LEPHALALE LOCAL MUNICIPALITY

LEPHALALE MUNICIPALITY
Draft Annual Report 2021-22

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VOLUME 1

Annual Report for Lephalale Local Municipality
(PERFORMANCE REPORT PART I)

ACCRONYMS

ACRONYM / ABBREVIATION	MEANING
AFS	Annual Financial Statements
AG	Auditor General
AVG	Average
BAC	Bid Adjudication Committee
BSC	Bid Specification Committee
BTO	Budget and Treasury Office
CDW	Community Development Workers
CoGHSTA	Department of Cooperative Governance, Human Settlements and Traditional Affairs
CSS	Corporate Support Services Department
Dec	December
DP	Development Planning Department
DWS	Department of Water and Sanitation
EAP	Employee Assistance Programme
EM	Executive Manager
EPWP	Expanded Public Works Programme
HR	Human Resources
i.t. o	In Terms Of
IDP	Integrated Development Plan
ID	Infrastructure Department
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LDF	Local Development Forum
LLF	Local Labour Forum
LLM	Lephalale Local Municipality
LUMS	Land Use Management System
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MWIG	Municipal Water Infrastructure Grant
N/A	Not applicable
PMU	Project Management Unit
POE	Portfolio of Evidence
Rep	Representative
R-value	Rand value
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
Sept	September
SLA	Service Level Agreement
SS	Social Services Department

ACRONYM / ABBREVIATION	MEANING
SIP 01	Strategic
UOM	Unit of Measure, for example: # is number of, % is percentage
WSA	Water Services Authority
VIP	Ventilated Improved Pit Latrine
YTD	Year to Date
SPLUMA	Spatial Planning and Land Use Management Act

CHAPTER 1

CHAPTER 1 - MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

Lephalale Local Municipality is currently one of the fastest growing municipalities in the country and governs a town that has the potential to become the future hub of power generation in South Africa. The municipality is working hand in hand with several stakeholders to build a vibrant city situated at the heart of the Waterberg coalfield. This coalfield is estimated to contain between 40 and 50% of SA's remaining coal reserves. Conventional wisdom is that the future of SA coal mining depends on the development of this extensive deposit of coal surrounding the town of Lephalale. There is no doubt that Lephalale will soon be a forerunner in the mining sector and energy production.

The global shift towards the use of renewable energy may push communities to diversify our economy to manufacturing and food production. Hospitality business is also added to the basket where the fauna and flora within the declared biosphere is well conserved. Agriculture as a pillar of economy in Limpopo has proven its sustainability in the last quarter of the financial year when the country was put under lockdown, thus identifying this sector as vital for Local Economic Growth.

It is against this background that the vision of the Lephalale Local Municipality shows our dedication to the improvement and empowerment of local communities through the many opportunities for economic growth afforded to it.

Vision

The **Vision** of Lephalale Local Municipality is:

"A vibrant city and be the energy hub".

The Mission is:

"We are committed to Integrated Development, provision of quality, sustainable and affordable services, financial viability and good governance, local economic development and job creation.

We endeavour to do this by being:

- **Community orientated:** Provide and deliver sustainable services and activities for the whole community.
- **Transparent:** Invite and encourage democratic public participation in council's activities

- **Committed:** Focus and concentrate on council's core activities in a consistent manner
- **Business orientated:** Subscribe to, and comply with, the best business practices.
- **Full of integrity:** Conduct council's business in a fair, responsible, flexible, equitable and honest manner
- **Accountable*:*** Report regularly to all stakeholders regarding council's actual performance
- **Environmentally friendly:** with all the development in Lephalale, the municipality will focus on taking care of the environment.
- **Able to empower:** to be seen empowering our people economically.
- **Performance Management:** Continually evaluate and monitor performance against predetermined objectives and set targets.

Government is using the DDM as a practical method to improve cooperative governance and promote integrated planning, budgeting and implementation based on stakeholder and community involvement, and thereby build a capable and ethical Developmental State with strong local government that can respond to current and future needs and effectively implement national priorities.

The financial year 2021-22 have come and gone with its share of triumphs and tribulations, this is a year where Lephalale municipality learned about the raw extraction contract with DWS, from Mogol river, which came with huge debt for institution, the year where load shedding is intensified, and our basic services infrastructure have also seen its days of life and requires refurbishment in its totality.

The following issues are key:

- First, we must have plans to generate our own electricity there by increase our revenue.
- Second, we must accelerate our economic recovery and yearn to be preferred investment destination.
- Third, we must implement economic reforms to create sustainable jobs and drive inclusive growth.
- And finally, we must fight corruption and strengthen the State.

Report on progress in the implementation of the **recovery plan** and the priority actions we must take to restore growth and create jobs. Since the launch of the plan, focus is on four priority interventions:

- a massive rollout of infrastructure throughout the country,
- a massive increase in local production,
- an employment stimulus to create jobs and support livelihoods, and
- the rapid expansion of our energy generation capacity.

An infrastructure investment project pipeline worth R340 billion in network industries such as energy, water, transport and telecommunications have been developed. Resources have been committed from the fiscus to support the construction and rehabilitation of the major N1, N2 and N3 highways. The R100 billion Infrastructure Fund is now in full operation. This fund will blend resources from the fiscus with financing from the private sector and development institutions.

Another approved project is SA Connect, a programme to roll out broadband to schools, hospitals, police stations and other government facilities. The second priority intervention of the recovery plan is to support a massive increase in local production and to make South African exports globally competitive. This will encourage greater investment by the private sector in productive activity. Key to this plan is a renewed commitment from government, business and organised labour to buy local. This commitment should lead to increased local production, which will lead to the revival of our manufacturing industry.

All social partners that participated in the development of the Economic Reconstruction and Recovery Plan, as part of social compact, have agreed to work together to reduce reliance on imports by 20% over the next five years. They have identified 42 products – ranging from edible oils to furniture, fruit concentrates, personal protective equipment, steel products and green economy inputs – that can be sourced locally. If the target is achieved, there will be significant expand in productive economy, potentially returning more than R200 billion to the country's annual output.

To this end, Cabinet approved the SMME-Focused Localisation Policy Framework which identified the 1 000 products. Furthermore, the departments of Small Business Development and Trade, Industry and Competition are supporting SMMEs to access larger domestic and international markets.

Four master plans that have been completed and signed to date – which are part of the social compact between labour, business, government, and communities – have already had an impact in their respective industries. Through the implementation of the Poultry Master Plan, the industry has invested R800 million to upgrade production. South Africa now produces an additional one million chickens every week. The Sugar Master Plan was signed during the lockdown, with a commitment from large users of sugar to procure at least 80% of their sugar needs from local growers.

Through the implementation of the plan, 2021 FY saw a rise in local production and a decline in imported sugar, creating stability for an industry which employs some 85 000 workers. Support for black small-scale farmers is being stepped up, with a large beverage producer committing to expand their procurement sharply. Since the signing of the Clothing, Textile, Footwear and Leather Masterplan in November 2019, the industry has invested more than half a billion rand to expand local manufacturing facilities, including SMMEs. These infrastructure projects will lead to the revival of the construction industry and the creation of much-needed jobs.

Third priority intervention is an employment stimulus to create jobs and support livelihoods. The public sector has a responsibility to stimulate job creation; both through its policies and through direct job creation opportunities. The Presidential Employment Stimulus is one of the most significant expansions of public and social employment in South Africa's history. By the end of January 2021, over 430 000 opportunities were already supported through the stimulus. A further 180 000 opportunities are currently in the recruitment process. These opportunities are in areas like education, arts and culture, global business services, early childhood development (ECD), and small-scale and subsistence farming. It involves environmental programmes such as the clearing of alien trees, wetland rehabilitation, fire prevention, and cleaning and greening across all municipalities. These programmes are about real lives and real livelihoods. Nearly half a million people are now receiving an income, developing new skills, and contributing to their community and the country's economy.

The fourth priority intervention of the Economic Reconstruction and Recovery Plan is to rapidly expand energy generation capacity. Restoring Eskom to operational and financial health and accelerating its restructuring process is central to this objective. Plans are in place to working to fulfil commitments under the United Nations Framework Convention on Climate Change and its Paris Agreement which include the reduction of greenhouse gas emissions. Work on climate change will be guided by the Presidential Coordinating Commission on Climate Change. The commission will work on a plan for a just transition to a low-carbon economy and climate resilient society.

Operation Vulindlela is focusing on reforms in the electricity, water, telecommunications, and transport sectors, as well as reforms to our visa and immigration regime. The completion of digital migration is vital to our ability to effectively harness the enormous opportunities presented by technological change. In the water sector there's work in progress through Operation Vulindlela to ensure that water license applications are finalised within the revised timeframe of 90 days; and to revive the Green Drop and Blue Drop programmes to strengthen water quality monitoring.

The revised list of critical skills will be published for public comment by the Department of Home Affairs, within one week, to ensure that the final version reflects the skills needed by the economy.

Efforts to strengthen the local government infrastructure and accelerate service delivery through the District Development Model are in place. The model brings all three spheres of government to focus on key priorities and implementation of critical high impact projects. Working with both public and private sector partners, government is implementing a range of measures to support municipalities to address inadequate and inconsistent service delivery in areas such water provision, infrastructure build and maintenance. Focus is on the appointment of properly qualified officials at a local level to ensure effective management and provision of services.

Some of the key projects are.

- Mokolo Crocodile River Water Augmentation Project
- Exxaro Expansion - Exxaro's open-cast Grootegeluk multiproduct mine is being expanded to supply coal.
- Agricultural Corridor – The municipality is working with several stakeholders in establishing agricultural projects which transfer skills to local farmers to create sustainable farming enterprises through the selling of produce to local markets.
- SIP 1 From National Government (Special Infrastructure Project 1)
- Rail - Transnet has committed to a phase 1 upgrade of the existing railway line from Lephalale to Mpumalanga via Thabazimbi, Rustenburg and Pyramid, from its current capacity of 4Mt/year to 23Mt/year by 2021 at a cost of around R5bn. Phase 2 calls for the construction of a new heavy-haul rail line from Thabazimbi to Orgies at a cost of around R32bn, which would eventually push coal volumes railed to more than 100Mt/year.

Key Policy Developments

No new by-laws were adopted by Council and gazetted in 2021-22 financial year The IDP is aligned to the outcomes-based delivery approach. However, there are proposal to draft laws around the regulations on trading and additional labour laws .

Key Service Delivery Improvements

At the heart of any local municipality are the services it renders to the community. It is also by the amount and quality of these services that it is often evaluated. Looking at the Annual Performance report for 2020-21, the Lephalale Municipality is committed to providing the best possible delivery of services to all residents within Municipal boundaries. Despite many challenges, the level of service delivery is improving year by year and the number of residents who have access to basic services continues to grow.

The Annual Performance Report shows that the WSA managed to eradicate the back log on all formal settlements. About 31360 households have access to basic level of water, this amount to 66.8% of the total households in Lephalale.
This means that in in terms of national standards, most people residing in formal or proclaimed settlements have access to basic and high-level water supply. In some instances, the Municipality has provided tankers and boreholes to ensure that all households have water at least within 200m of each dwelling. There are however still many challenges as the town grows at a rapid pace and informal settlements mushroom around town. New extensions and farm dwellers on private land also pose a challenge when it comes to water supply.

Of the total households, 10602 urban households are receiving waste removal services on monthly basis and about 4537 households at rural villages and 8875 houses from informal settlements has access to Waste removal services. This equates to a total of 24014 households receiving basic level waste removal. To ensure that weekly refuse removal services are also rendered in rural areas the municipality acquired two Roll-on Roll-off trucks and 30 Roll on Roll off bins for 17 villages.
About 38239 households have access to basic level of electricity which is 76.6%. The mandate to provide electricity in rural areas currently lies with Eskom.

A total of 21389 households has at least basic level of sanitation i.e., Ventilated Improved Pit latrines (VIP) or better.
The Lephalale Municipality remains committed to rural development and the provision of quality, sustainable and affordable services and will continue to do so with the aim to more effectively serve the Lephalale community.

Public Participation: Our Municipality follows a development-communication approach, which means that our public participation programmes are responsive to the needs of the community within the context of government's mandated programme to improve lives of all community members.

Future Actions

It is estimated that Lephalale will grow between four and five times its current size by 2030, if all foreseen developments take place within the projected time frames. This has necessitated the drafting of a CBD development plan to coordinate future developments.
The CBD proposes the construction of both a northern and a southern bypass route to direct regional traffic around Lephalale town. The bypass routes are extensions of the regional road network. The bypass will likely stimulate the northwards expansion of Lephalale CBD and the Onverwacht light industrial area.

The main objective of the Lephalale CBD Development Plan is to revitalizes the Central Business Districts and thereby also upgrades the living conditions of people within the Lephalale and Marapong areas, creating an integrated and functional urban environment and rehabilitating the dysfunctional components of the CBD areas with economic development.

The municipality is embarking on consultation process with communities about their needs and Ward committees are to be closely monitored. The municipal planning processes always involve the communities in accordance with chapter 4 of the Municipal Systems Act. The Municipality has plans to involve the local communities to build the new city and the first city to be built in the democratic dispensation.

Agreements and Partnerships

Under the banner of Local Economic Development, the Lephalale Municipality, Exxaro, Anglo and Shanduka Black Umbrellas launched an Enterprise Development Incubator and Hub with the aim to accelerate the development, sustainability and ultimate independence of Small, Medium, and Micro suppliers and enterprises in Lephalale. The aim is to collaborate with partners in the private sector, government, and civil society to address low levels of entrepreneurship and high failure rate of black owned and emerging businesses. The Municipality continues to partner with Exxaro, Eskom, Waterberg coal, Temo coal and Lephalale coal in improving infrastructure in Lephalale. Through the Lephalale Development Forum, the Municipality in partnership with strategic stakeholders coordinates infrastructure related initiatives. Enel solar power producers pledged to construct sports facilities for the villages close to it. Furthermore, there has been a major agreement between Roads Agency Limpopo, Exxaro mining company and Lephalale Municipality for construction of 2 roads through the rural villages, from Sefitlhogo to Letlora and a road from Tshetlhong to Motsweding. The Project for Sefitlhogo /Letlora has been completed whereas the Tshehlong /Motsweding is under construction.

Conclusion

The negative effects of the global pandemic and economic downturn affected the country adversely, the effect of this downturn is exacerbated by the effects of load shedding and the high cost of living, Lephalale municipality was not spared as we halted most of the service delivery projects, Businesses scaled down and job losses spiked with the revenue base reduced drastically. These calls for changes and shifts in paradigm to move LLM into sustainable economic hub, thus the shift to renewable energy sources, manufacturing, Agriculture, and tourism as economic drivers of development.

Growing a town into a major city and eventually into South Africa's energy hub, takes a collective effort and in Lephalale major role-players are working together to do just that. The year 2021-22 has been a year of improvement and lives have been bettered through this collective effort. We have seen economic growth projects improve the GDP and the earning ability of the community however delays in operationalizing Lephalale mine and the down scaling of Medupi are turning in a negative direction. The social standards have improved, and infrastructure development has improved. Lephalale Municipality will continue its mandate of delivering quality services to its community. The aged infrastructure for basic service delivery needs to be totally overhauled , that in itself is huge challenge however it is work on progress.

(Signed by :) Cllr Nico Pienaar

MAYOR

COMPONENT B: FOREWORD AND EXECUTIVE SUMMARY- BY MUNICIPAL MANAGER

MUNICIPAL MANAGER'S OVERVIEW

Section 152 (1) of the Constitution sets out the objectives of Local Government as follows:

(a) To provide democratic and accountable local government for local communities.
(b) To ensure the provision of services to communities in a sustainable manner.
(c) To promote social and economic development.
(d) To promote a safe and healthy environment; and
(e) To encourage the involvement of communities and community organizations in the matters of local government.

Section 152 (2) states that a municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).

Section 153 of the Constitution sets out the Developmental duties of municipalities as follows:

A Municipality – must:

(a) Structure and manage its administrative and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community, and
(b) Participate in national and provincial development programs.

The constitution requires us to prioritize the delivery of basic services. It is widely accepted that basic needs and basic services refer to the same set of functions/services being water, electricity, sanitation and refuse removal.

Our municipality is one of the fastest economically growing Municipality in the country, if not in the continent. The economic boom brought some challenges to us. Administratively, we oiled our service delivery machinery to meet both the infrastructure and human resources challenges. The report will outline projects undertaken to meet water, sanitation, and other infrastructure challenges. There has been better strides and successes achieved in the delivery of electricity and refuse removal.

This report will reflect on our actual performance, identifies our key successes and some of the challenges faced during the 2021-22 financial year in terms of the strategic (SDBIP and IDP) performance.

The five-year long-term plan is contained in the Integrated Development Plan (IDP) which is the Master Plan for service delivery within local government sphere. From the IDP we derive the Service Delivery and Budget Implementation Plan (SDBIP) and similarly the Performance Plans for Management are derived from the SDBIP. These strategic documents are fully aligned. The annual report looks back at the SDBIP and IDP for a period of one year and the outcomes help with the Annual Planning and results in the review of the five-year Master Plan (IDP).

This annual report provides feedback in terms of our actual performance against the milestones and targets as set for the period under review, being the 2021-22 financial year.

The current national government measures itself against the following priority areas in terms of the National Development Plan:

- Transition to a low-carbon economy
- An inclusive and integrated rural economy.
- Reversing the spatial effects of apartheid
- Improving the quality of education, training, and innovation
- Quality health care for all
- Social protection
- Building safer communities
- Reforming the public services

- Fighting corruption
- Transforming society and uniting the country

As a Municipality, we acknowledge the National priorities and as far as it applies to the mandate of the Municipality, our priorities are aligned thereto.

The following tabular matrix plots how the strategic objectives of the municipality align to the different objectives and priorities developed from various spheres of government:

Table 1: Alignment of Lephalale Strategic Objectives to National and Provincial development plans.

NATIONAL DEVELOPMENT PLAN	NATIONAL OUTCOMES	OUTCOME 9 OUTPUTS	LIMPOPO ECONOMIC GROWTH AND DEVELOPMENT PLAN	LEPHALALE STRATEGIC OBJECTIVES	LEPHALALE DESIRED IMPACTS
Improving infrastructure	6 An efficient, competitive, and responsive economic infrastructure network	Improved access to Basic Services	Public infrastructure investment programme	Provide quality and well-maintained infrastructural services in all municipal areas	Satisfied community members
			Water Resource Development and Demand Management		
An economy that will create more jobs	4 Decent employments through inclusive economic growth	Implement the Community work programme and Co-operatives supported	Regional economic development and integration programme	Create a conducive environment for businesses to invest and prosper	Sustainable economy
		Deepen democracy through a refined ward committee model	Enterprise development (SMMEs and cooperatives development)		
An inclusive and integrated rural economy	7 Vibrant, equitable and sustainable rural communities with food security for all		Agriculture and rural development		
			Industrial development programme		
Reversing the spatial effect of apartheid	8 Sustainable human settlements and improved quality of household life	Actions supportive of the Human Settlement outcomes		Rational planning to bridge first and second economies and provide adequate land for development	Sustainable development
Transition to a low-carbon economy	10 Environment assets and natural resources that are well protected and continually enhanced		Environmental and natural resources development programme	Protect the environment and improve community well-being	Safe, healthy, and clean-living conditions
			Green economy and creation of green jobs		
Quality health care for all	2 A long and healthy life for all South Africans		Health care development programme		
Social protection					

NATIONAL DEVELOPMENT PLAN	NATIONAL OUTCOMES	OUTCOME 9 OUTPUTS	LIMPOPO ECONOMIC GROWTH AND DEVELOPMENT PLAN	LEPHALALE STRATEGIC OBJECTIVES	LEPHALALE DESIRED IMPACTS
Transforming society and uniting the country	11 Create a better South Africa and contribute to a better and safer Africa and World		Safety and security	Capacitate disadvantaged groups	Quality life for disadvantaged groups
Building safer communities	3 All people in South Africa feel and are safe				
Improving quality of education, training, and innovation	1 Improved quality of basic education		Education and skills development programme		
Fighting corruption		Implement a differentiated approach to municipal financing, planning and support	Corporate Governance	Enhance revenue and financial management	Financial Viability and Prosperous institution
	9 - A responsive, accountable, effective, and efficient local government system	Single Window of co-ordination	Corporate Governance	Responsible, accountable, effective, and efficient corporate governance	Public confidence
Reforming the public service	12 - An efficient, effective and development oriented public service and an empowered, fair, and inclusive citizenship	Improved municipal financial and administrative capacity	Corporate Governance	Improve functionality, performance, and professionalism	Best Governance ethos
	5- Skilled and capable workforce to support an inclusive growth path	Improved municipal financial and administrative capacity	Corporate Governance	Improve functionality, performance, and professionalism	Best Governance ethos

NDP - NATIONAL DEVELOPMENT PLAN FOCUS AREAS.

JOB CREATION

The National Development Plan contains strategic objectives for tackling the poroblems of poverty, inequality and unemployment. It is a road map to a South Africa where all will have water, electricity, sanitation, jobs, housing, public transport, adequate nutrition, education, social protection, quality health care, recreation and clean environment. The achievement of these goals has proven to be difficult in the recent past, due to the global economic recession. The crisis in the Eurozone affects our economy as the Eurozone is our major trading partner, accounting for around 21 per cent of our exports.

The National Development Plan proposes to create 11 million jobs by 2030 through:

- Realising an environment for sustainable employment and inclusive economic growth
- Promoting employment in labour-absorbing industries
- Raising exports and competiveness
- Strengthening government's capacity to give leadership to economic development
- Mobilising all sectors of society around national vision

IMPROVING INFRASRTUCTURE.

Investment spending in South Africa fell from an average of almost 30 percent of gross domestic product (GDP) in the early 1980s to about 16 percent by the early 2000s. Public sector investment in economic infrastructure crowds in private investment. Private investment is a function of current and projected growth and profitability. Importantly, it is also a function of mutual trust and confidence in economic policies. In recent years, the public sector has favoured consumption over investment.

The government's 2011 Medium Term Budget Policy Statement acknowledges this and announces a shift in the consumption of expenditure towards investment, which is absolutely necessary.

TRANSITION TO A LOW-CARBON ECONOMY.

South Africa needs to move away from the unsustainable use of natural resources. As water becomes scarcer, and global policy aims to price in the cost of carbon emmissions, the country needs a coherent plan to use water more sustainably and to emit less carbon.

Similar approaches apply to protecting the oceans, soil and wildlife, which are used unsustainably to the detriment of the country's future. All these needs to be done in a way that increases the ability to employ more labour productively.

Changes to energy generation, water conservation and the uses of both are likely to be challenging and potentially disruptive for society. Managing this transition in a way that reduces costs, especially for the poor will require competent institutions, innovative economic instruments, clear and consistent policies, and an educated and understanding electorate.An inclusive and integrated rural economy.

By 2030, South Africa's rural communities should have greater opportunities to participate fully in the economic, social and political life of the country. These opportunities will need to be underpinned by good quality education, healthcare, transport and other basic services,successful land reform, job creation and rising agricultural production will all contribute to the development of an inclusive rural economy. The economic and social legacy of colonialism and apartheid maen South Africa's rural ereas are charactised by unusually high levels of porverty and joblessness, with very limited employment in agriculture.

REVERSING THE SPATIAL EFFECTS OF APARTHEID.

Apartheid left a terrible spacial legacy. Housing policies since 1994, in some intances, have reinforced the spatial devide by placing low-income housing on the periphery of cities, far from economic activity. Reversing the country's spatial inheritance, even with sound and sensible policies, is likely to take decades. Settlement parttens should meet the needs and preferences of citizens, taking into account broader social, environmental and economic interests. Travel distances need to be shorter.

IMPROVING THE QUALITY OF EDUCATION, TRAINING AND ENNOVATION.

The quality of education for the majority of black leaners remains poor. Poor-quality education not only denies many learners access to employement, it also affects the earnings potential and career mobility of those who do get jobs, and reduces the dynamism of South African businessess.

QUALITY HEALTH CARE FOR ALL.

Long-term health outcomes are shaped by factors largely outside the health system: lifestyle, nutrition, education, diet, sexual behaviour, exercise, road accidents and the level of voilence. Good health is essential for a productive and fulfilling life. The Diagnostic Report demonstrates the starkly interrelated challenges posed by crumbling health system and a rising disease burden. The public health system must be fixed. While greater use of private care, paid for either by users or health insurance, is part of the solution, it is no substitute for improvement of the public health system. Given the systemic weaknesses in that system today, a root-and- branch effort to improve the quality of care is needed, especially at primary level.

SOCIAL PROTECTION.

Effective social protection and welfare services are an intergral part of our programme for inclusive economic growth and central to the elimination of poverty and reduction of inequality. Social protection plays several roles in a society. Firstly, it sets a floor through which, social solidarity, we deem that no person should live below. At present given, South Africa's extremes of unemployment and working poverty, many people regularly experience hunger and find it difficult to meet the basic needs of their families.

Progressively and through multiple avenues, we seek a society where every one is lifted above this floor. Secondly, it plays an important role in helping households and families manage life's risks. It also helps ease labour market transitions, thereby contributing towards a more flexible labour market and economic dynamism.

BUILDING SAFER COMMUNITIES.

When people feel unsafe it makes it hader for them to develop their capabilities, persue their personal goals and to take part in social and economic activity. To achieve the goals set out in this plan, South Africans need to feel safe everywhere and have confidence in the criminal justice system to protect them and to act speedily and effectively when required to do so.

By 2030, people living in South Africa should feel safe and have no fear of crime. Women, children and all vunerable groups should feel protected. They should have confidence in the criminal justice system to effectively apprehend and prosecute criminals who violate invidual and community safety.

REFORMING THE PUBLIC SERVICE.

In many countries plans fail because they are not implemented or because implementation is uneven. There needs to be a uniformity of effort and competence across the entire public service. There is a real risk that South Africa's national plan could fail because the state is incapable of implementation.

There must be a mechanism to remedy the uneven and often poor performance of the public service. A capable state does not materialise by decree, nor can it be legislated or created from conference resolutions.

It has to be painstakingly built, brick by brick, institution by institution and sustained and rejuvinated over time. It requires leadership, sound policies, skilled managers and workers, clear lines of accountability, appropriate systems, and consistent and fair application of rules.

FIGHTING CORRUPTION

High corruption levels frustrate society's ability to operate fairly and efficiently and the state's ability to deliver on its mandate. In Transparency international's global corruption survey, South Africa has fallen from 38th place in 2001 to 54th place in 2010, out of 178 countries. Corruption often involves both public and private sector participants. In addition to political will, the fight agianst corruption has to be fought on three fronts: deterrence, prevention and education. Deterrence helps people understand that they are likely to get caught and punished. Prevention is about systems (information, audit and so on) that make it hard to engage in corrupt acts.

NATIONAL GOVERNMENT OUTCOMES - MTSF CHAPTER (14 OUTCOMES)

Outcome 1 – Education
Outcome 2. - Health
Outcome 3 - Safety
Outcome 4 - Economy
Outcome 5 – Skills
Outcome 6 - Infrastructure
Outcome 7 - Rural Development
Outcome 8 - Human Settlement
Outcome 9 - Local Government
Outcome 10 - Environment
Outcome 11 - International

Outcome 12 - Public Service
Outcome 13 - Social Cohesion
Outcome 14 - Nation Building

BACK TO BASICS

Co-operative Governance and Traditional Affairs Minister Pravin Gordhan is banking on the government's new "back to basics" strategy to turn around at least two thirds of the country's municipalities over the next two years.
The new plan is expected to focus municipalities on getting small things right such as fixing streetlights, leaking taps and collecting refuse. It appears to be an attempt at breathing new life into municipalities after the failure of "operation clean audit", introduced in 2009.

WHAT MAKES A GOOD MUNICIPALITY?

- Political stability, functional structures, healthy admin interface
- Responsive to service needs, infrastructure well maintained.
- Institutional continuity, clear policy, and delegation frameworks
- High collection rate, 7% on maintenance, CAPEX spent, clean audits.
- Community satisfaction, regular engagements, and feedback

WHAT MAKES A MUNICIPALITY 'AT RISK'?

- Signs of political instability, excessive interference in admin or SCM
- Slow responses to service failures, escalating utility losses or theft.
- Some critical positions not filled; some managers not qualified.
- Low collection rates, CAPEX not spent, declining audit opinions.
- Growing community protests, lack of feedback mechanisms

WHAT MAKES A DYSFUNCTIONAL MUNICIPALITY?

- High degree of instability, fraud & corruption, committees don't meet.
- Collapse in service delivery, outages, asset theft, poor maintenance
- Incompetent managers, many vacancies, no delegations
- Chronic underspending, high debtors, no accountability, disclaimers
- Community dissatisfaction, high number of community protests

A PROGRAMME FOR CHANGE - A DIFFERENTIATED APPROACH

- Put people and their concerns first.
- Build and maintain sound **institutional and administrative capabilities.**
- Create conditions for decent living by consistently delivering municipal **services.**
- The essence of our 'back to basics' approach:
- Be well **governed** and demonstrate good governance and administration.
- Ensure sound **financial management** and accounting.

MANAGING PERFORMANCE

Institutionalize a performance management system to effect the changes that we require in the system.

BUILDING BLOCKS OF BACK-TO-BASICS APPROACH GOOD GOVERNANCE

- The holding of Council meetings as legislated.
- The functionality of oversight structures, s79 committees, audit committees and District IGR Forums
- Whether or not there has been progress following interventions over the last 3 – 5 years.
- Assess the existence and efficiency of Anti-Corruption measures.
- The extent to which there is compliance with legislation and the enforcement of by laws.
- The rate of service delivery protests and approaches to address them.

Building blocks of Back-to-Basics approach Public Participation

o Assessing the existence of the required number of functional Ward committees.
o the number of effective public participation programmes conducted by council
o the regularity of community satisfaction surveys carried out

Building blocks of Back-to-Basics approach Financial Management

- The number disclaimers in the last three to five years.
- Whether the budgets are realistic, and cash backed.
- The percentage revenue collected.
- The extent to which debt is serviced.
- The efficiency and functionality of supply chain management.

BUILDING BLOCKS OF BACK-TO-BASICS APPROACH INFRASTRUCTURE SERVICES

- We expect municipalities to perform the following basic activities, and the performance indicators will measure the ability of our municipalities to do the following:
- Develop fundable consolidated infrastructure plans.
- Ensure Infrastructure maintenance and repairs to reduce losses with respect to: Water and sanitation, Human Settlements, Electricity, Waste Management, Roads, and Public Transportation.
- Ensure the provision of Free Basic Services and the maintenance of Indigent register.

BUILDING BLOCKS OF BACK-TO-BASICS APPROACH INSITUTIONAL CAPACITY

- Ensuring that the top six post (Municipal Manager, Finance, Infrastructure Services, Corporate Services, Community Development and Development Planning) vacancies are filled by competent and qualified persons.
- That the municipal organograms are realistic, underpinned by a service delivery model and affordable.
- That there are implementable human resources development and management programmes; and
- There are sustained platforms to engage organized labour to minimize disputes and disruptions.
- Importance of establishing resilient systems(billing)

PROVICIAL GOVERNMENT PROGRAMMES OF ENFORCEMENT AND SUPPORT:
BASIC SERVICES: CREATING DECENT LIVING CONDITIONS

- Provinces establish or strengthen Rapid Response Team capabilities to address challenges.
- Monitor implementation plans of municipalities.

GOOD GOVERNANCE

- Provinces to intensify monitoring and support of Council meetings.
- MEC to act in terms of the Code of Conduct for Councilors

PUBLIC PARTICIPATION (PUTTING PEOPLES FIRST)

- Assist municipalities in the developing community engagement plans targeting hotspots and potential hotspots areas.
- Provincial sector department to increase their visibility and support to Thusong Centers

SOUND FINANCIAL MANAGEMENT

• National and Provincial CoGTAs and Provincial Treasuries will assess and address capacity deficiencies of municipalities to develop and implement Audit and Post Audit Action plans.
• National and Provincial CoGTAs and Provincial Treasuries will assess the credit control and debt collection policies, including the elimination of theft of services, and by-laws for adequacy, and support the implementation thereof.

BUILDING CAPABLE INSTITUTIONS AND ADMINSTRATIONS
Monitor and support the filling of vacancies with competent personnel.

- In collaboration with SALGA, monitor the functionality of local labour forums.
- National and Provincial government to support municipalities to develop appropriate organograms.
- Develop and implement appropriate capacity building interventions to develop appropriate organograms.
- Develop guidelines on shared services and inter-municipal collaboration.

PERFORMANCE FRAMEWORK

B2B Pillars	What is to be assessed / Performance Indicator
Putting People first	• Level of engagement with communities • The existence of the required number of functional Ward committees. • The number of effective public participation programmes conducted by Councils. • The regularity of community satisfaction surveys carried out. • The rate of service delivery protests and approaches to address them. • The existence, and level of functionality, of a complaints management system • Level of Implementation of Batho Pele Service Standards Framework for Local Government
Delivering basic Services	• Access to services and quality of services with respect to: • Water and sanitation. • Human Settlements. • Electricity. • Waste Management. • Roads. • Public Transportation. • Provision of Free Basic Services and the maintenance of Indigent register. • Water quality • Water and electricity losses, sewerage spillages and electricity cut offs. • Theft of infrastructure assets • Presence of fundable consolidated infrastructure plans. • Spending on capital budgets • Service delivery value-chain
Good governance	• The holding of Council meetings as legislated. • Conduct and discipline among councilors. • The functionality of oversight structures, s79 committees, audit committees and District IGR Forums, MPACs • Whether or not there has been progress following interventions over the last 3 – 5 years. • The existence and efficiency of anti-Corruption measures, including action taken against fraud, corruption, maladministration, and failure to fulfil statutory obligations. • The extent to which there is compliance with legislation and the enforcement of by laws. • Political stability, in-fighting, and factionalism • Nature of political-administrative interface
Sound Financial Management	• Submission of Annual Financial Statements • The number of disclaimers in the last five years and the nature and trends of audit opinions. • Whether the budgets are realistic and based on cash available. • Percentage of budget spent on personnel. • The percentage revenue collected. • The extent to which debt is serviced. • The efficiency and functionality of supply chain management and political interference with supply chain management processes

Building Capacity	• Vacancy rate. • Realistic and affordable municipal organograms, underpinned by a service delivery model. • Competence and qualifications of top management posts (Municipal Manager, Finance, Infrastructure Corporate Services, Community development and Development Planning). • Politicization of labour force, platforms to engage organized labour to minimize disputes and disruptions. • Resilience of key municipal systems such as billing. • Levels of experience and institutional memory.

During the Financial Year 2021-22, standard operating procedures, and management resolutions as well as recommendations by the Audit Committee were applied. Employee Performance Management Policy was adopted by Council to regulate Municipal employee performance aimed to achieve the outcomes and strategies on table above.

MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1. Background:

Lephalale Municipality is authorized to exercise and perform the following powers and functions as set out in schedule 4, part A and B of the Constitution of the Republic of South Africa, act 108 of 1996:

Table 2: Assessment of powers and functions

Service	Authority for the service		Description of function performed by Municipality
	Local Municipality	District Municipality	
Air pollution	Yes		Air pollution control by monitoring the institutions that are more likely to pollute the air
Building regulation	Yes		Enforcing the national building regulations
Bulk supply of electricity	Yes		Supply maintains all electricity functions
Fire fighting		Yes	Provide firefighting services
Local tourism & LED	Yes		Provide LED and Tourism enhancement support
Municipal planning	Yes		Forward planning; Land use control; Policy development; GIS
Municipal health services		Yes	Provision of municipal health services through inspections, investigations, and control
Municipal public transport	Yes		Ensure that accessible, safe, adequate, and affordable public transport is provided
Municipal roads and storm water	Yes		Provision, upgrading and maintenance of roads and storm water systems
Trading regulation	Yes		By-law and regulation enforcement
Bulk supply of water	Yes		Provision of potable water
Sanitation	Yes		Provision of hygienic sanitation systems
Billboards & the display	Yes		Regulation, control and display of advertisement and billboards
Cemetery, funeral parlours & crematoria	Yes		Provision of graves to the community for internment of deceased
Street cleansing	Yes		Sweeping streets, picking litter, and emptying of street bins
Noise pollution	Yes		Control of noise pollution
Control of public nuisance	Yes		Control of public nuisance and inspection thereof issuing of notices
Control of undertakings that sell liquor to the public		Yes	Regulated by liquor Act – custodian SAPS and liquor board
Street trading	Yes		By-law and regulation enforcement

Service	Authority for the service		Description of function performed by Municipality
	Local Municipality	District Municipality	
Licensing & undertakings to sell food to the public	Yes		Quality control, Safety, and hygiene regulation
Refuse removal, refuse dump & solid waste disposal	Yes		Waste collection; waste transport and Landfill management
Public places	Yes		Maintaining and provision of sports facilities
Traffic and parking	Yes		Enforcement of Road Traffic Act
Occupational health & safety	No		Competency of the Department of labour
Municipal parks & recreation	Yes		Establishment and maintenance of parks
Additional Functions Performed			
Housing	No	No	Department of Cooperative Governance, Housing and Traditional Affairs as per agreement with the Municipality
Library, Arts & Culture	No	No	Department of Sports, Arts and Culture with the Municipality as per agreement
Registering Authority	No	No	Department of Transport with the Municipality as per agreement

This section describes the geographical area within which Lephalale Municipality is located within Waterberg District and Limpopo Province at large. In addition, this section provides information on demographic profile and the status of service delivery covering the following key performance areas: Spatial Development, Environmental issues, Infrastructure investment (service delivery) Local Economic Development, Financial Management, Institutional Management and Public Participation.

2. Statistics and Demographic Summary:

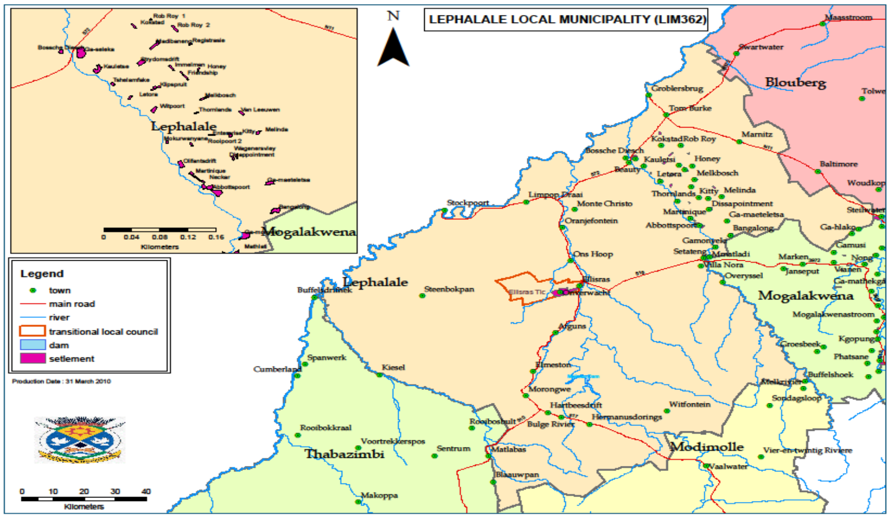
The Municipality is in the North-western part of Waterberg District of Limpopo Province of the Republic of South Africa. It borders with four local municipalities (Blouberg, Modimolle, Mogalakwena and Thabazimbi). Its north-western border is also part of the International Border between South Africa and Botswana. The Lephalale Municipality is the biggest Municipality in the Limpopo province (covering 14 000km^2). The town of Lephalale is located 280 km from Tshwane and a recognized gateway to Botswana and other Southern African Countries.

The town Lephalale (Ellisras/Onverwacht/Marapong) is located approximately 40 km from the border of Botswana. It is situated between 23˚30' and 24˚00' South latitude 27˚30' and 28˚00' East longitude. Lephalale Municipal area's contribution of mining to GDP is significant at 59.21%. Electricity contributes 11.33% to the GDP and its contribution to the Waterberg electricity sector is at 69.65%. Other sectors that have a significant contribution to the Waterberg GDP per sector include Agriculture, Mining, and Manufacturing. Agriculture (38.85%) is the sector that employs the largest part of the workforce and is followed by community services (15.71%).

Nestled at the spur of the Waterberg Mountains, Lephalale is a place of peace and breath-taking beauty. Discover why Lephalale is called "the heartland of the Waterberg bushveld". As part of the Waterberg biosphere, Lephalale area is richly blessed with pristine natural beauty and an abundance of fauna and flora. Lephalale offers an infinite variety of scenic contrasts and encompass the unique Waterberg wilderness with its extraordinary beauty which boasts superb vistas, mountain gorges, clear streams and rolling hills. Rich in geological sites and rock art is a strong drawcard for the region, suggesting its links to many previous generations.

Hence, the importance of tourism industry to the economy of the area is likely to continue to grow into the future. This is likely to be related to the hunting and ecotourism industries but could also be linked to any expansion of the industrial operations and the related business tourism. Agriculture especially red meat is one the potential economic activity which is likely to grow in the municipal area. Lephalale Local Municipality has been blessed with natural resources that give it a competitive and comparative advantage in Mining, Energy, Tourism and Agriculture. Both social infrastructure and economic infrastructure indicators show that much must still be done to improve the quality of life of the people of Lephalale.

Figure 1, Lephalale Municipality: geographic location



3. Demographics

The community survey of 2016 projected a 21.8% in male population compared to 13.5% of females with the overall increase of 18% against 35.8% in 2011. The increase in population may be linked to the skills development centres and job opportunities in the Municipality because of the Waterberg coalfield. The community survey suggested a population increase, considerably higher than the provincial growth rate of 0.84% per year for the last five years. The household size has declined from 3.9 in 2011 census to 3.2 in the 2016 community survey. Almost 58.4% of the population is economically active in terms of age. The youth represent 40.7% of the population.

Table 3: Age and gender profile.

Age	0-4	5-9	10-14	15-19	20-24	25-29	30-	35-	40-	45-	50-54	55-	60-64	65-69	70-74	75+	Total
Male	851	585	5991	6618	8389	12019	786	585	444	419	3013	223	1494	847	399	500	78320
Fem	793	612	5948	5288	6920	6357	536	413	293	266	2200	177	1355	918	834	118	61919
Tota	164	119	11939	11906	15308	18376	132	998	737	685	5213	400	2849	1765	1233	168	14024
%	11.9 %	8.7	8.6%	8.7%	10.9%	11.4%	9.7	7.2	5.3	4.9	3.8%	3.0	2.2%	1.3%	1.0%	1.2	100%

Source: Statssa

. Population Trends

Table 4: Key population statistics

Total Household	43 002	100%
Total Population	140 240	100%
Young (0 – 14)	40 358	29.2%
Working Age	95 103	54.8%
Elderly (65+)	5 403	3.5%
Dependency ratio	35 136	33.2%
Sex ratio	121 -5. 6	21-1

Growth rate	2011 - 2016	13.5%
Population density	8 people per km^2	
Unemployment rate	2016	22.2%
Youth unemployment rate	2016	27%
No schooling aged 20+	3 769	6.2%
Higher education aged 20+	12 615	16.4%
Matric aged 20+	16 579	23.5%
Number of households	43 0002	
Number of agricultural households	6 757	22.6%
Average household size	3.2	
Female headed households	16 443	39.1%
Formal dwellings	34 610	82.3%
Flush toilet connected to sewer	17 536	41.6%
Piped water inside dwelling	17 390	41.3%
Electricity for lighting	37 602	89.4%

Source: Stats SA 2016 survey

4. Education profile.

The table below depicts the number of people who had reached each level of education as presented in the 2011 census. Over the years there has been a remarkable decline in the number of people who have not received formal education.

Table 5: Levels of educational attainment.

YEAR	1996	2001	2011
No schooling	10 479	10 905	6 684
Some Primary	6 860	9 661	8 650
Completed Primary	2 666	3 228	3 391
Some Secondary	10 063	12 111	24 951
Grade12/Grade 10	4 477	6 159	16 579
Higher	2 059	2 764	7 160

Source: Statssa

Table 6: People with disability

State of health	Number
No difficulty	116 584
Some difficulty	6 500
A lot of difficulty	774
Cannot do at all	251
Do not know	69
Cannot yet be determined	4 651
Unspecified	3 166
Not applicable	8 245
Total	**140 240**

5. Income Categories.

To determine the people's living standards as well as their ability to pay for basic services such as water and sanitation, the income levels of the population are analysed and compared to the income level in the province in general. The table below presents distribution of the household income per household group within the Municipality.

Table 7: Annual Household Income (2011).

Income category in R'	Mid-point of income	No of households	Cum no of households	Cum no of HH as % of total HH	Total income in category	Cumulative income
No income	0	3 745	3 745	12.53%	0	0
1 – 4800	2400.5	958	4 703	15.74%	2299679	2299679
4801 -9600	7200.5	1 876	6 579	22.02%	13508138	15807817
9601 – 19600	14600.5	4 876	11 455	38.34%	71192038	86999855
19601 – 38200	28900.5	6 046	17 501	58.58%	174732423	261732278
38201 – 76400	57300.5	4 608	22 109	74.00%	264040704	525772982
76401 – 153800	115100.5	3 354	25 463	85.23%	386047077	911820059
153801 – 307600	230700.5	2 358	27 821	93.12%	543991779	1455811838
307601 – 614400	461000.5	1 417	29238	97.86%	6532377085	2109049547
614401– 1 228800	921400.5	445	29 683	99.35%	4100232225	2519072769
1228801–2 457600	1843200.5	126	29809	99.77%	232243263	2751316032
2 457601 or more	3686401.0	68	29877	100.00%	250675268	3001991300
Unspecified		3				

Source: Statssa

SERVICE DELIVERY OVERVIEW

During the Financial Year 2021-22, standard operating procedures on Performance managements systems and management resolutions as well as recommendations by the Audit committee were applied. Employee Performance Management Policy was adopted by Council to regulate municipal employee performance.

Challenges encountered: the delays on adherence to quarterly submission timelines for performance reporting.

How challenges were addressed: we introduced a monthly performance reporting which is also not satisfactory, we still encounter delays.

There are one hundred and eighty-one (181) indicators in the adjusted 2021-22 higher level SDBIP, the achievements and failures are as follows:

The Overall SDBIP achievement is Ninety-two (91) indicators achieved target as predetermined, five (5) indicators exceeded target by a margin lower than 30%, thirteen (13) indicators over exceeded target by a margin above 30%, sixty-one (61) indicators had a below average performance and ten (11) indicators performed unsatisfactory by standards set for good performance. The total performance is 2.5, which is a fair Performance for the institution as a whole; the institutional performance is at 2.6 for key performance indicators and 2, 4 for project implementation.

The institution is experiencing challenges on timeous implementation of capital projects, and it is slightly behind schedule on project implementation.

Most operational predetermined objectives are achieved as scheduled except for the few which the budget was insufficient and had to be moved to future dates.

A table of summary on indicator performance briefly in the Annual Report.

Table 1.2

	Total Indicators	Achieved Indicators	Indicators exceeded Target	Indicators Over	Indicators Below target	Indicators with Unsatisfactory Performance	Non-Applicable	Total Percentage

				exceeded Target				
	181	91	5	13	61	11	0	62%

The institutional performance score is at 2,5 on Key Performance Indicators and for project implementation, with the overall average scoring of 2,5 overall as per Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Manager, Regulation 805 of 2006, adapted to comply with the Lephalale Local Municipality's performance management requirements.

Overall Municipal Performance as audited by Internal Audit

SUMMARY OF SDBIP KPAS AND INDICATORS PER DEPARTMENT/ VOTE
Table 1.3

Overall SDBIP	Number of KPIs	2021/22 Annual Indicator Performance						Percentage Performance
		Over Exceeded	Exceeded Target	Target Achieved	Below Target	Target Not Achieved	N/A	%
SDBIP KPAs and Functions (Votes)								
Office of the Municipal Manager	**21 Indicators**	**2**	**0**	**13**	**5**	**1**	**0**	**71%**
KPA6: Good Governance and Public Participation	17 Indicators							
KPA2: Service Delivery and Infrastructure Development	4 Indicators							
Strategic Support Services	**29 Indicators**	**1**	**1**	**16**	**10**	**1**	**0**	**62%**
KPA6:Good Governance and Public Participation	24							
KPA4: Local Economic Development	5							
Corporate and Support Services	**23 Indicators**	**1**	**2**	**10**	**7**	**3**	**0**	**56%**
KPA5: Transformation and Organisational Development	12							
KPA6: Good Governance and Public Participation	11							
Development Planning	**18 Indicators**	**3**	**0**	**13**	**1**	**1**	**0**	**89%**

Overall SDBIP	Number of KPIs	2021/22 Annual Indicator Performance						Percentage Performance
		Over Exceeded	Exceeded Target	Target Achieved	Below Target	Target Not Achieved	N/A	%
KPA1: Spatial Rationale	12							
KPA6: Good Governance and Public Participation	6							
Budget and Treasury	**28 Indicators**	**3**	**1**	**16**	**7**	**1**	**0**	**68%**
KPA3: Financial Viability and Financial Management	20							
KPA6: Good Governance and Public Participation	8							
Social Services	**22 Indicators**	**2**	**0**	**13**	**7**	**0**	**0**	**69%**
KPA2: Service Delivery and Infrastructure Development	14							
KPA6: Good Governance and Public Participation	8							
Infrastructure Services	**40 Indicators**	**1**	**1**	**10**	**24**	**4**	**0**	**43%**
KPA2: Service Delivery and Infrastructure Development	34							
KPA6: Good Governance and Public Participation	6							
Total Indicators	181	**13**	**5**	**91**	**61**	**11**	**0**	**62%**

NB: The review was done by the Chief Internal Auditor.

Summary of SDBIP Votes and Indicator performance for the current Financial Year and the previous financial for a comparison
Table 2
Summary of SDBIP KPAs and Indicators 2020/21

Overall SDBIP	Total Number of KPIs			Indicator Performance 2020/21FY		
		Target Achieved	Target Not Achieved	Target Overachieved	N/A	%
SDBIP Departments (Votes)						

Office of the Municipal Manager	17 Indicators	6	5	5	**1**	**68, %**
Strategic Services	25 Indicators	13	11	1	**0**	**56%**
Corporate and Support Services	23 Indicators	8	9	5	1	**59, %**
Development Planning	11 Indicators	2	1	4	4	**86%**
Budget and Treasury	23 Indicators	12	8	3	**0**	**65%**
Social Services	18 Indicators	5	8	4	1	**47, %**
Infrastructure Services	20 Indicators	3	16	0	0	**20, %**
Total Indicators	**137**	49	58	23	**7**	**57,2%**
Infrastructure Services& other Municipal Projects	23projects	9	12	0	2	**43%**

The comparisons of key performance indicator scores on the two tables above depicts a 5% improvement in performance from the previous financial year scores. Project performance shows an improvement as compared to previous financial year as a result the increased number of projects reported.

4.1 KEY ACHIEVEMENTS AND CHALLENGES SUMMARY FOR THE FINANCIAL YEARS 2021-22

Key Achievements

- Municipality achieved unqualified audit opinion.
- Compliance to statutory requirements: Good Governance and Public Participation.
- Audit Committee and Risk Committee functional and impacting positively to Management of the Municipality
- MPAC is functional- Accountability and oversight.
- Constant Mayoral community engagement.
- IDP credible and process plan adopted and implemented.
- MÏG spending at 100 %.
- AFS are compiled internally.

Municipal Challenges Summary Per KPA and Department/Vote

1. OFFICE OF MM
1.Fraud awareness campaign
2. Safety and security audit conducted
3. slow implementation of Council resolutions

2. STRATEGIC SUPPORT SERVICES
1. Unqualified Performance Opinion
2. Job creation through LED initiatives
3. Slow implementation of attention to internal Audit findings.

3. CORPORTE SUPPORT SERVICES
1. Development/ Review of EAP policies

2. LLF meetings not held
3. ICT Policies not approved by Council
4. Slow pace of attending to customer care complains

4. DEVELOPMENT PLANNING

1. Slow pace on outstanding risks completion.

1. **BUDGET AND TREASURY**
    1. Updating Indigent register is taking long.
    2. Slow implementation of attention to internal Audit findings

2. **SOCIAL SERVICES**
    1. Education Forum meetings not held as per schedule.
    2. Low speed check operations
    3. Review of IWWP to be fast-tracked.
    4. Slow implementation of attention to internal Audit findings
    5. Slow pace of attending to customer care complains.

    6. **INFRASTRUCTURE SERVICES**
        1. Electrical Master Plan not reviewed.
        2. Slow pace of implementation of projects

INSTITUTIONAL CHALLANGES

- Ageing assets/infrastructure
- Vandalism and theft – Municipal Assets
- Climate change (Drying boreholes)
- Water and electrical loss
- Growth (node 1 and node 2): land invasion in Node 1and unplanned extension in Node 2 and now we are to react by diverting resources to provide for basic services.
- Natural disasters e.g., Floods affected the area.
- Mushrooming of Informal rental businesses
- Economic Migration leads to Influx of people to the area/ Informal settlement.
- Illegal connections for services water and electricity.
- Shortage of bulk electricity supply in Marapong and Leseding
- Impact of COVID-19 on revenue collection and provision of services.
- Uncertainty of the local economic improvement
- Total annual employee costs on average 216m against a budget of 550m (39%)-This is against the normal Treasury norms.
- Lack of office space and record keeping space.
- Shortage of land- especially in Node 2 (Town, Onverwacht and Marapong)
- Land invasion – lack of land affecting the implementation of human settlements and spatial planning policies-
- Environmental pollution due Industrialisation
- Shortage of water to unlock development.

- Completion of Medupi construction which led to increase of unemployment.
- Community unrest/protests
- High prevalence rate of HIV/AIDS pandemic
- Delay of implementation of projects

OFFICE OF THE MUNICIPAL MANAGER

The Municipal Manager is equally responsible for all the indicators in other Departments.
All performance Indicators directly linked to the Municipal Manager’s office are applicable for the quarter.

Office of Municipal Manager is responsible for the following units.

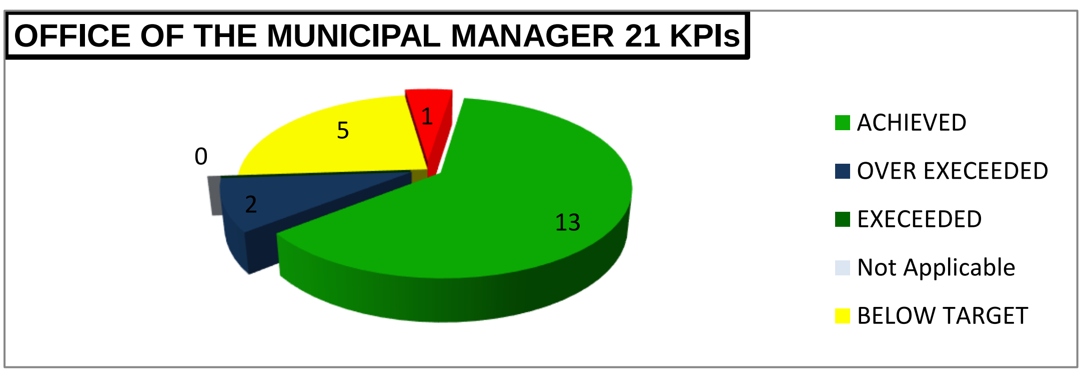
- Risk Management Unit
- Internal Audit Unit
- Security Unit

Out of twenty-one (21) indicators for the year, thirteen (13) indicators achieved target, no indicator exceeded target, two (2) indicators over exceeded achievement on target, five (5) indicators performed below determined target and one (1) indicator is unsatisfactorily lower on performance.

