

We are committed to clean governance and will strive to continue to improve and modernize systems and processes throughout the municipality. I would therefore like to thank all stakeholders for having ensured to make 2023/2024 a success. We still have a lot of work to do, but we are making good progress, we are focused, and we are innovative. The Municipality continues to find new ways to deliver basic services and improve the quality of life of all our residents.



MR SEWAPE M.O
MUNICIPAL MANAGER

1.3. MUNICIPAL OVERVIEW

Greater Letaba has three proclaimed townships, namely Modjadjiskloof, Ga-Kgapane and Senwamokgope. The process of developing Khumeloni (Mokwakwaila) as the fourth township is also underway and that has a potential to grow the municipality. There is an opportunity for the municipality to start exploring possibility of expanding development in these townships but also assess areas where new township establishments can be established. The Municipality's main economic focus for turning around the local economy is through tourism (Modjadji dynasty and Nature reserve), agriculture, forestry, and Agro-processing industries.

Community consultation as championed by the Speaker, Cllr. M.M Mokgwati and the Mayor, Cllr. T.D. Mamanyoha is at the heart of good governance in the Municipality to enhance community participation and informed decision making. As a result, the 2023/24 financial year has seen Greater Letaba Municipality expanding its service delivery in terms of infrastructure development through paving of gravel roads, construction of sport complex, erection of high mast lights and electrification in rural areas and spent 100% on MIG, EPWP, INEP and FMG.

Greater Letaba Municipality continued with its mandate to increase creation of jobs to its local community through EPWP projects as outlined in the report. During the IDP/Budget process our community has again given the municipality a mandate to continue to implement projects in line with Government priorities, hence infrastructure development was again outlined as the main priority of the municipality.

In the current year 2023/24 the municipality appointed Chief Financial Officer, Senior Manager Community Services and Senior Manager Planning and Development. Thus, the municipality had a full complement of senior management.

1.4. DESCRIPTION OF THE MUNICIPALITY

Greater Letaba Municipality (GLM) is in the north-eastern part of the Limpopo Province in the jurisdiction area of Mopani District Municipality. Greater Letaba Municipality shares borders with Greater Tzaneen Municipality in the south, Greater Giyani Municipality in the east, Molemole Municipality in the west and Makhado Municipality in the north.

Greater Letaba Municipal area is one of the smaller municipal areas in terms of land area, and characterized by contrasts such as varied topography, population densities (low in the south, relatively

Commented [BM1]: Please verify this, I think it has to be makhado municipalaity

dense in the north-east), prolific vegetates in the south (timber) and sparse in the north (bushveld). Although aquatic resources within the boundaries of the Municipality are scarce, the proximity of natural resources (tourist's attractions, intensive economic activity, nature reserves and vast arable land) to the borders of the municipality creates an opportunity for capitalization.

The "gates" to the municipal area are considered to be Sekgopo in the west and Modjadjiskloof in the south. The land area of Greater Letaba Municipality extends over approximately 1891km². Greater Letaba Municipality incorporates the proclaimed towns of Modjadjiskloof, and Ga-Kgapane, situated in the extreme south of the municipal area, and Senwamokgope towards the north-west of the area of jurisdiction. There are 132 rural villages within the municipal area. A major progress has been made in improving the condition of the roads in the municipality whereby 91.08km streets have been paved through concrete interlock paving blocks and this has reduced the backlog to 696.08km.

1.5. SOCIAL ANALYSIS

The socio-economic analysis will focus on the population size, age and gender profiles as well as the educational levels of the population. Information on the Socio-economic status of Greater Letaba Municipality was mainly gathered from census conducted by STATSSA in 2011 and 2016. Much of the municipal population is indigents.

1.6. POPULATION AND HOUSEHOLD SIZE

Table 1.1: Population distribution in terms of Gender and Age Group

Population		Households	
Census 2011	Survey 2016	Census 2011	Survey 2016
212 701	218 030	58 262	67 067

1.7. AGE AND GENDER PROFILE

The population of Greater Letaba Municipality is very young with 39.3% of the people younger than 35 years of age. From the Pyramid below, it is evident that, in the age group 15-34 the percentage of males is high as compared to females. While in the age group 35-64 there is high percentage of females than males.

Figure1.1: Population distribution in terms of gender and age group

Source: Census 2011

1.8. PEOPLE WITH DISABILITY AND TYPES OF DISABILITY

Greater Letaba Municipality has 3993 people with disability.

Table 1.2 Disability by type

Types of disability			Total
Sight	345	134	479
Hearing	392	102	494
Communication	421	143	564
Physical	729	567	1296
Intellectual	1	32	33
Emotional	493	432	925
Multiple	145	57	202

1.9. EDUCATIONAL PROFILE

Education level: **About 28, 5 % of the population in Greater Letaba Municipality has no educational background.**

Table 1.3: Levels of education in Greater Letaba and Mopani District

LEVEL OF EDUCATION	GREATER LETABA	%	MOPANI	%
Grade 1/sub A (completed or in process)	7627	5.6	31711	5.4
Grade 7/standard 5	15877	11.7	64097	10.9
Grade 11/standard 9/form 4/NTC II	15919	11.8	68420	11.7
Attained grade 12; out of class but not completed grade 12	6419	4.7	30580	5.2
Grade 12/Std 10/NTC III (without university exemption)	10159	7.5	52920	9.0
Grade 12/Std 10 (with university exemption)	754	0.6	10195	1.7
Certificate with less than grade 12	1430	1.1	10497	1.8
Diploma with less than grade 12	1562	1.2	7780	1.3
Certificate with grade 12	952	0.7	6448	1.1
Diploma with grade 12	2777	2.1	13095	2.2
Bachelor's degree	1479	1.1	6879	1.1
BTech	78	0.1	999	0.2
Post graduate diploma	317	0.2	2431	0.4
Honour's degree	459	0.3	2043	0.3
Higher degree (masters/PhD)	72	0.1	1127	0.2
No schooling	38459	28.5	146863	25.1
Out of scope (children under 5 years of age)	28068	20.8	113316	19.4
Unspecified	2334	1.7	8115	1.4
Institutions	494	0.4	8476	1.5
Total	135165	100	585991	100

Source: 2011, STATSSA.

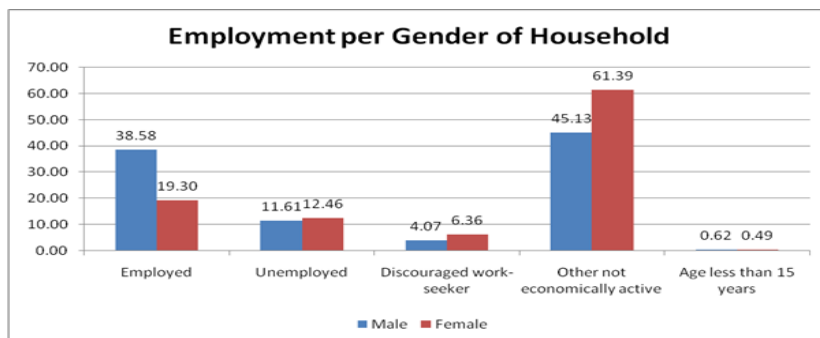
The percentage of illiteracy is estimated at 28,5%, which shows a decline in the level of illiteracy by 17,3%. The progress thereof is satisfactory; the level of illiteracy is still worrying since it impacts on the employability of the population. The number of existing schools in the municipality is inadequate some of them being in poor conditions.

1.10. EMPLOYMENT PROFILE

The graph below presents the employed population of Greater Letaba according to gender of households. The statistics on the graph below shows that 9719 of male people are employed as

compared to small number of 6383 of female people. And the STATSSA also depict number of youths employed and number of disabilities employed, female people, unemployed, discouraged work-seeker and economically inactive are mostly affected as indicated on the chart below.

Figure 1.2: Employment per gender of household



Source: Census 2011

1.11. EMPLOYMENT AND UNEMPLOYMENT RATE

The percentage of people employed by formal sector is high and constitute 63.78 % followed by informal sector with 23.95 %. The Pie chart also indicates that private households contribute 9.26 % of employment. Sectors that contribute to both employment and unemployment are:

- ✓ Agriculture (3421), Mining (664), Manufacturing (2673), Electricity (350), Construction (2476), Transport (1584), Trade (11258), Finance (2112) Community Services (8730).

1.12. MULTIPURPOSE COMMUNITY CENTRE

Greater Letaba municipality has one Multi-purpose Community Centre at Mokwakwaila. This multipurpose center plays a critical role in ensuring that information regarding government activities is made accessible to the communities. Key basic services by government and parastatals are provided to communities through the center. However, there is a need for another community center at Soetfontein.

1.13. COMMUNITY FACILITIES

Greater Letaba Municipality has eight (8) libraries. The Modjadjiskloof Library, Soetfontein Library, Senwamokgope Library, Ga-Kgapane Library, Mokwakwaila Library, Shotong Library, Maphalle Library and Sekgopo Library. The Senwamokgope Library and Shotong Library are completed and are currently in the process of resourcing.

The state of school libraries leaves much to be desired, there are no libraries in most of the schools and they have converted classrooms to be utilized as libraries and they are under resourced with books. The shortages of books make it difficult for learners to develop academically.

There are ten (10) sports facilities around Greater Letaba Municipality's area of jurisdiction targeting to benefit the community thus promote social cohesion. These social amenities are located at Sekgopo, Ga-Kgapane, Lebaka, Rotterdam, Thakgalane, Senwamokgope, Mamanyoha, Mokwakwaila, Madumeleng and Shamiriri.

The municipality has registered a significant and immense progress in as far as addressing backlog levels in this area of sports facilities development and maintenance of this facilities is one of the challenges to be addressed.

1.14. BASIC SERVICES

Greater Letaba Municipality and Mopani District Municipality have signed a Water Services Provider (WSP) contract which allowed GLM to undertake operation and maintenance function limited to reticulation network. The WSP agreement with Mopani has been signed and implementation of it will be monitored.

The provision of water supply within the municipal area is gradually worsening due to insufficient bulk water supply which is aggravated by factors like new developments and inadequate water resources which cannot meet the current demand. The communities which are adversely affected by the situation resort to polluted sources like springs, raw water dams, rivers or buy water from residents who have private boreholes.

There is a need to address shortage of bulk water through the upgrading of existing purification plants; refurbishment of some resources; provision of package plants and drilling or equipping of additional boreholes as a temporary relief measure. Currently 367 boreholes in GLM, 282 working, 85 not working, 69 needs to be electrified and 16 vandalized.

- **Free Basic Water**

The threshold for provision of Free Basic Water is a maximum of six (6) kiloliters per household per month. Indigent households which reside in the proclaimed towns do not pay for the first 6kl of water

as reflected in their service accounts. There is a total of 132 villages which receive unmetered free water supply, which is presumed to be above the FBW threshold. In areas where there are deficiencies in water availability, water supply is supplemented by water tankers at no cost to the recipients. Municipality has 723 beneficiaries.

- **Free Basic Electricity**

The maximum allowable consumption for Free Basic Electrification is 50kw per household per month. The municipality receives applications for its licensed area. All qualifying beneficiaries are currently receiving a free allocation of 50kw per month. ESKOM administers applications and collection of FBE in areas under their licensed distribution area.

- **Free Basic Waste**

The municipality allocates a collection of free basic waste of at least once a week to qualifying indigent households located in proclaimed areas.

- **Street Lighting**

The municipality has a strategic intention of locating streetlights or high mast lights in areas which are at entry to the municipal area or / and affected adversely by crime. Areas which are provincial, district and local growth points, areas which have economic activities especially even after sunset are also targeted for lighting. A total of one hundred and sixty-seven (167) high mast lights were erected from 2009/2010 until 2023/24 financial years benefiting all the wards. A vast increase in street lighting assets requires the municipality to adjust the budget for related operations and maintenance accordingly.

1.15. TRANSPORT INFRASTRUCTURE

- **Road Networks and Backlogs**

Transportation infrastructure makes a major contribution to the facilitation of economic activities. The assessment of Municipal Road Network completed by the Department of Transport in 2020 revealed that the municipality has a total road network of 1213km.

The majority of gravel roads are internal streets in rural areas which require intervention to improve access to houses, businesses and public amenities. There is a total of approximately 8km which are gravel in the three (3) proclaimed towns within the municipality.

A major progress has been made in improving the condition of the roads in the municipality whereby 91.08km streets have been paved through concrete interlock paving blocks and this has reduced the backlog to 696.08km.

- **Road and Storm Water Drainage Backlog**

The municipality has a backlog of storm water drainage in all gravel streets and roads. The backlog is estimated at 705.4 KM road including storm water drainage. And the upgrading of some internal streets from gravel to concrete paving blocks in various villages and township is continuous.

- **Public transport**

Greater Letaba municipality public transport is accessible to communities, whereby some commuters take less than 10 minutes' walk to access public transport. Whereas some commuters take more than 10 minutes to access public transport which is above service norms and standards.

Types of Transport

Municipality have three types of transport mode:

- Taxis.
- Rail operations (goods) and
- Bus transport.

Bus Operations

Bus operation is one of the dominant modes used for public transport in the municipality.

The dominant travel pattern of passengers is "home to work" in the morning and return trip in the evening. On most routes the demand peaks during the morning forward trip and evening return trip.

1.16.ACCESS TO HEALTH CARE

STATSSA indicates that, within the Greater Letaba Municipal area, 42% of communities reside within 20 km of a hospital, 4% of communities reside within 10 km of a Health Centre and 91% of communities live within 5 km of a clinic. Apart from the very low Health Centre statistic, Greater Letaba compares favorably with other local municipalities in the Mopani District. The distance norm to rate accessibility does not take into consideration other restrictive factors, such as bad state of roads and therefore health facilities are in all probability less accessible to communities than reflected by the Department of Health criteria

1.17. HERITAGE SITES

Greater Letaba Municipality has a number of heritage sites:

- ❖ *Modjadji Cycad Forest
- ❖ *Rain Queen White House
- ❖ *Lebjene Ruins

There is a need in Greater Letaba Municipality to promote Khelobedu language and popularize heritage sites such as Manokwe cave that is still under construction and other attractions which are found within the Greater Letaba Municipality.

1.18 Thusong Service Center

MOKWAKWAILA THUSONG SERVICE CENTRE PROFILE



WHAT IS A THUSONG SERVICE CENTRE?

Thusong Services Centre (formerly referred to as multi-purpose community center-MPCC), is a programme of government which was initiated in 1999 as one stop centers, providing government

information and services in an intergraded manner. It brings government information and public services closer to the people. Again, it promotes access to opportunities by creating better lives for communities and speeding up service delivery.

Thusong Service Centre (TSC) programme's aim is to empower the poor and the disadvantaged, among others, through access to information, services and resources from government, non-government organisation (NGOs), parastatals and business. This enables them to engage in government programmes for the improvement of their lives.

In Limpopo province the custodian of Thusong Service Centre programme is embedded to Local Municipalities with the help of Office of the Premier (OTP) and Government Communication and Information Services (GCIS).

OBJECTIVE OF THE PROGRAMME IS:

- To facilitate access to services
- To promote intergradation of services
- To build sustainable partnership
- To create platform for dialogue between citizens and government

Background of Mokwakwaila TSC

Mokwakwaila Thusong Service center is a Hub type of the TSC. In this type of an arrangement, all anchor departments are permanently situated in one complex.

Mokwakwaila Thusong Service center was officially launched on the 3rd of March 2007 as Multi-Purpose Community Centre, although the building was not planned for multi-purpose, but it was acceptable and several departments moved in to service communities from the deep rural villages of Greater Letaba Municipality.

MokwakwailaThusong Services center is situated in ward 27 of Greater Letaba Municipality in Mokwakwaila village, because of its strategic location. It services 13 wards comprising 56 villages of GLM, two villages of GGM and 13 Villages of GTM. Several departments such as SASSA, Department of Social Development, Department of Correctional Service are housed within the premises while others such as SAPS, Post Offices and Mokwakwaila stadium are within walking distance from the center. By Mokwakwaila Thusong Service Centre, there is Hlanganani-Bolobedu Day care center which enrolls kids from the surrounding villages.

WHO IS RESPONSIBLE FOR THUSONG SERVICE CENTRES?

1. Municipality's main responsibility.

- Establishment of Thusong Service Centers.

- Include Thusong Service Centres in its IDP.
- Monitoring of quality-of-service delivery by all spheres of government.
- Appointment of center managers and staff to run the center.

2. Department of cooperative Governance and Traditional Affairs. (CoGHSTA)

The department is responsible for:

- Development of policies to guide and sustain the programme.
- Advising on the funding model for these centers, especially the use of the MIG.

3. Department of Public Service and Administration.

- The DPSA is responsible for establishment & implementation of ICT services in the center.
- The DPSA is also responsible for development of geographic access norms and standards to ensure all TSC are properly located.
- Implementation of the prototypes general service counters (GCS)

4. Department of public works (DPW)

- Department of public works is responsible for development of SLA framework.
- To assist in the identification of suitable government structures.

5. South African Local Government Association (SALGA)

SALGA's role is to:

- Advise government on how best to set up the Thusong centers.
- Promote the centers among organized local government.

6. Department of Government Communication Information System (GCIS)

- Nationally, government had assigned GCIS the role of coordinating the Thusong Service Centre Programme.
- Distribution of government publications.
- Cascading of government content (workshops, outreaches, activations)

How does Mokwakwaila Thusong Service Centre assist in the development of communities?




- The center enables people to access government services such as social grants and social worker services.
- The center provides information material on youth development, entrepreneurship, and woman empowerment on projects.
- It offers training venues for public, private and NGOs.

- Some of the public participation meetings are held at the center such as IDP hearings, ward committee meetings and ward councilor's cluster meetings.
- It is also used as mobile alignment points and centre for event and programmes of government, such as Mobile service, outreach event, councillor feedback meetings.



Ownership and Governance of Thusong service centers.


- Thusong service centers are controlled by municipalities where they reside.
- Municipalities appoint center managers. Day to day administration is done by staff led by the center manager and a team of administrative support.
- Governance of the center is through a Local Intersectoral Steering Committee (LISSC) chaired by the municipality.
- Centre Managers account to the LISSC which in turn reports to Provincial Intersectoral Steering Committee (PISSC) which is coordinated by the office of the premier and or COGTA.
- The National Intersectoral Steering Committee (NISSC)

Mokwakwaila Thusong Service center hosts the following service providers:

SERVICE PROVIDER	SERVICES OFFERED	CONTACT PERSON
GREATER LETABA MUNICIPALITY 	<ul style="list-style-type: none"> • Bookings of facilities • Proof of residence • Grading of internal streets • Cleaning the surrounding 	Mr Monaiwa MP Cell no: 082 564 1362 Email:
SASSA 	<ul style="list-style-type: none"> • Old age and Child grant • Disability grant • War veterans grant • Foster child support grant 	Mrs Ranaga MD Cell no: 060 656 5659
DEPARTMENT OF SOCIAL DEVELOPMENT 	<ul style="list-style-type: none"> • Community mobilisation • NPO capacitation • Poverty alleviation & sustainable livelihood • Community based research and planning • Youth development 	Mr Ramothwala M Cell No: 078 838 8835

SOCIAL WORKER SERVICES  <small>social development Department: Social Development REPUBLIC OF SOUTH AFRICA</small>	<ul style="list-style-type: none"> • Social welfare services • Child & family services • Restorative services • Administrative duties 	Mr Ngobeni Cell no: 072 606 9411
DEPARTMENT OF CORRECTIONAL SERVICE  <small>correctional services Department: Correctional Services REPUBLIC OF SOUTH AFRICA</small>	<ul style="list-style-type: none"> • Monitoring of parolees • Monitoring of probationers 	Mr Masetla M.R Cell No:076 533 0501
MOKWAKWAILA SAPS 	<ul style="list-style-type: none"> • Combating crime • Document certification • Affidavits • Attending to complaints • Conducting CPF meeting • Rendering community safety 	W/O Mabale RM Cell no: 060 996 0060 Tell :015 386 9940
DEPARTMENT OF PUBLIC WORKS  <small>public works Department: Public Works REPUBLIC OF SOUTH AFRICA</small>	<ul style="list-style-type: none"> • Black top patching • Blading of gravel roads • Fixing potholes • Cleaning side drains 	Mr Nthangeni E Cell No:076 336 0772
MOKWAKWAILA LIBRARY  <small>sports, arts & culture Department: Sports, Arts and Culture REPUBLIC OF SOUTH AFRICA</small>	<ul style="list-style-type: none"> • Libraries mirror • Free WI-FI • Books & magazine • Printouts • Copies and laminating 	Mr Nakana MP Cell no: 072 525 7756 Email:nakanamalekutu@gmail.com

VENDING POINT 	<ul style="list-style-type: none"> • Selling electricity • Selling airtime • Dstv payment 	Mr Mashao M.J Cell No: 072 752 0910
INTERNET CAFE	<ul style="list-style-type: none"> • Access to internet • Copies • Email • Printing services 	Mr Ramahlo O Cell No : 076 993 9911 onesmusofficesupplies@g mail.com
DAY CARE CENTRE	<ul style="list-style-type: none"> • Day care. • After care. 	Mrs Masedi G Cell No : 072 369 4226
MOKWAKWAILA POST OFFICE 	<ul style="list-style-type: none"> • Grant payments • Banking services • Post office services 	Ally Cell No: 076 288 9938
DEPARTMENT OF HOME AFFAIRS	<ul style="list-style-type: none"> • Smart card application • Birth certificate application • Passport application 	Mabasa Billy 06309619936
DEPARTMENT OF LABOUR	<ul style="list-style-type: none"> • UIF application • Signing for Payments • Enquiry 	Nyeleti 0734404288
DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT	<ul style="list-style-type: none"> • Extention services • Advisory services to farmers 	Baloyi KV 082 660 6006

COMMUNITY DEVELOPMENT WORKERS (CDW) UNDER THE	<ul style="list-style-type: none"> • Community profiling • Home visits • Assist with LRB • Assist with social grant 	Setloane Annah 082 959 2566
SOUTH AFRICAN REVENUE SERVICES (SARS)	<ul style="list-style-type: none"> • Tax clearance • Tax filling • Tax registration • Tax compliance 	Pauline Maluleke 076 060 0879
INDEPENDENT ELECTORAL COMMISSION (IEC)	<ul style="list-style-type: none"> • Registration verification • Registration 	Melidah 0825317971
PERFECT RADIO	<ul style="list-style-type: none"> • Credible source of Information for communities • Local Breaking News Updates 	Mr Selowa Raymond Cell no: 079 595 9854
	<ul style="list-style-type: none"> • Platform for communities to engage. • Providing graduates with training and students with practicals. • Empowering local businesses • Sponsoring community building events • Youth empowerment programmes • Health, Local Sport. Education, Economic Updates • Crime and Traffic Reports • Updating the public about government decisions and campaigns, including programs 	Email: info@perfectradio.co.za

THUSONG SERVICE CENTER PRORAM:**ANNUAL REPORT FOR FIN-2023/24**

MUNICIPALITY: GREATER LETABA MUNICIPALITY.

PERIOD : 2023/24

THUSONG SERVICE CENTER NAME: MOKWAKWAILA THUSONG SERVICE CENTRE

1. INFRASTRUCTURE DEVELOPMENT.

PHYSICAL BUILDING	LEASE AND SERVICE LEVEL AGREEMENT	ICT CONNECTIVITY	ELECTRICITY SUPPLY	WATER PROVISION	SANITATION
Need for renovation	No lease and SLA with sector departments	Individual service providers use their network source	ESKOM SUPPLY and Solor for SASSA and it accommodates the Centre with lights only.	Not reliable, bore hole from stadium and water tanker from Municipality.	Ablution facility not in good condition. NB: Tender is out for a new ablution block.

2. SERVICE PROVIDERS STATISTICAL REPORT

SERVICE PROVIDER	SERVICE RENDERED	NUMBER OF PEOPLE SERVICED	CHALLENGES / COMMENTS
GREATER LETABA MUNICIPALITY	Proof of resident	4750	o Reporting for delivery of water for Funerals to village where there's water.
	Booking of facility	72 Mokwakwaila community hall	

SERVICE PROVIDER	SERVICE RENDERED	NUMBER OF PEOPLE SERVICED	CHALLENGES / COMMENTS
(MOKWAKWAIL A SUB-OFFICE)	Report funeral (grading and delivery of water)	516 Funerals reported for service	<ul style="list-style-type: none"> ○ Sector department not signing lease agreement. ○ Ablution facility not in good condition. ○ A serious need for Air conditioners in offices and board room.
	Grading program	As per the programme	
	Total for the FIN-year	5 338	
SASSA	Old age grant application	1850	<ul style="list-style-type: none"> ○ Ablution blocks are full; they are health hazard to officials and the public. ○ Network is slow, ○ Since we are migrating to a new system. (Online application)
	Disability grant applications / Grant in aid	965	
	Forster care grant	265	
	Social relief grant (R350 grant)	4652	
	Child support grant	3684	
	Collection of proof of income	4625	
	Total for the FIN-year	16 041	
SOCIAL WORKER SERVICES	Social welfare	944	<ul style="list-style-type: none"> ○ Lack of transport and stationery ○ Poor internet connection. ○ Lack of telephones ○ Low cases received. ○ School exams
	Childs and family services	320	
	Restorative services	38	
	Administrative duties	156	
	Total for the FIN-year	1 458	
DEPARTMENT OF SOCIAL DEVELOPMENT	Community mobilization	678	<ul style="list-style-type: none"> ○ Household from ward 30 we profiled.
	NPO capacitation	16	

SERVICE PROVIDER	SERVICE RENDERED	NUMBER OF PEOPLE SERVICED	CHALLENGES / COMMENTS
	Poverty alleviation & sustainable	18	<ul style="list-style-type: none"> Women from Mamakata have participated in woman development programme.
	Community based research and planning	78	
	Youth development	160	
	Woman development	245	
	Total for the FIN- year	1 195	
MOKWAKWAILA SAPS	Reporting cases	780	<ul style="list-style-type: none"> Lack of water Lack of transport to follow up on cases.
	Arrests	685	
	Certification of documents	18 000	
	Affidavits	3576	
	Complains attended	3850	
	Total for the FIN-year	26 891	
PRE-PAID VENDING POINT	Selling electricity	5 485	<ul style="list-style-type: none"> Ablution facility not user friendly. Network challenge. Eskom recording project improved electricity sales. It was discovered that lot of households are zero buyers.
	Sales of prepaid	1704	
	Dstv	168	
	Recoding of Meters	0	
	Total for the FIN-year	7 357	

LIBRARY	Community information	280	<ul style="list-style-type: none"> ○ A need for Air-condition in the main study area and Board room. ○ A need for Permanent cleaner, currently the library is cleaned by EPWP beneficiaries.
	Free internet access/Wi-Fi	2 940	
	Books & magazine	216	
	Printouts & Copies	2 940	
	Job Marketing	252	
	Total for the FIN-year	6 628	

SERVICE PROVIDER	SERVICE RENDERED	NUMBER OF PEOPLE SERVICED	CHALLENGES / COMMENTS
DEPARTMENT OF CORRECTIONAL SERVICE	Monitoring of parolees	756	<ul style="list-style-type: none"> ○ Cleaning of Mokwakwaila TSC backyard garden. ○ Toilets at Mokwakwaila TSC are a serious challenge. ○ Shortage of water for backyard garden
	Monitoring of probationers	24	
	Community project	04	
	Crime awareness	06	
	Total for the FIN-year	790	
PERFECT RADIO	Covering local news	.	<ul style="list-style-type: none"> ○ Lack of resources
	Total for the FIN-year	0	
DEPARTMENT OF HOME AFFAIRS.	Registration of birth	0	<ul style="list-style-type: none"> ○ Network challenge. ○ The turnout has increased due School holidays.
	Applications of ID smart card	1680	
	of passport.	12	
	Total for the FIN-year	1 692	
DEPARTMENT OF LABOUR	New application	4080	<ul style="list-style-type: none"> ○ Connectivity is challenges at times. ○ Ablution facility not in good condition.
	Enquiry	4272	
	Signing of Documents	5184	
	Registration on Data base for Employment	0	
	Total for the FIN-year	13 910	

SERVICE PROVIDER	SERVICE RENDERED	NUMBER OF PEOPLE SERVICED	CHALLENGES / COMMENTS
SARS	Submission of tax return	0	Generally withdrew from the centre due to sanitation challenges.
	Application for tax clearance certificate		
	Registration of vat		
	Total for the fin-year	0	
IEC	New registration	180	o Youth not cooperating.
	Changes of address		
	Total for the fin-year		
	Total for the fin-year	2 400	
CoGhsta (CDW)	ID Challenges	68	o Community service delivery protest.
	Electricity	252	
	Social grant	26	
	Water challenges	19	
	Liaison work	288	
	Community Concern	144	
	Education	16	
	Total for the fin-year	815	
	HIV testing	180	
	Family planning	72	
ANOVA	HIV testing	180	Youth is reluctant to test for HIV and aids.
	Family planning	72	

SERVICE PROVIDER	SERVICE RENDERED	NUMBER OF PEOPLE	CHALLENGES / COMMENTS
	BP screening	864	
	Sugar Screening	485	
	Total for the fin-year	1 601	

OUTREACH PROGRAMMES (e,g Integrated services on wheels, ICROP, Mayoral Imbizo Back to school)

DATE	EVENT	VENUE	STAKEHOLDERS	STATISTICS
January	Back to school campaign	08 Schools	Home affairs and SASSA, CDW, Social Development, Correctional Service and Perfect Radio	
2023/24	Mayoral Imbizo/Batho Pele day	3 Mayoral Imbizo and Batho pele event	Dept of Home affairs, Dept Employment and Labour, Banks, Department of Social development, SASSA	

July	Mandela Day	Mandela Day at Northampton Primary School	Dept of Home affairs, Dept Employment and Labour, Banks, Department of Social development, SASSA, and Agriculture	
------	-------------	---	---	--

NB TOTAL STATS: 84 910 PEOPLE WERE SERVICED BY MOKWAKWAILA THUSONG SERVICE CENTRE DURING FIN/YEAR 2023/24

ACHIEVEMENT

During 2023/24 NATIONAL INTERSECTORAL SECTORAL awards ceremony which was held in Free state Province, Kimberly, Mangaung Municipality, Mokwakwaila Thusong Service Centre received two national awards, position on 1 was awarded to Mr. Monaiwa MP for the best Thusong service Centre manager and Mokwakwaila was awarded the position 02 as the most improved Thusong service in the country.

CHALLENGES.

- Cleaning of Mokwakwaila TSC backyard garden.
- Shortage of water for backyard garden
- Ablution blocks are full; they are health hazard to officials and the public.
- Network is slow.
- No back up power in case of power outage
- As serious need for Air conditioners and office furniture especially for boardroom
- SARS Withdrew services due to unhealthy ablution facility.

RECOMMENDATION.

- Construction of ablution facility
- Installation of backup power system
- General renovation of the building
- Installation of air conditioning and office equipment
- Drilling of borehole for the TSC

There is a need to upgrade the Soetfontein Rural Development Agency facility in Sekgosese to a Thusong Service Centre. The establishment of this Centre will empower the poor and disadvantaged through access to information, services and resources from governmental organizations, parastatals, and business.

1.18. EXECUTIVE SUMMARY

- **Vision**

“To be the leading municipality in the delivery of quality services for the promotion of socio-economic development”.

- **Mission**

To ensure an effective, efficient, and economically viable municipality through:

- Promotion of accountable, transparent, and consultative and co-operative governance.
- Promotion of local economic development and poverty alleviation.
- Strengthening cooperative governance.
- Provision of sustainable and affordable services and ensuring a compliant, safe and healthy environment.

- ☐ **Values of Greater Letaba Municipality**

- ☐ Teamwork
- ☐ Commitment
- ☐ Integrity
- ☐ Value for money
- ☐ Consultation
- ☐ Transparency
- ☐ Accountability
- ☐ Courtesy
- ☐ Innovation

Greater Letaba municipality derives its existence from the objects of local government as entailed in section 152(1) of the Constitution of the Republic of South Africa:

- ❑ To provide democratic and accountable government for local communities.
- ❑ To ensure the provision of services to communities in a sustainable manner.
- ❑ To promote social and economic development.
- ❑ To promote a safe and healthy environment.
- ❑ Encouraging involvement of communities and community organizations in the matters of local government.

In the process of delivering services to the community, the municipality follows the Five Years Strategic Agenda as adopted by national government, namely.

- ❑ *Municipal Transformation and Organisational Development*
- ❑ *Basic Service Delivery and Infrastructural Development*
- ❑ *Local Economic Development*
- ❑ *Financial Viability and Management*
- ❑ *Good Governance and Public Participation*

In addition to the Five Years Strategic Agenda, the municipality operates within the framework of the following municipal strategic priorities:

- ❑ Speeding up growth and transforming the economy to create decent work and sustainable livelihoods.
- ❑ Massive program to build economic and social infrastructure.
- ❑ Comprehensive rural development strategy linked to land and agrarian reform and food.
- ❑ Security.
- ❑ Strengthening the skills and human resource base.
- ❑ Improve the health profile of all our people.
- ❑ Intensify the fight against crime and corruption.
- ❑ Build cohesive, caring, and sustainable communities.

In its vision statement, the municipality asserts to be the leading municipality in the delivery of quality services for the promotion of socio-economic development. The municipality provide core services geared to uplifting the social and economic

standards of the communities by actualizing its mission and values.

1.19.	OTHER	MUNICIPAL	CONTEXT
-------	-------	-----------	---------

The dawn of democracy which was ushered by the establishment of municipal councils as dictated by chapter 7 of the Constitution of Republic of South Africa, came with its own challenges that affected the municipality and residents of Greater Letaba Municipality, however the aim of the administrative restructuring was to ensure a smooth transformation with minimum circumstances hampering service delivery to its residents.

□ ***The Integrated Development Plan***

In compliance with Section 34 of the Municipal Systems Act (Act No.32 of 2000) read in conjunction with Chapter 2 of the Local Government: Municipal Planning and Performance Management Regulations, no. R 796/2001, the Greater Letaba Municipality has developed an Integrated Development Plan which is revised annually, accompanied by organisational review and Performance Management System review.

The IDP is the municipality's strategic planning document which guides and informs all planning and development within the municipality and a tool that enables the municipality to work towards achieving development goals as outlined in the constitution. The IDP informs and is integrally linked and co-ordinated with the municipality's budgeting and performance management process.

The Municipality's long-term vision details the development priorities and cross cutting issues which contribute towards achieving the vision, strategies, programmes, and projects, which are linked to a detailed budget and are all contained in the IDP. The Municipality has developed its objectives, strategies, projects, and programmes in terms of IDP themes. They are:

- *Provision of Infrastructure and Services*
- *Creation of liveable towns and rural areas.*
- *Local Economic Development*
- *Community empowerment & redistribution.*

1.20. ACHIEVEMENTS

- The Electricity Master Plan has been developed and is functional.
- The municipality has invested in the infrastructure development in areas such as street paving.
- The transfer stations in Senwamokgope and Ga-Kgapane are fully functional.
- The rate of service delivery was accelerated by procurement of plans and equipment's.

The Grants allocated to the Municipality were spent as follows :

- **MIG: 100%**
- **FMG :100%**
- **EPWP: 100%**
- **INEP: 100%**
- **MDRG: 36%**

The Municipality received an **Unqualified Audit** opinion for 2023/24 financial year.

1.21 CHALLENGES

- Not all the projects were implemented as planned in the SDBIP because of under collection of expected revenue.
- Debts from Sector Departments.
- Not all by-laws were gazzeted.
- Low Revenue collection.
- Few households receive free basic services.
- Not all identified risks were mitigated.

CHAPTER 2

GOVERNANCE



2.1 Introduction

Good governance has eight major characteristics namely, participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is eradicated, the views of minorities are considered and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society. The municipality through its Anti-fraud and corruption policy and Labour Relations policy has ensured that corruption is eradicated, and corrective disciplinary actions are taken.

2

2.1 INTRODUCTION

Good governance has eight major characteristics namely, participatory, consensus oriented, accountable, transparent, responsive, effective, and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimised, the views of minorities are considered and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society. The municipality through its Ant-fraud and corruption policy and Labour Relations policy has ensured that corruption is minimised, and corrective disciplinary actions are taken.

2.2 GOVERNANCE STRUCTURE

The municipality during the financial year 2023/24 focused on governance and related matters. The Council decision-making and oversight functioning including the administrative tools were regarded as fundamental to enable effective and efficient decision-making and oversight. Fifty-Five (55) policies were implemented covering the entire administrative ambit to enforce compliance to legislations.

Section 151 (3) of the constitution of the Republic of South Africa stipulates that municipalities have the right to govern, on their own initiative, the local government affairs of their communities, subject to provincial legislations.

The Constitution further specifies in section 155 (2) that, "national Legislation must define different types of municipalities that may be established within each category.

2.2.1 Political Structure

In realizing the ideals referred to above, Greater Letaba Municipality was established as a category B municipality in terms of Section 12 of the Municipal Structure's Act No. 117 of 1998. It was established as a municipality with a collective executive system combined with a ward participatory system as per provision of Section 9 (b) of the Municipal Structures Act. During the 2022/23 financial year, Councillor Mamanyoha TD served as the Mayor of Greater Letaba Municipality; Cllr Mokgwati M.M, the Speaker of Council while Cllr Ramalatso R.R as the Chief Whip. The African National Congress had 30 ward Councillors and 17 PR Councillors, Economic Freedom Fighters had 8 Proportional Representative (PR) Councillors, Congress of the People had 2 PR Councillors, Democratic Alliance had 1 PR councillors and LIRA party had 1 each PR Councillor and MIM had 1 PR Councillor The total number of councillors for Greater Letaba was 60.

2.1. Municipality's Political Structure 2023/24



**Honourable Mayor
Cllr Mamanyoha T.D**



**SPEAKER
Cllr MOKGWATHI
M.M**



**CHIEFWHIP
Cllr Ramalatso R. R**

2.2. EXECUTIVE COMMITTEE MEMBERS



Cllr Selowa M.G
Head Water & Sanitation



Cllr Ramaremela J.M
**Head Economic
Development, Housing &
Spatial Planning**



Cllr Lebeko N.F
**Head Corporate & Shared
Services**



Cllr Kgapane T.J
Head Finance



Cllr Baloyi R.G
Head Infrastructure



Cllr M.R. Mosila
Head Community Services



Cllr Mohlele MD
**Head Public Transport
and Roads**



Cllr Ramaano K.E
**Head Sports, Recreation,
Arts & Culture**



Cllr Mangena M.S
**Head Environmental
Affairs**

PORTFOLIO COMMITTEE	HEAD	CHAIRPERSON	COMMITTEE MEMBERS
Environmental Affairs	Cllr. Ramalobela M. L	Cllr. Ngobeni M.P	Cllr. Mampeule P,J Cllr. Mamatlepa D.D Cllr. Raseropo M.S Kgosi Rakwadu
Community Services	Cllr. Mosila M. R	Cllr. Mamaila B.A	Cllr. Hlungwane S.J Cllr. Maake M.S Cllr. Senyolo T.J Hosi Mahuntsi M.T
Public Transport and Roads	Cllr. Mathaba E.M	Cllr. Mokhabukhi M.S	Cllr. Rasebotsa M.S Cllr. Mothomoholo P.S Cllr Morwatshehla M.B Kgosi Phooko N.C
Water and Sanitation Services	Cllr. Selowa M. G	Cllr. Malatja T.P	Cllr. Makgatho T.E Cllr. Rampyapedi S.E Cllr Malatji M.E Kgosi Mamaila Kolobetona
Sports Arts and Culture	Cllr. Ramaano K.E	Cllr. Lebeya M.J	Cllr. Rampyapedi S.E Cllr. Serumula M.L Cllr. Mokgomola N.P Kgosi Pheeha M.B

All committees are constituted by councillors representing different Political Parties, Officials and Traditional Leaders. Section 80 committees are established as and when required as outlined in the Act. The committees operate under the auspices of council and are delegated certain powers and duties to execute.

2.4.Municipal Public Accounts Committee (MPAC)

Greater Letaba Municipality has established Municipal Public Accounts Committee in line with the National Guidelines and the stipulations in Section 79 of the Municipal Structures Act No.117 of 1998 and the committee comprises of the following members:

Table 2.2: MPAC Committee

Name	Gender
Cllr Makhurupetse M..M	Female: Chairperson
Cllr Lekitima M.V	Male
Cllr Mohale M.J	Female
Cllr Monyela K.B	Female

Cllr Selowa D.L	Male
Cllr Ramabubutla L	Female
Cllr Ndimba B.H	Male
Cllr Mabidilala E	Male
Cllr Mangena M.S	Male
Cllr Mohale R.W	Male

2.5.Rules and Ethics Committee

The Rules and Ethics Committee reports to the Speaker of Council (Cllr Mokgwathi M.M). The committee ensures compliance with the Code of Conduct as set out in Schedule 1 of the Local Government: Municipal Systems Act 32 of 2000 as amended. The Code requires that a Municipal Council may establish a special committee to investigate and make a finding on any alleged breach of the Code and make appropriate recommendations to the Municipal Council. The Municipality established Rules and Ethics Committee in 2019 and developed terms of reference for approval by Council. The Committee has attended induction and reviewed the council Rules of Order for approval by Council.

The Rules and Ethics Committee consist of:

Name of the Committee Member	Capacity
Cllr. Manyama M.I	Chairperson
Cllr. Seoka LM	Member
Cllr. Matlou M.P	Member
Cllr. Mothomoholo P.S	Member
Cllr. Makhananesa M.D	Member
Cllr Maake S.M	Member
Cllr Modika M.S	Member
Cllr Kgatla M.E	Member

2.6.Disciplinary Board

The municipality has established a Financial Misconduct Disciplinary Board in terms of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014 read with section 21(1)(a) and (b) of the Municipal Systems Act, 2000. The draft reporting procedure and terms of reference are developed for approval by council. The Financial Misconduct Disciplinary Board consist of the following members.

Name of the Committee Member	Designation	Capacity
Raphalalane R	Chairperson of the Audit Committee	Chairperson
Mukhufi E	Manager: Internal Audit	Member
Chuene KR	Manager : Legal Services	Member
Ramutshell M.P	Chairperson Risk Committee	Member

2.7.Municipal Council

Council is a structure that is vested with executive and legislative authority. Council is chaired by the Speaker who must among other functions ensures that council meetings are conducted in line with council rules and orders and those they meet quarterly. The Council of Greater Letaba Municipality is stable. 4 Ordinary meetings were held as legislated and three (03) special councils meetings held for 2022/23 financial year.

Table 2.3: Statistical report on attendance of Meetings.

COMMITTEE / STUCTURE	MEETINGS SCHEDULED	MEETINGS HELD	STATUS
Council	8	4 Ordinary & 8 Special	Target exceeded
EXCO	8	4 Ordinary & 8 Special	Target exceeded
Corporate & Shared Services	10	10 meetings held	Target met
Infrastructure	4	8 meetings held	Target exceeded
Economic Development, Housing & Spatial Planning	12	13 meetings held	Target Exceeded
Public Transport and Roads	4	4 meetings held	Target met
Community Services	4	6 meetings held	Target exceeded
Environment Affairs	4	4 meetings held	Target met
Sports, Arts and Culture	4	4 meetings held	Target met
Water & Sanitation	4	3 meetings held	Below Target
Finance	7	10	Target Exceeded
Audit Committee	5	6	Target exceeded
MPAC	12	14	Target Exceeded
Risk Committee	4	4	Target met

ICT Steering committee	4	4	Target met
Ethics Committee	4	4	Target met

2.8.Portfolio Committees functionality

The Portfolio Committee system which was established in terms of S79 of the Local Government: Municipal Structures Act, No.117 of 1998, supports the Greater Letaba Municipality Council. Each Portfolio Committee meets once a month. Their core function is to look at specific issues that relate to each Portfolio, research issues and find necessary facts before those issues could be discussed by Councillors who sit in each of the Portfolio committees. The Committee deliberates on issues and make recommendations to EXCO and Council, for the latter to take the final decisions.

2.9. Audit Committee functionality.

The Audit Committee consists of independent external members listed below. The committee is required to meet at least 4 times per annum as per the Audit Committee Charter. The municipality appointed its own audit committee members in accordance with the Municipal Finance Management Act no 56 of 2003 Section 166(2). The functions of the committee among others include the following:

- To advise the Council on all matters related to compliance and effective governance.
- To review the Annual Financial Statements.
- To respond to the council on any issues raised by the Auditor-General in the audit report.
- To review the quarterly reports submitted to it by the internal audit.
- To compile reports to Council.
- To review the performance management system and make recommendations in this regard to Council.
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimized.
- To review the plans of the internal audit function and ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.
- To provide support to the internal audit function

All 4 ordinary Audit Committee meetings and 2 special Audit committee to consider the Annual Financial Statements, Annual Performance Report and Auditor General Report were held. The Audit Committee submitted the (04) ordinary meetings report to Council in 2023/24.

Names	Designation	Number of meetings held	Number of Meetings Attended	Number of Apologies rendered
Raphalalane R	Audit Committee (chairperson)	05	03	2
Mrs. Mojapelo J	Audit Committee member	05	05	0
Mr. Marobane N	Audit Committee member	05	05	0
Ms. Maloko C	Audit Committee member	05	04	1
Ms. Nkwane M	Audit Committee member	05	03	2

Table 2.4: Statistical report on the attendance of Audit Committee meetings

2.10. Administrative Governance Structure

Section 160 1 (d) of the constitution stipulates that, "A Municipal Council may employ personnel that are necessary for the effective performance of its function." To give effect to this provision, council has appointed a Municipal Manager who is the head of administration and also as the accounting officer for the municipality as outlined in Section 82 of the Municipal Structures Act.

The Accounting Officer of Municipality during in 2023/24 was Mr. Sewape M.O. The administrative structure of the municipality has been reviewed and adopted by council on the 15th of May 2024 as required by Section 66 of the Municipal Systems Act. Greater Letaba Municipality has five (5) departments. Each department and the office of the Municipal Manager have specific functions that they perform to give effect to Council's mandate as enshrined in Section 152 of the Constitution of the Republic of South Africa.

The municipality has an approved 2023/24 IDP that informs the Budget and SDBIP. All Senior Managers and the Municipal Manager have duly signed employment contracts and performance agreements in the financial year 2023/24. The management team's mission is to oversee, coordinate and manage the transformation and strategic agenda of the municipality as well as facilitation of the transformation process by providing strategic advice and support for the Mayor, Speaker, Council committees, EXCO and Municipal Council.

The municipal's head office is in Modjadjiskloof, 44 Botha Street, Civic Centre. To ensure accessibility of services to the public, there are three sub-offices which are located at Ga-Kgapane, Mokwakwaila and Senwamokgope.

The following individuals were members of the municipality 's top management:

POSITION	NAME
Municipal Manager	Mr Sewape M.O
Chief Financial Officer	Ms Sesene A./N
Senior manager: Corporate Services	Mr Lekhota MP
Acting Senior Manager: Community Services	Mr Mamatlepa M.L
Senior Manager ; Technical Services	Ms Nhlane G.I
Acting Senior Manager: Development & Town Planning	Mr Shihundla J

MUNICIPALITY'S ADMINISTRATIVE STRUCTURE 2023/24



Mr Sewape M.O
Municipal Manager



Ms Nhlane G.I
Senior
Manager
Technical
Services



Mr Lekhota MP
Senior Manager:
Corporate Services



Ms Sesene A.N
Chief Financial
Officer



Mr Mamatlepa M.L
Director: Community
Services



Mr Shihundla J
Acting Senior Manager
Development & Town
Planning

The Greater Letaba Municipality administration has been organized into five (5) directorates. Each directorate including the Municipal Manager's office, contain a set of operational divisions.

As part of the Institutional transformation and in an endeavour to strengthen and build an efficient administration, alternate delivery mechanisms are reviewed to ensure improved services to communities. In order to enhance operational efficiency, an organisational structure review was undertaken and adopted by Council.

- **The Municipal Manager's Office**

The overall purpose of the office is to provide strategic administrative support to the council. The municipality has five directorates which account to the Municipal Manager as the head of administration as stipulated in Section 55 of the Municipal Systems Act, no 32 of 2000. The Municipal Manager's Office renders the following functions:

- *Risk and internal audit.*
- *Legal*
- *Performance Management System.*
- *Communication and events.*
- *Disaster services.*
- *Infrastructure*
- *Development and planning.*
- *Community services and social development.*
- *Corporate services.*
- *Budget and treasury*

2.11. Intergovernmental Relations

Intergovernmental Relations issues are handled by the Mayor's Office which is responsible for developing, promoting, and implementing all the international, national and local citizenship relationships to maintain a positive profile of Greater Letaba, nationally and internationally.

2.12. Public Accountability and Participation

- **Communication**

Local Government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments, all impose an obligation on Local Government communicators and require high levels of transparency, accountability, openness, participatory democracy, and direct

communication with the communities to improve the lives of all. The communities, on the other hand, have a right and a responsibility to participate in local government affairs and decision-making and ample provision is made in the above-mentioned legislation for them to exercise their right in this respect. The municipality is committed to the principle of Batho Pele.

Good customer care is of fundamental importance to the municipality. The municipality has a Communication Strategy which links the people to the municipality's programme for the year. Below is a communication checklist of the compliance to the communication requirements:

COMMUNICATION ACTIVITY	YES/NO
Communication Unit	Yes
Communication strategy	Yes
Communication policy	Yes
Language policy	Yes
Whistle Blowing Policy	Yes
Customer Satisfaction Survey	No
Functional Complaints Management system	Yes
No. of Newsletters issued in 2023/24	0
No. of public participations held as per Section 16 of the Municipal Systems Act	11
No. of Imbizos held	04
No. of newspaper articles/notices published	655

2.13. Ward Committees

The municipal council has established 30 functional Ward committees in line with Section 73 of the Municipal Structures Act. The term of office corresponds with the term stipulated in section 24 of the Local Government Laws Amendment Act No. 19 of 2008. The committees are chaired by ward councillors and have powers and functions to make recommendations on any matter affecting their ward to all structures of council through the ward councillors as specified in Section 74 of the Act. Ward committees give effect to public participation as outlined in chapter 4 of the Municipal Systems Act by assisting Ward councillors in mobilizing, organizing consultative meetings and activities, disseminating information, and encouraging participation from residents in the ward. Ward committees have a budget to cater for their out-of-pocket expenditure. Ward committees are required as per the plan to submit monthly reports to office of the speaker.

In addition to ward committees, the SDBIP were made public. The SDBIP contained projected financial and service delivery Indicators and deliverables. Members of the public were invited to participate in the Oversight process related to the Annual Report. To promote public accountability and participation, members of the public were invited to attend all meetings of the Council meetings. These were held prior to developing the draft budget in order to provide feedback to the community about the implementation of projects in the current financial year and to stimulate the needs of the community in order to provide input for the new financial year.

2.14. Corporate Governance

The municipality has functioned in accordance with the political, statutory and other relationships between its political structures, political office bearers and administration and its community. It has exercised its authority within the constitutional system of co-operative government envisaged in section 41 of the Constitution. The administration is governed by the democratic values and principles embodied in section 195(1) of the Constitution. It has the functions and powers assigned to it in terms of sections 156 and 229 of the Constitution. It sought to achieve the integrated, sustainable, and equitable social and economic development of its area. These functions are listed in Chapter 5 of the Local Government: Municipal Structures Act, 1998, as amended, ("the Structures Act").

2.15. Risk Management

Risk management forms part of management's core responsibilities and it is an integral part of the internal processes of the municipality. Members of the Risk Committee were Risk Committee Chairperson, Municipal Manager, All Senior Managers, Manager ICT, Manager Internal Unit, Manager PMS and Risk Officer. When properly executed, risk management provides reasonable assurance, that the municipality will be successful in achieving its goals and objectives. MFMA S62 (i)(c) requires a municipality to have and maintain an effective, efficient, and transparent system of risk management.

The municipality is aware of the impact of risk on service delivery; as such it has developed extensive risk mitigating measures for both strategic and operational risks that have been identified. The King III report on corporate governance has identified risk governance as one of the cornerstones that if successfully implemented, can create and sustain stakeholder value. The following are risks that the municipality have identified during the 2023/24 financial year.

Table 2.5: Major risk identified during risk assessment workshop.

No	Strategic Objective	Risk Description	Mitigation Action	Risk Owner
1	Access to sustainable quality basic services.	Basic services disruptions	<ul style="list-style-type: none"> • Review of electricity master plan • Review of road master plan • Installation of solar and inventor system • Implementation of Electricity infrastructure maintenance plan • Implementation of road maintenance plan • Development of IGR reporting structure • Gazetting of By-laws (Property rates, Credit and debt management, environmental management and electricity by-laws) 	<ul style="list-style-type: none"> • Dir: Technical • Dir: Technical • Dir: Technical • Dir: Technical
2	Improved quality of life	Unsafe working environment and conditions	<ul style="list-style-type: none"> • Implementation of Occupational Health and Safety risk assessment recommendation • Training of employees on standard operating procedures for OHS • Training of employees on fall arrester system • Procurement of fall arrester system 	<ul style="list-style-type: none"> • Dir: Corporate • Dir: Corporate • Dir: Corporate • Dir: Corporate
3	Improved governance and organization excellence	<ul style="list-style-type: none"> • Fraud and corruption 	<ul style="list-style-type: none"> • Ongoing financial interest disclosure • Pre-employment screenings • Review of fraud prevention plan • Conduct fraud and ethics risks assessment. • Employee induction programmes (Integrity, ethics, and conduct) • Investigation of fraud and corruption cases reported. • Implementation of consequence management • Implementing system generated receipts 	<ul style="list-style-type: none"> • Dir: Corporate • Risk Officer • Risk Officer • Risk Officer • Dir: Corporate • Legal Unit • MM • CFO

No	Strategic Objective	Risk Description	Mitigation Action	Risk Owner
4	Sustainable financial institution	Inability to raise sufficient revenue	<ul style="list-style-type: none"> Finalisation of township establishment Increase revenue collection (Billing Vs Collection: 80%) Review of detailed revenue enhancement strategy Implementation of revenue enhancement strategy 	<ul style="list-style-type: none"> Dir planning CFO CFO CFO
5	Improved quality of life	Inadequate response to current and future climate change impacts	<ul style="list-style-type: none"> Strengthening of infrastructure (roads, bridges and halls) to prepare for increase in climate change. Development of climate change response strategy Implementation of climate change response strategy 	<ul style="list-style-type: none"> Dir: Technical Dir: Community Dir: Community
6	Improved human resource	Ineffective human resource management	<ul style="list-style-type: none"> Effective implementation of training program Implementation of organisational structures with clear roles and accountabilities Implementation of codes of ethics and fair labour practices. Effective communication with employees Cascading PMS to lower-level employees 	<ul style="list-style-type: none"> Dir: Corporate Dir: Corporate Dir: Corporate Dir: Corporate Dir: Corporate
7	Improved governance and organization excellence	Cyber-attack and phishing	<ul style="list-style-type: none"> Implementation of ICT governance framework Implementation of vulnerability test assessment recommendations Information security awareness campaigns Implementation of mime cast system 	<ul style="list-style-type: none"> Dir: Corporate Dir: Corporate Dir: Corporate Dir: Corporate
8	Sustainable financial institution	Inability to collect debt	<ul style="list-style-type: none"> Implementation of credit control policy Gazetting of property rates and debt collection by-laws Conducting of data cleansing 	<ul style="list-style-type: none"> CFO MM CFO

No	Strategic Objective	Risk Description	Mitigation Action	Risk Owner
9	Integrated sustainable development	Non-alignment of IDP, Budget and SDBIP	<ul style="list-style-type: none"> Utilisation of Munsoft to align IDP, Budget and SDBIP Consideration of plans (IDP, budget and SDBIP) by technical rep forum Reviewal of plans by IA 	<ul style="list-style-type: none"> MM MM MM
10	Integrated sustainable Human settlement	Uncoordinated land development	<ul style="list-style-type: none"> Effective communication with landowners 	<ul style="list-style-type: none"> Dir: Planning
11	Improved and inclusive local economy	Uncoordinated informal and street trading	<ul style="list-style-type: none"> Conduct door to door campaigns for unregistered businesses. Development Street trading by-Laws 	<ul style="list-style-type: none"> Dir: Planning Dir: Planning
12	Integrated sustainable Human settlement	Land invasion	<ul style="list-style-type: none"> Finalisation of land invasion strategy development Implementation of SPLUMA by-laws Establishment of vrystat township Implementation of land invasion court orders 	<ul style="list-style-type: none"> Dir: Planning Dir: Planning Dir: Planning Dir: Planning

2.16. Anti-Corruption and Fraud

The municipality has an approved Anti-fraud and corruption policy and Fraud prevention plan address fraud and corruption within the municipality, In addition, Labour Relations and Whistle blowing policies are also in place and implemented.

2.17. Supply chain Management

The municipality's Supply Chain Management (SCM) unit is a support function for all directorates within the municipality to ensure provision of efficient, transparent, fair, equitable and cost-effective

procurement services hence assisting them to implement their service delivery priorities. In terms of the MFMA SCM regulations, the SCM unit is established to implement the SCM policy adopted by council. It has operated under the direct supervision of the Chief Financial Officer. The supply chain management policies were adopted by Council and published on the website.

2.18. By-laws

The Municipal Systems Act of 2000, Section 11 (3) (m) provides Municipal Councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation. During the financial year 2023/24 the municipality did not gazette any new by-laws.

2.19. Website

The municipal website (www.greaterletaba.gov.za) is an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies. The website is maintained by State Information Technology Agency (SITA).

The municipality's website is functional and operational.

The table below gives an indication about the information and documents that are published on our website

Table

DESCRIPTION OF INFORMATION AND/OR DOCUMENT	YES/NO
Municipal contact details (Section 14 of the Promotion of Access to Information Act)	
Full Council details	Yes
Contact details of the Municipal Manager	Yes
Contact details of the CFO	Yes
Physical address of the Municipality	Yes
Postal address of the Municipality	Yes
Financial Information (Sections 53, 75, 79 and 81(1) of the MFMA)	

Annual and adjustments budgets and all budget-related documents / reports	Yes
All current budget-related policies	Yes
The annual report (2022/23 published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2023/24)	Yes
All service level agreements 2023/24	No
All long-term borrowing contracts (2024/24)	N/A
All supply chain management contracts above a prescribed value of R200 000 for 2023/24	No
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2023/24	No
Public-private partnership agreements referred to in section 120 made in 2023/24	No
All quarterly reports tabled in the council in terms of section 52 (d) during 2023/24	Yes
Integrated Development Plan (IDP) 2023/24	Yes
Service Delivery Budget Implementation Plan (SDBIP) 2023/24	Yes

2.20. Governance Highlights

- MPAC was able to hold one (1) public hearing on Annual Report, a strategic retreat session, regular project visits, and meetings with the Management Team.
- The municipality managed to support emerging farmers through training and providing them with financial assistance.
- Establishment and induction of the municipal **Rules and Ethics Committee**.
- Establishment of **Disciplinary Board**

Contact Person: Ramahala T		Phone no: 0726688131		Email address: Thulir@glm.gov.za		
Description	"A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))"	"B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))"	Consolida ted: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d)	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f)	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e)
Financial Officials						
Accounting officer	1	n/a	1	1	1	1
Chief financial officer	1	n/a	1	0	1	1
Senior managers	3	n/a	3	2	2	2
Any other financial officials	4	n/a	4	1	1	4
Supply Chain Management Officials						
Heads of supply chain management units	01	n/a	01	0	n/a	0
Others						
Other officials and Councillors	48	n/a	48		n/a	48
Finance Interns	07	n/a	07	0	n/a	n/a
TOTAL	64	n/a	64	5	5	20

CHAPTER 3

SERVICE DELIVERY PERFORMANCE

GREATER LETABA MUNICIPALITY



2023/24 ANNUAL PERFORMANCE REPORT



Introduction	3
Municipal Strategic Intent	4
Revenue & expenditure Projections	5
Comparison of Performance	7
Key Challenges	8
Municipal Transformation and Organisational Development KPIs	9
Municipal Financial Viability KPIs	12
Basic Service Delivery KPIs	18
Good Governance and Public Participation KPIs	22
Local Economic Development KPIs	25
2023/24 Projects Milestones	29
Project Removed during Adjustment	38
Capital Works Plan	41
Performance of Service Providers	47
Service Delivery Backlog	51
Approval	52

INTRODUCTION

Introduction

In terms of Section 46 of Municipal Systems Act, a municipality must prepare for each financial year a performance report reflecting a) the performance of the municipality and each with the key Performance Indicators and of each external service provider during that financial year, b) a comparison of the performance referred to in paragraph(a) with targets set for and performance in the previous financial year. c) measures taken to improve the performance. An Annual Performance Report must form part of the municipality's Annual Report in terms of Chapter 12 of Municipal Finance Management Act.

The 2023 /24 performance of Greater Letaba Municipality was monitored through the Service Delivery and Budget Implementation Plan. The Plan was drafted in line with the approved Integrated Development Plan and Budget of the municipality. The Annual performance Report considers the performance of the municipality at year end, an evaluation of overall performance for the 2023/24 financial year compared to the performance of the previous year 2022/23 and reflect the reasons for deviation from the planned target as well as efforts made to address the performance that was not achieved. This report will outline the performance assessment, mainly the five Key Performance Areas and projects as well as Service Delivery Backlog and Assessments of Service providers.

MUNICIPAL STRATEGIC INTENT

Vision and Mission	<p>The strategic vision of the organization sets the long-term goal the Municipality wants to achieve. The vision of Greater Letaba Municipality is:</p> <p><i>“To be the leading municipality in the delivery of quality services for the promotion of socio economic development”</i></p> <p>The strategic mission speaks about what the purpose of Greater Letaba Municipality is: To ensure an effective, efficient, and economically viable municipality through:</p> <ul style="list-style-type: none"> • Promotion of accountable, transparent and consultative and co-operative governance; • Promotion of local economic development and poverty alleviation; • Strengthening cooperative governance;
Strategy map	<ul style="list-style-type: none"> • Provision of sustainable and affordable services and • Ensuring a compliant, safe and healthy environment • Utilisation of smart technology <p>The strategic Objectives of the municipality are presented in the Strategy Map below:</p> <pre> graph TD QoL[Improved quality of life (BSD)] <--> LED1[Improved and inclusive local economy (LED)] QoL <--> ASB[Access to sustainable quality basic services (BSD)] LED1 <--> ASB LED1 <--> ISD[Integrated sustainable development (LED)] ASB <--> ISD ISD <--> HR[Improved human resources (MTOD)] HR <--> IG[Improved governance and organisational excellence (GG)] IG <--> FSI[Financially sustainable institution (MFVM)] FSI <--> IHS[Integrated human settlement (LED)] IHS <--> QoL IHS <--> ASB IHS <--> ISD IHS <--> HR IHS <--> IG IHS <--> FSI </pre>

2022/23 MONTHLY REVENUE AND EXPENDITURE PROJECTIONS													
	Jul '23	Aug '23	Sept '23	Oct '23	Nov '23	Dec '23	Jan '24	Feb '24	Mar '24	Apr '24	May '24	Jun '24	Total
Budgeted Revenue By Source													
Property rates	R 1 866 333	R 1 866 333	R 1 866 333	R 1 866 333	R 1 866 333	R 1 866 333	R 1 866 333	R 1 866 333	R 1 866 333	R 1 866 333	R 1 866 333	R 1 866 333	R 22 396 000
Service charges - Waste Management	R 504 916	R 504 916	R 504 916	R 504 916	R 504 916	R 504 916	R 504 916	R 504 916	R 504 916	R 504 916	R 504 916	R 504 916	R 6 059 000
Sale of goods and rendering of services	R 125 667	R 125 667	R 125 667	R 125 667	R 125 667	R 125 667	R 125 667	R 125 667	R 125 667	R 125 667	R 125 667	R 125 667	R 1 508 000
Agency Services	R 280 667	R 280 667	R 280 667	R 280 667	R 280 667	R 280 667	R 280 667	R 280 667	R 280 667	R 280 667	R 280 667	R 280 667	R 3 368 000
Interest earned from receivables	R 312 583	R 312 583	R 312 583	R 312 583	R 312 583	R 312 583	R 312 583	R 312 583	R 312 583	R 312 583	R 312 583	R 312 583	R 3 751 000
Interest earned from current and non current Assets	R 114 750	R 114 750	R 114 750	R 114 750	R 114 750	R 114 750	R 114 750	R 114 750	R 114 750	R 114 750	R 114 750	R 114 750	R 1 377 000
Rental fro fixed assets	R 20 750	R 20 750	R 20 750	R 20 750	R 20 750	R 20 750	R 20 750	R 20 750	R 20 750	R 20 750	R 20 750	R 20 750	R 249 000
Licences and permits	R 1 793 583	R 1 793 583	R 1 793 583	R 1 793 583	R 1 793 583	R 1 793 583	R 1 793 583	R 1 793 583	R 1 793 583	R 1 793 583	R 1 793 583	R 1 793 583	R 21 523 000
Operational Revenue	R 26 750	R 26 750	R 26 750	R 26 750	R 26 750	R 26 750	R 26 750	R 26 750	R 26 750	R 26 750	R 26 750	R 26 750	R 321 000
Property rates	R 1 130 917	R 1 130 917	R 1 130 917	R 1 130 917	R 1 130 917	R 1 130 917	R 1 130 917	R 1 130 917	R 1 130 917	R 1 130 917	R 1 130 917	R 1 130 917	R 13 517 000
Fines, penalties and forfeits	R 49 917	R 49 917	R 49 917	R 49 917	R 49 917	R 49 917	R 49 917	R 49 917	R 49 917	R 49 917	R 49 917	R 49 917	R 599 000
Transfers and subsidies- Operational	R 32 415 166	R 32 415 166	R 32 415 166	R 32 415 166	R 32 415 166	R 32 415 166	R 32 415 166	R 32 415 166	R 32 415 166	R 32 415 166	R 32 415 166	R 32 415 166	R 388 982 000
Interest	R 216 000	R 216 000	R 216 000	R 216 000	R 216 000	R 216 000	R 216 000	R 216 000	R 216 000	R 216 000	R 216 000	R 216 000	R 2 598 000
of Assests	R 67 000	R 67 000	R 67 000	R 67 000	R 67 000	R 67 000	R 67 000	R 67 000	R 67 000	R 67 000	R 67 000	R 67 000	R 800 000
Total Revenue (excluding capital	R 38 920 750	R 38 920 750	R 38 920 750	R 38 920 750	R 38 920 750	R 38 920 750	R 38 920 750	R 38 920 750	R 38 920 750	R 38 920 750	R 38 920 750	R 38 920 750	R 467 049 000
Budgeted Expenditure by Vote													
Vote 1 - Executive & Council	R 5 554	R 5 554	R 5 554	R 5 554	R 5 554	R 5 554	R 5 554	R 5 554	R 5 554	R 5 554	R 5 554	R 5 554	R 66 651
Vote 2 - Finance and Administration	R 13 129	R 13 129	R 13 129	R 13 129	R 13 129	R 13 129	R 13 129	R 13 129	R 13 129	R 13 129	R 13 129	R 13 129	R 13 129

Vote 3 - Internal Audit	R 261	R 261	R 261	R 261	R 261	R 261	R 261	R 261	R 261	R 261	R 261	R 261	R 261	R 3 138
Vote 4 - Community and Public Safety	R 10	R 10	R 10	R 10	R 10	R 10	R 10	R 10	R 10	R 10	R 10	R 10	R 10	R 12 934
Vote 5 - Sports and Recreation	R 2399	R 2399	R 2399	R 2399	R 2399	R 2399	R 2399	R 2399	R 2399	R 2399	R 2399	R 2399	R 2399	R 28 785
Vote 6 - Housing	R 119	R 119	R 119	R 119	R 119	R 119	R 119	R 119	R 119	R 119	R 119	R 119	R 119	R 1 40
Vote 7 - Planning and Development	R 15	R 15	R 15	R 15	R 15	R 15	R 15	R 15	R 15	R 15	R 15	R 15	R 15	R 18 196
Vote 8 - Road Transport	R 6181	R 6181	R 6181	R 6181	R 6181	R 6181	R 6181	R 6181	R 6181	R 6181	R 6181	R 6181	R 6181	R 74 175
Vote 9 - Energy Sources	R 4470	R 4470	R 4470	R 4470	R 4470	R 4470	R 4470	R 4470	R 4470	R 4470	R 4470	R 4470	R 4470	R 53 645
Vote 10 - Waste Water Management	R 42	R 42	R 42	R 42	R 42	R 42	R 42	R 42	R 42	R 42	R 42	R 42	R 42	R 501
Total Operational Expenditure	R 38 920	R 38 920	R 38 920	R 38 920	R 38 920	R 38 920	R 38 920	R 38 920	R 38 920	R 38 920	R 38 920	R 38 920	R 38 920	R 467 049

ANNUAL PERFORMANCE SUMMARY OF RESULTS FOR 2023/24

KPA's Performance Indicator and Projects	No. of Applicable Indicators including projects	No. of Targets Achieved	No. of Targets Not Achieved	% Targets Achieved	% Targets Not Achieved
Municipal Transformation and Organisational Development	15	15	0	100%	0%
Municipal Finance Management Viability	25	16	9	64%	36%
Basic Service Delivery	50	38	12	76%	24%
Good Governance and Public Participation	14	7	7	50%	50%
Local Economic Development	25	16	9	64%	36%
TOTAL	129	92			
	71%				

A SUMMARY OF COMPARISON OF ANNUAL PERFORMANCE FOR 2022/23 AND 2023/24 FINANCIAL YEARS RESPECTIVELY

KPA's Performance Indicator and Projects	2022/23 FY			2023/24 FY		
	No. of Applicable Indicators including projects	No. of Targets Achieved	No. of Targets Not Achieved	No. of Applicable Indicators including projects	No. of Targets Achieved	No. of Targets Not Achieved
Municipal Transformation and Organisational Development	14	10	4	15	15	0
Municipal Finance Management Viability	25	13	12	25	16	9
Basic Service Delivery	37	28	9	50	37	13
Good Governance and Public Participation	22	12	10	14	7	7
Local Economic Development	22	15	7	25	16	9
TOTAL	120	78		129	91	
	65%			71%		

KEY CHALLENGES FOR 2023/24 FINANCIAL YEAR

- 1, Low Revenue collection
- 2, Poor debts collection
- 3, Few households receive free basic services
- 4, Absence of Waste Management By-laws
- 5, Not all AG findings were resolved by the end of the financial
- 6, Not all identified risks were mitigated

KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT KEY PERFORMANCE INDICATORS														
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance- June 23	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual Performance	Remarks	Challenges/ Variations	Corrective Measures	Evidence required
IDP_MTOD 001	*0046	Improved human resources	IDP	IDP and Budget approved by Council by 31 May '24	Number	The approval of the Budget and IDP by 31 May will result in a score of 1	1	1	1	1	TARGET ACHIEVED	NONE	NONE	Council Minutes/Resolution
IDP_MTOD 002	*0046	Improved human resources	Human Resource Management	Approved organisational structure	Number	The approval of the organisational structure by 31 May will result in a score of 1	1	1	1	1	TARGET ACHIEVED	NONE	NONE	Council Approved Organizational structure, Council Minutes
IDP_MTOD 003	*0046	Improved human resources	Human Resource Management	Number of employees trained	Number	Number of employees trained in line with the approved Workplace Skills Plan	88	20	20	74	TARGET ACHIEVED	Coghsta, Salga and LGSeta offered additional trainings in the 23/24 FY	NONE	WSP Attendance Registers
IDP_MTOD 004	*0046	Improved human resources	Human Resource Management	Operational Electronic PMS system and compliance with PMS regulation	Percentage	Electronic PMS system used for reporting would result in 50% achievement and compliance aspects of Reg 890 implemented would result in 50% achievement	New KPI	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	System Generated quarterly PMS reports Reg 890 compliance checklist
IDP_MTOD 005	*0046	Improved human resources	Human Resource Management	Percentage of Service Level Agreements (SLA) signed within 14 days	Percentage	Number of SLA's signed within 14 days of appointment letter being issued expressed as a percentage of the total number of SLA's signed during a specific period	New KPI	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	SLA register
IDP_MTOD 006	*0046	Improved human resources	Human Resource Management	Approved HRM Strategy	Number	Human Resource Management Strategy approved in Council will result in a 1 being achieved	New KPI	1	1	1	TARGET ACHIEVED	NONE	NONE	HRM strategy, Council Resolution
IDP_MTOD 007	*0046	Improved human resources	Human Resource Management	Developed Change management strategy	Number	Developed Change management strategy approved in Council will count as 1 being achieved	New KPI	1	1	1	TARGET ACHIEVED	NONE	NONE	Change Management strategy, Council Resolution
IDP_MTOD 008	*0046	Improved human resources	Special Programmes	% increase in the participation by people with disability	Percentage	Percentage of people attending Special Programme Events that have a disability compared to the Percentage in the prior year, should be double to comply	100%	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	Agenda Attendance Registers Register of prior year event attendance

KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT KEY PERFORMANCE INDICATORS														
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance- June 23	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual Performance	Remarks	Challenges/ Variations	Corrective Measures	Evidence required
IDP_MTO009	*0046	Improved human resources	Special Programmes	% increase in the participation of community in gender initiatives and mainstream programmes	Percentage	Number of community members attending Special programmes events should increase by 100% compared to the prior year	100%	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	Agenda Attendance Registers Register of prior year event attendance
IDP_MTO010	*0046	Improved human resources	Special Programmes	% increase in the participation by youth initiatives and mainstream programme	Percentage	Percentage of people attending Special Programme Events that are youths compared to the Percentage in the prior year, should be double to comply	50%	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	Agenda Attendance Registers Register of prior year event attendance
IDP_MTO011	*0046	Improved human resources	Special Programmes	% increase in HIV/AIDS programmes in the municipality	Percentage	Number of HIV programmes held should increase by 100% compared to the prior year	50%	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	Agenda Attendance Registers Register of prior year event attendance
IDP_MTO012	*0046	Improved human resources	Special Programmes	SLA signed and implemented (Dpt of Sports, Art & Culture)	Number	SLA signed with the Dpt of Sports, Art & Culture and implemented by 30 June '24 will result in 1 being achieved	New KPI	1	1	1	TARGET ACHIEVED	NONE	NONE	SLA Progress Reports
IDP_MTO013	*0046	Improved human resources	Special Programmes	Percentage Reduction of Disaster risks	Percentage	Percentage of Disaster risks identified compared to Percentage Disaster risks identified in the prior year	New KPI	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	Disaster Risk Register
IDP_MTO014	*0046	Improved human resources	Human Resource Management	Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	Number	Number of people in 3 highest levels in compliance with EE Plan	18	21	21	21	TARGET ACHIEVED	NONE	NONE	Employment Equity reports

KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT KEY PERFORMANCE INDICATORS														
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance- June 23	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual Performance	Remarks	Challenges/ Variations	Corrective Measures	Evidence required
IDP_M TOD 015	*0046	Improved human resources	Human Resource Management	Percentage of a municipality's budget actually spent on implementing its workplace skills plan	Percentage	(1) (R-value of operating budget spent on training) / (2) (Total Operating Budget) *100	0.2%	0,2%	0,2%	0.2%	TARGET ACHIEVED	NONE	NONE	Financial Report

KPA 2: MUNICIPAL FINANCIAL VIABILITY KEY PERFORMANCE INDICATORS															
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance June 23	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual Performance	Remarks	Challenges/ Variations	Corrective measures	Responsible Dept	Evidence required
IDP_MFV M001	*0040	Financially sustainable institution	Revenue	% increase in revenue collected	Percent	Percentage of revenue collected for 23/24 compared to prior year collection	89%	95%	95%	64%	TARGET NOT ACHIEVED	Customers response on debts payment is not satisfactory	Debtors awareness on paying accounts in kgapane and senwamokgop e.Issuing of notices to restrict services and cutt off of electricity in modjadjiskloof	Finance	Revenue Reports
IDP_MFV M002	*0040	Financially sustainable institution	Revenue	Approved Revenue enhancement strategy	Number	Revenue enhancement strategy approved by Council will count as 1 being achieved	New KPI	1	1	0	TARGET NOT ACHIEVED	Extensive engagement with the draft	Council to approve the Revenue enhancement strategy in 2024 25 FY first quarter	Finance	Revenue Enhancement strategy
IDP_MFV M003	*0040	Financially sustainable institution	Fleet management	Number of inspection reports conducted	Number	Simple count of the number of fleet inspections conducted and reported	New KPI	100	100	100	TARGET ACHIEVED	NONE	NONE	Finance	Fleet Inspection reports
IDP_MFV M004	*0040	Financially sustainable institution	Asset Management	Number of asset verification conducted	Number	Simple count of the number of assets verified	New KPI	100	51	51	TARGET ACHIEVED	NONE	NONE	Finance	Asset Management Plan Asset Verification report

KPA 2: MUNICIPAL FINANCIAL VIABILITY KEY PERFORMANCE INDICATORS															
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance June 23	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual Performance	Remarks	Challenges/ Variations	Corrective measures	Responsible Dept	Evidence required
IDP_MFV M005	*0040	Financially sustainable institution	Supply Chain Management	Percentage of bids and quotations awarded as per procurement plan	Number	Count of the number of bids awarded within the timelines as contained in the Procurement plan expressed as a percentage of the total number of bids on the procurement plan	New KPI	100%	100%	95%	TARGET NOT ACHIEVED	All bids and quotations on adjusted procurement plan have been awarded except for procurement Transformers which have been rolled over to the next financial year. Transformer funds were moved to Capital project for work done because MIG were adjusted/decreased.	Transformers to be procured in the 2024/25 FY	Finance	Procurement Plan Procurement Reports
IDP_MFV M006	*0040	Financially sustainable institution	MSCOA compliance	Implementation of the MSCOA Modules	Percent	Full implementation of Financial Management System modules required to achieve 100%	New KPI	100%	100%	80%	TARGET NOT ACHIEVED	Assets module was stated as not implemented, however the SCM and IDP is partially implemented.	To be implement in 2024/25 FY	Finance	Munsoft System Screenshots
TL_MFVM 006	*0040	Financially sustainable institution	Supply Chain Management	Percentage of Bids awarded within 90 days after advertisement	Percent	Number of Bids awarded within 90 of days after advertisement as percentage of the total number of bids advertised	100%	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	Finance	Bid register

KPA 2: MUNICIPAL FINANCIAL VIABILITY KEY PERFORMANCE INDICATORS															
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance June 23	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual Performance	Remarks	Challenges/ Variations	Corrective measures	Responsible Dept	Evidence required
TL_MFVM 007	*0040	Financially sustainable institution	Revenue	Percentage of debts collected	Percentage	R-value debt collected as a percentage of the R-value outstanding debtors	2%	60%	60%	11%	TARGET NOT ACHIEVED	Consumers failure to pay accounts, historical debts from packed/closed accounts generating monthly interests, Loan account of stands at kgapane and Government departments failure to honour payments.	Appointment of debt collectors. Data cleansing by the municipality. Proposal to council to write off irrecoverable debts.	CFO	Financial reports
TL_MFVM 008	*0040	Financially sustainable institution	Budget and Reporting	Number of quarterly financial statements submitted to Provincial Treasury	Number	Number of quarterly Financial statements compiled and submitted to Provincial Treasury	4	4	4	2	TARGET NOT ACHIEVED	Quarter 1 and Quarter 2 Financials were not submitted due to finalisation of the audited adjusted 2022/23 AFS. Caseware system only allows preparation of the current financials after finalisation of the audited adjusted AFS.	Engage with the caseware system administrator to enhance the system to be able to prepare current financials.	CFO	Dated proof of submission Financial Statements
TL_MFVM 009	*0040	Financially sustainable institution	Budget and Reporting	Draft budget for 2024/25 tabled by 31 March annually	Number	The tabling of the draft Budget, for the following financial year, by 31 March will result in a score of 1	1	1	1	1	TARGET ACHIEVED	NONE	NONE	CFO	Draft Budget, Council Resolution

KPA 2: MUNICIPAL FINANCIAL VIABILITY KEY PERFORMANCE INDICATORS															
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance June 23	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual Performance	Remarks	Challenges/ Variations	Corrective measures	Responsible Dept	Evidence required
TL_MFVM 010	*0040	Financially sustainable institution	Budget and Reporting	Final budget for 2024/25 approved by 31 May annually	Number	The approval of the final Budget, for the following financial year, by 31 May will result in a score of 1	1	1	1	1	TARGET ACHIEVED	NONE	NONE	CFO	Final Budget, Council Resolution
TL_MFVM 011	*0040	Financially sustainable institution	Budget and Reporting	Number of Budget related policies approved by Council	Number	Number of budget related policies approved along with the budget	21	21	21	29	TARGET ACHIEVED	There was a need to increase the number of budget related policies to comply with legislation	NONE	CFO	Budget related policies, Council Resolution
TL_MFVM 012	*0040	Financially sustainable institution	Budget and Reporting	Council to approve the Adjusted Budget annually by 28 February	Number	The approval of an Adjustment budget, for the current financial year, by Council by 28 February will result in a score of 1	1	1	1	1	TARGET ACHIEVED	NONE	NONE	CFO	Adjustment budget, Council Resolution
TL_MFVM 013	*0040	Financially sustainable institution	Budget and Reporting	Submit annual financial statements to the Auditor General by 31 August annually	Number	The submission of the Annual Financial Statements by 31 August will result in a score of 1	1	1	1	1	TARGET ACHIEVED	NONE	NONE	CFO	Dated proof of submission of AFS to AG
TL_MFVM 014	*0040	Financially sustainable institution	Budget and Reporting	Number of updated Unauthorised, Irregular, fruitless and wasteful expenditure (UIF) registers signed off by the CFO (Sect 32 of MFMA)	Number	Monthly updated UIF registers is expected	12	12	12	12	TARGET ACHIEVED	NONE	NONE	CFO	Monthly updated of UIF Register signed off by CFO
TL_MFVM 015	*0040	Financially sustainable institution	Budget and Reporting	Average number of working days taken to submit monthly MFMA Sect 71 reports to Treasury after month-end	Number	Any number of days, less than an average of 10 working days, will result in an overachievement and exceeding 10 days will reflect as underachievement	10	10	10	10	TARGET ACHIEVED	NONE	NONE	CFO	Sect 71 reports Dated proof of submission to Treasury