Table 1

Indicators	Total number21
Achieved Target	13
Exceeded Target	0
Over exceeded Target	2
Below Target	5
Unsatisfactory	1
Not Applicable	0

The Departmental performance is depicted on the below color-coded pie chart:



STRATEGIC SUPPORT SERVICES

The Department comprises of the following Units:

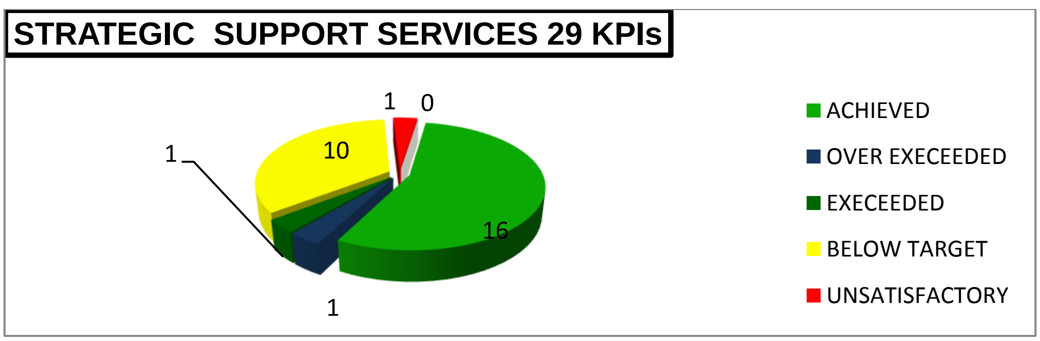
- IDP
- PMS
- Public Participation
- Communication
- LED
- Special Programs

Strategic Support Services Department has twenty-seven (29) indicators which are operational deliverables from the Department for the year, sixteen (16) indicators achieved target, one indicator (1) exceeded target, one indicator (1) over exceeded target, ten (10) indicators performed below target. and one (1) indicator is unsatisfactorily lower on performance.

Table 2

Indicators	Total number 29
Achieved Target	16
Exceeded Target	1
Over Exceeded Target	1
Below Target	10
Unsatisfactory	1
Not Applicable	0

The Departmental performance is depicted on the below color-coded pie chart:



The department comprises of the following Units:

- Administration and Secretariats
- Human Resources
- Legal Services
- ICT Services

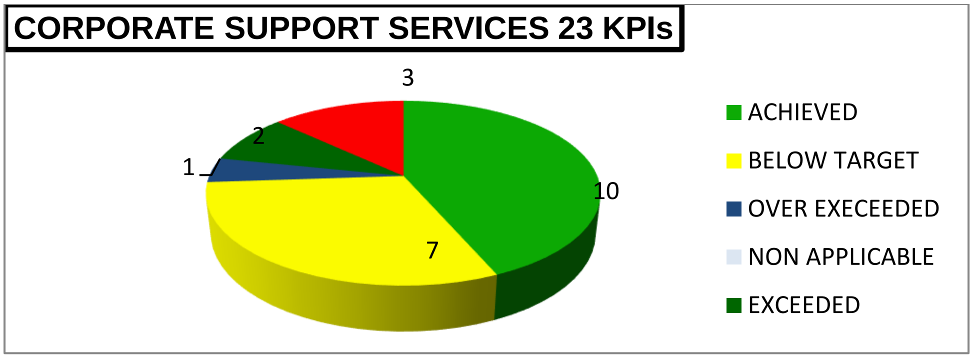
Corporate Support Services Department has twenty-three (23) indicators in the higher SDBIP which are deliverable from the department. Ten (10) indicators achieved target, two (2) indicators exceeded target, one (1) indicator over exceeded target, seven (7) indicators performed below target and three (3) indicators are unsatisfactorily lower on performance.

Table 3

Indicators	Total number 23
Achieve Target	10
Exceeded Target	2

Over exceeded Target	1
Below Target	7
Unsatisfactory	3
Not applicable	0

The Departmental performance is depicted on the below color-coded pie chart:



The first bylaw is deferred to next financial year. The second Bylaw which was due for review has been cancelled for review by the end user department.

DEVELOPMENT PLANNING

The department comprises of the following units:

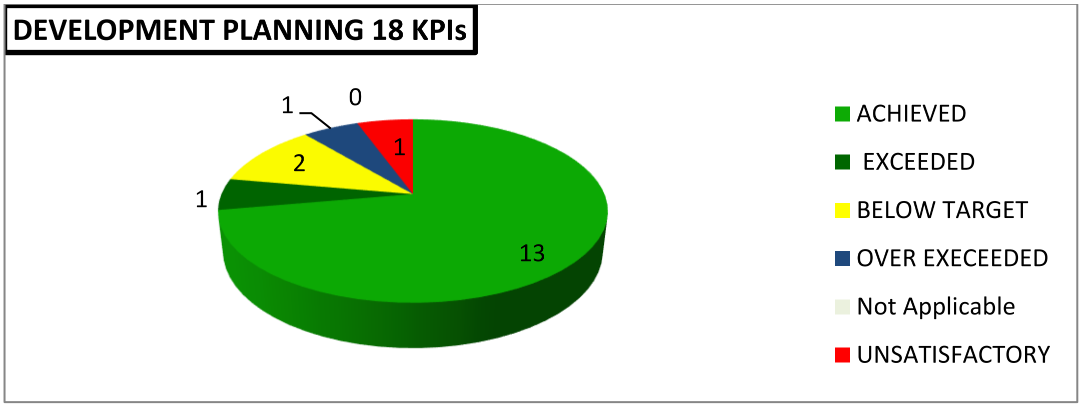
- Building Control
- Land Use Management
- Human Settlements
- GIS

Development Planning Department has Eighteen (18) indicators on the higher SDBIP which are deliverable from the department for the year, thirteen (13) indicators achieved the set target, one (1) indicator exceeded achievement, two (2) indicators over exceeded target, (1) indicator is below target. and one (1) indicator is unsatisfactorily lower on performance.

Table 4

Indicators	Total number 18
Achieved Target	13
Exceeded	1
Over exceeded Target	2
Below Target	1
Unsatisfactory	1
Not Applicable	0

The Departmental performance is depicted on the below colour coded pie chart:



BUDGET AND TREASURY

The Department comprises of the following units:

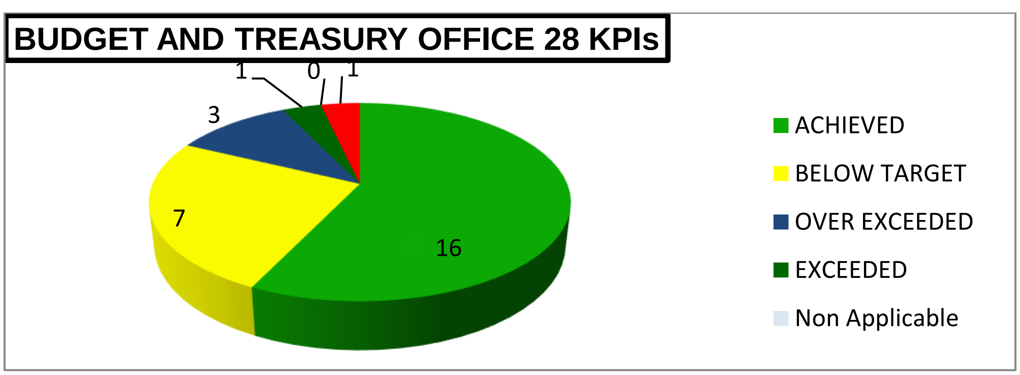
- Budget and Reporting
- Expenditure
- Income
- Supply Chain Management

Budget and Treasury Department has twenty-eight (28) indicators on the higher SDBIP which are deliverable from the Department for the year, thirteen (16) indicators achieved target, one (1) Indicators exceeded target, three (3) indicators over exceeded target, seven (7) indicators performed below target and one (1) indicator is unsatisfactorily lower on performance.

Table 5

Indicators	Total number 28
Achieved Target	16
Exceeded Target	1
Over exceeded Target	3
Below Target	7
Unsatisfactory	1
Not applicable	0

The Departmental performance is depicted on the below color-coded pie chart:



SOCIAL SERVICES

The department comprises of the following units:

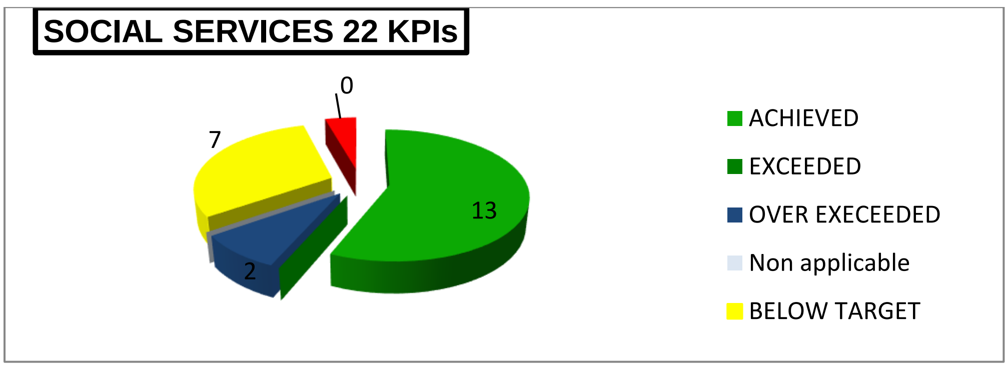
- Traffic
- Registration
- Waste Management
- Parks
- Libraries

Social Services Department has twenty-two (22) indicators which are deliverable from the Department., Thirteen (13) indicators achieved target, two (2) indicators over exceeded target, seven (7) indicators performed below target, and no (0) indicator is unsatisfactorily lower on performance.

Table 6

Indicators	Total number 22
Achieved Target	13
Exceeded Target	0
Over Exceeded Target	2
Below Target	7
Unsatisfactory	
Not applicable	0

The Departmental performance is depicted on the below color-coded pie chart:



INFRASTRUCTURE SERVICES

The department comprises of the following units:

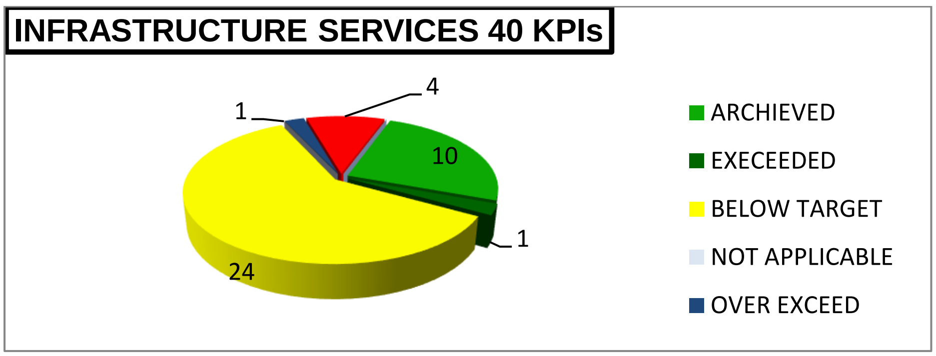
- Water
- Sanitation
- Project Management Unit
- Electrical
- Roads and Storm water

Infrastructure Services Department has Forty (40) indicators which are deliverable from the Department. for the year, ten (10) indicators achieved target, one (1) indicator exceeded target, one (1) indicator over exceeded target, seventeen (24) indicators are below targets. and four (4) indicators are unsatisfactorily lower on performance.

Table 7

Indicators	Total number 40
Achieved Target	10
Exceeded Target	1
Over Exceeded Target	1
Below Target	24
Unsatisfactory	4
Not Applicable	0

The Departmental performance is depicted on the below color-coded pie chart:



ORGANISATIONAL DEVELOPMENT OVERVIEW

In the light of the actual and potential development challenges the Municipality reviews its organizational structure in order that the structure should reflect how the municipality has organized its resources and competencies for the purpose of delivering on core responsibilities. The political structure consists of Council and the Executive Committee. The administration consists of the office of the Municipal Manager and six Departments: Corporate Service, Budget & Treasury Office, Development Planning, Infrastructure Services, Social Services and Strategic Support Services,

Current institutional capacity constraints within Lephalale municipality will impede the achievement of development targets for the Limpopo Coal and Petrochemical cluster. The most critical constraints in the context of the cluster are in planning and technical services.

The turnover rate is 13 % from an organizational structure of 524; the total number of filled posts was 433 which include interns. 97;7% of the total budget was spent on work skills development. All HR policies were reviewed and updated for council to adopt in the financial year.
The Lephalale Local Municipality has not conducted the Annual Individual Performance Evaluations for the financial years of 2021:
Out of 504 positions, 74 are vacant & 430 are filled.

FINANCIAL HEALTH OVERVIEW

GOING CONCERN ASSESSMENT OF LEPHALALE MUNICIPALITY AS AT 31 AUGUST 2022

The Municipality is a going concern mainly because it is a state entity set up by the constitution of the Republic of South Africa to provide basic service to the community and is also funded by the state for that purpose. Failure to provide services will prompt National Government intervention to ensure it stays functional and able to deliver basic services and consequently comply with constitution. There is no indication of a possibility of default by the government in paying grants under the Act.

The council of the municipality has adopted a 5-year IDP plan in the 2022/23 financial year which shows the intention of the Council to continue with operations beyond the next financial period. Furthermore, the Council approved a funded budget in the 2022/23 financial year which is aligned with the IDP and budget related policies in accordance with the Municipal Finance Management Act of, 2003.This suggest that funds will be available to finance future operations and invalidates the necessity to liquidate or cease trading.

Attention is however drawn to the fact that the Municipality has a historical debt of R114 828 711 as of 30 June 2022 that is due within the next financial period from the Department of Water Services which has significant impact on the liquidity ratios of the Municipality:

THE LIQUIDITY RATIOS FOR 2021/22 FINANCIAL YEAR ARE AS FOLLOWS:

Current ratio = 1.16: 1
Gearing ratio = 0.24

The Nations of the main financial ratios that measures the financial viability of a municipality are listed below:
The current ratio is not within the acceptable norm 2:1 which suggests that the Municipality will have challenges in paying its current or short-term obligations if they fall due at any specific point. However, the Municipality is in a process of securing a long-term settlement agreement with the Department of Water Services.
Current Ratio – Has been impacted by the DWS Debt for R141 Million. The Municipality is negotiating a long-term debt arrangement with the department.

The Municipality has a strong long term liquidity position with a gearing ratio of 24% which represents low risk in terms of meeting its long-term obligations.
The Municipality also has a net asset value of R1 331 315 526 as of 30 June 2022 which means that the Municipality's total assets exceed its total liabilities by R 1 331 315 526.
The cost coverage on the 30 June 2022 was at 3,07 months which meat that the municipality will be able to cover int fixed cost for 3 conversative months. debt coverage was at 34,6% since the Municipality is not highly indebted.

Revenue collection rate was at 81% at the end of 2021/22 Financial Year. The municipality closed the year with outstanding service debtors to revenue at 19%.

In 2021/22 Financial year, the municipality has billed 90% of the Revenue Budgeted, has spent 99% of the operating expenditure,73% of the budgeted capex Expenditure and 98% of Budgeted conditional Grants.

The municipality has a positive cash balance of R92 454 404 which include the conditional Grant.

Table 12: Operating Ratios

Operating Ratios	2021/22
Detail	**%**

Employee cost	**33%**
Repairs & maintenance	**1%**
Finance charge	**4%**
Debt impairment	**9%**

COMMENT ON OPERATING RATIOS:

Employee cost is inclusive of Councillors remunerations is equal to R218 548 171 from the total operating expenditure of R668 750 002. Repairs and maintenance total cost is R14 695 926, and the finances charges are R 28 468 904 from the total operating expenditure of R 668 750 002

Table 13: Total Capital Expenditure

Detail	2021/22
Original budget	**185 351 853**
Adjustment budget	**179 226 853**

AUDITOR GENERAL REPORT 2022

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

1. I have audited the financial statements of the Lephalale Local Municipality set out on pages ...to ..., which comprise the statement of financial position as of 30 June 2022, the statement of financial performance, statement of changes in net assets, cash flow statement and statementof comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Lephalale Local Municipality as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally RecognisedAccounting Practise (Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2021 (Act No. 9 of 2021) (Dora).

BASIS FOR OPINION

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.

4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities inaccordance with these

requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basisfor my opinion.

The process on completion of the audit action plan 2022/23 was not done on time due to the delays audit processes and in issuing of the audit report, which was completed in December 2022,

STATUTORY ANNUAL REPORT PROCESS

Table 14:

No.	Activity	Timeframe
1	Council adopts Oversight report	March
2	Oversight report is made public	
3	Oversight report is submitted to relevant provincial Council s	
4	Annual Performance Evaluation	April
5	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input.	April/ May
6	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
8	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
9	Finalise the 4th quarter Report for previous financial year	
10	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
11	Municipal Manager tables the unaudited Annual Performance Report	
12	Municipality submits draft Annual Performance Report including consolidated annual financial statements and performance report to Auditor General	
13	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
14	Auditor General audits Annual Performance Report including consolidated Annual Financial Statements and Performance data	September - October
15	Municipalities receive and start to address the Auditor General's comments	November
16		
17	Audited Annual Report is made public, and representation is invited	
18	Oversight Committee assesses Annual Report	
19	Municipal entities submit draft annual reports to MM	December
20	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	
21	Municipal entities submit draft annual reports to MM	
22	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report Mayor tables the unaudited Annual Report	January

RISK ASSESMENT TOP 5 RISKS FOR THE MUNICIPALTY

Table 15: Risk Assessment

RISKS	ROOT CAUSES	TREATMENT PLANS
Failure to comply with the required regulation	1. New regulation 2. Resistance from employee changes in system and the whole Municipal operation.	1. Conducted awareness on MSCOA implementation.
	3. Improper monitoring of project implementation plan.	3.1. Appointed the MSCOA steering committee members and the Project Manager. 3.2. Monthly MSCOA meetings are being held.
	4. Possible errors in the migration of the current financial information to the new chart.	4.1. Key officials were offered a training on MSCOA implementation 4.2 Developed and updating the MSCOA risk register monthly.
		5.Currently running the parallel system
		• Conducted awareness on MSCOA implementation.
Financial unsustainability	1. Non collection of revenue 2. Poor implementation of credit control and debt collection policy, Inaccurate billing of accounts.	Effective Budget control and monitoring. A debt collector has been appointed to assist with the collection of long outstanding debtors
	3. Lack of skills and capacity.	Training of key finance officials on GRAP.
	4. Unauthorised expenditure.	Developed and implement the compliance checklist.
	5. Non-compliance to laws and regulations (statutory controls).	Enforcement of consequence management Performing monthly/quarterly budget meetings and reconciliations
	6. Poor costing modelling.	
	7. Lack of budget control.	
Fraud and corruption	1.Mal administration	Implementation of Human resource Policy.
	2. Lack of awareness and campaigns on fraud and corruption policies and code of conduct. 3.Ignorance	Conduct workshops on code of conduct and HR policy to all employees.
	4.Non-compliance to laws and regulations	Continue with regular audits to review the effectiveness and efficiency of existing Internal controls. Implementation of Fraud Policy and prevention strategy and investigation of all fraud allegations
	5. Ill-discipline. 6. Unethical behaviour.	Functional Anti-corruption hotline Enforcement of disciplinary actions and consequence management
Ineffective implementation of performance management system (refined)	1. Inaccurate and Inconsistence Reporting	Quarterly performance review meetings
	2. Performance Management System not cascaded to lower-level officials	3. Performance management evaluation for only executive managers.
		4.One official was assigned to assist the PMS Manager on a full-time basis and the PAs of the executive managers were trained to assists with the gathering of POE' of Executive Managers.
	3.Lack staff capacity 4. Lack of verification of evidence due to late submission of information	5. Performance information is projected manually on excel spread sheet.
	1. Sewer system capacity is not responsive to population growth.	1. Implementation of phase 2(sewerage engineering)

RISKS	ROOT CAUSES	TREATMENT PLANS
Unreliable provision of sanitation services.	2. Improper maintenance of sanitation infrastructure. 3. Outdated technology to monitor and detect faults in the sewer system.	2. Monitoring and repairs of the existing sewer system. 1. Regular maintenance of Paarl wastewater treatment plant and sewer pump station 1.
	4. Aging infrastructure.	4. Improve mentation of Sewer network at the villages.

CHANGE MANAGEMENT AND PERFPRMANCE MANAGEMENT SYSTEMS

A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance, planning, measurement, review, reporting and improvement will be conducted, organized, and managed, including determining the roles of the different role – players.

It is critical that Political Leadership, Managers, and staff be involved to ensure that the municipality embraces the IDP and its implementation – which is Performance Management in practice. Implementing the processes and systems needed to operationalise the IDP will determine the ultimate success of the municipality. The following needs to be taken into consideration when starting to implement the IDP:

- Plan for performance by clarifying objectives and outputs to be achieved.
- Clarify performance expectations by setting standards ant targets for each indicator to assess and evaluate performance in practice.
- Monitor, measure, assess and evaluate performance, and
- Link strategic priorities, goals and objectives agreed in the IDP by:
    - Enabling staff to understand how their job contributes to the aforementioned.
    - Ensuring resources are directed and used in efficient, effective, and economic ways by each person in the municipality.
    - Including communities and other stakeholders; decision – making, monitoring and evaluation.
    - Learning from experience and use it to continuously improve what's achieved and maintaining transparency and accountability and promoting good governance articulated in the Batho Pele principles.

Achievements reflected in this Annual Report are a symbol of good governance and administration as displayed by both the Council and Administration Management. Both the Annual Performance Report and Annual Financial Statement were prepared in-house by the Performance Management and Budget and Treasury Teams, and the arrangement contributed on costs saving that would have been incurred in outsourcing the Annual Financial Statement preparations. APR and AFS were reviewed by Internal Audit, Audit and Performance Committee and an Independent Reviewer

The management team of Lephalale Municipality has been realigned to achieve the municipal vision and provide an outcome-based service delivery mission.

CHAPTER 2

CHAPTER 2 - GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

POLITICAL GOVERNANCE

The Constitution S151 (3) states that the Council of a municipality has the right to govern on its own initiative, the local government affairs of its community subject to national and provincial legislation.

The Municipality complies with the Municipal Structures Act, in terms of category B. The municipality has established its Executive Committee chaired by the mayor, section 79 and 80 committees to ensure effective execution of its functions. The municipal Council has political clusters with chairpersons. The head of administration is the Municipal Manager as an Accounting Officer.

MFMA S52 (a) states: The Mayor must provide general political guidance over the fiscal and financial affairs of the Municipality.

The EXCO is established to assist Mayor with his/her functions. Each member of the EXCO is also a chairperson of a cluster committee. The following are the different clusters: Finance and Economic Development, Administration and Governance, Municipal Services and Community Development.

The Municipal Public Accounts Committee (MPAC) has been established and held regular meetings. MPAC held (5) five meetings and (2) two site visits in the 2020/21 financial year.

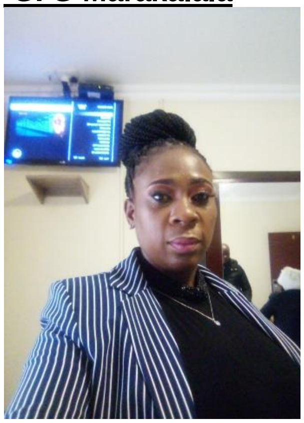
Four Portfolio committees have been established; Governance, Administration and BTO, Development Planning services, and Infrastructure services, Social Services all this committees are functional and considered reports before council.

A committee on Geographical names change, Radical Socio and Economic Transformation and the Ethics Committee for Council were established and functional in the financial year under review.

Figure 2: Political Structure

POLITICAL STRUCTURE
MAYOR, T.A THULARE

SPEAKER
G. G Marakalala



Executive Committee:

Cllr. T A Thulare (Mayor), Chairperson, EXCO

Cllr. Clr N H Pienaar (Portfolio: Social Services)
Cllr. Clr M R Modiba (Portfolio: Governance, Administration and BTO)
Cllr. R.M Shongwe (Portfolio: Municipal Infrastructure Services)
Cllr. M. M Semenya (Portfolio: Planning and Development)

Table 16: Councillors

WARDS	COUNCILLORS	PR COUNCILLORS
01	BETTY KGAGE-MOLOANTOA (ANC)	AARON MOKGETLE(ANC)
02	LESIBANA MONARE (ANC)	GRACE MARAKALALA(ANC)
03	NICO PIENAAR(DA)	JOSEPH MACHABA(ANC)
04	SYBIL NIEUWOUDT (DA)	THABITHA MODISE(ANC)
05	LOUISA SHONGWE(ANC)	EKSINA SEEPE(ANC)
06	MARCUS MAKGAE (ANC)	SARAH MPEDI(ANC)
07	LINDA MOSUPYE (ANC)	RATAH MODIBA(ANC)

08	WILLIAM LANGA (Independent)	MOSONYA SEMENYA (EFF)
09	ALPHEUS THULARE(ANC)	DANIEL MONGALO(EFF)
10	KHOMOTSO BOPAPE(ANC)	JOHANNA SEBETHA(EFF)
11	JAN SELOLO(ANC)	ESROM SETHO (DA)
12	ABEL MOTHONI(ANC)	JAN MOSELANE (ATM)
13	JOEL MADIBANA(ANC)	HENDRICK VANTER(FFplus)
14	WILLIAM MOTLOKWA(ANC)	GEORGE MOLOANTOA(LRP)
15	IMMANUEL MAGOAI(ANC)	

COUNCILLORS:

The total number of Councillors is 29, half of whom are ward Councillors and the others are party proportional representatives. The names and distinctions are mentioned in the above table 15. The speaker Ms GG Marakalala is the chairperson of Council. Elections were held on the 27th of 2021 and the constitution of council changed to a 29-seat council and a new political party in the form of Lephalale residence Party, independent candidates and return of freedom front pl us joined ANC, Economic Freedom Fighters (EFF), DA formed part of the new council, the allocation of seats per political party were 19 for ANC, 4 for EFF, 3 for the DA, 1 seat for Freedom front Plus , 1 seat for Lephalale Residence party, 1 independent candidate won ward 8 elections and he is the ward councillor.

POLITICAL DECISION- MAKING

Council is scheduled to meet at least four times per year, and it is the highest decision-making body in terms of governance in the municipal area. In this financial year 14 Council meetings were held of which 8 were ordinary and 6 were special Council meetings. The executive committee meets on monthly basis and its delegates' part of its authority to certain committees and to the Accounting Officer.

The Council has established section 79 and 80 committees, for the effective and efficient functioning of the Council.
A functional Mayoral Planning Committee was established by the Council, four executive clusters were established namely, Budget and Economic Development, Governance and Administration; Planning and development; Municipal Infrastructure Services and Social Services.
Lephalale Municipality has established municipal oversight committees such the Municipal Public Accounts committee (MPAC), Audit and Performance Committee, and the Executive Committee (EXCO), this committees are fully functional and meet as scheduled or on ad-hoc basis. Reports from this committees are processed to council for considerations.

Table17: EXCO and Council meetings

Dates for 2021-22 Financial Year	Ordinary EXCO	Ordinary Council Meeting	Special EXCO	Special Council
30 July 2021	1	1		
06 August 2021 –			1	1
31 August 2021 –	0	0	1	1
September 2021 – 0	1	1	0	0
18 October 2021 –	0	0	1	1
28 October 2021 – Ordinary Council	1	1	0	0
23 November 2021 –	0	0	1	1
09 December 2021 –	0	0	1	1
28 January 2022 –	1	1	0	0
28 February 2022 –	1	1	0	0
31 March 2022 – Ordinary Council	1	1	0	0

April 2022 – 0	1	1	0	0
31 May 2022 –	1	1	0	0
28 June 2022 –	0	0	1	1
Total	**8**	**8**	**6**	**6**

The above table represents the dates and types of council meetings held in the previous financial year

Table 18: **Top Administrative Structure**

ADMINISTRATIVE GOVERNANCE

The table below illustrates the Senior Management and the summary of their function as per their departments:

COMPONENT B: INTERGOVERNMENTAL RELATIONS

TIERS	FUNCTION
TIER 1	
MUNICIPAL MANAGER (Ms M.M COCQUYT)	Strategic Support Liaise and advice Political Structures, Internal Audit, risk management and manage Administration.
TIER 2	
STRATEGIC SERVICES (vacant)	Overall management of offices for Mayor, Speaker, and Chief whip, Responsible for correspondences from these offices. Deals with Public participation, intergovernmental co-operative governance, IDP, Communication and Performance Management
CHIEF FINANCIAL OFFICER Ms LESEGO MATLWA	Budget compilation and control, Debtor management (Credit Control, Debt collection), Accounting Services (Cash flow management, Cost, etc.), Treasury management (Loans, Investments), Inventory (Procurement & Provisioning).
EXECUTIVE MANAGER: SOCIAL SERVICES Mr (vacant)	Recreational facilities; Solid Waste Management; Environmental Management; Library, Arts and Culture; Safety and Security; Fire and Rescue Services; Disaster Management; Traffic Control; Licensing Authority.
EXECUTIVE MANAGER: CORPORATE SUPPORT SERVICES (vacant)	Administrative Support; Legal and Secretariat; Human Resources and ICT.
EXECUTIVE MANAGER: INFRASTRUCTURE SERVICES (MATEU MASOGA)	Water services; Electrical services; Sanitation services; Public Works; Roads and Storm water; Municipal Workshop and Project Management Unit.
EXECUTIVE MANAGER: DEVELOPMENT PLANNING SERVICES Vacant	LED, Spatial and Land Use Management; Human Settlements Tourism, Marketing and International Relations and Building Control.

INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Lephalale Local Municipality participates in the following forums for intergovernmental relations, the Premier/ Mayor's forum, and the Municipal Manager's forum. The IDP and PMS Units are participating in the Provincial forum and District municipality's forum, these forums include sector departments operating at the grass roots and at community level.

NATIONAL INTERGOVERMENTAL STRUCTURES

Besides Provincial forums attended by both officials and politicians, there are formal intergovernmental structures dealing directly with the National Government. Interaction between National Government and Municipality is done through the Provincial forums. These are: The Provincial IDP forum, Premier's *Lekgotla*, Premier's Monitoring and Evaluation forum and the Monitoring and Evaluation Forum by CoGHSTA Department.

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Provincial IDP forum, Premier's *Lekgotla*, Premier's Monitoring and Evaluation forum and the Monitoring and Evaluation Forum by CoGHSTA Department. The department assisted the municipality with the implementation of the PMS at municipal level and the establishment of credible IDP and SDBIP. The department further established municipal manager`s forum and cascaded to district level.
Provincial Treasury established a forum for Chief Financial Officers (CFO's Forum) where budgeting and financial reporting is streamlined hence developments such as MSCOA for the future.
The Internal Auditor and Risk Officers' forum are also platforms where spheres of government interact to improve and align services.

DISTRICT INTERGOVERNMENTAL STRUCTURES

The Waterberg District Municipality co-ordinates service delivery in local municipalities the similar forums attended at provincial level are hosted at district level. Lephalale municipality is benefitting from attending the District Monitoring and Evaluation forum. The Mayor's forum and the Municipal Managers forum are also beneficial in terms of planning and execution of the functions of the municipality.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The MSA S17 (2) requires a municipality to establish and organise its administration to facilitate and a culture of accountability amongst its staff. S16 (i): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. S18 (i) (d): requires a municipality to supply its community with information concerning municipal governance, management, and development.

The municipality has established the Municipal Public Accounts Committee (MPAC) and this committee meets regularly to scrutinize reports and make recommendations to Council. The Committee reviews the annual report, AG action plan; oversee the implementation of the projects and matters referred by Council.

PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

In the 2021-22 financial year the Communication strategy was adopted by Council. The Office of the Mayor through the communications and public participation units outlined how communication and dissemination of government information is to be accomplished.

Apart from the formal administrative meetings like the IDP/PMS forums, the mayor, and Councillors engagements on community outreach programs, like Imbizo and commemoration of significant dates on the calendar.

The table below shows the list of the public participation engagements throughout the 2021-22 financial year.

Table 19: Public Meetings

Public Meetings							
Nature and purpose of meeting	**Date of events**	**Number of Participating Municipal Councillors**	**Number of Participating Municipal Administrators**	**Number of Community members attending**	**Issues raised by community**	**Issue addressed (Yes/No)**	**Dates and manner of feedback given to community**
Women in dialogue	10 August 2021	10	8	150	Involvement of women in decision making	Yes	N/A
Mayoral Traditional House Indaba	22 September 2021	18	6	300	Strengthen the role of traditional leaders in Government	Yes	N/A
Community consultation meeting (Seleka)	0 August 2021	16	10	1020	Service delivery issues	Yes	N/A
Community consultative Meeting (Steenbokpan)	01 August 2021	14	12	1100	Access to housing land and basis services	Yes	N/A
Handing over of electrification	02 February 2022	18	16	1400	Water and Roads services	No	N/A
Handing over of electrification	13 February 2022	16	14	800	Access to housing and basis services	Not All issues	N/A
Handing over of contractor	14 February 2022	19	16	700	Electricity and Water Services	Yes	N/A
Handing over of electrification	15 February 2022	16	20	1050	Water and roads	Yes	N/A
Handing over of electrification	23 February 2022	13	6	780	Access to housing and basis services	Yes	N/A
Handing over of contractor at Kgobagodimo	23 February 2022	22	10	180	Access to housing and basis services	Yes	N/A
Handing over of contractor Magadimela	23 February 2022	Handing over of contractor	Handing over of contractor	Handing over of contractor	Handing over of contractor	Yes	N/A

Public Meetings							
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Community consultation at Lebu	05 March 2022	18	5	1200	Access to housing and basis services	Yes	N/A
Community consultation at Letlora village	24 March 2022	16	10	300	Access to housing and basis services	No	N/A

From the entire public participation engagement held, the municipality was able to identify and prioritize the projects to address the identified community needs which led to the development of key performance strategies and objectives with targets. This was also done through the IDP/Budget, PMS forums and road shows.

WARD COMMITTEES

Ward committees are community coordinating structures and are assisting the ward Councillors in their functions in their respective wards. Ward committees are the key structures to community participation and representation. These are legislatively chaired by the ward Councillors and serves as the link between Councillors and Community.

Fifteen Ward committees were established in the financial year 2022 at the beginning of the 5year political circle of Council and for previous financial year 5 committees are disputed and still pends completion `. Ward committees are yet to be inducted and provided additional training.

IDP PARTICIPATION AND ALIGNMENT

The Lephalale Municipality process plan is seen as a document that describes how the institution will develop and implement the integrated development plan through budget in its area of jurisdiction. Therefore, it will have meaningful bearing on the current IDP document once completed and/ or most importantly, it may lead to the process of the development of a new and all-inclusive integrated development planning methodology to plan and actualize future development in Lephalale through our budgetary allocations. The process plan is thus like business plan and deals with the allocation of Municipality capacity and resources in support of and serve as a guideline in terms of which council will carry out its mandate through integrated development planning.

IDP/Budget process plan for financial 2022/2023-year review.

TIME SCHEDULE OF EVENTS FOR THE APPROVAL OF THE 2022/23 IDP, BUDGET AND PMS

Table 208:

IDP Phase	Deliverables	Coordinating/Responsible Department	Output	Legislative Requirement	Time Frame
Preparation phase	Develop draft 2022/23 IDP, Budget and PMS process plan	Strategic Support Services	Approved IDP, Budget and PMS process plan	MSA NO. 32 of 2000 (s27,28,29 and 41) MFMA NO, 56 of 2003(s21)	02-31 August 2021
	Alignment with WDM framework for IDP	Waterberg District Municipality		MSA NO. 32 of 2000 (s27) MFMA NO. 56 of 2003 (s21)	11-31 August 2021

IDP Phase	Deliverables	Coordinating/Responsible Department	Output	Legislative Requirement	Time Frame
	Advertise draft IDP, Budget & PMS process plan for public comments	Strategic Support Service		MSA NO. 32 of 2000 (s28)	02-13 Aug 2021
	First IDP Steering Committee Meeting	Strategic Support Services		MSA NO. 32 of 2000 (s17 & 28)	05- 06 Aug21 Target 09 August 21
	First IDP Rep Forum Meeting	Strategic Support Services		MSA NO. 32 of 2000 (s16,17and 18) MFMA NO, 56 of 2003(s21)	16-20 Aug 2021 Target 13 August 2021
	Table draft IDP 2022/23 IDP, Budget and PMS process plan to council	Mayor and Municipal Manager		MSA NO. 32 of 2000 (s28)	23-31 Aug 2021 Target 30 Aug 2021
Analysis phase	Provincial District engagement session	CoGHSTA, OTP and WDM	• Assessment of existing level of development • Priority issues/problems	MFMA NO, 56 of 2003(s21) MSA NO. 32 of 2000 (s29)	Sept 2021
Analysis phase	Public engagement/Community based planning session	Strategic Support Services	• Understanding of courses of priority issues/problems • Information on available resources	MSA NO. 32 of 2000 (s16 & 17)	01-30 Sept 2021
	2nd IDP Steering committee meeting.	Municipal Manager		MSA NO. 32 of 2000 (s17 & 28)	19-22 Oct 2021 Target 22 Oct 2021
	2nd IDP Rep Forum	Strategic Support Services		MSA NO. 32 of 2000 (s16,17and 28) MFMA NO, 56 of 2003(s21)	26-30 Oct 2021 Target 22 Oct 2021
Strategies phase	Provincial District engagement session	CoGHSTA, OTP and WDM	• Vision (for Municipality) • Objective for each priority issue • Strategic options and choice of strategy	MFMA NO, 56 of 2003(s21) MSA NO. 32 of 2000 (s29)	Nov 2021
	Strategic planning session (technical Steering committee)	Strategic Support Services		MSA NO. 32 of 2000 (s26)	22-24 Nov 2021 Target 23-24 Nov 2021
	Consolidation and alignment with national, provincial and district strategies	Strategic Support Services		MSA NO. 32 of 2000 (s26)	1 – 10Dec 2021
Project phase	Project identification	Strategic Support Services	• Tentative financial framework for projects • Identification of projects	N/A	3-29 Jan 2022

IDP Phase	Deliverables	Coordinating/Responsible Department	Output	Legislative Requirement	Time Frame
Project phase	Project identification	Strategic Support Services	• Project's output, targets, and location • Project related activities and time schedule. • Cost and budget estimates • Performance indicators • Information on available resources	N/A	3-28 Jan 2022
	Task team consultation	Strategic Support Services		N/A	3-28 Jan 2022
	Report on the mid-term performance of the SDBIP	Office of the MM		MFMA NO, 56 of 2003(s72)	24 Jan 2022
	Table draft annual report to council	Office of the MM		MFMA NO, 56 of 2003(s127)	24-28 Jan 2022
	Strategic planning session	Office of the MM		MSA NO. 32 of 2000 (s26)	17 Jan- 4 Feb 2022 Target 01-04 February 2022
	Mid-year performance	Office of MM		MFM NO 56 (s72)	24-28 Jan 2022
	Mid-year Budget & Performance assessment	Office of MM		MBRR Sect 12 of MFMA	Jan -March 2022
	Publicize annual report for public comments	Office of the MM		MFMA NO, 56 of 2003(s127)	21 Feb - 04 Mar 2022
	Provincial District engagement session	CoGHSTA, OTP and WDM		MFMA NO, 56 of 2003(s21) MSA NO. 32 of 2000 (s29)	Feb 2022
	Community consultation forums on proposed 2022/23 tariffs, indigent credit, credit control and free basic services	BTO		MFMA NO, 56 of 2003(s21 & 24)	04 -29 April 2022
	IDP Steering committee	Municipal Manager		MSA NO. 32 of 2000 (s17 & 28)	21-25 March 2022 Target 10 March 2022
	Third IDP Rep Forum	Mayor & Municipal Manager		MSA NO. 32 of 2000 (s 16, 17 & 28) MFMA NO, 56 of 2003(s21)	7 -18 March 2022 Target 16 March 2022
	Budget steering committee for draft 2022/23 Budget	BTO		MFMA NO, 56 of 2003(s53)	11 Mar 2022
	Table draft IDP, Budget & SDBIP 2022/23 to council	Mayor		MSA NO. 32 of 2000 (s30) MBRR Sect 12 MFMA Circ no 98	28 -31 March 2022
Project phase	Approval of Oversight Report	Municipal Manager		MFMA NO, 56 of 2003(s127)	21-31 March 2022
Integration phase	Advertise draft 2022/23 IDP & Budget for public comments	Strategic Support Services	• Five-year financial plan • Five-year capital investment plan	MSA NO. 32 of 2000 (s25)	1-29 Apr 2022
	Final alignment with WDM, Provincial and National programmes	Strategic Support Services		MSA NO. 32 of 2000 (s21) MFMA NO, 56 of 2003(s29)	7-18 Mar 2022
	IDP&Budget Road shows 2022/23	Mayor and Steering committee		MSA NO. 32 of 2000 (s16 & 17)	1-29 Apr 2022

IDP Phase	Deliverables	Coordinating/Responsible Department	Output	Legislative Requirement	Time Frame
			• Institutional plan • Reference to sector plans • Integrated sector plans	MFMA NO, 56 of 2003(s23)	
	District IDP, SDBIP and Budget assessment	Strategic Support Services			18-29 Apr 2022
	Screening, alignment, and consolidation of inputs from communities	Strategic Support Services		MFMA NO, 56 of 2003(s23)	4-29 Apr – 2022
	Fourth IDP steering committee	Strategic Support Services		MFMA NO, 56 of 2003(s23)	2-6 May 2022
Approval phase	Consolidation and alignment	Strategic Support Services		N/A	
	Fourth IDP Rep forum	Mayor & Municipal Manager		MSA NO. 32 of 2000 (s 16, 17 & 28) MFMA NO, 56 of 2003(s21)	9-16May 2022 Target 13 May 2022
	Budget Benchmark assessment	Office of MM		MBRR Sect 12 of MFMA	April -May 2022
	Budget steering committee for final 2022/23 budget	BTO		MFMA NO, 56 of 2003(s53)	16-20May 2022
	Table the 2022/23 IDP & Budget to council	Mayor & Municipal Manager		MSA NO. 32 of 2000 (s 30)	23-27 May 2022 Target 25 May 2022
Approval phase	Submission of approved IDP, Budget & SDBIP to CoGHSTA and Provincial Treasury	Municipal Manager		MSA NO. 32 of 2000 (s 32) MBRR Sect 12 of MFMA Circ no 98	1- 9 Jun 2022
	Publish approved 2022/23 IDP & Budget	Strategic Support Services		MSA NO. 32 of 2000 (s 25)	1-17 Jun 2022
	Approval of SDBIP	Municipal Manager		MSA NO. 32 of 2000 (s 38)	5-9 Jun 2022

The current IDP document, which reviewed for the next financial year 2022/23, is aligned to strategic objectives towards the vision of Lephalale Municipality. The SDBIP is derived from the IDP and all the Performance plans for Sec 57 contracts with Key Performance Indicators.

The final IDP 2021/22 and the budget was approved by Council on the 30th of May 2022.

Table 21: IDP Participation

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes

IDP Participation and Alignment Criteria*	Yes/No
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	

COMPONENT D: CORPORATE GOVERNANCE

RISK MANAGEMENT

Municipality Finance Management Act, SECTION 62(1) (c) (i) states that the Accounting Officer must ensure that department has and maintains effective, efficient, and transparent systems of financial and risk management and internal control and that risk assessment are conducted regularly to identify emerging risks of the institution.

The Municipality has established the Risk Management Committee as per the King III Report on corporate governance and the Public Sector Risk Management framework to adequately review, assess and monitor the effectiveness of controls managing the risks involved in both strategic and operational directions. The Committee held 4 quarterly meetings as per its roles and responsibilities and one special meeting to review and recommend for the approval of the Risk Management policies and strategy in the 2017/18 financial year.

The following are the top identified 5 risks for Lephalale for Lephalale Municipality. The table below illustrates the top 5 risks, the root causes, and mitigating factors.

Table 22: Top 5 Risks

RISKS	ROOT CAUSES	TREATMENT PLANS
Failure to comply with the required regulation	1. New regulation 2. Resistance from employee changes in system and the whole Municipal operation.	1. Conducted awareness on MSCOA implementation.
	3. Improper monitoring of project implementation plan.	3.1. Appointed the MSCOA steering committee members and the Project Manager. 3.2. Monthly MSCOA meetings are being held.
	4. Possible errors in the migration of the current financial information to the new chart.	4.1. Key officials were offered a training on MSCOA implementation 4.2 Developed and updating the MSCOA risk register monthly.
		5.Currently running the parallel system
		• Conducted awareness on MSCOA implementation.
Financial unsustainability	1. Non collection of revenue 2. Poor implementation of credit control and debt collection policy, Inaccurate billing of accounts.	Effective Budget control and monitoring. A debt collector has been appointed to assist with the collection of long outstanding debtors
	3. Lack of skills and capacity.	Training of key finance officials on GRAP.
	4. Unauthorised expenditure.	Developed and implement the compliance checklist.
	5. Non-compliance to laws and regulations (statutory controls).	Enforcement of consequence management Performing monthly/quarterly budget meetings and reconciliations
	6. Poor costing modelling.	
	7. Lack of budget control.	
Fraud and corruption	1.Mal administration	Implementation of Human resource Policy.
	2. Lack of awareness and campaigns on fraud and corruption	Conduct workshops on code of conduct and HR policy to all employees.

RISKS	ROOT CAUSES	TREATMENT PLANS
	policies and code of conduct. 3.Ignorance	
	4.Non-compliance to laws and regulations	Continue with regular audits to review the effectiveness and efficiency of existing Internal controls. Implementation of Fraud Policy and prevention strategy and investigation of all fraud allegations
	5. Ill-discipline. 6. Unethical behaviour.	Functional Anti-corruption hotline Enforcement of disciplinary actions and consequence management
Ineffective implementation of performance management system (refined)	1. Inaccurate and Inconsistence Reporting	Quarterly performance review meetings
	2. Performance Management System not cascaded to lower-level officials	3. Performance management evaluation for only executive managers.
		4.One official was assigned to assist the PMS Manager on a full-time basis and the PAs of the executive managers were trained to assists with the gathering of POE' of Executive Managers.
	3.Lack staff capacity 4. Lack of verification of evidence due to late submission of information	5. Performance information is projected manually on excel spread sheet.
Unreliable provision of sanitation services.	1. Sewer system capacity is not responsive to population growth.	1. Implementation of phase 2(sewerage engineering)
	2. Improper maintenance of sanitation infrastructure. 3. Outdated technology to monitor and detect faults in the sewer system.	2. Monitoring and repairs of the existing sewer system. 2. Regular maintenance of Paarl wastewater treatment plant and sewer pump station 1.
	4. Aging infrastructure.	4. Improve mentation of Sewer network at the villages.

Risk Analysis as per risk status categories for 2021-22 FY/ as of June 22

Risk Register	Number of Risks	Total Number of Mitigation plans	Total Number Mitigation Plans Address	Total Number Mitigation Plans Not Address	Total Percentage Addressed
Strategic	12	47	36	11	77%
Operational	44	149	114	35	77%
Fraud	15	28	28	0	100%
ICT	4	12	10	2	83%
COVID	11	23	23	0	100%
Projects	10	12	12	0	100%
Total	**96**	**271**	**223**	**48**	**82%**

5. PROGRESS ON THE RISK MANAGEMENT PLAN IMPLEMENTATION

The Risk Management Committee (RMC) received the Progress on the Risk Management Plan.

No:	RM Activities	Responsible Person	Status	Colours
1	Review of Occupational Health and Safety, Insurance and Security Management Reports.	CRO	Addressed	
2	Risk Management Monitoring ▪ Strategic and Operational risk registers ▪ Fraud Risk Register ▪ ICT Risk Register ▪ Project Risk Register ▪ Covid 19 Risk Register Review and re-evaluation of existing risks and identification of emerging risks.	CRO/RMC	Addressed	
3	Risk Management Committee to review the Risk Management Implementation Plan for and recommend to the Accounting Officer for approval. Review the risk management policy and strategy. Risk Management Committee to adopt the policy and strategy and recommend to the Accounting Officer for approval.	CRO/RMC	Addressed	
4	Conduct Risk Maturity assessment and Risk Management Committee evaluation	CRO/Management	Not Addressed.	

6. RESOLUTION OF THE QUARTER FOUR RISK MANAGEMENT COMMITTEE

All Risk Management Policies, Charter and Plans were adopted with the following recommendations:

RMC Meeting held on the 14 July 2022			
No:	**Resolution**	**Progress (Status)**	**Colours**
1	Municipality to benchmark with other municipalities on how to write off the deceased, indigent and trivial balances	**Not addressed** To be addressed during in the next meeting	
2	Municipality must make sure that performance information is reported on time and address the quality of PoE.	**Not Addressed** To be addressed during in the next meeting	
3	Infrastructure to improve and address all the outstanding mitigation in the 1st quarter. Infrastructure to make a presentation to RMC in the 1st Quarter on how to improve the management of their risks.	**Not addressed** To be addressed during in the next meeting	
4	Municipality to make sure that operational risk register is updated with AG management report.	**Not addressed** To be addressed during in the next meeting	
5	Municipality to look on how to mitigate and prevent risk of loss of life which happened in one of the municipal sites.	**Not Addressed** **To be addressed during in the next meeting**	

RECOMMENDATIONS:

- Management must recommit to submitting of performance information within the agreed timeframes to the PMS unit and each directorate to do the quality checks of the information before the submission thereof.
- Departments to incorporate risk management into their daily activities and also on periodical basis management meetings be held by each directorate to discuss their specific risks with the help of the Risk Management Department.

ANTI-CORRUPTION AND FRAUD

The Local Municipality has adopted the Fraud Prevention Plan and the Fraud Prevention Policy as the strategies to prevent fraud and corruption.
The Fraud/corruption risk areas include:

FRAUD AND ANTI-CORRUPTION STRATEGY

- Procurement, including urgent/emergency matters, sole suppliers and
- Vetting of suppliers and other trading partners.
- Travel claims.
- Conflicts of interest and private work declarations.
- Compliance to delegations of authority.
- Payroll; and
- Revenue collection –both from individuals and businesses

The Municipality has implemented the following controls measures to prevent fraud and corruption:

- Anti-corruption hotline
- Fraud awareness and campaigns
- Financial policies and procedures.
- Human Resources policies and procedures.
- Segregation of duties.
- Code of Conduct for Municipal Officials and Councillors
- Physical and Information Security; and
- Exclusion of Councillors from the procurement processes.

The Municipality has also implemented controls to detect fraud and corruption:

- Periodic Internal Audit reviews.
- Annual External Audit reviews; and
- Regular management reviews.

All employees and other stakeholders are expected to comply with the applicable policies and procedures. A fundamental risk in this area is the lack of knowledge, awareness, effective communication, and training relating to Fraud, Theft and Corruption. The Municipality has several systems, policies and procedures designed to ensure compliance with specific laws and regulations and basic internal control.
Notes: See Chapter 4 of these report details of Disciplinary Action taken on cases of financial mismanagement.

SUPPLY CHAIN MANAGEMENT

OVERVIEW OF SUPPLY CHAIN MANAGEMENT

The Bid Specification, Bid Evaluation and Bid Adjudication Committees have been established. Advertised tenders are being evaluated, adjudicated and appointments are made for tenders in terms of the Supply Chain Management Policy. It takes an average of 87 days to make adjudication on a tender from a date of closing. Quarterly reports on the tenders are submitted to Council.

BY-LAWS

MSA S11 (3) (m) provides municipal Council s with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.
The table below outlines the by-laws processed during the financial year 2018/19 FY, no new by laws were processed in the 2019/20 and 2021 financial years.

Table 23: By-laws

By-laws Adopted in 2018/19				
Newly Developed	**Date Revised**	**Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)**	**Dates of Public Participation**	**Date of Publication**
Parks & Public Open Spaces By-Law	September 2018	Yes	October 2018	Gazetted 08 March 2019
Standing Orders By-Law	September 2018	Yes	October 2018	Gazetted 08 March 2019

COMMENT ON BY-LAWS: No new by – laws gazetted since.

MSA S11 (3) (m) provides Municipal Council s with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.
The by-laws for Lephalale Municipality were adopted in the 2018-19 financial year, 3 by-laws were established during the 2017-18 financial year, out of the 3 established two by-laws were not gazetted in the 2018/19 financial year but only one SPLUMA by –law was gazetted.

WEBSITES

Table 24: web site updates

Municipal Website: Content and Currency of Material		
Documents published on the Municipal website	**<Yes / No>**	**Publishing Date**
Current annual and adjustments budgets and all budget-related policies	Yes	16/01/2022 17/06/2022
All current budget-related policies	Yes	04/05/ 2021 18/06/2021
The annual report (2019/20) published/to be published	Yes	31/03/ 2021
The annual report (2020/21) published/to be published	*Yes*	*31/03/ 2022*
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2021/22) and resulting scorecards	Yes	28 /07/20
All service delivery agreements (2022)	Yes	26/06/2022
All long-term borrowing contracts (2022)	Yes	16/01/2021
All supply chain management contracts above a prescribed value (give value) for 2020/21	Yes	22/11/2022
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2021	Yes	22/03/2021
Contracts agreed in 2020/21 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	Yes	24/7/2020
Public-private partnership agreements referred to in section 120 made in 2021/22	Yes	24/7/2021
Two quarterly reports tabled in the Council in terms of section 52 (d) during 2021 (Mid-Year and APR 2021)	Yes	23/4/2021

COMMENT ON MUNICIPAL WEBSITE CONTENT AND ACCESS:

The table above depicts the dates and the types of municipal documents posted on the website for the public to view. The Lephalale Municipality has established a web site. The website is maintained by SITA.

PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Customer satisfaction survey was not conducted for the financial 2021/22 due to lack of capacity and budget; there were sporadic incidences of service delivery protests from communities in rural villages.
There were engagements between WDM, Stats SA and Lephalale Municipality for possible assistance on the customer satisfaction survey by the district and provincial government.

OVERSIGHT COMMITEES/ COMMITTEES OF COUNCIL AND THEIR FUNCTIONS

Lephalale Municipality has established municipal oversight committees such the Municipal Public Accounts committee (MPAC), Audit and Performance Committee, and the Executive Committee (EXCO), this committees are fully functional and meet as scheduled or on ad-hoc basis. Reports from this committees are processed to council for considerations. All the committees were functional in the 2020 /21 financial year.

The Oversight committee and the Performance Audit Committee have also been established. This committee is highly functional and held (5) five meetings (2) two project visits were done in the previous financial year 2021/22, the details of the functions are outlined in the report of audit committee chairperson which is appendix G of this report.

SECTION 80 PORTFOLIO COMMITTEES	COUNCILLORS	CONTACT NO
MAYOR	**Clr A Thulare**	**076 903 7479 073 588 6105**
SPEAKER	**Clr G G Marakalala**	**071 548 6274**
CHAIRPERSON OF CHAIRPERSONS	**Clr L Monare**	**076 885 9869 060 380 2814 072 944 5687**
PORTFOLIO CHAIRPERSON: GOVERNANCE, ADMINSTRATION, BUDGET AND TREASURY	**Clr M R Modiba**	**072 616 1268**
Portfolio: Communication	**Clr S J Machaba**	**079 957 2472**
Portfolio: Labour and Employment	**Clr W M Motlokwa**	**076 914 0521 076 998 9508**
Portfolio: Finance		
Portfolio: Tourism, Sports and Culture	**Clr K C Bopape**	**082 485 5744**
Portfolio: Mining; Industries and Transformation	**Clr L Monare**	**076 885 9869**
PORTFOLIO CHAIRPERSON: PLANNING & ECONOMIC DEVELOPMENT SERVICES	**Clr M M Semenya**	**078 298 8437**
Portfolio: Human Settlement	**Clr B Kgageng-Moloantoa**	**083 331 1427**

Portfolio: Mining; Industries and Transformation	**Clr L Monare**	**072 222 8755** **076 885 9869** **060 380 2814** **072 944 5687**
Portfolio: Land and Agriculture	**Clr H W Venter**	**072 604 1638**
PORTFOLIO CHAIRPERSON: MUNICIPAL INFRASTRACTURE SERVICES	**Clr M L Shongwe**	**072 111 4033**
Portfolio: EPWP and Public Works & Public Transport	**Clr L Mosupye**	**076 702 6120**
Portfolio: Water, Sanitation and Electricity	**Clr M J Madibana**	**076 643 5139**
Portfolio: Human Settlement	**Clr B Kgageng-Moloantoa**	**083 331 1427**
Portfolio: EPWP and Public Works & Public Transport	**Clr L K Mosupye**	**079 162 4155**
PORTFOLIO CHAIRPERSON: SOCIAL SERVICES	**Clr N H Pienaar**	**082 927 2399**
Portfolio: Health and Social Development & Traditional Affairs	**Clr E L Setho**	**073 645 3551**
Portfolio: Education & Early Childhood Development & Special Projects	**Clr S Mpedi**	**071 523 0477**
Portfolio: Parks, Waste & Cemeteries (Environment)	**Clr D A Mongalo**	**081 887 6333**
Portfolio: Security Liaison	**Clr P K J Selolo**	**063 279 6440**
Portfolio: EPWP and Public Works & Public Transport	**Clr L K Mosupye**	**079 162 4155**
Portfolio: Home Affairs	**Clr S J Moselane**	**067 326 4127**
Portfolio:	**Clr L G Moloantoa**	**079 484 7488**
Without Portfolio	**Clr R A Mokgetle**	**082 760 6991** **079 144 4984**

LEPHALALE MUNICIPALITY
Develop, Sustain, Prosper
ITEM A194/2021[12]

SECTION 79 COMMITTEES	COUNCILLOR	CONTACT NO.
MPAC		
Clr M M Makgae	**Chairperson**	**072 615 5018**
Clr D A Mothoni	Member	**083 230 7194**
Clr I Magoai	Member	**072 491 7260**
Clr R T Modise	Member	**072 782 6044**
Clr E Seepe	Member	**066 031 4439**
Clr S M Nieuwoudt	Member	**078 786 1689**
Clr M J Sebetha	Member	**071 186 2969**
ETHICS COMMITTEE		
Clr P K J Selolo	**Chairperson**	**063 279 6440**
	Member	
	Member	
	Member	
	Member	
RADICAL SOCIO - ECONOMIC TRANSFORMATION COMMITEE		
Clr W M Motlokoa	**Chairperson**	**076 914 0521** **076 998 9508**
	Member	
	Member	
	Member	
	Member	
GEOGRAPHICAL NAME CHANGE COMMITTEE		
Clr S Mpedi	**Chairperson**	**071 523 0477**
	Member	
	Member	
	Member	
WOMEN IN CAUCUS (GENDER)		
Clr B Kgageng-Moloantoa	**Chairperson**	**083 331 1427**
	Member	
	Member	
	Member	

THE LEPHALALE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE 2016-2021

1. The MPAC shall be composed of - Councillors appointed by Council, Municipal Manager, Manager Internal Audit, Secretary to the Council and any other Official so nominated by MPAC, on a permanent basis or for a specific matter.