KPA 2: MUNICIPAL FINANCIAL VIABILITY KEY PERFORMANCE INDICATORS															
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance June 23	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual Performance	Remarks	Challenges/ Variations	Corrective measures	Responsible Dept	Evidence required
TL_MFVM 016	*0040	Financially sustainable institution	Budget and Reporting	Cost coverage	Ratio	R-value cash plus investments / Fixed operating expenditure	1.1	1,1	1,1	0,31:1	TARGET NOT ACHIEVED	The municipality's 2023 24 budget was unfunded which led to other commitment not met	To cut down own projects and budget for depreciation and debt impairment to avoid operating on an unfunded budget	CFO	Financial reports, reflecting calculations
TL_MFVM 017	*0040	Financially sustainable institution	Supply Chain Management	Percentage of invoices paid within 30 days of receipt from the service providers	Percentage	Number of invoices paid within 30 days of receipt as a percentage of the Total number of invoices received for the period	100%	100%	100%	96,70%	TARGET NOT ACHIEVED	Eskom invoice was paid within 30 days but not cleared on the creditors age analysis which resulted to non payment on the financial system	To clear all creditors invoices paid within 30 days from the creditors ageing on a monthly basis	CFO	Register of Invoices Dated proof of payment
TL_MFVM 018	*0040	Financially sustainable institution	Expenditure Management	Percentage of the approved capital budget spent	Percentage	R-value capital expenditure as a percentage of the capital budget	81%	100%	100%	90%	TARGET NOT ACHIEVED	There was additional Disaster grant received In February 2024 and implementation is until Dec 2024	Implementation of all projects budget for current year financial	CFO	Financial reports
TL_MFVM 019	*0040	Financially sustainable institution	Expenditure Management	Percentage of the Operational budget spent	Percentage	R-value operational expenditure as a percentage of the operational budget	100%	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	CFO	Financial reports
TL_MFVM 020	*0029	Financially sustainable institution	Expenditure Management	Percentage of Municipal Infrastructure Grant (MIG) budget spent	Percentage	R-value MIG expenditure as a percentage of the MIG budget	100%	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	TECH	Financial reports

KPA 2: MUNICIPAL FINANCIAL VIABILITY KEY PERFORMANCE INDICATORS															
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance June 23	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual Performance	Remarks	Challenges/ Variations	Corrective measures	Responsible Dept	Evidence required
TL_MFVM 021	*0029	Financially sustainable institution	Expenditure Management	Percentage of Integrated National Energy Programme (INEP) budget spent	Percentage	R-value INEP expenditure as a percentage of the INEP budget	100%	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	TECH	Financial reports
TL_MFVM 022	*0040	Financially sustainable institution	Expenditure Management	Percentage of Finance Management Grant (FMG) budget spent	Percentage	R-value FMG expenditure as a percentage of the FMG budget	100%	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	CFO	Financial reports
TL_MFVM 023	*0040	Financially sustainable institution	Expenditure Management	Percentage of Expanded Public Works Programme (EPWP) budgetscent	Percentage	R-value EPWP expenditure as a percentage of the EPWP budget	100%	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	TECH	Financial reports
TL_MFVM 024	*0040	Financially sustainable institution	Expenditure Management	Percentage of Free Basic Services (FBS) budget spent	Percentage	R-value FBS expenditure as a percentage of the FBS budget	100%	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	CFO	Financial reports

KPA 3 : BASIC SERVICE DELIVERY KEY PERFORMANCE INDICATORS (KPIs)																
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline/ Previous Performance- June 2023	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Budget 2023/24	Actual Performance	Remarks	Challenges/ Variation	Corrective Measures	Responsible Dept	Evidence required
IDP_BSD0 01	*0029	Improved quality of life	Electricity	Approved Electricity Master Plan	Number	Electricity Master plan approved will be counted as 1 achieved	New KPI	1	1	Operational	0	TARGET NOT ACHIEVED	Delays from sign off by the Department of Energy	To be approved by council in 2024 25 FY	Tech	Signed Electricity Master Plan
IDP_BSD0 02	*0029	Improved quality of life	Electricity	Number of planned maintenance done	Number	Simple count of the number of planned maintenance initiatives conducted inline with maintenance plan	New KPI	100	100	Operational	94	TARGET NOT ACHIEVED	Breakdown of machinery.	Servicing of machinery	Tech	23/24 Maintenance Plan Signed job cards
IDP_BSD0 03	*0029	Improved quality of life	Water Services	Percentage Implemented Water Service Provider (WSP) Agreement	Percentage	Number of WSP conditions implemented expressed as a percentage of the total number of conditions in the agreement	New KPI	100%	100%	Operational	50%	TARGET NOT ACHIEVED	Both Mopani and GLM not honouring their agreements in terms of the signed SLA	Both parties to honour clause 9.3.6 of the SLA	Tech	WSP Agreement Compliance Report
IDP_BSD0 04	*0029	Improved quality of life	Roads Infrastructure	Developed Road Master Plan	Number	Approved Roads Master plan will result in a 1 achieved	New KPI	1	1	Operational	0	TARGET NOT ACHIEVED	Project not budgeted	Road Master Plan to be developed when the budget is available/allocated, No POE Attached	Tech	Roads Master Plan Council resolution
IDP_BSD0 05	*0029	Improved quality of life	Budget management	Number of projects funded	Number	Simple count of the number of infrastructure projects funded in the current budget	New KPI	40	40	Operational	28	TARGET NOT ACHIEVED	The actual infrastructure projects funded is 28 and was not adjusted	Only funded projects to be included in the next financial	Tech	Funded Service Delivery Projects Budget report

KPA 3 : BASIC SERVICE DELIVERY KEY PERFORMANCE INDICATORS (KPIs)																
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance- June 2023	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Budget 2023/24	Actual Performance	Remarks	Challenges/ Variation	Corrective Measures	Responsible Dept	Evidence required
IDP_BSD006	*0029	Improved quality of life	Infrastructure management	Number of MIG projects implemented	Number	Simple count of the number of PMU projects on the MIG Implementation plan for 23/24, implemented	14	9	10	R 65 174750	10	TARGET ACHIEVED	NONE	NONE	Tech	Quarterly Project Progress Reports
IDP_BSD007	*0029	Improved quality of life	Electricity	Number of households connected	Number	Simple count of the number of households within the GLM service area that are supplied with electricity according to the billing system	1022	2000	844	Operational	862	TARGET ACHIEVED	Number of prepaid meters not converted picked up during TID roll over	NONE	Tech	Billing Report
IDP_BSD008	*0029	Improved quality of life	Free basic services	Number of approved list of Households receiving Free Basic Water (FBW)	Number	Count of the number of households receiving Free Basic Water Services by GLM on the billing system	New KPI	60	60	Operational	11	TARGET NOT ACHIEVED	There is illegal connection of Eskom electricity in Gakgapane and Senwamokgope. Most people are not applying for indigent due to illegal connection.	Municipality to encourage the consumers in the ratable areas to register for indigent support during public participation and mayoral imbizos. Municipality has issued a notice inviting residents to apply indigent support through local media forum and municipal Facebook page	Tech	Billing Report

KPA 3 : BASIC SERVICE DELIVERY KEY PERFORMANCE INDICATORS (KPIs)																
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance- June 2023	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Budget 2023/24	Actual Performance	Remarks	Challenges/ Variation	Corrective Measures	Responsible Dept	Evidence required
IDP_BSD009	*0029	Improved quality of life	Free basic services	Number of approved list of Households receiving Free Basic Electricity (FBE)	Number	Count of the number of households receiving Free Basic Electricity Services by GLM on the billing system	844	860	860	Operational	1301	TARGET ACHIEVED	NONE	NONE	Tech	Billing Report
IDP_BSD010	*0029	Improved quality of life	Municipal Offices	Number of offices created	Number	Count of the number of new offices created	New KPI	2	2	Operational	2	TARGET ACHIEVED	NONE	NONE	Tech	Building construction Reports
IDP_BSD011	*0029	Access to sustainable quality basic services	Solid waste management	Number of Skip bins purchased and placed in the rural areas	Number	Simple count of the number of villages where skip bins are placed and emptied at least once per quarter	22	30	22	Operational	22	TARGET ACHIEVED	NONE	NONE	CSD	Waste collection truck log books (village names reflecting) Proof of purchase

KPA 3 : BASIC SERVICE DELIVERY KEY PERFORMANCE INDICATORS (KPIs)																
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline / Previous Performance- June 2023	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Budget 2023/24	Actual Performance	Remarks	Challenges/ Variation	Corrective Measures	Responsible Dept	Evidence required
IDP_BSD012	*0029	Access to sustainable quality basic services	Solid waste management	Landfill site operational and generating revenue	Percentage	Approval of Landfill designs by DWS (50%) and commence Completed and operational landfill site with Construction (50%)	New KPI	100%	100%	Operational	50%	TARGET NOT ACHIEVED	Delay in approval of designs by DWS	The municipality to start with SCM processes to appoint a contractor to commence with construction of the landfill site	CSD	DWS Landfill site approval Project Implementation progress report
IDP_BSD013	*0029	Access to sustainable quality basic services	Solid waste management	Number of Solid-waste management By-laws Gazetted	Number	By-law developed to control illegal dumping Gazetted will count as 1	Draft By-law developed, awaiting gazetting	1	1	Operational	0	TARGET NOT ACHIEVED	The public participation is done awaiting gazetting.	To gazette in the next financial year.	CSD	Illegal Dumping By-law Government Gazette
TL_BSD015	*0029	Improved quality of life	Roads Infrastructure	Kilometers of roads graded	Percentage	Simple count of number of kilometres of road graded	New KPI	800km	800km	Operational	1009.71KM	TARGET ACHIEVED	The Municipality appointed service providers for plants hire	NONE	Tech	Quarterly Road Maintenance Programme/Register of job cards for grading/ Progress Reports
TL_BSD016	*0029	Access to sustainable quality basic services	Solid waste management	Number of households with access to kerbside solid waste collection	Number	Simple count of the number of households in the GLM service area with access to kerbside solid waste collection	2731	2696	2696	Operational	2865	TARGET ACHIEVED	More households identified that needed waste collection	NONE	CSD	Billing Report
TL_BSD017	*0029	Access to sustainable quality basic services	Solid waste management	Number of environmental awareness campaigns	Number	Simple count of the number of environmental awareness campaigns held	4	4	4	Operational	4	TARGET ACHIEVED	NONE	NONE	CSD	Attendance Registers Pictures Programmes

KPA 4 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION KEY PERFORMANCE INDICATORS (KPIs)															
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline /Previous performance-June 2023	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual; Performance	Remarks	Challenge s/Variation	Corrective Measures	Responsib le Dept	Evidence required
IDP_GG001	*0046	Improved governance and organisational excellence	Customer Care	Number of Community satisfaction surveys completed	Number	Community satisfactory survey conducted and reportsubmitted will be counted as 1 being achieved	New KPI	1	1	0	TARGET NOT ACHIEVED	Budget constraints	To be implemented in house in 2024-25	CORP	Community Satisfaction Survey Report
IDP_GG002	*0046	Improved governance and organisational excellence	Records Management	Operational Electronic Record Management System	Percentage	Implementation of and operational Electronic File record management system required to achieve 100%	New KPI	100%	100%	0	TARGET NOT ACHIEVED	Budget constraints	To review munsoft SLA in the next financial year 2024 25	CORP	Screenshots of Electronic Records System
IDP_GG003	*0046	Improved governance and organisational excellence	Audit Management	Implementation of the Internal Audit Action plan	Percentage	Number of AG action plan activities implemented expressed as a percentage of the total number of activities required by the Audit Action Plan	100%	100%	100%	68%	TARGET NOT ACHIEVED	Budget constraints	To budget for the implementation of the internal audit action plan	MM	Audit Action Plan Reports
IDP_GG004	*0046	Improved governance and organisational excellence	Audit Management	% of AG findings resolved	Percentage	Number of AG findings resolved as a percentage of the total number of AG findings received in the prior year audit	100%	100%	100%	59%	TARGET NOT ACHIEVED	Some challenges will be resolved upon completion of 2023 24 AFS	To resolve AG Finding before the end of the Financial Year	MM	Audit Action Plan Reports
IDP_GG005	*0046	Improved governance and organisational excellence	Revenue Management	Number of Approved and gazetted by-law	Number	By-laws gazetted for Property Rates, Debt collection, Electricity, Waste management	New KPI	4	4	0	TARGET NOT ACHIEVED	Gazetting was not done due to budget constraints but approved by Council	Municipality to gazette by laws in 2024 25 FY	Finance	By-laws Government Gazette
IDP_GG006	*0046	Improved governance and organisational excellence	Information Technology	% Aligned strategies	Percentage	ICT strategy revised to align with IDP will result in achievement of 100%	New KPI	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	CORP	Revised ICT Strategy

KPA 4 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION KEY PERFORMANCE INDICATORS (KPIs)															
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline /Previous performance-June 2023	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual; Performance	Remarks	Challenge s/Variation	Corrective Measures	Responsib le Dept	Evidence required
IDP_GG007	*0046	Improved governance and organisational excellence	Fraud and Corruption	% of complaints and reported cases reported and resolved	Percentage	Number of complaints and reported cases resolved expressed as a percentage of the total number of complaints or cases reported	New KPI	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	CORP	Fraud & Corruption case register
IDP_GG008	*0046	Improved governance and organisational excellence	Development Planning	Developed stakeholder management framework	Number	Stakeholder Management Framework approved by Council will be counted as 1 being achieved	New KPI	1	1	0	TARGET NOT ACHIEVED	Still under consultation	To be approved in the first quarter 2024 25 FY	CORP	Stakeholder Management Framework Council Resolution
IDP_GG009	*0046	Improved governance and organisational excellence	Risk Management	% Implementation of identified risk mitigation	Percentage	Number of risks mitigated expressed as a percentage of total number of risks identified	New KPI	100%	100%	54%	TARGET NOT ACHIEVED	Budget constraints and delay in finalisation of processes by management	Ensure that mitigation actions are budgeted for in 2024 25 to fast track implementation of mitigation actions	MM	Risk management Reports
IDP_GG010	*0046	Improved governance and organisational excellence	Risk Management	Approved Strategic Risk Assessment Reports	Percentage	Quarterly approval of Strategic Risk reports in Council will result in a 100% being achieved	New KPI	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	MM	Council Resolutions on Strategic Risk reports
IDP_GG011	*0046	Improved governance and organisational excellence	Public Participation	% of complaints resolved	Percentage	Number of complaints received from the public that have been resolved, expressed as a percentage of the total number of complaints registered	New KPI	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	CORP	Complaintes register

KPA 4 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION KEY PERFORMANCE INDICATORS (KPIs)															
Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline /Previous performance-June 2023	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual; Performance	Remarks	Challenge s/Variation	Corrective Measures	Responsib le Dept	Evidence required
IDP_GG012	*0046	Improved governance and organisational excellence	Public Participation	Number of Community Imbizos held	Number	Simple count of the number of Imbizos held	New KPI	4	4	4	TARGET ACHIEVED	NONE	NONE	CORP	Imbizo Programme Attendance Registers Reports
IDP_GG013	*0046	Improved governance and organisational excellence	Ward Committee Functionality	Number of Reports submitted	Number	Simplecount of the number of ward committee reports submitted	New KPI	120	120	120	TARGET ACHIEVED	NONE	NONE	CORP	Ward Committee Reports

KPA 5 : LOCAL ECONOMIC DEVELOPMENT & SPATIAL RATIONAL KEY PERFORMANCE INDICATORS (KPIs)

Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline /Previous Performance- June 2023	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual Performance	Remarks	Challenges/Variations	Corrective Measures	Responsible Dept	Evidence required
IDP_LED001	*0022	Integrated human settlement	Spatial Planning	Approved Land Invasion Strategy	Number	Land Invasion Strategy Approved by Council will be counted as 1 being achieved	New KPI	1	1	1	TARGET ACHIEVED	NONE	NONE	PLAN	Inception Report, Draft Strategy, Advert/ Land Invasion Strategy Council Minutes
IDP_LED002	*0022	Integrated human settlement	Spatial Planning	Number of Township established	Number	Township establishment concluded will be counted as 1.	New KPI	1	1	1	TARGET ACHIEVED	NONE	NONE	PLAN	SG Plan and approval
IDP_LED003	*0022	Integrated human settlement	Spatial Planning	Approved Rural Development Strategy	Number	Rural Development Strategy approved by Council will be counted as 1 being achieved	New KPI	1	1	1	TARGET ACHIEVED	NONE	NONE	PLAN	Inception Report, Draft Strategy, Advert/ Rural Development Strategy Council Minutes
IDP_LED004	*0022	Integrated human settlement	Spatial Planning	Number of sites demarcated and approved	Number	Simple count of the number of sites demarcated and approved	New KPI	60	60	60	TARGET ACHIEVED	NONE	NONE	PLAN	SG Plan and approval
IDP_LED005	*0022	Integrated human settlement	Spatial Planning	Approved Precinct Plan	Number	Precinct Plan for Kgapane , Modjadiskloof and Senwamokope approved by Council will be counted as 1 being achieved	New KPI	3	3	0	TARGET NOT ACHIEVED	Budget Constraints	Allocation of budget in the 2024 25 FY	PLAN	Inception Report, Draft Plans, Advert Precinct plans for Kgapane & Modjadiskloof Council Minutes
IDP_LED006	*0022	Integrated human settlement	Property Valuation	Approved compliance Valuation Roll	Number	Property valuation roll completed and approved will count as 1	New KPI	1	1	1	TARGET ACHIEVED	NONE	NONE	CFO	Reviewed Valuation Roll
IDP_LED007	*0022	Integrated human settlement	RDP Housing support	Number of housing beneficiary policy approved and implemented	Number	The approval of a RDP housing beneficiary policy by Council will count as 1	New KPI	1	1	0	TARGET NOT ACHIEVED	Housing Policy still in the development stage	To speedily get inputs from stakeholders and finalize the policy	PLAN	Housing Beneficiary Policy Council Resolution
IDP_LED008	*0022	Improved and inclusive local economy	Local Economic Development	# of SMME's training attended	Number	Simple count of the number of attendees to SMME training sessions arranged by GLM	3	100	100	164	TARGET ACHIEVED	The number of SMMEs attended the training were more than expected/targeted	NONE	PLAN	SMME Training session Invitation, Agenda & Attendance Register
IDP_LED009	*0022	Improved and inclusive local economy	Local Economic Development	Number of Marketing initiatives conducted	Number	Simple count of number of initiatives meetings undertaken to market the municipality at a formal event	3	100	4	4	TARGET ACHIEVED	NONE	NONE	PLAN	Attendance Register Marketing Material/ Presentation

KPA 5 : LOCAL ECONOMIC DEVELOPMENT & SPATIAL RATIONAL KEY PERFORMANCE INDICATORS (KPIs)

Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline /Previous Performance- June 2023	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual Performance	Remarks	Challenges/Variations	Corrective Measures	Responsible Dept	Evidence required
IDP_LED010	*0022	Improved and inclusive local economy	Local Economic Development	# of jobs created through tourism activities	Number	Simple count of the number of separate individuals employed at Tourism related activities	New KPI	200	200	202	TARGET ACHIEVED	The reason for variation was as a result of the funded tourism projects which resulted in additional employment creation	NONE	PLAN	Project Implementation Reports Job creation register
IDP_LED011	*0022	Improved and inclusive local economy	Local Economic Development	# of jobs created through agricultural activities	Number	Simple count of the number of separate individuals employed at Agriculture related activities	New KPI	300	300	507	TARGET ACHIEVED	The reason for variation was as a result of the funded agricultural projects which resulted in additional employment creation	NONE	PLAN	Project Implementation Reports Job creation register
IDP_LED012	*0022	Improved and inclusive local economy	Local Economic Development	% of formalised register of markets	Percentage	Number of markets formally registered expressed as a percentage of the total number of existing markets	New KPI	70%	70%	70%	TARGET ACHIEVED	NONE	NONE	PLAN	Report on location of existing markets Business registration Register

KPA 5 : LOCAL ECONOMIC DEVELOPMENT & SPATIAL RATIONAL KEY PERFORMANCE INDICATORS (KPIs)

Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline /Previous Performance- June 2023	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual Performance	Remarks	Challenges/Variations	Corrective Measures	Responsible Dept	Evidence required
TL_LED013	*0022	Integrated and sustainable development	Integrated Planning	Percentage of capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan (IDP)	Percentage	R-value spent on capital projects as contained in the approved IDP as a percentage of the total capital expenditure	1	100%	100%	90%	TARGET NOT ACHIEVED	There was additional Disaster grant received In February 2024 and implementation is until Dec 2024	To Implement all projects budgeted for in the current year financial	MM	IDP Capital allocation Capital Budget expenditure reconciliation
TL_LED014	*0022	Integrated human settlement	Spatial Planning	Percentage of land use applications processed within 90 days	Percentage	Number of land use applications processed within 90 days as a percentage of the total number of land use applications received	100%	100%	100%	100%	TARGET ACHIEVED	NONE	NONE	PLAN	Dated register recording land use applications and approval dates
TL_LED015	*0022	Improved and inclusive local economy	Local Economic Development	Number of jobs created through municipal funded Capital Projects	Number	Number of jobs (Full time equivalent) created through municipal funded Capital Projects	387	600	600	576	TARGET NOT ACHIEVED	Projects are implemented in phases and are multi year contracts.	To increase more jobs by appointing more projects	TECH	Progress report
TL_LED016	*0022	Improved and inclusive local economy	Local Economic Development	Number of LED Forums coordinated	Number	Number of quorate LED Forum meetings coordinated by the GLM	4	4	4	4	TARGET ACHIEVED	NONE	NONE	PLAN	Agenda, Minutes & Attendance register
TL_LED017	*0022	Integrated and sustainable development	Integrated Planning	IDP/Budget/PMS Process Plan to be approved by Council on 31 July annually	Number	The approval of the IDP/Budget /PMS process plan by 31 July will result in a score of 1	1	1	1	1	TARGET ACHIEVED	NONE	NONE	MM	Council Approved IDP/ Budget/ PMS Process plan, Council Resolution
TL_LED018	*0022	Integrated and sustainable development	Integrated Planning	Draft IDP to be tabled in Council by 30 March annually	Number	The approval of the draft IDP by 30 March will result in a score of 1	1	1	1	1	TARGET ACHIEVED	NONE	NONE	MM	Draft IDP Council Resolution
TL_LED019	*0022	Integrated and sustainable development	Integrated Planning	Final IDP to be approved by Council by 30 May annually	Number	The approval of the Final IDP by 30 May will result in a score of 1	1	1	1	1	TARGET ACHIEVED	NONE	NONE	MM	Final IDP Council Resolution

KPA 5 : LOCAL ECONOMIC DEVELOPMENT & SPATIAL RATIONAL KEY PERFORMANCE INDICATORS (KPIs)

Ref no	Vote No	Strategic Objective	Municipal Programme	Key Performance Indicator	KPI Unit of measure	Description of unit of measure	Baseline /Previous Performance- June 2023	Annual Target (30/06/2024)	Revised Annual Target (30/06/2024)	Actual Performance	Remarks	Challenges/Variations	Corrective Measures	Responsible Dept	Evidence required
TL_LED020	*0022	Integrated and sustainable development	Integrated Planning	Number of IDP/Budget/ PMS REP Forum meetings held	Number	Simple count of the number of quorate meetings of the IDP/ Budget/ PMS Representative forum	5	5	5	4	TARGET NOT ACHIEVED	One meeting was postponed due to conflicting activities	To adhere to corporate calender	MM	Agenda, Minutes & attendance register
TL_LED021	*0022	Integrated and sustainable development	Integrated Planning	Number of IDP/Budget/ PMS Steering Committee meetings held	Number	Simple count of the number of quorate meetings of the IDP/ Budget/ PMS steering committee	5	5	5	4	TARGET NOT ACHIEVED	One meeting was postponed due to conflicting activities	To adhere to corporate calender	MM	Agenda, Minutes & attendance register

2023/24 PROJECT MILESTONES																			
Ref no	Region/ Ward	Strategic Objective	Programme	Project Name	Project description	Funding Type	Budget for 2023/24	Revised Budget for 2023/24	Start Date	Completi on date	Project Owner	Baseline/Pre vious Performance June 2023	Annual Target	Actual Performance	Remarks	Challenges/V ariations	Corrective Measures	Evidence required	Source of Funding
Good Governance																			
CP_GG002	Head office	Improved governance and organisational excellence	Information Technology	Installations of DSTV Decoder	Installation of Dstv Decoder	Capex	R 3 500,00	R 3 500,00	01/07/2023	30/06/2024	CORPS	New Project	Delivery of Dstv Decoder-100%	100%	TARGET ACHIEVED	NONE	NONE	Delivery note/ GRN and Payment Certificate	Own revenue
BASIC SERVICE DELIVERY																			
CP_BSD002	Headoffice	Access to sustainable quality basic services	Office facilities	Designs for the extension of Municipal Office building	Design for the extension of Municipal Main office	Capex	R 500 000,00	R 500 000,00	01/07/2023	30/06/2024	Tech	New Project	Develop and approve Detailed Design Report- (25%) 100%	75%	TARGET NOT ACHIEVED	Preliminary Design Report Completed. Work in progress to produce the detail design report by the engineers	To speed the process of finishing the detailed design report	Appointment letter/(Scopin g report/PDR/D DR-Approval letter/s)	Own revenue
CP_BSD003	01, 06 & 07	Access to sustainable quality basic services	Sports & Recreation	Completion of Madumeleng/ Shotong Sports Complex	Construction of Madumeleng/ Shotong Sport Complex	Capex	R 9 404 000,00	R 9 404 000,00	01/07/2023	30/06/2024	Tech	Construction of the Madumeleng/ Shotong Sport Complex physical progress (80%)	Construction of the Madumeleng/ Shotong Sport Complex completed (100%)	95%	TARGET NOT ACHIEVED	contractor abandoned site. Contractor served with intention to terminate the contract	Contractor served with intention to terminate.	Progress report/Practic al or completion certificate	MIG/Own revenue
CP_BSD004	18	Access to sustainable quality basic services	Stormwater management	Low level bridge at Roerfontain	Roerfontain Roads and stormwater- Construction of Roerfontain low level bridge	Capex	R 1 150 000,00	R 1 150 000,00	01/07/2024	30/06/2025	Tech	New Project	Physical progress for construction of Roerfontain low level bridge completed - 50% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Progress report/Compl etion certificate	Municipal Disaster Managem ent Grant/MD RG
CP_BSD005	3	Access to sustainable quality basic services	Stormwater management	Low level bridge at Itieleng	Itieleng Roads and stormwater- Itieleng regravelling- 1,2km	Capex	R 1 500 000,00	R 1 500 000,00	01/07/2025	30/06/2026	Tech	New Project	Physical progress for construction of Itieleng regravelling completed - 50% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Progress report/Compl etion certificate	Municipal Disaster Managem ent Grant/MD RG

2023/24 PROJECT MILESTONES																			
Ref no	Region/ Ward	Strategic Objective	Programme	Project Name	Project description	Funding Type	Budget for 2023/24	Revised Budget for 2023/24	Start Date	Completi on date	Project Owner	Baseline/Pre vious Performance June 2023	Annual Target	Actual Performance	Remarks	Challenges/V ariations	Corrective Measures	Evidence required	Source of Funding
CP_BSD006	Ward 25	Access to sustainable quality basic services	Stormwater management	Construction of Buqa low level bridge (1)	Construction of Buqa low level bridge	Capex	R 1 250 000,00	R 1 250 000,00	01/07/2023	30/06/2024	Tech	New Project	Physical progress for construction of Buqa low level bridge completed - 50% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Progress report/Completion certificate	Municipal Disaster Management Grant/MDRG
CP_BSD008	15	Access to sustainable quality basic services	Roads	Construction of Street Paving at Raphahlelo/Phooko (2.48 km)	Construction of Street Paving at Raphahlelo/Phooko (2.48 km)(Multi-year)	Capex	R 6 940 000,00	R 4 727 454,84	01/07/2023	30/06/2024	Tech	Physical progress for construction of 2,5km- (90%)	Physical progress for construction of 2,5km-5% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Progress report/Completion certificate	Own revenue
CP_BSD009	26	Access to sustainable quality basic services	Roads	Construction Of Ramodumo street paving	Construction of Street Paving at Ramodumo (3.5 km) (Multi-year)	Capex	R 11 830 000,00	R 13 879 571,11	01/07/2023	30/06/2024	Tech	Physical progress for construction of 3,5km- (50%)	Physical progress for construction of 3,5km at 85%	87%	TARGET ACHIEVED	Project is being implemented in a multi year approach	NONE	Progress report	MIG and own revenue
CP_BSD010	27	Access to sustainable quality basic services	Roads	Construction of Rampepe Access Bridge	Construction of Access Bridge at Rampepe (Multi-year)	Capex	R 2 200 000,00	R 3 143 510,00	01/07/2023	30/06/2024	Tech	Physical progress for construction of 20m Access Bridge 70%	Physical progress for construction of 20m Access Bridge completed 100%	100%	TARGET ACHIEVED	NONE	NONE	Progress report/Completion Certificates	Own revenue
CP_BSD011	25	Access to sustainable quality basic services	Roads	Construction of Abel Street Paving	Construction of Abel Street Paving (2.8 km)-Multi-year	Capex	R 11 102 467,00	R 13 571 881,00	01/07/2023	30/06/2024	Tech	Physical progress for construction of 2,8km streets at 55%	Physical progress for construction of 2,8km streets at 82%	89%	TARGET ACHIEVED	Project is being implemented in a multi year approach	NONE	Progress report	MIG/Own revenue
CP_BSD012	19	Access to sustainable quality basic services	Roads	Construction of Moliabaneng street paving-Multi Year (3,3 km)	Construction of Street Paving at Moliabaneng (3.3 km) (Multi-year)	Capex	R 6 246 314,00	R 3 525 495,05	01/07/2023	30/06/2024	Tech	Physical progress for construction of 3,3km streets including 40m bridge at 85%	Physical progress for construction of 3,3km streets including 40m bridge completed (100%)	100%	TARGET ACHIEVED	NONE	NONE	Progress report/completion certificate	MIG and own revenue

2023/24 PROJECT MILESTONES																			
Ref no	Region/ Ward	Strategic Objective	Programme	Project Name	Project description	Funding Type	Budget for 2023/24	Revised Budget for 2023/24	Start Date	Completi on date	Project Owner	Baseline/Pre vious Performance June 2023	Annual Target	Actual Performance	Remarks	Challenges/V ariations	Corrective Measures	Evidence required	Source of Funding
CP_BSD013	2	Access to sustainable quality basic services	Roads	Construction of Moshakha/ Makaba Street Paving (2.5 km)	Construction of Moshakga/ Makaba street paving (2.5 km)- (Multi-year)	Capex	R 9 000 000,00	R 10 300 000,00	01/07/2023	30/06/2024	Tech	Specification developed for procurement of contractor 2.5%	Physical progress for construction of 2.5km at 40%	82%	TARGET ACHIEVED	Project is a multi-Year. The contractor exceeded the expected milestone for the 1st year	NONE	Tender advert, Appointment letter for contractor, Progress reports	MIG
CP_BSD015	30	Access to sustainable quality basic services	Roads	Designs for Boshakhe Bridge	Designs of Boshakhe bridge	Capex	R 400 000,00	R 1 000 000,00	01/07/2023	30/06/2024	Tech	Preliminary designs developed- 2%	Develop & approve Detailed Designs-0.5% (2.5%)	2.50%	TARGET ACHIEVED	NONE	NONE	Detailed designs approval letter	Own revenue
CP_BSD016	2	Access to sustainable quality basic services	Roads	Construction of Motsinoni street paving (1.5 km)- Multi-year	Construction of Mtsinoni street paving (1.5 km)	Capex	R 5 000 000,00	R 8 046 098,17	01/07/2023	30/06/2024	Tech	Physical progress for construction of 1,5km streets at 65%	Physical progress for construction of 1,5km streets at 90%	100%	TARGET ACHIEVED	Project completed before end date contractor overperformed	NONE	Progress report	Own revenue
CP_BSD017	1	Access to sustainable quality basic services	Roads	Construction of Thibeni street paving (2. 3 km)	Construction of Thibeni street paving (2. 3 km) Multi-year	Capex	R 4 500 000,00	R 5 000 000,00	01/07/2023	30/06/2024	Tech	Physical progress for construction of 2.3km Streets at 25%	Physical progress for construction of 2.3km Streets at 45%	45%	TARGET ACHIEVED	NONE	NONE	Progress reports	Own revenue
CP_BSD019	8	Access to sustainable quality basic services	Roads	Construction of Burkina Faso street paving -Multi Year (2km)	Construction of Burkino Faso Street Paving (2 km) Multi year	Capex	R 9 000 000,00	R 8 500 000,00	01/07/2023	30/06/2024	Tech	Designs Developed 2,5%	Physical progress for construction of 2km streets at 25% (28,5%)	28.50%	TARGET ACHIEVED	NONE	NONE	Tender advert/Appoin tment letter/Progress report	MIG
CP_BSD020	23	Access to sustainable quality basic services	Roads	Construction of Maupa Street Paving- Multi Year (4.9 km)	Construction of Maupa Street Paving (4.9 km) Multi year	Capex	R 9 000 000,00	R 8 190 997,84	01/07/2023	30/06/2024	Tech	Designs developed- 2.5%	Physical progress for construction of 4.9km Streets at 18%	26%	TARGET ACHIEVED	Project is being implemented in a multi year approach	NONE	Tender advert, Appointment of Contractor, Progress reports Completion Certificates	MIG

2023/24 PROJECT MILESTONES																			
Ref no	Region/ Ward	Strategic Objective	Programme	Project Name	Project description	Funding Type	Budget for 2023/24	Revised Budget for 2023/24	Start Date	Completi on date	Project Owner	Baseline/Pre vious Performance June 2023	Annual Target	Actual Performance	Remarks	Challenges/V ariations	Corrective Measures	Evidence required	Source of Funding
CP_BSD021	4	Access to sustainable quality basic services	Roads	Construction of Masakhaneng Street Paving (3.1 km) Multi-year (3.1 km)	Construction of Masakhaneng Street Paving (3.1 km) Multi-year (3.1 km)	Capex	R 7 728 725,00	R 6 094 040,00	01/07/2023	30/06/2024	Tech	Preliminary designs developed- 2%	Physical Progress for construction of 3.1km at 18%	34.50%	TARGET ACHIEVED	Project is being implemented in a multi year approach	NONE	Detailed design report approval letter, Tender advert, Appointment letter, Progress report	MIG
CP_BSD022	Head Office	Access to sustainable quality basic services	Traffic & Licensing	Supply and delivery of 2 Traffic Vehicles	Supply and delivery of 2 Traffic vehicles	Capex	R 800 000,00	R 800 000,00	01/07/2023	30/06/2024	Comm	New Project	Appointment of service provider - 5% (20%); Patrol Vehicles delivered - 100% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Delivery note/ GRN and Payment Certificate	Own revenue
CP_BSD024	29	Access to sustainable quality basic services	Electricity	Refurbishing of LV network	Refurbishment of LV network at Pearl and Orchards streets- Modjadjiskloof	Capex	R 1 000 000,00	R 1 606 334,97	01/07/2023	30/06/2024	Director Tech	New Project	Appoint service provider for construction and commencement of construction - 5% (9.5%)	100%	TARGET ACHIEVED	Specification was developed internally without the use of consultant and contractor procurement process were advanced thus leading over achievement. The project commenced in quarter 3 instead of quarter 4	NONE	Proof of submission of Specification to SCM/ Advertisement/ Appointment letter/ Completion Certificate	Own revenue

2023/24 PROJECT MILESTONES																			
Ref no	Region/ Ward	Strategic Objective	Programme	Project Name	Project description	Funding Type	Budget for 2023/24	Revised Budget for 2023/24	Start Date	Completi on date	Project Owner	Baseline/Pre vious Performance June 2023	Annual Target	Actual Performance	Remarks	Challenges/V ariations	Corrective Measures	Evidence required	Source of Funding
CP_BSD025	29	Access to sustainable quality basic services	Electricity	Replacement of old HT Cables from Spar to FNB-Modjadjiskloof	Replacement of old HT cables from Spar to FNB-Modjadjiskloof	Capex	R 1 000 000,00	R 1 008 772,02	01/07/2023	30/06/2024	Director Tech	New Project	Refurbishment of HV cables from Panorama connecting the Hospital and installation cable to complete the normal open points completed - 80% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Proof of submission of Specification to SCM/ Advertisement/ Appointment letter/ Completion Certificate	Own Funding
CP_BSD026	29	Access to sustainable quality basic services	Electricity	Supply and delivery of Emergency Transformers	Supply and delivery of Emergency Transformers for GLM network	Capex	R 1 000 000,00	R 1 000 000,00	01/07/2023	30/06/2024	Director Tech	New Project	Transformers delivered completed - 80% (100%)	20%	TARGET NOT ACHIEVED	Specification was developed but the budget was later moved to moshakga makaba street paving	Transformers to be procured in the 24/25 Financial Year	Proof of submission of Specification to SCM/ Advertisement/ Appointment letter/ Completion Certificate	Own Funding
CP_BSD027	Head office	Access to sustainable quality basic services	Electricity	Supply and delivery of mobile Scaffolding	Supply and delivery of Mobile Scaffolding	Capex	R 30000,00	R 80000,00	01/07/2023	30/06/2024	Director Tech	New Project	Mobile Scaffolding delivered - 80% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Proof of submission of specification to SCM/Appointment	Own revenue
CP_BSD028	Head office	Access to sustainable quality basic services	Waste Disposal	Maphalle Landfill Site ph 2	Designs of Maphalle landfill site phase 2 (Multi-year)	Capex	R 500 000,00	R 2 000 000,00	01/07/2023	30/06/2024	Director Tech	Designs developed -2%	Develop Specification document and submit to SCM- (0.4%) (3%)	3.30%	TARGET ACHIEVED	NONE	NONE	MIG registration letter/Proof of Submission specification document to SCM	MIG

2023/24 PROJECT MILESTONES																				
Ref no	Region/ Ward	Strategic Objective	Programme	Project Name	Project description	Funding Type	Budget for 2023/24	Revised Budget for 2023/24	Start Date	Completi on date	Project Owner	Baseline/Pre vious Performance June 2023	Annual Target	Actual Performance	Remarks	Challenges/V ariations	Corrective Measures	Evidence required	Source of Funding	
CP_BSD030	Head office	Access to sustainable quality basic services	Parks and recreation	Supply and delivery of 20 Grass Cutters	Supply and delivery of 20 Grass Cutters	Capex	R 400 000,00	R 378 000,00	01/07/2023	30/06/2024	Comm	New Project	Procurement of 15 Brush Cutters completed - 85% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Specifications Advertisemen t Appointment Letter Delivery Notes	Own revenue	
CP_BSD031	All wards	Access to sustainable quality basic services	Solid Waste Collection	Supply and Delivery of 11 Skip Bins (6 cubic meter)	Supply and delivery of 11 Skip Bins (6 cubic meter)	Capex	R 500 000,00	R 873 340,00	01/07/2023	30/06/2024	Comm	22 Skip Bins	Procurement of 18 Skip Bins completed - 85% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Specifications Advertisemen t Appointment Letter Delivery Notes	Own revenue	
CP_BSD032	All wards	Access to sustainable quality basic services	Electricity	Supply and construction of High Mast light in variuos villages	Supply and construction of High Mast light in variuous villages	Capex	R2 499 254	R2 499 254	01/07/2023	30/06/2024	Tech	New Project	Connections completed at Maupa Phase 3 (89 Connections) 80% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Specifications Advertisemen t Appointment Letter Delivery Notes	MIG	
CP_BSD033	8	Access to sustainable quality basic services	Roads	Regravelling of Rapitsi internal streets	Regravelling of Rapitsi internal streets	Capex	R1 478 773.00	R1 478 773.00	01/04/2024	28/02/2025	Tech	New Project	35% physical progress of construction	80%	TARGET ACHIEVED	Additional resources allocated by service provider looking at the urgency and nature of the project.	NONE	Progress Report	MDGR	

2023/24 PROJECT MILESTONES																			
Ref no	Region/ Ward	Strategic Objective	Programme	Project Name	Project description	Funding Type	Budget for 2023/24	Revised Budget for 2023/24	Start Date	Completi on date	Project Owner	Baseline/Pre vious Performance June 2023	Annual Target	Actual Performance	Remarks	Challenges/V ariations	Corrective Measures	Evidence required	Source of Funding
CP_BSD034	4	Access to sustainable quality basic services	Stormwater management	Tshamahansi Low level bridge	construction of Tshamahansi low level bridge	Capex	R1 481 226.00	R1 481 225.00	01/04/2024	28/02/2025	Tech	New Project	35% physical progress of construction	100%	TARGET ACHIEVED	Additional resources allocated by service provider looking at the urgency and nature of the project.	NONE	Progress Report	MDGR
CP_BSD035	2	Access to sustainable quality basic services	Stormwater management	Mokwasele low level bridge	Construction of Mokwasele low level bridge	Capex	R1 852 616.00	R1 852 616.00	01/04/2024	28/02/2025	Tech	New Project	35% physical progress of construction	62%	TARGET ACHIEVED	Additional resources allocated by service provider looking at the urgency and nature of the project.	NONE	Progress Report	MDGR
CP_BSD036	10	Access to sustainable quality basic services	Stormwater management	Sekgopoi Ramoadi low level bridge	Construction of Sekgopo Ramoadi low level bridge	Capex	R1 660 396.00	R1 660 396.00	01/04/2024	28/02/2025	Tech	New Project	35% physical progress of construction	50%	TARGET ACHIEVED	Additional resources allocated by service provider looking at the urgency and nature of the project.	NONE	Progress Report	MDGR
	21	Access to sustainable quality basic services	Stormwater management	Ramaroka low level bridge	Construction of Ramaroka low level bridge	Capex	R1 516 989.00	R1 516 989.00	01/04/2024	28/02/2025	Tech	New Project	35% physical progress of construction	65%	TARGET ACHIEVED	Additional resources allocated by service provider looking at the urgency and nature of the project.	NONE	Progress Report	MDGR
OP_BSD001	23	Access to sustainable quality basic services	Electricity	Mohlabaeng Phase 2 village Electrification	New electricity connections at Mohlabaneng (Phase 2)	Opex (INEP)	R 2 600 000,00	R 2 600 000,00	01/07/2023	30/06/2024	Tech	New Project	Connections completed at Maupa Phase 3 (89 Connections) 80% (100%)	0%	TARGET NOT ACHIEVED	Budget constraints	Project deferred to 2024-25	Appointment letter and Progress report	INEP

2023/24 PROJECT MILESTONES																			
Ref no	Region/ Ward	Strategic Objective	Programme	Project Name	Project description	Funding Type	Budget for 2023/24	Revised Budget for 2023/24	Start Date	Completi on date	Project Owner	Baseline/Pre vious Performance June 2023	Annual Target	Actual Performance	Remarks	Challenges/V ariations	Corrective Measures	Evidence required	Source of Funding
OP_BSD002	17	Access to sustainable quality basic services	Electricity	Carel Garden 1 and 2 Electrification	New electricity connections at Carel Garden1 and 2	Opex (INEP)	R 2 880 000,00	R 2 880 000,00	01/07/2023	30/06/2024	Tech	New Project	Connections completed at Carel Garden 1 and 2 (144 Connections) 80% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Appointment letter and Progress report	INEP
OP_BSD003	11	Access to sustainable quality basic services	Electricity	Itlileng(Mats wi) Electrification	New Electricity connections at Itlileng(Matswi)	Opex (INEP)	R 2 400 000,00	R 2 400 000,00	01/07/2023	30/06/2024	Tech	New Project	Connections completed at Itlileng(Matswi) (120 Connections) 80% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Appointment letter and Progress report	INEP

2023/24 PROJECT MILESTONES																			
Ref no	Region/ Ward	Strategic Objective	Programme	Project Name	Project description	Funding Type	Budget for 2023/24	Revised Budget for 2023/24	Start Date	Completi on date	Project Owner	Baseline/Pre vious Performance June 2023	Annual Target	Actual Performance	Remarks	Challenges/V ariations	Corrective Measures	Evidence required	Source of Funding
LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL CAPITAL PROJECTS																			
OP_LED001	4	Improved and inclusive local economy	Local Economic Development	Evictions at Gakgapane Township	Eviction of squatter's at Gakgapane township	Opex	R 900 000,00	R 900 000,00	01/07/2023	30/06/2024	Planning	New Project	Eviction of squatter camp completion completed - 80% (100%)	20%	TARGET NOT ACHIEVED	Court order issued, but still waiting for endorsement signature by the Judge.	Speed up the endorsement signature by the Judge	Specifications Advertisemen t Appointment Letter Eviction report	Own revenue
OP_LED002	14 and 29	Improved and inclusive local economy	Local Economic Development	Precinct Plans for Gakgapane, Modj adjiskloof and Senwamokgo pe	Precinct Plans for Gakgapane, Modj adjiskloof and Senwamokgo pe	Opex	R 1 450 000,00	R 1 450 000,00	01/07/2023	30/06/2024	Planning	New Project	completion of Precinct Plans at Gakgapane, Modj adjiskloof and Senwamokgo pe - 80% (100%)	20%	TARGET NOT ACHIEVED	Budget constraints	Budget allocation 2024 25	Specifications Advertisemen t Appointment Letter Precinct Plans	Own revenue
OP_LED003	29	Improved and inclusive local economy	Local Economic Development	EIA and Beacon relocation in Modjadjiskloof	EIA and Beacon relocation in Modjadjiskloof	Opex	R 700 000,00	R 700 000,00	01/07/2023	30/06/2024	Planning	New Project	EIA and Beacon relocation completed - 80% (100%)	100%	TARGET ACHIEVED	NONE	NONE	Specifications Advertisemen t Appointment Letter EIA Report	Own revenue
OP_LED004	4	Improved and inclusive local economy	Local Economic Development	Subdivision and rezoning of Parks in Masakaneng at Gakgapane	Subdivision and rezoning of Parks in Masakaneng at Gakgapane	Opex	R 800 000,00	R 800 000,00	01/07/2023	30/06/2024	Planning	New Project	Completion of subdivision and rezoning - 80% (100%)	20%	TARGET NOT ACHIEVED	Budget constraints	To make funds available in the next financial year	Specifications Advertisemen t Appointment Letter Subdivision and rezoning report	Own revenue

2023/24 PROJECT REMOVED DURING BUDGET ADJUSTMENT																	
Ref no	Region/ Ward	Strategic Objective	Program me	Project Name	Project descripti on	Fund ing Type	Budget for 2023/24	Start Date	Comple tion date	Proje ct Owne r	Baseline/ Previous Performan ce- June 2023	Project Milestone Qtr 1 (1 Jul-30 Sept '23)	Project Milestone Qtr 2 (1 Oct -31 Dec '23)	Project Milestone Qtr 3 (1 Jan - 31 Mar '24)	Project Milestone Qtr 4 (1 Apr- 30 Jun '24)	Evidence required	Source of Funding
Good Governance																	
CP_GG001	Head office	Improved governance and organisatio nal excellence	Informatio n Technolog y	Installatio n of ICT Networks and Equipmen ts for new	Installatio n of ICT Networks and Equipmen t for new	Capex	R 500 000	01/07/2023	30/06 /2024	CORP S	New Project	Develop Specificatio ns and submit to SCM - 10%	Tender Advertisem ent - 5% (15%)	Appointmen tofservice provider and delivery of the vehicle-	Supply, delivery and installation of Network cabling and equipment	Delivery note/ GRN and Payment Certificate	Own Funding
CP_GG003	Head office	Improved governance and organisatio nal excellence	Informatio n Technolog y	Installatio ns of ICT Inverter and Solar for the new offices	Installatio n of Inverter and Solar for new the office buildings	Capex	R 600 000	01/07/2023	30/06 /2024	CORP S	New Project	Develop Specificatio ns & Advertiseme nt *25%	Adjudicatio n and appointme nt of service provider - 25% (50%)	Installation of Inverter and Solar Panels completed - 50% (100%)	N/A	Completion certificate	Own revenue
CP_GG004	Head office	Improved governance and organisatio nal excellence	Assets Managem ent	Installatio n of 20 Cubicles at Kgapane Old Sub	Supply and Installatio n of 20 Cubicles at	Capex	R 500 000	01/07/2023	30/06 /2024	Comm	New Project	Develop Specificatio ns and submit to SCM - 10%	Tender Advertisem ent - 5% (15%)	Appointmen tofservice provider - 5% (20%)	Cubicles installed- 80% (100%)	Completion certificate	Own revenue
BASIC SERVICE DELIVERY																	

CP_BSD001	5	Access to sustainable quality basic services	Community Halls & Facilities	Construction of Ward 5 Community Hall	Construction of Ward 05 community hall	Capex	R500 000	01/07/2023	30/06/2024	Tech	Project halted due to location dispute between Meidingen & Rabothatha Villages. Construction at (15%)	Negotiations with Tribal Authorities to resume Works on site 1% (16%)	Council approval for project continuation 1% (17%)	Progress with physical construction at 3% (20%)	Progress with physical construction at 5% (25%)	Minutes/Council Resolution/Progress report	Own revenue
CP_BSD023	27	Access to sustainable quality basic services	Traffic & Licensing	Designs of Mokwakwaila DLTC	Establishment of DLTC at Mokwakwaila	Capex	R 700 000	01/07/2023	30/06/2024	Comm	New Project	Appointment of service provider 5%	Develop preliminary Designs report-45% (50%)	Developed and approved detailed designs	Designs of Mokwakwaila DLTC completed-20% (100%)	Specifications Advertisement Appointment Letter Completion	Own Funding
CP_BSD029	Head office	Access to sustainable quality basic services	Parks and recreation	Supply and delivery of 15 Chain Saws	Supply and delivery of 15 Chain Saws	Capex	R 150 000	01/07/2023	30/06/2024	Comm	New Project	Develop Specifications and submit to SCM (10%)	Advertisement and appointment of a service provider - 5% (15%)	Procurement of 7 Chain Saws completed - 85% (100%)	n/a	Specifications Advertisement Appointment Letter Delivery Notes	Own revenue
OP_BSD004	27	Access to sustainable quality basic services	Electricity	Tlhotlhokwe village electrification	New Electricity connections at Tlhotlhokwe	Opex (INEP)	R 1 760 000,00	R 1 760 000,00	01/07/2023	30/06/2024	New Project	Develop Specifications and submit to SCM - 10%	Tender Advertisement - 5% (15%)	Appointment of service provider - 5% (20%)	Connections completed at Tlhotlhokwe (88 Connections) 80% (100%)	Appointment letter and Progress report	INEP

OP_BSD005		Access to sustainable quality basic services	Electricity	Ramaroka village electrification	New Electrification connections at Ramaroka	Opex (INEP)	R 1 360 000,00	R 1 360 000,00	01/07/2023	30/06/2024	New Project	Develop Specifications and submit to SCM - 10%	Tender Advertisement - 5% (15%)	Appointment of service provider - 5% (20%)	Connections completed at Ramaroka (68 Connections) 80% (100%)	Appointment letter and Progress report	INEP
-----------	--	--	-------------	----------------------------------	---	-------------	----------------	----------------	------------	------------	-------------	--	---------------------------------	--	---	--	------

3-year Capital Works Plan by Ward																			
Ward	Project Name	Start date	Completi n date	2023/24 Monthly Expenditure Projections												MTREF Budget allocation			Source of Funding
				July '23	Aug '23	Sept '23	Oct '23	Nov '23	Dec '23	Jan '24	Feb '24	Mar '24	Apr '24	May '24	Jun '24	MTREF 2023/24	MTREF 2024/25	MTREF 2025/26	
Good Governance																			
Head office	Installation of ICT Networks and Equipments for new office building	01/07/2023	30/06/2024	R0	R0	R0	R0	R0	R250 000	R0	R0	R250 000	R0	R0	R0	R500 000	R0	R0	Own revenue
Head office	Installations of DSTV Decoder	01/07/2023	30/06/2024	R0	R0	R0	R0	R3 500	R0	R0	R0	R0	R0	R0	R0	R3 500	R0	R0	Own revenue
Head office	Installations of ICT Inverter and Solar for the new offices buildings	01/07/2023	30/06/2024	R0	R0	R0	R0	R600 000	R0	R0	R0	R0	R0	R0	R0	R600 000	R0	R0	Own revenue
Head office	Installation of 20 Cubicles at Kgapane Old Sub office	01/07/2023	30/06/2024	R0	R0	R0	R0	R200 000	R0	R300 000	R0	R0	R0	R0	R0	R500 000	R0	R0	Own revenue
BASIC SERVICE DELIVERY																			
Head office	Designs for the extension of Municipal Office building	01/07/2023	30/06/2024	R0	R0	R0	R0	R0	R0	R0	R500 000	R0	R0	R0	R0	R500 000	R0	R0	Own revenue
5	Construction of Ward 5 Community hall	01/07/2023	30/06/2024	R0	R0	R0	R250 000	R0	R0	R0	R0	R250 000	R0	R0	R0	R500 000	R2 000 000	R0	Own revenue
1	Completion of Madumeleng / Shotong Sports Complex	01/07/2023	30/06/2024	R0	R0	R750 000	R250 000	R750 000	R500 000	R750 000	R500 000	R750 000	R450 000	R4 704 000	R0	R9 404 000	R0	R0	Own revenue
26	Construction of Buqa low level bridge (1)	01/07/2023	30/06/2024	R0	R0	R0	R625 000	R250 000	R0	R0	R0	R0	R250 000	R0	R0	R1 250 000	R0	R0	MIG

Ward	Project Name	Start date	Completion date	2023/24 Monthly Expenditure Projections												MTREF Budget allocation			Source of Funding
				July '23	Aug '23	Sept '23	Oct '23	Nov '23	Dec '23	Jan '24	Feb '24	Mar '24	Apr '24	May '24	Jun '24	MTREF 2023/24	MTREF 2024/25	MTREF 2025/26	
9	Construction of Sekgopo Moshate Low level bridge	01/07/2023	30/06/2024	R0		R0	R0	R0	R0	R0	R0	R500 000	R500 000	R0	R550 000	R1 550 000	R0	R0	MIG
15	Construction of Street Paving at Raphahlelo/ Phooko (2.48 km)	01/07/2023	30/06/2024	R0	R0	R3 470 000	R0	R0	R0	R0	R0	R0	R0	R0	R3 470 000	R6 940 000	R0	R0	Own revenue
25	Construction Of Ramodumo street paving	01/07/2023	30/06/2024	R0	R0	R5 915 000	R0	R0	R0	R0	R0	R0	R5	R0	R5 915 000	R11 830 000	R0	R0	Own revenue/MIG
27	Construction of Rampepe Access Bridge (Counter funding)	01/07/2023	30/06/2024	R0	R0	R0	R550 000	R0	R0	R550 000	R0	R550 000	R0	R0	R550 000	R2 200 000	R0	R0	Own revenue
25	Construction of Abel Street Paving	01/07/2023	30/06/2024	R925 206	R925 206	R925 206	R925 206	R925 206	R925 206	R925 206	R925 206	R925 206	R925 206	R925 201	R925 206	R11 102 467	R4 280 000	R0	MIG
19	Construction of Mohlabaeng street paving-Multi Year (3.3 km)	01/07/2023	30/06/2024	R520 531	R520 531	R520 531	R520 531	R520 531	R520 531	R520 531	R520 531	R520 531	R520 501	R520 531	R520 503	R6 246 314	R0	R0	Own and MIG
2	Construction of Moshakha/Makaba Street Paving (2.5 km)	01/07/2023	30/06/2024	R0	R0	R0	R500 000	R0	R0	R2 250 000	R0	R1 750 000	R0	R2 250 000	R2 250 000	R9 000 000	R12 000 000	R3 013 575	MIG
2	High Mast in Various Villages (1)	01/07/2023	30/06/2024	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R597 244	R597 244	R0	R0	MIG
26	Designs for Boshakhe Bridge	01/07/2023	30/06/2024	R0	R0	R100 000	R0	R0	R100 000	R0	R0	R100 000	R0	R0	R400 000	R400 000	R1 000 000	R0	Own revenue

Ward	Project Name	Start date	Completion date	2023/24 Monthly Expenditure Projections												MTREF Budget allocation			Source of Funding
				July '23	Aug '23	Sept '23	Oct '23	Nov '23	Dec '23	Jan '24	Feb '24	Mar '24	Apr '24	May '24	Jun '24	MTREF 2023/24	MTREF 2024/25	MTREF 2025/26	
27	Construction of Mtsinoni Street Paving -Multi Year (1.5 km)	01/07/2023	30/06/2024	R576 158	R576 158	R1 000 000	R1 000 000	R0	R1 000 000	R576 158	R0	R1 000 000	R0	R0	R1 000 000	R5 000 000	R7 041 168	R0	Own revenue
5	Construction of Thibeni Street Paving-Multi Year (2.3 km)	01/07/2023	30/06/2024	R1 125 000	R0	R0	R1 125 000	R0	R0	R1 125 000	R0	R0	R1 125 000	R0	R0	R4 500 000	R1 206 072	R0	Own revenue
24	Modubung Regraveling of Road to Cemetery (1.3 km)	01/07/2023	30/06/2024	R425 000	R1 283 333	R1 283 333	R425 000	R1 283 333	R1 283 333	R425 000	R1 283 333	R1 283 333	R1 283 333	R1 283 333	R1 283 333	R1 700 000	R0	R0	MIG
19	Construction of Burkina Faso street paving -Multi Year (2km)	01/07/2023	30/06/2024	R2 250 000	R0	R0	R2 250 000	R0	R0	R2 250 000	R0	R0	R2 250 000	R0	R0	R9 000 000	R12 000 000	R3 013 575	MIG
23	Construction of Maupa Street Paving-Multi Year (4.9 km)	01/07/2023	30/06/2024	R2 250 000	R0	R0	R2 250 000	R0	R0	R2 250 000	R0	R0	R2 250 000	R0	R0	R9 000 000	R12 000 000	R18 200 000	MIG
4	Construction of Masakhaneng Street Paving -Multi Year (3.1 km)	01/07/2023	30/06/2024	R654 060	R0	R0	R0	R644 060	R0	R2 250 000	R680 000	R0	R2 900 000	R0	R600 605	R7 728 725	R10 000 000	R7 321 275	MIG
Head office	Supply and delivery of 2 Traffic Vehicles	01/07/2023	30/06/2024	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R800 000	R800 000	R0	R0	Own revenue

Ward	Project Name	Start date	Completion date	2023/24 Monthly Expenditure Projections												MTREF Budget allocation			Source of Funding
				July '23	Aug '23	Sept '23	Oct '23	Nov '23	Dec '23	Jan '24	Feb '24	Mar '24	Apr '24	May '24	Jun '24	MTREF 2023/24	MTREF 2024/25	MTREF 2025/26	
27	Designs of Mkwakwaila DLTC	01/07/2023	30/06/2024	R0	R0	R0	R0	R0	R0	R0	R -	R0	R0	R -	R700 000	R700 000	R0	R0	Own revenue
Head Office	Refurbishment of LV network at Pearl and Orchards Street-Modjadjiskloof	01/07/2023	30/06/2024	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R1 000 000	R1 000 000	R2 000 000	R2 000 000	Own revenue
Head Office	Replacement of old HT Cables from Spar to FNB-Modjadjiskloof	01/07/2023	30/06/2024	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R1 000 000	R1 000 000	R2 000 000	R2 000 000	Own revenue
Head Office	Supply and delivery of Emergency Transformers	01/07/2023	30/06/2024	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R1 000 000	R1 000 000	R2 000 000	R2 000 000	Own revenue
Head Office	Supply and delivery of mobile Scaffolding	01/07/2023	30/06/2024	R0	R0	R30 000	R0	R0	R0	R0	R0	R0	R0	R0	R0	R30 000	R0	R0	Own revenue
20	Maphalle Landfill Site ph2	01/07/2023	30/06/2024	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R0	R500 000	R10 000 000	R15 000 000	MIG
Head office	Supply and delivery of 15 Chain Saws	01/07/2023	30/06/2024	R0	R0	R	R0	R0	R150 000	R0	R0	R0	R0	R0	R0	R150 000	R0	R0	Own revenue
Head office	Supply and deliver of 20 Grass Cutters	01/07/2023	30/06/2024	R0	R0	R0	R0	R0	R400 000	R0	R0	R0	R0	R0	R0	R400 000	R1 400 000	R0	Own revenue

Ward	Project Name	Start date	Completion date	2023/24 Monthly Expenditure Projections												MTREF Budget allocation			Source of Funding
				July '23	Aug '23	Sept '23	Oct '23	Nov '23	Dec '23	Jan '24	Feb '24	Mar '24	Apr '24	May '24	Jun '24	MTREF 2023/24	MTREF 2024/25	MTREF 2025/26	
Head office	Supply and Delivery of 11 Skip Bins (6 cubic meter)	01/07/2023	30/06/2024	R0	R0	R0	R0	R0	R500 000	R0	R0	R0	R0	R0	R0	R500 000	R1 200 000	R1 500 000	Own revenue
25	Construction of low level bridges	01/07/2024	30/06/2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	R1 000 000	R2 000 000	Own revenue
29	Rehabilitation of Modjadjiskloof Eugene streets Phase 2	01/07/2024	30/06/2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	R1 000 000	R2 000 000	Own revenue
3 & 4	Resealing and Rehabilitation of Kgapane Internal Streets	01/07/2024	30/06/2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	R1 000 000	R2 000 000	Own revenue
21	Construction of Ramaroka Street Paving	01/07/2024	30/06/2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	R5 609 756	R5 000 000	MIG
6	Construction of Ramphenyane Bridge	01/07/2024	30/06/2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	R1 000 000	R4 500 000	MIG
13	Construction of Senwamokgope Street Paving	01/07/2024	30/06/2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	R0	R174 900	MIG

Ward	Project Name	Start date	Completion date	2023/24 Monthly Expenditure Projections												MTREF Budget allocation			Source of Funding
				July '23	Aug '23	Sept '23	Oct '23	Nov '23	Dec '23	Jan '24	Feb '24	Mar '24	Apr '24	May '24	Jun '24	MTREF 2023/24	MTREF 2024/25	MTREF 2025/26	
Head office	Supply & delivery of 1 x Electricity Bakkie	01/07/2024	30/06/2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	R1 250 000	R0	Own revenue
Head office	Supply & delivery of 2 Waste Management Bakkies	01/07/2024	30/06/2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	R1 000 000	R0	Own revenue
Head office	Social Media Equipment(Camera, Lens, Ring Light, Tripod & Flash Light)	01/07/2024	30/06/2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	R300 000	R0	Own revenue

SERVICE PROVIDERS PERFORMANCE ASSESSMENT FOR 2023/24 FINANCIAL YEAR



GREATER LETABAMUNICIPALITY



1	Poor
2	Fair
3	Good
4	Satisfactory
5	Excellent

Project Name	Project/Contract No	Funding	Contract Amount	Name of Service Provider	Award Date	Status	Performance Rating	Challenges
Design for the extension of Municipal Main Office	GLM009/2021	Own Revenue	R 500 000,00	Black Creed	20-Nov-20	Active	3	NONE
Construction of Madumeleng/Shotong Sports Complex	GLM019/2016	MIG & Own Revenue	R 40 890 407,81	Maduke Trading (Pty) Ltd	06-Sep-18	Active	1	SP abandoned site
Roerfontein Roads and Stormwater Construction of Roerfontein low level bridge	GLM014/2022	MDRG	R 847 579,30	Xalamuka Built Environment JV	27-Jun-23	Active	3	NONE
Itieleng Roads and Stormwater- Itieleng regravelling 1,2 KM	GLM014/2022	MDRG	R 1 500 000,00	Bilmond Trading	27-Jun-23	Active	3	NONE
Construction of Buqa low level bridge	GLM014/2022	MDRG	R 900 378,55	Nkomazi Lemetja JV	15-Jun-23	Active	3	NONE
Construction of Street Paving at Raphahlelo/Phooko (2,48KM) multi-year	GLM009/2021/3-C	Own Revenue	R 23 498 851,55	Zevofusion (Pty) Ltd JV dzungeni Group JV Machaba Tau Construction	03-Jun-21	Active	4	NONE

Construction of Street Paving at Ramodumo (3,5KM) multi-year	GLM003/2023	MIG & Own Revenue	R 25 000 884,46	GPMVR Multi Projects cc JV Mothikeni Investments (Pty) Ltd	07-Sep-22	Active	3	NONE
Construction of Access Bridge at Rampepe (multi-year)	GLM013/2022	Own Revenue	R 8 754 765,38	Tzaneen Afri Investment (Pty) Ltd	28 Feb 200	Active	2	NONE
Construction of Abel Street Paving (2,8KM) multi-year	GLM009/2023	MIG & Own Revenue	R 25 199 386,33	Leb P Construction JV Mod J Projects	21-Nov-22	Active	3	NONE
Construction of Street Paving at Mohlabaneng (3,3KM) multi-year	GLM009/2021/1-C	MIG & Own Revenue	R 29 089 647,11	Leb P Construction	03-Jun-21	Active	3	NONE
Construction of Moshakga/Makaba Street Paving (2,5KM) multi-year	GLM003/2024	MIG	R 23 766 540,02	Manco Business Enterprise	18-Oct-23	Active	4	NONE
Designs of Boshakge bridge	GLM009/2020	Own Revenue	R 400 000,00	Major Quality Investments (Pty) Ltd	12-Apr-24	Active	3	NONE
Construction of Motsinoni Street Paving (1,5KM)	GLM007/2023	Own Revenue	R 17 360 551,85	Martmol Trading cc	22-Sep-22	Active	4	NONE
Construction of Thibeni Street Paving (2,3KM) multi-year	GLM008/2023	Own Revenue	R 19 053 477,70	Double Hot Spot (Pty) Ltd	22-Sep-22	Active	3	NONE
Construction of Burkino Faso Street Paving (2KM) multi-year	GLM002/2024	MIG	R 40 725 220,26	Leb P Construction	18-Oct-23	Active	3	NONE
Construction of Maupa Street Paving (4,9KM) multi-year	GLM001/2024	MIG	R 39 953 871,63	Martmol Trading cc	18-Oct-23	Active	3	NONE
Construction of Masakhaneng Street Paving (3,1Km) multi-year	GLM009/2024	MIG	R 21 759 349,81	Manco Business Enterprise	14-Dec-23	Active	4	NONE
Supply and Delivery of 2 Traffic Vehicles	O/N 44355	Own Revenue	R 789 584,26	Isuzu	04-Feb-24	Active	3	NONE

Refurbishment of LV Network at pearl and Orchards Street Modjadjiskloof	GLM013/2024	Own Revenue	R 1 606 334,97	OTS Electrical	21-Dec-23	Active	3	NONE
Replacement of old HT cables Spar to FNB Modjadjiskloof	GLM008/2024	Own Revenue	R 1 867 096,50	Risima Projects Management	18-Dec-23	Active	3	NONE
Supply and Delivery of mobile scaffolding	O/N 44503	Own Revenue	R 78 350,00	Sekhumis General Plumbing	16-Apr-24	Active	3	NONE
Design of Maphalle landfill site phase 2 multi-year	GLM009/2021	MIG	R 2 500 000,00	Kipp Consulting Engineers	06-Jul-21	Active	3	NONE
Supply and Delivery of 20 Grass Cutters	GLM019/2024	Own Revenue	R 378 000,00	Phadu Holdings	08-Jan-24	Active	3	NONE
Supply and Delivery of 11 Skip Bins (6 cubic meters)	GLM029/2023	Own Revenue	R 940 000,00	Daily Breez (Pty) Ltd	27-Jun-23	Active	3	NONE
Supply and Construction of Highmast lights in various villages (Kgapane Cluster)	GLM017/2023	MIG	R 1 494 759,75	Thotogelo MP Construction and Projects	14-Dec-22	Active	3	NONE
Supply and Construction of Highmast lights in various villages (Mokwakwaila Cluster)	GLM018/2023	MIG	R 1 542 322,50	Mpfumu Trading and Projects	26-May-23	Active	3	NONE
Regravelling of Rapitsi internal streets	GLM014/2022	MDRG	R 1 476 773,00	FJRIC Construction and Projects (Pty) Ltd	12-Mar-24	Active	3	NONE
Construction of Tshamahansi low level bridge	GLM014/2022	MDRG	R 1 159 952,93	Nkumani Multi Projects	12-Mar-24	Active	4	NONE
Construction of Mokwasele low level bridge	GLM014/2022	MDRG	R 1 498 709,49	B-Tech Consulting JV EasyTech	12-Mar-24	Active	3	NONE

Construction of Sekgopo Ramoadi low level bridge	GLM014/2022	MDRG	R 1 317 125,23	Carpus Construction and Projects	12-Mar-24	Active	3	NONE
Construction of Sekgopo Ramaroka low level bridge	GLM014/2022	MDRG	R 1 190 942,36	Mathpower Trading and Projects	12-Mar-24	Active	3	NONE
New Electricity connections at Carel Garden 1 and 2	GLM007/2024	INEP	R 2 448 000,00	OTS Electrical	29-Nov-23	Active	3	NONE
New Electricity connections at Itieleng (Matswi)	GLM006/2024	INEP	R 1 867 096,50	Risima Projects Management	29-Nov-23	Active	3	NONE

Table 3.1 Service delivery Backlog

SERVICE DELIVERY BACKLOG AS AT JUNE 2024

SERVICES	HOUSEHOLDS	ACCESS	% ACCESS	BACKLOG	% BACKLOG
Water	58 261	48 934	84%	9 328	16%
Sanitation		50 853	87%	7 408	13%
Electricity		57 737	96%	2 626	4%
Housing		55 443	95%	2 818	5%
Roads		487,20	40%	726	60%
Waste (Proclaimed Areas)		4 954	9%	53 308	91%



CHAPTER 4 ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.1 Introduction

The quality of human capital is important in any organization. It will determine the success and progress that has been made to deliver services and support the overall business strategy. To succeed there is a need to develop a holistic approach to the implementation of transformational issues like equity, human resource development, staff retention, and succession planning, management of HIV/AIDS in the workplace.

4.2 Managing municipal workforce levels

MSA 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998. In Managing a Municipal Workforce effectively, it is important that employee policies, procedures, and contracts are in place. The municipality had a total number of 55 reviewed policies in place listed below:

- *Communications Policy*
- *Career Management and Retention Policy*
- *Ward Committees Policy*
- *HIV/AIDS Policy*
- *Smoking Policy*
- *Skills Development Policy*
- *Recruitment, Selection Appointment Policy*
- *Transport Control Policy*
- *Sexual Harassment Policy*
- *Cellular Phone Allowance Policy*
- *Contract of Employment Policy*
- *Labour Relations Policy*
- *Conditions of Service Policy*
- *Occupational Health and Safety Policy*
- *Telephone Management Policy*
- *Covid-19 Policy*
- *Danger Allowance policy*
- *Leave Management Policy*
- *Language Policy*
- *Anti-Fraud and Corruption Policy*
- *Protective Clothing and Allowance Policy*
- *Internship and Experiential Learning Policy.*
- *Subsistence and Travelling Allowance Policy*
- *Car Allowance Policy*
- *Performance Management Policy*
- *Succession Planning Policy*
- *Discrimination Policy*
- *Overtime Policy*
- *Sports Policy*
- *ICT Policy Handbook*
- *Whistle Blowing Policy*
- *Aldermanship Policy*
- *Bursary Policy For Employees*
- *Employment Equity Policy*
- *Risk Cover and Loss Control Policy*
- *Protocol policy*
- *Code of Conduct for Councillors*

- Council rules of Order
- Social media policy
- Job Evaluation Policy
- Clocking, attendance and punctuality policy
- Discipline Policy
- Incapacity Policy
- Legal Aid Policy
- Private work and Declarations of Interest Policy
- Human Resources Communication Policy
- Staff Establishment
- Placement Policy
- Termination of Services Policy
- Bursary Policy for members of the public
- Grievance Resolution Policy
- Remuneration Policy
- Advance Reimbursement Expenses Policy
- Intoxicating Substance Abuse Policy
- Staff members wellness program policy

The policies indicated above are in place and need to be monitored and implemented as a measure of creating controls for effective and efficient implementation of services.

4.3. Staff Establishment

The municipality has 335 posts in terms of the approved organogram for 2023/24 financial year and had 319 posts filled as of 30 June 2024. It is worth indicating that the municipality had a vacancy rate of 4.8%. The vacancy rate is due to posts that were never filled, retirements, demise, and resignations. Below are statistics of all employees per directorate including Interns.

Table 4.1: Total Staff Establishment as at 30 June 2024

Directorate	Approved Posts	Filled	Vacant	Vacancy Rate
Municipal Manager's Office	37	35	2	5%
Corporate Services	27	26	1	4%
Budget and Treasury	35	31	4	11%
Technical Services	89	84	5	6%
Community Services	136	133	3	2%
Development and Town Planning	11	10	1	9%
Total	335	319	16	4.8%
INTERNS	5			

4.4. Staff Turnover Rate

A high staff turnover rate may be costly to a municipality and can negatively affect productivity, service delivery, and institutional memory. Below is a table that displays staff turnover rate within the municipality: The staff turnover rate for 2023/24 was 1% which is lower as compared to 2% of 2022/23. The municipality has appointed an Employee Health and Wellness Practitioner as a way of mitigating the increasing staff turnover rate.

4.5. Employment Equity

Table 4.2 below outlines employment equity status of the municipality per occupational category. The empowerment of the previously disadvantaged groups is relatively low with African females at 40% on Senior / Top management in 2023/24. The current challenge in this area is the representation of women in the entire municipal workforce. The overall percentage of females in the municipal workforce is 38% of which is 12% below the national target of 50% females' representation. However, it is worth noting that the municipality has exceeded the 2% national target of people with disabilities. The municipality had a 3.3% representation of people with disabilities in the year 2023/2024.

The Employment Equity Plan for the municipality must be taken into consideration when posts are filled and race classification, gender, and disability status must be in line with the goal set for the specific occupational level in which the vacant post falls. The Employment Equity Report was drafted and submitted electronically to the Department of Labour in January 2024. It is worth noting that the five-year EE plan has expired which required the municipality to develop a new plan with new targets.

Table 4.2 Workforce profile per occupational category as of 30 June 2024.

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management	01	0	0	0	0	0	0	0	01
Senior management	03	0	0	0	02	0	0	0	05
Professionally qualified and experienced specialists and mid-management	38	0	0	00	11	0	0	01	50
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	27	0	0	0	21	0	0	0	48
Semi-skilled and discretionary decision making	48	0	0	0	35	0	0	0	83
Unskilled and defined decision making	40	0	0	01	51	0	0	0	92
TOTAL PERMANENT	157	0	0	01	120	0	0	01	279
Temporary employees	0	0	0	0	0	0	0	0	0
GRAND TOTAL	157	0	0	01	120	0	0	01	279

4.6. Capacitating the municipal workforce

Section 68(1) of the MSA states that municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient, and accountable way. For this purpose, the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998)

- **Skills Development Budget Allocation**

The table below indicates that a total amount of R840.000 was allocated to the Workplace Skills Plan and that 3% of the total amount was spent in 2023/24 financial year for training of employees and Councillors respectively.

Table 4.3: Budget allocated and spent for skills development

Year	Total Personnel Budget & councillors	Total Allocated for training	Total Spent for training	% Spent
2022/2023	R161 850 000	R840 000	R 24 196	3%
2023/2024	R176 928 000	R2 504 543	R2 304 329	92%

- **Skills Matrix**

The table below indicates the number of employees that received training (skills programs, short courses, etc.) in the year under review:

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Municipal Manager and Directors	02								02
Professionally qualified and experienced specialists and mid-management and Legislators	07				02			01	10
Skilled technical and academically qualified workers,including middle management	06				03				09
Semi-Skilled and discretionary decision making	03				07				10
Unskilled and defined decision making	03				05				08
GRAND TOTAL	21				017			01	39

The table below outlines the training interventions implemented and the numbers of learners per category:

NAME OF TRAINING PROGRAM	NUMBER OF COUNCILLORS TRAINED	NUMBER OF OFFICIALS TRAINED	NUMBER OF INTERNS TRAINED
Leadership in Municipal Governance	04	02	-
Waste management	-	08	-
Roads Maintenance and patching	-	08	-
Masic Computer	03	-	-
Protocol Services	60	47	-
Local Economic Development	-	03	03
MFMP	08	25	05
Media and Stakeholders engagement	01	02	-
Safety	-	15	-

4.7. Performance Management System

This chapter outlines briefly how Greater Letaba Municipality managed its performance. Performance Management is a powerful tool that can be used to measure the performance of an organisation. It involves setting of desired strategic objectives, outcomes, indicators and targets, alignment of programs, projects, and processes directly to its components such section 57 managers as stipulated in the performance regulations of 2006.

In terms of Chapters 5 and 6 of the Municipal Systems Act, 2000 (Act No. 32 of 2000), local government is required to:

- *Develop a performance management system.*
- *Set targets, monitor, and review performance, based on indicators linked to the Integrated Development Plan (IDP).*
- *Publish an annual report on performance for the councillors, staff, the public, and other spheres of government.*
- *Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government.*
- *Conduct an internal audit on performance before tabling the report.*
- *Have the annual performance report audited by the Auditor-General.*
- *Involve the community in setting indicators and targets and reviewing municipal performance.*

Greater Letaba Municipality's performance management system aims at ensuring that all the departments within the municipality are working coherently to achieve optimum desired results. This is done by planning, reviewing, implementing, monitoring, measuring, and reporting on its activities.

The development of Greater Letaba Municipality's Performance Management Framework was guided by different pieces of legislation which include amongst others the following: *Constitution of the Republic of South Africa, Chapter 7 of Act 108 (1996)*

- *White Paper on Local Government 1998*
- *Municipal Systems Act, 2000 (Act No. 32 of 2000)*
- *Municipal Finance Management Act, (Act No. 56 2003)*
- *Regulation 393 of 2009: Local Government Municipal Finance Management Act Municipal Budget and Reporting Regulation*
- *Municipal Performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Manager (2006)*
- *Municipal Planning and Performance Management Regulations (2001)*
- *Batho Pele Principles*
- *Municipal Structures Act 1998 (ACT no 117 of 1998)*

Greater Letaba Municipality has adopted a balanced scorecard methodology which is a strategic performance management tool. The balanced scorecard is used to keep track of the execution of activities by staff within their control and monitor the consequences arising from these actions. The balanced scorecard creates a clear link of activities across all levels of municipality. The main objective of the balanced scorecard is to achieve synergy across the Municipality, maximize internal business process efficiencies, and maximize efficient allocation of financial and human resources. By using the balanced scorecard Greater Letaba Municipality managed to come up with strategic objectives that were transformed into a strategic map that emphasizes the municipality's main strategic intent.

Community Perspective	<i>The municipality checks if it is achieving the needs of the community</i>
Financial Perspective	<i>The municipality checks if it is delivering services in an economic, efficient, and effective manner</i>
Internal Processes Perspective	<i>The municipality checks if its business processes are assisting in achieving its desired goals</i>

Learning and Growth Perspective	<i>The municipality checks if it has good skills and knowledge to achieve the needs of the community</i>
--	--

Organisational performance and employee performance are related to each other, and this starts from the planning phase. At an organisational level, the Service Delivery and Budget Implementation Plan (SDBIP) was developed for the purpose of monitoring the overall organisational performance. The Performance Agreement of section 54 & 56 managers was derived directly from the SDBIP. The SDBIP yields a set of indicators and targets which became an undertaking of the municipality to account to the community.

- **Performance Management Tools**

This section outlines the performance management tools that Greater Letaba Municipality used to assess its performance.

- **Integrated Development Plan**

Greater Letaba Municipality has developed an Integrated Development Plan which was adopted by council. The performance management system is designed to monitor and evaluate the progress made in the implementation of the municipality's IDP objectives, taking into account the timeframe of projects and budget. The IDP is the strategic document of the municipality that gives direction in terms of service delivery objectives. Performance objectives, indicators, outcomes, and targets are derived from the IDP.

- **Performance Management Policy Framework**

Greater Letaba Municipality has developed and adopted a Performance Management Framework that serves as a guiding document in the implementation of performance management system within the institution. Municipality is presently using electronic Performance Management system.

- **Service Delivery and Budget Implementation Plan**

In terms of the Municipal Finance Management Act, Act No. 56 (2003) the municipality must develop the SDBIP taking into consideration the Integrated Development Plan and the Budget of the municipality. Greater Letaba Municipality developed the SDBIP which was approved by the Mayor. The SDBIP yields specific indicators and targets which are derived from the IDP. The SDBIP is a link between integrated development plan, performance management system,

and the budget. The SDBIP serves as a contract between Council and the community. It outlines the Council's objectives and outcomes to be undertaken by Council. Through the SDBIP Council commit itself to the community in terms of services to be rendered. Administration also commits to council on the services they will render to the community.

- **Performance Agreements and Performance Plans**

The Local Government Municipal Performance Regulations for Municipal Managers and managers directly accountable to Municipal Managers (R805, 2006) indicate that Section 57 managers must be appointed in terms of a written employment contract and a separate performance agreement. Regulations R805 regulate employment contracts, performance agreements including performance plans, and job descriptions of Municipal Managers and managers directly accountable to Municipal Managers. Greater Letaba Municipality developed performance agreements that were duly signed.

The purpose of a performance management agreement is to:

- Specify objectives and targets defined and agreed with the employee and communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality.
- Specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement.
- Specify and plan for competency gaps as set out in a personal development plan (PDP), which forms an annexure to the performance agreement (a PDP for addressing developmental gaps which have been identified during the previous financial year and must form part of the annual revised performance agreement).
- Monitor and measure performance against set targeted outputs.
- Use the performance agreement as to the basis for assessing whether the employee has met the performance expectations applicable to his or her job.
- In the event of outstanding performance, appropriately reward the employee depending on the availability of resources.
- Give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

- **Performance Calculators**

The 2001 Regulations Chapter 13 indicates that:

- (1)A municipality must, after consultation with the local community, develop and implement mechanisms, systems, and processes for the monitoring, measurement, and review of performance in respect of the key performance indicators and performance targets asset.
- (2)The mechanisms, systems, and processes for monitoring in terms of sub-regulation (1) must:

- a) provide for reporting to the municipal council at least twice a year.
- b) be designed in a manner that enables the municipality to detect early indications of under-performance; and
- c) provides corrective measures where under-performance has been identified.

Greater Letaba Municipality has developed performance calculators that are used to monitor the performance of the institution and Section 54 & 56 Managers. Monitoring is the key stage when implementing a performance management system.

- **Reports**

The Greater Letaba Municipality continuously produces reports giving feedback regarding the performance of the institution and the departments. The reports mainly focus on the priorities of the organisation, performance objectives, indicators, targets, measurements, and analysis. The reports include amongst others the following:

- ***Monthly / Quarterly IDP and SDBIP reporting***

In terms of Section 1 of the MFMA, Act 56 of 2003 a municipality must develop an SDBIP with detailed projections for each month of the revenue to be collected, by source, as well as the operational and capital expenditure, by vote. The SDBIP must be reported on a quarterly basis. In complying with this requirement, the municipality compiled monthly, quarterly IDP, and SDBIP report.

- ***Mid-year budget and report***

The accounting officer is required to prepare and submit a midyear performance report, which must be submitted to the Mayor, Provincial, and National Treasury (Section 72 of the MFMA). Greater Letaba Municipality prepared a Mid-Year Budget and Report as per legislative requirement.