2. The Chairperson shall convene meetings in accordance with the dates on a program prepared annually according to the guidelines set by CoGHSTA.

3. The meetings shall be held in accordance with the approved Annual Work Plan and visit Projects.

4. The Chairperson of the MPAC shall preside all meetings.

5. The Chairperson of the MPAC shall nominate an Acting Chairperson amongst the Councillors in the Committee and by failing to nominate an Acting Chairperson; Councillors will elect an Acting Chairperson amongst themselves in the absence of the Chairperson.

6. The MPAC members shall participate fully on best practices to the benefit of the Municipality.

7. The MPAC shall report back to the Council on the functionality, developments, and progress within the Committee.

8. The MPAC will ensure that they are capacitated and skilled to discharge their functions.

9. The MPAC shall perform any other functions assigned to it through a resolution of the Council.

10. The MPAC shall refer matters or advice to Council for resolutions and advice on issues of good Governance, Accountability, Oversight and Transparency.

11. The MPAC shall be in Office for a period corresponding with the term of Council.

12. The MPAC shall track the implementation of the past recommendations or resolutions.

13. The MPAC shall ensure to promote good Governance, Transparency and Accountability on the use of Municipal resources.

14. The MPAC shall recommend or undertake investigations in its area of responsibility.

15. The MPAC shall invite other Municipal Oversight bodies to share information on how to function better and improve on the Municipal performance.

16. The MPAC shall ensure good practice on the road towards Operation Clean Audit.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE 2021-2026 Members and THE ETHICS OF LEPHALALE 2021-2026

LEPHALALE MUNICIPALITY

Develop, Sustain, Prosper

ITEM A194/2021[12]

SECTION 79 COMMITTEES	COUNCILLOR	CONTACT NO.
MPAC		
Clr M M Makgae	**Chairperson**	**072 615 5018**
Clr D A Mothoni	Member	**083 230 7194**
Clr I Magoai	Member	**072 491 7260**
Clr R T Modise	Member	**072 782 6044**
Clr E Seepe	Member	**066 031 4439**
Clr S M Nieuwoudt	Member	**078 786 1689**
Clr M J Sebetha	Member	**071 186 2969**
ETHICS COMMITTEE		
Clr P K J Selolo	**Chairperson**	**063 279 6440**
	Member	
	Member	
	Member	
	Member	

17. The Committee shall be composed of - Councillors appointed by Council, Executive Manager: Strategic Support Services and/or Manager: Legal Services and any other Official so nominated by Ethics Committee, on a permanent basis or for a specific matter.

18. The Chairperson shall convene meetings in accordance with the dates on a program prepared annually according to the guidelines set by CoGHSTA.

19. The meetings shall be held in accordance with the approved Annual Work Plan and visit Projects.

20. The Chairperson of the Ethics Committee shall preside all meetings.

21. The Chairperson of the Ethics Committee shall nominate an Acting Chairperson amongst the Councillors in the Committee and by failing to nominate an Acting Chairperson; Councillors will elect an Acting Chairperson amongst themselves in the absence of the Chairperson.

22. The Ethics Committee members shall participate fully on best practices to the benefit of the Municipality.

23. The Ethics Committee shall report back to the Council on the functionality, developments, and progress within the Committee.

24. The Ethics Committee will ensure that they are capacitated and skilled to discharge their functions.

25. The Ethics Committee shall perform any other functions assigned to it through a resolution of the Council.

26. The Ethics Committee shall refer matters or advice to Council for resolutions and advices on issues of good Governance, Accountability, Oversight and Transparency.

27. The Ethics Committee shall be in Office for a period corresponding with the term of Council.

28. The Ethics Committee shall track the implementation of the past recommendations or resolutions.

29. The Ethics Committee shall ensure to promote good Governance, Transparency and Accountability on the use of Municipal resources.

30. The Ethics Committee shall recommend or undertake investigations in its area of responsibility.

31. The Ethics Committee shall invite other Municipal Oversight bodies to share information on how to function better and improve on the Municipal performance.

32. The Ethics Committee shall ensure good practice on the road towards Operation Clean Audit.

CHAPTER 3

CHAPTER 3- SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART 1)

COMPONENT A: BASIC SERVICES

INTRODUCTION

This chapter in the annual report is following section 46 of the Municipal Systems Act No 32 of 2003. The information contained within this report will be used to populate the annual report. Section 46 of the Municipal Systems Act requires reporting on the following in the annual performance report:

- Performance of the Municipality and each external service provider
  - External Service Provider is defined in Section 1 of the Municipal Systems Act as: an external mechanism referred to in section 76 (b) which provides a municipal service on behalf of a Municipality. The meaning of 'external service provider' is synonymous as Entity. Lephalale Local Municipality does not currently have any entity that provides municipal services on behalf of the Municipality; therefore, it is not required to include such a report in the report.

- Section 41(2) of MSA states: *The system applied by a Municipality in compliance with subsection (1) (c) must be devised in such a way that it may serve as an early warning indicator of under-performance.*
  Each institution needs to collect a wide range of performance information for management purposes, however not all information is relevant in accountability documents. The institution should specify in its planning documents a set of performance targets it will report against in its accountability documents.
  The set of indicators selected for accountability reporting ought to provide a holistic view of the institution's performance.
  In the case of concurrent functions, national departments need to identify a core set of indicators that need to be reported by provincial and local governments to ensure comparability.
- Performance information is only useful if it is consolidated and reported back into planning, budgeting, and implementation processes where it can be used for management decisions, particularly for taking corrective action.
  This means getting the right information in the right format to the right people at the right time. Institutions need to find out what information the various users of performance information need and develop formats and systems.

- Comparison of performance against set targets and performance in previous financial year
  - Quarterly and annual performance against quarterly and annual targets as per the Adjustment Service Delivery and Budget Implementation Plan (SDBIP) is reported on. The Adjusted SDBIP contains the objectives and indicators as per the Municipal Integrated Development Plan (IDP) as well as General Key Performance Indicators as prescribed in terms of Section 43 of the Municipal Systems Act and Regulation 796 of 2001. The SDBIP for 2017/18 was developed to reflect ***cumulative performance***, therefore the ***status of indicators is also cumulative,*** and reflection of the overall performance level achieved year to date.
  - The format to calculate the variance between actual annual performance and annual targets are included for each Key Performance Indicator (KPI).
  - The baseline (previous financial year) performance is included for each KPI to reflect progress made from the previous financial year to the reporting financial year.
  - Comparisons of performance against targets are highlighted in the form of colours based on scores which were calculated using Municipal Performance Regulations for Municipal Managers and Managers directly accountable Municipal Managers, Regulation 805 of 2006, adapted to comply with the Lephalale Local Municipality's performance management requirements. The scoring method utilised is in line with the assessment rating calculator prescribed by the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, Regulation 805 of 2006.

    An explanation is as per the table below:

Table 25: Rating Scales

Colour code	Scoring	% Target achieved	
Rating	Score	Low	High
Unsatisfactory	1-1.99	0.0%	49.99%
Below target	2 -2.99	50%	69.9%
Achieved target	3 -3.99	70%	79.99%
Exceeded target	4 -4.99	80%	99.9%
Over exceeded target	5+	100.0%	+

- Measures taken to improve performance.
    - Corrective action is included for underperforming targets.

Section on improvement from challenges in previous financial year's Annual Report as per the Annual Performance Report from the previous financial year

WATER PROVISION

Lephalale Municipality as Water Service Authority has a duty to all customers and potential customers within its area of jurisdiction to progressively ensure efficient, affordable, economic, and sustainable access to water in terms of section 11 [Water Services Act of 1997]. The Municipality has a duty to provide water to a population estimated at 140 240 living within urban, peri-urban, and rural areas of jurisdiction.

The Lephalale Municipality is designated as Water Service Authority and Water Service Provider. All the water for the urban area of the Lephalale Municipality originates from Mokolo Dam. Grootegeluk Coal Mine originally built the main supply lines, pump station, balancing dam and water purification works in the urban area. The supply, as weIl as maintenance of the dam (as agent of DWA) is still done by Grootegeluk coal mine. In the case of Marapong township, which is situated near the mine/power station, purified water to the Municipality is supplied by Matimba Power Station. Even though the municipality has benefited to date from the investments made by Exxaro and Matimba in the past there is a concern that as water service authority, and considering long term development implications, the Municipality should have ownership of infrastructure required to provide water and sanitation services to Marapong area.

The Department of Water Affairs (DWA) appointed consultants to investigate alternative solutions for provision of water to the Lephalale node area 1 because of the development potential of the Municipality.
Based on water infrastructure, the current water availability and water use allows only limited spare yield existing for future allocations for the anticipated surge in economic development in the area. DWA commissioned the Mokolo- Crocodile (West) Water Augmentation project (MCWAP) to analyse the options for transferring water from the Crocodile River (West) with the intention to implement the project in two phases.

Augmentation of the supply from Mokolo Dam, and transfer of water from the Crocodile River (West) to the Lephalale area. The Department of Water Affairs (DWAF) has allocated 2.1 billion for the past financial year to phase in the project on a three-year basis. It is imperative to note that the outcome of the MCWAP project need to be implemented to address expected water shortages before any development in node area 1 will be viable, as currently the area does not have sufficient water resources to sustain any new development. Furthermore, the municipality will need to obtain an appropriate license to abstract water from MCWAP scheme to provide water to node area

BULK WATER INFRASTRUCTURE.

Water is pumped from the Mokolo dam to the Wolvefontein storage dam, from where it gravitates down to Zeeland water purification plant and the purification plant at Matimba power station. Bulk raw water gravitates down to the Grootegeluk mine and Eskom's Matimba power station.

Lephalale and Onverwacht are supplied with water that gets purified at the Zeeland Water Treatment Works (owned and operated by Exxaro resources). The effluent gets treated at Paarl Wastewater Treatment Works. Currently, the Matimba Power Station at 7.1 million m^3/a, Grootegeluk Mine at 10.1 million m^3/a, (Lephalale Municipality at 5.0 million m^3/a of the Exxaro/Matimba allocation) and the Irrigation Sector at 10.4 million m^3/a account for the 27.6 million m^3/a of water allocated from the Mokolo Dam. Based on the estimated current water use, the catchment yield versus demand is in balance; however, this makes no allowance for the Ecological Reserve. Future expansions for power generation as well as the coal requirement for such development require additional volume of water which cannot be supplied from the resources within the Mokolo Water Management Area.

Table 26: Water Infrastructure.

Asset Type	Unit Measured	Quantity	Remarks
Boreholes	Number	138	
Reticulation Pipelines	Length(m)	424,973	286,311m of uPVC pipes and 136,702m of AC pipes 1,960m of HDPE pipes
Bulk pipelines	Length(m)	34,693	28,593m of uPVC pipes and 6,046m of AC pipes
Reservoirs	Number	121	
Water Treatment works	Number	2	Witpoort and Maletswai
Pump Stations	Number	38	

Source: Lephalale Municipality

Current and envisaged water and sanitation infrastructure plan in the urban nodal area because of anticipated economic development.

Potential Bulk water supply abstracted from boreholes for scheme areas.

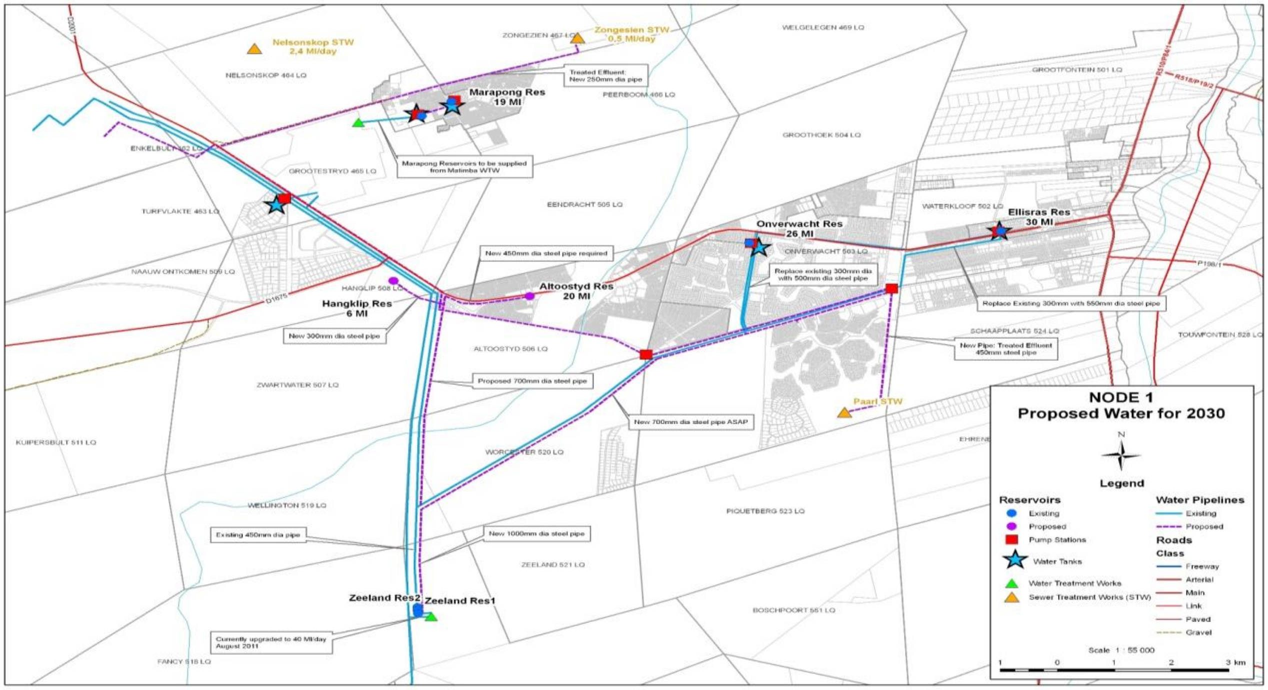
Table 27: Water Infrastructure.

Scheme Number	Supply Area	Potential Supply
NW 100	Mokuruanyane RWS	1.950Ml/day
NW 114	Witpoort RWS	0.930Ml/day
NW 115	Ga-Seleka WS	0.820Ml/day
NW 116	Ga-Shongoane WS	0.300Ml/day
Total		**4.00Ml/day**

Figure 3: Bulk water infrastructure linked to Mokolo dam as ground source.

Bulk water infrastructure services within the municipal urban node

Figure 4: Water infrastructure in the urban area



Source: Municipal scoping report

Current and envisaged water and sanitation infrastructure plan in the urban nodal area as a result of anticipated economic development.

Table28: Potential Bulk water supply abstracted from boreholes for scheme areas.

Scheme Number	Supply Area	Potential Supply
NW 100	Mokuruanyane RWS	1.950Ml/day
NW 114	Witpoort RWS	0.930Ml/day
NW 115	Ga-Seleka WS	0.820Ml/day
NW 116	Ga-Shongoane WS	0.300Ml/day
Total		4.00Ml/day

The rural area is currently divided into four different water services schemes.
The potential bulk water supply, according to DWS, abstracted from boreholes in the Lephalale rural area for the four water schemes is as indicated above.

WATER AVAILABILITY IN RURAL AREAS.

The rural areas all obtain their water from groundwater sources (about 85% from boreholes and 15% from well field type boreholes in the riverbed alluvium). The four water sub schemes serve approximately 38 villages through a network of approximately 138 boreholes, which are all owned and operated by the Municipality. The water is pumped to storage reservoirs and then distributed to the consumers. Chlorine dosing tanks were installed in the storage reservoir, but the Municipality is having trouble in maintaining the dosing equipment due to budgetary constraints and not enough resources. The ground water from the boreholes is generally low due to poor yields and unacceptable water quality (class 3 or 4); however, this does not necessarily pose a health risk to communities. Water from the well field type boreholes has however higher yields and acceptable quality. The surety of the current water supply from boreholes is not known. It is also not known what the actual volume of water is provided to the community. The Municipality has commissioned a study on water volumes provided to rural villages.

Based on an RDP level of service for the existing community, an allocated water uses of an average of 9kl/month per household in the rural areas and 36kl/month per household for Thabo-Mbeki & Thabo-Mbeki Ext 1 is proposed, the total

theoretical current water demand calculated for development focus area 2 amounts to 5,992kl/d and 1,692kl/d for Thabo-Mbeki and Thabo-Mbeki Ext 1, all inclusive of a water loss of 15%.
A detailed study is required to determine if the current supply from boreholes and wells are sufficient to meet this demand. According to data on the sizes of the reservoirs collected in the Municipality water asset register, the existing reservoirs have a capacity of 8,317kl/d but it is not clear whether the groundwater sources meet demand. The available groundwater yield and quality and storage capacity needs to be investigated as it is unsure if this resource can be expanded and to what degree.

According to the water service development plan "starter requirements" approximately 22.6% of the rural population has access to water that must be carried/carted 0-200m, while 20.5% of the population has access to water that is 200-500m away from the point of use. This implies that 35.6% of the rural population does not have water that falls within RDP standard of maximum cartage distance of 200m from point of use (i.e., resident/house).

In Lephalale, one-third of households do not have access to water in the dwelling or yard but have to make use of community standpipes. In Marapong this figure is somewhat lower (20% of households make use of community standpipes) more than half of the households have access to water inside their dwelling. In ward 3 and town Lephalale, approximately 75% of households have access to water inside their dwelling, while 20% have a tap in the yard. The remainder makes use of community standpipes.

Table 29: Household by level of access to water

Piped water inside dwelling	Piped water inside yard	Piped water on community stand	Borehole in the yard	Rainwater tank in yard	Neighbour's tap	Public /Communal tap	Watercarrier /Tanker	Borehole outside yard	Flowing water / stream /river	Other
18390	3868	770	1801	15	672	10229	4185	546	2075	451

Table 30: EMPLOYEE STATISTICS FOR WATER SERVICES

Employees: Water Services					
Job Level	2021/22	2022/23			
	Posts	**Posts**	**Employees**	**Vacancies (fulltime equivalents)**	**Vacancies (as a % of total posts)**
	No.	No.	No.	No.	%
1 - 3	5	3	3	0	0%
4 - 6	10	3	3	0	0%
7 - 9	3	9	9	1	11%
10 - 12	7	10	10	0	0%
13 - 14	27	24	24	5	20%
Total	52	49	43	6	12%
Employees and Posts numbers are as of 30 June 2022.					

Table 31: Financial Performance Water Services

Financial Performance 2021/22: Water Services **R'000**					
Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	98 386 755	98 386 755	133 586 755	93 834 000	39 752 755
Expenditure:					0
Employees	19 604 049	19 604 049	20 604 049	20 694 461	-90 412

Repairs and Maintenance	4 182 550	4 182 550	6 832 550	2 233 612	4 598 938
Other	56 889 872	56 889 872	51 859 872	53 590 933	-1 731 061
Total Operational Expenditure	80 676 471	80 676 471	79 296 471	76 519 006	2 777 465
Net Operational (Service) Expenditure	17 710 284	17 710 284	54 290 284	17 314 994	36 975 290

WASTE WATER (SANITATION) PROVISION

Sanitation is about dignity. The availability of sanitation facilities does not only improve the dignity of people, but also promotes their health. Areas without proper sanitation systems give rise to water borne diseases like cholera, diarrhoea, typhoid etc.
It is therefore important that as a Municipality, priority should be given to this service, particularly considering the backlog (rural sanitation) and the national target.

The land on which Lephalale town situated is relatively flat. Sewers are installed at slopes exceeding the slope of the natural ground level and over relatively short distances, become so deep that it must be pumped. Presently there are 38 pump stations in Onverwacht and Town. All land around the developed areas is privately owned. The township layouts will be prepared by or on behalf of the landowners and the design of sewerage infrastructure will be carried out by their consultants. The requirements regarding the placement and sizing of pump stations will be the product of the planning and design work undertaken by these developers. For these reasons it is believed that each developer should be responsible for the installation of any sewage pump station(s) and pump line(s) that he may require.
Where feasible, when developments take place at the same time in the same area, these developers should be encouraged, if practical to construct infrastructure that they share. Sewage discharged from Onverwacht/Ellisras area is treated at the Paarl sewage treatment works. The treatment works has been expanded to treat 7.25ML sewage per day and presently has spare capacity of 3ML.

Sewage from Marapong is discharged to an oxidation pond system with a reported capacity of 300kl/day. Theoretically the volume of sewage discharged to this treatment works exceeds its capacity and immediate upgrading of this treatment works is also required. The municipality is currently busy with the upgrading to a 1.5 ML/day for a conventional wastewater treatment plant. A capacity of 4.5ML will be required by 2026. An oxidation pond will no longer suffice. Resgen and its BEE partners, through its operating company Ledjadja coal (PTY) LTD which is currently developing Boikarabelo mine about 60km west of Lephalale town has offered the Municipality a phase-in expansion of the oxidation pond to a 16ML/d wastewater treatment plant for Marapong area on a 30 year; built, maintain and transfer contract. An agreement has been reached and a consulting engineering firm was appointed to do feasibility study.

Table39: Sanitation Infrastructure in municipal area.

Number of treatments works	Capacity of treatment works	Capacity currently utilized	Length of bulk sewer pipelines	Number of pump stations	Length of reticulation pipelines
3	10,73m/l	6,73m/l	105km	38	66,4km

CURRENT STATUS OF SANITATION IN RURAL AREAS.

Sanitation in the rural areas consists of informal pit latrine structures or Ventilated Improved Pit Latrine. It is estimated that 5% of the households have no sanitation service. There is no waterborne sanitation in the rural area. The sanitation level of service varies from no service to basic level of service.

Approximately 15381 households will require an improved sanitation system. The sanitation in Thabo-Mbeki and Thabo-Mbeki Ext 1 is mostly septic tanks with French drains. The Central Business District has access to full waterborne sanitation system that drains into oxidation ponds which has currently reached maximum capacity.

SANITATION RESOURCES IN RURAL AREAS.

As indicated in the section covering the water infrastructure, the area does not have sufficient water resources to accommodate a waterborne sanitation system for the entire nodal area 2. The pit latrines and VIPs in the rural area will need to be replaced with a more appropriate environmentally acceptable sanitation system once a more detailed study on what the most suitable technical solution for the existing ground conditions has been completed.

Based on RDP level of service for the existing community, an allocated sanitation demand of an average 30kl/month per household for Thabo-Mbeki and Thabo-Mbeki Ext 1 is used. The total theoretical current wastewater treatment capacity requirement calculated for population concentration point amounts to 1,424kl/d inclusive of a factor of 15% for infiltration. The estimated capacity of the oxidation ponds is 297kl/d. The oxidation ponds have therefore insufficient capacity to receive all the wastewater from Thabo-Mbeki town. It is estimated that the capacity requirements will increase to 1,715kl/d by 2030 thus an additional 287kl/d.

The development nodal area 2 is a relatively large area characterized by mostly informal settlements with a current population estimated at 76 300 people. Approximately 50.4% of the households are below the basic RDP level of service. The scenario is premised on the provision of more appropriate sanitation system in the rural areas and full level service to residential areas of Thabo-Mbeki and Thabo-Mbeki Ext 1 and the business area in Thabo-Mbeki.

AGE, CONDITION AND REMAINING USEFUL LIFE OF SANITATION ASSETS IN THE MUNICIPALITY.

Most of the waterborne sanitation infrastructure in the Municipality is over 20 years old (94%).
Approximately 15% of the sanitation network has been identified as being in a poor to very poor condition. These assets will have experienced significant deterioration and may be experiencing impairment in functionality and will require renewal or upgrading.

Table 31: Household access to sanitation

Flush toilet connected to public sewer system	Flush toilet connected to a septic tank or conservancy tank	Chemical toilet	Pit latrine toilet with ventilation pipe	Pit latrine/toilet without ventilation pipe	Ecological toilet (e.g., urine diversion; enviroloo; ect)	Bucket toilet	Bucket toilet (emptied by household	Other	None
18536	859	952	8326	10054	99	-	74	520	3582

Table 3210: Water Service Authority: Lephalale Municipality.

Assessment Areas	**Paarl**	**Witpoort**	**Zongesien**
Technology	NI	NI	NI
Design Capacity (Ml/d)	4	0.37	0.5
Operational % i.t.o. Design Capacity	NI	NI	NI
xxv) Microbiological Compliance	NI	NI	NI
xxvi) Chemical Compliance	NI	NI	NI
xxvii) Physical Compliance	NI	NI	NI
Annual Average Effluent Quality Compliance	**NI**	**NI**	**NI**
Wastewater Risk Rating (%CRR/CRRmax)	**88.2%** (↓)	**82.4%** (↑)	**76.5%** (↓)

Assessment Areas	Paarl	Witpoort	Zongesien
Highest Risk Area	No monitoring	No monitoring, technical	No monitoring
Risk Abatement Process	Draft W_2RAP	Draft W_2RAP	Draft W_2RAP
Capital & Refurbishment expenditure in 2010/2011	NI	NI	NI
Description of Projects' Expenditure	NI	NI	NI
Wastewater Risk Abatement planning	CRR-based W_2RAP is in place, although its potential is limited by the lack of information pertaining to the plant		
Additional Notes	Green Drop Improvement Plan (GDIP) in place – well compiled to present practical tasks, responsible persons, and timeframes with intention to improve the Green Drop 2013/14 score		

Source: DWA

Table 33: Employees: Sanitation Services

Employees: Sanitation Services					
	2020/21	2021/22			
Job Level	**Employees**	**Posts**	**Employees**	**Vacancies (fulltime equivalents)**	**Vacancies (as a % of total posts)**
	No.	**No.**	**No.**	**No.**	**%**
1 – 3	1	2	2	1	50%
4 – 6	1	4	3	1	14%
7 – 9	3	10	10	0	0%
10 – 12	0	0	0	0	0%
13 – 14	4	26	22	5	19%
Total	9	42	36	7	17%
Employees and Posts numbers are as of 30 June 2021.					

Table 34: Financial Performance sanitation

Financial Performance 2021/22: Sanitation					R'000
Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	43 827 892	61 654 844	61 654 844	43 827 892	17 826 952
Expenditure:					0
Employees	14 672 473	15 453 735	16 453 735	14 672 473	1 781 262
Repairs and Maintenance	907 458	6 138 255	6 138 255	907 458	5 230 797
Other	1 778 490	7 703 150	7 703 150	1 778 490	5 924 660
Total Operational Expenditure	17 358 421	29 295 140	30 295 140	17 358 421	12 936 719
Net Operational (Service) Expenditure	26 469 471	32 359 704	31 359 704	26 469 471	4 890 233

Table 35: Capital projects for Sanitation

Capital Expenditure 2021/22			
Project	**Annual Budget**	**Actual Expenditure**	**Variance from Annual Budget**
Thabo Mbeki sewer network sanitation	1275230	0	1217937
Replace existing AC pipes with u PVC pipes	10000 000	8489029	000

ELECTRICITY

Lephalale Municipality is an electricity provider and has an electrical reticulation network supplying electricity to Onverwacht and the eastern region of Lephalale. The Lephalale electricity network is supplied from Eskom at 11kV via the Lephalale Main Substation next to the Onverwacht area. The Eskom supply is generated at Matimba Power Station and fed via the Matimba Substation at 132kV. The Matimba Substation feeds the Eskom Waterberg Substation (Lephalale) where it is stepped down from 132kV to 33kV. Waterberg Substation has two 20 MVA 132kV/33kV transformers. From Waterberg Substation the power is fed via two Wolf conductor lines (approximately 8km each) to the main substation, at Lephalale. The substation has both an Eskom section with three 33kV/11kV 10MVA transformers and a 5 MVA substation from where the primary feeders are fed into the Lephalale network. The long-awaited allocation of 120 MVA to make a firm supply has been received from Eskom.

Due to the current maximum demand and load growth in the town and surrounding areas, the distribution network has been upgraded to allow for expansion. The load growth from 2008 to date is about 200%.
For the area surrounding Lephalale town for which Eskom holds the supply license the load growth could be as high as 20 MVA per year for the next few years at current demand. In line with the expected load growth different scenarios have been put in place to upgrade the network. The rural villages, farm areas and Marapong are Eskom distribution area. The Villa Nora and Tomburke substations have been upgraded to 60MVA capacity for the rural network.

Table 116: Electricity Infrastructure.

Asset Type	Units	Number
CTVT Metering Unit	Number	22
Ground Mounted Transformer	Number	22
Mini Substation	Number	252
Medium Voltage Substation	Number	43
Medium Substation Buildings	Area (m^2)	3735m^2
Asset Type	**Units**	**Number**
Pole Mounted Transformer	Number	49
Ring Main Unit	Number	92
High Voltage Substation	Number	3

Source: Municipality

NETWORK OVERVIEW.

ECONOMIC ACTIVITIES AND BACKGROUND.

The current economic activities are dominated by the general growth pattern in South Africa, the new power stations, coal supply, SIP 1 projects and Sasol. This has resulted in an influx of new business and residential customers. Major new developments to the extent of 120MVA into the future have been negotiated with Eskom. These developments will surround Lephalale town and some fall within the Eskom supply area.

It will be possible for Lephalale to apply to the NER to take over the supply licence from Eskom for the surrounding areas. Whether these developments will be included within the Lephalale electrical supply network or not, the Lephalale electricity supply and network have been extended to accommodate current growth. The current network configuration as is will be able to accommodate growth to 120MVA if the Eskom supply network is strengthened. It must also be mentioned that whether the electrical distribution is within the Lephalale or Eskom distribution areas, the other services e.g., roads, storm water, sanitation and streetlights is part of the services rendered by Lephalale Municipality.

Table 37: Household access to electricity

In-house conventional meter	In-house prepaid meter	Connected to another which household pays for	Connected to other source which household is not paying for	Generator	Solar home system	Battery	Other	No access to electricity
18536	16798	393	1174	199	22	-	1855	4418

Table 38: Free basic services

NUMBER OF HOUSEHOLDS PROVIDED WITH FREE BASIC SERVICES					
Water	Sewerage and Sanitation	Electricity	Refuse Removal	Total households	Total H/H served as %
14 102	660	3 429	14 102	43 002	12.5%

Table 39: Employee Electricity Services

Employees: Electricity Services					
Job Level	2020/21	2021/22			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
1 – 3	3	3	2	1	33%
4 – 6	16	16	15	1	6%
7 – 9	3	3	3	0	0%
10 – 12	1	1	1	0	0%
13 – 14	22	23	21	2	9%
Total	45	46	42	4	9%
Employees and Posts numbers are as of 30 June 2021.					

Table 120: Financial Performance Electricity

Financial Performance 2021/22: Electricity R'000					
Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	184 783 327	256 228 450	253 228 450	184 783 327	68 445 123
Expenditure:					0
Employees	19 483 828	19 621 949	20 621 949	19 483 828	1 138 121

Repairs and Maintenance	2 963 796	3 646 282	4 446 282	2 963 796	1 482 486
Other	100 137 667	139 770 270	139 770 270	100 137 667	39 632 603
Total Operational Expenditure	122 585 290	163 038 501	164 838 501	122 585 290	42 253 211
Net Operational (Service) Expenditure	62 198 037	93 189 949	88 389 949	62 198 037	26 191 912

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

Over 97% of the population of Lephalale has access to electricity at any given time; The Municipality directly is responsible for distribution at the urban area and townships, whereas the rural villages and the farming community get distribution from ESKOM.

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

Waste Management Division has a total of 11 x street cleaners, 15 x refuse removers,10 x truck operators, 2 x landfill spotters, 2 x Landfill operators,1 x Waste Management Officer, 2 x Supervisors,1 x Waste Officer,2 x Waste Coordinators and 1 x Manager. Lephalale Local Municipality collects general non-hazardous waste in line with the national norms and standards for refuse removal. The municipality provides daily refuse removal in both commercial and industrial areas due to the organic nature of waste generated in the mentioned areas. Weekly refuse removal services are provided in the residential areas including informal settlements and villages.

The collected waste is consigned to the registered waste disposal facility in Onverwacht for final disposal. The municipality is operating one registered landfill site (Groothoek Landfill site). The division has a total of 7 compactor trucks,3 four tons trucks,2 x Roll-on Roll-off trucks,1 x Skip loader truck and 2 x LDVs for refuse removal. To ensure compliance to minimum requirements for waste disposal, the following equipment and machineries are utilized 1 x bulldozer, 2 x front-end loaders and 1 x tipper truck. Labour intensive method of litter picking is currently implemented in all villages through EPWP.24 EPWP Participants are recruited and selected to remove waste, clean streets, and clear illegal dumping sites in all villages. All formalized townships have access to weekly refuse removal services. Formal refuse removal services are introduced in 17 villages whereby roll-on roll-off bins are utilised from strategic positions along the selected villages.

The division is implementing waste recycling and minimization strategy by establishing community waste recovery projects, source separation of recyclables, waste avoidance programs such as sustainable packaging, design for environment, consumer-based waste reduction program and designing out construction and demolition waste program as a way of avoiding and reducing generation of waste. The division is currently implementing sector-based waste recycling programs for the residential, commercial, and industrial areas through the redesigning and reformulation of waste management system. A total of 22 community-based waste recycling programs are established as a way of meeting the targets of the National Waste management strategy. The municipality has no waste material recovery facilities and buy-centre facilities supporting circular economy in waste management. There is a great reliance on private companies and community-based waste recovery cooperatives for recovery of the recyclables. The waste processing and converting companies such as Nampak, Consol, and M pact, Transpaco, Collect-a-can and Consol have contracted various waste brokers for the recovery of K4 box, cans, plastic bottles, clear and mixed plastics, white paper, and glass bottles. There are informal waste pickers in the landfill site recovering recyclables for further processing.

Various waste education and awareness programs are currently implemented throughout the municipality for attitude change and adoption of pro-environmental behaviour. Different approaches are used to create awareness on waste management and the approaches are aligned to the behaviour change theories such as the social cognitive theory, Theory of Planned Behaviour, Ecological theory, and the health believe model. Both cooperatives and threatening messages are used to increase severity and susceptibility for behaviour reinforcement and maintenance. The awareness campaigns on waste management are specifically focussing on promoting reduction, reuse, and recycling of waste. Norm salience and priming in waste management is taking the direction of recycling of general waste.

The division has a serious challenge of littering and illegal dumping of waste in Marapong, villages and informal settlements. The available resources are also not adequate to deal with population growth. The available street cleaners are not enough to deal with the generated street litter. There are no waste drop-off facilities for temporary storage of green and general waste and as well as promoting reverse logistics in sustainable consumption and production. There are no waste disposal or storage facilities in the rural areas and as well as inadequate waste storage receptacles in both rural and urban areas. We are also having a challenge of collecting solid waste in heavy industries and hazardous waste due to lack of resources. This has a negative impact in revenue generation. The municipality has a challenge of providing refuse removal service to the rural community. The challenges range from unavailability of land to inadequate funds to provide the service. Indiscriminate dumping of garden waste in areas such as Marapong and Onverwacht is still a challenge, in that garden waste drop-off facilities are needed.

Table 41: Employees: Solid Waste Management Services

Employees: Solid Waste Management Services					
	2020/21	2021/22			
Job Level	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
1 - 3	1	1	1	1	100%
4 - 6	2	3	3	3	33%
7 - 9		3	3	3	
10 - 12	10	12	12	12	9%
13 - 14	34	38	29	38	15%
Total	47	57	48	57	16%
Employees and Posts numbers are as of 30 June 2021.					

The Municipality appointed a service provider to review integrated Waste Management Plan as required by NEMA: Waste Act and determined by its powers and function. The Municipality is allocated the function of solid waste management. The function involves determination of waste disposal strategy, regulation, establishment, operation and control of waste disposal sites or facilities, refuse removal, waste minimization through recycling, re-use and waste education and awareness. In implementing its function, the Municipality has a role to ensure that waste management systems are in place and the systems should be in line with the hierarchy of waste management according to the national waste management strategy. The implementation of the function is dependent on the function that is allocated to the Municipality i.e., refuse removal. Currently most of the waste is collected from household followed by commercial industries.

REFUSE REMOVAL.

The Municipality has no drop-off, garden sites, transfer station, material recovery facilities and buy-back centres for recycling. The Municipality is relying on private companies and community programmes for recovery of the recyclables. The companies such as Nampak, CONSOL, Mondi, Transpaco, Collect-a-can and Consol have contracted a service provider for the recovery of K4 box, cans, plastic bottles, clear and mixed plastics, white paper, and glass bottles. There are also informal recyclers in the landfill, collecting K4 box, plastics, papers, and steel. The municipality has a challenge of providing refuse removal service to the rural community. A pilot project has been initiated by the municipality to provide for refuse removal services in certain areas within the rural villages. The challenges range from unavailability of land and inadequate funds to provide the service. The municipality has a serious challenge of illegal dumping of garden waste in areas such as Marapong and Onverwacht, in that garden sites are needed in the mentioned areas.

WASTE TRANSPORT AND TRANSFER.

The Municipality has three 12 cubic meter, four 20.6 or HC250 compactor trucks,1 x Skip loader truck,2 x Roll-on Roll-off trucks and three 4-ton trucks for refuse removal and street cleaning, servicing seven collection routes on Monday and Tuesday and eight collection routes on Wednesday, Thursday, and Friday in the urban area. Most of the 12 cubic meter compactor trucks were bought in 1991 and 1992 and are no longer reliable. The Municipality has no transfer station and

Roll-on-Roll-off system is used for temporary storage of waste in areas that are situated at 30 to 35 kilometres from the landfill site. The areas such as Steenbokpan, Ga-Seleka, Shongoane, and Mokuruanyane are in a pilot programme for refuse collection in rural areas. Skip bins are being placed at specific central collection point and collected on a weekly basis.

WASTE STORAGE.

The Municipality has in-adequate refuse receptacles for refuse storage. The municipality is using 1, 75 and 6 cubic meter skip bins for waste storage. In the central business district about seven to ten shops are sharing one or two 1, 75 or 6 cubic meter bins and the capacity is not enough. There are in-adequate refuse receptacles on the streets of Lephalale town.

WASTE EDUCATION.

The Municipality has a formal waste education programme called waste wise education competition and school recycling competition. The Municipality initiated environmental clubs in both rural and urban areas that are educating the community about good waste management practices in line with the National Waste Management Strategy, Municipal Waste Management by-law, NEMA: Waste Act and other waste legislations. The municipality is also supporting the provincial eco-school and Limpopo schools state of environment report competition.

WASTE DISPOSAL.

The Municipality has one permitted waste disposal facility. The life expectancy of the landfill is 15 years without waste minimization programmes but with such programmes the life expectancy can go as far as more than 20 years. The Municipality advertised a tender to license landfill site. The municipality has no garden sites for temporary storage of garden waste, material recovery facility such as convenient transfer station for recycling and composting.

WASTE INFORMATION.

The Municipality has no data base of waste management companies operating within its area of jurisdiction and statistics for the recovered waste for recycling and disposed waste.

Table 42: Household access to refuse removal

Removed by local authority/ private company /community members once a week	Removed by local authority /private company/ community members less often than a week	Communal refuse dump	Communal container/ central collection point	Own refuse dump	Dump or leave rubbish anywhere (no rubbish disposal)	Other	Total H/H
18 779	349	1575	7135	9 806	4335	1023	43 002

Only 62.4% of the households in Lephalale Municipality have access to acceptable refuse removal service level. The Municipality is still faced with the challenge of illegal waste dumping in Marapong more especially next to illegal settlement areas and parts of Onverwacht as well rural areas.

Generally, waste collected is domestic or household mostly in urban areas especially Marapong, Onverwacht and Town. The provision of the service in rural areas is limited to 17 villages along D3110 road. Communities depend mainly on backyard dumping sites.

Table 43: Employees: Solid Waste Management Services

Employees: Solid Waste Management Services					
Job Level	2020/21	2021/22			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
1 - 3	1	1	1	0	100%
4 - 6	2	3	3	1	33%
7 - 9		3	3		
10 - 12	10	12	12	1	9%
13 - 14	34	38	29	6	15%
Total	47	57	48	8	15%
Employees and Posts numbers are as of 30 June 2020.					

Table 44: Employees: Solid Waste Management Services (land fill)

Employees: Solid Waste Management Services (Land fill)					
Job Level	2019/20	2020/21			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
1 - 3					
4 - 6					
7 - 9	2	2	2	0	0%
10 - 12	2	2	2	0	0%
13 - 15	3	3	3	0	0%
Total	7	7	7	0	0%
Employees and Posts numbers are as of 30 June 2020.					

Table 45: Financial Performance Waste Services

Financial Performance 2021/22: Waste Services R'000					
Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	63 114 766	51 363 146	51 363 146	63 114 766	-11 751 620
Expenditure:					0
Employees	14 487 142	14 407 086	15 407 086	14 487 142	919 944
Repairs and Maintenance	1 073 662	1 871 718	2 871 718	1 073 662	1 798 056
Other	3 544 921	3 005 464	3 275 464	3 544 921	-269 457
Total Operational Expenditure	19 105 725	19 284 268	21 554 268	19 105 725	2 448 543
Net Operational (Service) Expenditure	44 009 041	32 078 878	29 808 878	44 009 041	-14 200 163

HUMAN SETTLEMENTS/ HOUSING

The provision of socio- economic perspective of the local Municipality as whole, as well as the three-priority nodal area is essential to attain sustainable human settlement initiative. The elements of demography, economic production, employment, and economic development potential is of cardinal importance and as such need to be dealt with properly.

Most houses in the municipal area are good quality brick structures. They are uniformly distributed across municipal settlement areas. One should have expected more traditional dwellings but are only a few of them in the settlements. There is no specific pattern regarding backyard dwelling detectable. These apply to both urban core and the rural outlying areas. Land tenure and ownership is currently very difficult to assess.
In rural areas the land is tribal, and household have free ownership. This is as a result of the fact that land ownership in tribal areas is a sensitive issue and very complicated. However, a significant number of households in rural areas own the houses they live in. Rented housing occurs only in Onverwacht, Marapong and Lephalale town. Hostel accommodation type exists for Exxaro and contractors for Medupi project.
The Municipality needs to provide a spatial perspective that deal with the actual land use development trends and tendencies within the three focus areas as reflected on the projected focus area map page 49 to inform the development of planning scenarios and provision of bulk infrastructure. There are informal settlements in Steenbokpan, Marapong and Ellisras town. The Municipality adopted the housing chapter in 2009 and has reviewed the chapter under Lephalale integrated scoping report in 2011. The housing chapter is reviewed in 2017/18 financial year.

Table 46: Employees: Housing Services

Employees: Housing Services					
	2020/21	2021/22			
Job Level	Employee No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
1– 3	1	1	1	0	0%
4 – 6	3	3	3	0	0%
7 – 9	1	1	2	0	0%
10 – 12	1	0	0	0	0%
13 – 14		-			0%
Total	6	6	6	0	0%
Employees and Posts numbers are as of 30 June 2022.					

LEPHALALE DEVELOPMENT NODES.

The Lephalale proclaimed township area which includes Onverwacht and Ellisras town has 4831 erven covering an area of 9761540 m² that is fully serviced. Marapong has 2147 fully serviced erven including Extension 1 to 4 residential areas which covers 165638 m². Only 3, 8% of the total land proclaimed has not been developed. The township extension has increased from 49 to 103 with the number of erven increasing from 6978 to 19591, this represents an increase of 12613 erven on a land scale of 1858 hectares.
Most of these township extensions have services been installed and or are waiting for bulk infrastructure availability to proceed with top-up structural building. 37.5% have already been proclaimed and 61.0% have been approved. 62.5% require municipal services. A total of 28935 residential units for Marapong, Onverwacht and Ellisras town has been approved and proclaimed. The area covered by this development is 15936338m².

The estimated residential units can accommodate potential population of 38815. Looking at the projected population growth these figures present an oversupply of units in Lephalale, especially on the upper market housing segment. There is an element of lower supply of housing units on rental and low-income level. The estate agents have confirmed that the existing available residential erven far exceeds current demand. Exxaro is in a process to establish approximately 3000 residential erven. Eskom is having a two-fold approach which includes the purchase of erven from private sector and establishment of housing for Marapong Extension 5 on their own land which is still in a process. The Provincial Government has allocated 1.2 billion on a three-year basis for the establishment of 5000 erven in Altoostyd farm. The project will result in the provision of housing for middle income and other designated groups within the spatial development area 1 which forms natural extension of the existing development. The scattered nature of the township development area has prompted the municipality to follow an infill approach for integrated human settlement.

Table 47 Total Housing backlog**.**

Rural Units	Project Linked	BNG/IRPD	Individual	Social	Backyard rental	Informal Settlements	CRU	GAP	Total
3452	-	8369	-	936	2098	8 631	524	1584	24 008

Table 48: Types of dwellings

YEAR	2001	2011	2016
House on separate stand	14459	22816	28647
Traditional dwelling	2296	408	422
Flat in block of flats	203	849	1309
Town/cluster/semi-detached house	126	271	428
House/flat/room in back yard	510	340	558
Informal dwelling/shack in back yard	893	2098	3032
Informal dwelling/ shack elsewhere	1428	2456	6768
Room/ flat let on shared property	275	321	408
Caravan/ tent	87	74	64
None/homeless	4	-	-
Other	24	246	418
Total no of dwelling	**20305**	**29879**	**42054**

Source: Statssa

Table 49: Residential erven.

Zoning	Ellisras/Onverwacht		Marapong		Lephalale town	Total
Proclaimed &approved	Erven	Area(m²)	Erven	Area(m²)	Erven	Area(m²)
Residential 1	14560	11510394	3984	1282002	18549	12792396
Residential 2	169	1244143	6	15410	175	1259553
Residential 3	82	1259510	0	0	82	1259510
Residential 4	24	392599	2	155032	26	547631
Eskom Ext 71	142	77248	-	-	142	77248
Total	14977	14483894	3997	1452444	18974	15936338

Source: Lephalale Municipality

Table 50: Land approved and proclaimed for residential units.

Residential Units	Lephalale	Marapong	Total
Residential Units Proclaimed	8490	2275	10765
Residential Units Approved	15805	2365	18170
Residential Units Submitted	700	-	700
Residential Units Planned to Submit	74	-	74
Total	25069	4640	29709

Source: Lephalale Municipality

DEVELOPMENT OUTSIDE THE URBAN CORE AREA.

Based on the situational analysis done, development outside the urban core is approached on a minimum intervention basis. Given the low growth potential and general activities in rural areas, the main approach is to sustain current levels of development and to meet general health and welfare requirements as contained in various policies and strategies of government. The approach to allocated land for preferred uses is to strengthen the uses that will maximize the potential of the area.

The distribution density of households is usually a good indication of development activities and more importantly development potential. In developing a SDF one would use this as an indication of where to direct development and establish pressure points in development.
The only real limiting factor is proclaimed nature reserves that are protected and governed under Protected Areas Act. The general implication is that none of these areas are for any exclusive use, but that council will give preference and support the preferred uses in an area.

Some settlements are located within the 1: 100-year flood line and will be subject to flooding and the most affected will be Thabo Mbeki including the hospital and school and some households along the river at Ga-Seleka. There are 38 scattered rural settlements which are situated on traditional land with an average population of 1600 people. Other villages also affected to a lesser degree are Ditloung, Martinique, Mokuruanyane, Ga-Monyeki and Setateng.
During the floods in 2008 water reached the 1:100-year flood line level and 300 houses were destroyed in Thabo Mbeki Ext. The hospital was evacuated. District road D3110 is the only paved main route which traverses through the villages from R572 at Ga-seleka to R518 at Shongoane village.
The provision of infrastructure services is hampered by the sparsely scattered settlements. The Municipality is currently providing basic level of service to the communities. The total average basic service backlog is about 18%.

The current Hospital is servicing a population of 66 300. Three clinics which are operating on a 24-hour service are in the three population concentration points of Ga-seleka, Mokuruanyane and Setateng villages. There are 75 schools which cater for primary and secondary school learners.

FREE BASIC SERVICES AND INDIGENT SUPPORT

The primary intention of the policy is to ensure that no one is completely denied access to basic services for reasons of inability to pay for such a service. Underlying this policy is the recognition that the supply of ‘basic’ services assists in alleviating poverty and improves level of the communities within the area. Free basic services will be implemented progressively in accordance with the ability of council to render any of the specific services in various areas within its jurisdiction, in accordance with the levels of services which are appropriate and affordable.

Section 74.2(c) of Municipal Systems Act, 32 of 2000 states that poor households must have access to at least basic services through:

- Tariffs that cover only operating and maintenance costs.
- Special tariffs or lifeline tariffs for low levels of use or consumption of services or for basic levels of services; and
- Any other direct or indirect method of subsidization of tariffs for poor household.

Section 97 (c) of the Municipal Systems Act, 2000 states that a Municipality must make provision for indigent debtors that is consistent with its rates and tariff policies and any national policy on indigents.

The Municipality adopted its indigent policy in 2001 and it is reviewed as and when it is necessary for council to do so.

Table 51: Households provided with free basic services.

NUMBER OF HOUSEHOLDS PROVIDED WITH FREE BASIC SERVICES.					
Water	Sewerage & Sanitation	Electricity	Refuse removal	Total households served	Total households served as %
1590	1590	Configuration 1 777 (3,652)	660	34249	4,8%

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The municipality has updated their Indigent Register at the end of the financial year under review. All of registered indigents received free basic water and electricity during the year under review.

COMPONENT B: ROAD TRANSPORT

ROADS

The roads in Lephalale are adequately connected to National, Provincial and District roads. The issue being experienced in terms of the roads in the municipal area is two-fold in nature. The first are the primary roads and related issues. These include the poor state of the roads due to limited maintenance of the roads. The poor state of these primary routes is having a detrimental effect on the distribution of goods, services, and people in and through the Municipality. Possible causes of this are lack of funds, human resources, equipment, and capacity to maintain the existing infrastructure. The second element of this issue is the poor state of the internal circulation routes in the area (especially in the rural area).

The causes of the poor state of these roads can be attributed to lack of appropriate road maintenance policies and funds, the category/type of the roads i.e., gravel roads carrying high volumes of traffic. The R33 road serve as a link between Lephalale and Modimolle Municipality more especially for the delivery of machinery and equipment for construction of Medupi power station, expansion of Grootegeluk coal mine and future developments. This road needs special attention from Department of Roads and Transport and Road Agency Limpopo (RAL). Between Vaalwater and Lephalale the road gradient is too steep for abnormal heavy-duty loads, therefore R510 and R517 are recommended for heavy goods vehicles (freight).

The southern by-pass provincial road P198-1 linking R510 to Medupi has been identified as one of the main critical roads. The Lephalale municipality will be responsible for bulk road infrastructure and individual developers of townships will have to provide all internal roads. There is concern on the rapidly degrading of many roads due to the increasing economic activities.

Of the total length of municipal roads, some are paved, and these are mainly in Marapong, Onverwacht and Ellisras, respectively. The unpaved roads vary from dirt tracks to graded gravel surfaces which are mainly located in the rural areas of the Municipality. The current policy for improving municipal roads, as stated in the 2010/2011 IDP is to ultimately pave all municipal roads. Given limited resources and finances, interim 3-to-5-year programmes are prepared and updated annually to maintain existing assets to address serious problems, to improve access roads between villages and the higher order roads in conjunction with programmes of WDM, DOR&T, RAL and SANRAL. In the medium term, improved access to Lephalale will become a top priority, in terms of road, rail and air.

It is unlikely that the coal and petrochemical cluster will reach its full potential without the upgrading of the R33 which needs rehabilitation from Vaalwater to Lephalale, the construction of a southern bypass from the R33 to the coal mine and power stations and the upgrading of the road in a westerly direction from Lephalale town to Steenbokpan and beyond to the Botswana border.

FUNCTIONAL ROAD HIERARCHY.

Road classification refers to the process where different types of roads are classified in a framework and placed in relation to each other. A functional road classification refers to the process of classifying roads according to the characteristics of traffic service and function that they are intended to provide. The local municipality could have the following benefits from a functionally classified road network:

- A suitable balance between mobility roads and activity/ access streets, it is possible to provide a high level of connectivity, while maintaining a high level of road safety and accessibility.
- Orderly grouping of roads in a framework around which national, provincial, and local government can plan and implement various construction maintenance and environmental schemes and projects.
- A sound basis for traffic management, transport, and land use management planning.
- Assistance to consider the effect of local government decisions on surrounding areas and streets.
- Helps clarify policies concerning roads within a local government district and precinct.
- Ensures the necessary facilities for commercial vehicles to traverse the area and allows for orderly planning of heavy goods vehicle (freight) routes.
- Assist planners in the zoning of land for various uses and the restriction of activities which are compatible with mobility (traffic flow), or accessibility functions designated routes.

ROAD NETWORK AT REGIONAL LEVEL.

The road network is the principal means of travel in Lephalale and the greater Waterberg district Municipality. On a district scale, several provincial roads provide inter-provincial and inter-municipal connectivity for the wider district, they also serve as linkage roads that provide local connectivity and form key components of the supply chain of the local economy. Intensive road network and infrastructure planning did not precede, nor has it kept pace with the significant industrial and population growth within the municipal area. To date few of the unchecked development effects visible in road transport include:

- Increased traffic through Lephalale without extended road infrastructure.
- Significantly high freight truck traffic,
- High levels of road congestion during peak traffic periods.

The description of this roads is summarized below, and it is important to note that this is a regional classification of the main roads and some of these road classifications will change where the roads run through an urban area such as small towns and villages along the route.

Table 52: Roads and storm water status quo.

Municipality	Total road network length	Road kilometres tarred	Road infrastructure backlog
Lephalale Local Municipality	1 054. 84km	233. 02km	821. 82km

Table 53: Provincial and District Roads classification.

Roads	Description	Functional Road Hierarchy Classification
N11	From Ladysmith (Kwa Zulu Natal) via Middleburg in Mpumalanga linking N1 at Mokopane via Lephalale to Botswana Border.	R1
P19/2 (R518)	East-West corridor, from Lebowakgomo, in the South-East link, linking with N1 in Mokopane and ending at Lephalale CBD.	R2
R510	North-South corridor stretching from N4 highway in Rustenburg, via Thabazimbi and the Lephalale CBD to the Botswana Border.	R2
P198/1 (R33)	North-South corridor passing via N1, linking Vaalwater to Lephalale CBD	R2
R516	East-West from Bela-Bela connecting N1 and R33 traffic to R511 and R510	R2

R517	East- West from Vaalwater provides a link between R33 towards R510	R2
R572	North-East from Tomburke to Stockpoort, it provides the link between N11 to R33	R2
D1675	West from Lephalale town provides a link from R33 to Steenbokpan	R3
D175	North-West it extends from the R572 to provide a link to Buffels-Drift.	R3
D3110	Serves as a district collector and links the R518 and R572	R3

In general, the lower order roads in Lephalale are unpaved and would mostly be classified as R4 and the remaining local access roads as R5. The Lephalale town development nodal area 1 consists mainly of the CBD and residential areas in the direct vicinity. This is the most densely populated area in Lephalale and therefore the road planning and functional classification should be done in a more detailed level.