- ***Performance report***

Section 46 of the Municipal Systems Act No. 32 of 2000 requires a municipality to prepare a performance report for each financial year. The reports must cover the following:

- ❖ *Performance of the municipality and of each external service provided during that financial year;*
- ❖ *Comparison of the performances referred to in the above paragraph with targets set for and performances in the previous financial year; and*
- ❖ *Steps and Interventions to be taken to improve on the performance.*

Greater Letaba Municipality prepared performance reports that reflected how the municipality performed institutionally and departmentally.

- **Annual report**

Section 121 requires the municipality to prepare an annual report for each financial year. Greater Letaba Municipality has managed to compile an annual report.

- **Oversight report**

Section 129 requires the council of a municipality to consider the municipality's annual report. It further indicates that within two months from the date of tabling of the annual report, council must adopt an oversight report containing the council's comments. An oversight report for the municipality was compiled.

- **Assessment of Section 54 & 56 Managers**

The 2006 regulations on Municipal Manager and Managers directly reporting to the Municipal Manager depict how the assessment of section 54 & 56 managers should unfold. It identified four assessments per annum, namely:

Quarter	Panel formation
First Quarter (July to September) – Informal Assessment	No need to constitute a panel of assessors
Second Quarter (October to December) – Formal Assessment	Panel shall be constituted as follows: Assessment of Municipal Manager <ul style="list-style-type: none"> • Mayor • Municipal Manager or Mayor from another municipality • Chairperson of Performance Audit Committee Assessment of Directors <ul style="list-style-type: none"> • Municipal Manager from another municipality • EXCO Member • Municipal Manager • Chairperson of Performance Audit Committee
Third Quarter (January to March) - Informal Assessment	No need to constitute a panel of assessors
Fourth Quarter (April to June) - Formal Assessment	Panel shall be constituted as follows: Assessment of Municipal Manager <ul style="list-style-type: none"> • Mayor • Municipal Manager or Mayor from another municipality • Chairperson of Performance Audit Committee Assessment of Directors <ul style="list-style-type: none"> • Municipal Manager from another municipality • EXCO Member • Municipal Manager • Chairperson of Performance Audit Committee

4.8.Municipal Workforce Expenditure

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past two financial years and that the municipality is well within the national norm of between 35 to 40%

Table 4.4 Personnel Expenditure (excluding Councillors allowances)

Financial year	Total Expenditure salary and allowances	Total Operating Expenditure	Percentage
	R'000	R'000	
2022/2023	128 466 777	428 750 679	30%
2023/2024	148 434 515	501 254 230	29.6%

Disclosure regarding the 2023/24 remuneration packages for the Mayor, Councillors, and Section 57 Managers was as follows.

Table 4.5: Remuneration packages- 2023/24

Designation	Total Salaries & Wages
Mayor	R 971 690.00
Full-Time Councillor-Speaker	R 777 352.00
Full-Time Councillor-Chief whip	R 728 770.00
Executive Councillors & MPAC Chairperson	R 744 576,23
Full Time Executive Committee Members	R 728 770.00
Full Time MPAC Chair	R 714 128.00
Part Time Executive Committee members	R 406 565.00
Chairpersons of Committees	R 394 650.00
Councillors	R 307 494.00
Municipal Manager	R 1 325 220.00
Chief Financial Officer	R 1 103 953.00
Technical Services Director	R 1 103 953.00
Corporate Services Director	R 1 103 953.00
Community Services Director	R 1 103 953.00
Development and Town Planning Director	R 1 103 953.00

4.9.Organisational Development Performance Highlights

- Submission of Workplace skills plan and Annual training reports were submitted before the 30th of April 2024.
- Employment Equity Report was submitted prior 15 January 2024.
- Enrolling Finance Officials and Interns, Managers, and Councillors for Municipal Finance Management Programme as required by Section 60 of National Treasury.



CHAPTER 5

FINANCIAL PERFORMANCE

5.1 Introduction

This chapter provides details regarding the financial performance of the municipality for 2023/24 financial year. Sound financial management practices are essential to the long-term sustainability of the municipality. They underpin the process of democratic accountability. The key objective of the Municipal Finance Management Act (2003) (MFMA) is to modernize municipal financial management. This chapter aims to provide an overview of the financial performance of Greater Letaba Municipality through measuring of results.

5.2 STATEMENT OF FINANCIAL PERFORMANCE

The Statement of Financial Performance provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

The table below indicates the operating ratios for the year 2021/22, 2022/23, and 2023/24.

Table: 5.1 Operating ratios

Operating Ratios			
Detail	2021/22 Ratio %	2022/23 Ratio %	2023/24 Ratio %
Employee Cost	35%	36%	36%
Repairs & Maintenance	4.9%	5.1%	6.4%
Finance Charges & Depreciation	10%	10.2%	10.0%

The table below indicates the financial overview of the 2023/2024 financial year.

Table: 5.2. Financial overview

Financial Overview – 2023/24			
Details	Original Budget	Adjustment Budget	Actual
Income			
Grants	458 057 000	464 458 000	459 373 000
Taxes, Levies and tariffs	48 321 000	57 321 000	55 765 000
Other	29 745 000	34 052 000	12 690 000
Sub Total	536 123 000	555 831 000	527 828 000
Less Expenditure	412 501 000	429 036 000	501 254 000
Net Total *	123 622 000	126 795 000	25 870 000
*Note: Surplus/ Deficit			

The table below highlights capital expenditure for the period 2021/2022, 2022/2023, and 2023/2024 comparatively.

Table: 5.3. Capital expenditure

Total Capital Expenditure from 2021/22, 2022/2023 to 2023/24			
Detail	2021/2022	2022/23	2023/24
Original budget	116 244 000	110 032 000	110 032 000
Adjustment budget	131 756 000	127 214 000	111 954 000
Actual	106 667 000	121 163 000	100 777 000

5.3 GREATER LETABA MUNICIPALITY FINANCIAL PERFORMANCE ANALYSIS

- Revenue**

The Municipality receives grants and equitable shares from National Treasury. The grants received in 2023/24 amounts to 85% of the total receipts while Own revenue is 15% of the total receipts. Revenue income for 2022/23 was (R506 816 000) which increased to (R527 404 000) in 2023/24 financial year. There is an increase of 5% on own funding revenue from 2022/23 to 2023/24 Though there is an improvement in own funding revenue, the Municipality is still dependent on Grants received from National Treasury, to be able to deliver basic services to its community.

- Debtors**

The total debt owed to the municipality has increased to R376 719 000 in 2023/24 while it was R342 080 000 in 2022/23. These total debts include total debtors of R85 472 000 for water and sewerage owed by Mopani District Municipality. The Municipality has developed and is implementing the revenue enhancement strategy to enable the municipality to improve in revenue collection.

- Liquidity**

The Municipality is financially sound. It has reserves cash and cash equivalents amounting to R12 454 221 at year end. The municipality's current assets are less than the current liabilities, current assets amount to R45 240 529 and current liabilities amount to R116 146 125. Although the municipality seems to be operating on going concern, there are several mitigating factors that will enable the municipality to continue.

- Expenditure analysis**

Expenditure for 2023/2024 has increased to R501 254 000 compared to R435 006 000 in 2022/2023 FY. These expenditures include non-cash expenditures such as depreciation and debts impaired

**Audited Annual Financial
Statements For the Year-ended
30 June 2024**



Greater Letaba Municipality
Annual financial statements
for the year ended 30 June 2024

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

General Information

Legal form of entity	Local Municipality
Nature of business and principal activities	Providing municipal services and maintaining the best interest of the local community mainly in the Greater Letaba area.
Mayoral committee	
Executive committee	Cllr Mamanyoha T.D (Mayor) Cllr Mokwathi M.M (Speaker) Cllr Ramalatso R.R (Whip of Council) Cllr Baloyi R.G (Infrastructure) Cllr Kgapane T.J (Finance) Cllr Lebeko N.F (Corporate & Shared Services) Cllr Mosila M.R (Community Services) Cllr Ramaano M.R (Sports, Arts & Culture) Cllr Ramaremelu M.L (Economic Development, Housing & Spatial Planning)
Councillors	Cllr Selowa M.G (Water & Sanitation) Cllr Mangena M.S (Environmental) Cllr Hlungwani S.J Cllr Kgatla M.E Cllr Lebepe R.R Cllr Lebeya J.M Cllr Lekitima M.V Cllr Maake M.S Cllr Maake N Cllr Mabililala E Cllr Makgatho T.E Cllr Makhahanisa M.D Cllr Makhurupetse M.M (Chairperson of MPAC) Cllr Malatji T.P Cllr Malatji M.C Cllr Maluleke M.J Cllr Mamaila B.A Cllr Mamatlepa D.D Cllr Mampeule P.J Cllr Mankgero M.M Cllr Manyama M.I (Chairperson of Ethics) Cllr Mashao M.C Cllr Mohale M.J (Chairperson of Woman commission) Cllr Mohale R.W Cllr Mokgomola N.P Cllr Mokhabukhi M.S Cllr Monyela K.B Cllr Moroatshehla F.M Cllr Morwatshehla M.B Cllr Mothomogolo P.S Cllr Mulaudzi P Cllr Nakana M.R Cllr Ndimba B.H Cllr Ngobeni M.P Cllr Ramabubutla L

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

General Information

	Cllr Rampyapedi S.E Cllr Rasebotja M.S Cllr Raseropo M.S Cllr Rasetsoke M.C Cllr Selowa D.L Cllr Senyolo T.J Cllr Seoka L.M Cllr Serumula M.L Cllr Mothele M.D (Road and Public Transport)
Grading of local authority	Category B, Grade 3 Local Municipality
Audit committee	Mr R Raphalalani (Chairperson) Mr N Marobane Ms MJ Mojapelo Ms MC Maloko Ms M Nkwane
Chief Financial Officer	Ms AN Sesene
Accounting Officer	Mr MO Sewape
Registered office	Civic Centre 44 Botha Street Modjadjiskloof Limpopo
Business address	Civic Centre 44 Botha Street Modjadjiskloof Limpopo
Postal address	PO Box 36 Modjadjiskloof 0835
Bankers	First National Bank
Auditors	Auditor General of South Africa
Enabling Legislations	Division of Revenue Act (Act No. 3 of 2016) Municipal Finance Management Act (Act No. 56 of 2003) Municipal Property Rates Act (Act No. 6 of 2000) Municipal System Act (Act No. 32 of 2000) Municipal Structures Act (Act No. 117 of 1998)

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Index

The reports and statements set out below comprise the annual financial statements presented to the Council.:

	Page
Accounting Officer's Responsibility and Approval	4
Accounting Officer's Report	5
Statement of Financial Position	6
Statement of Financial Performance	7
Statement of Changes in Net Assets	8
Cash Flow Statement	9
Statement of Comparison of Budget and Actual Amounts	10 - 13
Accounting Policies	13 - 40
Notes to the Annual Financial Statements	40 - 83

GRAP	Generally Recognised Accounting Practice
MPAC	Municipal Public Accounts Committee
SDL	Skills Development Levy
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Finance Management Grant
UIF	Unemployment Insurance Fund
WCA	Workers Compensation Assistance
PAYE	Pay-As-You-Earn
WIP	Work In Progress
JSE	Johannesburg Stock Exchange

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Officer's Responsibility and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

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

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 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 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 they are primarily responsible for the financial affairs of the municipality, they are supported by the municipality's internal auditors.

The internal 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.

The annual financial statements set out on page 5, 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:



MR SEWAPPE M.O.
MUNICIPAL MANAGER

Greater Letaba 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 providing municipal services and maintaining the best interest of the local community mainly in the Greater Letaba area. and operates principally in South Africa.

2. Going concern

We draw attention to the fact that at 30 June 2024, the municipality had an accumulated surplus of R 1 116 196 944 and that the municipality's total assets exceed its total liabilities by R 1 116 196 944.

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.

Going Concern disclosure is contained in note 50 of the notes to the financial statements

3. Subsequent events

No subsequent events identified for the year under review.

4. Accounting Officers' interest in contracts

None have been identified.

5. Accounting policies

The annual financial statements prepared in accordance with the South African Statements of Generally Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board and in accordance with section 122(3) of the Municipal Finance Management Act, (Act No. 56 of 2003).

6. Accounting Officer

The accounting officer of the municipality during the year and to the date of this report is as follows:

Name
Mr MO Sewape

The annual financial statements set out on page 5, 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:


MR SEWAPÉ M.O
MUNICIPAL MANAGER

Greater Letaba 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	7	10 261 762	9 818 799
Receivables from exchange transactions	8	12 270 824	14 332 108
Receivables from non-exchange transactions	9	2 860 476	5 123 228
VAT receivable	10	1 337 889	2 892 777
Consumer debtors	11	6 055 357	8 307 619
Cash and cash equivalents	12	12 454 221	3 582 784
		45 240 529	44 057 315
Non-Current Assets			
Investment property	2	178 568	187 584
Property, plant and equipment	3	1 213 182 873	1 165 315 589
Intangible assets	4	29 699	69 431
Heritage assets	5	914 424	914 424
		1 214 305 564	1 166 487 028
Total Assets		1 259 546 093	1 210 544 343
Liabilities			
Current Liabilities			
Finance lease obligation	49	2 560 284	238 360
Payables from exchange transactions	15	94 940 394	81 152 674
Consumer deposits	17	409 368	411 065
Employee benefit obligation	6	804 000	2 161 371
Unspent conditional grants and receipts	13	5 084 978	3 900 000
Provisions - VAT	14	12 347 101	14 583 646
		116 146 125	102 447 116
Non-Current Liabilities			
Finance lease obligation	49	3 692 741	-
Employee benefit obligation	6	23 510 283	17 139 116
		27 203 024	17 139 116
Total Liabilities		143 349 149	119 586 232
Net Assets		1 116 196 944	1 090 958 111
Accumulated surplus		1 116 196 944	1 090 958 111
Total Net Assets		1 116 196 944	1 090 958 111

Greater Letaba 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	32 016 397	23 034 576
Rental of facilities and equipment	20	196 610	222 761
Interest received - outstanding receivables	51	3 475 275	5 070 313
Agency services	22	3 127 597	3 400 549
Licences and permits	23	2 232 319	2 853 402
Other income	25	1 665 683	2 206 792
Interest received - investment	26	4 692 787	2 117 199
Total revenue from exchange transactions		47 406 668	38 905 592
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	27	20 036 611	13 342 128
Interest - Property Rates	51	236 499	570 976
Transfer revenue			
Government grants & subsidies	28	459 373 024	453 366 000
Fines, Penalties and Forfeits	21	352 150	632 200
Total revenue from non-exchange transactions		479 998 284	467 911 304
Total revenue	18	527 404 952	506 816 896
Expenditure			
Employee related costs	31	148 434 515	128 466 777
Remuneration of councillors	32	32 113 710	24 163 257
Depreciation and amortisation	33	47 332 575	42 235 815
Finance costs	52	2 519 036	2 158 503
Debt Impairment	35	42 845 074	25 965 205
Bulk purchases	36	19 859 883	16 897 055
Contracted services	29	130 215 140	116 838 834
General Expenses	30	77 934 297	78 281 215
Total expenditure		501 254 230	435 006 661
Operating surplus		26 150 722	71 810 235
Gain/Loss on assets	34	423 744	1 661 313
Actuarial gains/losses	6	308 139	2 205 772
Impairment Gains/ Losses	34	(1 011 667)	(11 124 876)
		(279 784)	(7 257 791)
Surplus for the year		25 870 938	64 552 444

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	1 028 445 085	1 028 445 085
Adjustments		
Prior year adjustments	(2 039 418)	(2 039 418)
Balance at 01 July 2022 as restated*	1 026 405 667	1 026 405 667
Changes in net assets		
Surplus for the year	64 552 444	64 552 444
Total changes	64 552 444	64 552 444
Opening balance as previously reported	1 096 142 830	1 096 142 830
Adjustments		
Prior year adjustments	(5 184 719)	(5 184 719)
Restated* Balance at 01 July 2023 as restated*	1 090 326 006	1 090 326 006
Changes in net assets		
Surplus for the year	25 870 938	25 870 938
Total changes	25 870 938	25 870 938
Balance at 30 June 2024	1 116 196 944	1 116 196 944
Note(s)		

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		27 300 051	32 339 607
Grants		464 458 002	453 366 134
Interest income		5 635 545	2 117 199
Other Income		1 663 087	1 886 644
		<u>499 056 685</u>	<u>489 709 584</u>
Payments			
Employee costs		(180 548 226)	(152 459 952)
Suppliers		(209 056 969)	(207 707 337)
Finance costs		(2 519 036)	(23 457)
		<u>(392 124 231)</u>	<u>(360 190 746)</u>
Net cash flows from operating activities	38	<u>106 932 454</u>	<u>129 518 838</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(96 896 027)	(127 283 265)
Proceeds from disposal of property, plant and equipment	3	1 156 935	-
Purchase of heritage assets	5	-	(416 206)
Net cash flows from investing activities		<u>(95 739 092)</u>	<u>(127 699 471)</u>
Cash flows from financing activities			
Finance lease payments		<u>(2 321 924)</u>	<u>(1 410 876)</u>
Net increase/(decrease) in cash and cash equivalents		8 871 438	408 491
Cash and cash equivalents at the beginning of the year		<u>3 582 784</u>	<u>3 174 293</u>
Cash and cash equivalents at the end of the year	12	<u>12 454 222</u>	<u>3 582 784</u>

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis						
Approved budget		Adjustments	Final Budget	Actual amounts	Difference	Reference
			on comparable basis		between final budget and actual	
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	28 455 000	2 000 000	30 455 000	32 016 397	1 561 397	1
Rental of facilities and equipment	249 000	-	249 000	196 610	(52 390)	9
Interest received (trading)	3 751 000	-	3 751 000	3 475 275	(275 725)	2
Agency services	3 368 000	-	3 368 000	3 127 597	(240 403)	3
Licences and permits	21 523 000	1 000 000	22 523 000	2 232 319	(20 290 681)	4
Other income	1 829 000	500 000	2 329 000	1 665 683	(663 317)	5
Interest received - investment	1 377 000	2 807 000	4 184 000	4 692 787	508 787	6
Total revenue from exchange transactions	60 552 000	6 307 000	66 859 000	47 406 668	(19 452 332)	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	13 517 000	7 000 000	20 517 000	20 036 611	(480 389)	7
Gain on disposal of assets	800 000	-	800 000	423 744	(376 256)	32
Interest - Property Rates	2 598 000	-	2 598 000	236 499	(2 361 501)	8
Transfer revenue						
Government grants & subsidies	388 982 000	4 479 000	393 461 000	459 373 024	65 912 024	10
Fines, Penalties and Forfeits	599 000	-	599 000	352 150	(246 850)	19
Total revenue from non-exchange transactions	406 496 000	11 479 000	417 975 000	480 422 028	62 447 028	
Total revenue	467 048 000	17 786 000	484 834 000	527 828 696	42 994 696	
Expenditure						
Employee related costs	(143 320 000)	(2 320 000)	(145 640 000)	(148 434 515)	(2 794 515)	11
Remuneration of councillors	(29 138 000)	(2 150 000)	(31 288 000)	(32 113 710)	(825 710)	12
Depreciation and amortisation	(21 797 000)	(4 899 000)	(26 696 000)	47 332 575	74 028 575	13
Impairment loss/ Reversal of impairments	-	-	-	(1 011 667)	(1 011 667)	34
Finance costs	(77 000)	-	(77 000)	(2 519 036)	(2 442 036)	17
Debt impairment	(22 210 000)	7 000 000	(15 210 000)	(42 845 074)	(27 635 074)	14
Bulk purchases	(21 841 000)	-	(21 841 000)	(19 859 883)	1 981 117	15
Contracted Services	(97 990 000)	(6 927 000)	(104 917 000)	(130 215 140)	(25 298 140)	16
General Expenses	(76 128 000)	(7 239 000)	(83 367 000)	(77 934 297)	5 432 703	18
Total expenditure	(412 501 000)	(16 535 000)	(429 036 000)	(407 600 747)	21 435 253	
Operating surplus	54 547 000	1 251 000	55 798 000	120 227 949	64 429 949	
Gain on disposal of assets and liabilities	-	-	-	423 744	423 744	32
Transfers and subsidies - capital	69 075 000	1 922 000	70 997 000	-	(70 997 000)	35
Actuarial gains/losses	-	-	-	308 139	308 139	36
	69 075 000	1 922 000	70 997 000	731 883	(70 265 117)	
Surplus before taxation	123 622 000	3 173 000	126 795 000	120 959 832	(5 835 168)	

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis						
	Approved budget	Adjustments on comparable basis	Final Budget	Actual amounts	Difference between final budget and actual	Reference
Figures in Rand						
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	123 622 000	3 173 000	126 795 000	120 959 832	(5 835 168)	

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

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

Figures in Rand

Statement of Financial Position

Assets

Current Assets

Inventories	10 897 000	(1 801 000)	(1 801 000)	10 261 762	12 062 762	20
Receivables from exchange transactions	2 383 000	11 102 000	13 485 000	12 270 824	(1 214 176)	21
Receivables from non-exchange transactions	12 667 000	5 695 000	18 362 000	2 860 476	(15 501 524)	22
VAT receivable	41 611 000	1 152 000	42 763 000	1 334 558	(41 428 442)	23
Consumer debtors	-	-	-	6 055 357	6 055 357	37
Cash and cash equivalents	47 394 000	2 542 000	49 936 000	12 454 221	(37 481 779)	28
	114 952 000	18 690 000	122 745 000	45 237 198	(77 507 802)	

Non-Current Assets

Investment property	197 000	(9 000)	188 000	178 568	(9 432)	40
Property, plant and equipment	1 193 156 000	58 434 000	1 251 590 000	1 213 182 873	(38 407 127)	24
Intangible assets	516 000	(497 000)	19 000	29 699	10 699	29
Heritage assets	549 000	416 000	965 000	914 424	(50 576)	30
	1 194 418 000	58 344 000	1 252 762 000	1 214 305 564	(38 456 436)	

Total Assets

1 309 370 000	77 034 000	1 375 507 000	1 259 542 762	(115 964 238)	
----------------------	-------------------	----------------------	----------------------	----------------------	--

Liabilities

Current Liabilities

Finance lease obligation	-	-	-	2 560 284	2 560 284	38
Payables from exchange transactions	93 544 000	28 688 000	122 232 000	94 940 394	(27 291 606)	25
Consumer deposits	399 000	12 874 000	13 273 000	409 368	(12 863 632)	31
Employee benefit obligation	2 075 000	86 000	2 161 000	804 000	(1 357 000)	26
Unspent conditional grants and receipts	-	-	-	5 084 978	5 084 978	39
Provisions - VAT	9 723 000	-	9 723 000	12 347 101	2 624 101	27
	105 741 000	41 648 000	147 389 000	116 146 125	(31 242 875)	

Non-Current Liabilities

Finance lease obligation	-	-	-	3 692 741	3 692 741	38
Employee benefit obligation	45 266 000	(28 127 000)	17 139 000	23 510 283	6 371 283	26
Provisions	4 988 000	(4 988 000)	-	-	-	
	50 254 000	(33 115 000)	17 139 000	27 203 024	10 064 024	

Total Liabilities

155 995 000	8 533 000	164 528 000	143 349 149	(21 178 851)	
--------------------	------------------	--------------------	--------------------	---------------------	--

Net Assets

1 153 375 000	68 501 000	1 210 979 000	1 116 193 613	(94 785 387)	
----------------------	-------------------	----------------------	----------------------	---------------------	--

Net Assets

Net Assets Attributable to Owners of Controlling Entity

Reserves

Accumulated surplus	1 153 375 000	68 501 000	1 210 979 000	1 116 193 613	(94 785 387)	
---------------------	---------------	------------	---------------	---------------	--------------	--

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

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

Figures in Rand

The accounting policies on pages 13 to 40 and the notes on pages 40 to 83 form an integral part of the annual financial statements.

Accounting Policies

Figures in Rand	Note(s)	2024	2023
-----------------	---------	------	------

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

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

A summary of the significant GRAP Standards, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

- GRAP - 1 Presentation of Financial Statements
- GRAP - 2 Cashflow Statements
- GRAP - 3 Accounting Policies, Changes in Accounting Estimates and Errors
- GRAP - 5 Borrowing Costs
- GRAP - 9 Revenue from Exchange Transactions
- GRAP - 12 Inventories
- GRAP - 13 Leases
- GRAP - 14 Events after the reporting date GRAP
- 16 Investment Property
- GRAP - 17 Property Plant and Equipment GRAP
- 18 Segment Reporting
- GRAP - 19 Provisions, Contingent Liabilities and Contingent Assets GRAP
- 20 Related Party Disclosures
- GRAP - 21 Impairment of Non-Cash Generating Assets GRAP
- 23 Revenue from Non-exchange Transactions
- GRAP - 24 Presentation of Budget Information in Financial Statements GRAP
- 25 Employee Benefits
- GRAP - 31 Intangible Assets GRAP
- 103 Heritage Assets GRAP -104
- Financial Instruments
- GRAP -108 Statutory Receivables
- GRAP -109 Accounting by Principals and Agents

At the date of authorisation of these Annual Financial Statements, the following standards and interpretations were in issue but not yet effective and have not been early adopted by the municipality.

Greater Letaba Municipality

GRAP - 1 Presentation of Financial Statements (Amended)
GRAP - 25 Employee Benefits (Revised)
GRAP -104 Financial Instruments (Revised) IGRAP
- 7 Defined Benefit Asset (Revised) IGRAP - 21
Past Decisions on Materiality

Standards issued and not yet effective are disclosed in detail, including their nature under note 47 of the notes to the financial statements.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

11 Presentation currency

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

12 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.

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

Fair value estimation

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

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including [list entity specific variables, i.e. production estimates, supply demand], together with economic factors such as [list economic factors such as exchange rates inflation interest].

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 14 - Provisions.

Contingent provisions on entity combinations

Contingencies recognised in the current year required estimates and judgments, refer to note on entity combinations.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

13 Significant judgements and sources of estimation uncertainty (continued)

Useful lives of waste network and other assets

The municipality's management determines the estimated useful lives and related depreciation charges for the assets. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

Post-retirement benefits

The Municipality has defined benefit plan. The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

Other key assumptions for post retirement benefit obligations are based on current market conditions. Additional information is disclosed in Note 6.

Effective interest rate

The municipality used the most relevant contractual risk rate applicable to each category of assets and liabilities to discount future cash flows. Where none exists the prime interest rate is used to discount future cash flows.

Debtors impairment

Consumer debtors

The provision for impairment is measured per individual debtors using the recoverability rate per debtors. The municipality provide for all excluding debtors with credit balances. An impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired.

Traffic fines debtors

The provision for impairment is measured with reference to the recoverability rate.

Accounting by principals and agent

The municipality makes assessments on whether it is the principal or agent in principal-agent relationship. The modified cash basis of accounting is applied when a accounting for the payments on behalf of the principal. Expenses are only debited to loan account when they are paid on behalf of the principal not when they are accrued.

Additional information is disclosed in Note 48.

14 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.

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

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

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

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

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

14 Investment property (continued)

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

Cost model

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value over the useful life of the property, which is as follows:

Item	Useful life
Property - buildings	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.

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

15 Property, plant and equipment

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

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

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

Property, plant and equipment is initially measured at cost.

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

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

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

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

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

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

15 Property, plant and equipment (continued)

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

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

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Transport assets and other plants and machinery have a residual value of 10% on cost of asset.

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

Item	Depreciation method	Average useful life
Land		Indefinite
Buildings	Straight-line	10-30
Roads, pavements, bridges and storm water	Straight-line	10-100
Street names, signs and parking meters	Straight-line	5
Electricity reticulation	Straight-line	20-50
Infrastructure assets	Straight-line	5-100
Other assets	Straight-line	2-15
Motor Vehicles	Straight-line	7-15
Plant and Equipment	Straight-line	2-15
IT Equipment	Straight-line	5-15
Office Equipment	Straight-line	5-15

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

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The 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.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

16 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

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

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

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.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

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

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

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

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

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

Item	Depreciation method	Average useful life
Computer software, other	Straight-line	5

1.7 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.

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.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

17 Heritage assets (continued)

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.

Impairment

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

Transfers

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

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).

18 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

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

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

18 Financial instruments (continued)

- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Initial recognition

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

The entity recognises financial assets using trade date accounting. Initial

measurement of financial assets and financial liabilities

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

Subsequent measurement of financial assets and financial liabilities

The municipality measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review. Fair

value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the municipality establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the municipality uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on 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, an 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.

Reclassification

The municipality 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
- an investment in a residual interest that meets the requirements for reclassification.

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.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.8 Financial instruments (continued)

If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the entity reclassifies the instrument from cost to fair value.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The municipality assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

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

Derecognition Financial

assets

The municipality derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the municipality, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

18 Financial instruments (continued)

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

If the municipality transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the municipality adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the municipality obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the municipality recognise the new financial asset, financial liability or servicing liability at fair value.

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

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit.

If a transfer does not result in derecognition because the municipality has retained substantially all the risks and rewards of ownership of the transferred asset, the municipality continue to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the municipality recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

Financial liabilities

The municipality removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

19 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that can be readily converted to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently received at fair value.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.10 Tax

Value added tax

Revenue, expenses and assets are recognised net of the amounts of value added tax. The net amount of value added tax recoverable from, or payable to the taxation authority is included as part of receivables or payables in the Statement of Financial Position. The Municipality is registered at SARS for VAT on the payment basis in accordance with section 15(2)(a) of the VAT Act (Act No 89 of 1991). The municipality is liable to account for VAT at the standard rate 15% from 1 April 2018 as announced by the minister of Finance) in terms of section 7 (1) (a) of the VAT Act in respect of the supply of goods or services, except where supplies are specifically zero-rated in terms of section 11, exempted in terms of section 12 of the VAT Act or are scoped out for VAT purposes.

The municipality accounts for Value added tax on accrual basis.

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.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

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.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

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

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

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.12 Inventories (continued)

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.13 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.

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.

Identification

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

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

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

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

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

Value in use

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

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

Depreciated replacement cost approach

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

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

Recognition and measurement

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

An impairment loss is recognised immediately in surplus or deficit.

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

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

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

Reversal of an impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit. Any

reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

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

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

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

Redesignation

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

1.14 Employee benefits

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

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.14 Employee benefits (continued)

Short-term employee benefits

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

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

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

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity 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; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.14 Employee benefits (continued)

Post-employment benefits: Defined contribution plans

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

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity 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; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.14 Employee benefits (continued)

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the entity recognises actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Assets held by a long-term employee benefit fund are assets (other than non-transferable financial instruments issued by the reporting entity) that are held by an entity (a fund) that is legally separate from the reporting entity and exists solely to pay or fund employee benefits and are available to be used only to pay or fund employee benefits, are not available to the reporting entity's own creditors (even in liquidation), and cannot be returned to the reporting entity, unless either:

- the remaining assets of the fund are sufficient to meet all the related employee benefit obligations of the plan or the reporting entity; or
- the assets are returned to the reporting entity to reimburse it for employee benefits already paid.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognises past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends or similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The entity accounts not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices. Informal practices give rise to a constructive obligation where the entity has no realistic alternative but to pay employee benefits. An example of a constructive obligation is where a change in the entity's informal practices would cause unacceptable damage to its relationship with employees.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement

The amount determined as a defined benefit liability may be negative (an asset). The entity measures the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

The entity determines the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.14 Employee benefits (continued)

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:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

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. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, an entity shall attribute 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, an entity shall attribute benefit on a straight-line basis from:

- 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
- 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 valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The entity recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the entity re-measures the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is [OR is not] presented as the net of the amount recognised for a reimbursement.

The entity offsets an asset relating to one plan against a liability relating to another plan when the entity has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and 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.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.14 Employee benefits (continued)

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

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

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - those changes were enacted before the reporting date; or
 - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

Other post retirement obligations

The municipality provides post-retirement health care benefits, housing subsidies and gratuities upon retirement to some retirees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The municipality also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The entity shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement right recognised as an asset;
- actuarial gains and losses, which shall all be recognised immediately;
- past service cost, which shall all be recognised immediately; and
- the effect of any curtailments or settlements.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.14 Employee benefits (continued)

Termination benefits

The entity recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The entity is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes [as a minimum]:

- the location, function, and approximate number of employees whose services are to be terminated;
- the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than 12 months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit 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 benefit.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

1.15 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions

are not recognised for future operating surplus.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.15 Provisions and contingencies (continued)

A constructive obligation to restructure arises only when an entity:

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

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

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

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

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

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

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 40.

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
- 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, a 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.

1.16 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.16 Commitments (continued)

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.

1.17 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

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.

The amount of revenue arising on a transaction which is statutory (non-contractual) in nature is usually measured by reference to the relevant legislation, regulation or similar means. The fee structure, tariffs or calculation basis specified in legislation, regulation or similar means is used to determine the amount of revenue that should be recognised. This amount represents the fair value, on initial measurement, of the consideration received or receivable for revenue that arises from a statutory (non-contractual) arrangement (see the accounting policy on Statutory Receivables).

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.

Service charges

Flat rate service charges relating to electricity which are based on consumption are metered and an estimate of consumption between the latest meter reading and the reporting date shall be recognised when:

- 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;

Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumptions are made monthly when meter readings have not been performed and are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made then recognised in the statement of financial performance in the invoicing period in which meters have been read.

Service charges relating to refuse removal are recognised on a monthly basis by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage and are levied monthly based on the number of refuse containers on each property, regardless of whether or not containers are emptied during the month.

.Revenue from the sale of electricity prepaid meter credit is recognised at the point of sale.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.17 Revenue from exchange transactions (continued)

Interest income

Revenue arising from the use by others of entity assets yielding interest 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.

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.

1.18 Revenue from non-exchange transactions

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

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Traffic 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.

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.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.18 Revenue from non-exchange transactions (continued)

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

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

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

Property Rates (including collection charges and penalty interest)

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met. Revenue from property rates is recognised when the legal entitlement to this revenue arises.

Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportionate basis.

Rebates are respectively granted, to owners of land on which not more than two dwelling units are erected provided that such dwelling units are solely used for residential purposes. Additional relief is granted to needy, aged and/or disabled owners, based on income

Assessment rates income is recognised once a rates account has been issued to ratepayers. Adjustments or interim rates are recognised once the municipal valuer has valued the change to property.

Gain/ Loss on assets:

Gain/ loss on assets are recognised in the on the statement of financial performance as revenue from non-exchange transaction or non-cash expenditure

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.18 Revenue from non-exchange transactions (continued)

Government grants, subsidies and transfers

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

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

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

Government Grants can be in the form of grants to acquire or construct fixed assets (capital grants), grants for the further of national and provincial government policy objectives and general grants to subsidise the cost incurred by municipalities rendering services.

Capital grants and general grants for the furtherance of government policy objectives are usually restricted revenue in that stipulations are imposed in their use.

Conditional grants, donations and funding were recognised as revenue in the Statement of Financial Performance to the extent that the Municipality has complied with any criteria, conditions or obligations embodied in the agreement/arrangement. To the extent that the criteria, conditions and obligations have not been met a liability is raised in the Statement of Financial Position.

Unconditional grants, donations and funding are recognised as revenue in the Statement of Financial Position at the earlier of the date of receipt or when the amount is receivable. Stipulations can either be in the form of conditions or in the form of restrictions. For both conditions and restrictions a recipient may be required to use the transferred asset for a particular purpose. However the difference between a restriction and a condition is that a condition has an additional requirement which states that the asset or its future economic benefits or service potential should be returned to the transferor should the recipient not use the asset for the particular purpose stipulated.

When conditions are attached to a transferred asset, the municipality incurs a liability. The municipality has a present obligation comply with the conditions of the asset or to return the economic benefits or service potential of the asset to the transferor when the conditions are not met. Therefore, when a recipient initially recognises an asset that is subject to a condition, the recipient also incurs a liability.

Restrictions on transferred assets arise when there is an expectation and/or understanding about the particular way that the assets will be used. However, there is no requirement that the transferred asset, or future economic benefits or service potential are to be returned to the transferor if the assets are not used as per the expectation or understanding. Thus, initially gaining control of an asset with restrictions does not impose a present obligation on the recipient and consequently no liability is recognised. Contributed assets are recognised at fair value when the risks and rewards associated with such asset transfer to the Municipality.

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.

1.19 Investment income

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

1.20 Borrowing costs

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

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

1.21 Comparative figures

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

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.21 Comparative figures (continued)

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.

1.22 Unauthorised expenditure

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act 56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.23 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

Fruitless and wasteful 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. Fruitless and wasteful expenditure is also disclosed on the notes. It gets de-recognised when condoned by the Council.

1.24 Irregular expenditure

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

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

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

Irregular expenditure 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.

1.25 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.25 Segment information (continued)

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

1.26 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

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

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

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

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

The municipality consider all variances which are +/-10% to be material and explanations are provided for them

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 venturers).

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.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.27 Related parties (continued)

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 favourable 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 favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

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

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

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

1.29 Investments

Where the carrying amount of an investment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the statement of financial performance.

Investments in securities

1.30 Conditional grants and receipts

Revenue received from conditional grants, and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. If conditions or obligations have not been met a liability is recognised. If the obligation has been exceeded an asset is recognised.

1.31 Expenditure

Expenditure is recognised as an expense when it is incurred (Accrual basis).

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

2. Investment property

2024 Cost / Valuation	2023					
	Accumulated depreciation and accumulated impairment	Carrying value Valuation	Cost /	Accumulated depreciation and accumulated impairment	Carrying value	
Investment property	480 511	(301 943)	178 568	480 511	(292 927)	187 584

Reconciliation of investment property - 2024

	Opening balance	Depreciation	Total
Investment property	187 584	(9 016)	178 568

Reconciliation of investment property - 2023

	Opening balance	Depreciation	Total
Investment property	196 576	(8 992)	187 584

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

3. 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	33 571 077	-	33 571 077	33 571 077	-	33 571 077
Buildings	373 732 971	(95 688 610)	278 044 361	378 861 055	(87 493 571)	291 367 484
Leasehold property	7 617 466	(1 368 028)	6 249 438	4 151 951	(3 913 071)	238 880
Plant and machinery	29 880 895	(17 496 348)	12 384 547	28 808 855	(15 453 119)	13 355 736
Motor vehicles	21 387 350	(12 613 340)	8 774 010	24 876 472	(14 584 993)	10 291 479
Infrastructure	989 949 831	(224 250 266)	765 699 565	883 676 975	(195 531 327)	688 145 648
Other assets	14 923 638	(13 390 212)	1 533 426	14 942 154	(12 702 327)	2 239 827
WIP - Infrastructure	58 623 671	-	58 623 671	82 497 155	-	82 497 155
WIP - Buildings	48 302 778	-	48 302 778	43 608 303	-	43 608 303
Total	1 577 989 677	(364 806 804)	1 213 182 873	1 494 993 997	(329 678 408)	1 165 315 589

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Transfers received	Transfers out loss	Depreciation	Impairment	Total
Land	33 571 077	-	-	-	-	-	-	33 571 077
Buildings	291 367 484	-	-	-	-	(12 516 134)	(806 989)	278 044 361
Leasehold property	238 880	7 617 466	-	-	-	(1 606 908)	-	6 249 438
Plant and machinery	13 355 736	1 303 986	(216 195)	-	-	(2 032 231)	(26 749)	12 384 547
Motor vehicles	10 291 479	686 595	(495 095)	-	-	(1 708 969)	-	8 774 010
Infrastructure	688 145 648	1 988 401	-	104 284 455	-	(28 581 044)	(137 895)	765 699 565
Other assets	2 239 827	194 133	(21 901)	-	-	(838 599)	(40 034)	1 533 426
WIP - Infrastructure	82 497 155	80 410 971	-	-	(104 284 455)	-	-	58 623 671
WIP - Buildings	43 608 303	4 694 475	-	-	-	-	-	48 302 778
	1 165 315 589	96 896 027	(733 191)	104 284 455	(104 284 455)	(47 283 885)	(1 011 667) 1	213 182 873

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Transfers received	Transfers loss	Depreciation	Impairment	Impairment reversal	Total
Land	33 571 077	-	-	-	-	-	-	-	33 571 077
Buildings	194 957 898	-	-	105 689 188	-	(9 279 602)	-	-	291 367 484
Leasehold property	1 622 863	-	-	-	-	(1 383 983)	-	-	238 880
Plant and machinery	15 556 277	100 000	(196 013)	-	-	(1 940 116)	(164 412)	-	13 355 736
Motor vehicles	10 642 922	2 532 858	(821 665)	-	-	(1 939 625)	(548 384)	425 373	10 291 479
Infrastructure	639 733 199	745 828	-	83 893 967	-	(25 441 887)	(10 785 459)	-	688 145 648
Other assets	3 052 693	58 550	(23 803)	394 726	-	(1 190 345)	(51 994)	-	2 239 827
WIP - Infrastructure	61 535 485	100 542 189	-	-	(79 580 519)	-	-	-	82 497 155
WIP - Buildings	143 721 248	10 305 896	-	-	(110 418 841)	-	-	-	43 608 303
	1 104 393 662	114 285 321	(1 041 481)	189 977 881	(189 999 360)	(41 175 558)	(11 550 249)	425 373	1 165 315 589

The following projects are taking long to complete due to various reasons

Project description	Carrying Amount 30 June 2024	Start Date	Planned Completion	Revised Completion date	Reason for delay
WIP53 - MADUMELENG SHOTONG SPORTS COMPLEX	27 637 803	10 September 2018	10 March 2021	30 June 2024	The contractor was behind schedule and has abandoned the site. A notice of intention to terminate the contract was issued by the municipality in June 2024.
WIP57 - WARD 5 COMMUNITY HALL	2 898 307	04 October 2019	30 June 2021	Halted	Project completion delayed due to community stoppage due to disputed project site location. Council resolved that project be relocated to another site
30 536 110					

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

3. Property, plant and equipment (continued)

Pledged as security

None of the property, plant and equipment are pledged as security for financial liabilities.

The residual value and useful lives of property plant and equipment were reviewed and possible impairment has been assessed at reporting date

Other information

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance		
Maintenance of Building and Facilities	10 757 650	5 316 487
Maintenance of Equipments	8 723 806	4 245 039
Maintanance of Other Assets	12 555 653	12 439 642
	<u>32 037 109</u>	<u>22 001 168</u>

Maintenance of property, plant and equipment

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.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

4. Intangible assets

2024 Cost / Valuation	2023					
	Accumulated amortisation and accumulated impairment	Carrying value Valuation	Cost /	Accumulated amortisation and accumulated impairment	Carrying value	
Computer software	1 319 316	(1 289 617)	29 699	1 319 316	(1 249 885)	69 431

Reconciliation of intangible assets - 2024

	Opening balance	Disposals	Amortisation	Total
Computer software	69 431	(14)	(39 718)	29 699

Reconciliation of intangible assets - 2023

	Opening balance	Amortisation	Total
Computer software	133 302	(63 871)	69 431

Pledged as security

No carrying value of intangible assets were pledged as securities.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

5. Heritage assets

2024	2023					
	Accumulated impairment losses	Carrying value Valuation	Cost /	Accumulated impairment losses	Carrying value	
Waterfall picnic site	103 000	-	103 000	103 000	-	103 000
Historical monuments and statues	556 424	-	556 424	556 424	-	556 424
Mayoral gold chain	195 000	-	195 000	195 000	-	195 000
Paintings	60 000	-	60 000	60 000	-	60 000
Total	914 424	-	914 424	914 424	-	914 424

Reconciliation of heritage assets 2024

	Opening balance	Total
Waterfall picnic site	103 000	103 000
Historical monuments and statues	556 424	556 424
Mayoral gold chain	195 000	195 000
Paintings	60 000	60 000
	914 424	914 424

Reconciliation of heritage assets 2023

	Opening balance	Additions	Total
Waterfall picnic site	103 000	-	103 000
Historical monuments and statues	140 218 416 206	-	556 424
Mayoral gold chain	195 000	-	195 000
Paintings	60 000	-	60 000
	498 218 416 206		914 424

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
5. Heritage assets (continued)		
Pledged as security		
No carrying value of heritage assets were pledged as security.		
6. Employee benefit obligations		
Defined benefit plans		
The amounts recognised in the statement of financial position are as follows:		
Carrying value		
Present value of the defined benefit obligation-wholly unfunded	(18 014 283)	(14 046 876)
Present value of the defined benefit obligation-partly or wholly funded	(6 300 000)	(5 253 611)
	(24 314 283)	(19 300 487)
Non-current liabilities	(23 510 283)	(17 139 116)
Current liabilities	(804 000)	(2 161 371)
	(24 314 283)	(19 300 487)
Post retirement benefit plan		
6.1 Post retirement medical aid plan		
The post-employment health care benefits valuation considers all current employees, retired employees and their dependants who participate in the health care arrangements and are entitled to a post-employment medical scheme subsidy. The postemployment health care liability is not a funded arrangement, i.e. no separate assets have been set aside to meet this liability. The effective date of the valuation is 30 June 2024.		
The amounts recognised in the statement of financial position are as follows:		
Present value of the defined benefit obligation - wholly unfunded	19 310 000	15 406 000
Non-Current Liabilities	18 962 000	15 240 000
Current Liabilities	348 000	166 000
	19 310 000	15 406 000
Changes in the present value of the defined benefit obligation are as follows:		
Opening balance	15 406 000	14 693 000
Benefits paid	(166 000)	(111 000)
Net expense recognised in the statement of financial performance	3 387 139	824 000
	18 627 139	15 406 000
Net expense recognised in the statement of financial performance		
Current service cost	1 152 000	1 163 000
Interest cost	1 926 000	1 735 000
Actuarial (gains) losses	245 139	(2 074 000)
	3 323 139	824 000

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
6. Employee benefit obligations (continued)		
Calculation of actuarial gains and losses		
Actuarial (gains) losses – Obligation	245 139	(2 074 000)
Key assumptions used		
Assumptions used at the reporting date:		
Discount rates used	12.35 %	12.57 %
Medical contribution inflation rate	7.82 %	8.17 %
Average retirement age	62	62

The basis on which the medical aid inflation rate has been determined is as follows:

The medical aid inflation rate was set with reference to the past relationship between the (yield curve based) Discount Rate for each relevant time period and the (yield curve based) Medical Aid Contribution Inflation for each relevant time period

South Africa has experienced high health care cost inflation in recent years. The annualised compound rates of increase for the last ten years show that registered medical aid schemes contribution inflation outstripped general CPI by almost 1.5% year on year.

We do not consider these increases to be sustainable and have assumed that medical aid contribution increases would outstrip general inflation by 1% per annum over the foreseeable future.

The basis on which the discount rate has been determined is as follows:

GRAP 25 stipulates that the choice of this rate should be derived from government bond yields consistent with the estimated term of the post-employment liabilities.

However, where there is no deep market in government bonds with a sufficiently long maturity to match the estimated term of all the benefit payments, current market rates of the appropriate term should be used to discount shorter term payments, and the discount rate for longer maturities should be estimated by extrapolating current market rates along the yield curve.

Consequently, a discount rate of 12.35% per annum has been used. The corresponding index-linked yield at this term is 4.20%. These rates do not reflect any adjustment for taxation. These rates were deduced from the interest rate data obtained from the Johannesburg Stock Exchange after the market close on 30 June 2024.

These rates were calculated by using a liability-weighted average of the yields for the two components of the liability. Each component's fixed-interest and index-linked yields were taken from the respective bond yield curves at that component's duration, using an iterative process (because the yields depend on the liability, which in turn depends on the yields).

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

6. Employee benefit obligations (continued)

Other assumptions

It was assumed that the Municipality's health care arrangements and subsidy policy would remain as outlined in Section 3. Furthermore, it was assumed that the level of benefits receivable, and the contributions payable in respect of such, would remain unchanged, with the exception of allowing for inflationary adjustments. Implicit in this approach is the assumption that current levels of cross-subsidy from in-service members to continuation members within the medical scheme are sustainable and will continue:

Amounts for the current and previous four years are as follows:

	2024	2023	2022	2021	2020
	R	R	R	R	R
Defined benefit obligation	19 310 000	15 406 000	13 394 100	12 180 000	9 439 171
Surplus (deficit)	(19 310 000)	(15 406 000)	(13 394 100)	(12 180 000)	(9 439 171)

6.2 Long service awards obligation

Long service benefits are awarded in the form of a percentage of salary and a number of leave days once an employee has completed a certain number of years in service.

An actuarial valuation of the obligation has been performed by Arch Actuarial Consulting on all employees that are entitled to long service awards as at 30 June 2024. As at the valuation date, the long service award liabilities of the Municipality was unfunded, i.e. no dedicated assets have been set aside to meet this liability.

The amounts recognised in the statement of financial position are as follows:

Carrying value	6 300 000	5 657 000
Heading		
Non-current liabilities	5 844 000	5 052 000
Current liabilities	456 000	605 000
	6 300 000	5 657 000

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	5 657 000	5 584 000
Benefits paid	(605 000)	(752 000)
Net expense recognised in the statement of financial performance	1 248 000	825 000
	6 300 000	5 657 000

Net expense recognised in the statement of financial performance in general expenses

Current service cost	575 000	572 000
Interest cost	610 000	578 000
Actuarial (gains) losses	63 000	(325 000)
	1 248 000	825 000

Calculation of actuarial gains and losses

Actuarial (gains) losses - Obligations	63 000	(325 000)
--	--------	-----------

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	11.05 %	11.38 %
---------------------	---------	---------

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

6. Employee benefit obligations (continued)

Expected increase in salaries %	6.20 %	6.62
Average retirement age	62	62

The basis on which the normal salary inflation rate has been determined is as follow:

We have derived the underlying future rate of consumer price price index (CPI inflation) from the relationship between the (yield curve based) inflation-linked Bond rate for each relevant time period. Our assumed rate of salary inflation was set as the assumed value of CPI plus. The salaries used in the valuation include an assumed increase on 1 July 2023 of 6.62%. The next salary increase was assumed to take place on 1 July 2024.

The basis on which the discount rate has been determined is as follow:

GRAP 25 defines the determination of the Discount rate assumption to be used as follows:"The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, an entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve."

We use the nominal and real zero curves as at 30 June 2024 supplied by the JSE to determine our discounted rates and CPI assumptions at each relevant time period. For example a liability which pays out in 1 year will be discounted at a different rate than a liability which pays out in 30 years.

Other assumptions

The cost of the long service awards is dependent on the increase in the annual salaries paid to employees. The rate at which salaries increase will thus have a direct effect on the liability of future retirees. A one percentage point change in assumed normal salary inflation rate would have the following effects:

Amounts for the current and previous four years are as follows:

	2024	2023	2022	2021	2020
Defined benefit obligation	6 300 000	5 657 000	5 297 923	4 585 100	4 356 224
Plan assets	(6 300 000)	(5 657 000)	(5 297 923)	(4 585 100)	(4 356 224)
	-	-	-	-	-

Defined contribution plan

It is the policy of the municipality to provide retirement benefits to all its employees [or specify number of employees covered]. A number of defined contribution provident funds, all of which are subject to the Pensions Fund Act exist for this purpose.

The municipality is under no obligation to cover any unfunded benefits.

Included in defined contribution plan information above, is the following plan(s) which is (are) a Multi-Employer Funds and is (are) a Defined Benefit Plans, but due to the fact that sufficient information is not available to enable the municipality to account for the plan(s) as a defined benefit plan(s). The municipality accounted for this (these) plan(s) as a defined contribution plan(s):

- National Fund for Municipal Workers
- Municipal Gratuity Fund
- Municipal Employees Pension Fund

An increase in actuarial losses is attributable to an increase in the number of employee in the current year.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
7. Inventories		
Raw materials, components	15 698	-
Land Held for sale	1 259 000	1 259 000
Consumable stores	8 987 064	8 559 799
	10 261 762	9 818 799

Inventory pledged as security

No carrying value of inventory were pledged as security.

Land appointed in terms of legislation which entity controls without legal ownership or custodianship

The total of consumable store's is represented by items held for use in operations.

For Inventory amounts relating to stock losses due to theft and shortages, please refer to Note 41 - Fruitless and Wasteful expenditure.

8. Receivables from exchange transactions

Deposits	8 228 837	7 369 289
Sundry debtors	5 208 435	6 254 217
Impairment: Sundry Debtors	(5 356 464)	(4 229 219)
Mopani District Municipality	181 029 940	166 884 746
Impairment: Mopani District Municipality	(176 839 924)	(161 946 925)
	12 270 824	14 332 108

9. Receivables from non-exchange transactions

Fines	9 930 531	9 658 629
Consumer Debtors - Rates	85 539 121	73 712 240
Impairment of Consumer debtors - Rates	(82 686 195)	(68 575 330)
Impairment debtors - Traffic fines	(9 922 981)	(9 672 311)
	2 860 476	5 123 228

Ageing for consumer debtors: Rates

Current (0 - 30 days)	1 993 862	1 077 923
31 - 60 days	1 376 993	738 730
61 - 90 days	1 369 216	1 728 921
91 - 120 days	1 280 531	704 017
121 - 365 days	10 273 481	6 253 427
> 365 days	69 245 037	61 753 712
Less: Impairment	(84 443 241)	(68 575 330)
	1 095 879	3 681 400

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
9. Receivables from non-exchange transactions (continued)		
Statutory receivables general information		
Transaction(s) arising from statute		
Property rates are charged based on the Municipal Properties Rates Act, 2004 (Act No.6 of 2004) on all applicable properties under the demarcations of the Municipality)		
Traffic fines are charged based on the offences as prescribed by laws of the country.		
Determination of transaction amount		
The amount for property rates billing is determined through the implementation of the valuation roll that contains a list of properties and their market values for the determination of the rates payable		
Traffic fines are charged in line with the type of offences and its charge as per the rates of determined in the by-laws and the Traffic Act		
Statutory receivables impaired		
As of 30 June 2024, Statutory receivables of R95 469 652 (2023: R83 370 869) were impaired and provided for.		
The amount of the provision was R(92 966 945) as of 30 June 2024 (2023: R(78 247 641)).		
Factors the entity considered in assessing statutory receivables impaired		
A payment rate was determined and used to calculate the amount of debt impairment at year end		
Receivables from non-exchange transactions pledged as security		
No other receivables from non-exchange transactions were pledged as security.		
10. VAT receivable		
VAT	1 337 889	2 892 777
11. Consumer debtors		
Gross balances		
Electricity	37 092 291	35 110 479
Refuse	100 128 423	94 745 207
Other	29 867 161	29 743 464
	167 087 875	159 599 150
Less: Allowance for impairment		
Electricity	(32 981 546)	(29 279 938)
Refuse	(99 702 553)	(93 712 395)
Other	(28 348 419)	(28 299 198)
	(161 032 518)	(151 291 531)
Net balance		
Electricity	4 110 745	5 830 541
Refuse	425 870	1 032 812
Other	1 518 742	1 444 266
	6 055 357	8 307 619

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
11. Consumer debtors (continued)		
Electricity		
Current (0 -30 days)	202 317	115 598
31 - 60 days	317 183	58 015
61 - 90 days	67 277	51 694
91 - 120 days	108 962	55 481
121 - 365 days	401 761	224 534
> 365 days	3 013 245	5 325 219
	4 110 745	5 830 541
Refuse		
Current (0 -30 days)	2 871	3 353
0	2 621	3 185
61 - 90 days	2 653	3 207
91 - 120 days	2 450	2 978
121 - 365 days	19 795	23 204
> 365 days	395 480	996 885
	425 870	1 032 812
Business service levies		
Current (0 -30 days)	305	388
31 - 60 days	162	385
61 - 90 days	167	385
91 - 120 days	162	383
121 - 365 days	1 704	2 671
> 365 days	1 428 332	1 440 054
	1 430 832	1 444 266

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
11. Consumer debtors (continued)		
Summary of debtors by customer classification		
Consumers		
Current (0 -30 days)	3 233 406	2 163 863
31 - 60 days	4 316 072	1 561 064
61 - 90 days	1 703 975	1 581 489
91 - 120 days	1 684 129	1 499 480
121 - 365 days	14 361 693	11 162 157
> 365 days	175 180 402	168 883 836
	200 479 677	186 851 889
Industrial/ commercial		
Current (0 -30 days)	393 273	1 153 546
31 - 60 days	938 496	761 988
61 - 90 days	817 971	700 324
91 - 120 days	1 293 370	533 400
121 - 365 days	4 255 499	3 306 351
> 365 days	24 963 003	25 762 563
	32 661 612	32 218 172
National and provincial government		
Current (0 -30 days)	238 713	250 301
31 - 60 days	188 719	72 785
61 - 90 days	194 323	1 021 825
91 - 120 days	129 252	261 949
121 - 365 days	1 286 610	1 030 764
> 365 days	6 022 885	5 441 097
	8 060 502	8 078 721
Total		
Current (0 -30 days)	3 865 392	3 567 711
31 - 60 days	5 443 287	2 395 837
61 - 90 days	2 716 269	3 303 638
91 - 120 days	3 106 751	2 294 829
121 - 365 days	19 903 803	15 499 271
> 365 days	148 797 365	132 537 864
	183 832 867	159 599 150
Less: Allowance for impairment	(177 777 510)	(151 291 531)
	6 055 357	8 307 619
Reconciliation of allowance for impairment		
Balance at beginning of the year	(391 486 037)	(365 520 832)
Contributions to allowance	(41 778 723)	(25 965 205)
	(433 264 760)	(391 486 037)

Narration of Classification by Customer

Consumer debtors pledged as security

No consumer debtors were pledged as security for any liabilities.

Assumptions used during the calculation of the Impairment of Debtors.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

11. Consumer debtors (continued)

The debtors age analysis with the outstanding balance of each debtor as at year end 30 June 2024 was drawn from the system.

Each debtor was assessed individually based on the debtors payment history.

Twelve months payments report starting from 01 July 2023 to 30 June 2024 was for all other debtors and therefore recoverability rate was determined for each debtor.

The recoverability rate of each debtor's outstanding debt was calculated by taking the total payment for the period and divide it by the debtors outstanding balance at year end. All debtors who are over recoverable thus more than 100% recoverable are not impaired.

All debtors who are less recoverable therefore with less than 100% recoverability rate ,the total debtors outstanding balance at period end is impaired by the outstanding percentage therefore (100%).

12. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	12 454 221	3 582 784
---------------	------------	-----------

The closing balance of cash book book varies with the closing balance of bank statements due to outstanding deposits and outstanding payments relating to revenue and expenditure at year end.

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
First National Bank - 52100005761 - Cheque Account	181 281	826 124	818 149	607 183	1 253 493	1 139 746
First National Bank - 62051705534 - Call account	87 566	578 635	144 482	1 393 312	1 981 953	200 242
ABSA Bank - Fixed deposit	150 340	134 918	127 967	150 340	139 417	125 388
Standard bank - Fixed deposit	10 108 541	-	-	10 082 933	-	-
First National Bank - 62855503811 - Solidarity fund	220 453	209 032	-	220 453	207 922	-
Total	10 748 181	1 748 709	1 090 598	12 454 221	3 582 785	1 465 376

13. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts		
Municipal Disaster Management Grant	5 084 978	3 900 000

Movement during the year

Balance at the beginning of the year	3 900 000	-
Additions during the year	7 990 000	115 306 000
Income recognition during the year	(6 805 022)	(111 406 000)
	5 084 978	3 900 000

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; an unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

13. Unspent conditional grants and receipts (continued)

14. Provisions - VAT

Reconciliation of provisions - vat - 2024

	Opening Balance	Movement	Total
Provision-SARS VAT	14 583 646	(2 236 545)	12 347 101

Provisions for VAT represent accrual VAT payable not yet due to SARS as the municipality is on Cash Basis and the AFS are prepared on an Accrual Basis.

There is an increase of R519 863 in the current year due to an increase in accrued VAT payables.

15. Payables from exchange transactions

Trade payables	25 507 526	16 326 988
Payments received in advanced	10 025 059	10 986 840
Retentions	25 317 208	27 193 930
Accrued leave pay	19 358 470	13 295 641
Accrued annual bonus	2 572 085	2 374 529
Unallocated deposits	5 900 168	5 900 168
Other Creditors	6 259 878	5 074 578
	94 940 394	81 152 674

Trade payables age analysis

Current (0 - 30 days)	25 476 336	16 301 924
-----------------------	------------	------------

16. VAT payable

17. Consumer deposits

Electricity	409 368	411 065
-------------	---------	---------

Consumer deposits are raised when a services account is opened and is refunded to the consumer after the account is closed.

No interest is paid on consumer deposits.

18. Revenue

Service charges	32 016 397	23 034 576
Rental of facilities and equipment	196 610	222 761
Interest received - outstanding receivables	3 475 275	5 070 313
Agency services	3 127 597	3 400 549
Licences and permits	2 232 319	2 853 402
Other income	1 665 683	2 206 792
Interest received - investment	4 692 787	2 117 199
Property rates	20 036 611	13 342 128
Interest - Property Rates	236 499	570 976
Government grants & subsidies	459 373 024	453 366 000
Fines, Penalties and Forfeits	352 150	632 200
	527 404 952	506 816 896

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
18. Revenue (continued)		
The amount included in revenue arising from exchanges of goods or services are as follows:		
Service charges	32 016 397	23 034 576
Rental of facilities and equipment	196 610	222 761
Interest received (trading)	3 475 275	5 070 313
Agency services	3 127 597	3 400 549
Licences and permits	2 232 319	2 853 402
Other income	1 665 683	2 206 792
Interest received - investment	4 692 787	2 117 199
	47 406 668	38 905 592
The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Property rates	20 036 611	13 342 128
Interest - Property Rates	236 499	570 976
Transfer revenue		
Government grants & subsidies	459 373 024	453 366 000
Fines, Penalties and Forfeits	352 150	632 200
	479 998 284	467 911 304
19. Service charges		
Sale of electricity	26 307 643	17 098 571
Solid waste	5 708 754	5 936 005
	32 016 397	23 034 576
20. Rental of facilities and equipment		
Facilities and equipment		
Rental of facilities	196 610	222 761
21. Fines, Penalties and Forfeits		
Illegal Connections Fines	22 698	-
Municipal Traffic Fines	329 452	632 200
	352 150	632 200
22. Agency services		
Management fees	3 127 597	3 400 549
23. Licences and permits (exchange)		
Road and Transport	2 232 319	2 853 402
24. Lease rentals on operating lease		
25. Other revenue		
Other income	1 665 683	2 206 792

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
26. Investment revenue		
Interest revenue		
Bank	4 692 787	2 117 199
27. Property rates		
Rates earned		
Residential	11 159 451	5 729 667
Commercial	1 087 614	-
State and Commercial	7 789 546	7 612 461
	20 036 611	13 342 128

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

28. Government grants and subsidies

Operating grants

Equitable share	365 992 000	341 960 000
Finance Management Grant	2 000 002	2 000 000
Extended Public Works Programme	1 564 000	2 139 000
Energy Efficiency Management Grant	8 000 000	6 000 000
Municipal Disaster Management Grant	6 805 022	-
	<u>384 361 024</u>	<u>352 099 000</u>

Capital grants

Municipal Infrastructure Grant	64 016 000	80 707 000
Integrated National Electrification Grant	10 996 000	20 560 000
	<u>75 012 000</u>	<u>101 267 000</u>
	<u>459 373 024</u>	<u>453 366 000</u>

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

Finance Management Grant (FMG)

Current-year receipts	2 000 000	2 000 000
Conditions met - transferred to revenue	(2 000 000)	(2 000 000)
	<u>-</u>	<u>-</u>

Conditions still to be met - remain liabilities (see note 13).

Extended Public Works Programme Grant (EPWP)

Current-year receipts	1 564 000	2 139 000
Conditions met - transferred to revenue	(1 564 000)	(2 139 000)
	<u>-</u>	<u>-</u>

Conditions still to be met - remain liabilities (see note 13).

Energy Efficiency Management Grant

Current-year receipts	8 000 000	6 000 000
Conditions met - transferred to revenue	(8 000 000)	(6 000 000)
	<u>-</u>	<u>-</u>

Conditions still to be met - remain liabilities (see note 13).

Municipal Infrastructure Grant

Current-year receipts	64 016 000	80 707 000
Conditions met - transferred to revenue	(64 016 000)	(80 707 000)
	<u>-</u>	<u>-</u>

Conditions still to be met - remain liabilities (see note 13).

Integrated National Electrification Grant

Current-year receipts	10 996 000	20 560 000
-----------------------	------------	------------

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
28. Government grants and subsidies (continued)		
Conditions met - transferred to revenue	(10 996 000)	(20 560 000)
	-	-
Conditions still to be met - remain liabilities (see note 13).		
29. Contracted services		
Presented previously		
Other Contractors	69 800	25 300
Outsourced Services		
Catering Services	3 381 605	2 041 224
Meter Management	707 358	633 243
Mini Dumping Sites	4 369 191	4 446 902
Security Services	170 592	341 202
Consultants and Professional Services		
Business and Advisory	13 267 048	11 290 476
Infrastructure and Planning	718 941	4 527 755
Legal Cost	15 895 014	11 540 561
Contractors		
Bore Waterhole Drilling	12 450	85 910
Electrical	12 075 061	21 273 735
Event Promoters	164 240	1 008 218
Fire Services	379 836	347 937
Maintenance of Buildings and Facilities	10 757 650	5 316 487
Maintenance of Equipment	8 712 396	4 245 039
Maintenance of Unspecified Assets	12 555 653	12 338 398
Pest Control and Fumigation	-	17 800
Transportation	140 475	130 240
Safeguard and Security	45 375 791	36 943 366
Sports and Recreation	1 386 389	217 989
Removal of Hazardous Waste	75 650	67 052
	130 215 140	116 838 834

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
30. General expenses		
Advertising	1 618 689	1 743 507
Auditors remuneration	5 323 740	4 895 952
Bank charges	311 542	453 042
Vehicle tracking	978 812	1 140 006
Commission paid	201 440	244 992
Stores and material	12 838 909	14 018 643
Hire	923 003	640 465
Insurance	5 522 451	4 991 269
IT expenses	6 624 832	8 097 771
Seminars Conferences Workshops and Events	303 300	188 349
Protective clothing	5 819 465	3 308 150
Research and development costs	-	3 913 043
Subscriptions and membership fees	1 836 305	1 475 064
Communication	3 515 832	4 112 497
Travel - local	10 904 387	13 270 033
Rentals for printers	3 401 358	2 885 059
Assets expensed	24 000	29 750
Electricity	5 530 106	4 368 273
Bursary scheme	216 186	608 416
Interns	2 976 782	180 689
Free basic services and rebates	915 022	516 582
Remuneration of ward committees	7 436 626	6 179 337
Other expenses	711 510	1 020 326
	77 934 297	78 281 215

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

31. Employee related costs

Basic	84 080 748	76 507 375
Bonus-13th Cheque	6 564 796	6 051 030
Medical aid - company contributions	6 922 817	6 423 244
UIF	579 300	510 963
WCA	615 653	479 808
SDL	1 434 341	1 219 654
Leave pay provision charge	9 980 538	2 459 697
Pension fund and other fund contributions	15 620 997	15 797 932
Travel, motor car, accommodation, subsistence and other allowances	1 996 468	702 672
Overtime payments	5 467 318	4 961 865
Long-service awards and Post Employment Medical Aid	1 833 769	368 467
Acting allowances	1 639 163	1 594 353
Car allowance	9 689 563	8 892 285
Housing benefits and allowances	548 489	1 643 102
Cellular and telephone allowance	1 460 555	854 330
	148 434 515	128 466 777

Remuneration of Municipal Manager

Annual Remuneration	1 192 657	621 352
Travel Allowances	84 000	14 000
KM Claims	52 332	9 674
Leave Pay	-	64 800
Cellphone Allowance	36 000	21 000
Computer Allowance	12 000	7 000
Back pay	47 427	-
Acting Allowance	-	113 636
Non Pensionable	-	150 000
CC - SDL	13 553	7 296
CC - UIF	2 125	1 240
CC - Bargain	-	54
	1 440 094	1 010 052

Mr Sewape M.O was the Municipal Manager for the year under review.

Remuneration of Chief Finance Officer

Annual Remuneration	58 080	140 371
Travel Allowance	16 000	30 000
Acting Allowance	238 196	219 709
Contributions to UIF, Medical and Pension Funds	-	354
KM Claims	2 265	5 982
Cellphone Allowance	19 500	7 800
Computer Allowance	-	2 000
Housing allowances	1 000	-
Leave Pay	-	139 023
CC - SDL	729	3 114
CC - UIF	177	3 540
CC - Bargain	-	21
	335 947	551 914

Ms Sesene AN was apponited as an acting Chief Financial Officer from June 2023 to May 2024. Ms Sesene AN was appointed as Chief Financial Officer from June 2024.

Remuneration of Senior Manager Corporate services

Annual Remuneration	883 498	851 035
---------------------	---------	---------

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
31. Employee related costs (continued)		
Travel Allowance	180 000	180 000
Back Pay	54 061	6 389
Contributions to UIF, Medical and Pension Funds	-	2 125
KM Claims	37 629	28 351
Computer Allowance	12 000	12 000
Cellphone Allowance	36 000	36 000
CC - SDL	11 296	3 114
CC - UIF	2 125	3 540
CC - Bargain	-	21
	1 216 609	1 122 575

Mr Lekhota P.L was the Senior Manager for Corporate Services for the year under review.

Remuneration of Senior Manager Community Services

Annual Remuneration	428 780	500 854
Travel Allowance	90 000	49 000
KM Claim	17 622	16 695
Non Pensionable	-	49 000
Contributions to UIF, Medical and Pension Funds	-	1 417
Acting Allowance	-	68 596
Computer Allowance	5 000	16 200
Cellphone Allowance	18 000	21 000
Leave Pay	-	199 211
Back Pay	-	42 062
CC - SDL	5 238	8 094
CC - Bargain	-	75
CC - UIF	1 063	3 540
	565 703	975 744

Ms Shoroma L. was appointed as an acting Senior Manager for Community Services from February 2023 to October 2023. Mr

Mogale D.L was appointed as an acting Senior Manager for Community Services from November 2023 to December 2023.

Mr Mamatlepa M.L was appointed as Senior Manager for Community Services from January 2024 to June 2024.

Remuneration of Senior Manager Technical Services

Annual Remuneration	979 498	757 778
Travel Allowance	84 000	14 000
Back Pay	30 059	42 062
Acting Allowance	-	38 872
Contributions to UIF, Medical and Pension Funds	-	1 771
Computer Allowance	12 000	8 000
Cellphone Allowance	36 000	27 000
Bonus	-	42 324
KM Claims	53 775	5 476
Leave Pay	-	215 751
CC - SDL	11 248	11 042
CC - Bargain	-	75
CC - UIF	2 125	3 540
	1 208 705	1 167 691

Ms Nhlane G was the Senior Manager for Technical Services for the year under review.

Remuneration of Senior Manager Development and Town Planning

Annual Remuneration	-	542 854
Travel Allowance	-	21 000
Non Pensionable	-	35 000

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
31. Employee related costs (continued)		
Contributions to UIF, Medical and Pension Funds	-	1 417
KM Claims	-	20 318
Computer Allowance	-	7 000
Cellphone Allowance	9 000	21 000
Leave Pay	-	195 061
Acting Allowance	79 250	58 787
Back Pay	53 603	42 062
CC - SDL	-	8 865
CC - Bargain	-	76
CC - UIF	-	3 540
	141 853	956 980

Mr Rababalela M.E was appointed as an Acting Senior Manager for Development and Town Planning from February 2023 to December 2023. Mr Shihundla J was appointed as an acting Senior Manager for Development and Planning from January 2024 to June 2024.

32. Remuneration of councillors

Mayor	996 500	945 002
Executive Committee	10 701 087	10 054 637
Speaker	806 420	763 923
Councillors	19 609 703	12 399 695
	32 113 710	24 163 257

In-kind benefits

The Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

Additional information

The salaries, allowance and benefits of councillors are within the upper limits of the framework envisaged in section 219 of the Constitution of South Africa.

33. Depreciation and amortisation

Property, plant and equipment	47 290 409	42 162 952
Investment property	9 016	8 992
Intangible assets	33 150	63 871
	47 332 575	42 235 815

34. Impairment and Gain/Loss on assets

Property, plant and equipment	1 011 667	11 124 876
Gain/Loss on assets	(423 744)	(1 661 313)
	587 923	9 463 563

The significant decrease in impairment loss is mainly attributable to impairment of infrastructure assets amounting to R10 113 209 which was recognised in the current year.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
35. Debt impairment		
Debt impairment	42 845 074	25 965 205
36. Bulk purchases		
Electricity - Eskom	19 859 883	16 897 055
37. Auditors' remuneration		
Fees	5 323 740	4 895 952
38. Cash generated from operations		
Surplus	25 870 938	69 737 163
Adjustments for:		
Depreciation and amortisation	47 332 575	42 235 815
Gain/ loss on assets	(423 744)	(1 527 700)
Finance costs - Finance leases	155 668	23 457
Impairment deficit	1 011 667	11 124 876
Debt impairment	42 845 074	25 965 205
Movements in retirement benefit assets and liabilities	5 013 796	608 464
Movements in provisions	2 236 545	9 416 561
Actuarial gains/ losses	(308 139)	-
Changes in working capital:		
Inventories	(442 963)	(1 543 310)
Receivables from exchange transactions	(13 970 371)	(19 868 205)
Consumer debtors	(7 583 094)	(6 267 616)
Other receivables from non-exchange transactions	-	(119 974)
Statutory receivables	(12 098 783)	(981 637)
Finance lease obligations	2 321 924	-
Payables from exchange transactions	13 788 080	(3 196 168)
Unspent conditional grants and receipts	1 184 978	3 900 000
Consumer deposits	(1 697)	11 907
	106 932 454	129 518 838
39. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Property, plant and equipment	178 593 163	144 534 132
• Prior year corrections	-	89 650
• Operational	6 712 550	9 971 966
	185 305 713	154 595 748
Total capital commitments		
Already contracted for but not provided for	185 305 713	154 506 098
Not yet contracted for and authorised by accounting officer	-	10 000
	185 305 713	154 516 098

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
40. Contingent Liabilities		
Description		
1. Hennox 60 CC - The Municipality is sued R3 635 396.33 for damages caused to the Plaintiff's house due to non maintenance of the storm water pipes crossing the Plaintiff's yard. The matter is being defended and still pending.	18 134 526	15 618 755
2. Star Mirl - The Municipality is sued R7 069 436.52 by the Plaintiff. The Plaintiff alleges that while appointed as a service provider for the Municipality, the latter paid a person not so authorised by the Plaintiff. The matter is being defended and still pending.	7 069 437	7 069 437
3. Terror Trading Enterprise - The Municipality is sued R4 374 783.30 by the Plaintiff. The Plaintiff alleges that the contract awarded to him was terminated unlawfully so by the Municipality. The matter is being defended and still pending.	13 381 642	11 528 400
4. JM Rakomane O.B.O MT Rakomane - The Municipality is sued R915 000.00 by the Plaintiff. The Plaintiff is acting on behalf of his child and issuing the Municipality for alleged injuries sustained by the child on Municipal property (Stadium). The matter is on a pleading stage.	1 185 517	1 102 849
5. Voltex (Pty) Ltd - The Municipality is sued for R147 517.36 by the Plaintiff. The Plaintiff was the service provider of the Municipality and is suing the latter for the work allegedly done. The matter is being defended and still pending.	226 865	211 571
6. Hlamalani Ben Maselesele - The Municipality is sued R40 951.36 by the Plaintiff. The Plaintiff alleges that the municipality had failed to maintain internal street at Ga-Kgapane suffered damages after falling into a huge pothole. The matter is being defended and still pending.	40 951	40 951
7. Lesly Cecelia Ndeve - The Municipality is sued R23 915.03 by the Plaintiff. The Plaintiff is seeking a mandatory order demanding that the property sold to him be transferred.	23 915	23 915
	-	-
8. Maile Rufus - The Municipality is sued R30 000.00 by the Plaintiff. The Plaintiff is suing the Municipality for damages caused by uncontrolled storm channe.	30 000	30 000
9. Vincent Marelele - The Municipality is sued R20 000.00 by the Plaintiff. The plaintiff is suing the municipality for damages caused by unmaintained road. The matter is being defended and still pending.	26 153	26 153
10. Burica (Pty) Ltd - The Municipality is sued R238 977.24 by the Plaintiff. The Plaintiff is suing the municipality for alleged outstanding contractual money for service rendered. The matter is being defended and still pending.	271 345	248 074
11. SABI Daviel Malubeke - The Municipality is sued R52 000.00 by the Plaintiff. The Plaintiff is suing the municipality for alleged damages suffered because of the accident that occurred between the Plaintiff's vehicle and that of the municipality.	52 000	-
12. Emmanuel Ramothibedi Sebasa - The Municipality is sued R100 000.00 by the Plaintiff. The municipality is sued by one of the residents who alleged that he suffered personal injuries after falling in unguarded low level bridge in Ga-Kgapane township.	100 000	-
	40 542 351	35 900 105

Contingent liabilities whose financial effect cannot be estimated reliably

13. Maite Hellen Ramalepe - There is ongoing legal action initiated by the Plaintiff to prevent the municipality from withdrawing the trading license issued to one of the respondents. The financial effect of this contingent liability cannot be estimated reliably at this stage.

14. Fanni Venter and Seuns Boedery (Pty) Ltd and Bertie Van Zyl (Pty) Ltd - There is an ongoing application for rescission and a defense against the subsequent application made by the applicants. This legal action relates to the Unlawful township establishment on portions 11-14 of the farm Paard-Edood 186-LT. The financial effect of this contingent liability cannot be estimated reliably at this stage.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

41. Related parties

Relationships
Members of key management MO Sewape (Municipal Manager)
AN Sesene (Chief Financial Officer)
G Nhlane (Senior Manager: Technical Services) MP Lekhota (Senior Manager: Corporate Services)
L Mamatlepa (Senior Manager: Community Services) J Shihundla (Acting Senior Manager: Development and Planning)
Councillors - Refer to note below.

All Councillors have disclosed their interest in related parties and no one has the ability to control or exercise significant influence over the Council in making financial or operational decision. For a detailed list of councillors refer to page 1 and 2 of the AFS.

During the financial year no Councillor or Official had any interest in related parties and no one could control or influence Council in making financial or operational decision.

For detailed amounts with respect to Members of key management kindly refer to Note 30.

The municipality had no other related party transactions or balances during the financial year outside of the contractual remuneration of senior management

42. Risk management

Financial risk management

The municipality's activities expose it to a variety of financial risks: market risk (fair value interest rate risk, cash flow interest rate risk), credit risk and liquidity risk.

The municipality's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance.

Default and breaches

There was no default and breaches for the applicable liabilities of the municipality

Liquidity risk

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, municipality treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities. No changes were made to the funding method and method used to assess the risk.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

42. Risk management (continued) Credit

risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk is managed on through implementation of the municipality credit risk policy.

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. No changes were made on the method of assessment.

Financial assets and liabilities exposed to credit risk at year end were as follows:

	2024	2023
Financial instrument		
Receivables from exchange transactions	12 270 824	14 332 108
Receivables from non exchange transactions	2 860 476	5 123 228
VAT Receivable	1 337 889	2 892 777
Consumer debtors	6 055 357	8 307 619
Trade and other payables	(94 940 394)	(81 152 674)
Consumer deposits	(409 368)	(411 065)

For financial assets which are past due and impaired refer to note 8, 9 and 11. None of the financial assets terms have been renegotiated. None of the financial assets were used as security or collateral. Consumer deposits are disclosed on note 16.

Market risk Interest

rate risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Interest risk arises from receivables and financial assets

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Currently the municipality does not have any long term borrowing.

The interest risk is managed through the implementation of the credit control policy by the revenue unit and applying a fixed interest rate. The was not changes on the policy and the method use

Financial Liabilities

Employee benefit obligation	25 585 098	19 300 487
-----------------------------	------------	------------

43. Unauthorised expenditure

Opening balance as previously reported	505 083 463	471 956 748
Opening balance as restated	505 083 463	471 956 748
Add: Expenditure identified - current	83 326 794	33 126 715
Less: Condoned by council	(412 282 025)	-
Closing balance	176 128 232	505 083 463

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
44. Fruitless and wasteful expenditure		
Opening balance as previously reported	660 513	3 081 021
Opening balance as restated	660 513	3 081 021
Add: Expenditure identified - current	14 465	127 206
Add: Stock losses due to theft and shortages	96 864	467 995
Less: Amount written off - current	-	(2 945 551)
Less: Current year recoveries	(8 391)	(30 146)
Less: Interest written off	(13 999)	(40 012)
Closing balance	749 452	660 513
45. Irregular expenditure		
Opening balance as previously reported	20 058 994	23 495 179
Opening balance as restated	20 058 994	23 495 179
Add: Irregular Expenditure - current	3 921 297	16 284 147
Less: Amount written off - current	-	(19 720 332)
Closing balance	23 980 291	20 058 994
Analysis of expenditure awaiting condonation per age classification		
Current year	122 076	16 284 147
Amounts written-off		
Current year write-off	-	(19 720 332)
46. Additional disclosure in terms of Municipal Finance Management Act		
SALGA		
Current year subscription / fee	1 473 064	1 493 897
Amount paid - current year	(1 473 064)	(20 833)
	-	1 473 064
Electricity distribution losses		
Kwh units purchased from Eskom	(9 790 708)	(9 897 311)
Kwh units sold per billing system statistics	9 766 745	6 271 576
Distribution savings / (losses)	(23 963)	(3 625 735)
Audit fees		
Current year subscription / fee	5 323 740	5 127 948
Amount paid - current year	(5 323 740)	(4 859 528)
	-	268 420

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

46. Additional disclosure in terms of Municipal Finance Management Act (continued)

PAYE, UIF and SDL

Current year subscription / fee	27 914 205	19 465 038
Amount paid - current year	(25 581 558)	(17 575 428)
	2 332 647	1 889 610

Pension and Medical Aid Deductions

Current year subscription / fee	23 383 937	24 227 927
Amount paid - current year	(21 430 394)	(21 132 952)
	1 953 543	3 094 975

Councillors' arrear consumer accounts

MFMA section 124(1)(b) also requires disclosure of any arrears owed by individual councillors to the municipality for rates or services and which at any time during the relevant financial year were outstanding. The following councillors had outstanding balances as at 30 June 2024:

30 June 2024	Current (0 - 30 days) R	Outstanding more than 90 days R	Total R
Cllr Mosila RT	2 018	-	2 018
Cllr Matlou MP	1 813	-	1 813
	3 831	-	3 831

47. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the and includes a note to the annual financial statements. The total deviations for the year under review amounted to R3 884 036.33 (2023: R20 368 046.20)

48. Entities that are part of a Principle vs Agent arrangement

The Municipality is part of a principle vs agent arrangement with Mopani District Municipality and Department of Transport. In this arrangement, the Municipality is the agent and is acting on behalf of Mopani District Municipality and Department of Transport by providing Water and sewerage services for Mopani District Municipality and licences and permit services for Department of Transport.