Table54: Employees: Road Services and Storm Water

Employees: Road Services and Storm Water					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	3	3	0	0%
4 - 6	1	2	2	0	50%
7 - 9	3	3	3	0	0%
10 - 12	8	9	9	1	11%
13 - 14	26	25	25	5	20%
Total	42	48	42	6	14%
Employees and Posts numbers are as of 30 June 2022.					

Table 55: Financial Performance Public Works

Financial Performance 2021/22: Public Works R'000					
Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	504 054	671 891	671 893	504 054	167 839
Expenditure:					0
Employees	10 773 401	12 250 898	12 370 898	10 773 401	1 597 497
Repairs and Maintenance	1 612 380	4 977 106	9 267 106	1 612 380	7 654 726
Other	20 286 975	37 609 993	38 609 993	20 286 975	18 323 018
Total Operational Expenditure	32 672 756	54 837 997	60 247 997	32 672 756	27 575 241
Net Operational (Service) Expenditure	-32 168 702	-54 166 106	-59 576 104	-32 168 702	-27 407 402

Table 56: Employees: Road Services and Storm Water

Employees: Road Services and Storm Water					
	2020-21	2021-22			
Job Level	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	3	3	3	0	0%
4 - 6	1	2	2	0	50%
7 - 9	3	3	3	0	0%
10 - 12	8	9	9	1	11%
13 - 14	26	25	25	5	20%
Total	42	47	42	6	14%
Employees and Posts numbers are as of 30 June 2022.					

Table 57: Capital Projects Public Works

Capital Expenditure 2021/22				
Project	% Actual Progress	YTD Expenditure	Annual Budget	Variance from Annual Budget
Upgrading of Melvel Access road	100%	7 672 872	12 874 854	000
Upgrading of Steve Biko Access Road	100%	6 876 676	9 559 761	000

TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

The Municipality has a constitutional obligation to ensure that accessible, safe, efficient, adequate, and affordable public transport is provided to the community. In rendering this function, the Municipality is guided by the prescripts of the Integrated Transport Plan (ITP). The Municipality's ITP which was adopted by Council in 2012 expired in 2017. In November 2018, the National Department of Transport appointed a company called SMEC Engineering to develop a new Comprehensive Integrated Transport Plan for Lephalale. It was envisaged that the ITP will be finalized before the end of 2019. The development of the CITP was finalized in February 2020. The CITP will be valid until 2025.

The geographical location of the villages and work opportunities in Lephalale is one of the determining factors in understanding transport demand problems. There are 39 rural villages in Lephalale, many of them located 40 km or more from the CBD of Lephalale. The CBD and town are located close to the coal mines and power stations, whereas the villages developed historically along Lephalale River. Approximately 65% or more of the Lephalale population live on farms or rural villages. This results in low residential densities, which makes the cost of effective transport provision high. The coal reserves, estimated up to 300 years of reserves, are the main driver of economic activity in the area.

If the planned and envisaged additional power stations and potential coal mining materialized, it will be a large stimulus for development in the area. Depending on what developments materialize in the area, between 16 000 and 37 000 additional housing units will be required for the next 20 years or so. In the development of future coal mines and power stations, care should be taken that residential settlements are located as close as possible to these work opportunities, to reduce travel time and cost of transport.

There are four (4) formal taxi ranks in Lephalale, five (5) informal taxi ranks and one bus rank. Bus shelters provided by the Municipality at some of the villages are only able to accommodate five people. Public Transport facilities are inadequate and, in some cases, far from the people they are supposed to serve.

LICENSING

The municipality performs licensing function on agency basis for the Department of Transport. A total amount of R25644152-36 was collected during 2021-22 financial year by our Registering Authority and was apportioned as follows:

Table 58: Collections from Licensing

ENTITY	AMOUNT
Department of transport	R20 721 428-00
Municipality	R8 357 034-00
Road traffic Management corporation	R1 767 096-00
Prodiba	R710 210-00
TOTAL	**R31 555 768-00**

The decline in revenue collection by Licencing division was due to the fact that the impact of the global pandemic from previous years has a snowball effect on cost of living with price hikes on food and fuels for transport.
The municipality has got one Grade A Driving Licenses Testing Centre, one Vehicle Testing Station and satellite office at Mokuruanyane Thusong Centre that caters for registration and licensing of motor vehicles.
To maintain social distance as required in terms of COVID 19 regulations, a decision was taken to separate the Registering Authority and Driving Licence Testing Centre. Driving licence related transactions are performed at the civic centre while registration and licensing of motor vehicles is done at the Provincial Traffic department.

INTEGRATED TRANSPORT PLANNING

The municipality has a constitutional obligation to ensure that accessible, safe, efficient, adequate, and affordable public transport is provided to the community. In Lephalale, although most people rely on walking, quite a significant percentage of people make use of public transport to access different destination such as work, school, and health services, social and recreational facilities at different times.
The following table shows a breakdown of different modes of transport utilized by people in Lephalale.

Table 59: Transport Modes

MODE	NO. OF PEOPLE	PERCENTAGE
Foot/bicycle	51084	45%
Private vehicle	12525	11%
Bus	7800	7%
Taxis	10380	10%
Not applicable	30806	27%

Public Transport State

Public transport in Lephalale comprises mainly privately owned and operated taxis and buses. There is only one subsidized bus company which transport commuters to different destinations within Lephalale on daily basis. Other private operators are contracted to big companies such as Exxaro and Eskom for transportation of their workers. There are four taxi associations with a fleet of more than four hundred taxis mostly with a carrying capacity of 16 passengers operating on different routes in Lephalale.

Table 60: Taxi Transport Status quo

TAXI ASSOCIATION	FLEET	SERVICE
Kudu Taxi Association	70	Local, Long & cross- border
Ellisras Local Taxi Association	150	Local

Steiloop Taxi Association	76	Local
Lephalale Taxi Association	140	Long distance & cross-border

Currently there is only one metered taxis transport service available in Lephalale. The Municipality has recommended eight new applications for metered taxi permits which are currently under consideration by the Department of Transport The use of animals drawn vehicles and air-transport constitutes a less significant percentage.
The Department of Education has contracted private bus operators for provision of scholar transport to 16 schools falling under Ellisras', Palala South and Palala North circuit.

Public Transport Facilities
There are four formal, and three informal taxi ranks in Lephalale, two bus terminals and several lay byes built along D3110 road. One landing strip is available for chartered light passenger planes.

Cost of Public Transport
The Government's goal is that no commuter should spend more than 10% of his/her disposable income on transport. The cost of public transport in some cases amount to 40% of the commuter's disposable income.
Challenges

- Problems faced by the municipality regarding provision of public transport are multi-faceted.
- Problems include among others the following:
- Poor road surface and infrastructure.
- Inadequate facilities such as taxi ranks, bus terminals, laybys etc. Our facilities are also not user-friendly to people with disability.
- Poor customer service on the part of taxi and bus operators.
- Disintegrated and unscheduled public transport system impact negatively on the kind of services offered.
- Too many pick-up points along the route increase the travel time.
- Limited subsidy from Government result in people having to spend a significant percentage of their income on transport. The situation is further compounded by the fact that public transport is in the hands of private owners and that makes it difficult to regulate, especially when it comes to tariffs charged.

Integrated Transport Plan for Lephalale
In terms of section 36(1) of the National Land Transport Act no 5 of 2009, the Municipality as a Planning Authority must prepare and submit to the MEC of Transport, an Integrated Transport Plan (ITP) which must formulate the municipality's official vision, policy, and objectives on transport.

The Lephalale ITP which was developed in 2012 by the appointed service provider (ITS Engineers) has expired. The national Department of Transport has appointed a company called SMEC Engineers to develop a new Comprehensive Integrated transport Plan for the Municipality which was completed in February 2020. The Integrated Transport Plan which was conceived through consultation with relevant stakeholders encompasses among others the Objectives, Transport Status quo Analysis, Transport Improvements proposals, Rationalization Plan, Transport Needs Assessment, Current Public Transport Record, Operating License Strategy and Transport Register which will guide the municipality in regulation of public transport.

FREIGHT/CARGO TRANSPOTATION

Rail Transport
The existing rail lines is an important "branch line" but with a mainline standard. It serves the coal, iron ore and chrome mines in the Northwest and Limpopo Province. Beginning at Pretoria North, the line was extended 112km to Lephalale to exploit coal resources in 1980. On average three trains operate daily in Lephalale. These are long air-braked trains, usually 80 wagons in length utilized mainly by Exxaro and Eskom for transportation of freight.

In Lephalale movement of freight or cargo is on land and mainly through major routes i.e., R33 and N11. This is due to the basic ability of the road transport industry to move a variety of cargoes quickly, efficiently, and economically. This arrangement has got an adverse and damaging effect on our road surface and infrastructure and must be discouraged in favour of rail transportation.

Law-enforcement on freight transport
Many heavy vehicles are potentially overloaded and not roadworthy. Law-enforcement is lacking in this regard. There is one boarder post to Botswana to combat overloading by heavy vehicles. The municipality also has got a small weighbridge which is currently dysfunctional. Upgrading the municipal weighbridge and conducting overload programs will assist in enhancing the lifespan of the municipality's road infrastructure.

Transportation of abnormal loads and hazardous materials
The current economic development in Lephalale places an increase responsibility on the municipality in as far as regulation of transportation of abnormal loads and hazardous materials are concerned. There is no specific abnormal load route plan available for the municipality. Equally there are no by-laws that regulate movement of dangerous or hazardous materials.

Consultation with relevant stakeholders
No formal consultation takes place between the municipality and stakeholders in the road freight industry. Establishment of a freight transport consultative body (FTCB) is necessary to promote more efficient and cost-effective freight transport in Lephalale.

Table 61: Capital Expenditure Transport

Capital Expenditure 2021/22				
Project	**% Actual Progress**	**YTD Expenditure**	**Annual Budget**	**Variance from Annual Budget**
Purchasing of speed camera	100%	239 500	240 000	500

WASTE WATER (STORMWATER DRAINAGE)

Just as the municipal road network is mainly rural in character, so are the related storm water drainage facilities. Except for most of the paved residential streets in Onverwacht and Ellisras which have kerbs, side channels, inlets and sub-surface drainpipe or open collector channels network. Most municipal roads in and between the rural villages carry storm water drainage at surface level in open lateral channels, in and across the roadways and occasionally in culverts under the road. The residential streets in Marapong and Thabo-Mbeki & Thabo-Mbeki Ext 1 do not have storm water drainage infrastructure system.

Urban development in a catchment changes the runoff characteristics therein, increasing the impervious areas and resulting in an increased quantity of storm water runoff as well as more rapid and frequent concentration thereof. The developer of a township is required to accept the potential storm water flow from the area of catchment upstream of the township and to manage this as well as the runoff generated within the development, through a well-planned and designed drainage system. Conventional drainage system should cater for frequent or minor storms. The guidelines for human settlement and design recommend the following design frequencies for minor system.

Table 613: Flood Design Frequency**.**

Land use	Design flood recurrence interval
Residential	1-5 years
Institutional (e.g., school)	2-5 years
General commercial and industrial	5 years
High value central business district	5-10 years

In many instances in Lephalale minor storm drainage systems will serve more than one land use, and it is proposed that the Municipality should generally require that these systems be designed to accommodate the five-year recurrence interval storm. A watershed is located along the western boundary of the development area of Onverwacht. Sections of the major storm infrastructure have been installed where it traverses the existing Ellisras extensions in close proximity to Mokolo river. This is necessitated by existing developments and restricted space.

Two rivers drain Lephalale municipality, the Mokolo River which parallels on the east side of the R510 through Ellisras town and the Palala River which parallels on the west side of the D3110. Both rivers drain northwards to the Limpopo River. Storm water is the most source of damage to roads. The damage can extend from destruction of a bridge or culvert crossing to damage shoulders, road edges and destabilization of sub-grade and base course layers. Where roads are unpaved washing away of the wearing course results in rapid road degeneration and use of the road by motorized transport rapidly becomes impossible. Uncontrolled storm water and free drainage systems are therefore to be avoided. Lephalale municipality has road graders and related equipment for road maintenance. The Limpopo DOR&T also has a maintenance depot in Lephalale town from which maintenance of Provincial, District and some Municipal roads is conducted.

Budget is continuously provided, where possible for development of a road maintenance programme for Municipal Roads that are unpaved. Due attention needs to be given in this programme to the related storm water drainage facilities to maintain the accessibility not only of vehicular travel but also of non-motorized travel. There is storm water channel backlog of 15518m in length and a bottom width of between 0,9m and 1,6m specifically around Onverwacht and Ellisras. Storm water backlog in the rural area is unknown but the area on the Southern part of Thabo Mbeki and Seleka Wyk 2 (Mmatshwana) is frequently flooded during heavy rainy seasons by Palala river when it overflows. Storm water backlog in Marapong is still under investigation. The appointed service provider estimates the costs to be around R2.6 billion.

COMPONENT C: PLANNING AND DEVELOPMENT

This section provides information on demographic profile and the status of service delivery covering the following areas: spatial development, environmental issues, infrastructure development, local economic development, financial management, institutional management, and public participation.
Promotion of Local Economic Development is a constitutional mandate which reads as follows: “A Municipality must structure and manage its administration, and budgeting and planning process to give priority to the basic needs of the community and to promote the social and economic development of the community”. LED is a participatory process which requires inputs from various stakeholders. LED encourages the private, public, and civil society sectors to work together to create an enabling environment for economic development. As the elected entity, the municipality has the role to facilitate the economic growth and development within its boundaries and therefore acts as a driver for Local Economic Development.

THE SDF WITHIN THE CONTEXT OF MUNICIPAL PLANNING.

All human activities have a spatial dimension. Human action impact on space and space helps to shape and direct human action. This dynamic relationship is addressed in a spatial development framework. It is critical that the SDF recognize both the integrated and dynamic nature of development. The need to integrate spatial planning and delivery with other core activities in the Municipality is critical in implementing a sustainable spatial development framework.
The focus area includes among others a dual approach on the total area and emphasis is on determining and assessing Municipal wide trends and tendencies with the aim of:

i. Improved spatial functionality across the whole municipal area.
ii. Integration with the district and provincial SDFs.
iii. Identifying and developing a settlement typology for more detailed spatial planning.

The second focus area is more detailed and localized planning of the agreed settlement typology. This might imply a broad distinction between spatial frameworks for urban and rural components of the Municipality, but the focus remains integration and improved functionality in the local and broader spatial development system.
Spatial Planning refers to planning that considers the location and connection of people and interventions in space. Spatial planning stimulates a more rational organization and use of urban space and is important in promoting sustainable development and improving the quality of life. It enables the community to benefit from development, by guiding investments and encouraging prudent use of land and natural resources for development. Effective spatial planning results in:

- stable and predictable conditions for investment that is sequenced for optimal impact.
- clarity for each government sphere and sector of the investment requirements to maximize the opportunities for transforming people's lives for the better.
- efficient development approval process to facilitate economic development and spatial transformation to reverse undesirable settlement patterns emanating from past practices.

Table 63: Employees Planning Services

Employees: Planning Services					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	4	5	5	0	33%
4 - 6	7	6	6	0	0%
7 - 9	1	1	1	0	0%
10 - 12		0	0	0	0%
13 - 14		0	0	0	0%
Total	12	12	12	0	0%
Employees and Posts numbers are as of 30 June 2022. *.					

Table 64: Financial Performance: Planning Services

Financial Performance 2021/22: Planning Services					
					R'000
Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	353 847	888 666	888 666	353 847	534 819
Expenditure:					0
Employees	14 291 214	13 753 878	14 476 877	14 291 214	185 663
Repairs and Maintenance	14 583	28 167	17 397	14 583	2 814
Other	2 407 910	3 871 390	4 371 389	2 407 910	1 963 480
Total Operational Expenditure	16 713 706	17 653 435	18 865 663	16 713 706	2 151 957
Net Operational (Service) Expenditure	-16 359 860	-16 764 769	-17 976 997	-16 359 860	-1 617 137

LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

Lephalale is defined by Limpopo Growth and Development Strategy as a coal mining and petrochemical cluster. The area is currently experiencing growth driven by mining expansion and construction of Medupi power station. Medupi project has already started demobilising staff on completed projects. The coal to liquid project that was investigated by Sasol and currently placed on hold could broaden the opportunities for cluster formation. The local economy is dominated by the coal mine and the power station. Three clusters that are most relevant to Lephalale are firstly Coal & Petrochemical, secondly red meat and thirdly Tourism. Lephalale is currently in the final stage of considerable public sector investment, estimated at R140 billion over six years, for the construction of Medupi power station. One of government's key priorities is to increase economic growth and to promote social inclusion.

The National Development Plan (NDP) is a plan to unite South Africans, unleash the energies of its citizens, grow inclusive economy, build capabilities, and enhance capacity of the state and leaders working together to solve complex problems. Given government's objectives of growing the economy, creating jobs, addressing poverty, and promoting social cohesion, the NDP assists government in confronting three fundamental planning questions: -

- Where should government direct its investment and development initiatives to ensure sustainable and maximum impact.
- What kind of spatial forms and arrangements are most conducive to the achievements of the objectives of democratic nation-building and social and economic inclusion?
- How can government capitalize on complementarities and facilitate consistent decision making and move beyond focusing on integration and coordination procedures to establishing processes and mechanism that will bring about strategic coordination, interaction, and alignment?

Rapid economic growth that is sustained and inclusive is a pre-requisite for the achievement of other policy objectives, among which poverty alleviation is key. Beyond the constitutional obligation identified above, government spending on fixed investment should be focused on localities of economic growth and/or economic potential to gear up private sector investment, to stimulate sustainable economic activities and to create long-term employment opportunities.

To overcome the spatial distortion of the past, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or that link the main growth centre.
Unemployment in Lephalale at 22.9% is below the provincial average, due to all the local developments relating to the new Eskom (Medupi) power station and the expansion of coal production from the mine. The labour force participation rate in Lephalale is above the provincial average, which indicates the high incidence of workers who originates from other places.

EPWP IMPLEMENTATION PROGRAMME, CWP, ETC.

Over the years Lephalale Municipality has been implementing projects through labour intensive programme aligned to the Extended Public Works Programme (EPWP). The EPWP involves creating temporary work opportunities for the unemployed, using public sector expenditure. It builds on existing best-practice government infrastructure and social programmes either by deepening their labour absorption or extending them. The EPWP is a programme that cuts across all departments and spheres of government. Under EPWP, all government bodies and parastatals are required to make systematic effort to target the unskilled unemployed.

Enabling Economic Infrastructure Development.
Community services and infrastructure play a vital role in the development of the local economy in the region. The level of service in both categories directly and indirectly affects the ability of a region to attract and retain talented individuals and to compete for business.
The following factors should be considered when assessing the readiness, or enabling environment of an area:
The quality and extent of hard infrastructure such as road and rail networks, airports, and harbours. The sophistication of local telecommunications, banking and finance services similarly impact on the input and operational costs of doing business. The extent to which spatial and land planning policies and documents are flexible to the needs of businesses and the relative ease of following land planning processes, such as rezoning applications.

The sophistication of the public sector, quantity and quality of available labour and training programmes, in relation to specific human resource requirements of investors. Quality of life factors, such as the supply of housing and personal lifestyle facilities (such as educational, cultural, and recreational services) also have impact on the attraction of a particular investment.

TOURISM

The importance of tourism industry to the economy of the area is likely to continue to grow into the future. This is likely to be related to the hunting and ecotourism industries but could also be linked to any expansion of the industrial operations and the related business tourism. The existing importance of the business tourism sector, and its strong links to the mine and power station are also viewed as important. The challenge faced by the tourism industry in the area is to increase leisure/ecotourism visitors in the summer seasons. This would relate to ecotourism rather than hunting. There is the opportunity to increase tourism in the area through tours to the power station (s) and/or mine.

The location of the Lephalale Municipality provides unique opportunities for economic development and tourism. The area is renowned for hunting, wildlife and scenic beauty and nature reserves, sports, and adventure. Five routes have been developed in the municipal area and include the following:

- The Mokolo route R510
- Marula route D1675
- Limpopo route R572
- Waterberg route; and R33
- Heritage route. D3110

The Waterberg Savannah Biosphere, a UNESCO declared Biosphere covers the large portion of the Waterberg District Municipality namely, Lephalale, Mokgalakwena, Thabazimbi and Modimolle Municipalities.

The biggest part of the Waterberg Biosphere is located within the Lephalale Municipality and the entire biosphere measures 15 000 square meters. The central vision of the Waterberg Biosphere reserve is to maximise the area's potential for conservation, sustainable development, and social upliftment.

The Waterberg plateau has an overall character that despite the development of numerous lodges and disturbances such as landing strips still maintains a wilderness character. Similarly, the wide-open bushveld plains of the Limpopo Pen plain represent a special South African bushveld character.
This area of pristine bushveld and small sleepy towns makes for a special character not found elsewhere in South Africa. This character is one of key selling points that the tourism sector employs in their marketing strategy.

Table 65: Employees: Local Economic Development

Employees: Local Economic Development Services					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
1 - 3	1	1	2	0	0%
4 - 6	1	2	1	0	0%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 14	0	0	0	1	0%
Total	2	3	3	0	0%
Employees and Posts numbers are as of 30 June 2022.					

The valleys from which the escarpment can be viewed as well as the escarpment itself should be protected in some way to ensure that no development takes place there that could affect the character or sense of the place in a negative fashion.

The maintenance of these landscape features is as important from a conservation perspective as sensitive biological features that should be maintained to ensure the long-term ability of the landscape to attract tourists to the area.

Table 6146: Financial Performance: Local Economic Development Services

Financial Performance 2021/22: LED					R'000
Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)		0	0		
Expenditure:					
Employees	1 714 910	1 489 607	1 492 068	1 714 910	-222 842
Repairs and Maintenance	0	0	0	0	0
Other	147 578	1 113 651	1 113 651	147 578	966 073
Total Operational Expenditure	1 862 488	2 603 258	2 605 719	1 862 488	743 231
Net Operational (Service) Expenditure	-1 862 488	-2 603 258	-2 605 719	-1 862 488	-743 231

Table 67: B & B and Accommodation facilities.

Holiday resorts	Game/Nature reserve	Guest farms	Guest houses	Hotels	Camping	Fishing	Total number of beds
6	45	63	218	3	5	7	4254

Source: Lephalale Municipality

Tourism and especially eco-tourism have shown considerable growth in the recent years. It is a good example of sustainable use of opportunities and resources and offers the benefit of a range of employment options for local people. A negative factor in the Lephalale economy is the lack of economic activity in the rural village area.
This is where most of the current population lives. The very high rate of unemployment implies that opportunities for the establishment of small industries or businesses which are labour intensive should be pursued to make use of the potential workforce.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

LIBRARIES

This component includes libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; childcare; aged care; social programmes, theatres.
The quality of education for the majority of black leaners remains poor. Poor-quality education not only denies many learners access to employement, it also affects the earnings potential and career mobility of those who do get jobs, and reduces the dynamism of South African businessess.

Table 68: Library Performance

LIBRARAY SERVICES AND THUSONG CENTRES ANNUAL REPORT 2021/2022

OBJECTIVES

- The objective of this programme is to empower communities by providing relevant information and services relevant to their needs.
- Thusong Centre is one stop service centre providing information and services to communities through development communication approach in an integrated manner.
- This process also allows two-way interactions between the government and the people through events like Imbizos to address historical socio-economic challenges.

ANNUAL REPORT: 1/7/2021 30/6/2022
FUNCTION: SOCIAL SERVICES
SUB FUNCTION: LIBRARY DIVISION

FUNCTIONS	DETAIL	2020/2021	2021/2022
LENDING SERVICES: -	Refers to circulation/borrowing of library materials by users.	Books 5006	5014
PHOTOCOPIES:	Photocopies made by users: Library materials and private documents.	Number of copies: 4102	4311
FAXES: -	Users are allowed to send and receive faxes	All Faxes 115	55
INTERNET: -	Users rely on the internet for Information, job, tertiary and bursary applications Research and school projects	Total Internet users: 267	262

FUNCTIONS	DETAIL	2020/2021		2021/2022
MEMBERSHIP: -	Registered library users, for borrowing library materials	New members:	20	105
		Renewals:	117	251
		Withdrawals:	20	180
		Current:	600	1273
COLLECTION DEVELOPMENT: -	Library collection acquired	New books purchased:	none (No budget allocation)	none (No budget allocation
		New Periodicals: none (no budget allocation)		none (No budget allocation)
	materials and donations from the community	Donations:	79	161
FREE SERVICES: -	Users have free access to books, magazines, film-			

ANNUAL REPORT: 1/7/2021 30/6/2022
FUNCTION: SOCIAL SERVICES
SUB FUNCTION: LIBRARY DIVISION

FUNCTIONS	DETAIL	2020/2021	2021/2022
	video and DVD, musical CD, reference materials, studying & reading as well as general enquiries		
	Telephone & desk enquiries Books are renewed bi-weekly	Enquiries : 1001 Books renewed: 506	2005 665
LIBRARY VISITS: -	Pre-Schools, Primary & High	Primary visits: Closed due to COVID19 Lock down	none
	School visits to the library on appointment	Pre-school visit: Closed due to COVID19 Lockdown	
	Library visit to schools on Library promotion programmes	none(Covid-19 Lockdown)	4
	students and learners visit the library for study and research purposes	none (Covid-19 Lockdown)	502
FUNCTIONS	**DETAIL**	**2020/2021**	**2021/2022**
LIBRARY VISITS REMINDERS:-	Community and potential users Library patrons are reminded	160 Sent: 115	202 305
	about the borrowed books to be returned and also about the payments of lost, damaged and late materials	Returned: 1056	2035
ANALYSIS OF THE FUNCTION	**NATURE AND EXTENT OF FACILITIES PROVIDED:**	**FACILITIES**	**USERS**
LIBRARY SERVICES: -	Number of libraries	Three(3) Municipal Libraries (Lephalale, Marapong and Thabo Mbeki)	

ANNUAL REPORT:	**1/7/2021 30/6/2022**		
FUNCTION:	**SOCIAL SERVICES**		
SUB FUNCTION:	**LIBRARY DIVISION**		
FUNCTIONS	**DETAIL**	**2020/2021**	**2021/2022**
		and one(1) Departmental library which belongs to the DSAC in Shongoane	Communities, Schools, pre-schools Private sectors and NGO's
STAFF MEMBERS:-	Number of employees cost to employer of all personnel in the Library Division	Thirteen (13) Municipal employees	1 x Div. Manager 3 x Librarians 2 x Ass. Librarians 4 x Lib. Assistants 2 x Library helpers 1 x Lib. Cleaner
	DSAC Library in Shongoane	2x employees appointed by DSAC in Shongoane Library	1 X Librarian 1 x Library Assistant
OBJECTIVES	**IMPROVED PLANNED**	**CURRENT**	**TARGET**
Library and Information services	Library promotions and campaigns.	Free Internet Services, photocopies, Faxes, and study facilities	Primary and high schools within Lephalale area.

The key issues achieved for 2021/2022:

LIBRARY PERFORMANCE

- Library achieved set target of four library campaigns per year.
- Library Division - offers access to reading, listening, viewing, study facilities and information services to the community to promote a culture of reading and lifelong learning.
- The division comprises of four fully functional libraries of which the fourth one belongs to the Department of Sport, Arts and Culture. These libraries acquire, develop, and preserve collections and published records, and selection of variety of information materials according to the community needs.
- Library patrons/users are allowed to borrow Library materials (fiction and non-fiction) for four weeks and renew when not completed.
- They have access to study facilities, reference sources internet services, photocopies, faxes, and printing.

STAFF COMPONENT

The division has a total of thirteen (13) municipal employees and two (2) employees from the Department of Sport, Arts and Culture.

SUMMARY

- Library and information service means a service that ensures free access to reading and information sources:
- The library encourages the free flow and exchange of information and ideas in a democratic society.
- Provide reading and information services freely available and accessible to the community.
- Provide resources/services to communities.
- To maintain, acquire, develop, and preserve collections and published records.
- Library and information service means a service that ensures free access to reading and information sources.

THUSONG CENTRES
STAFF COMPONENT

The staff component of the Thusong Centre comprises of total of four (4) municipal employees.

1X Centre Manager, 1x Admin Assistant and x 2 Cleaners.

OFFICE ARRANGEMENT

Mokuruanyane Thusong Centre consists of 11x offices, 2x boardrooms and 1x function hall. The second Thusong Centre is at Steenbokpan informal settlement. The Centre consists of 5 x offices, 1x Community Hall, 1 x Boardroom 1 x kitchen and a reception area. The Department of Primary Health Care, Department of Justice and Social Development occupying the offices and submitted their applications. All Thusong Centres community halls are for public meetings and functions.

LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

Library Division - offers access to reading, listening, viewing, study facilities and information services to the community to promote a culture of reading and lifelong learning.

The division comprises of four fully functional libraries of which the fourth one belongs to the Department of Sport, Arts and Culture. These libraries acquire, develop, and preserve collections and published records, and selection of variety of information materials according to the community needs.

Library patrons/users are allowed borrow library materials (fiction and non- fiction) for a certain period.

Have access to study facilities, reference sources internet services, photocopies, fax, and printing.

Library and information service means a service that ensures free access to reading and information sources:
The library encourages the free flow and exchange of information and ideas in a democratic society.
Provide reading and information services freely available and accessible to the community.
Provide resources/services to communities.
To maintain, acquire, develop, and preserve collections and published records.

Library and information service means a service that ensures free access to reading and information sources:

The division has a total of four (4) municipal employees.

Thusong Centre is one stop service centre providing information and services to communities through development communication approach in an integrated manner.

The objective of this programme is to empower communities by providing relevant information and services relevant to their needs.

This process also allows two-way interactions between the government and the people through events like Imbizos in order to address historical socio-economic challenges.

Thusong Centre is a program initiated by the Government in 1999 and is coordinated by the Office of the Premier in collaboration with Government Communication and Information Systems (GCIS). The aim is to empower the poor and disadvantaged by providing access to government information and services as well as resources from NGOs and parastatals. Each District should have established at least one Thusong Centre by 2004 and each Municipality should have established at least one Thusong centre by 2014.

Lephalale Municipality has overachieved in this regard because we managed to establish two Thusong Centres by 2014.The first Centre is situated in Mokuruanyane Village which was completed in 2013 and it is currently fully operational. The centre consists of 11x offices, 2x boardrooms and 1x function hall.

The second Thusong Centre is at Leseding informal settlement. Lesedi Tshukudu Centre has been funded by SASOL and was officially opened on 6 December 2014. The Centre consists of 5 x offices, 1x Community Hall, 1 x Boardroom 1 x kitchen and a reception area. The offices are not yet occupied due to the delay in the connection of the electricity from Eskom. The connection of the electricity was completed last week. The Department of Primary Health Care, Department of Justice and Social Development have already shown interest in occupying the offices by submitting their applications.

Table 69: Financial Performance: Library

Financial Performance 2021/22: Library R'000					
Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	27 557	34 111	34 111	27 557	6 554
Expenditure:					0
Employees	7 485 611	8 166 947	8 166 947	7 485 611	681 336
Repairs and Maintenance	6 969	9 275	9 275	6 969	2 306
Other	66 195	381 836	381 836	66 195	315 641
Total Operational Expenditure	7 558 775	8 558 058	8 558 058	7 558 775	999 283
Net Operational (Service) Expenditure	-7 531 218	-8 523 947	-8 523 947	-7 531 218	-992 729

CEMETORIES AND CREMATORIUMS

There are only five zoned public burial sites in the whole Municipal area. The Municipality is providing services at Onverwacht, Rupert, Marapong, Steenbokpan and Thabo-Mbeki.
The demarcated burial site in Marapong is nearly reaching its capacity and will probably close soon. The municipality is in a process to establishing new cemetery at Nelsonskop farm, the project is completed in the financial year 2001-22. The municipality is planning to conduct feasibility study for the whole Lephalale municipality with the intension to establish regional cemetery, for the rural villages.
The municipality is not providing any burial service in the rural villages and the area is communal land controlled by traditional authorities.

CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The department of social and security service is responsible for childcare and old age social grants provision.

Table 70: Social and Security Services – Child Care and old age social grants

ECD's Identified	Unregistered	Unqualified	Registered	Funded	Not funded	Basic service availability
89	9	31	76	43	42	Water, toilets & electricity available. Most structures not meeting EHP criteria while others are conditional in the sense that they have to improve in order to comply
Drop-in Centre			8	5	3	Shared services with service center for the Aged
Home Community Based Care			1	1	0	Shared services
Victim Empowerment Programme			4	4	0	Shared services with SAPS
Service Centre for Elderly People			4	4	0	Basic services
Child and family			1	1	0	Basic service

COMPONENT E: ENVIRONMENTAL PROTECTION

POLLUTION CONTROL

Lephalale Municipality has an environmental function to execute and ensure that the fundamental environmental rights of the community as enshrined in the constitution are realized. The fundamental rights as stated in the constitution are: -

- To prevent pollution and ecological degradation.
- To promote conservation.
- To secure ecologically sustainable development and use of the natural resources while promoting justifiable economic and social development.

The Municipality has sensitive and conservation worthy areas within its jurisdiction, such as the wetlands, river systems, cultural sites, rare and endangered species, and part of the Waterberg biosphere. There are also many areas that require remedial attention. i.e., the eradication of alien vegetation, soil erosion control and aspects that require special management, such as pollution control and land use management. The Municipality has the capacity to perform duties that enhance sound environmental management practices which include EIA related issues.

AIR QUALITY.

Air quality legislation comprises primary standards which protect human health and secondary standards which protect property, vegetation, climate, and aesthetic values.

Particulate and gaseous emissions from industrial operations, domestic fuel burning, and vehicle tailpipe emissions were quantified for this assessment, due to the availability of data for these sources. Power generation was identified to be the main contributing source to emissions (99%) in the Local Municipality. With the quantification of all mines in the district, mining sources are likely to be the main contributor to PM10 emissions in the district. Power generation is the main contributing source to SO2 and NO2 emissions in the Lephalale LM, contributing to 99%.

The environmental features that are found in the municipal area are affected by natural environmental challenges inter alia, ozone depletion, global warming, solid and hazardous wastes, the endangerment of biological diversity and land degradation. Environmental degradation in the form of soil erosion, overgrazing, deforestation, over exploitation and habitat destruction should be prevented to effect economic development negatively. Air quality management by-laws should be developed for non-compliance to the air quality standards. There should be capacity in terms of human resources for the execution of related duties.

The table below denotes the air quality analysis within the Waterberg District Municipality:

Table 71: Air Quality analysis within the Waterberg District Municipality.

Municipality	Industrial emission	Domestic fuel	Vehicle emissions	PM10	SO2	NO2
Lephalale	95.9%	19.1%	24.1%	86.2%	95.4%	94.3%
Bela-Bela	0.0%	4.8%	17.0%	0.4%	0.02%	1.0%
Mookgopong	0.0%	3.5%	6.1%	0.2%	0.01%	0.3%
Thabazimbi	3.6%	10.9%	28.1%	0.8%	4.5%	1.6%
Mogalakwena	0.4%	52.0%	13.2%	11.7%	0.05%	2.2%
Modimolle	0.0%	9.6%	11.4%	0.6%	1.8%	0.6%

Source: WDM Air Quality Management Plan

WATER QUALITY

Water is a scarce resource in Lephalale Municipality. Water quality legislation seeks to achieve water quality consistent with protection of aquatic life, wildlife and safe conditions for human recreation and consumption. It therefore aims to eliminate discharges of pollutants into navigable waters which include rivers and streams. The water resources are exposed to excessive contamination of rivers/streams. One of the main contributors to water pollution is the discharge of industrial wastes into the rivers and streams and cholera outbreaks.

To curb the challenge business can improve water quality by regulating their non-point source water pollution- a situation where runoff from streets, construction sites, farmlands and animal feedlots which cause significant nutrient and toxic substances that build up in the bodies water receiving the pollutants thereby damaging the usability of the resources for plants, animals, and humans alike. There is a need for ad-hoc water sampling of water sources. The Municipality should respond to the challenges in one way or another by doing cost benefit analysis, risk management or strategic environmental management.

BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

D'Nyala Nature reserve.
The roughly 8 281 ha Reserve is in the northern Waterberg range nearby the town of Lephalale. Government acquired the Reserve in 1986 to allow for the construction of the Vaalwater Lephalale road (R33). Lephalale is the last end route to Botswana from South Africa along the (shorter) alternative route leading to four border control posts. The R33 provincial road Vaalwater and Lephalale traverses the reserve, dividing it into a western and eastern portion. The reserve's bushveld plains and broad floodplain areas afford excellent game viewing opportunities, and large specimens of trees including massive baobabs and nyalas add to the scenic value and recreation/tourism resource. Apart from various management tracks, a 37km gravelled game drive route has been developed on the eastern portion of the reserve (east of R33 provincial road), along with two game viewing hides on the floodplain.

Mokolo Nature Reserve.
The Mokolo Dam situated 50km from Lephalale on the Thabazimbi road (R510) offers excellent boating and fishing opportunities, but visitors are warned that hippos and crocodiles occur in the dam. The Mokolo Dam lies in a picturesque setting within the Provincial Mokolo Dam Nature Reserve and is a popular recreational resort for anglers and the boating fraternity. The Dam has a full supply capacity of 145.4 million cubic metres and currently provides the only formal water storage facility in the Mokolo Catchment. The Dam is characterised by dense wooded mountains and surrounding cliffs. The mountains mainly comprise sandstone. The reserve covers an area of 4 600 hectares which includes the dam surface area of 914 hectares and plays an important role in providing outdoor or recreation, including both land and water orientated activities. The dam supplies water to the town of Lephalale, Matimba power station, Exxaro Colliery, and downstream irrigation farmers

Parks Division
Lephalale Municipality has a holding nursery where we keep the plants. There are also other local nurseries in the Lephalale area where trees can be purchased. Lephalale Municipality has eight (12) natural parks and four (4) green parks.

Biodiversity
A safe, healthy, and sustainably managed environmental and natural resource base provides critical eco-system services that are a foundation for economic and social development.
Our rich species, ecosystems and natural heritage which form the very foundation of our economy and society, providing eco-system services such as food security, clean and secure water provision, flood attenuation, biomass energy and building material. A well as a resource base for the sustainable development and growth of the tourism, agriculture, forestry, of the economy are threatened by growing human population and their increasing demands on the environment, climate change and invasive alien species.

The focus of the biodiversity and conservation programme is on the planting of indigenous tree species, protection of listed tree species and eradication of alien invasive species project.

Eradication of alien invasive species
Bush encroachment is the suppression of palatable grasses, small plants, and herbs by encroaching woody species (trees &shrubs) which are unpalatable to domestic livestock. This encroachment is prevalent in eco-regions where woodlands are converted into shrubs. The impacts of bush encroachment include the reduction of arable land & threatening of livestock production.

- Small scale removal of invasive shrubs and weeds

Tree planting project
Projects implemented in this focus area aim at promoting the transition to sustainable and integrated management of land resources. The deliverables in this category include:

- Greening by tree planting
- Education and awareness

The Department social services have a parks division which deals with landscaping; however, this is an added function on the normal parks work and a new development in terms of the functions of the division. Statically most the empty land space is privately owned and cannot be dealt with without the concerned of the owner.

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Table 72: Financial Performance Parks

Financial Performance 20221/22: Parks					**R000**
Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	87 337	173 135	173 135	87 337	85 798
Expenditure:					0
Employees	11 832 286	11 661 448	11 861 448	11 832 286	29 162
Repairs and Maintenance	243 822	405 460	450 460	243 822	206 638
Other	277 000	679 746	1 034 746	277 000	757 746
Total Operational Expenditure	12 353 108	12 746 654	13 346 654	12 353 108	993 546
Net Operational (Service) Expenditure	-12 265 770	-12 573 519	-13 173 519	-12 265 770	-907 749

COMPONENT F: HEALTH

This is a function rendered to municipality by the district and the Provincial department and as result much cannot be said around health from the municipal side.
Clinics in Lephalale offer the Primary health care. There are five main clinics, equipped with mobile unit for the scattered villages and farms. Services rendered by this clinic include distribution of medicine for chronic diseases, pre-natal care for pregnant woman, and testing for chronic diseases. Primary Health is not a function of Lephalale Local Municipality. There are two hospitals within the boundaries of Lephalale local municipality.

Long-term health outcomes are shaped by factors largely outside the health system: lifestyle, nutrition, education, diet, sexual behaviour, exercise, road accidents and the level of voilence. Good health is essential for a productive and fulfilling life. The Diagnostic Report demonstrates the starkly interrelated challenges posed by crumbling health system and a rising disease burden. The public health system must be fixed. While greater use of private care, paid for either by users or health insurance, is part of the solution, it is no substitute for improvement of the public health system. Given the systemic weaknesses in that system today, a root-and- branch effort to improve the quality of care is needed, especially at primary level.

Effective social protection and welfare services are an intergral part of our programme for inclusive economic growth and central to the elimination of poverty and reduction of inequality. Social protection plays several roles in a society. Firstly, it sets a floor through which, social solidarity, we deem that no person should live below. At present given, South Africa’s extremes of unemployment and working poverty, many people regularly experience hunger and find it difficult to meet the basic needs of their families. Progressively and through multiple avenues, we seek a society where every one is lifted above this floor. Secondly, it plays an important role in helping households and families

manage life's risks. It also helps ease labour market transitions, thereby contributing towards a more flexible labour market and economic dynamism.

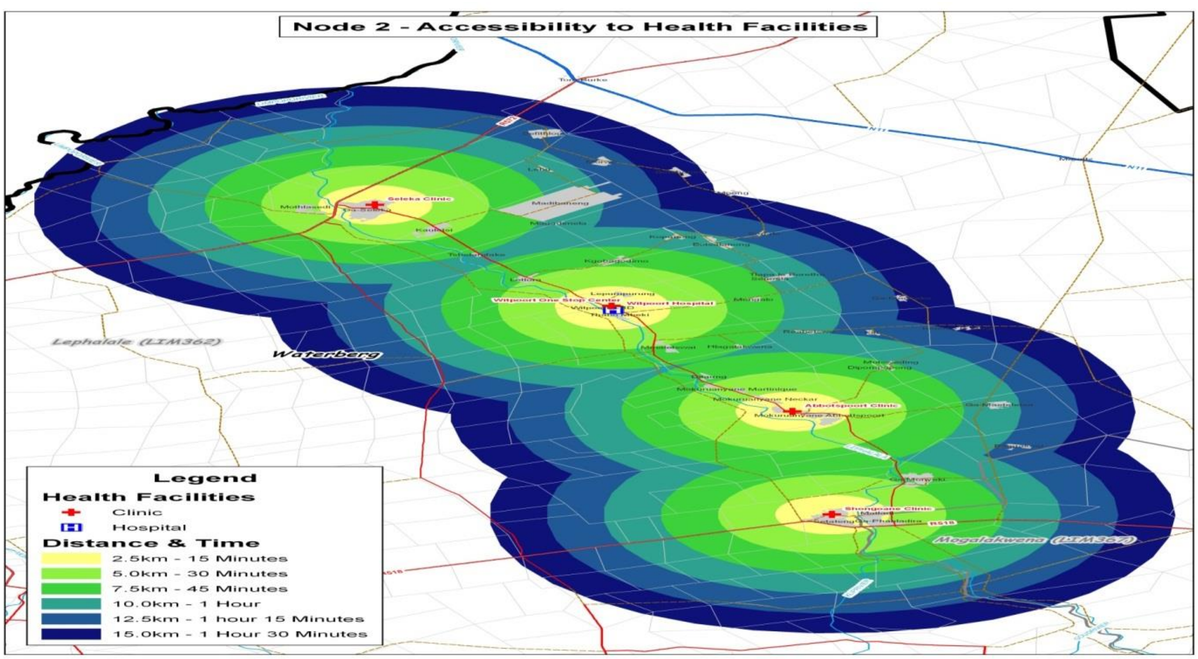
When people feel unsafe it makes it hader for them to develop their capabilities, persue their personal goals and to take part in social and economic activity. To achieve the goals set out in this plan, South Africans need to feel safe everywhere and have confidence in the criminal justice system to protect them and to act speedily and effectively when required to do so. By 2030, people living in South Africa should feel safe and have no fear of crime. Women, children and all vunerable groups should feel protected. They should have confidence in the criminal justice system to effectively apprehend and prosecute criminals who violate invidual and community safety.

In many countries plans fail because they are not implemented or because implementation is uneven. There needs to be a uniformity of effort and competence across the entire public service. There is a real risk that South Africa's national plan could fail because the state is incapable of implementation.
There must be a mechanism to remedy the uneven and often poor performance of the public service. A capable state does not materialise by decree, nor can it be legislated or created from conference resolutions. It has to be painstakingly built, brick by brick, institution by institution and sustained and rejuvinated over time. It requires leadership, sound policies, skilled managers and workers, clear lines of accountability, appropriate systems, and consistent and fair application of rules.

CLINICS

Clinics in Lephalale offer the Primary health care. There are five main clinics, equipped with mobile unit for the scattered villages and farms. Services rendered by this clinic include distribution of medicine for chronic diseases, pre-natal care for pregnant woman, and testing for chronic diseases.

Figure 5: Locality of Health Facilities in Rural Areas and distances of accessibility to health facilities.



AMBULANCE SERVICES

The ambulance service within the municipality is rendered by the Provincial Department of Health and Social Development and it is co-coordinated at the district. There are two Ambulance centres in the municipality, located and based at the two hospitals within the municipal boundaries. The service centres are in Onverwacht at the Lephalale hospital and satellite service centre at Witpoort Hospital

HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

This is function performed by the district municipality, however the deployed members to municipalities. In Lephalale municipality there four members from the district deployed to service the local municipality with monitoring of water quality, food control, waste management, health surveillance of premises, chemical safety, disposal of the deceased and environmental pollution.

COMPONENT G: SECURITY AND SAFETY

POLICE

The vision of the South African Police Service is to "create a safe and secure environment for all people in South Africa" In doing so the SAPS will endeavour to prevent anything that may threaten the safety or security of any community, investigate any crimes that threatens the safety or security of any community, ensure criminals are brought to justice, and participate in efforts to address the causes of crime.

There are six police stations around Lephalale Municipality, a mobile station in Marapong and two border policing points at Stockpoort and Groblersbrug. Crime in general is showing trends of increment, this is because of more people flocking to Lephalale to look for economic opportunities. In our view this has potential to lead into more serious and or organized crime. The South African Police Service (SAPS), with the input of various stakeholders, are working hard to combat crime in and around to make Lephalale a safe place for the community. Some of the joint efforts relate to the combined operations that the police, private security and traffic departments often conduct to combat crime and to maximize the outputs and outcomes of the available scarce resources. Community policing and crime prevention human resource is equivalent to 1:350 per officer, which depicts a well spread ratio across the Municipal area. The sparsely located settlements create a major challenge for resources to be deployed evenly to cover all areas of the municipality during specific times.

Traffic division's core business is to ensure safer road environment, free flow of traffic, accident-free road environment and promote self-compliance. The division is comprised of five Traffic Officers, two Assistant Superintendent, one Superintendent, one traffic administrator and the Manager. The division also has four road markers whose responsibility is to do road marking of Municipal Road network. There is one protection officer who provides oversight on security management and one crime risk officer whose responsibility is security analysis.

There has been alarming number of fatal and serious road accidents within the Lephalale Local Municipality which amongst others were triggered by lack of traffic policing due to insufficient Traffic personnel. Nonetheless Municipal Traffic Police and Provincial Traffic Police continuously conduct joint operations with a view of mitigating the causal factor of fatal road accidents.

FIRE

Over the past 15 years Lephalale Municipality experienced a serious heavy rain and Disaster which resulted to floods. This was followed by drought which has negative impact to the Local Community.
This has inflicted a heavy cost on human, materials, physical resources, and degradation to environment. It had also a negative physical impact (which includes causalities and property damage) and social impacts (which includes socio-economic.

Although we have a Local Disaster Management centre, that is funded by District and managed by Local Municipality, we believe with the current resources we will not be able to manage all challenges that will be come as results of industrialization and natural disasters.
We believe more resources should be directed to Municipality to assist in upgrading the Local Disaster Management centre. Municipality need more development strategies an effective communication system. We need fully equipped management centre.
Rather than taking any possible disaster into consideration, one has to focus on risks which are very likely, and which justify the efforts of preparedness. Lephalale Municipality is prone to disasters that emanate from veldt and informal settlements fires, floods, drought epidemics and crime.
Hereunder is the risk profile of the municipality: -

Table 7315: Risk profile

Hazards	Low risk (LR)	Medium risk (MR)	High risk (HR)	Priority
Fires Veldt Informal settlement			√	1
Floods 2.1 Flash Floods 2.2 Dam/River Floods		√		5
Epidemics		√		2
Draughts			√	3
Crime/Lawlessness		√		4

Table 74: Fire services.

Number of Fire stations	Number of permanent staff in disaster management unit	Kilometres to the farthest location that is serviced
Number of Vehicles	Number of permanent staff in disaster management unit	Kilometres to the farthest location that is serviced
3	11	125km

OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

The local authority does not have the resource capacity to act as sole responsible agent for the implementation of the different disaster management strategies and it is therefore crucial that the district and provincial authorities be involved during the planning of the strategies. This will ensure that the role and responsibilities of the different spheres of government and local role-players are adequately delineated and clear. This will ensure a smooth implementation of the disaster management strategy when the time requires it.

Disaster management is a cross-sectorial task which relates to a wide range of sectors and aspects such as avoiding settlements or investment in high-risk locations, construction technologies, water management, health services etc. It is therefore not an issue that can be dealt with by a special project, but it requires compliance of any development's measures with basic principles of disaster prevention and mitigation. Rather than taking any possible disaster into consideration, one has to focus on risks which are very likely, and which justify the efforts of preparedness. Lephalale Municipality is prone to disasters that emanate from veldt and informal settlements fires, floods, drought epidemics and crime.

The following are regarded as Disaster Management challenges:

- Potential risk of some households in rural villages which are in the flood line area.
- State of readiness by the Municipal disaster Centre in case of any large-scale disaster occurrence.
- Level of training for the current personnel to deal with disaster occurrence of high magnitude.
- Lack of machinery and equipment to deal with disaster incidents up to an acceptable standard.

Table 165: Disaster Management Services.

Number of Vehicles	Number of permanent staff in disaster management unit	Kilometres to the farthest location that is serviced
3	11	125km

Table 76: Financial Performance: Capital Projects – Disaster Management Services

Capital Expenditure 2021/22				
Project	**% Actual Progress**	**YTD Expenditure**	**Annual Budget**	**Variance from Annual Budget**
Installation of Security Camera systems on Municipal buildings	100%	480 000	480 000	0 000

COMPONENT H: SPORT AND RECREATION

SPORT AND RECREATION

PURPOSE

The development of strategies and programme by the municipality to ensure optimum utilization of sport and recreation facilities.

- Adequate resources allocation and maintenance plans.
- Contribution to a range of municipal objectives which include improved health, community development and crime prevention outcomes.

FACILITY DEVELOPMENT AND MAINTENANCE

This component deals with the provision and building of new facilities and the proper maintenance of our facilities to expand their lifespans.

SPORTS DEVELOPMENT

The municipality seeks to undertake activities to strengthen club structures and to improve the technical abilities of players in different sporting codes. As our role in sport is facilitative one, the municipality provides formal sport participation opportunities to enlarge the pool of talent identification amongst our youth from various sporting codes.

Some of the key objectives will be:

- To promote the level of participation in sport and recreation, e.g., Mayoral tournament
- To promote leadership, sport management and life skills.
- To promote the culture of healthy lifestyles and good social behavior.
- To promote more inclusive sport and recreation activities in our communities.

The municipality must seek all possible means to promote both active and passive recreation.

SPORTS & RECREATIONAL FACILITIES

The Municipality is paying an annual grant to Mogol club as a contribution towards recreational facilities in the urban area. Mogol sport center and Marapong stadium are the two facilities which are available to the community in the urban area.

Municipal Stadiums

- Captain Thulare stadium
- Thabo Mbeki stadium
- Shongoane stadium

Exxaro stadiums

- Mogol multi-purpose sport Centre
- Marapong stadium

Municipal Community Hall

- Thabo Mbeki hall

Municipal Gym

- Thabo Mbeki

Tribal Community halls

- Seleka community hall
- Shongoane community hall
- Martinique community hall
- Motlhasedi community hall

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

EXECUTIVE AND COUNCIL

This component includes Executive Office (Mayor; Councillors; and Municipal Manager).

The **Office of the Municipal Manager** is responsible for ensuring the smooth running of the municipality. It provides guidance and advice on compliance with certain Legislative Acts that govern the Municipality to the political structures, political office-bearers, and officials. The Office of the Municipal Manager consists of the following administrative units, namely Internal Audit and Risk Management

The key functions of the Office of the Municipal Manager are:

- The formation and development of an economical, effective, efficient, and accountable administration that is equipped to carry out the task of implementing the municipality Integrated Development Plan (IDP) and responsible to the needs of the local community.
- As Accounting Officer, the cost-effective management of the municipality's budget and the timely implementation of resolutions
- The implementation of the municipality's IDP and monitoring the progress with the implementation of the plan
- The management and monitoring of Municipal services provided to local community in a sustainable and equitable manner.
- The administration and implementation of the Municipality's by-laws and other legislation, including the implementation of National and Provincial directives, policies, and legislation.
- Exercising powers delegated to the Municipal Manager by the Municipal Council and other authorities of the Municipality.
- Rendering administrative and strategic support to the mayor and other political structures in Council

The mayor must provide general political guidance over the fiscal and financial affairs of the Municipality.

The EXCO is established to assist Mayor with his/her functions. Each member of the EXCO is also a chairperson of a cluster committee. The following are the different clusters: Finance and Economic Development, Administration and Governance, Municipal Services and Community Development.

The Oversight committee and the Performance Audit Committee have also been established. This committee is highly functional and held 8 eight meetings in the previous financial year 2021/22, the details of the functions are outlined in the report of audit committee chairperson which is appendix G of this report.

The Municipal Public Accounts Committee (MPAC) has been established and held regular meetings. MPAC held 5 meeting and two projects visit in the 2021/22 financial year,

FINANCIAL SERVICES

The Municipality currently has limited financial resource capacity. The sources of income vary from the income generated through the sale of municipal services i.e., water, electricity, sewerage, refuse removal, bulk contribution, vehicle licenses and tax levies, through to intergovernmental grants (IGG) and external loans. The narrow tax base of the Municipality is a constraint on municipal income.

There is however a need to develop a revenue generation strategy and to focus more on the viability part of this KPA as engendered in the national key performance indicators. Currently 46% of the total budget is made up of government grants. The major contributing factor to lack of revenue is that only ±20% of the total household is paying for rates and services. This seriously hampers our service delivery effort as we have the capacity but no funds to implement. The broad financial challenges are sources of revenue and effective implementation of IDP and SDBIP.

There is uncertainty about some of the major projects which were announced by other investors in 2006; however, the Municipality has drawn a financial model based on anticipated development scenario until 2030. It is speculated that by then Lephalale will be the second biggest town in Limpopo and ultimately attain the status of a city ten years later.

Table 7717: Employees: Financial Services

Employees: Financial Services					
	2020/21	2021/22			
Job Level	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	6	6	6	0	0%
4 - 6	13	13	10	1	9%
7 - 9	22	21	21	0	0%
10 - 12		5	5	0	0%
13 - 14	5	1	1	0	0%
Total	46	46	45	1	13%
Employees and Posts numbers are as of 30 June 2022.					

Table 18: Financial performance for financial services

Financial Performance 2021/22: BTO ///R'000					
Details	2020/21	2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	15 586 822	101 295 130	128 105 887	15 586 822	112 519 065
Expenditure:					0
Employees	19 607 620	23 714 435	24 204 435	19 607 620	4 596 815

Repairs and Maintenance	418 889	8 326 298	10 126 298	418 889	9 707 409
Other	8 909 402	9 178 289	9 089 769	8 909 402	180 367
Total Operational Expenditure	28 935 910	41 219 022	43 420 502	28 935 910	14 484 592
Net Operational (Service) Expenditure	-13 349 088	60 076 108	84 685 385	-13 349 088	98 034 473

HUMAN RESOURCE SERVICES

The Human Resource Division provides administration of employee's perusal information, ensures there is good working relations with employees' representatives, training and development of the employees is given priorities in order to fully capacitate the organisation ability to implement the IDP.
The Municipality has employment equity plan which was adopted by council. The employment equity plan intends to achieve equity in the workplace, to make the Municipal workforce more representative and ensuring fair and equitable employment practices for employees. It further intends to create an organisational culture that is non-discriminatory, values diversity and legitimizes the input of employees. The objective of the policy is to address under-representation of designated groups in all occupational categories and levels in the workforce. It has not been easy to implement the employment equity plan for Lephalale Municipality. The institutional plan is reflected in the table below.