Municipality acting as an agent

Revenue recognised as compensation for the transactions carried out on behalf of the principal.	3 127 597	474 459
Revenue received or to be received on behalf of the principal.	12 668 118	10 033 277
Expenditure incurred on behalf of the principal	13 705 882	18 078 203
	29 501 597	28 585 939

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
48. Entities that are part of a Principle vs Agent arrangement (continued)		
Receivables held on behalf of the principal		
Opening balance	91 170 368	87 647 116
Revenue receivables	12 668 118	10 033 277
Amount received	(4 356 908)	(6 510 025)
	99 481 578	91 170 368
Payables held on behalf of the principal		
Expenses incurred	13 705 882	18 078 203
Cash paid	(13 705 882)	(18 078 203)
	-	-

If any party commits a breach of the contract, it shall deliver a written notice to the defaulting party notifying it of the breach giving rise to such right and requesting the defaulting party to remedy the breach in question within a period of 20 days.

The Municipality is responsible for ensuring that consumers have access to water services in accordance with the constitution of The Republic of South Africa, 1996, the Municipal Structures Act (Act 33 of 1998) and the Act.

The District Municipality has subsequent to assessments in terms of section 78 of the Municipal Systems Act (No 32 of 2000), selected a service delivery agreement with the local Municipality as the preferred service delivery within the water services area.

Greater Letaba is providing water services to the consumers within the water service area on the effective date, in accordance with the Cooperative Governance Agreement entered into between Mopani and Greater Letaba upon authorization issued by the Minister of Provincial and Local Government Affairs in terms of the Municipal Structures Act (Act 33 of 1998) as repealed.

There were no changes that occurred in the current year.

49. Finance lease obligation

Minimum lease payments due		
- within one year	2 560 284	238 360
- in second to fifth year inclusive	3 692 741	-
Present value of minimum lease payments	6 253 025	238 360
Non-current liabilities	3 692 741	-
Current liabilities	2 560 284	238 360
	6 253 025	238 360

The finance lease relates to the lease of 75 rental network printing and photocopying machine as well as 80 laptops for a period of 3 years.

The average lease term was 3 years and the average effective borrowing rate was 12%.

Interest rates are linked to prime at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

The municipality's obligations under finance leases are secured by the lessor's charge over the leased assets.

50. Taxes and transfers payable (non-exchange)

The amount of liabilities forgiven is R - (2023: R -).

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
51. Interest received		
Interest - Property rates	236 499	570 976
Interest received - Outstanding receivables	3 475 275	5 070 313
	3 711 774	5 641 289
52. Finance costs		
Finance leases	155 668	23 457
Employee benefit obligation	2 363 368	2 135 046
	2 519 036	2 158 503
53. Prior period errors		
Nature of the error		

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

53. Prior period errors (continued)

1. Heritage assets

Heritage assets as at 30 June 2023 was misstated by R50 282. The error was corrected in the current year by restating opening balances.

2. Property, plant and equipment

Property, plant and equipment as at 30 June 2023 was misstated by R965 635. The error was corrected in the current year by restating opening balances.

3. Cash and cash equivalent.

Cash and cash equivalent as at 30 June 2023 was misstated by R364 254. The error was corrected in the current year by restating opening balances.

4. Licences and permits

Licences and permits as at 30 June 2023 was misstated by R1 121 545. The error was corrected in the current year by restating opening balances.

5. Depreciation and impairment

Depreciation and impairment as at 30 June 2023 was misstated by R987 430. The error was corrected in the current year by restating opening balances.

6. Receivables from exchange transaction

Receivables from exchange transaction as at 30 June 2023 was misstated by R206 044. The error was corrected in the current year by restating opening balances.

7. Provision - VAT payables

Provision - VAT payables as at 30 June 2023 was misstated by R5 860 174. The error was corrected in the current year by restating opening balances.

8. Payables from exchange transactions

Payables from exchange transactions as at 30 June 2023 was misstated by R1 554 953. The error was corrected in the current year by restating opening balances.

9. Debt impairment

Debt impairment as at 30 June 2023 was misstated by R5 268 588. The error was corrected in the current year by restating opening balances.

The correction of the error(s) results in adjustments as follows:

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand		2024	2023		
53. Prior period errors (continued)					
Statement of Financial Position	Note reported	As previously	Correction of errors	Reclassification on	Total
Current Assets		-	-	-	-
Receivables from exchange transactions	'8	14 538 152	(206 044)	-	14 332 108
Cash and cash equivalents	'12	3 218 530	364 254	-	3 582 784
Non-Current Assets		-	-	-	-
Property, plant and equipment	'3	1 166 281 189	(987 430)	21 830	1 165 315 589
Heritage assets	'5	964 706	(50 282)	-	914 424
Current Liabilities		-	-	-	-
Payables from exchange transactions	'15	(82 685 801)	1 554 953	(21 830)	(81 152 678)
Provision	'14	(8 723 472)	(5 860 174)	-	(14 583 646)
Non-Current Liabilities		-	-	-	-
1 093 593 304			(5 184 723)	-	1 088 408 581
Statement of Financial Performance	Note reported	As previously	Correction of errors	Reclassification on	Total
Revenue		-	-	-	-
Licences and permits	'23	(1 731 857)	(1 121 545)	-	(2 853 402)
Expenditure		-	-	-	-
Depreciation and amortisation	'33	41 248 421	987 394	-	42 235 815
Debt Impairment	'35	20 696 617	5 268 588	-	25 965 205
Gain/ Loss on assets		(1 711 595)	50 282	-	(1 661 313)
58 501 586			5 184 719	-	63 686 305

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

54. Going concern

We draw attention to the fact that at 30 June 2024, the municipality had an accumulated surplus of R 1 116 196 944 and that the municipality's total assets exceed its total liabilities by R 1 116 196 944.

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.

As at 30 June 2024, the municipality only had R12 454 221 cash on hand and this may not be sufficient enough to:

- To pay for trade creditors to the value of R26 million in the next 12 months.
- To pay for retentions amounting to R25 million that is payable to service providers whose projects has been completed in the current year.
- The unknown deposits amounting to R6 million and income received in advance of R10 million which the municipality has an obligation to pay back to the customers is not backed by the cash in the bank.

Although the issues above present significant uncertainties; there are a number of mitigating factors to enable the municipality to continue as a going concern:

Financial Considerations in line with the Requirements of GRAP:

Management have concluded that the municipality is not intending to liquidate anytime soon. The municipality is not reliant on credit/loans. There is no significant deterioration of assets that generate revenue for the municipality.

The municipality will prioritize projects that are grant funded while planning on a turnaround to boost its own revenue as presented below:

Revenue Generating Activities:

The municipality will implement its revenue enhancement strategy in 2024/2025 financial year

Mopani District Municipality owes the municipality an amount of R181 million and the payment is expected to be received by the Greater Letaba Municipality in 2024/2025 financial year. The payment of this amount will assist the municipality with meeting its own funded service delivery objectives.

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

55. Segment information

General information

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

55. Segment information (continued)

Identification of segments
dentification of segments

The report is organized based on municipality departments which are reportable segments and where performance is measurable. Management uses these same segments for compilation of the IDP, SDBIP, budget and monthly and quarterly reporting. The segments were organized around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

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 following are the reportable segments if the municipality. Executive
and Council

Provides political leadership to the municipality for the generation of economic benefits and service potential

Through the office of the Municipal Manager it also provides for the administration, leadership, performance monitoring, integrated development plan, risk management and internal audit functions to the municipality for the generation of economic benefits and service potential.

Budget and Reporting

Provides financial administration to the municipality for the generation of economic benefits and service potential

Community Services and Public Safety

Provides social services, public safety, public spaces, libraries and indigents administration to the municipality for the generation of economic benefits and service potential

Planning and Development

Provides for waste management, town planning, local economic development and environment sustainability for the generation of economic benefits and service potential

Technical Services

Road transport, electricity, housing and building inspection, project management unit, wastewater management and all infrastructure services to the municipality for the generation of economic benefits and service potential

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

55. Segment information (continued)
Corporate Services and Administration

Provides legal and administration management services including HR and IT to the municipality for the generation of service potential

Geographical considerations:

Greater Letaba Municipality (GLM) is in the north-eastern part of the Limpopo Province in the jurisdiction area of Mopani District Municipality. Greater Letaba Municipality shares borders with Greater Tzaneen Municipality in the south, Greater Giyani Municipality in the east, Molemole Municipality in the west and Collins Chabane Municipality in the north.

Greater Letaba Municipal area is one of the smaller municipal areas in terms of land area, and characterized by contrasts such as varied topography, population densities (low in the south, relatively dense in the north-east), prolific vegetates in the south (timber) and sparse in the north (bushveld).

The “gates” to the municipal area are considered to be Sekgopo in the west and Modjadjiskloof in the south. The land area of Greater Letaba Municipality extends over approximately 1891km². Greater Letaba Municipality incorporates the proclaimed towns of Modjadjiskloof, and Ga-Kgapane, situated in the extreme south of the municipal area, and Senwamokgope towards the north-west of the area of jurisdiction

Management has as per the GRAP standards decided to report on Greater Letaba Municipality as a single geographical area.

Management is of the opinion that as per paragraph 32, the cost of developing geographical information would be excessive, secondly that due to the nature of the municipality, it would therefore not be in the interest of the users of the financial statements to develop geographical information for reporting.

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

55. Segment information(continued)

Aggregated segments

The report is organised based on the municipality departments which are reportable segments and where performance is measurable. Management uses these same segments for compilation of the IDP, SDBIP, Budget, monthly and quartely reporting. The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

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 following are the reportable segments of the municipality:

Executive Council
Provides political leadership to the municipality for the generation of economic benefits and service potential through the office of the Municipal Manager it also provides for then administration, leadership, performance monitoring, integrated development plan, risk management and internal audit functions to the municipality for the generation of economic benefits and service potential.

Budget and Reporting
Provides financial administration to the municipality for the generation of economic benefits and service potential

Community Services and Public Safety
Provides social services, public safety, public spaces, libraries and indigents administration to the municipality for the generation of economic benefits and service potential

Planning and Development
Provides waste management, town planning, local economic development and environment sustainability for the generation of economic benefits and service potential.

Technical Services
Road transport, electricity, housing and building inspection, project management unit solid waste management and all infrastructure services to the municipality for the generation of economic benefits and service potential

Corporate Services and Administration
Provide legal and administration management services including HR and IT to the municipality to the municipality for the generation of service potential

Geographical consideration:
Greater Letaba Municipality (GLM) is in the north-eastern part of the Limpopo Province in the jurisdiction area of Mopani District Municipality. GLM shares borders with Greater Tzaneen Municipality in the south, Greater Giyani Municipality in the east, Molemole Municipality in the west and Makhado Local Municipality in the north.
GLM area is one of the smaller municipal areas in terms of land area, and characterized by contrast such as varied topography, population densities (low in the south, relatively dense in ther north-east), prolific vegetates in the south (timber) and sparse in the north (bushveld)

The "gates" to the municipal area are considered to be Sekgopo in the west and Modjadjiskloof in the south. The land area of GLM extends over approximately 1891km
GLM incorporates the proclaimed towns of Modjadjiskloof, and Ga-Kgapane, situated in the extreme south of then municipal area, and Senwamokgope towards the north-west of the area of jurisdiction

Management has as per the GRAP standards decided to report on GLM as a single Geographical area.

Management is of the opinion that as per paragraph 32, the cost of developing geographical information would be excessive, secondly that due to the nature of the municipality, it would be therefore not be in the best interest of the users of the financial statements to develop geographical area information for reporting.

Segment surplus or deficit, assets and liabilities Segment
surplus or deficit

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

55. Segment information (continued)

2024

	Revenue from non- exchange transactions	Revenue from exchange transactions	Total Segment revenue	Salaries and wages	Depreciation and amortisation	Other expenses	Total Segment expenditure	Total segment (deficit) surplus
Revenue								
Budget and Reporting	388 287 810	10 430 070	398 717 880	21 545 658	560 716	78 302 682	100 409 056	298 308 824
Community and Public Safety	764 235	26 571 474	27 335 709	51 755 399	177 100	18 535 576	70 468 075	(43 132 366)
Corporate and Administration	-	-	-	18 324 791	15 732 443	73 541 549	107 598 783	(107 598 783)
Executive and Council	-	-	-	50 015 759	1 288 721	41 531 592	92 836 072	(92 836 072)
Planning and Development	-	-	-	10 573 622	-	2 363 032	12 936 654	(12 936 654)
Technical Services	90 946 239	27 049 155	117 995 394	30 349 693	30 583 784	72 053 436	132 986 913	(14 991 519)
Total	479 998 284	64 050 699	544 048 983	182 564 922	48 342 764	286 327 867	517 235 553	26 813 430
Entity's revenue	544 048 983							
Other reconciling items								
Impairment Gains/losses								(1 011 667)
Actuarial Gains/losses								(308 139)
Gains/ losses on assets								423 744
Entity's Surplus (deficit) for the period	25 917 368							

2023

	Revenue from non- exchange transactions	Revenue from exchange transactions	Other revenue	Total Segment revenue	Salaries and wages	Depreciation and amortisation	Other expenses	Total Segment expenditure	Total segment (deficit) surplus
--	--	--	------------------	-----------------------------	-----------------------	-------------------------------------	-------------------	---------------------------------	--

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

55. Segment information (continued)

Revenue									
Budget and Reporting	376 029 134	7 284 915	750 668	384 064 717	20 054 935	2 753 826	18 748 893	41 557 654	342 507 063
Community and Public Safety	3 172 573	8 817 225	-	11 989 798	38 249 597	189 913	31 104 058	69 543 568	(57 553 770)
Corporate and Administration	-	-	-	-	22 140 687	11 616 778	37 844 893	71 602 358	(71 602 358)
Executive and Council	-	-	-	-	13 469 401	-	109 939 374	123 408 775	(123 408 775)
Planning and Development	-	-	-	-	9 673 109	-	6 665 753	16 338 862	(16 338 862)
Technical Services	24 894 946	18 606 857	-	43 501 803	18 270 439	27 830 321	48 081 825	94 182 585	(50 680 782)
Total	404 096 653	34 708 997	750 668	439 556 318	121 858 168	42 390 838	252 384 796	416 633 802	22 922 516
Entity's revenue	439 556 318								
Other reconciling items									
Impairment loss									(1 456 406)
Acturial Gain/losses									744 730
Entity's Surplus (deficit) for the period									22 210 840

Segment assets and liabilities

2024

	Non-current assets	Current assets	Total segment assets	Total segment liabilities
Budget and Reporting	833 191 250	923 166 005	1 756 357 255	14 486 727
Community and Public Safety	61 862 348	(97 725 182)	(35 862 834)	9 854 302
Corporate and Administration	3 787 891	(202 741 478)	(198 953 587)	(7 050 469)
Executive and Council	1 335 358	(135 511 921)	(134 176 563)	(2 023 750)
Planning and Development	-	(20 330 243)	(20 330 243)	(48 861)
Technical Services	314 128 717	(421 616 652)	(107 487 934)	129 459 983
Total segment assets	1 214 305 564	45 240 529	1 259 546 094	144 677 932
Total as per Statement of financial Position			1 259 546 094	144 677 932

2023

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

55. Segment information (continued)

	Non-current assets	Current assets	Total segment assets	Total segment liabilities
	916 971 547			
Budget and Reporting		463 149 112	380 120 660	(147 160 338)
Community and Public Safety		58 667 161 (75 118 614)	(16 451 453)	9 422 462
Corporate and Administration		1 607 555 (73 181 662)	(71 574 107)	3 158 176
Executive and Council		- (63 335 225)	(63 335 225)	1 042 646
Planning and Development		- (12 144 587)	(10 885 587)	875 316
Technical Services		128 261 876 (211 822 610)	(83 560 733)	28 398 987
Total segment assets		105 508 139	27 546 414	134 313 555 (104 262 751)
Total as per Statement of financial Position				134 313 555 (104 262 751)

Other information

2023

*Capital expenditure excludes additions to financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts

56. Budget differences

Material differences between budget and actual amounts

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
56. Budget differences (continued)		
1. Service Charges		
The municipality's actual performance reflects how well estimataion were made regarding reveeneue collection improvements.		
2. Interest received- Outstanding receivables		
The municipality received interest lower by 2% due to various reasons affecting debtors accounts when payments are made..		
3. Agency services		
The decided as a result of Mopani District Municipality not adherering to the service level agreement by not paying agency fees to the municipality for the services rendered on its behalf.		
4. Licence and permits		
The variance is as a results of recognised agency fee for licence and permits on the revenue paid to the municipality against original estimates for collection.		
5. Other income		
The municipality unticipated to receive more income from other sources of revenue in a year under review.		
6. Interest received- investments		
Interesr received on investment increased as a result of additional investments made during the course of the financial year.		
7. Property rates		
It appears that the decline of 6% is as a result of flate rate and there were no supplementary implemetered in the year under review.		
8. Interest- Property Rates		
The under performance is as a result of no charges on the properties due to correct accounting treatment of rates charges.		
9. Rental of facilities and equipment		
The variance is as a result of over estimation for demand of facilitties and equipment and some rentals are seasonal especially outdoor events spaces.		
10. Government grants & subsidies		
The variance is is mainly due to conditional grants received during the year that were not budgeted for.		
11. Employee related costs		
The employee cost was under budgeted and new employees joined the municipality during the financial year.		
12. Councillor remuneration		
The amount was not fully spent as councillors did not receive any upper limits in the current year.		
13. Depreciation and amortisation		
The municipality under budgeted on depreciation, thus the huge variance.		
14. Debt impairment		
The municipality had not budgeted for debt impairment, this was corrected in 2022/2023 budget.		

Greater Letaba Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
56. Budget differences (continued)		
15. Bulk Purchases		
This is due to the increase in consumers demand and eskom increase in electricity tariffs		
16. Contracted services		
The over spending is due to MSCOA classification, some item where budgeted for as general expenses but had to be reclassified to contracted services.		
17. Finance costs		
Finance costs was not budgeted for in 2021/2022, this was corrected in the current year budget.		
18. General expenses		
The municipality did not perform all the budgeted activities due to cashflow constraints as we are not collecting from the consumer debtors.		
19. Fines, penalties and forfeits		
More fines were issued as compared to the budgeted figure		
20. Inventories		
The increase is due to the reclassification of land held for sale to inventory during the year under review.		
21. Receivable from exchange transactions		
The variance is due to the fact that the municipality did not budget for debt impairment		
22. Receivable from non-exchange		
The budget for non-exchange for non-exchange is included in the exchange receivables		
23. Vat Receivable		
The variance in VAT receivable is due to weak payment of municipal services by consumers.		
24. Property Plant and Equipment		
The variance is due to the reclassifications of land held for sale as well as assets donated to the municipality		
25. Payables from Exchange Transaction		
The variance is attributable to outstanding creditors at year end.		
26. Employee benefit obligations		
The municipality budget for more employee benefits during the year under review.		
27. VAT Provision		
The municipality did not budget for the VAT during the year under review.		
28. Cash and cash equivalent		
The variance in cash and cash equivalents is primarily due to substantial payments made for payables from exchange transactions at the end of the year. These payments were higher than anticipated, leading to a decrease in cash reserves.		
29. Intangible assets		
The variance in intangible assets is primarily due to the anticipated obsolescence in computer softwares that did not occur.		
30. Heritage assets		
The variance in heritage assets is primarily due to the anticipated additions during the year that did not occur.		
31. Consumer deposits		

56. Budget differences (continued)

The variance in consumer deposits is primarily due to anticipated electricity deposits from townships that are being developed which are still underway.

32. Gain on disposal of assets

The variance in gain on disposal of assets is mainly due to anticipated actual disposal of assets that was lower than expected, leading to a decrease on gains.

33. Remuneration of councillors

The variance in remuneration of councillors is as a result of anticipated vacancies in council that actual.

34. Impairment losses/ reversal

The variance is due to unbudgeted impairment loss as there were no loss indicators during the budget period.

35. Transfer and subsidies - capital

The variance in transfers and subsidies - capital are due to anticipated grants that were not received.

36. Actuarial gains/ losses

The variance in actuarial gains/ losses are due to unbudgeted gains or losses given the improvement in South African economy.

37. Consumer debtors

The variance is due to unbudgeted consumer debtors as the municipality anticipated to effectively implement credit control measures.

38. Finance lease obligations

The variance is due to unbudgeted lease obligations as the municipality anticipated to procure its own assets.

39. Unspent conditional grant

The municipality anticipated to spend all its conditional grant at year end hence the variance.

40. Investment properties

The variance is due to anticipated addition in investment properties emanating from development of townships that is still underway.



CHAPTER 6

AUDITOR-GENERAL AUDIT FINDINGS

6.1. INTRODUCTION

The MSA S45 states that the results of performance measurement in terms of S41(1)(c) must be audited annually by the Auditor-General. Section 41(1)(c) states that the auditing should take place with regard to each of those development priorities and objectives and against key performance indicators and targets to monitor, measure and review municipal performance at least once per annum.

This chapter provides an overview of the Auditor-General Report of the previous financial year. Specific topics that should receive attention include details on issues raised during the previous financial year and remedial action taken to address the above and preventative measures. The municipality has received for 2020/2021 and 2021/22 financial years **Unqualified Audit Opinion** consecutively. In response to the Auditor General's audit opinion, the municipality has developed an AG action plan in order to ensure that auditor's findings are corrected.

In order to improve the capacity and attain a clean audit opinion (unqualified audit opinion without matters) in 2024/2025 financial year, the municipality shall ensure that employees are trained in financial and performance management. The municipality shall ensure forward planning when implementing projects in order to accelerate the implementation of projects.

6.2.AUDITOR GENERAL'S OPINION FOR 2023/2024 FINANCIAL YEAR

Report of the auditor-general to Limpopo Provincial Legislature on the Greater Letaba Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Greater Letaba Local Municipality set out on pages 128 to 213, 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 Greater Letaba Local Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA), and the Division of Revenue Act 5 of 2022 (DoRA).

Basis for opinion

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

Material uncertainty related to going concern

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.
7. I draw attention to note 54 to the financial statements, which indicates that the municipality is in a net current liability position. Furthermore as stated in note 54, these events or conditions,

along with the other matters as set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern

Emphasis of matters

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

Material impairments

9. As disclosed in note 8, 9 and 11 of the financial statements, material impairments amounting to R182 196 388, R92 609 176 and R161 032 518 were made to receivables from exchange transactions, receivables from non-exchange transactions and consumer debtors, respectively, because of irrecoverable debts.

An uncertainty relating to future outcome of exceptional litigation:

10. With reference to note 40 to the financial statements, the municipality is the defendant in various claims, which it is opposing. The ultimate outcome of these matters cannot presently be determined and no provision for any liability that may result was made in the financial statements.

Restatement of corresponding figures

11. As disclosed in note 53 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2023.

Responsibilities of the accounting officer for the financial statements

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

Responsibilities of the auditor-general for the audit of the financial statements

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected development priorities presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

17. I selected the following development priorities presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected development priorities that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Development priority	Page numbers	Purpose
KPA 3 – Basic service delivery	75-78	To ensure quality services to communities

18. I evaluated the reported performance information for the selected development priorities 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. The material findings on the reported performance information for the selected development priorities are as follows:

KPA 3: Basic service delivery

Number of planned maintenances done

22. The indicator was not clearly defined during the planning process. The municipality has not clearly defined how they will report on the type of maintenance work to be undertaken and the type of evidence to be collected for the indicator. Consequently, the indicator is not useful for measuring and reporting on progress against planned objectives.

Other matters

23. I draw attention to the matters below.

Achievement of planned targets

24. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements / measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.
25. The table that follows provide information on the achievement of planned targets and list the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any under achievement of targets / measures taken to improve performance are included in the annual performance report on pages 66 to 94.

KPA 3 – Basic service delivery

Targets achieved: 74%		
Key indicators not achieved	Planned target	Reported achievement
Approved electricity master plan	1	0
Number of planned maintenance done	100	94
Percentage implemented water service provider WSP agreement	100%	50%
Developed road master plan	1	0
Number of projects funded	40	28
Number of approved list of households receiving free basic water (FBW)	60	7
Number of approved list of households receiving free basic electricity (FBE)	860	827
Landfill site operational and generating revenue	100%	50%
Number of Solid- waste management by-laws gazetted	1	0

Material misstatements

26. 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. Management did not correct all the misstatements and I reported material findings in this regard.

Report on compliance with legislation

27. 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.
28. 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.
29. 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, 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.

30. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements and annual report

31. 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 revenue and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified audit opinion.

Strategic planning and performance management

32. Performance targets were not set for each of the key performance indicators for the financial year, as required by section 41(1)(b) of the Municipal Systems Act 32 of 2000 and municipal planning and performance management regulation 12(1).
33. The performance management system and related controls were inadequate as it did not describe how the performance planning, monitoring, review and reporting processes should be conducted and/or managed, as required by municipal planning and performance management regulation 7(1).

Expenditure management

34. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R83 326 794, as disclosed in note 43 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The unauthorised expenditure was caused by overspending of the approved total budget.
35. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R111 329, as disclosed in note 44 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 incurred on late payments as well as stock losses.

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 development priorities 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 development priorities 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 control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
41. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
42. The accounting officer and management did not exercise adequate oversight responsibility regarding financial and performance reporting and compliance with laws and regulations.
43. Internal controls for monitoring compliance with laws and regulations are ineffective as they did not detect and prevent instances of non-compliance with applicable laws and regulations.
44. The internal control monitoring mechanisms of the municipality are not functioning optimally, as control weaknesses are only discovered during the audit of the financial statements and performance information.
45. Slow responses by management to address internal control deficiencies and implement recommendations are the root cause of poor audit outcomes in the performance information.

Other reports

46. We draw attention to the following engagement conducted by various parties. This report did not form part of our opinion on the financial statements or our findings on the reported performance information or compliance with legislation.

47. An external firm was engaged by the municipality to investigate an alleged theft of cash that has been received and not banked. The investigation is still in progress at the time of my report.

Auditor-General

Polokwane

30 November 2024



Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected development priorities and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

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

Communication with those charged with governance

I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the Accounting Officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), Sections: 32(2)(b), 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), Sections: 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), Sections: 122(1), 126(1)(a), 127(2); 127(5)(a)(i); 127(5)(a)(ii), 129(1); 129(3), 133(1)(a); 133(1)(c)(i); 133(1)(c)(ii), 170, 171(4)(a); 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations: 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), Regulations: 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)

Legislation	Sections or regulations
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), Sections: 54A(1)(a), 56(1)(a), 57(2)(a), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations: 7(1), 31
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), Regulations: 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

2023-2024 Audit action plan

Financial year: 2023/2024

Total audit findings: 24

a) Matters affecting audit report: 03.

b) Other matters: 21

No	Section	Line Item	Finding	Amount	Root Cause	Recommendation	Nature of Findings	Repeat Finding	Responsible Person	Due Date	Action Plan	Implementation Status
1	Misstatements in annual performance report	Reported information not reliable	Reference: Communication No. 01 of 2024 Differences between the annual performance report and the submitted means of verification: Comaf 1: Issue 8: Different between APR and submitted means of verification (Electricity maintenance plan) Internal control deficiency Financial and performance management		The accounting officer did not prepare accurate and complete financial and performance reports that are supported and evidenced by reliable information.	The accounting officer should prepare accurate and complete financial and performance reports that are supported and evidenced by reliable information.	Internal control deficiency	No	Tsakani Mtebule, Dikgari Ignatius Mogale, Gugu Nhlane, Thomas Chabalala	31-Mar-2025	The Accounting Officer must review the reported information in Annual Performance Report before submitting to AGSA	Not Yet Started

No	Section	Line Item	Finding	Amount	Root Cause	Recommendation	Nature of Findings	Repeat Finding	Responsible Person	Due Date	Action Plan	Implementation Status
2	Misstatements in annual performance report	Reported information not reliable	COMAF 10: KPA 03 - Number of planned maintenance done (Electricity maintenance) Internal control deficiency Financial and performance managementManagement did not ensure that the planned indicator will be measurable with valid POE.		Management did not ensure that the planned indicator will be measurable with valid POE.Management did not perform sufficient and appropriate reviews of the planning documents and the reported achievement during the financial year to ensure that the performance indicator is supported by appropriate and valid POE.	Management to ensure that proper reviews of the planning documents and performance indicators are appropriate and sufficient. Management should draft the maintenance plan before the beginning of the year and should report quarterly based on the maintenance plan.	Internal control deficiency	No	Tsakani Mtebule, Dikgari Ignatius Mogale, Gugu Nhlane, Thomas Chabalala	31-Mar-2025	Management will also ensure perform sufficient and appropriate reviews of the planning documents and reported achievement during the financial year to ensure that the performance indicator is supported by appropriate and valid POE.	Not Yet Started
3	Non-compliance with laws and regulations		COMAF 38 Fruitless and Wasteful ExpenditureNoncompliance with section 62(1)(d) of the MFMA act.ImpactThe Municipality incurred fruitless and wasteful expenditure which results in less funds being directed towards service delivery.Internal control deficiency Financial and performance management		Financial and performance managementManagement did not review and monitor compliance with applicable laws and regulations.	The accounting officer should ensure compliance with laws and regulations to prevent fruitless and wasteful expenditures.	Non-compliance	No	Portia Kgatla,	31-Mar-2025	Management must ensure that invoices received are paid within 30 days, and there is no stock loss and overpayment incurred.	Not Yet Started
4	Misstatements in annual financial statements	Other	Reference: Communication No. 01 of 2024 Difference between the statement of financial performance and note: Acturial gains/ losses	63 000	The accounting officer did not prepare accurate and complete financial and performance reports that are supported and evidenced by reliable information.	The accounting officer should prepare accurate and complete financial and performance reports that are supported and evidenced by reliable information.	MFMA s123, s124 & s125 disclosures	No	Annah Sesene, Tracy Baloyi	31-Mar-2025	The annual Financial Statement must be prepared on time and reviewed before submitting to AGSA by the CFO and Accounting Officer.	Not Yet Started

No	Section	Line Item	Finding	Amount	Root Cause	Recommendation	Nature of Findings	Repeat Finding	Responsible Person	Due Date	Action Plan	Implementation Status
5	Other reported information	Other	COMAF 3: Incorrect achievement recorded in APR for the indicator - Number of households receiving free basic water Internal control deficiency Financial and performance management. Issue 2- Revenue and receivables are overstated with the revenue rebate that the customers should have received for being an indigent customer, this will be reported in the Management Report.		The accounting officer did not prepare accurate and complete performance reports that are supported and evidenced by reliable information.	The accounting officer should prepare accurate and complete performance reports that are supported and evidenced by reliable information.	Internal control deficiency	No	David Kupayi, Silas Ramalepe, Dikgari Ignatius Mogale, Tsakani Mtebule	31-Mar-2025	Management must improve controls to ensure that all water indigents are processed and reported accordingly.	Not Yet Started
6	Non-compliance with laws and regulations		1. COMAF 04: Internal control deficiency - External Quality Assurance Review/assessment was not performed on the internal audit function Internal control deficiencyLeadership		The accounting officer did not ensure that the internal audit was operating in accordance with the prescribed norms and standards.	The accounting officer did not ensure that the internal audit was operating in accordance with the prescribed norms and standards.	Non-compliance with applicable legislation	Yes	Masingita Mhlanga, Obed Sewapa, Boitumelo Mafetsa	31-Mar-2025	Quality assurance to be conducted in the 2024/2025 financial year.	Not Yet Started
7	Other reported information	Other	COMAF 05: Internal control deficiency – Year end Capital Asset verification report not reviewed and approved Internal control deficiencyLeadershipThe accounting officer did not exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls.		The accounting officer did not exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls.	The accounting officer must ensure that the work done by consultants is supported by the review and approval of consultant officials to confirm accountability of the work done by consultant official for the municipality.	Internal control deficiency	No	Portia Kgatla, Wilson Lebea	31-Mar-2025	The CFO must ensure that all physical verification sheets is reviewed and signed before submission to AGSA	Not Yet Started
8	Non-compliance with laws and regulations		COMAF 09: Internal control deficiency – Overtime worked exceeds the approved thresholdImpactThis results in non-compliance with the overtime policy.Internal control deficiencyFinancial and performance management		The accounting officer did not implement controls over daily and monthly processing and reconciling of transactions.	The accounting officer should ensure that the overtime policy is adhered to.The accounting officer should implement controls over daily and monthly processing and reconciling of overtime hours worked.	Internal control deficiency	No	Ngoako Lebepe, Peter Lekota	31-Mar-2025	Management will strengthen its systems of internal control (i.e. reviews) to ensure overtime hours worked are in line with the approved policies.	Not Yet Started
9	Other reported information	Other	COMAF 09: Internal control deficiency – Study leave approved after start date		Implement proper authorization of study leave as per the policy to ensure that the financial statement does reflect accurate amounts on financial and compliance.	Implement proper authorization of study leave as per the policy to ensure that the financial statement does reflect accurate amounts on financial and compliance.	Internal control deficiency	No	Ngoako Lebepe, Peter Lekota	31-Mar-2025	Management will strengthen its systems of internal control (i.e. reviews) to ensure that study leave practices are in line with the approved policies.	Not Yet Started

No	Section	Line Item	Finding	Amount	Root Cause	Recommendation	Nature of Findings	Repeat Finding	Responsible Person	Due Date	Action Plan	Implementation Status
10	Other reported information	Other	COMAF 11: Bank reconciliation not adequately reviewed		This represents an internal control deficiency as the policy was not complied with by the Chief Financial Officer.	The Chief Financial Officer should ensure that bank reconciliations are reviewed on a monthly basis for completeness and accuracy	Internal control deficiency	No	Annah Sesene, Tracy Baloyi	31-Mar-2025	The CFO must ensure that Bank Reconciliations are review on time	Not Yet Started
11	Other reported information	Other	COMAF 11: Untimely preparation of the Bank reconciliations		The late preparation of the bank reconciliations will result in recurring reconciling items which are not cleared and addressed by the finance team.It will also result in losses of cash being identified late and thus making cash difficult to recover.	The Chief Financial Officer should ensure that bank reconciliations are performed on the 7th day of each month as required by the Bank and Cash Policy and Procedure Manual.	Internal control deficiency	No	Annah Sesene, Tracy Baloyi	31-Mar-2025	Management will strengthen its systems of internal controls to ensure that bank reconciliations prepared by the 7th day of the month, following the accounting month in line with the cash and bank policy.	Not Yet Started
12	Other reported information	Other	COMAF 11: Recurring reconciling items		This results in an internal control deficiency as it is non-compliance with the Bank and Cash Policy and the Bank and Cash Procedure Manual. The Chief Financial Officer did not ensure that long outstanding reconciling items are cleared	Management will strengthen its system of internal controls to ensure that bank reconciling items do not remain outstanding for longer than one month in line with the cash and bank policy.	Internal control deficiency	Yes	Annah Sesene, Tracy Baloyi	31-Mar-2025	The CFO must ensure that all receipts and payments are captured correctly on time.	Not Yet Started
13	Other reported information	Other	Comaf 13KPA 03: Presentation and disclosure of indicators (Baseline)(Indicators have been presented and disclosed in the SDBIP and APR with baseline however they are new KPI)Internal control deficiency Financial and performance management .		Management did not perform sufficient and appropriate reviews of the planning documents and APR to ensure that the performance indicator are presented and disclosed correctly.	Management to ensure that for all new indicator they are reporting on they must write "new KPI" under the column of Baseline/ Previous performance in the SDBIP and APR	Internal control deficiency	No	Tsakani Mtebule, Dikgari Ignatius Mogale	31-Mar-2025	Management must ensure that in the 2024/25 SDBIP and APR the Baseline/Previous performance is reported as "new KPI" for all new indicators.	Not Yet Started
14	Other reported information	Other	Expenditure – Bulk Purchases Comaf: 15 Difference between unit consumptions as per Eskom Billing report/Invoice and the Municipality Meter reading report.I		The accounting officer did not ensure review of the supporting schedule to the AFS and ensuring that the supporting schedules agrees with the AFS.	The accounting officer should ensure that the meter reading reports are prepared at the same date that Eskom prepares the consumption/billing report to ensure that the municipality pays for the accurate units consumed.	Internal control deficiency	No	Gugu Nhlane, Thomas Chabalala	31-Mar-2025	Management must ensure that Eskom reading for bulk purchase are taken out the day Eskom takes the reading.	Not Yet Started
15	Other reported information	Other	COMAF 17: – Retentions register not accurately accounted for.		The accounting officer did not ensure review of the supporting schedule to the AFS and ensuring that the supporting schedules agrees with the AFS.	The accounting officer should ensure that the retention register submitted for audit are complete and agree to the AFS.	Internal control deficiency	No	Portia Kgatla, Wilson Lebea	31-Mar-2025	Management must ensure that retention register is updated and reconciled on monthly basis.	Not Yet Started

No	Section	Line Item	Finding	Amount	Root Cause	Recommendation	Nature of Findings	Repeat Finding	Responsible Person	Due Date	Action Plan	Implementation Status
16	Misstatements in annual performance report	Reported information not reliable	Comaf 18KPA3: Kilometers of road graded- Completeness of grading report Internal control deficiencyFinancial and performance management		he accounting officer did not perform effective reviews and monitoring of controls to ensure that the Grading report is complete and accurate.	The accounting officer must ensure that effective reviews and monitoring of controls are established and implemented to ensure that the final Grading report is complete and accurate.	Internal control deficiency	No	Tsakani Mtebule, Dikgari Ignatius Mogale, Gugu Nhlane, Terence Mahlobogane	31-Mar-2025	Management must ensure that the Grading of streets reports are complete and accurate.	Not Yet Started
17	Other reported information	Other	COMAF 25 Difference between units sold as per meter consumption reports and the units disclosed under electricity distribution loss (Note 44).		The accounting officer should ensure that the units of electricity sold are accurate by agreeing the units reported on the AFS to the supporting reports such as meter consumption reports prepared by Ice cloud.	The accounting officer should ensure that the units of electricity sold are accurate by agreeing the units reported on the AFS to the supporting reports such as meter consumption reports prepared by Ice cloud.	Internal control deficiency	No	David Kupayi, Silas Ramalepe	31-Mar-2025	Management must ensure that electricity distribution loss is calculated correctly and accurately on monthly basis.	Not Yet Started
18	Misstatements in annual financial statements	Other	COMAF 26 Difference between the remuneration of senior managers and payroll report.		Financial and performance managementThe accounting officer did not ensure review of the supporting schedule to the AFS and ensuring that the supporting schedules agrees with the AFS.	The accounting officer should ensure that the remuneration of senior managers is accurately disclosed by agreeing the amount as per the schedule to the amounts on the payroll report.	Internal control deficiency	No	Annah Sesene, Tracy Baloyi, Lydia Magabane	31-Mar-2025	Management must ensure that the disclosure note for senior management is reconciled and disclosed correctly in the Annual Financial Statement.	Not Yet Started
19	Other reported information	Other	COMAF 31Bank reconciliation – Detailed Bank Reconciliation Impact This represents an internal control deficiency as the Chief Financial Officer did not update the previously approved bank reconciliations for the financial year ended 30 June 2024 upon making alterations to the cashbook when reversing the unbanked receipts.		The Chief Financial Officer did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting	The Chief Financial Officer should implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting. The Chief Financial Officer should store and file all detailed bank reconciliations with the respective bank reconciliation summary upon the approval of the bank reconciliation once it has been completed for the month. This process must also be followed where a revised bank reconciliation has been completed	Internal control deficiency	No	Annah Sesene, Tracy Baloyi	31-Mar-2025	anagement will strengthen its system of internal controls to ensure that bank reconciling items do not remain outstanding for longer than one month in line with the cash and bank policy.	Not Yet Started

No	Section	Line Item	Finding	Amount	Root Cause	Recommendation	Nature of Findings	Repeat Finding	Responsible Person	Due Date	Action Plan	Implementation Status
20	Misstatements in annual financial statements	Other	COMAF 23: Prior period errorImpact: This will be reported in the management report and if not adjusted it will be reported in the audit report.		Management has disclosed the error in the financial statements at an incorrect amount.	Management should adjust the prior period error in the notes to the AFS to ensure fair presentation.	Internal control deficiency	No	Annah Sesene, Tracy Baloyi	31-Mar-2025	Management must ensure that the prior year disclosure note is updated correctly and accurately.	Not Yet Started
21	Other reported information	Other	COMAF 37: Audit committee not in placeImpact: This result in no independent oversight being provided by the audit committee over the finance function nor is there oversight being provided over the internal audit and the external audit function for the 2023/24 audit cycle.		The Municipality did not ensure that the audit committee promotes accountability and service delivery through evaluating and monitoring responses to risks and providing oversight over the effectiveness of the internal control environment, including financial and performance reporting and compliance with laws and regulations. Leadership: The Municipality did not exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls.	The Municipality did not exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls.	Internal control deficiency	No	Obed Sewapa, Boltumelo Mafetsa, Masingita Mhlanga	31-Mar-2025	The Accounting Officer must ensure that Audit Committee Members are appointed before the end of the 2024/2025 financial year.	Not Yet Started
22	Other reported information	Other	COMAF 39: The work of consultants is not adequately reviewed		the lack of reviews on the work they performed which were as a result of the finance department containing key vacancies resulting in information received by consultants containing errors which may have not been detected	The accounting officer responsible senior official should review adequately and sufficiently with due care the work of the consultants to ensure that municipality receive value for money or benefit out of the expenditure incurred on the consultants.	Internal control	No	Portia Kgatla, Annah Sesene, Tracy Baloyi, Khomotso Modjadji, Ngoako Lebepe, Peter Lekota, Silas Ramalepe, Lydia Magabane	31-Mar-2025	The BTO must be trained to compile and review the annual Financial Statement.	Not Yet Started
23	Misstatements in annual financial statements	Employee-related costs	COMAF 40: Prior year uncorrected misstatements 1. Misstatement - Employee related costsImpact: This represents an internal control deficiency as the Municipality did not correct the full population of the allowances received by employee appointed in acting positions.		The accounting officer did not implement controls over daily and monthly processing and reconciling of transactions relating to acting allowance.	The accounting officer should ensure that payments are made for acting allowance are in terms of the letter of appointment for acting period.	Internal control	Yes	Annah Sesene, Lydia Magabane, Tracy Baloyi	31-Mar-2025	The manager expenditure must calculate the entire population of acting allowance for 2023fy.	Not Yet Started
24	Other reported information	Other	COMAF 04: Internal control deficiency - Under resourcing of the internal audit functionInternal control deficiency		The accounting officer did not ensure that there is an adequately resourced and functioning internal audit unit that identifies internal control deficiencies and recommends corrective action effectively.	The accounting officer should ensure that there is an adequately resourced and functioning internal audit unit that identifies internal control deficiencies and recommends corrective action effectively by filling the vacant positions in the division.	Internal control	No	Ngoako Lebepe, Obed Sewapa, Peter Lekota	31-Mar-2025	Recruitment of the following vacant position:- Internal Manager: Internal audit	In Progress