Table 79: Institutional profile.

Occupational level	Male		Female		Disabled	
	Black	White	Black	White	Male	Female
Senior Management	3		2			
Professionally qualified & experienced specialists and mid-management (divisional head)	14	1	6	1		
Skilled technical and academically qualified, junior management, supervisors, foremen and superintendent	64	4	27	3		
Semi-skilled and discretionary decision making	50	1	49	6		
Unskilled and defined decision making	177	1	65	0		
Total Permanent	308	7	149	10		
Temporary Employees						
Grand total	308	7	149	10		

Source: Lephalale Municipality

INSTITUTIONAL STUDY CONDUCTED.

In pursuing and operationalizing the Lephalale institutional plan, in consultation with relevant stakeholders within the Municipality aurecon assisted the Municipality with the aim to identify an approach that best enables the institution to attract and retain people who have or may attain, the required competency/skills level and standards. An institutional status quo report was compiled during August 2010 in which a desktop study was done of the institutional arrangement within the Municipality.
Various previous studies were considered during this exercise and an assessment was made on the current capacity of the Municipality to deal with its service delivery mandate. The purpose of this plan is to determine how best the municipality must execute its powers and functions aligned to the IDP with the resources which are at its disposal. The skills development plan has been approved and is reviewed annually.

The projected staffing figures for the Infrastructure Department are contained in the table below.

Table 80: Current and projected future staffing requirement within infrastructure department.

Infrastructure Services	SQ	2010	2015	2020	2025	2030
Water and Sanitation	98	122	189	280	360	395
Solid Waste	46	57	61	73	73	73
Public Works	56	72	74	108	136	144
Electricity (N1 and N3)	69	81	104	60	119	125
Projects Division	3	9	17	17	17	17
Infrastructure Head	1	1	1	1	1	1
Total	**273**	**342**	**446**	**539**	**706**	**755**

Source: Lephalale municipality

Staffing projections were developed, based on scientific norms for the number of engineers required for a municipality. The increase in the number of households between 2010 and 2030 was utilized as a basis for projecting the increase in infrastructure capacity required by Lephalale Municipality. Subsequently a supporting structure was developed to provide the necessary support in terms of financial, human resources, administrative, planning, and social development.

CAREER PLANNING SUCCESSION AND RETENTION POLICY.

The municipality has a career planning succession and retention policy which was adopted by council in 2010. The objective of the policy is to ensure a conducive and harmonious working environment for employees throughout the municipality and retain key staff members whose services are regarded as mission “critical”; and identify individual employees with potential for assuming a higher degree of responsibility and ensure career development of staff for skills base for succession planning. Projected staffing figures for support departments are contained.

Table 8119: Current and future support staff requirement within the municipality

	SQ	2010	2015	2020	2025	2030
Municipal Manager Office	16	16	26	28	29	31
Corporate Services	32	32	50	53	56	59
Planning & Development	11	11	18	19	20	21
Budget & Treasury	30	30	49	52	55	58
Social Development Services	84	84	140	149	156	165
Total	**173**	**173**	**283**	**301**	**316**	**334**

Source: Lephalale Municipality

Institutional practices within Lephalale Municipality must undergo significant alteration if the Municipality is to keep up with the projected increase in service delivery demand. The projected increase in staffing level suggests that the Municipality will require large-scale institutional interventions to ensure that it has the correct staff with sufficient capacity when needed. The complexity of the institutional capacitation model and the current staffing shortages within the Municipality does pose a concern regarding capacity to implement the institutional capacitation model. It is against this background that the Municipality appointed service provider to conduct institutional study considering the aurecon study to assist Municipality with the institutional arrangement to respond to the future challenges on the Municipal capacity to provide basic services.

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

ICT is an integral part of enterprise governance and consists of the leadership and organisational structures and processes that ensure that the organisation’s ICT [the infrastructure as well as the capabilities and organisation that is established to support ICT] sustain and extends the organisation’s strategies and objectives.

ICT is there to make sure that organizations achieve sustainable success through the use of their ICT and pro-actively recognises potential efficiencies and guides municipalities in timeous adoption of appropriate technology and also ensuring that optimum Municipal value is realised from ICT-related investment, services, and assets.
The introduction of Municipal Standard Charter of Accounts to as requirements for municipal transactions prompted the municipality to increase the ICT capacity.

PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This component includes property; legal; risk management and procurement services.

PROPERTY& LEGALSERVICES

The municipality has a dedicated Legal Services unit under Corporate Support Services, and the team is responsible for property management and procurement. It also deals with litigations for and against the municipality.

RISK MANAGEMENT.

The risk unit and the risk committee were established, and risks assessments conducted whereby the risk committee is chaired by external independent person. The Municipality has conducted the Risk Assessment and compiled a Risk Register with mitigation factors and time frames. The risk Register is updated quarterly by the Risk Management Office. The Risk top five risk for the institution and the risk progress reports are on chapter 2 of this report.

SUPPLY CHAIN COMMITTEES.

The Municipality has supply chain committees which are responsible for the implementation of good business practice transaction in dealing with sourcing of goods and services from the service providers. The Bid Specification, Bid Evaluation and Bid Adjudication Committees have been established. Advertised tenders are being evaluated, adjudicated and appointments are made for tenders in terms of the Supply Chain Management Policy. It takes an average of 87 days to make adjudication on a tender from a date of closing. Quarterly reports on the tenders are submitted to Council.

COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts, and Forestry as municipal enterprises.

The municipality does not have any abattoirs under its property management; however, the private business does not own abattoirs within the municipal borders. There is not a distinctive airport available in the municipality, however the airfield belonging to SANDF is used by the local community. There are two magistrates' courts within the boundaries of the municipality, the Phalala District Magistrates' Court and Lephalale Regional Magistrates'' court.
Lephalale airfield is an uncertified and unmanned aerodrome posing high risk to passengers and aircraft currently utilizing the aerodrome. The reality is that the situation is paramount to an accident or major disaster waiting to happen if no immediate intervention is found.

The airfield is currently processing more than 5 scheduled flights per day and up to 20 movements a day making it busier than Polokwane International Airport on aircraft and helicopter movements. Some of the problems identified include unmonitored and uncontrolled non-aviation use of the landing strip by the public and unregulated use of the airport. Subsequently initiation of a detailed thorough long term road transport needs analysis and airport plan will be outlined through the provincial sponsored Integrated Transport Plan and Lephalale Airport feasibility study.

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORE CARD

SDBIP SERVICE DELIVERY AND PERFORMANCE INDICATORS

During the Financial Year 2021-22, standard operating procedures on Performance managements systems and management resolutions as well as recommendations by the Audit committee were applied. Employee Performance Management Policy was adopted by Council to regulate municipal employee performance.

Challenges encountered: the delays on adherence to quarterly submission timelines for performance reporting.

How challenges were addressed: we introduced a monthly performance reporting which is also not satisfactory, we still encounter delays.

There are one hundred and eighty-one (181) indicators in the adjusted 2021-22 higher level SDBIP, the achievements and failures are as follows:
The Overall SDBIP achievement is Ninety-two (91) indicators achieved target as predetermined, five (5) indicators exceeded target by a margin lower than 30%, thirteen (13) indicators over exceeded target by a margin above 30%, sixty-one (61) indicators had a below average performance and ten (11) indicators performed unsatisfactory by standards set for good performance. The total performance is 2.5, which is a fair Performance for the institution as a whole; the institutional performance is at 2.6 for key performance indicators and 2, 4 for project implementation.

The institution is experiencing challenges on timeous implementation of capital projects, and it is slightly behind schedule on project implementation.

Most operational predetermined objectives are achieved as scheduled except for the few which the budget was insufficient and had to be moved to future dates.

A table of summary on indicator performance briefly in the Annual Report.

Table 1.2

Total Indicators	Achieved Indicators	Indicators exceeded Target	Indicators Over exceeded Target	Indicators Below target	Indicators with Unsatisfactory Performance	Non-Applicable	Total Percentage
181	91	5	13	61	11	0	62%

The institutional performance score is at 2,5 on Key Performance Indicators and for project implementation, with the overall average scoring of 2,5 overall as per Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Manager, Regulation 805 of 2006, adapted to comply with the Lephalale Local Municipality's performance management requirements.

SUMMARY OF SDBIP KPAS AND INDICATORS PER DEPARTMENT/ VOTE
Table 1.3

Overall SDBIP	Number of KPIs	2021/22 Annual Indicator Performance						Percentage Performance
		Over Exceeded	Exceeded Target	Target Achieved	Below Target	Target Not Achieved	N/A	%
SDBIP KPAs and Functions (Votes)								
Office of the Municipal Manager	21 Indicators	2	0	13	5	1	0	71%
KPA6: Good Governance and Public Participation	17 Indicators							

Overall SDBIP	Number of KPIs	2021/22 Annual Indicator Performance						Percentage Performance
		Over Exceeded	Exceeded Target	Target Achieved	Below Target	Target Not Achieved	N/A	%
KPA2: Service Delivery and Infrastructure Development	4 Indicators							
Strategic Support Services	**29 Indicators**	**1**	**1**	**16**	**10**	**1**	**0**	**62%**
KPA6:Good Governance and Public Participation	24							
KPA4: Local Economic Development	5							
Corporate and Support Services	**23 Indicators**	**1**	**2**	**10**	**7**	**3**	**0**	**56%**
KPA5: Transformation and Organisational Development	12							
KPA6: Good Governance and Public Participation	11							
Development Planning	**18 Indicators**	**3**	**0**	**13**	**1**	**1**	**0**	**89%**
KPA1: Spatial Rationale	12							
KPA6: Good Governance and Public Participation	6							
Budget and Treasury	**28 Indicators**	**3**	**1**	**16**	**7**	**1**	**0**	**68%**
KPA3: Financial Viability and Financial Management	20							
KPA6: Good Governance and Public Participation	8							
Social Services	**22 Indicators**	**2**	**0**	**13**	**7**	**0**	**0**	**69%**
KPA2: Service Delivery and Infrastructure Development	14							
KPA6: Good Governance and Public Participation	8							

Overall SDBIP	Number of KPIs	2021/22 Annual Indicator Performance						Percentage Performance
		Over Exceeded	Exceeded Target	Target Achieved	Below Target	Target Not Achieved	N/A	%
Infrastructure Services	**40 Indicators**	**1**	**1**	**10**	**24**	**4**	**0**	**43%**
KPA2: Service Delivery and Infrastructure Development	34							
KPA6: Good Governance and Public Participation	6							
Total Indicators	181	**13**	**5**	**91**	**61**	**11**	**0**	**62%**

NB: The review was done by the Chief Internal Auditor.

Summary of SDBIP Votes and Indicator performance for the current Financial Year and the previous financial for a comparison
Table 2
Summary of SDBIP KPAs and Indicators 2020/21

Overall SDBIP	Total Number of KPIs			Indicator Performance 2020/21FY		
		Target Achieved	Target Not Achieved	Target Overachieved	N/A	%
SDBIP Departments (Votes)						
Office of the Municipal Manager	17 Indicators	6	5	5	**1**	**68, %**
Strategic Services	25 Indicators	13	11	1	**0**	**56%**
Corporate and Support Services	23 Indicators	8	9	5	1	**59, %**
Development Planning	11 Indicators	2	1	4	4	**86%**
Budget and Treasury	23 Indicators	12	8	3	**0**	**65%**
Social Services	18 Indicators	5	8	4	1	**47, %**
Infrastructure Services	20 Indicators	3	16	0	0	**20, %**
Total Indicators	**137**	49	58	23	**7**	**57,2%**
Infrastructure Services& other Municipal Projects	23projects	9	12	0	2	**43%**

The comparisons of key performance indicator scores on the two tables above depicts a 22% improvement in performance from the previous financial year scores. Project performance shows an improvement as compared to previous financial year as a result the increased number of projects reported.

Overall Municipal Performance as audited by Internal Audit

4.1 KEY ACHIEVEMENTS AND CHALLENGES SUMMARY FOR THE FINANCIAL YEARS 2021-22

Key Achievements

- Municipality achieved unqualified audit opinion.
- Compliance to statutory requirements : Good Governance and Public Participation.
- Audit Committee and Risk Committee functional and impacting positively to Management of the Municipality
- MPAC is functional- Accountability and oversight.
- Constant Mayoral community engagement.
- IDP credible and process plan adopted and implemented.
- MÏG spending at 100 %.
- AFS are compiled internally.

Municipal Challenges Summary Per KPA

1. OFFICE OF MM

1.Fraud awareness campaign
2. Safety and security audit conducted
3. slow implementation of Council resolutions

2. STRATEGIC SUPPORT SERVICES

1**.** Unqualified Performance Opinion
2. Job creation through LED initiatives
3. Slow implementation of attention to internal Audit findings .

3. CORPORTE SUPPORT SERVICES

1. Development/ Review of EAP policies
2. LLF meetings not held
3. ICT Policies not approved by Council
4. Slow pace of attending to customer care complains

4. DEVELOPMENT PLANNING

1. Slow pace on outstanding risks completion.

3. BUDGET AND TREASURY

3. Updating Indigent register is taking long.
4. Slow implementation of attention to internal Audit findings

4. SOCIAL SERVICES

7. Education Forum meetings not held as per schedule.
8. Low speed check operations
9. Review of IWWP to be fast-tracked.
10. Slow implementation of attention to internal Audit findings
11. Slow pace of attending to customer care complains.

12. INFRASTRUCTURE SERVICES

3. Electrical Master Plan not reviewed.
4. Slow pace of implementation of projects

INSTITUTIONAL CHALLANGES

- Ageing assets/infrastructure

- Vandalism and theft – Municipal Assets
- Climate change (Drying boreholes)
- Water and electrical loss
- Growth (node 1 and node 2): land invasion in Node 1and unplanned extension in Node 2 and now we are to react by diverting resources to provide for basic services.
- Natural disasters e.g., Floods affected the area.
- Mushrooming of Informal rental businesses
- Economic Migration leads to Influx of people to the area/ Informal settlement.
- Illegal connections for services water and electricity.
- Shortage of bulk electricity supply in Marapong and Leseding
- Impact of COVID-19 on revenue collection and provision of services.
- Uncertainty of the local economic improvement
- Total annual employee costs on average 216m against a budget of 550m (39%)-This is against the normal Treasury norms.
- Lack of office space and record keeping space.
- Shortage of land- especially in Node 2 (Town, Onverwacht and Marapong)
- Land invasion – lack of land affecting the implementation of human settlements and spatial planning policies-
- Environmental pollution due Industrialisation
- Shortage of water to unlock development.
- Completion of Medupi construction which led to increase of unemployment.
- Community unrest/protests
- High prevalence rate of HIV/AIDS pandemic
- Delay of implementation of projects

5. DETAILED PERFORMANCE PER DEPARTMENT OR VOTE

5,1 OFFICE OF THE MUNICIPAL MANAGER

Office of the Municipal Manager. The Municipal Manager is equally responsible for all the indicators in other Departments.
All performance Indicators directly linked to the Municipal Manager's office are applicable for the quarter.

Office of Municipal Manager is responsible for the following units.

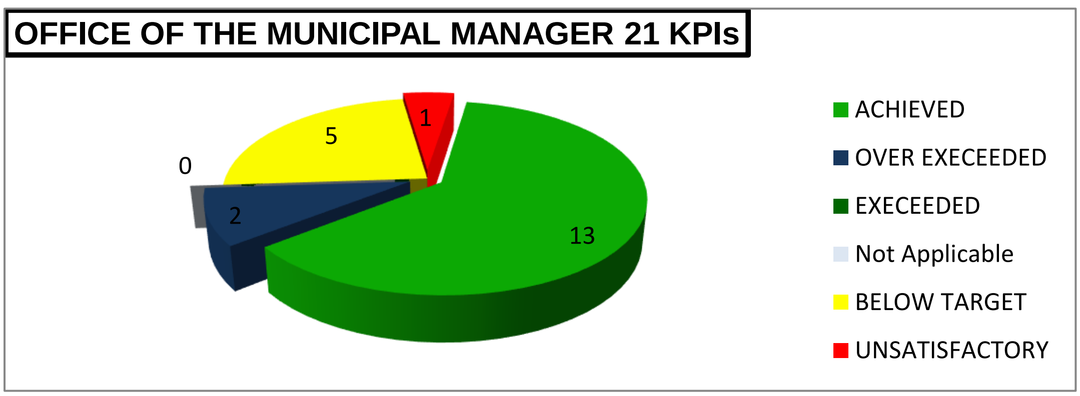
- Risk Management Unit
- Internal Audit Unit
- Security Unit

Out of twenty-one (21) indicators for the year, thirteen (13) indicators achieved target, no indicator exceeded target, two (2) indicators over exceeded achievement on target, five (5) indicators performed below determined target and one (1) indicator is unsatisfactorily lower on performance.

Table 1

Indicators	Total number21
Achieved Target	13
Exceeded Target	0
Over exceeded Target	2
Below Target	5
Unsatisfactory	1
Not Applicable	0

The Departmental performance is depicted on the below color-coded pie chart:



The detailed performance of the Strategic Scorecard for Office of Municipal Manager is as follows.

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program))	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Anti-corruption	N/A	M_24	Number of fraud and corruption cases referred for investigation YTD* (cumulative)	#	Lep_MRisk	0	0	0	0	Achieved	0	None	None	OPEX	R0	0	Investigation Report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Anti-corruption	N/A	M-0024	Number of Risk Management Policies and Strategies Reviewed and send to council for adoption YTD (cumulative)	#	Lep_MRisk	3	3	3	9	Over Achievement	9 Policies and plans were sent to Council for approval.	All policies were recommended for approval by council after the plan was completed for only 3 policies.	Plan for all the required policies in the future	OPEX	R0	3	Council Resolution Approved copy of policy/strategy
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Risk Management	N/A	M_0001	Number of fraud and corruption awareness conducted YTD*	#	Lep_MRisk	0	1	1	1	Achieved	The workshop was conducted on the 12 May 2022	None	None	OPEX	R0	1	Invitation, Attendance register & Presentation

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program))	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Risk Management	N/A	M_002	Number of Risk registers developed and monitored per quarter YTD (cumulative)	#	Lep_MRisk	6	6	6	6	Achieved	All Risk Registers were monitored	None	None	OPEX	R0	6	Risk registers (Strategic, Operational, Fraud, Project, ICT)
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Risk Management	N/A	M_003	Number of Risk Committee Meeting facilitated and held per quarter YTD (cumulative)	#	Lep_MRisk	4	5	4	4	Achieved	All Risk Management Meetings were held	None	None	R150 000	R209 000	4	Invitation, Minutes& attendance register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Audit Committee	N/A	M_648	Number of Audit committee meetings held YTD* (cumulative)	#	Lep_MIA	4	8	4	10	Over Achievement	10 Audit Committee meetings were held.	Overachievement was due to special meetings.	None	R250 000	R401 665	4	Invitation, Minutes, and attendance register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Audit Committee	N/A	M_004	Number of Audit committee Report served to Council YTD* (cumulative)	#	Lep_MIA	4	6	4	4	Achieved	All Reports were sent to Council.	None	None	OPEX	R0	4	Audit Committee Report submitted to Council
KPA6: Good Governance and Public Participation\ Responsible,	N/A	M_00	Number of AG Action Plan developed and monitored YTD	#	Lep_	1	1	1	1	Achieved	Action plan	None	None	OPEX	R0	1	AG Action Plan

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program))	IDPID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
accountable, effective, and efficient corporate governance\ Audit Committee		05			MIA						develop and monitored.						
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Audit Committee	N/A	M_652	Percentage of audit reviews conducted per quarter	%	Lep_MIA	70%	70%	80%	80%	Achieved	8 out of 10 audits were conducted in the 4th Quarter.	None	None	OPEX	R0	90%	Audit Plan Internal Audit Reports
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Internal Audit	N/A	M_0006	Number of internal audit Action Plan developed and monitored YTD	#	Lep_MIA	1	1	1	1	Achieved	Internal audit plan developed and monitored	None	None	OPEX	R0	1	Internal Audit Action Plan/Query Register served at Audit Committee during the quarter
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Audit Committee	N/A	M_068	Number of Internal Audit Quarterly Reports submitted Audit committee YTD* (cumulative)	#	Lep_MIA	4	4	4	4	Achieved	One report sent to Council in May	None	None	OPEX	R0	4	Internal Audit quarterly Report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_650	Number of Unqualified Audit Opinion received from AG YTD	#	Lep-CFO	0	1	1	1	Achieved	N/A	N/A	N/A	OPEX	R0	1	Audit report

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program))	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Safety and Security	N/A	M_706	Number of safety and security meetings held per quarter YTD (cumulative)	#	Lep-MMsecurity	3	1	4	3	Not Achieved	Only 3 meetings were held.	1 meeting not held due to election of new members.	Adherence to scheduled meetings.	OPEX	R0	4	Invitations, agenda, attendance register, minutes
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Safety and Security	N/A	M_067	Number of safety and security audits conducted per quarter, YTD (cumulative)	#	Lep-MMsecurity	0	0	4	3	Not Achieved	Only 3 Audits were conducted.	1 meeting not held due to election of new members.	None	OPEX	R0	4	Security Survey sheets Security Report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_26	Percentage of AG queries resolved YTD. (cumulative)	%	Lep_MIA	83%	23%	100%	0%	Not Achieved	Two AG findings under IA unit were not resolved.	We were unable to finish the audits as planned due to relocation of Intern. The Mun is not ready for Quality	Address all issues related to QAR in the next FY. Additional staff was appointed to increase capacity	OPEX	R0	100%	AG action Plan. Audit Report

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program))	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
												assurance review as we are currently addressing findings raised by Provincial Treasury on QAR	the division.				
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_27	Percentage of Internal audit findings resolved. YTD (cumulative)	%	Lep_MIA	0%	0%	100%	0%	Not Achieved	Queries not addressed	There's still challenges of PMS to lower levels and introduction of withholding of salary not fully implemented	The process will be implemented after approval of process plan	OPEX	R0	100%	Internal Audit Queries register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Audit Committee	N/A	M_28	Percentage of Performance and Audit Committees resolutions implemented per quarter.	%	Lep_MIA	0%	74%	100%	91%	Not Achieved	Out of117 resolutions 107 are implemented	Some of the resolutions are taking longer to implement due to resources required.	Continue with the implementation of the resolutions.	OPEX	R0	100%	Resolution Register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Risk Management	N/A	M_667	Percentage of risks resolved within timeframe as specified in the risk register YTD (cumulative)	%	Lep_MRiskOffic	0%	77%	100%	99%	Achieved	99% of the risks were mitigated.	Risks requires more time and resources to be mitigated.	Outstanding risks to be resolved	OPEX	R0	100%	Risk register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program))	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
					er												
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Audit Committee	N/A	M_691	Percentage of Implementation of council resolutions per quarter, YTD (cumulative)	%	LepMAdmin	0%	100%	100%	87%	Not Achieved	14out 16 council resolutions were implemented.	There was a delay in the finalisation of security clearance of candidates. The final report will be tabled in the Special Council in Sep. 22.	Council has prioritised filling of all positions of Sec 57 managers. Adhere to timelines prescribed in the MSA Amendment Act.	OPEX	R0	100%	Council Resolution Register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	N/A	M_23	Percentage of complaints received on the electronic system and successfully attended to by customer care per quarter	%	Lep-Mad-min	100%	100%	90%	90%	Achieved	complaints queries addressed.	None	None	OPEX	R0	90%	System generated quarterly Report signed off by EM
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Communication	N/A	M_654	Percentage of required Legislated Publications published on Municipal website from each directorate per quarter	%	Lep_MCom	0%	0%	100%	100%	Achieved	The MM's office does not have legislated documents to be placed on the website.	None	None	OPEX	R0	100%	calendar of legislated publications, Screenshots of the website published.

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Program))	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
																	Report received form SITA.

5.2 STRATEGIC SUPPORT SERVICES

The Department comprises of the following Units:

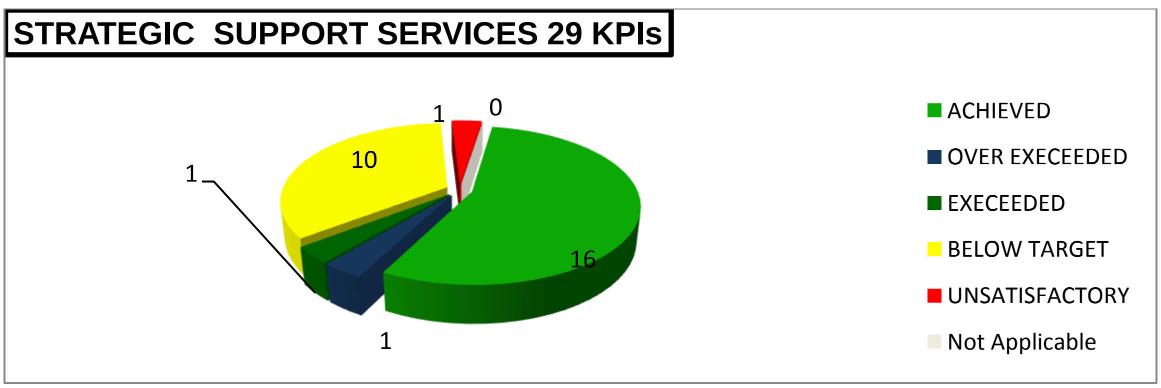
- IDP
- PMS
- Public Participation
- Communication
- LED
- Special Programs

Strategic Support Services Department has twenty-seven (29) indicators which are operational deliverables from the Department for the year, sixteen (16) indicators achieved target, one indicator (1) exceeded target, one indicator (1) over exceeded target, ten (10) indicators performed below target. and one (1) indicator is unsatisfactorily lower on performance.

Table 2

Indicators	Total number 29
Achieved Target	16
Exceeded Target	1
Over Exceeded Target	1
Below Target	10
Unsatisfactory	1
Not Applicable	0

The Departmental performance is depicted on the below color-coded pie chart:



Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Capacitate disadvantaged groups\ Special Projects	N/A	M_322	Number of HIV/Aids campaigns/meetings held YTD*(cumulative)	#	Lep_MPP	5	3	4	4	Achieved	All meetings held successfully.	None	None	OPEX	R 72 940 00	5	Invitations, Agenda and Attendance Registers
KPA6: Good Governance and Public Participation\ Capacitate disadvantaged groups\ Special Projects	N/A	M_641	Number of special programs awareness campaigns held YTD*(cumulative)	#	Lep_MPP	18	11	12	12	Achieved	All planned programmes were held	None	None	OPEX	R 529 105	12	Invitations, Agenda, and attendance registers
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Communication	N/A	M_335	Number of media releases shared with media groups YTD*(cumulative)	#	Lep_Com	30	19	20	20	Achieved	6 Activities were held.	There were few activities to report on	Engage more with other stakeholders.	OPEX	R0	20	Copy of emails shared with the media groups
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Communication	N/A	M_654	Percentage of required Legislated Publications published on Municipal website from each directorate per quarter	%	Lep_MCom	0%	100%	100%	100%	Achieved	All Legislated Publications published on Municipal website in time.	None	None	OPEX	R0	100%	calendar of legislated publications, Screenshots of the website published. Report received form SITA.

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Integrated Development Planning	N/A	M_262	Number of IDP Rep forums meetings successfully held YTD*(cumulative)	#	Lep_4MIDP	4	3	4	4	Achieved	All Rep Forum were s held .	None	None	R650 000. 00	R747 744.56	4	Invitations, Agenda and Attendance Registers
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Integrated Development Planning	N/A	M_325	Number of IDP road shows successfully held YTD*(cumulative)	#	Lep_MIDP	3	3	3	4	Over-Achieved	4 IDP Roadshows were held.	4th RF was for town Cluster in order to address the Tariffs increase.	None			3	Invitations, Attendance Register Register of community needs and Agenda
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Integrated Development Planning	N/A	M_657	Percentage of IDP credibility rating by MEC in Financial Year YTD*	%	Lep_MIDP	100%	100%	100%	0%	Not Achieved	The ratings of IDPs are issued from the office of MEC Coghsta	Waiting for COGHSTA to assess IDPs and provide ratings.	Engage with Coghsta to speedy up the process.	OPEX	R0	100%	MECs credibility report

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Integrated Development Planning	N/A	M_658	Final IDP approved by Council by end May YTD*	#	Lep_MIDP	1	1	1	1	Achieved	IDP done and approved by Council.	None	None	OPEX	R0	1	Process Plan Copy of Council resolution Copy of approved IDP Proof that it was published within prescribed timeframe.
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Performance Management	N/A	M_06	Final Annual Report approved by Council by end of March YTD*	#	Lep_PMS	1	0	1	0	Not Achieved	Report not yet approved by Council.	MPAC still applying oversight on report.	MPAC to comply with scheduled timelines.	OPEX	R0	1	Council resolution
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Performance Management	N/A	M_09	Draft Annual Reports tabled to Council by 31st of January YTD*	#	Lep_PMS	1	1	1	1	Achieved	Annual Report tabled as per Legislation	None	None	OPEX	R0	1	Council resolution

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Performance Management	N/A	M_43	SDBIP signed by the mayor within 28 days after the approval of budget and the IDP YTD	#	Lep_PMS	1	1	1	1	Achieved	SDBIP signed by the 22nd of June 2022 by the mayor.	None	None	OPEX	R0	1	Process plan Copy of Final SDBIP Proof that it was approved/signed within the prescribed time
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Performance Management	N/A	M_48	Annual Performance Report submitted to auditor general by August 30th YTD	#	Lep_PMS	1	1	1	1	Achieved	Annual Performance Report submitted to AG as per Legislation	None	None	OPEX	R0	1	Process plan Copy of APR Proof of submission to AG

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Performance Management	N/A	M_315	Number of quarterly performance assessments performed YTD*(cumulative)	#	Lep_PMS	4	4	4	4	Achieved	All Quarterly Performance assessments were conducted	None	None	OPEX	R0	4	Copies of Assessment Plans
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Performance Management	N/A	M_40	Number of Quarterly Performance Reports submitted to Audit Committee YTD*(cumulative)	#	Lep_PMS	4	4	4	4	Achieved	All quarterly Performance reports were submitted to the Audit Committee	None	None	OPEX	R0	4	Signed quarterly reports submitted to Audit Committee
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Performance Management	N/A	M_44	Number of Section 72 (mid-year performance reports) submitted to MM by 25th of January and to council by 31st January YTD*(cumulative)	#	Lep_PMS	1	1	1	1	Achieved	Sec 72 Report submitted as per Legislation	None	None	OPEX	R0	1	Council resolution, Mid-Year Report.

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_651	Number of Unqualified Performance Opinion per annum YTD*	#	Lep_MIA	1	0	1	0	Not Achieved	Disclaimer	Poor Performance Management The use of statistics SA on the reporting of services rendered and failure to substantiate the reported actuals with satisfactory evidence.	Improve Audit Opinion to Unqualified by improving on performance monitoring information from planning phase and correct targeting.	OPEX	R0	1	AG Audit Report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Ward Committees	N/A	M_208	Number of ward committees that are functional and having meetings at least once per quarter and submit reports of such meetings YTD	#	Lep_MPP	13	13	13	0	Not Achieved	15 ward committee elections not yet established for the new Council	Ward committee elections was postponed	Adherence to new schedule of dates and conduct elections	OPEX	R0	13	Minutes of the meetings held, attendance register, schedule of meetings
KPA4: Local Economic Development\ Create a conducive environment for businesses to invest and prosper\ Job Creation	N/A	M_688	Number of jobs created through municipal LED initiatives and capital projects (from municipal budget) YTD*(cumulative)	#	Lep-MLED	1200	75	840	371	Not Achieved	371 jobs created	Some of the contractors were terminated hence decrease of target.	Municipality to appoint contractors for job creation.	OPEX	R0	1000	List of beneficiaries Contracts/ID Numbers

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA4: Local Economic Development\ Create a conducive environment for businesses to invest and prosper\ Job Creation	N/A	M_51	Number of workshops on training of SMMEs conducted by 30 June 2022	#	MLED	0	0	2	1	Not Achieved	1 Workshop conducted	Budget for the facilitator was lower than the requested quotes and the 2nd workshop could procced as planed	Increase the budget in line with the market related bills.	OPEX	R0	2	Invitations, Attendance register and Agenda
KPA4: Local Economic Development\ Create a conducive environment for businesses to invest and prosper\ Marketing and Branding	N/A	M_695	Number of workshops/trainings conducted for street traders by 30 June 2022	#	Lep-MLED	0	0	1	0	Not Achieved	Training was not conducted	Review of data base not completed on time	Adherence to the training plan/schedule	OPEX	R0	1	Invitations, Presentation, and attendance register
KPA4: Local Economic Development\ Create a conducive environment for businesses to invest and prosper\ Marketing and Branding	N/A	M_696	Number of meetings held with strategic partners on SLP/ CSI YTD*(cumulative)	#	Lep-MLED	4	4	8	8	Achieved	Target reached	None	None	OPEX	R0	8	Invitations Minutes Agenda & Attendance registers
KPA4: Local Economic Development\ Create a conducive environment for	N/A	M-696A	Number of investment summits/ promotions implemented by 30 June 2022	#	Lep-ML	0	0	1	0	Not Achieved	Investment summit not held due logistical challenges	No responses from invited investors and unavailability on the requested	Rearrange the summit through intensive consolations	OPEX	R0	1	Attendance register, Notices, or Invitations

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
businesses to invest and prosper\ Marketing and Branding					ED						with arrangement	time by participants	from management				
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_26	Percentage of AG queries resolved. YTD (cumulative)	%	Lep_MIA	83%	83%	100%	100%	Achieved	5 AG findings resolved by the Department.	None	None	OPEX	R0	100%	AG action Plan. Audit Report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_27	Percentage of Internal audit findings resolved. YTD (cumulative)	%	Lep_MIA	0%	0%	100%	61%	Not Achieved	14 internal audit findings resolved out of a total of 23	Some Internal Audit findings require more time and resources	Continue to address findings until they are all resolved	OPEX	R0	100%	Internal Audit Queries register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor Genera l	N/A	M_28	Percentage of Audit and performance Committee's resolutions implemented.	%	Lep_MIA	0%	0%	100%	94%	Not Achieved	Out of 80 resolutions 75 are implemented.	Other resolutions require more time before completion	Continue to work on implementing the resolutions until completion.	OPEX	94%	100%	Resolution Register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Risk Management	N/A	M_667	Percentage of risks resolved within timeframe as specified in the risk register YTD (cumulative)	%	Lep_MRiskOfficer	0%	0%	100%	65%	Not Achieved	65 % of risks are mitigated and the remaining are all on progress.	Some of the risks are taking longer and require more resources to be mitigated.	Continue to work on mitigating the risks until they are fully mitigated.	OPEX	65%	100%	Risk register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Audit Committee	N/A	M_691	Percentage of Implementation of council resolutions per quarter	%	LepMAdmin	0%	0%	100%	100%	Achieved	100%	All resolutions completed	None	OPEX	100%	100%	Council Resolution Register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	N/A	M_23	Percentage of complaints received on the electronic system and successfully attended to by customer care per quarter	%	Lep-Mad-min	100%	100%	90%	90%	Achieved	No complaints were received .	None	None	OPEX	N/A	90%	System generated quarterly Report signed off by EM

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	SSS3	SS-1	Vehicles of the Mayor and Speaker	%	EMSSS	0%	0%	Acquired	Vehicle delivered	Achieved	Vehicle delivered.	None	None	R700 000 R700 000	R699.985 each, VAT R0	Acquired	Advert, Appointment letter

5.3 CORPORATE SUPPORT SERVICES

The department comprises of the following Units:

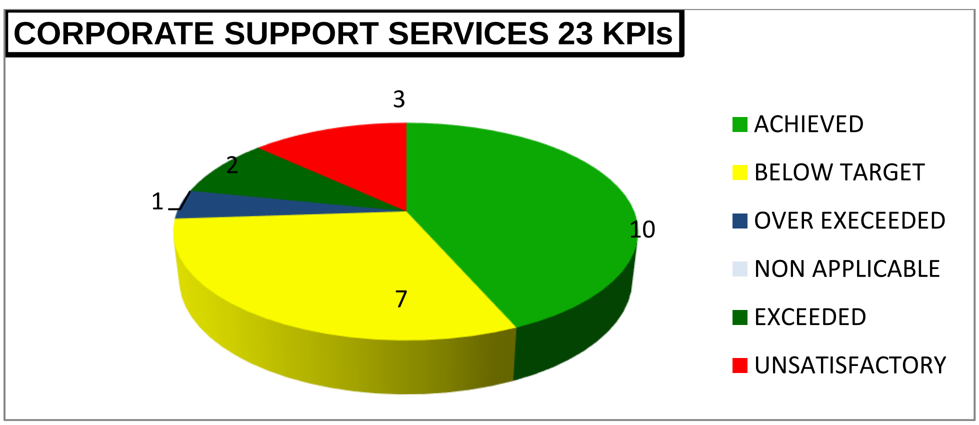
- Administration and Secretariats
- Human Resources
- Legal Services
- ICT Services

Corporate Support Services Department has twenty-three (23) indicators in the higher SDBIP which are deliverable from the department. Ten (10) indicators achieved target, two (2) indicators exceeded target, one (1) indicator over exceeded target, seven (7) indicators performed below target and three (3) indicators are unsatisfactorily lower on performance.

Table 3

Indicators	Total number 23
Achieve Target	10
Exceeded Target	2
Over exceeded Target	1
Below Target	7
Unsatisfactory	3
Not applicable	0

The Departmental performance is depicted on the below color-coded pie chart:



NB: The first bylaw is deferred to next financial year. The second Bylaw which was due for review has been cancelled for review by the end user department.

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Human Resource Management	N/A	M_404	Number of people from employment equity groups employed in the three highest levels of management YTD* (cumulative)	#	Lep_MHR	**30**	**29**	28	30	Overachieved	Out of 37 Positions, 30 are filled & 7 are vacant	Appointments were fast-tracked in Quarter 4	None	OPEX	R0	31	Updated organizational structure and / appointment letters for the quarter
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Labour Relations and EAP	N/A	M_672	Percentage of Employee Satisfaction rating YTD	%	Lep_MHR	53%	54%	55%	71%	Achieved	Out of 430 employees, 252 took part in the survey. The total score of 252 employees is 25148	The 252 employees that took part in the survey were happy with the service provided hence the high score	None	OPEX	R0	65%	Questionnaire, calculated scores, participation list, rating report
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Labour Relations and EAP	N/A	M_673	Nu Number of EAP policies Developed/ Reviewed and approved by Council YTD	#	Lep_MHR	**4**	**0**	4	0	Not Achieved	4 Policies were submitted to LLF for review.	3 LLF meetings were postponed hence reports not processed at LLF.	LLF to make input for approval of reviewed policies by Council by adhering to the scheduled LLF Calendar.	OPEX	R0	4	Approved policy document. Council resolution
KPA5: Transformation and Organisational Development\ Improve functionality,	N/A	M_678	Number of LLF meetings held YTD* (cumulative)	#	Lep_M	4	12	6	7	Achieved	1 ordinary meeting held on 6 May 2022; 3 Meetings postponed	Most of the meetings were special meetings to address urgent matters	To ensure adherence to the yearly LLF Calendar	OPEX	R0	10	Invite, attendance register, year schedule,

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
performance, and professionalism\ Labour Relations and EAP					HR							affecting workers					resolution register
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Labour Relations and EAP	N/A	M-678A	Percentage of LLF resolutions implemented per quarter	%	M-HR	0 (new)%	0 (new)%	80%	14%	Not Achieved	Out of 14 Resolutions, 2 were resolved and 12 are outstanding	Non-adherence to scheduled LLF Calendar.	To adhere to scheduled LLF. Calendar	OPEX	R0	80	Resolution register
KPA5: Transformation and Organisational Development\ Improve functionality, performance and professionalism\ Occupational health and Safety	N/A	M_680	Number of OHS audits conducted by June 2022	#	Lep_MHR	1	1	1	1	Achieved	1 OHS Audit conducted.	None	None	OPEX	R0	1	Quarterly audit reports (observation sheets and contractors inspection checklists) signed off by EMCSSS,
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Training and Development	N/A	M_212	Percentage of total municipality's budget spent on implementing its workplace skills plan YTD* (cumulative)	%	Lep_MHR	0,84%	0,59%	1%	0.88%	Not Achieved	Out of R1458176.00 , R1277162.44 .was spent	LLM implemented moratorium on attending training outside Lephalale	Use of online training of employees	R1458176	R1277162.	1%	Quarterly training register, budget statement Approved WSP training Register Budget Statement

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
																	Expenditure Report
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Training and Development.	N/A	M_18	Percentage of municipal new personnel appointed and enrolled to meet the financial minimum competency requirements YTD* (cumulative)	%	Lep_MHR	83%	100%	100%	100%	Achieved	None	None	None	OPEX	R0	100%	MFMP proof of enrolment
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Training and Development.	N/A	M-0032	Percentage of vacancy rate YTD (cumulative)	%	Lep-MHR	10%	13%	6%	15%	Not Achieved	Out of 504 positions , 74 are vacant & 430 are filled.	Slow recruitment process and high employees related cost due to overtime	Only fill critical and service delivery positions in order to reduce high employee related cost	OPEX	R0	6%	Appointment letters and / updated organisational structure. Summary report of the vacancy Rate percentage
KPA5: Transformation and Organisational Development\ Improve functionality, performance, and professionalism\ Training and Development	N/A	M_21	Percentage of municipal personnel budget spent YTD* (cumulative)	%	Lep_MHR	91%	97%	94%	92%	Not Achieved	Out of R225707435, R206931703. 58 was spent.	Filling of critical positions was prioritised.	Only fill critical and service delivery positions to reduce high employee related cost	R225707435	R206931703	100%	Report from BTO Percentage of municipal personnel budget spent (signed off by BTO and EMCSSS)

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Legal Services	N/A	M_136	Percentage of Service Level Agreements (SLAs) drafted/or reviewed within 7 working days of receipt of notice of appointment from Municipal Manager YTD*	%	Lep-MLegal	100%	100%	100%	100%	Achieved	18 SLAs received were reviewed/drafted within 7 working days after receiving date.	None	None	OPEX	100%	100%	Register indicating the date of request of drafting/review of SLA to date of SLA completion. Copies of drafted/reviewed SLAs
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Legal Services	N/A	M_653A	Number of By-laws Gazette by end of Financial Year. YTD	#	Lep-MLegal	0	0	1	1	Achieved	1 by-law gazetted in February 2022	None	None	OPEX	R0	2	Copy of a gazetted by-law
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Governance and Administration	N/A	M_655	Number of Council meetings held YTD*(cumulative)	#	Lep-MAdmin	16	11	8	10	Overachieved	2 meetings held. 1 Ordinary of 31 May & 1 Special 0n 28 June 2022	Additional unplanned special councils convened hence over achievement	Adhere to the schedule for council meetings as planned	OPEX	R0	8	Invitations. Attendance register, Meeting Schedule/Calendar Invitations Minutes/Resolution Register Attendance register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	N/A	M_135	Number of ICT related policies and plans Developed/ Reviewed and adopted by Council YTD*	#	Lep-MIT	13	13	13	0	Not Achieved	13 policies were reviewed and prepared for Council for approval.	Item for approval of the 13 policies was referred to the next Council meeting.	Ensure that the item serves in the next Council meeting	OPEX	R0	13	Council resolution
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	N/A	M-0034	Number of ICT Steering committee meetings held YTD (cumulative)	#	Lep-MIT	3	4	4	4	Achieved	1 meeting was held on 8 June 2022.	None	None	OPEX	R0	4	Invitations, minutes, attendance registers, resolution register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	N/A	M0034A	Percentage of ICT Steering Committee resolutions implemented per quarter	%	M-ICT	0%	100%	80%	88%	Overachieved	Out of 8 resolutions 1 is incomplete and 7 are completed.	The resolutions were all very critical in the provision of ICT services and therefore had to all be resolved.	Outstanding resolution is for Infrastructure dept. to address (generator)	OPEX	R0	80%	ICT Steering committee resolution register
KPA6: Good Governance and Public Participation\ Responsible, accountable,	N/A	M_23	Percentage of complaints received on the electronic system and	%	Lep-M	100%	100%	90%		Not Achieved	Out of 126 complaints received 5 completed	Most complaints were not closed on the system hence	To ensure that all complaints dealt with on the	OPEX		90%	System generated quarterly Report

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
effective, and efficient corporate governance\ IT and Support			successfully attended to by customer care per quarter		ad-min				4%		and 121 uncompleted.	the low percentage achieved.	system are closed after completion.		R0		signed off by EM
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_26	Percentage of AG queries resolved. YTD (cumulative)	%	Lep_MIA	83%	75%	100%	100%	Achieved	4 findings resolved.	None	None	OPEX	R0	100%	AG action Plan. Audit Report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_27	Percentage of Internal audit findings resolved. YTD (cumulative)	%	Lep_MIA	0%	65%	100%	60%	Not Achieved	Out 30 internal audit findings 18 are resolved	Some requires more time and financial resources to be resolved, as well meeting with staff for workshopping	Department is working on the recommendation of internal audit to resolve the findings,	OPEX	R0	100%	Internal Audit Queries register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_28	Percentage of Audit and performance Committee's resolutions implemented.	%	Lep_MIA	0%	86%	100%	75%	Not Achieved	Out of 20 resolutions 15 are implemented.	Other resolutions require more time before completion	Continue to work on implementing the resolutions until completion.	OPEX	R0	100%	Resolution Register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Risk Management	N/A	M_667	Percentage of risks resolved within timeframe as specified in the risk register YTD (cumulative)	%	Lep_MRiskOfficer	0%	33%	100%	74%	Not Achieved	74% of risks linked to Corporate Services are mitigated	Risks requires more time and resources to be mitigated.	Outstanding risks to be resolved	OPEX	R0	100%	Risk register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Audit Committee	N/A	M_691	Percentage of Implementation of council resolutions per quarter	%	LepMAdmin	0%	100%	100%	100%	Achieved	All council resolutions were implemented.	N/A	N/A	OPEX	R0	100%	Council Resolution Register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Communication	N/A	M_654	Percentage of required Legislated Publications published on Municipal website from each directorate per quarter	%	Lep_EMDP	0%	0%	100%	100%	Achieved	All legislated documents were published	None	None	OPEX	R0	100%	calendar of legislated publications, Screenshots of the website published. Report received form SITA.

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence

5.4 DEVELOPMENT PLANNING

The department comprises of the following units:

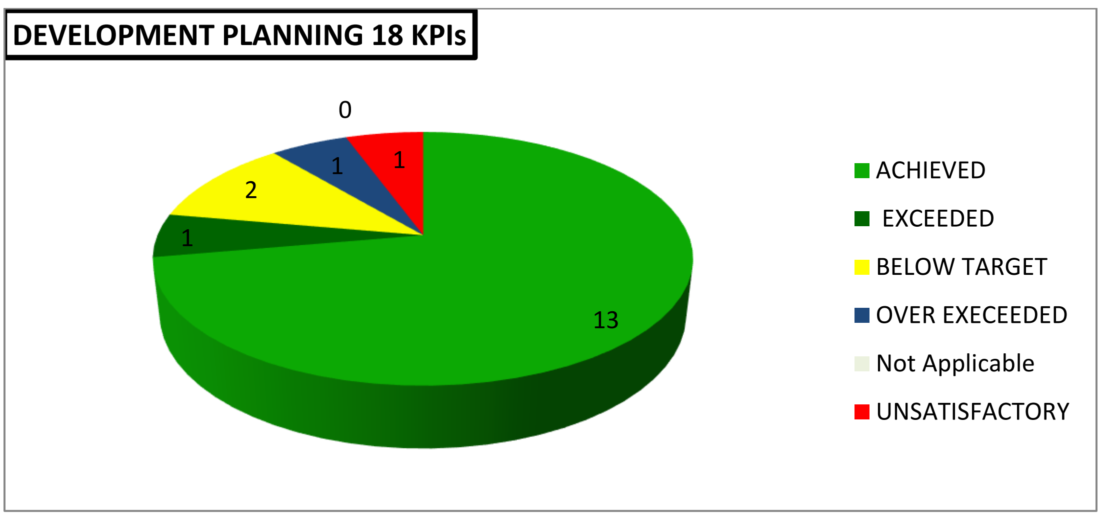
- Building Control
- Land Use Management
- Human Settlements
- GIS

Development Planning Department has Eighteen (18) indicators on the higher SDBIP which are deliverable from the department for the year, thirteen (13) indicators achieved the set target, one (1) indicator exceeded achievement, two (2) indicators over exceeded target, (1) indicator is below target. and one (1) indicator is unsatisfactorily lower on performance.

Table 4

Indicators	Total number 18
Achieved Target	13
Exceeded	1
Over exceeded Target	2
Below Target	1
Unsatisfactory	1
Not Applicable	0

The Departmental performance is depicted on the below colour coded pie chart:



Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID #	ID	INDICATOR	UOM	Update r	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2021/22	Portfolio of evidence
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Socio Economic Surveys	N/A	M_186	Percentage of Housing enquiries attended to monthly, YTD. (cumulative)	%	MHS	100%	100%	100%	100%	Achieved	160 Enquiries received and attended to	None	None	OPEX	R0	100%	Query register
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Land use	DP7	LM_1	Acquisition and Development of 6,5 hectares Land for integrated human Settlements	%	MHS	0%	0%	N/A	N/A	Not Achieved	Budget reallocated and project implementation moved to next Financial Year	None	None	CAP	R0	100%	Pictures, map of the land, Agenda, Attendance register, agreement between the seller and Municipality, transfer documents/ title deed
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Building Plans	N/A	M_114	Average turnaround time of building contraventions detected and attended to, within 5 working day.(non-cumulative)	#	MBC	4 working days	1,4 5 working days	5 working days	1,4 working days	Over achieved	12 Notices detected and attended within 1 working day	The over achievement is due to the lower target set from planning	Rectified the target setting in the new planning circle	OPEX	R0	5 working days	Copies of notices issued

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2021/22	Portfolio of evidence
Administration and Inspectorate																	
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Building Plans Administration and Inspectorate	N/A	M_759	Average turnaround time for assessment of building plans. (Non-cumulative)	# Working days	MBC	27 working days	25.11 working days	30 working days	29.4 working days	Achieved	14 Building plans assessed within 24,6working days	0.6 doesn't warranty a day	None	OPEX	R0	30 working days	A register indicating the date in which Building plans were received to assessment conclusion
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Land use	N/A	M759A	Percentage of Building control contraventions referred to legal after 30 days of nonresponse by resident. (Non-cumulative)	%	MBC	0%	0%	100%	100%	Achieved	12 Notices were issued but no referral made	No referrals to legal were required	None	OPEX	R0	100%	Notices issued and referred to legal
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Land use	N/A	M_760	Average turnaround time (weeks) for assessment and finalization of land use and development applications from the date	# Weeks	MLU	10 weeks	11 weeks	16 weeks	13,2 weeks	Overachieved	19 applications were considered within an average of 14.55 weeks.	The over achievement is due to the lower target set from planning	Rectified the target setting in the new planning circle	OPEX	R0	16 weeks	Assessment Register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2021/22	Portfolio of evidence
			of receipt as delegated to the Executive Manager per quarter. (Non-cumulative)														
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Land use	N/A	M_755	Average turnaround time (weeks) for assessment and finalization of land use and development applications from date of receipt as delegated to the Municipal Planning Tribunal. (Non-cumulative)	# Weeks	MLU	0 weeks	0 weeks	16 weeks	0	Achieved	No written assessment report set for MPT	Applications received addressed in line with Section 35(2) of SPLUMA 16 of 2013	None	OPEX	R0	16 weeks	Tribunal Resolution letter/s
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Land use	N/A	M_761	Average turnaround time of land use contraventions detected and attended to within 5 working days. (Non-cumulative)	# Weeks	MLU	2,3 working days,	2,2 working days,	5 working days	3,8working days	Overachieved	16 Notices issues aligned to an average of 2 working days.	Timeous confirmation regarding background information	None	OPEX	R0	5 working days	Copies of Notices issued
KPA1: Spatial Rationale\ Rational planning	N/A	M76	Percentage of Land use contraventions	%	MLU	0%	0%	100%		Achieved	16 Notices were issued but no	Subsequent site visits for re-affirmation	expedition of associated arrangements	OPEX		100%	Notices issued and

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2021/22	Portfolio of evidence
to bridge first and second economies and provide adequate land for development\ Land use		1A	referred to legal after 30 days of nonresponse by resident. (Non-cumulative)						100%		referral made	satisfactory compliance	set for re-affirmation and final notifications		R0		referred to legal
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Land use	N/A	GG-001	Number of properties identified and verified in line with Land use activities per quarter. (Non-cumulative)	#	GIS	0	0	120	120	Achieved	30 properties identified and verified.	None	None	OPEX	R0	120	Property Register
KPA1: Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Land use	N/A	GG-002	Percentage of cases referred to SPLUM and building control for compliance enforcement per quarter. (Non-cumulative)	%	GIS	0%	0%	100%	100%	Achieved	No cases were referred to building control and SPLUM for non-compliance.	None	None	OPEX	R0	100%	Referral register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_26	Percentage of AG queries resolved. YTD (cumulative)	%	Lep_MIA	83%	100%	100%	100%	Achieved	No AG Queries	None	None	OPEX	R0	100%	AG action Plan. Audit Report

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2021/22	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_27	Percentage of Internal audit findings resolved. YTD (cumulative)	%	Lep_MIA	0%	100%	100%	0%	Achieved	7 internal audit findings not resolved	Some Findings takes time to be completed	Continue to work on resolving the I A findings	OPEX	R0	100%	Internal Audit Queries register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_28	Percentage of Audit and performance Committee's resolutions implemented. (Non-cumulative)	%	Lep_MIA	0%	100%	100%	100%	Achieved	No Audit Committee Resolutions	None	None	OPEX	R0	100%	Resolution Register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Risk Management	N/A	M_667	Percentage of risks resolved within timeframe as specified in the risk register YTD (cumulative)	%	Lep_MRisk	0%	20%	100%	63%	Not Achieved	63% of all risks linked to Development planning are mitigated	Risks requires more time and resources to be mitigated.	Outstanding risks to be resolved	OPEX	R0	100%	Risk register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and	N/A	M_691	Percentage of Implementation of council resolutions per quarter. (Non-cumulative)	%	LepMAdm	0%	100%	100%	100%	Achieved	Two resolutions for Department and all attended to	None	None	OPEX	R0	100%	Council Resolution Register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2021/22	Portfolio of evidence
efficient corporate governance\ Audit Committee					in												
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	N/A	M_23	Percentage of complaints received on the electronic system and successfully attended to by customer care per quarter	%	LepMAdmin	100%	100%	90%	100%	Achieved	No complaints received	None	None	OPEX	R0	90%	System generated quarterly Report signed off by EM
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Communication	N/A	M_654	Percentage of required Legislated Publications published on Municipal website from each directorate per quarter	%	Lep	0%	0%	100%	100%	Achieved	No publications	None	None	OPEX	R0	100%	calendar of legislated publications, Screenshots of the website published. Report received form SITA.

5.5 BUDGET AND TREASURY

The Department comprises of the following units:

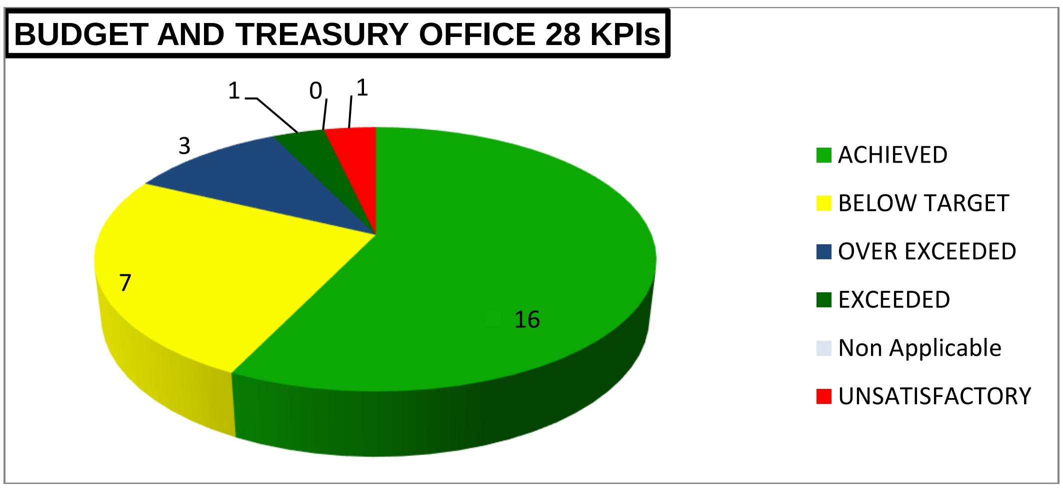
- Budget and Reporting
- Expenditure
- Income
- Supply Chain Management

Budget and Treasury Department has twenty-eight (28) indicators on the higher SDBIP which are deliverable from the Department for the year, thirteen (16) indicators achieved target, one (1) Indicators exceeded target, three (3) indicators over exceeded target, seven (7) indicators performed below target and one (1) indicator is unsatisfactorily lower on performance.

Table 5

Indicators	Total number 28
Achieved Target	16
Exceeded Target	1
Over exceeded Target	3
Below Target	7
Unsatisfactory	1
Not applicable	0

The Departmental performance is depicted on the below color-coded pie chart:



Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Asset Management	N/A	M_17	Number of Asset Verification conducted YTD	#	Lep-MB&R	1	1	1	1	Achieved	Asset verification completed	None	None	R1 400 000 R3 574 62 (adjusted)	R2 790 152	1	SLA of Appointed Service Provider/FAR SUMMARY
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Asset Management	N/A	M_630	Percentage Liquidity ratio (R-value current assets / R-value current liabilities as percentage) YTD	%	Lep-MB&R	246%	559%	200%	439%	Overachieved	Current Assets = 421 068 000/ Current Liabilities 95 923 000	Due to high Debtors Book & Good financial health to meet short term obligations	None	OPEX	R0	200%	Financial report
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Budget and Reporting	N/A	M_25	Number of quarterly financial reports submitted to Council YTD* (cumulative)	#	Lep-MB&R	4	4	4	4	Achieved	All reports were submitted to Council	None	None	OPEX	R0	4	Financial report, Council resolution
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Budget and Reporting	N/A	M_756	Number of Interim financial statements prepared and submitted to Audit Committee YTD (cumulative)	#	Lep-MB&R	0	0	1	0	Not achieved	Interim Financial Statements were not done	The YE audit was only finalised in February 2022	AFS will be done quarterly BTO Team.	OPEX	N/A	1	Interim Financial Statements

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Budget and Reporting	N/A	M_281	Number of Annual Financial Statements submitted to the Auditor General on time (by end August) YTD	#	Lep-MB&R	1	1	1	1	Achieved	Annual Financial statement submitted to AG as per Legislation	None	None	OPEX	R0	1	Set of Financial Statements (AFS)', Proof of submission
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Budget and Reporting	N/A	M_397	Percentage Cost coverage (R-value all cash at a particular time plus R-value investments, divided by R-value monthly fixed operating expenditure) YTD	%	Lep-MB&R	263%	210%	200%	498%	Overachieved	Total Cash R93 572 651/ Total Monthly fixed expenditure 22 875 000	The municipality has received the tranches of all the grants	None	OPEX	R0	200%	Financial Report
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Expenditure Management	N/A	M_348	Percentage on Payment of creditors within 30 days	%	Lep-MExp	100%	100%	100%	97%	Not Achieved	All submission for payments to Expenditure has been paid within 30 days	21/670 of Invoices submitted for payments were received after 30 days	The KPI to be assigned to each Directorate for easy monitoring of late Invoice and corrective action	OPEX	R0	100%	Creditors register - Expenditure Report
KPA3: Financial Viability and Financial Management\ Enhance revenue	N/A	M_011	Percentage of municipal Financial Management Grant spent	%	Lep-M	100%	100%	100%	100%	Achieved	The expenditure is in line with target due to a	None	None	OPEX	R0	100%	Financial Report

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
and financial management\ Expenditure Management			YTD* (cumulative)		Exp						more than expected						
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Expenditure Management	N/A	M_205	Percentage Debt coverage (total R-value operating revenue received minus R-value Operating grants, divided by R-value debt service payments (i.e., interest + redemption) due within financial year) YTD	%	Lep-MExp	2249%	2632%	200%	346%	Overachieved	Debt coverage higher than expected due to low borrowings. Debt Coverage =542 478 250/ Borrowings 15 652 848	Debt coverage higher than expected due to low borrowings.	None	OPEX	R0	200%	Financial Report
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\Supply Chain management.	N/A	M_285	Average number of days between closing of tender and adjudication YTD (cumulative)	#	Lep-SCM	121 days	121 days	90 days	57 days	Overachieved	Bids are finalised within validity period of the bids	Availability of members assist in finalising Bids within a set period	None	OPEX	R0	90 days	TENDER REPORT
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\Sup	N/A	M_scm1	Number of tender reports submitted to council per quarter YTD (cumulative)	#	Lep-	4	4	4	4	Achieved	Reports are updated Monthly	None	None	OPEX	R0	4	Tender reports

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
ply Chain management.																	
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\Supply Chain management	N/A	M_SCM2	Number of Deviation reports submitted to council per quarter YTD (cumulative)	#	Lep-	4	4	4	4	Achieved	Reports are updated Monthly and submitted to Council	None	None	OPEX	R0	4	Deviation report
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\Supply Chain management	N/A	M_scm3	Number of stock count done per annum	#	Lep-MSCM	1	1	1	1	Achieved	Stock taking was done on 30 June 2022 in the presence of AG and internal Audit	None	None	OPEX	R0	1	Stock taking report
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Revenue Management	N/A	M_33	Percentage debt collected per Quarter	%	Lep-MRev	83%	81%	95%	92,5%	Not Achieved	The municipality collected an average of 81% of revenue billed from July 2021 to June 2022 excluding the debt of R 73 million written off in December 2021, this is for the 5025 Altoostyd	The Municipality discontinued prepaid electricity metering in February 2022, the impact of adverse economic condition has affected the consumer affordability .	The Municipality is disconnecting electricity monthly and allows consumers to make arrangement and pay 20% down payment. The policy has been amended to	OPEX	R0	95%	Revenue collection report

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
											stands belonging to Limpopo Provincial Government (see Council Resolution A165/2021[10])		reduce the % of down payment from 50% to 20%. This serves to help and stimulate the clients to make payments. The billing dates has been revised to align to the Month payment for consumers. The Municipality is fast tracking to appoint the service provider before the end of the 1st quarter.				
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Revenue Management	N/A	M_396	Percentage outstanding service debtors to revenue (R-value total outstanding service debtors divided by R-value annual revenue	%	Lep-MRev	17%	19%	5%	7,5%	Not Achieved	The municipality collected an average of 81% of revenue billed from July 2021 to June 2022 excluding the debt of R 73	The Municipality discontinued prepaid electricity metering in February 2022, the impact of adverse	The Municipality is disconnecting electricity monthly and allows consumers to make arrangement	OPEX	R0	5%	Revenue collection report

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
			received for services) YTD								million written off in December 2021, this is for the 5025 Altoostyd stands belonging to Limpopo Provincial Government (see Council Resolution A165/2021[10	economic condition has affected the consumer affordability	and pay 20% down payment. The policy has been amended to reduce the % of down payment from 50% to 20%. This serves to help and stimulate the clients to make payments. The billing dates has been revised to align to the Month payment for consumers. The Municipality is fast tracking to appoint the service provider before the end of the 1st quarter.				
KPA3: Financial Viability and Financial Management\	N/A	M_6	Number of credit control policies reviewed and	#	Lep-	1	1	1		Achieved	The policy was submitted to Council in May	None	None	OPEX		1	Council resolution

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
Enhance revenue and financial management\ Revenue Management		37	approved by Council YTD*		MRev				1		2021 for 2021/2022 FY				R0		
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Revenue Management	N/A	M_636	Number of awareness campaign on payment of services and registration of indigent consumers YTD (cumulative)	#	Lep-MRev	0	3	3	3	Achieved	The municipality has sent electronic public awareness notices and clients are sent statements via email monthly, and there is a message included on the statement that reminds clients to make payments by the due date.	More awareness campaigns made do the shift from prepaid to post-paid electricity and the water tariff increase.	None	OPEX	R0	3	Attendance registers

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
KPA3: Financial Viability and Financial Management\ Enhance revenue and financial management\ Free Basic Services	N/A	M_638	Number of updated and credible indigents register in place YTD	#	Lep-MRev	1	0	1	0	Not Achieved	The process of Indigent registration is in progress to date 1200 has been registered and has will be forwarded for verification and the final report will take to Council on the 1st Quarter Reporting for 2022/223	The indigent register for 2021/2022 could not be processed/updated due to the challenges of Covid-19 and election campaigns that took place during the time that was scheduled for registration. The Report will be presented to council on the 1st quarter 2022/23	The Council has approved the indigent registration proposed programme for 2022/23 Financial year and the process will start in Q3 of 2021/2022 FY The Report will be presented to council on the 1st quarter 2022/23	OPEX	R0	1	Indigent register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_650	Number of Unqualified Audit Opinion received from AG YTD	#	Lep-CFO	0	1	1	1	Achieved	Unqualified opinion received	None	None	OPEX	R0	1	Audit report
KPA6: Good Governance and Public	N/A	M_7	Number of material audit findings	#	Lep	2	0	0		Achieved	Unqualified opinion received	None	None	OPEX		0	Audit report

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General		40	against the municipality regarding financial statements YTD		-CFO				0						R0		
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_26	Percentage of AG queries resolved. YTD (cumulative)	%	Lep_MIA	83%	30%	100%	86%	Not Achieved	8 out of 52 issues were not resolved	UIFWS investigation process still on progress, Payment within 30 days ,Finalisation of FAR is in progress.	Panel of consultant has been appointed to perform investigation. KPA for payment within 30 days must be allocated to departments.	OPEX	R0	100%	AG action Plan.
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_27	Percentage of Internal audit findings resolved. YTD (cumulative)	%	Lep_MIA	0%	44%	100%	47%	Not Achieved	16 of 33 issues were not resolved	Most audits were performed simultaneously in the last quarter of the financial year, while BTO was busy with the preparation of 2022/23 Budget, asset verification, Investigation of UIFW'S and closing of 2021/22	Proper audit plan to be developed considering other BTO legislative priorities. Proper scheduling of audits by Internal audit to avoid pressure to the auditees. This can compromise the audit process and	OPEX	R0	100%	Internal Audit Queries register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Update r	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
												Financial year End. Most audit reports were finalised in May and June hence no time was available to close the finding as of 30 June 2022. On that basis the result has shown that performance has regressed from 81% in Q3 to 52% in Q4.	will lead to poor audit results.				
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_28	Percentage of Audit and performance Committee's resolutions implemented.	%	Lep_MIA	100%	100%	100%	100%	Achieved	All resolutions were implemented	None	None	OPEX	R0	100%	Resolution Register
KPA6: Good Governance and Public Participation\ Responsible,	N/A	M_667	Percentage of risks resolved within timeframe as specified in the	%	Lep_M	90%	93%	100%		Not Achieved	Preparation of interim financial statements was not done due to late	Preparation of interim financial statements was not done	The budget has been allocated to Procure	OPEX		100%	Risk register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
accountable, effective, and efficient corporate governance\ Risk Management			risk register YTD (cumulative)		Risk				95%		finalisation of audits by AG. Delays on registration of indigents and writing off trivial balances and deceased debts	due to late finalisation of audits by AG. Delays on registration of indigents and writing off trivial balances and deceased debts.	Business intelligence system which will automate the AFS Preparation. The process of the review of the diseased account is in progress.		R0		
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Audit Committee	N/A	M_691	Percentage of Implementation of council resolutions per quarter	%	LepMAdmin	100%	100%	100%	100%	Achieved	All Council resolutions were implemented	None	None	OPEX	R0	100%	Council Resolution Register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	N/A	M_23	Percentage of complaints received on the electronic system and successfully attended to by customer care per quarter	%	Lep-Mad-min	100%	100%	90%	100%	Achieved	The system is not user friendly; the current configurations make it difficult to access and resolve queries. Lack of understanding of how the system operates by end-users.	The system is not user friendly; the current configurations make it difficult to access and resolve queries. Lack of understanding of how the system	Training and retraining of Employees. Query register has been implemented to monitor quires. Effective monitoring and oversight.	OPEX	R0	90%	System generated quarterly Report signed off by EM

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
												operates by end users	Custodians of customer care to coordinate with departments daily to close the job cards. The system must be configured to be user friendly and for easy access. Training is required				
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Communication	N/A	M_654	Percentage of required Legislated Publications published on Municipal website from each directorate per quarter	%	Lep_654	0%	0%	100%	100%	Achieved	All required Legislated documents published on website	None	None	OPEX	100%	100%	calendar of legislated publications,
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate	BTO1	BP	Mobile Offices	%	CFO	0%	0%	100%	100%	Achieved	Project completed and mobile office delivered.	None	None	R500 000	R 479 000	100%	Advert Progress report

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual expenditure	Annual Target 2022/23	Portfolio of evidence
governance\ Communication		01															

5.6 SOCIAL SERVICES

The department comprises of the following units:

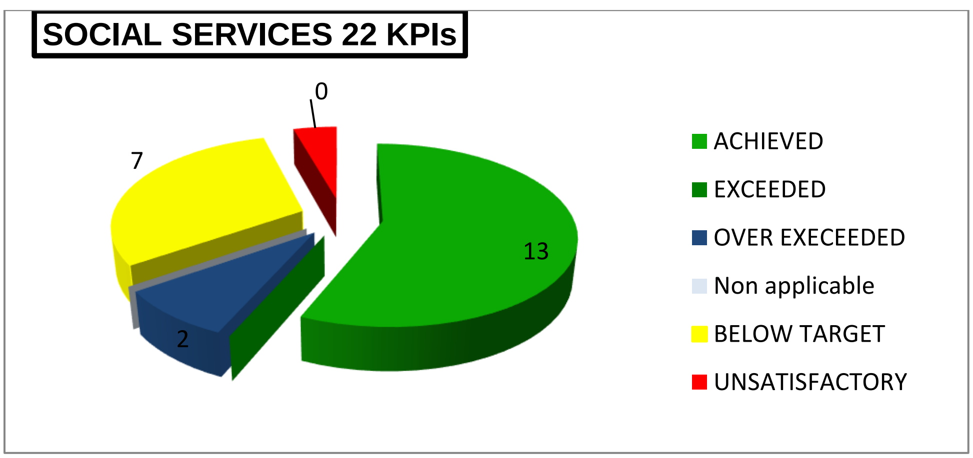
- Traffic
- Registration
- Waste Management
- Parks
- Libraries

Social Services Department has twenty-two (22) indicators which are deliverable from the Department., Thirteen (13) indicators achieved target, two (2) indicators over exceeded target, seven (7) indicators performed below target, and no (0) indicator is unsatisfactorily lower on performance.

Table 6

Indicators	Total number 22
Achieved Target	13
Exceeded Target	0
Over Exceeded Target	2
Below Target	7
Unsatisfactory	
Not applicable	0

The Departmental performance is depicted on the below color-coded pie chart:



The detailed performance for the department follows:

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Environmental Management	N/A	M_170	Number of trees planted per quarter, year to date (operational budget) *YTD (cumulative)	#	Lep-MParks	610	490	500	503	Achieved	180 trees planted.	20 trees were donated from Dept. of Environment.	None	R50 000.	R 43 000	500	Purchase Order, Delivery Note, Invoice Nursery, Inventory Register, Beneficiary list
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Environmental Management	N/A	M-171	Number of Times each 0f the 15 parks maintained per quarter (non-cumulative)	#	Lep-MParks	0	0	6	5	Not Achieved	All 15 parks were not maintained as planned.	2 out 3 tractors were on breakdown.	Repaired one tractor and remaining with one.	OPEX	R0	6	Pictures, Activity schedule
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Environmental Management	N/A	M_370	Number of cemeteries maintained once per quarter (non-cumulative)	#	Lep-MParks	0	0	5	5	Achieved	All 5 cemeteries were maintained as planned.	None	None	OPEX	R0	5	Pictures, Activity schedule
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and	N/A	M_702	Number of waste education and awareness campaigns conducted	#	Lep-MW	43	48	48	48	Overachieved	13 waste education and awareness campaigns conducted.	Due to increase in number of reported incidents of illegal dumping.	KPI to be reviewed and adjusted.	OPEX	R0	48	Presentations, Attendance registers and Agenda

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
improve community well-being\ Environmental Management			YTD (cumulative)		aste												
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Library Services	N/A	M_172	Number of library campaigns held YTD (cumulative)	#	Lep-MLib	3	3	4	4	Achieved	All library campaigns were conducted as planned.	None	None	OPEX	R0	4	presentations, attendance register and Agenda
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Library Services	N/A	M_LIB1	Number of Thusong Centre services campaigns held YTD (cumulative)	#	Lep-MLib	3	2	4	4	Achieved	All Thusong centre services campaign was conducted as planned.	None	None	OPEX	R0	4	presentations, attendance register and Agenda
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Library Services	N/A	M-LIB2	Number of education forum meetings held YTD. (cumulative)	#	Lep-MLib	3	3	4	3	Not Achieved	Not all Education forum meeting were held.	Target not met due to the finalising election of Ward Committee members as stakeholders.	To improve in the new financial year 2022/23.	OPEX	R0	4	Invitations, agenda, attendance register, minutes

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Registry.	N/A	M_395	Average turnaround time between application and testing of applicants for leaner's license per quarter	#Weeks	Lep-MReg	1 week	1 week	2weeks	1week	Achieved	Turnaround time between application & testing of applicants for leaner's license has improved to one week.	Current economic meltdown has led to fewer people applying for learners' licences.	None	OPEX	R0	3weeks	Weekly print out from NATIS, register. Report showing the average calculations
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Registry	N/A	M_RG1	Average turnaround time between application for driver's license and actual testing per quarter	#Weeks	Lep-MReg	1 week	1 week	2weeks	1week	Achieved	Turnaround time between application & testing of applicants for leaner's license has improved to one week.	Current economic meltdown has led to fewer people applying for learners' licences.	None	OPEX	R0	2weeks	Print outs from NATIS, registers. Report showing the average calculations
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Registry	N/A	M_RG2	Number of transport forum meetings held YTD. (cumulative)	#	Lep-MReg	2	3	4	4	Achieved	All Transport forum meetings were held.	None	None	OPEX	R0	4	Invitations, agenda, attendance register, minutes
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community	N/A	M_703	Number of days speed check operations held YTD (cumulative)	#	Lep-MTr	0 (new)	0 (new)	120	119	Not Achieved	Speed checks were conducted for 35 days.	Due to unrest of illegal taxi operators.	KPI reviewed. Report in the new financial year 2022/2023	OPEX	R0	120	Speed checks register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
well-being\ Road Safety / Law Enforcement					af												
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Road Safety / Law Enforcement	N/A	M_704	Number of law enforcement operations held YTD. (cumulative)	#	Lep-MTraf	7	5	4	9	Overachieved	Additional law enforcement joint operation was conducted.	Due to unrest of illegal taxi operators.	Visibility of law enforcement.	OPEX	R0	4	Stop & check register, attendance register
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Waste Management	N/A	M_250	Number of urban households provided with weekly refuse removal, YTD (cumulative)	#	Lep-MWaste	8231	10602	10602	10602	Achieved	10602 Urban households and 8675 informal settlements households have access to kerbside waste collection.	None	None	OPEX	R0	11000	Billing list
KPA2: Service Delivery and Infrastructure Development\ Protect the environment and improve community well-being\ Waste Management	N/A	M_708	Number of rural villages with access to weekly refuse removal services through roll-on, roll-off system	#	Lep-MWaste	17	17	17 Villages	17 Villages	Achieved	17 villages have access to refuse removal services through roll-on-roll off system.	None	None	OPEX	R0	17	Weekly Plan, List of Villages, Bin Coordinates,
KPA2: Service Delivery and Infrastructure	SS	LMW	Review of IWMP for all Nodal Areas	%	Lep	0%	0%	100%		Not Achieved	BSC sited on the 18/05/2022	BSC referred the draft	To fast tract the approval of the	350 000		100%	Advert Appointment letter

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
Development\ Protect the environment and improve community well-being\ Waste Management	47	S1			-MWaste				0%		which is 40% progress.	specification for amendments.	specification by BSC.		R0		and Project progress report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_26	Percentage of AG queries resolved. YTD (cumulative)	%	Lep_MIA	83%	0%	100%	100%	Achieved	2 findings in the department were resolved.	None	None	OPEX	R0	100%	AG action Plan. Audit Report
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_27	Percentage of Internal audit findings resolved. YTD (cumulative)	%	Lep_MIA	0%	100%	100%	25%	Not Achieved	4 out 16 audit findings were resolved.	Some findings require more time and financial resources to be resolved, as well as meeting with staff for workshopping	Department is working on the recommendation of internal audit to resolve the findings,	OPEX	R0	100%	Internal Audit Queries register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_28	Percentage of Audit and performance Committee's resolutions implemented.	%	Lep_MIA	0%	100%	100%	100%	Achieved	No Resolutions for the department	None	None	OPEX	R0	100%	Resolution Register
KPA6: Good Governance and Public Participation\	N/A	M_6	Percentage of risks mitigations	%	Lep	0%	100%	100%		Not Achieved	81% of all risks linked to social	Mitigation process takes time and its	Continue to work mitigation on	OPEX		100%	Risk register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
Responsible, accountable, effective, and efficient corporate governance\ Risk Management		67	implemented per quarter		_MRiskOfficer				81%		services are mitigated	work on progress.	risks linked to the department in future.		R0		
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Audit Committee	N/A	M_691	Percentage of Implementation of council resolutions per quarter	%	LepMAdmin	0%	100%	100%	100%	Achieved	All council resolutions are implemented.	None	None	OPEX	R0	100%	Council Resolution Register
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	N/A	M_23	Percentage of complaints received on the electronic system and successfully attended to by customer care per quarter	%	Lep-Mad-min	100%	100%	90%	50%	Not Achieved	Not all complaints linked to department are resolved.	Shortage of working tools for parks division to prune and cut trees and only slasher operational.	Procure additional working tools for parks division.	OPEX	R0	90%	System generated quarterly Report signed off by EM
KPA6: Good Governance and Public Participation\ Responsible,	N/A	M_6	Percentage of required Legislated Publications	%	Lep_	0%	0%	100%		Achieved	Required legislated documents	None	None	OPEX		100%	calendar of legislated publications,

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
accountable, effective, and efficient corporate governance\ Communication		54	published on Municipal website from each directorate per quarter		MCom				100%		are on the website.				R0		Screenshots of the website published. Report received form SITA.

5.7 INFRASTRUCTURE SERVICES

The department comprises of the following units:

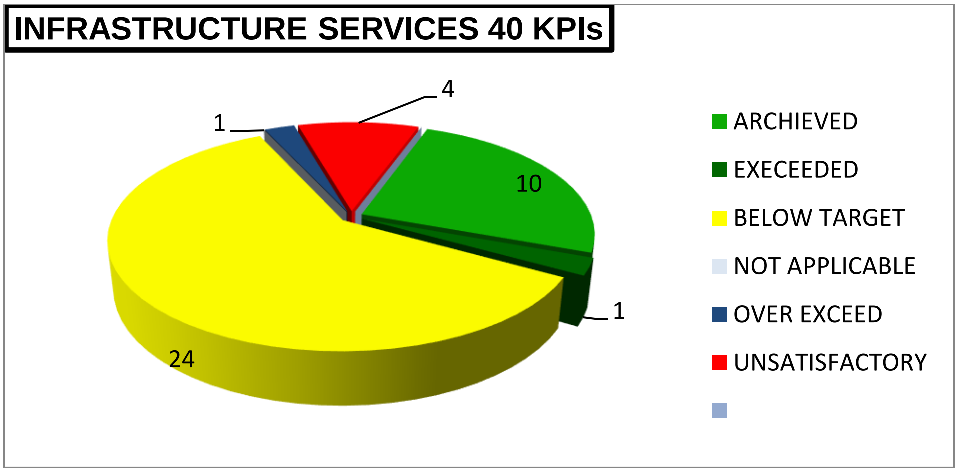
- Water
- Sanitation
- Project Management Unit
- Electrical
- Roads and Storm water

Infrastructure Services Department has Forty (40) indicators which are deliverable from the Department. for the year, ten (10) indicators achieved target, one (1) indicator exceeded target, one (1) indicator over exceeded target, seventeen (24) indicators are below targets. and four (4) indicators are unsatisfactorily lower on performance.

Table 7

Indicators	Total number 40
Achieved Target	10
Exceeded Target	1
Over Exceeded Target	1
Below Target	24
Unsatisfactory	4
Not Applicable	0

The Departmental performance is depicted on the below color-coded pie chart:



The detailed performance for the department follows:

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Electrical Network (Electricity – Maintenance and Upgrading)	N/A	M_340	Percentage of Electrical losses YTD*	%	Lep-MElec	0%	0%	10%	4%	Over Achieved	dropped from 10% to 4%	None	None	OPEX	R0	8%	Electrical Loss Report
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Electrical Network (New Infrastructure)	ISE5& ISE11	M_401A	Number households connected with basic level of electricity by Municipality on Eskom licensed area from 1 July 2021 to 30 June 2022	#	Lep-MElec	0 (new)	0 (new)	1879	517 households connected.	Not Achieved	517 households connected as at end June 2022	Most of the stands was empty stand without structure/ building	To allocate the budget to areas that has backlog to avoid roll over	26 500 000	R25 695 590	1879	Appointment letter, Payment Certificates Project progress report, confirmation letter from Eskom Completion certificates
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Electrical Network (New Infrastructure)	N/A	M_401B	Percentage of households connected with basic level of electricity by Municipality on Municipal licensed area from 1 July 2021 to 30 June 2022	%	Lep-MElec	0(new)%	0(new)%	100%	100%	Achieved	All received applications were connected.	None	None	OPEX	R0	100%	Works orders
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal	ISE3	MG1	Installation of high mast lights at Phahladira Village	%	Lep-ME	N/A	N/A	100%	0%	Not-Achieved	Consultant has been appointed and has prepared designs and	National treasury issued a moratorium whereby no new tender can be advertised.	Bid committees to fast-track appointment of service provider.	R 2 500 000	R 172 250.0	N/A	Progress report, Completion certificate

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
areas\ Electrical Network (New Infrastructure)					lec						tender document for appointment of contractor.						
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Electrical Network (New Infrastructure)	ISE5	mMG006	High mast light installation Segale ,Botsalanong ,Kopanong Senoela, Morwe, Botshabelo	%	Lep-MElec	N/A	N/A	100%	100%	99%	All 20 high mast lights were installed.	None	None	R 2 930 936,32	R3 286 508,36	N/A	Progress report, Completion certificate
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Electrical Network (New Infrastructure)	ISE11	MG007	High mast light installation at Steve Biko, Maeteletja, Tshehlong, Ditaung	%	Lep-MElec	N/A	N/A	100%	100%	88%	All high mast lights have been installing at Steve Biko, Maeteletja, Tshehlong, Ditaung ed	None	None	R 6 096 018	R5 200 400,30	N/A	Progress report, Completion certificate
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Electrical Network (New Infrastructure)	ISE11	MG008	Electrification of houses in Various Villages Phase 1	%	Lep-MElec	N/A	N/A	100%	100%	99%	All identified HH in Various Villages were electrified and project completed.	None	None	R 9 500 000	R9 500 000	N/A	Progress report, Completion certificate
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal	ISE11	ES_1	Electrification of houses in Various Villages Phase 2	%	Lep-ME	N/A	N/A	100%	91%	Not Achieved	The service provider has electrified houses	The process to completion is slower than anticipated	Monitor the project and improve the work pace to completion	R17 000 000	R 16 850 990	N/A	Copy of Advert, Appointment letter, Progress report,

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
areas\ Electrical Network (New Infrastructure)					lec												completion Certificate
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Electrical Network (New Infrastructure)	ISE14	LME9	Electrical Master Plan	%	Lep-MElec	N/A	N/A	100%	0%	Not Achieved	Specification on Review	Delays in approval of specifications	Tender to be advertised	R 500 000	R0	N/A	Copy of Advert, Appointment letter, Progress report,
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Electrical Network (New Infrastructure)	ISE6	LME1	Cherry Picker	%	Lep-MElec	N/A	N/A	100%	100%	Achieved	Delivered	None	None	R1 500 000	R 1 667 500	N/A	Advert, Appointment letter
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Electrical Network (New Infrastructure)	ISE12	LME2	1 x LDV Bakkies	%	Lep-MElec	N/A	N/A	100%	100%	Achieved	Delivered	None	None	R 460 000	R 518 989 inc VAT	N/A	Advert, Appointment letter
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Electrical Network (New Infrastructure)	ISE13	LME3	3,5 Ton Truck with half canopy	%	Lep-MElec	N/A	N/A	100%	100%	Achieved	Delivered	None	None	R 850 000	R848 033.25	N/A	Advert, Appointment letter

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Roads and Storm water – Maintenance and Upgrading	N/A	M_218	Number of villages in which access roads are bladed YTD*(cumulative)	#	Lep-MPW	39	39	39	39 Villages	Achieved	39 villages bladed	None	None	OPEX	39 Villages	39	Signed Confirmation report of blading the village and a logbook
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Roads and Storm water – Maintenance and Upgrading.	ISR/P45	LMPP1	3,5 Ton Truck with half canopy	%	Lep-MPW	N/A	N/A	100%	100%	Achieved	Completed truck delivered.	None	None	R 850 000	R848 033.25	N/A	Advert, Appointment letter
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Roads and Storm water – Maintenance and Upgrading.	ISR/P46	LMPP2	Mechanical Broom	%	Lep-MPW	N/A	N/A	100%	0%	Not Achieved	The broom received in July at Municipality	None	None	R 1 000 000	R 00 000	N/A	Advert, Appointment letter
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Roads and Storm water – Maintenance and Upgrading.	ISR/P48	LMPP3	Walk Behind Roller	%	Lep-MPW	N/A	N/A	0%	0%	Not Achieved	Due to insufficient funding project has been moved to next FY	Insufficient funding	Project moved to next FY	R 0 000	R0	N/A	Advert, Appointment letter
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Roads and Storm water – Maintenance and Upgrading.	ISR/P37	LMPP4	2x Plate Compactors	%	Lep-MPW	N/A	N/A	100%	0%	Not Achieved	Due to insufficient funding project has been moved to next FY	Insufficient funding	Project moved to next FY	R180 000	R0	N/A	Advert, Appointment letter

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Roads and Storm water – Maintenance and Upgrading.	ISR/P2	LMPP5	Asphalt Saw Cutter	%	Lep-MPW	N/A	N/A	100%	100%	Achieved	saw cutter delivered.	None	None	R 80 000	R48 000.00	N/A	Advert, Appointment letter
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Roads and Storm water – Maintenance and Upgrading.	ISR/P1	LMPP6	Construction of Bridge to Martinique Cemetery	%	Lep-MPW	N/A	N/A	100%	0%	Not Achieved	Tender advertised	The was no bidder in the first advert for consultants	The tender has been re-advertised awaiting to be evaluated.	R 1 000 000	R0	N/A	Copy of Advert, Appointment letter, Progress report, completion Certificate
KPA2: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Roads and Storm water – Maintenance and Upgrading.	LED1	LMPP7	Construction of Hawkers Stalls	%	Lep-MPW	N/A	N/A	100%	0%	Not Achieved	Detailed designs have been completed.	Funds have been reallocated to another project.	Funds to be made available in next financial year.	R 3 500 000 (Adjusted)	R0	100%	Advert, appointment letter, completion certificate
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Sanitation - New Infrastructure	N/A	M_400A	Percentage of households connected with access to sanitation in urban area (Marapong, Onverwacht and Town) from 1 July 2021to 30 June 2022	%	Lep-MSanit	0 (New) %	0 (New)%	100%	100%	Achieved	All applications were connected	None	None	OPEX	R0	100%	List of households issued with occupation certificates/ Works Order
: Service Delivery and Infrastructure Development\	N/A	M_7	Number of monthly wastewater	#	Lep	1	1	10	5	Not Achieved	Only five(5) tests were conducted,	Delays in approval of specifications	The advert for appointment	OPEX	R0	10	Advert.

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
Provide quality and well-maintained infrastructural services in all municipal areas\ Wastewater Quality (Green Drop)		58	quality monitoring report conducted by Municipality YTD (cumulative)		-MSanit						the other five (5) was not done due to insufficient budget.		of a service provider for wastewater sampling and analysis closed on 26 August 2022.				
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Sanitation - New Infrastructure	ISS25	MG2A	Thabo Mbeki sewer network phase 2	%	Lep-MSanit	N/A	N/A	100%	70%	Not Achieved	The consultant has been appointed and already completed the detailed designed and the contractor is busy with construction work on site.	None	None	R24969977	R26 468 868,90	N/A	Progress report.
: Service Delivery and Infrastructure	ISS6	LMSN1	Sewer Unblocking Machine	%	Lep-MSanit	N/A	N/A	100%	0%	Not Achieved	Insufficient budget.	Market related test was not done.(under-budgeted)	Budget to be increased during budget adjustment.	R 543 000	R0	N/A	Attach quotation
KPA2: Service Delivery and Infrastructure	ISS7	LMSN2	Sand Removal machine for the sewer pipes	%	Lep-MSa	N/A	N/A	100%	0%	Not Achieved	Insufficient budget.	Market related test was not done.(under-budgeted)	Budget to be increased during budget adjustment.	R 450 000	R0	N/A	Attach quotation

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID #	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
					nit												
: Service Delivery and Infrastructure	ISS8	LMSN3	Mobile Bucket Winch	%	LepMSan	N/A	N/A	100%	0%	Not Achieved	Insufficient budget.	Market related test was not done.(under-budgeted)	Budget to be increased during budget adjustment.	R 5000	R0	N/A	Attach quotation
KPA2: Service Delivery and Infrastructure	ISS9	LMSN4	Mobile trash Pump	%	Lep-MSanit	N/A	N/A	100%	0%	Not Achieved	Insufficient budget.	Market related test was not done.(under-budgeted)	Budget to be increased during budget adjustment.	R 200 000	R0	N/A	Attach quotation
: Service Delivery and Infrastructure	ISS10	LMSN5	Sanitation Master Plan inclusive system modelling and pump station modelling 1 (Master plan)	%	Lep-MSanit	N/A	N/A	100%	0%	Not Achieved	Not yet advertised.	Delays in approval of specifications	Tender to be advertised	R 500 000	R	N/A	Advert, Scoping, inception, Water infrastructure master plan
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Water – Supply	N/A	M_399A	Percentage of households connected with access to water in urban area (Marapong, Onverwacht and Town) from 1 July 2021 to 30 June 2022	%	Lep-MWater	0 (New)%	0 (New)%	100%	100%	Achieved	All new households were connected to water reticulation system.	None	None	OPEX	R0	100%	List of households issued with occupation certificates/ Works Order

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Water – Supply	ISW21	LMW1	Water Infrastructure Master Plan	%	LepMWater/PMU	N/A	N/A	100%	0%	Not Achieved	Master plan not yet developed.	Delays were encountered at specification development and approval by Bid Specification Committee	Expedite procurement processes	R 500 000	R0	N/A	Advert, Scoping, inception, Water infrastructure master plan
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Water loss (unaccounted water)	N/A	M_81	Percentage of water losses per quarter.	%	Lep-MWater	10%	48,4%	14%	49,5%	Not Achieved	49,40%, Water loss report	Water Loss due to pipe burst on old AC pipes.	Replace Old AC pipes with uPVC pipes and Implement water conservation and water demand management.	OPEX	R0	12%	Water Loss Report
: Service Delivery and Infrastructure Development\ Provide quality and well-maintained infrastructural services in all municipal areas\ Water Quality (Blue Drop)	N/A	M_728	Number of monthly water quality monitoring report conducted by Municipality YTD	#	Lep-MWater	12	10	10	10	Achieved	A total of cumulative nine (10) Water analysis reports conducted.	None	None	OPEX	10	10	Water analysis Report
: Service Delivery and Infrastructure	SS8	MGPP4	Establishment of 2 transfer stations in rural Areas	#	Lep-MWa	N/A	N/A	N/A	0%	Not Achieved	Project on litigation. funds not allocated to the project	Project on litigation. funds not allocated to the project	Wait for legal process to be completed	R0 (Adj)	R0	N/A	Progress report, Completion certificates

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDP ID#	ID	INDICATOR	UOM	Updaterste/PMU	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
KPA6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_26	Percentage of AG queries resolved.	%	Lep_MIA	83%	25%	100%	75%	Not Achieved	Out of 4 findings 3 are resolved.	Audit Report issued at end February some finding requires more time before being resolved.	Continue to resolve the findings, and some findings to be resolved as we compile APR.	OPEX	R0	100%	AG action Plan. Audit Report
: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_27	Percentage of Internal audit findings resolved. YTD (Cumulative)	%	Lep_MIA	14%	14%	100%	22%	Not Achieved	Out 60 findings 13 issues are resolved	The nature of findings takes time and resources to complete. Stick to agreed time frames	Continue to work addressing the IA findings.	OPEX	R0	100%	Internal Audit Queries register
: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	N/A	M_28	Percentage of Audit and performance Committee's resolutions implemented per quarter. (non-cumulative)	%	Lep_MIA	0	100%	100%	63%	Not Achieved	Out 8 resolutions 5 are implemented.	Some of the resolutions are taking longer to implement due to resources required. Be clear and specify.	Continue with the implementation of the resolutions.	OPEX	R0	100%	Resolution Register
: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Risk Management	N/A	M_667	Percentage of risks resolved within timeframe as specified in the risk register YTD (cumulative)	%	Lep_MRisk	0	68%	100%	68%	Not Achieved	35/37 risks have been mitigated.	Risks requires more time and resources to be mitigated.	Outstanding risks to be resolved Speedily	OPEX	99%	100%	Risk register

Hierarchy (KPA\ STRATEGIC OBJECTIVE \ Programme)	IDPID#	ID	INDICATOR	UOM	Updater	Baseline	2021FY Actual Achievement	Annual Target 2021/22	Annual Actual	Achievement Notes /Status	Actual Notes	Challenges / Reasons for under or over performance	Corrective Actions/ Measures	Annual budget	Annual Expenditure	Annual Target 2022/23	Portfolio of evidence
: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Audit Committee	N/A	M_691	Percentage of Implementation of council resolutions per quarter	%	LepMAdmin	0	73%	100%	0%	Not Achieved	All Council Resolutions were not resolved	Resolutions requires additional time to be completed.	Continue work on the implementation process	OPEX	0%	100%	Council Resolution Register
: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	N/A	M_23	Percentage of complaints received on the electronic system and successfully attended to by customer care per quarter.	%	Lep-MAdmin	100%	100%	90%	100%	Achieved	All complaints received were attended to the department	Every division has allocated an employee to deal with queries and they are monitored	None.	OPEX	100%	90%	System generated quarterly Report signed off by EM
: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Communication	N/A	M_654	Percentage of required Legislated Publications published on Municipal website from each directorate per quarter	%	Lep_EMIS	0	0	100%	100%	Achieved	The specific function falls within another directorate.	None	None	OPEX	N/A	100%	calendar of legislated publications, Screenshots of the website published. Report received form SITA.

5.8 INFRASTRUCTURE SERVICES, PERFORMANCE OF CONTRACTED SERVICE PROVIDERS AND THEIR PERFORMANCE EVALUATION RATINGS

Rating's table for scoring on Service provider Performance

Color code	Scoring	% Target achieved	
Rating	Score	Low	High
Unsatisfactory	1-1.99	0.0%	49.99%
Below target	2 -2.99	50%	69.9%
Achieved target	3 -3.99	70%	79.99%
Exceeded target	4 -4.99	80%	99.9%
Over exceeded target	5+	100.0%	+

	Name Of Service Provider	Project Name	Start Date	Completion Date	Funder	Progress on Implementation	Original Budget	Adjusted Budget	Expenditures	Rating 1-5	Comments
1	Con: Gombameni Risk and event management	Melvel Access road	19/09/2019	30/07/2021	MIG	Project completed	34 122 991,4	0	34 122 991,4	3	Project completed
2	Con: Tshashu consulting	Mokuruanyane water scheme Bulk pipeline phase1&2	01/09/2021	30/09/22	WSIG	The physical progress is 88%, The contractor has completed	30 114 063	0	R 15 659 312,76	4	The physical progress is 88%, The contractor has completed the following works: - Site establishment done and site clearing in progress. -The contractor has excavated 16.0km and laid 6.25km of pipeline to date. -Erection of four borehole pump houses is almost complete(side walls and the roofing complete) . - The package plant is

	Name Of Service Provider	Project Name	Start Date	Completion Date	Funder	Progress on Implementation	Original Budget	Adjusted Budget	Expenditures	Rating 1-5	Comments
											almost complete(94% physical progress). - Four pumps have been installed at the pump houses.
3	Con: NSK Electrical & Construction Managers	High mast light installation Segale ,Botsalanong ,Kopanong Senoela, Morwe, Botshabelo	26/03/2021	30/06/2022	MIG	Project completed	R 10 163 274,50	0	R 10 163 274,50	4	Project completed
4	Con: NSK Electrical & Construction Managers	High mast light installation at Steve Biko, Maeteletja, Tshehlong, Ditaung	01/07/2021	30/06/22	MIG	Project completed	R 6 096 018,00	0	R 6 096 018,00	4	Project completed
5	Con: NSK Electrical & Construction Managers	Electrification of houses in Various Villages Phase 2	01/07/2021	30/06/22	INEP	Project completed	R 17 000 000	0	R 16 850 990	4	Project completed
6	Con: MJ Mthombeni	Thabo Mbeki sewer network phase 2	02/11/2021	03 /11/2022	MIG	Site Establishment-100%,Excavation and Preparation-100%,Pipe bedding and blanket-94%,Laying pipes -85%,Erf connection -99%,Plumbing fixtures-75%,House connections-78%,Booster pump station-71%,Artificial surface wetlands-	R 47 485 985,73	0	R 29 969 977,43	4	Site Establishment-100%,Excavation and Preparation-100%,Pipe bedding and blanket-94%,Laying pipes -85%,Erf connection -99%,Plumbing fixtures- 75%,House connections-78%,Booster pump station-71%,Artificial surface wetlands-59%,Borehole development-33%,Finishing off-0% Overall progress (if multiyear project):88%

	Name Of Service Provider	Project Name	Start Date	Completion Date	Funder	Progress on Implementation	Original Budget	Adjusted Budget	Expenditures	Rating 1-5	Comments
						59%,Borehole development-33%,Finishing off-0% Overall progress (if multiyear project):88%					

CHAPTER 4
ORGANISATIONAL DEVELOPMENT PERFORMANCE
(PERFORMANCE REPORT PART II)

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

COMPONENT A

INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

EMPLOYEES					
Description	2021/22	2021/22			
	Employees No.	Approved Posts No.	Employees No.	Variance No.	Variance %
Water	49	49	43	6	6.1%
Wastewater (Sanitation)	43	43	36	7	2.3%
Electricity	46	46	42	4	4.3%
Waste Management	56	57	48	9	8.9%
Housing	6	6	6	0	0%
Wastewater (Storm water Drainage)	44	57	48	9	11.3%
PMU	4	3	3	0	2.5%
Transport					
Planning	14	12	12	0	7.1%
Local Economic Development	3	3	3	0	33.33%
Community & Social Services (not including Waste and sports and Recreation Division)	58	58	56	2	3.4%
Environmental Protection					
Health					
Sport and Recreation	49	49	40	9	4%
Corporate Policy Offices and Other	125	120	23	97	19.1%
Totals	497	503	432	71	14%
Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as of 30 June 2020. Also take note that executive managers Infrastructure and his Admin. Assistant is not included as he/she head Directorates not Divisions.					

Table 1: Employee Totals, Turnover and Vacancies

New organizational structure with 524 (Number of positions) was approved in May 2019 to be in line with new developmental demands with municipal area. Critical positions were filled except for the position of Executive Manager: Social services which became vacant on 1 November 2019 because of the appointment of the incumbent to the Municipal manager's position, Executive Manager: Corporate Support Services because of the appointment of the incumbent to the Executive Manager Strategic Services.

Table 2: Number of Positions per department in 2021-22 financial year.

Department	Number of Positions 2021-22						
	Management	Technical	Labour	Support	Total	Vacant	%Vacant
Infrastructure Services	7	63	100	4	188	16	8.5%
Social Services	5	1	97	52	164	6	10%
Corporate Support Services	4	3	12	19	46	9	17%
Budget and Treasury	5		1	30	43	8	18.6%
Planning and Development	4	8		7	20	1	5%
Strategic Support Service	7			13	24	4	16.7%
Office of Municipal Manager	2			9	12	3	17.6%

Department	Number of Positions 2021-22						
	Management	Technical	Labour	Support	Total	Vacant	%Vacant
Total Positions	31	75	210	134	497	47	9.45%
Department	Number of Positions 2021						
	Management	Technical	Labour	Support	Total	Vacant	%Vacant
Infrastructure Services	5	63	100	4	188	16	8.5%
Social Services	6	1	97	52	164	6	10%
Corporate Support Services	3	3	12	19	46	9	17%
Budget and Treasury	4		1	30	43	8	18.6%
Planning and Development	4	8		7	20	1	5%
Strategic Support Service	7			13	24	4	16.7%
Office of Municipal Manager	2			9	12	3	17.6%
Total Positions	31	75	210	134	497	47	9.45%

Table 3: Vacancy Rate per level of employment in 2021-22 financial year

Vacancy Rate per level of employment in 2021-22 Financial year

Vacancy Rate 2020/21			
Designations	*Total Approved Posts No.	*Variances (Total time that vacancies exist using fulltime equivalents) No.	*Variances (as a proportion of total posts in each category) %
Municipal Manager	1	0	0
CFO	1	0	0
Other S57 Managers (excluding Finance Posts)	5	31 months	0
Other S57 Managers (Finance posts)	0	0	0
Municipal Police	0	0	0
Fire fighters	0	0	0
Senior management: Levels 13-15 (1-2) (excluding Finance Posts)	24	45 months	0
Senior management: Levels 13-15 (1-2) (Finance posts)	4	0	0
Highly skilled supervision: levels 9-12 (3-5) (excluding Finance posts)	68	108 months	0
Highly skilled supervision: levels 9-12 (3-5) (Finance posts)	10	5 months	0
Total	113	184 Months	
Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.			

Table 4: Turnover Rate

Turn-over Rate				
Details		Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Nature of Termination	No.	503	12	2,3%
Death 3	4			
Resignation	5			
End of contract	3			
Dismissal	0			
Pension	0			
* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year				

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

Table 5: Policies

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by Council or comment on failure to adopt
1	Bereavement	100 %	X	Feb 2017
2	Career Planning, Succession & Retention	100 %	x	Feb 2017
3	Workplace, HIV/AIDS	100 %	x	Feb 2017
4	Employment Assistance Program		X	Feb 2017
5	Leave	100 %	X	Feb 2017
6	Recruitment, Selection and Appointments	100 %	X	Feb 2017
7	Workplace Sports and recreation policy	100 %	x	Feb 2017
8	Personal Protective Equipment	100 %	x	July 2018
9	SHE Policy	100 %	x	July 2018
10	Overtime Policy	100 %	x	July 2018

Table 6: **Injuries on Duty**

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken Days	Employees using injury leave No.	Proportion employees using sick leave %	Average Injury Leave per employee Days	Total Estimated Cost R'000
Required basic medical attention only	25	3	66.7%	8.3	R 16 964
Temporary total disablement	0	0	0	0	0
Permanent disablement	0	0	0	0	0
Fatal					
Total	77	3	0%	39	R 16 964

Table 7: Sick leave

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band/ level	Total sick leave Days	Proportion of sick leave without medical certification %	Employees using sick leave. No.	Total employee s in post* No.	*Average sick leave per Employees Days	Estimated cost R' 000
L1- L14	3864	40	445	445	9.27	
* - Number of employees in post at the beginning of the year						

Table 8: Disciplinary Action – Misconduct, General

Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken, or Status of Case and Reasons why not Finalised	Date Finalised
1. Manager Traffic	Failure to ensure that all monies due to the Municipality as a result of Traffic fines issued to road traffic offences are collected.		Dismissal	19 October 2022
2. Superintendent: Traffic	Failure to ensure that all monies due to the Municipality as a result of Traffic fines issued to road traffic offenders are collected. His failure resulted in NPA Lephalale no longer issuing warrants of arrest as his department failed to enforce the warrants already issued.		Resigned prior to his disciplinary hearing	
3. Senior Licensing Officer	He received or collected an amount of R 173 256-29 for various services from members of community but failed to bank the money and he could not account for the money.		Resigned prior to his disciplinary hearing	

Table 9: Disciplinary Action on Financial Misconduct

NO FINANCIAL MISCONDUCT REPORTED IN 2021-22 FINANCIAL YEAR.

PERFORMANCE REWARDS

Regulation 805, section 32 states the following in this regard:

(1) The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

(2) A performance bonus ranging from 5% to 14% of the all-inclusive remuneration package may be paid to an employee in recognition of outstanding performance. In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-rating calculator; provided that -

   (a) A score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%; and
   (b) A score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

(3) In the case of unacceptable performance, the employer shall –

   (a) provide systematic remedial or developmental support to assist the employee to improve his or her performance; and
   (b) After appropriate performance counselling and having provided the necessary guidance and/or support and reasonable time for improvement in performance, and performance does not improve**,** the employer may consider steps to terminate the contract of employment of the employee on grounds of unfitness or incapacity to carry out his or her duties.

To narrow the gap of 5% to 9% and of 10% to 14% bonuses, the following sliding scale are applying in terms of the rating scales set out in the Performance Agreements:

% Rating Over Performance	% Bonus
130 - 133.8	5%
133.9 – 137.6	6%
137.7 – 141.4	7%
141.5 - 145.2	8%
145.3 – 149	9%
150 – 153.4	10%
153.5 – 156.8	11%
156.9 – 160.2	12%
160.2 – 163.6	13%
163.7 – 167	14%

Therefore, bonuses can only come into consideration once an employee achieves an overall score of at least 130%, any overall performance scores below that will not be in line for any bonuses.

In terms of the Municipal Systems Act, 32 of 2000, section 57 (4B) Bonuses based on performance may be awarded to a municipal manager or a manager directly accountable to the municipal manager after the end of the financial year and only after an evaluation of performance and approval of such evaluation by the municipal council concerned.

The results of the evaluations as calculated are as follows:

NAME	POSITION	OVERALL SCORE	APPLICABLE % BONUS
Ms. M M Cocquyt	Municipal Manager	105,63	0%

CONSLUSION

The Lephalale Local Municipality has successfully conducted the Annual Individual Performance Evaluations for the financial years of 2020/21:

The result of the calculations concludes that all executive managers evaluated, and municipal manager does not qualify for a bonus for the financial year 2020/21.

COMPONENT C

CAPACITATING THE MUNICIPAL WORKFORCE

SKILLS DEVELOPMENT AND TRAINING

Table 10: Skills Development Matrix

Skills Matrix														
Management Level	Gender	Employees in post as of 30 June 2020	Number of skilled employees required and actual as of 30 June 2021											
			Learner ships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual 30 June 2021	Actual 30 June 2022	Target	Actual 30 June 2021	Actual 30 June 2022	Target	Actual 30 June 2021	Actual 30 June 2022	Target	Actual 30 June 2021	Actual 30 June 2022	Target
01 00	Female	02	01	01	01	00	00	0	00	01	01	01	01	02
	Male	02	00	00	00	00	00	00	00	00	00	04	04	02
04 06	Female	22	00	00	00	10	01	12	04	02	12	04	04	22
	Male	30	00	00	00	12	02	15	04	00	13	10	08	30
00 00	Female	22	00	00	00	01	04	08	04	04	10	06	08	22
	Male	29	02	02	00	02	16	10	04	01	13	09	19	29
01 02	Female	04	00	00	01	01	03	09	03	06	07	04	10	04
	Male	19	00	00	02	01	00	15	02	01	12	12	17	19
06 08	Female	50	05	05	07	01	08	30	05	13	00	20	23	50
	Male	80	03	03	05	01	25	35	02	06	08	32	48	80
14		130	09	09	16	29	59	134	27	34	76	98	71	130

The following categories of employees are not included: 47 females & 48 Males from Semi-skilled and discretionary decision making, 17 Female & 150 Males from Unskilled.

Table 11: Financial Competencies

Financial Competency Development: Progress Report*						
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)	Consolidated: 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	1	1	1	1	1
Chief financial officer	1	1	1	1	1	1
Senior managers	1	1	1	1	1	1
Any other financial officials	3	3	3	0	0	0
Supply Chain Management Officials						
Heads of supply chain management units		0		0	0	0
Supply chain management senior managers	1	1	1	0	0	0
TOTAL	**7**	**7**	**7**	**3**	**3**	**3**
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

EMPLOYEE EXPENDITURE

Table 12: Skills Development Expenditure

Skills Development Expenditure R'000										
Management level	Gender	Employees as at the beginning of the financial year No.	Original Budget and Actual Expenditure on skills development 2019 -20							
			Learner ships		Skills programmes & other short courses		Other forms of training		Total	
			Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual - R-value
MM and S57	Female	02	01	01	00	00	00	00		
	Male	01	00	00	00	00	00	00		

Skills Development Expenditure R'000										
Management level	Gender	Employees as at the beginning of the financial year No.	Original Budget and Actual Expenditure on skills development 2019 -20							
			Learner ships		Skills programmes & other short courses		Other forms of training		Total	
			Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual - R-value
Legislators, senior officials, and managers	Female	22	05	03	12	12	13	13		
	Male	29	03	01	15	15	13	13		
Professionals	Female	04	01	01	5	05	02	02		
	Male	19	02	01	14	14	02	02		
Technicians and associate professionals	Female	22	00	00	06	06	02	02		
	Male	29	01	00	15	15	19	01		
Clerks	Female	56	00	00	15	15	02	07		
	Male	99	00	00	17	17	03	04		
Service and sales workers	Female	3	00	00	03	03	02	02		
	Male	5	00	00	06	06	10	03		
Plant and machine operators and assemblers	Female	7	00	00	00	00	01	00		
	Male	14	00	00	00	00	02	02		
Elementary occupations	Female	53	00	00	03	03	00	00		
	Male	96	00	00	09	09	00	00		
Sub total	Female	169	05	01	37	37	23	26		
	Male	274	03	03	104	104	49	23		
Total		443								R 1 262942.44
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									1%*	*R 1 458176.00
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan. R 1 458 176.00										0.87%*

. **Table 13: Upgrading of positions.**

Number of Employees Whose Salaries Were Increased Due to Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	00
	Male	00
Skilled (Levels 3-5)	Female	00
	Male	00
Highly skilled production (Levels 6-8)	Female	00
	Male	00
Highly skilled supervision (Levels9-12)	Female	00
	Male	00
Senior management (Levels13-16)	Female	00
	Male	00
MM and S 57	Female	00
	Male	00
Total		00
Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right-hand side of the column (as illustrated above).		

CHAPTER 5
FINANCIAL PERFORMANCE

CHAPTER 5: FINANCIAL PERFORMANCE

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of four components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Cash Flow Management and Investment.