APPENDIX A- COUNCILLORS; COMMITTEE ALLOCATION AND ATTENDANCE

Councillors, Committees Allocated and Council Attendance 2023/24					
Council Members	Full Time/Part Time FT/PT	Committee Allocated	*Ward and/ or Party Represented	Number of m meetings held/ attended	Percentage of Meetings Attendance
				No	%
Cllr Mamanyoha T.D	FT	EXCO	ANC	11/12	92%
	FT	COUNCIL	ANC	12/12	100
	FT	PMT	ANC	12/13	92%
Cllr Mokgwati M.M	FT	PMT	ANC	12/13	92%
	FT	COUNCIL	ANC	12/12	100%
Cllr Ramalatso R.R	FT	PMT	ANC	12/13	92%
	FT	COUNCIL	ANC	12/12	100%
Cllr Lebeko N.F	FT	Corporate and Shared Services	ANC	10/10	100%
	FT	EXCO	ANC	11/12	92%
	FT	COUNCIL	ANC	11/12	92%
Cllr Kgapane T.J	FT	Finance	ANC	10/10	100%
	FT	EXCO	ANC	11/12	92%
	FT	COUNCIL	ANC	12/12	100%
Cllr Baloyi R.G	FT	Infrastructure	ANC	4/8	50%
	FT	EXCO	ANC	7/12	58%

	FT	COUNCIL	ANC	10/12	83%
Cllr Ramaremele M.J	PT	Economic Development, Housing & Spatial Planning	ANC	13/13	100%
	PT	EXCO	ANC	12/12	100%
	PT	COUNCIL	ANC	10/12	84%
Cllr Mosila MR	PT	Community Services	ANC	6/6	100%
	PT	COUNCIL	ANC	10/12	92
	PT	EXCO	ANC	11/12	92%
Cllr Selowa SG	PT	Water & Sanitation	ANC	3/3	100%
	PT	EXCO	ANC	8/12	67%
	PT	COUNCIL	ANC	10/12	92%
Cllr Ramaano K.E	PT	Sports, Arts and Culture	ANC	3/4	75%
	PT	EXCO	ANC	12/12	100%
	PT	COUNCIL	ANC	12/12	100%
Cllr Mothele M.D	PT	Public Transport & Roads	EFF	3/4	75%
	PT	EXCO	EFF	9/12	75%
	PT	COUNCIL	EFF	9/12	75%
Cllr Makhurupetse M.M	FT	Municipal Public Accounts	ANC/ PR	12/14	86%
	FT	COUNCIL	ANC/PR	11/12	92%
Cllr Mohale R.W	PT	Municipal Public Accounts	ANC / W 1	11/14	79%
	PT	COUNCIL	ANC/W1	11/12	92%

Cllr Seoka L.M	PT	Ethics Committee	ANC / W 2	3/4	75%
	PT	COUNCIL	ANC/W2	12/12	100%
Cllr Lebepe R.R	PT	Corporate Services	ANC / W3	8/10	80%
	PT	COUNCIL	ANC/W 3	10/12	83%
Cllr Manyama M.I.	PT	Ethics Committee	ANC/W4	4/4	100%
	PT	COUNCIL	ANC/W 4	11/12	92%
Cllr Rasebotja S.M	PT	Finance	ANC / W 5	9/10	90%
	PT	Infrastructure	ANC/W5	8/8	100%
	PT	Public Transport & Roads	ANC/W5	3/4	75%
	PT	COUNCIL	ANC W 5	12/12	100%
Cllr Mokgomola N.P	PT	Finance	ANC / W 6	9/10	90%
		Sport, Arts & Culture	ANC/W6	3/4	75%
	PT	COUNCIL	ANC/. W8	6/12	50%
Cllr Nakana M.R	PT	Economic Development, Housing & Spatial Planning	ANC / W 7	12/13	92%
	PT	COUNCIL	ANC/7	12/12	100%
Cllr Maake S.M	PT	Infrastructure	ANC / W 8	6/8	75%
	PT	Community Services	ANC/W8	1/6	17%
	PT	Ethics	ANC/W8	1/4	25%
	PT	COUNCIL	ANC/W8	11/12	92%
Cllr Ramalatso A.M	PT	Infrastructure	ANC/ W 9	4/8	50%
	PT	COUNCIL	ANC W(7/12	58%

Cllr Makgato T.E	PT	Economic Development, Housing & Spatial Planning	ANC / W 10	10/13	78%
	PT	Water & sanitation	ANC / W 10	2/3	67%
	PT	COUNCIL	ANC / W 10	8/12	67%
Cllr Ramaano KE	PT	Sports, Arts and Culture	ANC / W 11	3/4	75%
	PT	EXCO	ANC/W11	12/12	100%
	PT	COUNCIL	ANC/W11	12/12	100%
Cllr Mashao M.G	PT	Corporate and Shared Services	ANC / W 12	10/10	100%
	PT	COUNCIL	ANC/W12	12/12	100%
Cllr Lekitima M.V	PT	Municipal Public Accounts	ANC / W 13	13/14	93%
	PT	COUNCIL	ANC/W13	8/12	67%
Cllr Mokhabukhi M.S	PT	Public Transport & Roads	ANC / W 15	3/4	75%
	PT	COUNCIL	ANC.W15	11/12	92%
Cllr Ngobenl MP	PT	Environmental Affairs	ANC / W 16	4/4	100%
	PT	COUNCIL	ANC/16	5/12	42%
Cllr Mankgero MM	PT	Infrastructure	ANC / W 17	7/8	88%
	PT	COUNCIL	ANC/W17	11/12	92%
Cllr Ndimu B.H	PT	Municipal Public Accounts	ANC / W 18	7/14	50%
	PT	COUNCIL	ANC/W18	11/12	92%
Cllr Mabidilala E	PT	Municipal Public Accounts	ANC/ W 19	10/14	71%

	PT	COUNCIL	ANC/19	6/12	50%
Cllr Rampyapedi S.E	PT	Sports,Arts and Culture	ANC/ W 20	3/4	75%
	PT	Water & Sanitation	ANC/W20	1/3	33%
	PT	COUNCIL	ANC/W20	8/12	67%
Cllr Monyela KB	PT	Municipal Public Accounts	ANC/ W 21	8/14	57%
	PT	COUNCIL	ANC/W21	8/12	67%
Cllr Mamaila B.A	PT	Community Services	ANC/ W 22	5/6	83%
	PT	COUNCIL	ANC/W22	10/12	83%
Cllr Maake N.	PT	Finance	ANC / W23	6/10	60%
	PT	COUNCIL	ANC/W23	10/12	83%
Cllr Mamatlepa D.D	PT	Corporate and Shared Services	ANC / W24	5/10	50%
	PT	COUNCIL	ANC/24	12/12	100%
	PT	Environmental Affairs	ANC/24	2/4	50%
Cllr Modika M.S	PT	Ethics	ANC / W25	3/4	75%
	PT	COUNCIL	ANC/W25	10/12	83%
	PT	Corporate and Shared Services	ANC/W25	2/2	100%
Cllr Mohale M.J	PT	Municipal Public Accounts	ANC /W 26	5/14	36%
	PT	COUNCIL	ANC/W26	11/12	92%
Cllr Moroatshehla M.B	PT	Public Transport & Roads	ANC/ W 27	2/4	50%

	PT	Finance	ANC/W27	7/10	70%
	PT	COUNCIL	ANC/W27	10/12	83%
Cllr Hlungwani SJ	PT	Community Services	ANC / W 28	4/6	67%
	PT	COUNCIL	ANC/W 28	7/12	58%
Cllr Malatji M.C	PT	Infrastructure	ANC/W 29	3/8	38%
	PT	COUNCIL	ANC/W29	7/12	58%
Cllr Lebeya M.J	PT	Sports, Arts and Culture	ANC/ W 30	4/4	100%
		COUNCIL	ANC/W30	9/12	75%
Cllr Maluleke M.J	PT	Corporate and shared services	MIM/PR	6/10	60%
	PT	COUNCIL	MIM/PR	7/12	58%
Cllr Mohale M.C	PT	Finance	ANC/PR	10/10	100%
	PT	COUNCIL	ANC/PR	10/12	83%
Cllr Makhananisa MD	PT	Ethics	ANC/PR	2/4	50%
	PT	COUNCIL	ANC/PR	11/12	92%
	PT	Corporate and shared services	ANC/PR	2/2	100%
Cllr Mothomogolo P.S	PT	Finance	ANC/PR	5/10	50%
	PT	Ethics	ANC/PR	2/4	50%
	PT	Public Transport & Roads	ANC/PR	3/4	75%
	PT	COUNCIL	ANC/PR	11/12	92%
Cllr Malatji M.E	PT	Infrastructure	EFF/PR	1/8	13%
	PT	Water & Sanitation	EFF/PR	2/3	67%
	PT	COUNCIL	EFF/PR	7/12	58%

Cllr Mulaudzi P	PT	Infrastructure	EFF/PR	3/8	38%
	PT	COUNCIL	EFF/PR	2/12	17%
Cllr Moroatshehla M.F	PT	Economic Development, Housing & Spatial Planning	ANC/PR	12/13	92%
	PT	COUNCIL	ANC.PR	10/12	83%
Cllr Rasetsoke M.C	PT	Economic Development, Housing & Spatial Planning	LIRA/PR	11/13	85%
	PT	COUNCIL	LIBRA/PR	8/12	67%
Cllr Senyolo T.J	PT	Community Services	COPE/PR	0/6	0%
	PT	COUNCIL	COPE/PR	4/12	33%
Cllr Malatja T.P	PT	Water & Sanitation	ANC/PR	3/3	100%
	PT	COUNCIL	ANC/PR	11/12	92%
Cllr Kgatla M.E	PT	Environmental Affairs	EFF/PR	4/4	100%
	PT	Ethics	EEF/PR	2/4	50%
	PT	Finance	EFF/PR	7/10	70%
	PT	COUNCL	EFF/PR	7/12	58%
Cllr Serumula M.L	PT	Sports Arts & Culture	DA/PR	1/4	25%
	PT	COUNCIL	DA/PR	7/12	58%
Cllr Mampeule P.J	PT	Environmental Affairs	ANC/PR	1/4	25%
	PT	COUNCIL	ANC/PR	2/12	17%
Cllr Raseropo S.M	PT	Environmental Affairs	EFF/PR	3/4	75%

	PT	CVOUNCIL	EFF/PR	8/12	67%
Cllr Selowa D.L	PT	Municipal Public Accounts	COPE /PR	13/14	93%
	PT	COUNCIL	COPE/PR	10/12	83%
Cllr Ramabubutla L	PT	Municipal Public Account	ANC /PR	9/14	64%
	PT	COUNCIL	ANC/PR	10/12	83%
Cllr Mangena M.S	PT	EXCO	EFF/PR	6/12	50%
	PT	COUNCIL	EFF/PR	3/12	25%
Cllr Matlou M.P	PT	Ethics	ANC/PR	1/4	25%
	PT	COUNCIL	ANC/PR	5/12	42%
Cllr Mashao MC	PT	Public Transport & Roads	EFF/PR	3/4	75%
	PT	COUNCIL	EFF/PR	5/12	42%
Cllr MUKHUFU A	PT	COUNCIL	EFF/PR	7/12	58

APPENDIX B- COMMITTEES AND COMMITTEE PURPOSES

Committees (Other than Mayoral/ Executive Committee) and purpose of Committees	
Municipal Committees	Purposes of Committee
Corporate and Shared Services	Consider all organizational development, corporate and Auxiliary related matters and make recommendations to EXCO
Economic Development, Housing & Spatial Planning	To consider all economic development matters and make recommendations to EXCO
Public Transport & Roads	Consider all Roads matters and recommend to EXCO
Water & Sanitation Services	Consider all water and sanitation related matters and make recommendations to EXCO
Finance	Consider all budget, finance and related matters and make recommendations to EXCO.
Agriculture & Environment	Consider all Agriculture and environmental matters and recommend to EXCO
Health and Social Development	To consider all social matters and make recommendations to EXCO
Infrastructure	Consider all Infrastructure, Building, Electricity and Civil matters and recommend to EXCO
Sports and Culture	Consider all Sports, Arts and Culture matters and recommend to EXCO
Municipal Public Accounts	To play an oversight and make recommendations to council

APPENDIX C- THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	(State title and name)
Municipal Manager s Office	Municipal Manager: Mr Sewape M.O
Corporate Services	Senior Manager :Mr Lekhota M.P
Community Services	Senior Manager: Mr Mamatlepa M.L
Budget and Treasury	Chief Financial Officer: Ms Sesene A.N
Development & Town Planning	Acting Senior Manager Planning: Shihundla J.
Technical Services	Senior Manager: Ms Nhlane G.I

APPENDIX D: Functions of Municipality

GREATER LETABA MUNICIPALITY'S POWERS AND FUNCTIONS

- The provision and maintenance of childcare facilities.
- Development of local tourism.
- Municipal planning.
- Municipal roads and public transport.
- Administer public regulations.
- Administer billboards and display of advertisements in public areas.
- Administer cemeteries, funerals parlours and crematoriums.
- Cleansing.
- Control of public nuisances.
- Control of undertakings that sell liquor to the public.
- Ensure the provision of facilities for the accommodation, care, and burial of
 - animals
- Fencing and fences.
- Licensing and dogs.
- Licensing and control of undertakings that sell food to public.
- Administer and maintenance of local amenities.
- Development and maintenance of local sport facilities.
- Develop and administer markets.
- Development and maintenance of municipal parks and recreation.
- Regulate noise pollution.
- Administer pounds.
- Development and maintenance of disposal.
- Administer street trading.
- The imposition and collection of taxes and surcharges on fees as related to the municipal's function.
- Receipt and allocation of grants made to the municipalities.

- Imposition and collection of other taxes, levies and duties as related to the Municipality's functions.
- Refuse removal refuse dumps disposal.

APPENDIX E: WARD REPORTING

Functionality of Ward Committees for 2023/24					
Ward Name (Number)	Name of ward councillor and elected ward committee members	Committee established (Yes/No)	Number of monthly committee meetings held during the year	Number of monthly reports submitted to Speaker's office on time	Number of quarterly public ward meetings held during the year
Ward 1	Cllr MOHALE R.W	Yes	12	12	04
Ward 2	Cllr SEOKA L.M	Yes	12	12	04
Ward 3	Cllr LEBEPE R.R	Yes	12	12	04
Ward 4	Cllr MANYAMA M.I	Yes	12	12	04
Ward 5	Cllr RASEBOTJA S.M	Yes	12	12	04
Ward 6	Cllr MOKHOMOLA N.P	Yes	12	12	04
Ward7	Cllr NAKANA M.R	Yes	12	12	04
Ward 8	Cllr MAAKE S.N	Yes	12	12	04
Ward 9	Cllr RAMALATSO A.M	Yes	12	12	04
Ward 10	Cllr MAKGATO T.E	Yes	12	12	04
Ward 11	Cllr RAMAANO K.E	Yes	12	12	04
Ward 12	Cllr MASHAO M.G	Yes	12	12	04
Ward 13	Cllr LEKITIMA V.M	Yes	12	12	04
Ward 14	Cllr LEBEKO N,F	Yes	12	12	04
Ward 15	Cllr MOKHABOKHI M.S	Yes	12	12	04
Ward 16	Cllr NGOBENI M.P	Yes	12	12	04

Ward 17	Cllr MANKGERU M.M	Yes	12	12	04
Ward 18	Cllr NDIMA B.H	Yes	12	12	04
Ward 19	Cllr MABIDILALA E	Yes	12	12	04
Ward 20	Cllr RAMPYAPEDI E.S	Yes	12	12	04
Ward 21	Cllr MONYELA K.B	Yes	12	12	04
Ward 22	Cllr MAMAILA B.A	Yes	12	12	04
Ward 23	Cllr MAAKE N	Yes	12	12	04
Ward 24	Cllr MAMATLEPA D.D	Yes	12	12	04
Ward 25	Cllr MODIKA M.S	Yes	12	12	04
Ward 26	Cllr MOHALE M.J	Yes	12	12	04
Ward 27	Cllr MORWATSHEHLA M.B	Yes	12	12	04
Ward 28	Cllr HLONGWANE S.J	Yes	12	12	04
Ward 29	MALATJI M.C	Yes	12	12	04
Ward 30	Cllr LEBEYA J.M	Yes	12	12	04

APPENDIX F: WARD INFORMATION

Capital Projects: Largest in 2023/24				
Ward No	Project Name & Detail	Start Date	End Date	Total Value
26	Construction of Street Paving at Ramodumo (3.5 km) (Multi-year)	15 Sep 2022	30 Jun 2025	R 31 500 000,00
27	Construction of Rampepe Access Bridge (Multi-year)	29 Mar 2022	30 Jun 2024	R 10 060 264,36
25	Construction of Abel Street Paving (2.8 km)	2 Dec 2022	30 Jun 2024	R 29 479 369,96
19	Construction of Street Paving at Mohlabaneng (3.3 km) (Multi-year)	21 Jun 2021	30 Jun 2024	R 34 034 887,12
1,6,7,11, 13,16,17 22,23,25, 30	Construction Highmast lights in various villages -16 (Multi-year)	14 Dec 2022	30 Jun 2024	R 8 619 758,32
2	Construction of Moshakga/ Makaba street paving (2.5 km)- (Multi-year)	3 Nov 2023	30 Jun 2025	R 28 307 450,50
19	Construction of Street Paving at Maupa (4.9 km) (Multi-year)	31 Oct 2023	30 Jun 2026	R 46 693 512,21
8	Construction of Burkino Farso Street Paving (2 km) Multi year	31 Oct 2023	30 Jun 2026	R 47 660 567,27
4	Construction of Masakhaneng Street Paving (3.1 km) Multi-year)	12 Jan 2024	30 Jun 2026	R 25 050 000,00
20	Designs of Maphalle landfill site phase 2 (Multi-year)	TBC (Design)	TBC	R 83 487 780,25
3	Itieleng: Roads and Stormwater	15 Jun 2023	15 Oct 2023	R 1 500 000

25	Buqa: Roads and Stormwater	15 Jun 2023	15 Oct 2023	R 1 250 000
18	Roerfontein: Roads and Stormwater	15 Jun 2023	15 Oct 2023	R 1 150 000
8	Regravelling of Rapitsi internal streets	20 Mar 2024	20 Aug 2024	R 1 478 773
16	Tshamahansi Low-Level Bridge	20 Mar 2024	20 Aug 2024	R 1 481 226
6	Mokwasele Low-Level Bridge	20 Mar 2024	20 Aug 2024	R 1 852 616
29	Sekgopo Ramoadi Low-Level Bridge	20 Mar 2024	20 Aug 2024	R 1 660 396
21	Ramaroka Low-Level Bridge	20 Mar 2024	20 Aug 2024	R 1 516 989
1-30	Retrofitting of High mast, Stadium, Municipal offices and Community Halls	1 Jul 2023	30 Jun 2024	R 8 000 000
17, 11, 13	Electrification of 509 households at Carel Gardens 1 & 2, Itieleng (Matshwi) and Lebepane Villages	1 Jul 2023	30 Jun 2024	R 10 996 000
15&16	Construction of Street Paving at Raphahlelo/ Phooko (2.48 km)(Multi-year)	22 Jun 2021	19 July 2024	R 27 493 656
1	Construction of Thibeni Street Paving (2.3km) (Multi-year)	28 Sep 2022	30 Jun 2025	R 22 014 932,92
2	Construction of Motsinoni Street Paving (1.5km)(Multi-Year)	27 Sep 2022	9 Jul 2024	R 20 583 762,08
30	Designs of Boshakge bridge-Multi-year	TBC (Design)	TBC	R 1 000 000
29	Refurbishment of LV Network	25 Jan 2024	30 Jun 2024	R 1 606 335

29	HV Cable Network Refurbishment	25 Jan 2024	30 Jun 2024	R 1 008 772
1	Construction of Madumeleng/ Shotong Sport Complex (Multi-year)	19 Sep 2018	30 Jun 2024	R51 331 915,39
29	Planning and Design of Municipal offices	TBC (Design)	TBC	R 500 000

APPENDIX G:RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2023/24

AUDIT AND PERFORMANCE AUDIT COMMITTEE SUMMARY REPORT 2023/24 FINANCIAL YEAR.

The following paragraph summarizes the Audit Committee report for the year under review (2023/24).

The Audit Committee was established in terms of section 166 of the Municipal Finance Management Act (MFMA). Section 166 of the MFMA clearly states that each municipality must have an audit committee. The audit committee is an independent advisory body that advises council, political office bearers, accounting officer, and staff of the municipality on the following:

- Internal financial control and internal audits.
- Risk management.
- Accounting policies.
- The adequacy, reliability, and accuracy of financial reporting and information.
- Performance management
- Effective governance.
- Compliance with the MFMA, the annual Division of Revenue Act (DORA) and any other applicable legislation.
- Performance evaluation.
- Any other issues referred to by the municipality;
- Review annual financial statements to provide authoritative and credible view of the financial position, on overall compliance with MFMA, DORA, etc.
- Respond to Council on any matter raised by the Auditor-General (AGSA);
- Carry out such investigations into financial affairs of the municipality as may be prescribed from time to time.
- It is expected on a quarterly basis for the Audit Committee to review and advise municipal council on matters relating to items listed above.
- The attendance of meetings by both Audit Committee Members and Management was outstanding. The Audit Committee has noted the following achievements by the municipality:
 - Ability of the municipality to produce quarterly financial statements.
 - Good progress in implementing the MSCOA programme.

- Ability by the municipality to submit credible section 71 report to treasury on a monthly basis.
- Good progress addressing IT governance issues.

Audit committee recommendation the following for 2023/2024 financial.

1. Business continuity management

- Resolution on the BCP should be revised with new timeline to reflect the current development and the proposed a new deadline is 31 December 2024 and reasons for resolutions not implemented should be documented to enhance understanding and accountability.
- Updates on timelines on the completion of BCP framework should be shared with Audit Committee once received from the provincial treasury and emphasized the importance of keeping the resolution open until the BCP is fully developed to ensure proper monitoring.

2. Resolution register

- Timeline on resolutions not implemented should be revised and indicate the original dates to facilitate better monitoring by the committee.

3. Overtime management

- AC recommended that there is a need for strategic staffing solutions, clear policies, and the importance of employee welfare in managing overtime effectively.
- The AC recommended that the municipality must conduct a cost benefit analysis regarding the shift work policy to evaluate the financial implications of hiring additional employees versus continuing to rely on overtime.

4. Revenue management

- The Audit Committee noted that there is a significant problem with debt collection, impacting cash management and the ability to pay debts and recommended that the municipality must develop a plan to improve collection efforts.

5. Cash and bank management.

- Bank and investment balances in the financial reports should reflect how much was interest received from the beginning of the financial year.

6. Audit findings.

- The AC noted ongoing issues related to basic services and audit findings and recommended the need for action rather than acceptance of these risk.

7. Performance management system.

- The AC recommended that internal audit should provide independent validation of the 4th quarter report before submission.
- The AC recommended that targets that are not achieved should include a reason for non- achievement and should correct the planned intervention for non-achievement.

8. UIFWE

- The AC recommended that the municipality should ensure that there is no new irregular expenditure in the next quarter.
- Management should conduct completes exercise on the deviation register to ascertain that there is no irregular expenditure classified as deviations.

9. AFS

- The AC recommended that the municipality must address all discrepancies identified during the review of AF and ensure accurate and reliable financial statements before submission to AG and other stakeholders

APPENDIX H– LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Term Contracts (20 Largest Contracts Entered into from 2023/24)					
Name of service provider (entity of municipal department)	Description of services rendered by the service provider	Start date of contract	Expiry date of contract	Project Manager	Contract Value
FNB	Provision of Banking Services	01/09/2024	30/08/2030	Ms. Sesene AN	Bank Charges incurred
Anaka group	Rental of printers for 36 months	03/01/2024	02/01/2027	Ms. Sesene AN	R6 693 552.00
Kunene Makopo Risk Solutions	Appointment for provision of Insurance Services for a period of 60 months	01/05/2024	03/04/2027	Ms. Sesene AN	R56 000 (Brokerage fee)
Cathu Consulting	Unbundling of Municipal Assets and Compilation of Grap complaint Asset Register for a period of 36 months	01/05/2024	30/04/2027	Ms. Sesene AN	R4 844 603.51
Munsoft	Municipal; mSCOA financial system, with Payroll, ESS, Action Assist PMS and IPM	1 August 2023	31 July 2028	Mr Lekhota MP	R22 425 765.04
Vodacom	RT15, with data connection, hosted PBX, Wifi	1 April 2021	31` March 2026	Mr Lekhota MP	Rates
SITA	WEB Hosting	1 July 2024	30 June 2027	Mr Lekhota MP	R270 764 .51

SEE CHAPTER 3

APPENDIX J-CAPITAL PROGRAMME BY PROJECT 2023/24

CAPITAL PROJECT	ORIGINAL BUDGET	ADJUSTMENT BUDGET
Designs for the extension of Municipal Office building	R 500 000,00	R 500 000,00
Construction of Madumeleng/ Shotong Sport Complex	R 9 404 000,00	R 9 404 000,00
Roerfontein Roads and stormwater- Construction of Roerfontein low level bridge	R 1 150 000,00	R 1 150 000,00
Itieleng Roads and stormwater- Itieleng regravelling- 1,2km	R 1 500 000,00	R 1 500 000,00
Construction of Buqa low level bridge	R 1 250 000,00	R 1 250 000,00
Construction of Street Paving at Ramodumo (3.5 km) (Multi-year)	R 11 830 000,00	R 13 879 571,11
Construction of Access Bridge at Rampepe (Multi-year)	R 2 200 000,00	R 3 143 510,00
Construction of Abel Street Paving (2.8 km)- Multi-year	R 11 102 467,00	R 13 571 881,00
Construction of Street Paving at Mohlabaaneng (3.3 km) (Multi-year)	R 6 246 314,00	R 3 525 495,05
Construction of Moshakga/ Makaba street paving (2.5 km)- (Multi-year)	R 9 000 000,00	R 10 300 000,00
Construction of Motsinoni street paving (1.5 km)	R 5 000 000,00	R 8 046 098,17
Construction of Thibeni street paving (2. 3 km) Multi-year	R 4 500 000,00	R 5 000 000,00
Construction of Burkino Farso Street Paving (2 km) Multi year	R 9 000 000,00	R 8 500 000,00

Construction of Maupa Street Paving (4.9 km) Multi year	R 9 000 000,00	R 8 190 997,84
Construction of Masakhaneng Street Paving (3.1 km) Multi-year	R 7 728 725,00	R 6 094 040,00
Supply and delivery of 2 Traffic vehicles	R800 000	R800 000
Supply and delivery of 20 Grass Cutters	R 400 000,00	R 378 000,00
Supply and delivery of 11 Skip Bins (6 cubic meter)	R 500 000,00	R 873 340,00
Supply and construction of High Mast light in variuos villages	R2 499 254	R2 499 254

APPENDIX K- CAPITAL PROGRAMME BY PROJECT BY WARD 2023/24

CAPTAL PROJECT	Ward(s) Affected	Works Completed
Designs for the extension of Municipal Office building	29	Yes
Construction of Madumeleng/ Shotong Sport Complex	01	Yes
Roerfontein Roads and stormwater- Construction of Roerfontein low level bridge	18	Yes
Itieleng Roads and stormwater- Itieleng regravelling- 1,2km	12	Yes
Construction of Buqa low level bridge	25	Yes
Construction of Street Paving at Ramodumo (3.5 km) (Multi-year)	25	Yes
Construction of Access Bridge at Rampepe (Multi-year)	25	Yes
Construction of Abel Street Paving (2.8 km)- Multi-year	25	Yes
Construction of Street Paving at Mohlabaneng (3.3 km) (Multi-year)	19	Yes
Construction of Moshakga/ Makaba street paving (2.5 km)- (Multi-year)	02	Yes
Construction of Motsinoni street paving (1.5 km)	06	Yes
Construction of Thibeni street paving (2. 3 km) Multi-year	01	Yes

Construction of Burkino Farso Street Paving (2 km) Multi year	08	Yes
Construction of Maupa Street Paving (4.9 km) Multi year	23	Yes
Construction of Masakhaneng Street Paving (3.1 km) Multi-year	04	Yes
Supply and delivery of 20 Grass Cutters	Various wards	Yes
Supply and delivery of 11 Skip Bins (6 cubic meter)	Various wards	Yes
Supply and construction of High Mast light in various villages	Various Wards	Yes

APPENDIX L– SERVICE CONNECTION BACKLOGS AT SCHOOL AND CLINICS

SERVICE BACKLOGS: SCHOOLS AND CLINICS					
ESTABLISHMENTS LACKING SERVICES	LOCATION	WATER	SANITATION	ELECTRICITY	SOLID WASTE COLLECTION
Kgapane	Kgapane	YES	YES	YES	YES
Medingen	Medingen	YES	YES	YES	YES
Sekgopo	Sekgopo	YES	YES	YES	YES
Duiwelskloof	Modjadjiskloof	YES	YES	YES	YES
Shotong	Shotong	YES	YES	YES	YES
Modjadj	Sekhwiteng	YES	YES	YES	YES
Bolobedu	Bolobedu	YES	YES	YES	YES
Matswi	Matswi	YES	YES	YES	YES
Senopela	Senopela	YES	YES	YES	YES
Seapole	Seapole	YES	YES	YES	YES
Charlie Rhangani	Charlie Rhangani	YES	YES	YES	YES
Mamanyoha	Mamanyoha	YES	YES	YES	YES
Lebaka	Lebaka	YES	YES	YES	YES
Maphalle	Maphalle	YES	YES	YES	YES
Raphahlelo	Raphahlelo	YES	YES	YES	YES
Mamaila	Mamaila	YES	YES	YES	YES
Middlewater	Middlewater	YES	YES	YES	YES
Pheeha	Pheeha	YES	YES	YES	YES
Rotterdam	Rotterdam	YES	YES	YES	YES
Bellevue	Bellevue	YES	YES	YES	YES
Total	20				

APPENDIX M-SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE SERVICE PROVISION

Health Facilities Backlog

- Insufficient mobile and visiting points.
- Modjadjiskloof lack of space for the clinic.
- A need for a health centre in Sekgopo, Senwamokgope and Mokwakwaila.
- Acquiring a suitable site for the construction of a more capacitated clinic in Modjadjiskloof.
- A need for EMS at Sekgopo, Sekgosese and Mokwakwaila.

Education Backlog

The following areas are affected by the Backlog:Goudplaas, Mandela Park; Nkwele-motse; Modumane; Hlohlokwe; Makaba; Mothobeki; Modjadjiskloof (Secondary); Mahunsi; Shamfana (High School); Reinstatement of Modjadji College as a need.

Sports, Arts and Culture Backlog

- *Libraries facilities*

And in terms of libraries, shortage of books makes it difficult for people to develop academically. There are only six libraries that currently operational: Modjadjiskloof, Ga Kgapanne, Soetfontein, Maphalle, Sekgopo and Mokwakwaila library. The Greater Letaba Municipality has a backlog of library in Rotterdam.

The state of school libraries leaves much to be desired, there are no libraries in most of the schools and they have converted classrooms to be utilized as libraries and they are under resourced with books and personnel.

- *Stadiums and gravel playgrounds facilities*

There are also backlogs in relations to playgrounds in areas where there are no stadia. There is a need for the municipality to embark on the programme of developing playgrounds in rural areas or to upgrade the existing ones to the acceptable standards.

Water and sanitation backlog

Services	Total households	Level of Services	Coverage	Backlog	% Backlog
Water					
	58 262	Inside dwelling	5948	9328	16 %
		Inside yard	20320		
		Communal standpipe >200m	17276		
		Communal standpipe <200m	5390		
Sanitation					
	58 262	Flush toilet	5949	7867	13.5%
		Pit latrine (Ventilation)	11390		
		Pit latrine (without ventilation)	33056		

Electricity Backlog

Energy distribution has important economic development implications with a potential to make considerable impact. This impact relates to improved living conditions, increased productivity and greater sustainability of environment. The provision of electricity to households has been achieved to the larger extent. About 64116 households have access to electricity which amount to 95% of the population. Greater Letaba Municipality given its capacity of the figure above and the MTEF allocation depicts that all households, would have been provided for access to electricity by 2016 except new households' extensions.

Storm water, Drainage and Backlog

The municipality has a backlog of storm water drainage in all gravel streets and roads and the upgrading of some internal streets from gravel to concrete paving blocks in various villages and township is continuous.

Housing Backlog

The Department of Cooperative Governance Human Settlement and Traditional Affairs indicates a backlog of 4696 on the beneficiary list. This is based on the applications submitted by the municipality to Department. As such the indicated backlog is extremely lower than the actual backlog. Of this backlog, CoGHSTA could only address 4.2% (i.e. an approximate annual allocation of 200 houses). With this progress, the municipality will not be able to ensure that all beneficiaries are allocated houses by 2014. 5442 RDP houses have been built since 2001.

APPENDIX N– DECLARATIONS OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

N/A

APPENDIX O– DECLARATIONS OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

- All section 71 reports for 2023/24 financial year were compiled and submitted within 10 working days of each month.
- All compliance performance reports were compiled and submitted to Provincial and national treasury.

APPENDIX P: DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July 2023 to 30 June 2024		
Position	Name	Description of financial interest* (Nil/or details)
Mayor	Cllr Mamanyoha T. D	Mphatlane Business Projects (50%) Eight-room house in Bolobedu worth R400 000 Councillor GLM Mayor R750 0000
Speaker	Cllr Mokgwati M.M	Nil
Chief W	Cllr Ramalatso R. R	Nil
Member of EXCO	Cllr Kgapane T. J	Eight-roomed house at Ramodumo (R200 000)
	Cllr Lebeko N. F	Matsheta Business Enterprise (R 4000 per month) Seven-roomed house at Lemondokop (R480 000) Eight-roomed house at Lemondokop worth R 650 000) Councillor in GLM (R580 000 per annum)
	Cllr Ramaano K. E	Vodacom Shares (R1000) Transport (R3000)
	Cllr Ramaremele J.M	Nil
	Cllr Selowa M. G	Nil
	Cllr Baloyi R. G	Nil

	Cllr Mathaba E. M	House in Modjadjiskloof (R450 000) Land in Modjadjiskloof (R200 000)
	Cllr Mosila M.R	5-roomed House at Modjadjiskloof(R2m)
	Cllr Ramalobela M. L	House (R560 000) Nakampe Cooperative-R300 000
		Mokwape Trading-R150 000
Councillors	Cllr Mohale R.W	House at Khehlakoni (R500 000) House at Kempton Park (R600 000)
	Cllr Seoka L.M	Nil
	Cllr Lebepe R.R	Car (R349 000)
	Cllr Manyama M.I	House at Kgapanne (R820 000) House at Kgapanne (R450 000)
	Cllr Rasebotja M.S	Nil
	Cllr Mokgomola N.P	Balepye CPA (R800 00 for sitting)
	Cllr Nakana M.R	Nil
	Cllr Maake S.M	House at Mamphakhati (R350 000)
	Cllr Ramalatswa A.M	Nil
	Cllr Makgato T.E	Nil
	Cllr Mashao M.G	Nil
	Cllr Lekitima V.M	Nil
	Cllr Mokhabukhi M.S	House at Raphahlelo (R70 000) House at Polokwane (R570 000)
	Cllr Ngobeni M.P	House and Small Farm at Rotterdam and Mamaila (R3m)
	Cllr Mankgeru M.M	House at Mamaila (R750 000)
	Cllr Ndimba B.H	House at Roerfentein (R200 000)
	Cllr Mabitlala E	House at Jamela (R100 000)
	Cllr Rampyapedi E,S	Nil
	Cllr Monyela K.B	Hose at Femane (R350 000)

	Cllr Mamaila B.A	Nil
	Cllr Maake N	Shares 100% Telkom/Vodacom. House in JHB (R800 000)
	Cllr Mamatlepa D.D	Nil
	Cllr Modika M.S	Phufuma-Nathi (100%) House at Abel (R2m)
	Cllr Mohale M.J	House at Shamfana (R240 000)
	Cllr Morwatshehla M.B	Brickyard (R200 000) 4 Hector Garden (Ri,5m)
	Cllr Hlungwani S.J	House at Rotterdam (R750 000) Cars and Cattle (R6.2m)
	Cllr Malatji M.C	Nil
	Cllr Lebeya J.M	House at Hlatsa Village (R700 000)
	Cllr Matlou M.P	House at Mohlabaneng worth R700 000 House in Modjadjiskloof worth R1m
	Cllr Mothomogolo P.S	Nil
	Cllr Mampeule P.J	Modjadji Resort (for accommodation and entertainment) Lexico Trading Balobedu Queenship (rates per meeting) House at Khetlhakoni (R2m) Farming scheme of 10 hectares (R1m)
	Cllr Moroatshehla M.F	Nil
	Cllr Malatja T.P	Nil
	Cllr Makhananesa M.D	Nil
	Cllr Ramabubutla L	Nil
	Cllr Mohale M.C	M20c Pty (Ltd)(100%) Makhanyammele Logistics (50%)
	Cllr Raseropo M.S	Rams Car Wash=100%

	Cllr Mulaudzi P	Nil
	Cllr Mangena M.S	House at Thembisa (Renting Rooms-R450 000) House at Las Vegas (R350 000) Enerc Construction (100%)
	Cllr Kgatla M.E	House No 990 at Ga-Kgapane (R700 000)
	Cllr Mashao M.C	House at Koope (R50 000)
	Cllr Malatji M.E	Nil
	Cllr Senyolo T.J	House at Sephokubje(R600 000)
	Cllr Selowa D.L	House at Mohlakamosoma(R1.2m)
	Cllr Serumula M.L	Nil
	Cllr Rasetsoke C.M	House at Koranta(R750 000)
	Cllr Maluleke M.J	House (R560 000)
	Cllr Makhurupetse M.W.M	FELMO General Enterprise (100%) House at Mamatlepa (R800 000) 7 hectarsFarm at Mamatlepa (R200 000)
Municipal Manager	Mr M.O Sewape	Stand 459 Tshabelamatswale,1000m2 Ga-Kgapane-R 500 000.00,Residential House Tzaneen-R2.3,Stand Tzaneen(700 M2)-R440 000
Acting Senior Manager Community Services	Ms Shoroma L	House Aquapark=R1m
Senior Manager Community services	Mr Mamatlepa M.L	Living House Femane(R500 000) Farmland 6Hac (R700 000)
Senior Manager Technical Services	Ms Nhlane G.I	Flat Unit Tzaneen 66 M2=R480 000,Res Property TZN,R1.7m,Flat Ekureleni 110m2-R664 000
Senior Manager Corporate services	Mr Lekhota M.P	Business Site Morebeng=R50 000

Chief financial Officer	Ms Sesene A	House +-1000m2 Jamela Village (R300 000) Share Block 199m2 Monomotapa Village(R165 000)
Acting Senior Manager Development and Town Planning	Mr Shihundla J	NIL
*Financial interests to be disclosed even if they incurred for only part of the year. see MBRR SA34A TJ		

APPENDIX Q: COUNCILLORS' POSTER



Cllr Mokhabukhi M.S



Cllr Nakana M.R



Cllr Hlungwani S. J



Cllr Kgatla M. E



Cllr Lebepe R.
R



Cllr Lebeya J.M



Cllr Lekitimi V.M



Cllr Maake N



Cllr Maake S.N



Cllr Mabilalala E



Cllr Makgato T.E



Cllr Makhananesa M.
D



Cllr Malatja T. P



Cllr Malatji M.C



Cllr Malatji M. E



Cllr Maluleke M.J



Cllr Mamaila B. A



Cllr Mamatlepa D. D



Cllr Mampeule P. J



Cllr Mankgeru
M. M



Cllr Mokhomola N.P



Cllr Mashao M.C



Cllr Masha0M.G



Cllr Modika M. S



Cllr Mohale M.C



Cllr Mohale M. J



Cllr Mohale R. W



Cllr Makhurupetse
M.W.M



Cllr Mulaudzi P



Cllr Monyela K.
B



Cllr Moroatshehla F.M



Cllr Morwatshehla M.
B



Cllr Manyama M. I



Cllr Mothomoholo P.
S



Cllr Ndima B.H



Cllr Ngobeni M. P



Cllr Matlou M. P



Cllr Ramalatso A. N



Cllr Ramabubutla L



Cllr
Rampyapedi E.
S



Cllr Raesetja S.M



Cllr Raseropo S.M



Cllr Rasetsoke M.C



Cllr Selowa D.L



Cllr Senyolo T.J



Cllr Seoka L.M



Cllr Serumula M.L

END OF REPORT