Component D: Other Financial Matters

COMPONENT A

STATEMENTS OF FINANCIAL PERFORMANCE

Table 20: Financial Performance

LIM362 Lephalale - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue By Source										
Property rates		110269274	106591056	106591056	8918358	95852154	106591056	-10738902	-10%	106591056
Service charges - electricity revenue		174241823	237206945	237206945	6298379	172016354	237206945	-65190591	-27%	237206945
Service charges - water revenue		48789094	49577895	49577895	-3528335	44264788	49577895	-5313107	-11%	49577895
Service charges - sanitation revenue		29000743	24387954	24387954	1947870	22765552	24387954	-1622402	-7%	24387954
Service charges - refuse revenue		14686518	19491076	19491076	1281568	15282334	19491076	-4208742	-22%	19491076
Rental of facilities and equipment		96355	317199	317199	-410732	155911	317199	-161288	-51%	317199
Interest earned - external investments		4550785	2168475	2168475	1540439	4504325	2168475	2335850	108%	2168475
Interest earned - outstanding debtors		41122972	34620782	34620782	4355194	45261648	34620782	10640866	31%	34620782
Dividends received		0	0	0	0	0	0	0		0
Fines, penalties, and forfeits		1038507	686014	686014	1581284	2152630	686014	1466616	214%	686014
Licences and permits		9195084	8218473	8218473	10299573	39165523	8218473	30947050	377%	8218473
Agency services		0	0	0	0	0	0	0		0
Transfers and subsidies		190086687	179916700	191116700	7088102	187503323	191116700	-3613377	-2%	191116700
Other revenue		3642078	3774219	3774220	1345860	5663377	3774220	1889157	50%	3774220
Gains		5670	-1	-21	0	0	-21	21	-100%	-21
Total Revenue (excluding capital transfers and contributions)		**626725590**	**666956787**	**678156768**	**40717560**	**634587919**	**678156768**	**-43568849**	**-6%**	**678156768**

OPERATIONAL EXPENDITURE

LIM362 Lephalale - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Expenditure By Type	-									
Employee related costs		212324458	228865302	225707477	16966972	206533865	225707477	-19173612	-8%	225707477
Remuneration of councillors		10912367	11686653	12189596	1271992	12077628	12189596	-111968	-1%	12189596
Debt impairment		16508748	13582902	16582795	35483605	41155715	16582795	24572920	148%	16582795
Depreciation & asset impairment		84394857	92704836	92704906	63268587	93298239	92704906	593333	1%	92704906
Finance charges		19516753	19213294	16132294	21627559	28468904	16132294	12336610	76%	16132294
Bulk purchases - electricity		150251371	148648892	133648892	23133934	124063033	133648892	-9585859	-7%	133648892
Inventory consumed		12657814	23153822	28244853	23355291	44252646	28244853	16007793	57%	28244853
Contracted services		43459024	55966030	74999698	3724645	44761783	74999698	-30237915	-40%	74999698
Transfers and subsidies		681126	976879	3087298	5120901	5978169	3087298	2890871	94%	3087298
Other expenditure		51438958	68314749	61214395	16600859	73911496	61214395	12697101	21%	61214395
Losses		25476	1	-13	0	0	-13	13	-100%	-13
Total Expenditure		**602170952**	**663113360**	**664512191**	**210554345**	**674501478**	**664512191**	**9989287**	**2%**	**664512191**

LIM362 Lephalale - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Expenditure By Type	-									
Surplus/(Deficit)		**24554638**	**3843427**	**13644577**	**-169836785**	**-39913559**	**13644577**	**-53558136**	**(0)**	**13644577**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		112085136	90868301	96071429	22509272	113640249	96071429	17568820	**0**	96071429
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		0	0	0	0	0	0	0		0
Transfers and subsidies - capital (in-kind - all)		0	0	0	0	0	0	0		0
Surplus/(Deficit) after capital transfers & contributions		**136639774**	**94711728**	**109716006**	**-147327513**	**73726690**	**109716006**			**109716006**
Taxation		0	0	0	0	0	0	0		0
Surplus/(Deficit) after taxation		**136639774**	**94711728**	**109716006**	**-147327513**	**73726690**	**109716006**			**109716006**
Attributable to minorities		0	0	0	0	0	0			0
Surplus/(Deficit) attributable to municipality		**136639774**	**94711728**	**109716006**	**-147327513**	**73726690**	**109716006**			**109716006**
Share of surplus/ (deficit) of associate		0	0	0	0	0	0			0
Surplus/ (Deficit) for the year		**136639774**	**94711728**	**109716006**	**-147327513**	**73726690**	**109716006**			**109716006**

GRANTS

Table 21: Supporting Table SC7 Monthly Budget Statement - transfers and grant receipts - M12 June

LIM362 Lephalale - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
EXPENDITURE										
-										
Operating expenditure of Transfers and Grants										
National Government:		**174717768**	**212299483**	**219580533**	**44370333**	**207512601**	**219577884**	**-12065283**	**-5,5%**	**219580533**
Municipal Systems Improvement Grant		166306999	203316897	210466806	41142604	195636141	210464157	-14828016	-7,0%	210466806
0		0	104500	84500	0	0	84500	-84500	-100,0%	84500
0		6186016	6749716	6759716	2987443	9542111	6759716	2782395	41,2%	6759716
0		2224753	2128370	2269511	240286	2334349	2269511	64838	2,9%	2269511
0								0		
0								0		
Other transfers and grants [insert description]								0		
Provincial Government:		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**
0								0		
0								0		
0								0		
0								0		
Other transfers and grants [insert description]								0		
District Municipality:		**0**	**0**	**0**	**0**	**0**	**0**	0		**0**
								0		
[insert description]								0		
Other grant providers:		**0**	**0**	**0**	**0**	**0**	**0**	0		**0**
								0		

LIM362 Lephalale - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
EXPENDITURE										
-										
Operating expenditure of Transfers and Grants										
[insert description]								0		
Total operating expenditure of Transfers and Grants:		**174717768**	**212299483**	**219580533**	**44370333**	**207512601**	**219577884**	**- 12065283**	**-5,5%**	**219580533**
Capital expenditure of Transfers and Grants										
National Government:		88774728	90868303	147384938	23584736	102100219	147384938	- 45284719	**-30,7%**	147419938
0		8353203	26500001	26500001	3979973	20077739	26500001	-6422262	-24,2%	26500001
0		38650443	43713302	60444937	10309905	44850369	60444937	- 15594568	-25,8%	60444937
0		41771082	20655000	60440000	9294858	37172111	60440000	- 23267889	-38,5%	60475000
0								0		
0								0		
Other capital transfers [insert description]								0		
Provincial Government:		**0**	**0**	**0**	**0**	**0**	**0**	0		**0**
								0		
0								0		
District Municipality:		**0**	**0**	**0**	**0**	**0**	**0**	0		**0**
								0		
0								0		
Other grant providers:		**0**	**0**	**0**	**0**	**0**	**0**	0		**0**
								0		
0								0		
Total capital expenditure of Transfers and Grants		**88774728**	**90868303**	**147384938**	**23584736**	**102100219**	**147384938**	**- 45284719**	-30,7%	**147419938**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**263492496**	**303167786**	**366965471**	**67955069**	**309612820**	**366962822**	**- 57350002**	**-15,6%**	**367000471**

COMMENT ON OPERATING TRANSFERS AND GRANTS:
The YE revenue is below the YE budget by 6% and is at 94% of the YE Budget The YE operating expenditure is below the YE budget by 11% and the actual is 89% of the YE budget. The YE expenditure of the capital budget reflects 77 % against the YE budget at the end of June 2022
Key drivers Revenue and Expenditure

- *Municipality has implemented a new valuation roll effective from 1 July 2021.*
  The collection rate as of 31 June 2022 was at 78%

- *Municipality has revised the implementation plan and accelerating Projects to improve on capital spending.*

ASSET MANAGEMENT

Lephalale municipality has an audited asset register for the financial 2021-22. The asset register is compiled in terms of GRAP 17. The asset management unit is reviewing and updating the register on annual basis to ensure all ate asset are safeguarded and accounted for.

Table 22: Three largest assets acquired.

Three LARGEST ASSETS ACQUIRED 2021/22 YEAR END			
Asset 1			
Name	Steve biko access road		
Description	Construction of Steve Biko Access Road		
Asset type	Immovable		
Expenditure 2020/2021	28 423 716,01		
Key staff involved	Public works		
Asset 2			
Name	Thabo Mbeki sewer network		
Description	Construction Thabo Mbeki Sewer Network		
Asset type	Immovable		
Expenditure 2020/2021	27 510 462,55		
Key staff involved	Sanitation		
Asset 3			
Name	Melvel access road		
Description	Construction of Melvel Access Road		
Asset type	Immovable		
Expenditure 2020/2021	25 248 122,71		
Key staff involved	Public works		

ASSET MANAGEMENT, (REPAIRS AND MAINTANANCE.)

Table 23: Repairs and Maintenance

LIM362 Lephalale - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Repairs and maintenance expenditure by Asset Class/Sub-class										
-										
Infrastructure		**984555**	**15007718**	**14726917**	**-2969611**	**2216408**	**14726917**	12510509	**84,9%**	**14726917**
Roads Infrastructure		1219330	3315769	3312681	-3444124	-3003244	3312681	6315925	**190,7%**	3312681
Roads		0	1	542621	214114	518181	542621	24440	**4,5%**	542621
Road Structures		2375034	3315766	2661605	-3658238	-3629368	2661605	6290973	**236,4%**	2661605
Road Furniture		-1155704	2	108455	0	107943	108455	512	**0,5%**	108455
Capital Spares		0	0	0	0	0	0	0		0
Storm water Infrastructure		0	548154	190000	0	151176	190000	38824	**20,4%**	190000
Drainage Collection		0	548154	190000	0	151176	190000	38824	**20,4%**	190000
Storm water Conveyance		0	0	0	0	0	0	0		0
Attenuation		0	0	0	0	0	0	0		0
Electrical Infrastructure		0	2948597	4008848	1546291	1617643	4008848	2391205	**59,6%**	4008848
Power Plants		0	1	60252	0	15800	60252	44452	**73,8%**	60252
HV Substations		0	0	0	0	0	0	0		0
HV Switching Station		0	0	0	0	0	0	0		0
HV Transmission Conductors		0	0	0	0	0	0	0		0
MV Substations		0	0	0	0	0	0	0		0
MV Switching Stations		0	0	0	0	0	0	0		0
MV Networks		0	0	0	0	0	0	0		0
LV Networks		0	2948596	3948596	1546291	1601843	3948596	2346753	**59,4%**	3948596
Capital Spares		0	0	0	0	0	0	0		0
Water Supply Infrastructure		1828518	3503852	3383852	-1131071	691445	3383852	2692407	**79,6%**	3383852
Dams and Weirs		0	0	0	0	0	0	0		0

LIM362 Lephalale - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								**%**	
Repairs and maintenance expenditure by Asset Class/Sub-class										
Boreholes		0	1	1	0	0	1	1	**100,0%**	1
Reservoirs		0	0	0	0	0	0	0		0
Pump Stations		0	0	0	0	0	0	0		0
Water Treatment Works		0	0	0	0	0	0	0		0
Bulk Mains		0	0	0	0	0	0	0		0
Distribution		1828518	3503851	3383851	-1131071	691445	3383851	2692406	**79,6%**	3383851
Distribution Points		0	0	0	0	0	0	0		0
PRV Stations		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Sanitation Infrastructure		-2063293	4691346	3831536	59293	2759388	3831536	1072148	**28,0%**	3831536
Pump Station		0	0	0	0	0	0	0		0
Reticulation		-2063293	4691346	3831536	59293	2759388	3831536	1072148	**28,0%**	3831536
Wastewater Treatment Works		0	0	0	0	0	0	0		0
Outfall Sewers		0	0	0	0	0	0	0		0
Toilet Facilities		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Solid Waste Infrastructure		0	0	0	0	0	0	0		0
Landfill Sites		0	0	0	0	0	0	0		0
Waste Transfer Stations		0	0	0	0	0	0	0		0
Waste Processing Facilities		0	0	0	0	0	0	0		0
Waste Drop-off Points		0	0	0	0	0	0	0		0
Waste Separation Facilities		0	0	0	0	0	0	0		0
Electricity Generation Facilities		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Rail Infrastructure		0	0	0	0	0	0	0		0
Rail Lines		0	0	0	0	0	0	0		0
Rail Structures		0	0	0	0	0	0	0		0
Rail Furniture		0	0	0	0	0	0	0		0
Drainage Collection		0	0	0	0	0	0	0		0
Storm water Conveyance		0	0	0	0	0	0	0		0
Attenuation		0	0	0	0	0	0	0		0
MV Substations		0	0	0	0	0	0	0		0
LV Networks		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Coastal Infrastructure		0	0	0	0	0	0	0		0
Sand Pumps		0	0	0	0	0	0	0		0
Piers		0	0	0	0	0	0	0		0
Revetments		0	0	0	0	0	0	0		0
Promenades		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Information and Communication Infrastructure		0	0	0	0	0	0	0		0
Data Centres		0	0	0	0	0	0	0		0
Core Layers		0	0	0	0	0	0	0		0
Distribution Layers		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Community Assets		**115266**	**105789**	**210694**	**93141**	**125970**	**210694**	**84724**	**40,2%**	**210694**
Community Facilities		36911	105788	105788	93141	93141	105788	12647	**12,0%**	105788
Halls		0	0	0	0	0	0	0		0
Centres		0	0	0	0	0	0	0		0
Crèches		0	0	0	0	0	0	0		0
Clinics/Care Centres		0	0	0	0	0	0	0		0
Fire/Ambulance Stations		0	0	0	0	0	0	0		0
Testing Stations		0	0	0	0	0	0	0		0
Museums		0	0	0	0	0	0	0		0
Galleries		0	0	0	0	0	0	0		0
Theatres		0	0	0	0	0	0	0		0
Libraries		0	0	0	0	0	0	0		0
Cemeteries/Crematoria		0	0	0	0	0	0	0		0
Police		0	0	0	0	0	0	0		0
Purls		36911	105788	105788	93141	93141	105788	12647	12,0%	105788
Public Open Space		0	0	0	0	0	0	0		0
Nature Reserves		0	0	0	0	0	0	0		0
Public Ablution Facilities		0	0	0	0	0	0	0		0
Markets		0	0	0	0	0	0	0		0
Stalls		0	0	0	0	0	0	0		0
Abattoirs		0	0	0	0	0	0	0		0

LIM362 Lephalale - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Repairs and maintenance expenditure by Asset Class/Sub-class										
Airports		0	0	0	0	0	0	0		0
Taxi Ranks/Bus Terminals		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Sport and Recreation Facilities		78355	1	104906	0	32829	104906	72077	**68,7%**	104906
Indoor Facilities		0	0	0	0	0	0	0		0
Outdoor Facilities		78355	1	104906	0	32829	104906	72077	68,7%	104906
Capital Spares		0	0	0	0	0	0	0		0
Heritage assets		0	0	0	0	0	0	0		0
Monuments		**0**	0	0	0	0	0	0		0
Historic Buildings		**0**	0	0	0	0	0	0		0
Works of Art		**0**	0	0	0	0	0	0		0
Conservation Areas		**0**	0	0	0	0	0	0		0
Other Heritage		**0**	0	0	0	0	0	0		0
								0		
Investment properties		**0**	**0**	**0**	**0**	**0**	**0**	0		**0**
Revenue Generating		0	0	0	0	0	0	0		0
Improved Property		0	0	0	0	0	0	0		0
Unimproved Property		0	0	0	0	0	0	0		0
Non-revenue Generating		0	0	0	0	0	0	0		0
Improved Property		0	0	0	0	0	0	0		0
Unimproved Property		0	0	0	0	0	0	0		0
Other assets		**104260**	**27**	**562126**	**4973**	**716426**	**562126**	**-154300**	**-27,4%**	**562126**
Operational Buildings		104260	27	562126	4973	716426	562126	-154300	**-27,4%**	562126
Municipal Offices		0	24	24	0	0	24	24	100,0%	24
Pay/Enquiry Points		0	0	0	0	0	0	0		0
Building Plan Offices		0	0	0	0	0	0	0		0
Workshops		0	0	0	0	0	0	0		0
Yards		0	0	0	0	0	0	0		0
Stores		0	0	0	0	0	0	0		0
Laboratories		0	0	0	0	0	0	0		0
Training Centres		0	0	0	0	0	0	0		0
Manufacturing Plant		0	0	0	0	0	0	0		0
Depots		104260	3	562102	4973	716426	562102	-154324	-27,5%	562102
Capital Spares		0	0	0	0	0	0	0		0
Housing		0	0	0	0	0	0	0		0
Staff Housing		0	0	0	0	0	0	0		0
Social Housing		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Biological or Cultivated Assets		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**
Biological or Cultivated Assets		0	0	0	0	0	0	0		0
Intangible Assets		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**
Servitudes		0	0	0	0	0	0	0		0
Licences and Rights		0	0	0	0	0	0	0		0
Water Rights		0	0	0	0	0	0	0		0
Effluent Licenses		0	0	0	0	0	0	0		0
Solid Waste Licenses		0	0	0	0	0	0	0		0
Computer Software and Applications		0	0	0	0	0	0	0		0
Load Settlement Software Applications		0	0	0	0	0	0	0		0
Unspecified		0	0	0	0	0	0	0		0
Computer Equipment		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**
Computer Equipment		0	0	0	0	0	0	0		0
Furniture and Office Equipment		**80582**	**6**	**2000006**	**59808**	**71765**	**2000006**	**1928241**	96,4%	**2000006**
Furniture and Office Equipment		80582	6	2000006	59808	71765	2000006	1928241	96,4%	2000006
Machinery and Equipment		**1515468**	**5**	**1602263**	**0**	**1761138**	**1602263**	**-158875**	-9,9%	**1602263**
Machinery and Equipment		1515468	5	1602263	0	1761138	1602263	-158875	-9,9%	1602263
Transport Assets		**804587**	**9039197**	**9423907**	**791632**	**4859275**	**9423907**	**4564632**	48,4%	**9423907**
Transport Assets		804587	9039197	9423907	791632	4859275	9423907	4564632	48,4%	9423907
Land		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**
Land		0	0	0	0	0	0	0		0
Zoo's, Marine and Non-biological Animals		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**

LIM362 Lephalale - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Repairs and maintenance expenditure by Asset Class/Sub-class										
Zoo's, Marine and Non-biological Animals		0	0	0	0	0	0	0		0
Total Repairs and Maintenance Expenditure	1	**3604718**	**24152742**	**28525913**	**-2020057**	**9750982**	**28525913**	**18774931**	**65,8%**	**28525913**

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE
The municipal infrastructure asset has reached the useful lives, which requires replacement and high maintenance. The infrastructure master plan master plan has been developed to address the same.

FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Liquidity Ratios	1,6:1
Current Ratio	1.6:1
Acid Test Ratio	0,24 :1
Debtors Collection Period	90 Days

COMMENT ON FINANCIAL RATIOS:
The municipality is confidentially positive with the status of a ging concern. The municipality has neither the intention to cease operations nor are their conditions that point to any necessity for a liquidation or cessation of the trading. Accordingly, asset and liabilities of Lephalale Local Municipality are recorded on the basis that the entity will be able to realise its assets and discharge its liabilities in the normal course of the business.
Overall, the liquidity ratio is within the acceptable norm. This is an indication that municipality will be able to pay its creditors /Liabilities when they become due.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

COMMENT ON SOURCES OF FUNDING AND CAPITAL EXPENDITURE:

The spending on capital projects has significantly declined from 77 % expenditure in 202021 to 57%of capital expenditure on own funding projects in 2021-22 and the grant expenditure was completed to 100% for the FY.

CAPITAL EXPENDITURE

Table 100: Capital Expenditure

LIM362 Lephalale - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification, and funding) - M12 June										
Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Vote 1 - Office of Municipal Manager		0	0	0	0	0	0	0		0
Vote 2 - Budget and Treasury		0	1	1	0	0	1	-1	-100%	1
Vote 3 - Corporate Services		0	0	300000	18400	18400	300000	-281600	-94%	300000
Vote 4 - Social Service		9758517	28622867	2468317	0	1333821	2468317	-1134496	-46%	2468317
Vote 5 - Technical and Engineering Services		40190297	26500003	34082744	3979973	22288995	34082744	-11793749	-35%	34082744

LIM362 Lephalale - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification, and funding) - M12 June										
Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Vote 6 - Property, Planning & Development		0	0	0	0	0	0	0		0
Vote 7 - Office of the Mayor/Strategic Office		0	0	0	0	0	0	0		0
Vote 8 - COMMUNITY & SOCIAL SERVICES		0	0	0	0	0	0	0		0
Total Capital Multi-year expenditure	4,7	**49948814**	**55122871**	**36851062**	**3998373**	**23641216**	**36851062**	**-13209846**	**-36%**	**36851062**
Single Year expenditure appropriation	2									
Vote 1 - Office of Municipal Manager		270584	2	0	0	0	0	0		0
Vote 2 - Budget and Treasury		0	500000	500000	3634815	3634815	500000	3134815	627%	500000
Vote 3 - Corporate Services		11952301	-420500	3938600	150520	1324576	3938600	-2614024	-66%	3938600
Vote 4 - Social Service		1132147	500000	19743088	1349359	8421216	19743088	-11321872	-57%	19743088
Vote 5 - Technical and Engineering Services		48202226	47848468	118294174	23122503	80773782	118294174	-37520392	-32%	118294174
Vote 6 - Property, Planning & Development		-299266	8925000	3500000	0	0	3500000	-3500000	-100%	3500000
Vote 7 - Office of the Mayor/Strategic Office		630967	1400000	700000	0	0	700000	-700000	-100%	700000
Vote 8 - COMMUNITY & SOCIAL SERVICES		0	0	0	0	0	0	0		0
Total Capital single-year expenditure	4	61888959	58752970	146675862	28257197	94154389	146675862	**-52521473**	**-36%**	146675862
Total Capital Expenditure		**111837773**	**113875841**	**183526924**	**32255570**	**117795605**	**183526924**	**-65731319**	**-36%**	**183526924**
Capital Expenditure - Functional Classification										
Governance and administration		**18223397**	**1900001**	**8725832**	**5311406**	**7223390**	**8725832**	-1502442	-17%	**8725832**
Executive and council		845801	1400000	700000	0	0	700000	-700000	-100%	700000
Finance and administration		17377596	500001	8025832	5311406	7223390	8025832	-802442	-10%	8025832
Internal audit		0	0	0	0	0	0	0		0
Community and public safety		**6042041**	**1**	**12132321**	**205435**	**2926851**	**12132321**	-9205470	-76%	**12132321**
Community and social services		6081649	1	12132321	205435	2926851	12132321	-9205470	-76%	12132321
Sport and recreation		0	0	0	0	0	0	0		0
Public safety		-39608	0	0	0	0	0	0		0
Housing		0	0	0	0	0	0	0		0
Health		0	0	0	0	0	0	0		0
Economic and environmental services		**29218073**	**13185002**	**8739658**	**896033**	**2573996**	**8739658**	-6165662	-71%	**8739658**
Planning and development		-299266	8925000	3500000	0	0	3500000	-3500000	-100%	3500000
Road transport		29517339	4260002	5239658	896033	2573996	5239658	-2665662	-51%	5239658
Environmental protection		0	0	0	0	0	0	0		0
Trading services		**63644208**	**98576302**	**154214579**	**27428181**	**106656852**	**154214579**	-47557727	-31%	**154214579**
Energy sources		14642169	45769293	41424086	7373124	30826399	41424086	-10597687	-26%	41424086
Water management		41650838	20655001	68853540	10709086	40564137	68853540	-28289403	-41%	68853540
Wastewater management		2552263	3029141	36724601	8124233	29098245	36724601	-7626356	-21%	36724601
Waste management		4798938	29122867	7212352	1221738	6168071	7212352	-1044281	-14%	7212352
Other		0	0	0	0	0	0	0		0
Total Capital Expenditure - Functional Classification	3	**117127719**	**113661306**	**183812390**	**33841055**	**119381089**	**183812390**	**-64431301**	**-35%**	**183812390**
Funded by:										
National Government		88774727	90868303	147384938	23584735	102100219	147384938	-45284719	-31%	147384938
Provincial Government		0	0	0	0	0	0	0		0
District Municipality		0	0	0	0	0	0	0		0

LIM362 Lephalale - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification, and funding) - M12 June										
Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		0	0	0	0	0	0	0		0
Transfers recognised - capital		**88774727**	**90868303**	**147384938**	**23584735**	**102100219**	**147384938**	**-45284719**	**-31%**	**147384938**
Borrowing	6	0	0	0	0	0	0	0		0
Internally generated funds		28352992	22793003	33162766	11924980	15684845	33162766	-17477921	-53%	33162766
Total Capital Funding		**117127719**	**113661306**	**180547704**	**35509715**	**117785064**	**180547704**	**-62762640**	**-35%**	**180547704**

SOURCES OF FINANCE

Table 24: Financial Performance

LIM362 Lephalale - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue By Source										
Property rates		110 269	106 591	106 591	8 918	95 852	106 591	(10 739)	-10%	106 591
Service charges - electricity revenue		174 242	237 207	237 207	6 298	172 016	237 207	(65 191)	-27%	237 207
Service charges - water revenue		48 789	49 578	49 578	(3 528)	44 265	49 578	(5 313)	-11%	49 578
Service charges - sanitation revenue		29 001	24 388	24 388	1 948	22 766	24 388	(1 622)	-7%	24 388
Service charges - refuse revenue		14 687	19 491	19 491	1 282	15 282	19 491	(4 209)	-22%	19 491
Rental of facilities and equipment		96	317	317	(411)	156	317	(161)	-51%	317
Interest earned - external investments		4 551	2 168	2 168	1 540	4 504	2 168	2 336	108%	2 168
Interest earned - outstanding debtors		41 123	34 621	34 621	4 355	45 262	34 621	10 641	31%	34 621
Dividends received		–	–	–	–	–	–	–		–
Fines, penalties, and forfeits		1 039	686	686	1 581	2 153	686	1 467	214%	686
Licences and permits		9 195	8 218	8 218	10 300	39 166	8 218	30 947	377%	8 218
Agency services		–	–	–	–	–	–	–		–
Transfers and subsidies		190 087	179 917	191 117	7 088	187 503	191 117	(3 613)	-2%	191 117
Other revenue		3 642	3 774	3 774	1 346	5 663	3 774	1 889	50%	3 774
Gains		6	(0)	(0)	–	–	(0)	0	-100%	(0)
Total Revenue (excluding capital transfers and contributions)		**626 726**	**666 957**	**678 157**	**40 718**	**634 588**	**678 157**	**(43 569)**	**-6%**	**678 157**
Expenditure By Type										
Employee related costs		212 324	228 865	225 707	16 967	206 534	225 707	(19 174)	-8%	225 707
Remuneration of councillors		10 912	11 687	12 190	1 272	12 078	12 190	(112)	-1%	12 190
Debt impairment		16 509	13 583	16 583	35 484	41 156	16 583	24 573	148%	16 583
Depreciation & asset impairment		84 395	92 705	92 705	63 269	93 298	92 705	593	1%	92 705
Finance charges		19 517	19 213	16 132	21 628	28 469	16 132	12 337	76%	16 132
Bulk purchases - electricity		150 251	148 649	133 649	23 134	124 063	133 649	(9 586)	-7%	133 649
Inventory consumed		12 658	23 154	28 245	23 355	44 253	28 245	16 008	57%	28 245
Contracted services		43 459	55 966	75 000	3 725	44 762	75 000	(30 238)	-40%	75 000
Transfers and subsidies		681	977	3 087	5 121	5 978	3 087	2 891	94%	3 087
Other expenditure		51 439	68 315	61 214	16 601	73 911	61 214	12 697	21%	61 214
Losses		25	0	(0)	–	–	(0)	0	-100%	(0)
Total Expenditure		**602 171**	**663 113**	**664 512**	**210 554**	**674 501**	**664 512**	**9 989**	**2%**	**664 512**
Surplus/(Deficit)		**24 555**	**3 843**	**13 645**	**(169 837)**	**(39 914)**	**13 645**	**(53 558)**	**(0)**	**13 645**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		112 085	90 868	96 071	22 509	113 640	96 071	17 569	**0**	96 071
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–		–

LIM362 Lephalale - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Surplus/(Deficit) after capital transfers & contributions		136 640	94 712	109 716	(147 328)	73 727	109 716			109 716
Taxation		–	–	–	–	–	–	–		–
Surplus/(Deficit) after taxation		136 640	94 712	109 716	(147 328)	73 727	109 716			109 716
Attributable to minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		136 640	94 712	109 716	(147 328)	73 727	109 716			109 716
Share of surplus/ (deficit) of associate		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		136 640	94 712	109 716	(147 328)	73 727	109 716			109 716

COMMENT ON SOURCES OF FUNDING:

The spending on capital projects was as follows:
Grant's funding Projects: 100%
Own Funding Projects 57%

CAPITAL SPENDING ON 5 LARGEST PROJECTS

Table 25: Capital Expenditure – 5 largest projects

Capital Expenditure of 5 largest projects*R' 000						
Name of Project		**Current Year**			**Variance Current Year**	
	Original Budget (Vat Inc.)	**Awarded Amount (Vat Inc.)**	**Adjustment Budget**	**Actual Expenditure**	**Original Variance (%)**	**Adjustment variance (%)**
Completion of Steve Biko Access Road Phase 1	R 13 927 535,24	R 13 927 535,24	22 455 449,00	R 7414847,36	R000	R000
Construction Thabo Mbeki Sewer Network	R 27 510 462,55	R 27 510 462,55	R 27 510 462,55	R 27 510 462,55	R 27 510 462,55	
Completion of Melville Access Road at Shongoane 1	R 24 278 200,00	R 24 278 200,00	7 658 586,00	R23161265,99	R 000	
Connection of Marapong Raw Construction of Marapong bulk water supply	R 16 034 605,29	R 11 400 000,00	R 11 400 000,00	R 760742,71	R000	R000
Construction of Shongoane & Mokuruanyane RWS Phase 5	R 15 735 664,78	R 15 735 664,78	R 15 735 664,78	R 15 735 664,78		
	* Projects with the highest capital expenditure in 2021-22					

COMMENT ON CAPITAL PROJECTS:

The total expenditure on capital projects, including MIG was at better and higher level as compared to the previous financial years. The total percentage of expenditure is 57% of the total capital budget, MIG funding expenditure is at 100%

BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

COMMENT ON BACKLOGS:

The backlogs on the basic services are based on the RDP level of standard and the expression of percentage is based on the household number of 47 671 within Lephalale local municipality including farms and rural homes.

Municipality is comprised of 39 scattered rural settlements, 3 informal settlements and farms. Provision of basic infrastructure services remains a challenge. There additions of challenges as the informal settlements are on the rise.

Provision of basic services at farms is the discretion of the owner. There is no strategy in place yet to guide the municipality regarding the provision of services to farm dwellers and farming community in general.

Provision of basic services within the formalized town is on target.

Sanitation backlog of 54 %

Water backlog of 34%

Electricity backlog of 4,2%

Refuse Removal 50%

Table 103

SERVICE DELIVERY STATUS QUO			
	Total HH	**Access**	**Backlog**
Electricity	47 671	7 281 – Urban 38 136 – Eskom	2 254
		45 417	
Water	47 671	31 296	16 375
Sanitation	47 671	22 389	25 282
Refuse removal	47 671	10652 - urban 4 640 – rural 8 865 informal settlements	23 514
		24 157	

CASH FLOW

Table 104: Cash flow

LIM362 Lephalale - Table C7 Monthly Budget Statement - Cash Flow - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		42 091	90 602	90 602	7 552	71 495	90 602	(19 108)	-21%	90 602
Service charges		125 742	280 614	280 614	22 935	231 794	280 614	(48 820)	-17%	280 614
Other revenue		12 284	12 980	12 980	13 423	53 124	12 980	40 144	309%	12 980
Transfers and Subsidies - Operational		188 674	179 917	179 917	5 695	183 213	179 917	3 296	2%	179 917
Transfers and Subsidies - Capital		63 426	90 868	161 668	3 904	105 563	161 668	(56 105)	-35%	161 668
Interest		26 796	3 668	3 668	4 413	46 121	3 668	42 453	1157%	3 668
Dividends		790	–	–	–	–	–	–		–
Payments										
Suppliers and employees		0	(536 636)	(541 324)	(37 292)	(325 207)	(541 324)	(216 117)	40%	(541 324)
Finance charges		(19 517)	(19 213)	(19 213)	(21 628)	(28 469)	(19 213)	9 256	-48%	(19 213)
Transfers and Grants		(681)	(977)	(977)	(5 121)	(5 978)	(977)	5 001	-512%	(977)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**439 607**	**101 824**	**167 936**	**(6 119)**	**331 657**	**167 936**	**(163 720)**	**-97%**	**167 936**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	0	–	–	–	12	(12)	-100%	–
Decrease (increase) in non-current investments		–	(3 600)	3 600	–	–	3 600	(3 600)	-100%	3 600
Payments										
Capital assets		(135 995)	(113 661)	(113 661)	(36 373)	(134 692)	(113 661)	21 031	-19%	(113 661)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(135 995)**	**(117 261)**	**(110 061)**	**(36 373)**	**(134 692)**	**(110 049)**	**24 643**	**-22%**	**(110 061)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	(845)	–	–	–	(11 076)	11 076	-100%	–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**(845)**	**–**	**–**	**–**	**(11 076)**	**(11 076)**	**100%**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**303 612**	**(16 282)**	**57 875**	**(42 492)**	**196 965**	**46 811**			**57 875**
Cash/cash equivalents at beginning:		84 516	148 564	148 564		94 825	148 564			94 825
Cash/cash equivalents at month/year end:		388 128	132 282	206 439		291 789	195 375			152 700

COMMENT ON CASH FLOW OUTCOMES:
The municipality ended the financial year with a bank balance of R84 516 211. from 2021/22 financial year and cash with cash equivalent to R 94 824 641.

BORROWING AND INVESTMENTS

COMMENT ON BORROWING AND INVESTMENTS:
The long-term loans which the municipality has are from Development Bank of South Africa (DBSA), and EXXARO.

	2018/19	2019/20	2020/21
Long-term loans	R 67 772067	R 62 688 351	R 69760162
Investments	R 0	R 0	R 0

PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS
A total of four strategic economic partnerships have been established, with Libsa (LEDA, Lephalale Tourism Association, Small Business Development and LEDET). Also, with Waterberg Coal, Limpopo RAL, EXXARO and Boikarabelo mine.

COMPONENT D: OTHER FINANCIAL MATTERS

SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The Bid Specification Committee, Bid Evaluation and Bid Adjudication Committees have been established, these committees were all functional in the financial year 2021-22. Advertised tenders are being evaluated, adjudicated and appointments are made for tenders in terms of the Supply Chain Management Policy. Quarterly reports on the tenders are submitted to Council.

GRAP COMPLIANCE

GRAP COMPLIANCE

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice, and it provides the rules by which municipalities are required to prepare their financial statements. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications. Sect 8 & 19 of MFMA require National Treasury & provincial treasuries to and to prepare consolidated financial statements in accordance with GRAP for each year.
Submit those financial statements to the AG for audit within 3 months after year end. The AG must audit the AFS and submit a report to the relevant Treasury within 3 months of receipts of the statements.

The accounting policies are attached with the audited financial statements as Volume II of this document.

CHAPTER 6
AUDITOR GENERAL
AUDIT OPINION AND AUDIT FINDINGS

CHAPTER 6: AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A

AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2020

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: YEAR 2020-21

Audit Opinion				
2016/17	**2017/18**	**2018/19**	**2019/20**	**2020/21**
Unqualified	**Qualified**	**Qualified**	**Unqualified**	**Unqualified**

Municipality has achieved improved audit opinion for the past 2 Years.
Material misstatements in the financial statements were identified during the audit and were resolved before the finalisation of Audit process.
Municipality has implemented standard operation procedures and segregation of duties to Improve the control environment.
MSCOA reforms has been implemented to improve the internal control environment.

COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 2020/21

All the matters raised in the Auditors report and management letter are being addressed through the weekly audit steering Committee. The municipality is reporting to Audit committee on quarterly basis on progress made on addressing the audit action.

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

All the section 71 reports were sent treasury on time each month.
Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year.

MSCOA Transacting and reporting.

The municipality has Budgeted, transact and report in line with all six (6) legislated mSCOA segments.
All the required data strings are directly Pulled from EMS system to the Local Government Portal.
The budget adopted by Council is also locked in the EMS and the budget (ORGB) data strings are submitted to the local government portal.
Month end closing in done as required in terms of the MFMA prior submission of data string to the local government portal.
Reporting on regulated C Schedules (A, B, C) are populated directly from the EMS.
The municipality's mSCOA Project Steering Committee (chaired by the AO) has been established and meeting are held monthly to track progress.
The Provincial Treasury is invited to the mSCOA Project Steering Committee
Progress against the road map is presented to all the stakeholders including Mid-Year Budget reporting and Budget Benchmark engagements.

Signed (Chief Financial Officer) …… ………………………………….... Dated………………………...

OPINION

I have audited the financial statements of the Lephalale Local Municipality set out on pages 210 to 280, which comprise the statement of financial position as of 30 June 2020, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the municipality as at 30 June 2020, 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 of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2019 (Act No.16 of 2019) (DoRA).

BASIS FOR OPINION

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.

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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

EMPHASIS OF MATTERS

I draw attention to the matters below. Not modified in respect of these matters.

SIGNIFICANT UNCERTAINTIES

With reference to note 41 to the financial statements, the municipality is the defendant in multiple lawsuits. The ultimate outcomes of these matters cannot presently be determined and no provision for any liability that may result have been made in the financial statements.

Material impairments

As disclosed in note 32 to the financial statements, debt impairment of R21 368 383 was incurred because of debt of which recovery is doubtful and due to inadequate collecting systems.

Restatement of corresponding figures

As disclosed in note 44 to the financial statements, the corresponding figures for 30 June 2019 were restated because of errors in the financial statements of the municipality at, and for the year ended 30 June 2020.

Events after the reporting date

I draw attention to note 45 in the financial statements, which deals with subsequent events and specifically possible effects of the future implications of Covid-19 on the municipality`s prospects, performance, and cash flows. Management have also described how they planned to deal with these events and circumstances.

Unaudited disclosure notes

In terms of section 125(2) (e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion thereon.

COMPONENT A (II) 2021 AUDIT OPINION

OPINION

1. I have audited the financial statements of the Lephalale Local Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2021, the statement of financial performance, statement of changes in net assets, and cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Lephalale Local Municipality as at 30 June 2021, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practise (Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2020 (Act No. 4 of 2020) (Dora).

BASIS FOR OPINION

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.

4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

EMPHASIS OF MATTERS

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

SIGNIFICANT UNCERTAINTIES

7. With reference to note 41 of the financial statements, the municipality is the defendant in multiple lawsuits. The ultimate outcomes of these matters cannot presently be determined and no provision for any liability that may result have been made in the financial statements.

MATERIAL IMPAIRMENTS

8. As disclosed in note 32 to the financial statements, debt impairment of R16 508 747 was incurred as a result of debt of which recoverability is doubtful.

RESTATEMENT OF CORRESPONDING FIGURES

9. As disclosed in note 44 of the financial statements, the corresponding figures for 30 June 2020 were restated as a result of errors in the financial statements of the municipality at, and for the year ended 30 June 2020.

IRREGULAR EXPENDITURE

10. As disclosed in note 49 to the financial statements, the municipality incurred irregular expenditure of R376 929 369, as it did not follow a proper tender process.

UNAUTHORISED EXPENDITURE

11. As disclosed in note 47 to the financial statements, the municipality incurred unauthorised expenditure of R45 346 276, due to the overspending on the approved budget.

COMPONENT B AUDIT OPINION 2022

Report of the auditor-general to Limpopo Provincial Legislature and the Council on Lephalale Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Lephalale Local Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2022, the statement of financial performance, statement of changes in net assets, cash flow statement and statementof comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Lephalale Local Municipality as at 30 June 2022, and its financial performance and

cash flows for the year then ended in accordance with Standards of Generally RecognisedAccounting Practise (Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2021 (Act No. 9 of 2021) (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.

4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities inaccordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Significant uncertainties

7. With reference to note 46 to the financial statements, the municipality is the defendant in multiple lawsuits. The municipality is opposing these claims as it believes it has reasonable grounds of defending it. The ultimate outcomes of these matters could not be determined andno provision for any liability that may result was made in the financial statements. As disclosed in note 38 to the financial statements, debt impairment of R60 048 463 was incurred as a result of debt of which recoverability is doubtful. This is a significantly higher thanthe debt impairment in the previous financial year (2020-21) which was R16 508 747.

Restatement of corresponding figures

8. As disclosed in note 49 of the financial statements, the corresponding figures for 30 June 2021 were restated as a result of errors in the financial statements of the municipality at, and for the year ended 30 June 2022.

Fruitless and wasteful expenditure

9. As disclosed in note 52 to the financial statements, the municipality incurred fruitless and wasteful expenditure of R21 078 724.

Unauthorised expenditure

10. As disclosed in note 51 to the financial statements, the municipality incurred unauthorised expenditure of R5 889 901 as a result of overspending of the budget on finance cost, debt

impairment, general expenses and inventory consumed.

Other matters

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

Unaudited disclosure notes

12. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement didnot form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Unaudited supplementary schedules

13. The supplementary information set out on pages xx to xx does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

14. The accounting officer is responsible for the preparation and fair presentation of the separate 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 separate financial statements that are free from material misstatement, whether due to fraud or error.

15. In preparing the separate financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless theappropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

16. 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 amaterial 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.

17. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

18. In accordance with the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliabilityof the reported performance information against predetermined objectives for selected key performance areas presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

19. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I havenot evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

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

Key performance area	Pages in the annual **performance report**
Key performance area (KPA 2) — Service delivery and Infrastructure development.	113 — *191*

21. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

22. The material findings on the usefulness and reliability of the performance information of the selected key performance area are as follows:

Various indicators

23. I was unable to obtain sufficient appropriate audit evidence for the reported achievements for 8 of the 25 indicators relating to this programme. This was due to the lack of accurate and complete records. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement in the annual performance report for the indicators listed below:

Indicator number	Key performance indicator	Reported Achievement
M 401A	Number households connected with basic level of electricity by Municipality onEskom licensed area from 1 July 2021 to 30 June 2022	1 879
M 401B	Percentage of households connected with basic level of electricity by Municipalityon Municipal licensed area from 1 July 2021 to 30 June 2022	100%
M G 0 0 8	Electrification of houses in Various Villages Phase Electrification of	100%
E S 0 1	houses in Various Villages Phase 2	100%
M 218	Number of villages in which access roads are bladed YTD* (cumulative)	39
M 4 0 0 A	Percentage of households connected with access to sanitation in urban area(Marapong, Onverwacht and Town) from 1 July 2021 to 30 June 2022	100%
M G 2 A	Thabo Mbeki sewer network phase 2	100%
M 3 9 9 A	Percentage of households connected with access to water in urban area(Marapong, Onverwacht and Town) from 1 July 2021 to 30 June 2022	100%

Other matters

24. I draw attention to the matters below.

Achievement of planned targets.

25. Refer to the annual performance report on pages ... to ... for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 23 to 24 of this report.

Adjustment of material misstatements

26. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of key performance area: KPA 2: Service delivery and infrastructure development. I raised material.

findings on the usefulness and reliability of the reported performance information. Those thatwere not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

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

28. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements, performance, and annual report

29. The financial statements submitted for auditing were not fully prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA.

30. Material misstatements of non-current assets, current assets, expenditure, disclosure items identified by the auditors in the submitted financial statement were subsequently corrected and/ or the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

31. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.

32. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by non-compliance with supply chain management regulations.

Revenue management

33. An adequate management, accounting and information system which accounts for revenue, debtors, and receipt of revenue was not in place, as required by section 64(2)(e) of the MFMA.

Procurement and contract management

34. Awards were made to providers who were in the service of other state institutions or whose directors/ principal shareholders were in the service of other state institutions, in contraventionof MFMA 112(1)(j) and SCM Regulation 44. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM process, as required by SCM Regulation 38(1).

Other information

35. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committees. report. The other information does not include the financial statements, the auditor’s report andthose selected key performance area presented in the annual performance report that have been specifically reported in this auditor’s report.

36. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

37. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected key performance areas presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

In e na co ol de iencies

38. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to thesignificant internal control deficiencies that resulted in the basis for the opinion.

39. The financial statements contained misstatements which were noted during the external audit process and were subsequently corrected by management. This is mainly due to insufficient reviews performed on the annual financial statements by the accounting officer, internal audit,and audit committee.

40. The municipality did not have a proper management system to maintain information that supported the reported performance in the annual performance report. This included information that related to the collection, collation, verification, storing and reporting of actualperformance information, as a result, some of the reported performance information were notadequately supported, resulting in findings on performance information.

41. Non-compliance with legislation could have been prevented had compliance been properly reviewed and monitored. The municipality did not take reasonable steps to prevent irregular expenditure.

42. The accounting officer did not adequately monitor implementation of policies and procedures to guide the operation of the municipality, resulting in numerous non-compliance with the MFMA and internal control deficiencies reported in the current year.

43. The municipality developed a plan to address internal and external audit findings, but the plan was not adhered to and/ or timeously implemented to address matters reported in the prior year. This resulted in inadequate implementation and repeat internal control deficiencies beingreported.

44. ICT governance controls were not effective relating to Service Level Agreement managementand IT asset disposal policies and procedures.

Auditor-General

Polokwane

13 December 2022

A U D R G E I
â E R A LA F R I C A

ANNEXURE – AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

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

FINANCIAL STATEMENTS

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

   - Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
   - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
   - Conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Lephalale Local Municipality's ability 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 the 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 continuing as a going concern.

- evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and 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 confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

APPENDIX A – COUNCILLORS; AND COUNCIL ATTENDANCE

Table 26Attendance of Committees

Council Members	Full/Part Time (FT/PT)	Committees Allocated	*Ward and/or Party represented	% Council meetings attendance	% Apologies for non-attendance
Executive Leadership					
Cllr. T A Thulare	FULL TIME	Mayor: Chairperson EXCO	ANC PR	100%	1
Cllr. GG Marakalala	FULL TIME	Speaker, Public Participation	ANC PR	100%	3
Executive Committee Members				100%	
Cllr. M M Semenya	PART TIME	Head of Cluster: Planning and Development	EFF PR	95%	2
Cllr. T A Thulare	FULL TIME	Chairperson EXCO	ANC PR	100%	1
Cllr. RM Modiba	FULL TIME	Head of Cluster: Governance, Administration, Budget, and Financial Management.	ANC PR	100%	0
Cllr M L Shongwe	PART TIME	Head of Cluster: Municipal Infrastructure Services.	ANC PR	100%	0
Cllr N H Pienaar	PART TIME	Head of cluster: Social Services	EFF PR	100%	
Portfolio Council Chairpersons					
Cllr. F Monare	PART TIME	Mining and Industry, Transformation LED/SMME.	ANC WARD	92%	1
Cllr. MJ Madibana	PART TIME	Water, Sanitation & Electricity	ANC WARD	92%	1
Cllr. LK Moshupye	PART TIME	Public Transport, EPWP and Public works	ANC WARD	92%	1
Cllr. H W Venter	PART TIME	Land, Agriculture and	FFplus PR	100%	0
Cllr W M Motlokwa	PART TIME	Labor and Employment,	ANC WARD	100%	0
Cllr. B Kgageng- Moloantoa	PART TIME	Planning and Human Settlements	ANC WARD	100%	0
Cllr. E L Setho	PART TIME	Health and Social Development. Traditional and home affairs,	DA PR	92%	1
Cllr. D A Mongalo	PART TIME	Waste, , Parks and Cemetery	EFF	100%	0
Cllr PK J Selolo	PART TIME	Security & Liaison	ANC WArD	100%	0
Cllr SJ Moselane	PART TIME	Home affairs	ATM PR	100%	0
Cllr. SM Nieuwoudt	PART TIME	Income and Expenditure.Fnannce	DA WARD	95%	1
Cllr K C Bopape	PART TIME	Tourism, Sports, and Culture	ANC WARD	85%	2
Cllr S J Machaba	PART TIME	Communication	ANC PR	85%	2
Cllr L G Moloantoa	PART TIME		LRP	100%	0
Cllr S Mpedi	PART TIME	Education and Early Childhood Development	ANC PR	85%	2
Cllr R A Mokgehle	Part time	No Portfolio	ANC PR	70%	3

Council Members	Full/Part Time (FT/PT)	Committees Allocated	*Ward and/or Party represented	% Council meetings attendance	% Apologies for non-attendance
Cllr.	PART TIME	MPAC	ANC PR	92%	1
Cllr. MM Makgae	PART TIME	MPAC Chairperson	ANC PR	92%	1
Cllr DA Mothoni	PART TIME	MPAC	ANC WARD	92%	1
Cllr. I Magoai	PART TIME	MPAC	ANC WARD	92%	1
Cllr. R T Modise	PART TIME	MPAC	ANC PR	85%	2
Cllr. E Seepe	PART TIME	MPAC	ANC PR	92%	1
Cllr SM Nieuwoudt	PART TIME	MPAC	DA WARD	100%	2
Cllr MJ Sebetha		MPAC	EFF PR		
Traditional Leaders					
Kgoshigadi Laka Rep	PART TIME	Mokuruanyane, Langa, Traditional Authority		09	4
Kgoshi Seleka Rep	PART TIME	Ga–Seleka Traditional Authority		08	5
Kgoshi Shongoane Rep	PART TIME	Ga-Shongoane Traditional Authority		09	4
Note: * Councilors appointed on a proportional basis do not have wards allocated to them					

APPENDIX B COUNCIL DATES AND COMMITTEES ALLOCATION

Total Number of Meetings is 8 Ordinary and 6 Special council meetings.

Dates for 2021-22 Financial Year	**Ordinary EXCO**	**Ordinary Council Meeting**	**Special EXCO**	**Special Council**
30 July 2021	1	1		
06 August 2021 –			1	1
31 August 2021 –	0	0	1	1
September 2021 – 0	1	1	0	0
18 October 2021 –	0	0	1	1
28 October 2021 – Ordinary Council	1	1	0	0
23 November 2021 –	0	0	1	1
09 December 2021 –	0	0	1	1
28 January 2022 –	1	1	0	0
28 February 2022 –	1	1	0	0
31 March 2022 – Ordinary Council	1	1	0	0
April 2022 – 0	1	1	0	0
31 May 2022 –	1	1	0	0
28 June 2022 –	0	0	1	1
Total	**8**	**8**	**6**	**6**

Council committees Allocations

SECTION 80 PORTFOLIO COMMITTEES	COUNCILLORS	CONTACT NO
MAYOR	**Clr A Thulare**	**076 903 7479 073 588 6105**
SPEAKER	**Clr G G Marakalala**	**071 548 6274**
CHAIRPERSON OF CHAIRPERSONS	**Clr L Monare**	**076 885 9869 060 380 2814 072 944 5687**
PORTFOLIO CHAIRPERSON: GOVERNANCE, ADMINSTRATION, BUDGET AND TREASURY	**Clr M R Modiba**	**072 616 1268**
Portfolio: Communication	**Clr S J Machaba**	**079 957 2472**
Portfolio: Labour and Employment	**Clr W M Motlokwa**	**076 914 0521 076 998 9508**
Portfolio: Finance		
Portfolio: Tourism, Sports and Culture	**Clr K C Bopape**	**082 485 5744**
Portfolio: Mining; Industries and Transformation	**Clr L Monare**	**076 885 9869**
PORTFOLIO CHAIRPERSON: PLANNING & ECONOMIC DEVELOPMENT SERVICES	**Clr M M Semenya**	**078 298 8437**
Portfolio: Human Settlement	**Clr B Kgageng-Moloantoa**	**083 331 1427**
Portfolio: Mining; Industries and Transformation	**Clr L Monare**	**072 222 8755 076 885 9869 060 380 2814 072 944 5687**
Portfolio: Land and Agriculture	**Clr H W Venter**	**072 604 1638**
PORTFOLIO CHAIRPERSON: MUNICIPAL INFRASTRACTURE SERVICES	**Clr M L Shongwe**	**072 111 4033**
Portfolio: EPWP and Public Works & Public Transport	**Clr L Mosupye**	**076 702 6120**
Portfolio: Water, Sanitation and Electricity	**Clr M J Madibana**	**076 643 5139**
Portfolio: Human Settlement	**Clr B Kgageng-Moloantoa**	**083 331 1427**
Portfolio: EPWP and Public Works & Public Transport	**Clr L K Mosupye**	**079 162 4155**
PORTFOLIO CHAIRPERSON: SOCIAL SERVICES	**Clr N H Pienaar**	**082 927 2399**
Portfolio: Health and Social Development & Traditional Affairs	**Clr E L Setho**	**073 645 3551**
Portfolio: Education & Early Childhood Development & Special Projects	**Clr S Mpedi**	**071 523 0477**
Portfolio: Parks, Waste & Cemeteries (Environment)	**Clr D A Mongalo**	**081 887 6333**
Portfolio: Security Liaison	**Clr P K J Selolo**	**063 279 6440**
Portfolio: EPWP and Public Works & Public Transport	**Clr L K Mosupye**	**079 162 4155**
Portfolio: Home Affairs	**Clr S J Moselane**	**067 326 4127**
Portfolio:	**Clr L G Moloantoa**	**079 484 7488**

Without Portfolio	**Clr R A Mokgetle**	**082 760 6991 079 144 4984**

LEPHALALE MUNICIPALITY

Develop, Sustain, Prosper

ITEM A194/2021[12]

SECTION 79 COMMITTEES	COUNCILLOR	CONTACT NO.
MPAC		
Clr M M Makgae	**Chairperson**	**072 615 5018**
Clr D A Mothoni	Member	**083 230 7194**
Clr I Magoai	Member	**072 491 7260**
Clr R T Modise	Member	**072 782 6044**
Clr E Seepe	Member	**066 031 4439**
Clr S M Nieuwoudt	Member	**078 786 1689**
Clr M J Sebetha	Member	**071 186 2969**
ETHICS COMMITTEE		
Clr P K J Selolo	**Chairperson**	**063 279 6440**
	Member	
	Member	
	Member	
	Member	
RADICAL SOCIO - ECONOMIC TRANSFORMATION COMMITEE		
Clr W M Motlokoa	**Chairperson**	**076 914 0521 076 998 9508**
	Member	
	Member	
	Member	
	Member	
GEOGRAPHICAL NAME CHANGE COMMITTEE		
Clr S Mpedi	**Chairperson**	**071 523 0477**
	Member	
	Member	
	Member	
WOMEN IN CAUCUS (GENDER)		
Clr B Kgageng-Moloantoa	**Chairperson**	**083 331 1427**
	Member	
	Member	
	Member	

THE LEPHALALE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE 2016-2021

33. The MPAC shall be composed of - Councillors appointed by Council, Municipal Manager, Manager Internal Audit, Secretary to the Council and any other Official so nominated by MPAC, on a permanent basis or for a specific matter.

34. The Chairperson shall convene meetings in accordance with the dates on a program prepared annually according to the guidelines set by CoGHSTA.

35. The meetings shall be held in accordance with the approved Annual Work Plan and visit Projects.

36. The Chairperson of the MPAC shall preside all meetings.

37. The Chairperson of the MPAC shall nominate an Acting Chairperson amongst the Councillors in the Committee and by failing to nominate an Acting Chairperson; Councillors will elect an Acting Chairperson amongst themselves in the absence of the Chairperson.

38. The MPAC members shall participate fully on best practices to the benefit of the Municipality.

39. The MPAC shall report back to the Council on the functionality, developments, and progress within the Committee.

40. The MPAC will ensure that they are capacitated and skilled to discharge their functions.

41. The MPAC shall perform any other functions assigned to it through a resolution of the Council.

42. The MPAC shall refer matters or advice to Council for resolutions and advice on issues of good Governance, Accountability, Oversight and Transparency.

43. The MPAC shall be in Office for a period corresponding with the term of Council.

44. The MPAC shall track the implementation of the past recommendations or resolutions.

45. The MPAC shall ensure to promote good Governance, Transparency and Accountability on the use of Municipal resources.

46. The MPAC shall recommend or undertake investigations in its area of responsibility.

47. The MPAC shall invite other Municipal Oversight bodies to share information on how to function better and improve on the Municipal performance.

48. The MPAC shall ensure good practice on the road towards Operation Clean Audit.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE 2021-2026 Members and THE ETHICS OF LEPHALALE 2021-2026

SECTION 79 COMMITTEES	COUNCILLOR	CONTACT NO.
MPAC		
Clr M M Makgae	**Chairperson**	**072 615 5018**
Clr D A Mothoni	Member	**083 230 7194**
Clr I Magoai	Member	**072 491 7260**
Clr R T Modise	Member	**072 782 6044**
Clr E Seepe	Member	**066 031 4439**
Clr S M Nieuwoudt	Member	**078 786 1689**
Clr M J Sebetha	Member	**071 186 2969**
ETHICS COMMITTEE		
Clr P K J Selolo	**Chairperson**	**063 279 6440**
	Member	
	Member	
	Member	
	Member	

49. The Committee shall be composed of - Councillors appointed by Council, Executive Manager: Strategic Support Services and/or Manager: Legal Services and any other Official so nominated by Ethics Committee, on a permanent basis or for a specific matter.

50. The Chairperson shall convene meetings in accordance with the dates on a program prepared annually according to the guidelines set by CoGHSTA.

51. The meetings shall be held in accordance with the approved Annual Work Plan and visit Projects.

52. The Chairperson of the Ethics Committee shall preside all meetings.

53. The Chairperson of the Ethics Committee shall nominate an Acting Chairperson amongst the Councillors in the Committee and by failing to nominate an Acting Chairperson; Councillors will elect an Acting Chairperson amongst themselves in the absence of the Chairperson.

54. The Ethics Committee members shall participate fully on best practices to the benefit of the Municipality.

55. The Ethics Committee shall report back to the Council on the functionality, developments, and progress within the Committee.

56. The Ethics Committee will ensure that they are capacitated and skilled to discharge their functions.

57. The Ethics Committee shall perform any other functions assigned to it through a resolution of the Council.

58. The Ethics Committee shall refer matters or advice to Council for resolutions and advice on issues of good Governance, Accountability, Oversight and Transparency.

59. The Ethics Committee shall be in Office for a period corresponding with the term of Council.

60. The Ethics Committee shall track the implementation of the past recommendations or resolutions.

61. The Ethics Committee shall ensure to promote good Governance, Transparency and Accountability on the use of Municipal resources.

62. The Ethics Committee shall recommend or undertake investigations in its area of responsibility.

63. The Ethics Committee shall invite other Municipal Oversight bodies to share information on how to function better and improve on the Municipal performance.

64. The Ethics Committee shall ensure good practice on the road towards Operation Clean Audit.

APPEN APPENDIX C – THIRD TIER ADMINISTRATION

OFFICE OF THE MUNICIPAL MANAGER				
		Manager: Internal Auditor	Mathebula	GE
		Risk Officer	Malahlela	J
SECTION: STRATEGIC SERVICES				
		Manager: Communication	Chiloane	SC
		Manager: Public Participation	Monyepao	N. V
		SNR Manager IDP/PMS	Kgomo	D. L
		PMS Manager	Matsoma	D.E
		IDP Manager	Mabotja	M.F
		Manager LED	Seanego	M. C
SECTION: BUDGET AND TREASURY SERVICES				
		Manager: Income	Marope	A E
		Manager: Reporting	Ntwampe	S.M
		Manager: SCM	Mokobane	O
		Manager: Expenditure	Jooste	C.J
SECTION: CORPORATE SERVICES				
		Manager: Admin and Secretarial (Acting)	Sethole	MF
		Manager: Legal	Moaloshi	P. J
		Manager: HR	Makgolwa	K
		Manager IT	Seboya	T. A
SECTION: DEVELOPMENT PLANNING				
		Manager: Human Settlements.	Dankuru	M
		Manager: Town Planning	Mutshavi	H.C
		Manager: Building Control	Mabale	T.O. B
SECTION: SOCIAL SERVICES				
		Manager: Library	Ndoweni	B. J
		Manager: Parks	Tshivhandekano	T
		Manager: Waste Management	Hlapa	P. J
		Manager: Licensing	Tefo	J. R
		Manager: Traffic	Maloba	P
SECTION: INFRASTRUCTURE SERVICES				
		Manager: Water	Shiko	M.A
		Manager: Sanitation (acting)	Majadibodu	T
		Manager: Public Works	Ngobeli	R. J
		Manager: Electricity	Jacobs	E
		PMU Manager	Phekonyane	P

STR APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Function	Authority	Capacity	Personnel	Department	Budget	Comments
Air pollution	No	Limited	0	Social services	No	District function.
Building regulation	Yes	Yes	5	Development Planning	Yes	Municipality has capacity and budget, function performed by building control & LED
Bulk supply of electricity	Yes	Yes	39	Infrastructure services	Yes	Municipality provides electricity in urban area and eastern part of Lephalale town
Fire fighting	No	No	11	Social services	Yes	District function performed by the municipality as agent of WDM.
Local tourism & LED	Yes	Yes	2	Development planning	Yes	Perform function in collaboration with local tourism association
Municipal planning	Yes	Yes	6	Development planning	Yes	With spatial development and land use and building control
Municipal health services	No	No	N/A	Department of health & social development	N/A	District function.
Municipal public transport	Yes	Limited	1	Social services	No	Municipality is currently responsible for coordination of transport related activities.
Municipal roads and storm water	Yes	Yes	42	Infrastructure services	Yes	Municipality only responsible for access roads and still waiting for road classification
Trading regulation	Yes	No	No	Function not performed	No	No service level agreement (not clear who is responsible to perform function)
Bulk supply of water	Yes	Yes	44	Infrastructure services	Yes	Municipality only provides water for residential areas and small, medium business
Sanitation	Yes	Yes	36	Infrastructure services	Yes	Function performed through infrastructure services
Billboards & the display	Yes	Yes	12	Development planning	Yes	No service level agreement in place
Cemetery, funeral parlours & crematoria	Yes	Yes	9	Social services	Yes	Rendered through social services in urban areas and Steenbokpan
Street cleansing	Yes	Yes	18	Social services	Yes	Rendered through social services
Control of public nuisance	Yes	Yes	11	Social services	Yes	Function performed in collaboration with SAPS
Control of undertakings that sell liquor to the public	Yes	No	N/A	Liquor board (social services)	No	Social service has authority but no budget and service level agreement. SAPS are currently responsible for law enforcement.
Licensing & undertakings to sell food to the public	Yes	No	N/A	WDM function	No	No service level agreement and district not performing the function
Local sport facilities	Yes	Limited	No	Social services	Yes	Municipality paying grant to implementing agent around urban area and adhoc staff at rural areas.
Municipal parks & recreation	Yes	Yes	40	Social services	Yes	Function performed through social services
Noise pollution	Yes	No	0	Social services	No	No service level agreement in place
Refuse removal, refuse dump & solid waste disposal	Yes	Yes	35	Social service	Yes	Service available in urban areas only. In rural areas only cleaning campaigns embarked upon on interval.
Street trading	Yes	Yes	11	Social services	Yes	No service level agreement in place, Development planning should also play a role

Traffic and parking	Yes	Yes	11	Social services	Yes	Performed by social services
Occupational health & safety	Yes	Yes	1	Social services	Yes	Performed by social services
Additional Functions Performed						
Housing	No	Yes	6	Social services& DPLG&H	Yes	Department of local government & housing as per agreement with the municipality
Library, Arts & Culture	No	Yes	13	Social services& DSAC	Yes	Department of sport, arts & culture with the municipality as per agreement.
Registering Authority	No	Yes	11	Department of Transport & Social service	Yes	Department of Transport with the municipality as per agreement.

APPENDIX E – WARD REPORTING

Ward Committees for this 5th council were not completed as of end June the process of constituting the committees was ongoing and having challenges of disputes in majority of ward, however the previous administration has 13 functional wards committees which reported accordingly.

APPENDIX F – WARD INFORMATION

Functionality of ward committees					
Nam of ward (number)	Name of ward Councillor and elected ward committee member	Ward 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
1	BETTY KGAGE-MOLOANTOA	Yes/ disputed	1	0	4
2	LESIBANA MONARE	Yes/ disputed	1	0	3
3	NICO PIENAAR		1	0	3
4	SYBIL NIEUWOUDT	Yes	1	4	2
5	LOUISA SHONGWE	Yes/ disputed	1	0	3
6	MARCUS MAKGAE	Yes/ disputed	1	0	3
7	LINDA MOSUPYE	Yes	1	3	2
8	WILLIAM LANGA	Yes	1	4	4
9	ALPHEUS THULARE	Yes	1	4	3
10	KHOMOTSO BOPAPE	Yes	1	5	3
11	JAN SELOLO	Yes	1	5	4
12	ABEL MOTHONI	Yes	1	5	4
13	JOEL MADIBANA	Yes	1	5	4

Functionality of ward committees					
Nam of ward (number)	Name of ward Councillor and elected ward committee member	Ward 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
14	WILLIAM MOTLOKWA	Yes/ disputed		0	
15	IMMANUEL MAGOAI	Yes		4s	

APPENDIX F(I) – WARD INFORMATION, SEVEN LARGEST PROJECTS IMPLEMENTED

SEVEN LARGEST PROJECTS FOR 2021-22							
Project		**Description of deliverables**	**Start date**	**Expenditure**	**Budget**	**Funder**	**Ward**
Thabo Mbeki Sewer Network Sanitation	P_08	Completion of Thabo Mbeki Sewer Network Phase	Jul-19	R 0,00	**0**	MIG	10
Steve Biko Access Road	P09	Completion of Steve Biko Access Road Phase 1	Jul-19	7414847,36	R 13 927 535,24	MIG	5
Melvell Access Road	P_12	Completion of Melvel Access Road at Shongoane 1	30-Sep-19	23161265,99	R 24 278 200,00	MIG	6
Steve Biko Water Source and Connector Pipelines development.	P13	Connection of Steve Biko Water reticulation network to Water tanker and connecting pipelines	Jul-19	760742,71	R 11 400 000,00	WSIG	5
Mokuruanyane water scheme bulk pipeline phase 1 and Phase 2 design	P14	Design pipeline on the mokuruenyane water reticulation network Phase 1&2	Jul-19	0	**R2 500,00**	WSIG	8
Mokuruanyane water scheme bulk pipeline phase 1 and Phase 2 (construction)	P15	Connect a bulk pipeline on the mokuruenyane water reticulation network Phase1& 2	Jul-19	3574698,53	**R20 000,00**	WSIG	8 & 9
Construction of VIP'S: Sanitation projects in various villages, Shongoane scheme	P16	Completion of VIP toilets at various villages at Shongoane	Jul-19	R 6 957 129,28	R 8 754 513,00	DWS	7; 10 &11

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021-22

REPORT OF THE AUDIT AND PERFORMANCE COMMITTEE (AC)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

AUDIT COMMITTEE (AC) ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

1. INTRODUCTION

On behalf of AC, I have a pleasure in submitting herewith the annual report for the year ended 30 June 2022.

2. AUDIT COMMITTEE MEETINGS AND MEMBERS

AC held four (4) ordinary meetings and four (4) special meetings during the financial year under review, which complies with the approved terms of references as set out in the AC Charter. Members of AC during the period under review were as follows:

Name	Position
Mr. T.A.Lekoloane	Chairperson
Mr. K.Maeyane	Member
Ms. N.Maake	Member

3. AUDIT COMMITTEE RESPONSIBILITIES

AC reports that it has complied with its responsibilities arising from section 166 of Municipal Finance Management Act, 2003, (Act 56 of 2003), and paragraph 14 (2) (a) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 and the King IV Report on the Best Practices on Corporate Governance for South Africa.

AC further reports that it has adopted appropriate formal terms of reference as its AC charter and regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

4. EFFECTIVENESS OF INTERNAL CONTROL

Our review of the findings of the internal audit work, which was based on the risk assessment conducted in the municipality revealed certain weaknesses, which were then raised with the management.

Overall, the system of internal controls has been adequately designed to identify and mitigate risks. However, management has not been able to consistently implement the internal controls to provide reasonable assurance that the objectives of the municipality are achieved.

5. INTERNAL AUDIT ACTIVITY

AC is satisfied with the resources and independence of the internal audit activity and staff, under the leadership of the Chief Audit Executive.

However, there is still a room for improvement in so far as full implementation of internal audit plan as the unit has not been able to implement all planned audit projects.

IN-YEAR MANAGEMENT AND MONTHLY/ QUARTERLY REPORTS

Based on the quarterly review of in-year monitoring reports, AC is somewhat satisfied with the quality, accuracy, usefulness, reliability of MFMA section 71 and 52 reports.

During our quarterly meetings with management, we have proposed various value add corrective measures; to enhance the quality of the reports; so that they can serve as early warning indicators for corrective action and further inform proper decision making by the municipality.

6. PERFORMANCE MANAGEMENT SYSTEM

AC reviewed the functionality of the performance management system, and it appears not to be functional. Management was advised to implement an appropriate corrective action to address the following areas of concerns which impacts negatively on service delivery and audit opinion on pre-determined objectives by Auditor General of South Africa (AGSA).

- Material number of planned targets were not achieved, thereby compromising service delivery and accountability.
- The reasons for under-achievements of targets and related corrective actions were not satisfactory.
- Some of the reported achievements in the quarterly performance reports were not supported by portfolio of evidence.
- Lack of consequence management for departments which consistently do not submit portfolio of evidence for review by internal audit.

7. RISK MANAGEMENT

Based on the review of the quarterly risk management committee reports, AC is of the opinion that municipality's risk management maturity level has improved as compared to previous financial year.

Management is encouraged to continue to embed risk management throughout all business processes of the municipality; to further enhance the performance of the municipality.

8. COMPLIANCE WITH LAWS AND REGULATIONS

A number of non-compliance with the enabling laws and regulations were revealed by AC, Internal Audit and AGSA during the year. To this end, we recommend that management establish an effective system for the purpose of proper and timely monitoring of compliance with applicable laws and regulations.

9. EVALUATION OF FINANCIAL STAMENTS

AC has reviewed the annual financial statements prior to submission to AGSA for annual regulatory audit. We are satisfied that, in all material respects, management did provide reasonable action to consider and implement the AC recommendations.

10. AUDITOR'S GENERAL'S REPORT

We have reviewed the municipality's audit action plan for audit issues raised in the previous year and we are somewhat satisfied that the matters have been adequately resolved except for the following where there is still a scope for improvement by management:

- Usefulness and reliability of performance information.
- Compliance with supply chain management laws and regulations.

AC concurs and accepts the conclusions of the AGSA on the annual financial statements andis of the opinion that the audited annual financial statements be accepted and read together with the report of the AGSA.

11. CONCLUSION

AC would like to thank Council; the mayor; Executive Committee and management for the co- operation and support given to us throughout the year. We further commend council and management for sustaining the unqualified audit opinion during the 2021/22 audit cycle.

T.A.Lekoloane; ACMA CGMA; MBA

Chairperson of the Audit CommitteeDate: 21

December 2022

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long term contracts (20 Largest Contracts Entered into 2021-22					
Name of Service provider (Entity or Municipal Department)	**The service provider**	**Start date of contract**	**Expiry date of contract**	**Project Manager**	**Contract value**
ESKOM	**ESKOM**	**01 July 2021**	**30 June 2022**	**MUNICIPAL MANAGER**	**R 24 000 000**
EXXARO	**EXXARO**	**01 July 2021**	**30 June 2022**	**MUNICIPAL MANAGER**	**R 27 000 000**
EXXARO Zeeland	**EXXARO**	**01 July 2021**	**30 June 2022**	**MUNICIPAL MANAGER**	**R 14 910 104**

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

No Services were outsourced to Entities or Agencies. Lephalale is water services authority, and it supplies electricity to its residence however Eskom is licensed to connect Marapong township and the rural villages.

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS 2021-22

Total Number	Number of employees disclosed	Number of councilors disclosed	Percentage
433 employees	336	0	78%
29 councilors	0	26	90%
Total 462			
Total disclosed		362	78%

APPENDIX K – REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

LIM362 Lephalale - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue By Source										
Property rates		110269274	106591056	106591056	8918358	95852154	106591056	-10738902	-10%	106591056
Service charges - electricity revenue		174241823	237206945	237206945	6298379	172016354	237206945	-65190591	-27%	237206945
Service charges - water revenue		48789094	49577895	49577895	-3528335	44264788	49577895	-5313107	-11%	49577895
Service charges - sanitation revenue		29000743	24387954	24387954	1947870	22765552	24387954	-1622402	-7%	24387954
Service charges - refuse revenue		14686518	19491076	19491076	1281568	15282334	19491076	-4208742	-22%	19491076
Rental of facilities and equipment		96355	317199	317199	-410732	155911	317199	-161288	-51%	317199
Interest earned - external investments		4550785	2168475	2168475	1540439	4504325	2168475	2335850	108%	2168475
Interest earned - outstanding debtors		41122972	34620782	34620782	4355194	45261648	34620782	10640866	31%	34620782
Dividends received		0	0	0	0	0	0	0		0
Fines, penalties and forfeits		1038507	686014	686014	1581284	2152630	686014	1466616	214%	686014
Licences and permits		9195084	8218473	8218473	10299573	39165523	8218473	30947050	377%	8218473
Agency services		0	0	0	0	0	0	0		0
Transfers and subsidies		190086687	179916700	191116700	7088102	187503323	191116700	-3613377	-2%	191116700
Other revenue		3642078	3774219	3774220	1345860	5663377	3774220	1889157	50%	3774220
Gains		5670	-1	-21	0	0	-21	21	-100%	-21
Total Revenue (excluding capital transfers and contributions)		**626725590**	**666956787**	**678156768**	**40717560**	**634587919**	**678156768**	**-43568849**	**-6%**	**678156768**
Expenditure By Type										
Employee related costs		212324458	228865302	225707477	16966972	206533865	225707477	-19173612	-8%	225707477
Remuneration of councillors		10912367	11686653	12189596	1271992	12077628	12189596	-111968	-1%	12189596
Debt impairment		16508748	13582902	16582795	35483605	41155715	16582795	24572920	148%	16582795
Depreciation & asset impairment		84394857	92704836	92704906	63268587	93298239	92704906	593333	1%	92704906
Finance charges		19516753	19213294	16132294	21627559	28468904	16132294	12336610	76%	16132294
Bulk purchases - electricity		150251371	148648892	133648892	23133934	124063033	133648892	-9585859	-7%	133648892
Inventory consumed		12657814	23153822	28244853	23355291	44252646	28244853	16007793	57%	28244853

LIM362 Lephalale - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue By Source										
Contracted services		43459024	55966030	74999698	3724645	44761783	74999698	- 30237915	-40%	74999698
Transfers and subsidies		681126	976879	3087298	5120901	5978169	3087298	2890871	94%	3087298
Other expenditure		51438958	68314749	61214395	16600859	73911496	61214395	12697101	21%	61214395
Losses		25476	1	-13	0	0	-13	13	-100%	-13
Total Expenditure		**602170952**	**663113360**	**664512191**	**210554345**	**674501478**	**664512191**	**9989287**	**2%**	**664512191**
Surplus/(Deficit)		**24554638**	**3843427**	**13644577**	**-169836785**	**-39913559**	**13644577**	**- 53558136**	**(0)**	**13644577**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		112085136	90868301	96071429	22509272	113640249	96071429	17568820	**0**	96071429
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		0	0	0	0	0	0	0		0
Transfers and subsidies - capital (in-kind - all)		0	0	0	0	0	0	0		0
Surplus/(Deficit) after capital transfers & contributions		**136639774**	**94711728**	**109716006**	**-147327513**	**73726690**	**109716006**			**109716006**
Taxation		0	0	0	0	0	0	0		0
Surplus/(Deficit) after taxation		**136639774**	**94711728**	**109716006**	**-147327513**	**73726690**	**109716006**			**109716006**
Attributable to minorities		0	0	0	0	0	0			0
Surplus/(Deficit) attributable to municipality		**136639774**	**94711728**	**109716006**	**-147327513**	**73726690**	**109716006**			**109716006**
Share of surplus/ (deficit) of associate		0	0	0	0	0	0			0
Surplus/ (Deficit) for the year		**136639774**	**94711728**	**109716006**	**-147327513**	**73726690**	**109716006**			**109716006**

APPENDIX K(I) – REVENUE COLLECTION PERFORMANCE BY VOTE

LIM362 Lephalale - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June										
Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue by Vote	1									
Vote 1 - Office of Municipal Manager		190414962	567041	604922	1684180	2605227	604922	2000305	330,7%	604922
Vote 2 - Budget and Treasury		129745776	340904847	357307955	18251377	298656871	357307955	- 58651084	-16,4%	357307955
Vote 3 - Corporate Services		0	1	2	0	0	2	-2	-100,0%	2
Vote 4 - Social Service		30787170	32992921	32992921	13567094	64246634	32992921	31253713	94,7%	32992921
Vote 5 - Technical and Engineering Services		387092535	382436953	382399072	29302599	381697089	382399072	-701983	-0,2%	382399072
Vote 6 - Property, Planning & Development		770281	923325	923325	421582	1022347	923325	99022	10,7%	923325
Vote 7 - Office of the Mayor/Strategic Office		0	0	0	0	0	0	0		0
Vote 8 - COMMUNITY & SOCIAL SERVICES		0	0	0	0	0	0	0		0
Total Revenue by Vote	2	**738810724**	**757825088**	**774228197**	**63226832**	**748228168**	**774228197**	**- 26000029**	**-3,4%**	**774228197**
Expenditure by Vote	1									
Vote 1 - Office of Municipal Manager		143233409	54116073	157399925	122712796	188699142	157399925	31299217	19,9%	157399925
Vote 2 - Budget and Treasury		47903434	62767064	69669194	10358217	64469779	69669194	-5199415	-7,5%	69669194
Vote 3 - Corporate Services		34111208	36029089	39930094	4183389	40872136	39930094	942042	2,4%	39930094
Vote 4 - Social Service		76475236	97324697	85013086	14822770	87597798	85013086	2584712	3,0%	85013086
Vote 5 - Technical and Engineering Services		262129501	377150870	279371690	64306425	271232682	279371690	-8139008	-2,9%	279371690
Vote 6 - Property, Planning & Development		15433910	16659003	16354558	1333896	14358075	16354558	-1996483	-12,2%	16354558
Vote 7 - Office of the Mayor/Strategic Office		22884253	19066564	16773637	-7163148	7271865	16773637	-9501772	-56,6%	16773637
Vote 8 - COMMUNITY & SOCIAL SERVICES		0	0	0	0	0	0	0		0
Vote 15 - [NAME OF VOTE 15]		0	0	0	0	0	0	0		0
Total Expenditure by Vote	2	**602170951**	**663113360**	**664512184**	**210554345**	**674501477**	**664512184**	**9989293**	**1,5%**	**664512184**
Surplus/ (Deficit) for the year	2	**136639773**	**94711728**	**109716013**	**- 147327513**	**73726691**	**109716013**	**- 35989322**	**-32,8%**	**109716013**

APPENDIX K(II) – REVENUE COLLECTION PERFORMANCE BY SOURCE

LIM362 Lephalale - Table C1 Monthly Budget Statement Summary - M12 June

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Financial Performance									
Property rates	110269274	106591056	106591056	8918358	95852154	106591056	-10738902	-10%	106591056
Service charges	266718178	330663870	330663870	5999482	254329028	330663870	-76334842	-23%	330663870
Investment revenue	4550785	2168475	2168475	1540439	4504325	2168475	2335850	108%	2168475
Transfers and subsidies	190086687	179916700	191116700	7088102	187503323	191116700	-3613377	-2%	191116700
Other own revenue	55100666	47616686	47616667	17171179	92399089	47616667	44782422	94%	47616667
Total Revenue (excluding capital transfers and contributions)	**626725590**	**666956787**	**678156768**	**40717560**	**634587919**	**678156768**	**-43568849**	**-6%**	**678156768**
Employee costs	212324458	228865302	225707477	16966972	206533865	225707477	-19173612	-8%	225707477
Remuneration of Councillors	10912367	11686653	12189596	1271992	12077628	12189596	-111968	-1%	12189596
Depreciation & asset impairment	84394857	92704836	92704906	63268587	93298239	92704906	593333	1%	92704906
Finance charges	19516753	19213294	16132294	21627559	28468904	16132294	12336610	76%	16132294
Inventory consumed and bulk purchases	162909185	171802714	161893745	46489225	168315679	161893745	6421934	4%	161893745
Transfers and subsidies	681126	976879	3087298	5120901	5978169	3087298	2890871	94%	3087298
Other expenditure	111432206	137863682	152796875	55809109	159828994	152796875	7032119	5%	152796875
Total Expenditure	**602170952**	**663113360**	**664512191**	**210554345**	**674501478**	**664512191**	**9989287**	**2%**	**664512191**
Surplus/(Deficit)	**24554638**	**3843427**	**13644577**	**-169836785**	**-39913559**	**13644577**	**-53558136**	**-393%**	**13644577**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	112085136	90868301	96071429	22509272	113640249	96071429	########	18%	96071429
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	0	0	0	0	0	0	0		0
Surplus/(Deficit) after capital transfers & contributions	**136639774**	**94711728**	**109716006**	**-147327513**	**73726690**	**109716006**	**-35989316**	**-33%**	**109716006**
Share of surplus/ (deficit) of associate	0	0	0	0	0	0	0		0
Surplus/ (Deficit) for the year	**136639774**	**94711728**	**109716006**	**-147327513**	**73726690**	**109716006**	**-35989316**	**-33%**	**109716006**
Capital expenditure & funds sources									
Capital expenditure	**111837773**	**113875841**	**183526924**	**32255570**	**117795605**	**183526924**	**-65731319**	**-36%**	**183526924**
Capital transfers recognised	88774727	90868303	147384938	23584735	102100219	147384938	-45284719	-31%	147384938
Borrowing	0	0	0	0	0	0	0		0
Internally generated funds	**28352992**	**22793003**	**33162766**	**11924980**	**15684845**	**33162766**	**-17477921**	**-53%**	**33162766**
Total sources of capital funds	**117127719**	**113661306**	**180547704**	**35509715**	**117785064**	**180547704**	**-62762640**	**-35%**	**180547704**
Financial position									
Total current assets	371199320	354003862	424803871		308550884				424803871
Total non-current assets	1479341653	1652799640	1726550662		1461872959				1726550662
Total current liabilities	151379294	56006776	296618779		243701469				296618779
Total noncurrent liabilities	198771116	176556839	176556839		174914068				176556839
Community wealth/Equity	**1336582544**	**1776746902**	**1776746902**		**1284163900**				**1776746902**
Cash flows									
Net cash from (used) operating	439606534	101824174	167936174	-6119049	331656529	167936174	-163720355	-97%	167936174
Net cash from (used) investing	-135994788	-117261298	-110061299	-36372640	-134691852	-110049297	24642555	-22%	-110061299
Net cash from (used) financing	0	-845358	0	0	0	-11076002	-11076002	100%	0
Cash/cash equivalents at the month/year end	**388127957**	**132281771**	**206439128**	**0**	**291789318**	**195375128**	**-96414190**	**-49%**	**152699516**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis									
Total By Income Source	56129993	16223690	11488590	10742052	10575050	9820149	9324287	356 971	481274730
Creditors Age Analysis									
Total Creditors	0	0	0	155940	28344,28	5263,49	976630,7	–	1166178,47

APPENDIX L – CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

LIM362 Lephalale - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
EXPENDITURE										
-										
Operating expenditure of Transfers and Grants										
National Government:		**174717768**	**212299483**	**219580533**	**44370333**	**207512601**	**219577884**	**- 12065283**	**-5,5%**	**219580533**
Municipal Systems Improvement Grant		166306999	203316897	210466806	41142604	195636141	210464157	- 14828016	-7,0%	210466806
0		0	104500	84500	0	0	84500	-84500	-100,0%	84500
0		6186016	6749716	6759716	2987443	9542111	6759716	2782395	41,2%	6759716
0		2224753	2128370	2269511	240286	2334349	2269511	64838	2,9%	2269511
0								0		
0								0		
Other transfers and grants [insert description]								0		
Provincial Government:		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**
0								0		
0								0		
0								0		
0								0		
Other transfers and grants [insert description]								0		
District Municipality:		**0**	**0**	**0**	**0**	**0**	**0**	0		**0**
								0		
[insert description]								0		
Other grant providers:		**0**	**0**	**0**	**0**	**0**	**0**	0		**0**
								0		
[insert description]								0		
Total operating expenditure of Transfers and Grants:		**174717768**	**212299483**	**219580533**	**44370333**	**207512601**	**219577884**	**- 12065283**	**-5,5%**	**219580533**
Capital expenditure of Transfers and Grants										
National Government:		88774728	90868303	147384938	23584736	102100219	147384938	- 45284719	**-30,7%**	147419938
0		8353203	26500001	26500001	3979973	20077739	26500001	-6422262	-24,2%	26500001
0		38650443	43713302	60444937	10309905	44850369	60444937	- 15594568	-25,8%	60444937
0		41771082	20655000	60440000	9294858	37172111	60440000	- 23267889	-38,5%	60475000
0								0		
0								0		
Other capital transfers [insert description]								0		
Provincial Government:		**0**	**0**	**0**	**0**	**0**	**0**	0		**0**
								0		
0								0		
District Municipality:		**0**	**0**	**0**	**0**	**0**	**0**	0		**0**
								0		
0								0		
Other grant providers:		**0**	**0**	**0**	**0**	**0**	**0**	0		**0**
								0		
0								0		
Total capital expenditure of Transfers and Grants		**88774728**	**90868303**	**147384938**	**23584736**	**102100219**	**147384938**	**- 45284719**	**-30,7%**	**147419938**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**263492496**	**303167786**	**366965471**	**67955069**	**309612820**	**366962822**	**- 57350002**	**-15,6%**	**367000471**

APPENDIX M – CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

Refer to audited schedule from AFS on volume II.

APPENDIX M(I) – CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

LIM362 Lephalale - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>										
-										
<u>Infrastructure</u>		**91264541**	**95453337**	**149084682**	**23457114**	**101099062**	**149084682**	47985620	**32,2%**	**149084682**
Roads Infrastructure		28480228	1000001	3129657	0	1677962	3129657	1451695	**46,4%**	3129657
Roads		28480228	1	2129657	0	1677962	2129657	451695	**21,2%**	2129657
Road Structures		0	1000000	1000000	0	0	1000000	1000000	**100,0%**	1000000
Road Furniture		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Storm water Infrastructure		0	0	0	0	0	0	0		0
Drainage Collection		0	0	0	0	0	0	0		0
Storm water Conveyance		0	0	0	0	0	0	0		0
Attenuation		0	0	0	0	0	0	0		0
Electrical Infrastructure		14642169	42259293	38614085	4623795	28077071	38614085	10537014	**27,3%**	38614085
Power Plants		0	0	0	0	0	0	0		0
HV Substations		0	0	500000	0	0	500000	500000	**100,0%**	500000
HV Switching Station		0	0	0	0	0	0	0		0
HV Transmission Conductors		0	0	0	0	0	0	0		0
MV Substations		0	0	0	0	0	0	0		0
MV Switching Stations		0	0	0	0	0	0	0		0
MV Networks		6288966	0	0	0	0	0	0		0
LV Networks		8353203	39759293	35614085	4623795	27927288	35614085	7686797	**21,6%**	35614085
Capital Spares		0	2500000	2500000	0	149783	2500000	2350217	**94,0%**	2500000
Water Supply Infrastructure		42838844	21290035	69148574	10709086	40687191	69148574	28461383	**41,2%**	69148574
Dams and Weirs		0	0	0	0	0	0	0		0
Boreholes		1141560	0	0	0	0	0	0		0
Reservoirs		0	635035	635035	832548	832548	635035	-197513	**-31,1%**	635035
Pump Stations		0	0	0	0	0	0	0		0
Water Treatment Works		8258608	0	0	0	0	0	0		0
Bulk Mains		29572724	20655000	64835932	9294858	37049057	64835932	27786875	**42,9%**	64835932
Distribution		3865952	0	3677607	581680	2805586	3677607	872021	**23,7%**	3677607
Distribution Points		0	0	0	0	0	0	0		0
PRV Stations		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Sanitation Infrastructure		-29914	2281141	35816601	8124233	28975191	35816601	6841410	**19,1%**	35816601
Pump Station		-29914	0	5844294	-820904	2822712	5844294	3021582	**51,7%**	5844294
Reticulation		0	2281141	29671226	8945137	26152479	29671226	3518747	**11,9%**	29671226
Wastewater Treatment Works		0	0	301081	0	0	301081	301081	**100,0%**	301081
Outfall Sewers		0	0	0	0	0	0	0		0
Toilet Facilities		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Solid Waste Infrastructure		5333214	28622867	2375765	0	1681647	2375765	694118	**29,2%**	2375765
Landfill Sites		0	0	2025764	0	347826	2025764	1677938	**82,8%**	2025764
Waste Transfer Stations		4998838	28622867	1	0	1333821	1	-1333820	**-133382000,0%**	1
Waste Processing Facilities		334376	0	350000	0	0	350000	350000	**100,0%**	350000
Waste Drop-off Points		0	0	0	0	0	0	0		0
Waste Separation Facilities		0	0	0	0	0	0	0		0
Electricity Generation Facilities		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Rail Infrastructure		0	0	0	0	0	0	0		0
Rail Lines		0	0	0	0	0	0	0		0
Rail Structures		0	0	0	0	0	0	0		0
Rail Furniture		0	0	0	0	0	0	0		0
Drainage Collection		0	0	0	0	0	0	0		0
Storm water Conveyance		0	0	0	0	0	0	0		0
Attenuation		0	0	0	0	0	0	0		0
MV Substations		0	0	0	0	0	0	0		0
LV Networks		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Coastal Infrastructure		0	0	0	0	0	0	0		0
Sand Pumps		0	0	0	0	0	0	0		0
Piers		0	0	0	0	0	0	0		0
Revetments		0	0	0	0	0	0	0		0
Promenades		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Information and Communication Infrastructure		0	0	0	0	0	0	0		0

LIM362 Lephalale - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M12 June

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Capital expenditure on new assets by Asset Class/Sub-class										
Data Centres		0	0	0	0	0	0	0		0
Core Layers		0	0	0	0	0	0	0		0
Distribution Layers		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Community Assets		**5334896**	**1**	**11982321**	**205435**	**2926851**	**11982321**	**9055470**	**75,6%**	**11982321**
Community Facilities		5334896	1	11982321	205435	2926851	11982321	9055470	**75,6%**	11982321
Halls		0	0	0	0	0	0	0		0
Centres		0	0	0	0	0	0	0		0
Crèches		0	0	0	0	0	0	0		0
Clinics/Care Centres		0	0	0	0	0	0	0		0
Fire/Ambulance Stations		0	0	0	0	0	0	0		0
Testing Stations		0	0	0	0	0	0	0		0
Museums		0	0	0	0	0	0	0		0
Galleries		0	0	0	0	0	0	0		0
Theatres		0	0	0	0	0	0	0		0
Libraries		0	0	0	0	0	0	0		0
Cemeteries/Crematoria		4759679	1	11982321	205435	2926851	11982321	9055470	75,6%	11982321
Police		0	0	0	0	0	0	0		0
Purls		0	0	0	0	0	0	0		0
Public Open Space		0	0	0	0	0	0	0		0
Nature Reserves		0	0	0	0	0	0	0		0
Public Ablution Facilities		0	0	0	0	0	0	0		0
Markets		0	0	0	0	0	0	0		0
Stalls		575217	0	0	0	0	0	0		0
Abattoirs		0	0	0	0	0	0	0		0
Airports		0	0	0	0	0	0	0		0
Taxi Ranks/Bus Terminals		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Sport and Recreation Facilities		0	0	0	0	0	0	0		0
Indoor Facilities		0	0	0	0	0	0	0		0
Outdoor Facilities		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Heritage assets		0	0	0	0	0	0	0		0
Monuments		**0**	0	0	0	0	0	0		0
Historic Buildings		**0**	0	0	0	0	0	0		0
Works of Art		**0**	0	0	0	0	0	0		0
Conservation Areas		**0**	0	0	0	0	0	0		0
Other Heritage		**0**	0	0	0	0	0	0		0
								0		
Investment properties		**0**	**0**	**0**	**0**	**0**	**0**	0		**0**
Revenue Generating		0	0	0	0	0	0	0		0
Improved Property		0	0	0	0	0	0	0		0
Unimproved Property		0	0	0	0	0	0	0		0
Non-revenue Generating		0	0	0	0	0	0	0		0
Improved Property		0	0	0	0	0	0	0		0
Unimproved Property		0	0	0	0	0	0	0		0
Other assets		**866423**	**500000**	**2201482**	**421146**	**1159075**	**2201482**	**1042407**	**47,4%**	**2201482**
Operational Buildings		866423	500000	2201482	421146	1159075	2201482	1042407	**47,4%**	2201482
Municipal Offices		864640	500000	500000	498960	498960	500000	1040	0,2%	500000
Pay/Enquiry Points		0	0	0	0	0	0	0		0
Building Plan Offices		0	0	0	0	0	0	0		0
Workshops		0	0	0	0	0	0	0		0
Yards		1783	0	1701482	-77814	660115	1701482	1041367	61,2%	1701482
Stores		0	0	0	0	0	0	0		0
Laboratories		0	0	0	0	0	0	0		0
Training Centres		0	0	0	0	0	0	0		0
Manufacturing Plant		0	0	0	0	0	0	0		0
Depots		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Housing		0	0	0	0	0	0	0		0
Staff Housing		0	0	0	0	0	0	0		0
Social Housing		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Biological or Cultivated Assets		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**
Biological or Cultivated Assets		0	0	0	0	0	0	0		0
Intangible Assets		**0**	**1**	**1**	**0**	**0**	**1**	**1**	100,0%	**1**
Servitudes		0	1	1	0	0	1	1	100,0%	1

LIM362 Lephalale - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Capital expenditure on new assets by Asset Class/Sub-class										
Licences and Rights		0	0	0	0	0	0	0		0
Water Rights		0	0	0	0	0	0	0		0
Effluent Licenses		0	0	0	0	0	0	0		0
Solid Waste Licenses		0	0	0	0	0	0	0		0
Computer Software and Applications		0	0	0	0	0	0	0		0
Load Settlement Software Applications		0	0	0	0	0	0	0		0
Unspecified		0	0	0	0	0	0	0		0
Computer Equipment		**155600**	**0**	**810000**	**18400**	**528400**	**810000**	**281600**	34,8%	**810000**
Computer Equipment		155600	0	810000	18400	528400	810000	281600	34,8%	810000
Furniture and Office Equipment		**87603**	**0**	**421979**	**0**	**172904**	**421979**	**249075**	59,0%	**421979**
Furniture and Office Equipment		87603	0	421979	0	172904	421979	249075	59,0%	421979
Machinery and Equipment		**2412078**	**4237500**	**10401770**	**198520**	**689672**	**10401770**	**9712098**	93,4%	**10401770**
Machinery and Equipment		2412078	4237500	10401770	198520	689672	10401770	9712098	93,4%	10401770
Transport Assets		**10819342**	**8260000**	**8624687**	**4819099**	**8083785**	**8624687**	**540902**	6,3%	**8624687**
Transport Assets		10819342	8260000	8624687	4819099	8083785	8624687	540902	6,3%	8624687
Land		**0**	**5425000**	**0**	**0**	**0**	**0**	**0**		**0**
Land		0	5425000	0	0	0	0	0		0
Zoo's, Marine and Non-biological Animals		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**
Zoo's, Marine and Non-biological Animals		0	0	0	0	0	0	0		0
Total Capital Expenditure on new assets	1	**110940483**	**113875839**	**183526922**	**29119714**	**114659749**	**183526922**	**68867173**	**37,5%**	**183526922**

APPENDIX M(II) – CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

LIM362 Lephalale - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Repairs and maintenance expenditure by Asset Class/Sub-class										
-										
Infrastructure		**984555**	**15007718**	**14726917**	**-2969611**	**2216408**	**14726917**	12510509	**84,9%**	**14726917**
Roads Infrastructure		1219330	3315769	3312681	-3444124	-3003244	3312681	6315925	**190,7%**	3312681
Roads		0	1	542621	214114	518181	542621	24440	**4,5%**	542621
Road Structures		2375034	3315766	2661605	-3658238	-3629368	2661605	6290973	**236,4%**	2661605
Road Furniture		-1155704	2	108455	0	107943	108455	512	**0,5%**	108455
Capital Spares		0	0	0	0	0	0	0		0
Storm water Infrastructure		0	548154	190000	0	151176	190000	38824	**20,4%**	190000
Drainage Collection		0	548154	190000	0	151176	190000	38824	**20,4%**	190000
Storm water Conveyance		0	0	0	0	0	0	0		0
Attenuation		0	0	0	0	0	0	0		0
Electrical Infrastructure		0	2948597	4008848	1546291	1617643	4008848	2391205	**59,6%**	4008848
Power Plants		0	1	60252	0	15800	60252	44452	**73,8%**	60252
HV Substations		0	0	0	0	0	0	0		0
HV Switching Station		0	0	0	0	0	0	0		0
HV Transmission Conductors		0	0	0	0	0	0	0		0
MV Substations		0	0	0	0	0	0	0		0
MV Switching Stations		0	0	0	0	0	0	0		0
MV Networks		0	0	0	0	0	0	0		0
LV Networks		0	2948596	3948596	1546291	1601843	3948596	2346753	**59,4%**	3948596
Capital Spares		0	0	0	0	0	0	0		0
Water Supply Infrastructure		1828518	3503852	3383852	-1131071	691445	3383852	2692407	**79,6%**	3383852
Dams and Weirs		0	0	0	0	0	0	0		0
Boreholes		0	1	1	0	0	1	1	**100,0%**	1

LIM362 Lephalale - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 June										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Repairs and maintenance expenditure by Asset Class/Sub-class										
Reservoirs		0	0	0	0	0	0	0		0
Pump Stations		0	0	0	0	0	0	0		0
Water Treatment Works		0	0	0	0	0	0	0		0
Bulk Mains		0	0	0	0	0	0	0		0
Distribution		1828518	3503851	3383851	-1131071	691445	3383851	2692406	**79,6%**	3383851
Distribution Points		0	0	0	0	0	0	0		0
PRV Stations		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Sanitation Infrastructure		-2063293	4691346	3831536	59293	2759388	3831536	1072148	**28,0%**	3831536
Pump Station		0	0	0	0	0	0	0		0
Reticulation		-2063293	4691346	3831536	59293	2759388	3831536	1072148	**28,0%**	3831536
Wastewater Treatment Works		0	0	0	0	0	0	0		0
Outfall Sewers		0	0	0	0	0	0	0		0
Toilet Facilities		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Solid Waste Infrastructure		0	0	0	0	0	0	0		0
Landfill Sites		0	0	0	0	0	0	0		0
Waste Transfer Stations		0	0	0	0	0	0	0		0
Waste Processing Facilities		0	0	0	0	0	0	0		0
Waste Drop-off Points		0	0	0	0	0	0	0		0
Waste Separation Facilities		0	0	0	0	0	0	0		0
Electricity Generation Facilities		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Rail Infrastructure		0	0	0	0	0	0	0		0
Rail Lines		0	0	0	0	0	0	0		0
Rail Structures		0	0	0	0	0	0	0		0
Rail Furniture		0	0	0	0	0	0	0		0
Drainage Collection		0	0	0	0	0	0	0		0
Storm water Conveyance		0	0	0	0	0	0	0		0
Attenuation		0	0	0	0	0	0	0		0
MV Substations		0	0	0	0	0	0	0		0
LV Networks		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Coastal Infrastructure		0	0	0	0	0	0	0		0
Sand Pumps		0	0	0	0	0	0	0		0
Piers		0	0	0	0	0	0	0		0
Revetments		0	0	0	0	0	0	0		0
Promenades		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Information and Communication Infrastructure		0	0	0	0	0	0	0		0
Data Centres		0	0	0	0	0	0	0		0
Core Layers		0	0	0	0	0	0	0		0
Distribution Layers		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Community Assets		**115266**	**105789**	**210694**	**93141**	**125970**	**210694**	**84724**	**40,2%**	**210694**
Community Facilities		36911	105788	105788	93141	93141	105788	12647	**12,0%**	105788
Halls		0	0	0	0	0	0	0		0
Centres		0	0	0	0	0	0	0		0
Crèches		0	0	0	0	0	0	0		0
Clinics/Care Centres		0	0	0	0	0	0	0		0
Fire/Ambulance Stations		0	0	0	0	0	0	0		0
Testing Stations		0	0	0	0	0	0	0		0
Museums		0	0	0	0	0	0	0		0
Galleries		0	0	0	0	0	0	0		0
Theatres		0	0	0	0	0	0	0		0
Libraries		0	0	0	0	0	0	0		0
Cemeteries/Crematoria		0	0	0	0	0	0	0		0
Police		0	0	0	0	0	0	0		0
Purls		36911	105788	105788	93141	93141	105788	12647	12,0%	105788
Public Open Space		0	0	0	0	0	0	0		0
Nature Reserves		0	0	0	0	0	0	0		0
Public Ablution Facilities		0	0	0	0	0	0	0		0
Markets		0	0	0	0	0	0	0		0
Stalls		0	0	0	0	0	0	0		0
Abattoirs		0	0	0	0	0	0	0		0
Airports		0	0	0	0	0	0	0		0
Taxi Ranks/Bus Terminals		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0

LIM362 Lephalale - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 June

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Repairs and maintenance expenditure by Asset Class/Sub-class										
Sport and Recreation Facilities		78355	1	104906	0	32829	104906	72077	**68,7%**	104906
Indoor Facilities		0	0	0	0	0	0	0		0
Outdoor Facilities		78355	1	104906	0	32829	104906	72077	68,7%	104906
Capital Spares		0	0	0	0	0	0	0		0
Heritage assets		0	0	0	0	0	0	0		0
Monuments		**0**	0	0	0	0	0	0		0
Historic Buildings		**0**	0	0	0	0	0	0		0
Works of Art		**0**	0	0	0	0	0	0		0
Conservation Areas		**0**	0	0	0	0	0	0		0
Other Heritage		**0**	0	0	0	0	0	0		0
								0		
Investment properties		**0**	**0**	**0**	**0**	**0**	**0**	0		**0**
Revenue Generating		0	0	0	0	0	0	0		0
Improved Property		0	0	0	0	0	0	0		0
Unimproved Property		0	0	0	0	0	0	0		0
Non-revenue Generating		0	0	0	0	0	0	0		0
Improved Property		0	0	0	0	0	0	0		0
Unimproved Property		0	0	0	0	0	0	0		0
Other assets		**104260**	**27**	**562126**	**4973**	**716426**	**562126**	**-154300**	**-27,4%**	**562126**
Operational Buildings		104260	27	562126	4973	716426	562126	-154300	**-27,4%**	562126
Municipal Offices		0	24	24	0	0	24	24	100,0%	24
Pay/Enquiry Points		0	0	0	0	0	0	0		0
Building Plan Offices		0	0	0	0	0	0	0		0
Workshops		0	0	0	0	0	0	0		0
Yards		0	0	0	0	0	0	0		0
Stores		0	0	0	0	0	0	0		0
Laboratories		0	0	0	0	0	0	0		0
Training Centres		0	0	0	0	0	0	0		0
Manufacturing Plant		0	0	0	0	0	0	0		0
Depots		104260	3	562102	4973	716426	562102	-154324	-27,5%	562102
Capital Spares		0	0	0	0	0	0	0		0
Housing		0	0	0	0	0	0	0		0
Staff Housing		0	0	0	0	0	0	0		0
Social Housing		0	0	0	0	0	0	0		0
Capital Spares		0	0	0	0	0	0	0		0
Biological or Cultivated Assets		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**
Biological or Cultivated Assets		0	0	0	0	0	0	0		0
Intangible Assets		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**
Servitudes		0	0	0	0	0	0	0		0
Licences and Rights		0	0	0	0	0	0	0		0
Water Rights		0	0	0	0	0	0	0		0
Effluent Licenses		0	0	0	0	0	0	0		0
Solid Waste Licenses		0	0	0	0	0	0	0		0
Computer Software and Applications		0	0	0	0	0	0	0		0
Load Settlement Software Applications		0	0	0	0	0	0	0		0
Unspecified		0	0	0	0	0	0	0		0
Computer Equipment		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**
Computer Equipment		0	0	0	0	0	0	0		0
Furniture and Office Equipment		**80582**	**6**	**2000006**	**59808**	**71765**	**2000006**	**1928241**	96,4%	**2000006**
Furniture and Office Equipment		80582	6	2000006	59808	71765	2000006	1928241	96,4%	2000006
Machinery and Equipment		**1515468**	**5**	**1602263**	**0**	**1761138**	**1602263**	**-158875**	-9,9%	**1602263**
Machinery and Equipment		1515468	5	1602263	0	1761138	1602263	-158875	-9,9%	1602263
Transport Assets		**804587**	**9039197**	**9423907**	**791632**	**4859275**	**9423907**	**4564632**	48,4%	**9423907**
Transport Assets		804587	9039197	9423907	791632	4859275	9423907	4564632	48,4%	9423907
Land		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**
Land		0	0	0	0	0	0	0		0
Zoo's, Marine and Non-biological Animals		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**
Zoo's, Marine and Non-biological Animals		0	0	0	0	0	0	0		0
Total Repairs and Maintenance Expenditure	1	**3604718**	**24152742**	**28525913**	**-2020057**	**9750982**	**28525913**	**18774931**	**65,8%**	**28525913**

APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2021-22

Refer to audited schedule from AFS on volume II.

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2021-22

	Name Of Service Provider	Project Name	Start Date	Completion Date	Funder	Progress on Implementation	Rating 1-5	Comments
Ward 6	Con: Gombameni Risk and event management	Melvel Access road	19/09/2019	30/07/2021	MIG	Project completed	3	Project completed
Ward 8	Con: Tshashu consulting	Mokuruanyane water scheme Bulk pipeline phase1&2	01/09/2021	30/09/22	WSIG	The physical progress is 88%, The contractor has completed	4	The physical progress is 88%, The contractor has completed the following works: - Site establishment done and site clearing in progress. -The contractor has excavated 16.0km and laid 6.25km of pipeline to date. -Erection of four borehole pump houses is almost complete(side walls and the roofing complete) . - The package plant is almost complete(94% physical progress). - Four pumps have been installed at the pump houses.
Wards 6, 9, 10, 11	Con: NSK Electrical & Construction Managers	High mast light installation Segale ,Botsalanong ,Kopanong Senoela, Morwe, Botshabelo	26/03/2021	30/06/2022	MIG	Project completed	4	Project completed
Wards 6, 7 and 8	Con: NSK Electrical & Construction Managers	High mast light installation at Steve Biko, Maeteletja, Tshehlong, Ditaung	01/07/2021	30/06/22	MIG	Project completed	4	Project completed
Wards 6, 7,10, 11	Con: NSK Electrical & Construction Managers	Electrification of houses in Various Villages Phase 2	01/07/2021	30/06/22	INEP	Project completed	4	Project completed
Ward 8	Con: MJ Mthombeni	Thabo Mbeki sewer network phase 2	02/11/2021	03 /11/2022	MIG	Site Establishment-100%,Excavation and Preparation-100%,Pipe bedding and blanket-94%,Laying pipes -85%,Erf connection -99%,Plumbing fixtures-75%,House	4	Site Establishment-100%,Excavation and Preparation-100%,Pipe bedding and blanket-94%,Laying pipes -85%,Erf connection -99%,Plumbing fixtures- 75%,House connections-78%,Booster pump station-71%,Artificial surface wetlands-

	Name Of Service Provider	Project Name	Start Date	Completion Date	Funder	Progress on Implementation	Rating 1-5	Comments
						connections-78%,Booster pump station-71%,Artificial surface wetlands-59%,Borehole development-33%,Finishing off-0% Overall progress (if multiyear project):88%		59%,Borehole development-33%,Finishing off-0% Overall progress (if multiyear project):88%

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

No Service connection backlogs on schools and clinics in Lephalale Municipality, all schools, clinics hospitals government departments are connected to basic services, water, electricity ,

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

1. Upgrading of Infrastructure of schools is the responsibility of the department of Education
2. Access of Primary health care services by farming community is a huge challenge.
3. Construction of Library and Information centres to enable farming community to access services
4. Construction of a new driver's licence testing station at Mokuruanyane is supposed to be constructed by the Provincial Department of Transport.
5. Maintenance of Road Infrastructure belonging to the District Municipality and the Provincial Department of Transport.
6. Upgrade of the sanitation facilities at Thabo Mbeki Town and Onverwacht/Marapong by the Department of CoGHSTA
7. Electrification of schools at the Rural Villages.
8. Telecommunications and Postal services at rural parts of Lephalale by South African Post and Telecommunications services remains a huge challenge.
9. Formalization of villages by the department of CoGHSTA to extend provision of services to the rural villages.
10. Construction of RDP houses to address housing backlogs by the department of CoGHSTA.

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality 2021-22				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2021-22 R' 000	Total Amount committed over previous and future years.
SPCA	Prevention of cruelty to animals, Money used to care for abandoned and abused animals	Caring of animals	R 200	R 200
Mogol club	Maintenance of Sports and Recreational facilities at Onverwacht	Maintenance of facilities	R 100	R 100
Sports Club Marapong	Maintenance of sports and Recreational facilities at Marapong	Maintenance of facilities	R 100	R100
* Loans/Grants - whether in cash or in kind				

APPENDIX S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

ALL SECTION 71 FINANCIAL REPORT RETURNS FINANCIAL YEAR 2021-22 WERE SUBMITTED TO PROVINCIAL AND NATIONAL TREASURY OFFICES FROM LEPHALALE MUNICIPALITY
IN ACCORDANCE WITH MUNICIPAL STANDARD CHARTER OF ACCOUNTS ON THE MUNICIPAL FINANCIAL SYSTEM – INZALO

APPENDIX T – NATIONAL AND PROVINCIAL OUTCOME FOR LOCAL GOVERNMENT

NATIONAL DEVELOPMENT PLAN	NATIONAL OUTCOMES	OUTCOME 9 OUTPUTS	LIMPOPO ECONOMIC GROWTH AND DEVELOPMENT PLAN	LEPHALALE STRATEGIC OBJECTIVES	LEPHALALE DESIRED IMPACTS
Improving infrastructure	6 An efficient, competitive, and responsive economic infrastructure network	Improved access to Basic Services	Public infrastructure investment programme Water Resource Development and Demand Management	Provide quality and well-maintained infrastructural services in all municipal areas	Satisfied community members
An economy that will create more jobs	4 Decent employments through inclusive economic growth	Implement the Community work programme and Co-operatives supported	Regional economic development and integration programme	Create a conducive environment for businesses to invest and prosper	Sustainable economy
		Deepen democracy through a refined ward committee model	Enterprise development (SMMEs and cooperatives development)		
An inclusive and integrated rural economy	7 Vibrant, equitable and sustainable rural communities with food security for all		Agriculture and rural development Industrial development programme		
Reversing the spatial effect of apartheid	8 Sustainable human settlements and improved quality of household life	Actions supportive of the Human Settlement outcomes		Rational planning to bridge first and second economies and provide adequate land for development	Sustainable development
Transition to a low-carbon economy	10 Environment assets and natural resources that are well protected and continually enhanced		Environmental and natural resources development programme Green economy and creation of green jobs	Protect the environment and improve community well-being	Safe, healthy, and clean-living conditions
Quality health care for all	2 A long and healthy life for all South Africans		Health care development programme		
Social protection Transforming society and uniting the country	11 Create a better South Africa and contribute to a better and safer Africa and World		Safety and security	Capacitate disadvantaged groups	Quality life for disadvantaged groups
Building safer communities	3 All people in South Africa feel and are safe				
Improving quality of education, training, and innovation	1 Improved quality of basic education		Education and skills development programme		

NATIONAL DEVELOPMENT PLAN	NATIONAL OUTCOMES	OUTCOME 9 OUTPUTS	LIMPOPO ECONOMIC GROWTH AND DEVELOPMENT PLAN	LEPHALALE STRATEGIC OBJECTIVES	LEPHALALE DESIRED IMPACTS
Fighting corruption		Implement a differentiated approach to municipal financing, planning and support	Corporate Governance	Enhance revenue and financial management	Financial Viability and Prosperous institution
	9 - A responsive, accountable, effective, and efficient local government system	Single Window of co-ordination	Corporate Governance	Responsible, accountable, effective, and efficient corporate governance	Public confidence
Reforming the public service	12 - An efficient, effective and development oriented public service and an empowered, fair, and inclusive citizenship	Improved municipal financial and administrative capacity	Corporate Governance	Improve functionality, performance, and professionalism	Best Governance ethos
	5- Skilled and capable workforce to support an inclusive growth path	Improved municipal financial and administrative capacity	Corporate Governance	Improve functionality, performance, and professionalism	Best Governance ethos

APPENDIX T I – AUDIT ACTION PLAN TO ADRESS AG FINDINGS BY THE MUNICIPALITY

The Audit Action has not yet been developed for 2022-23 financial year.

APPENDIX U –2020/21 ANNUAL PERFORMANCE REPORT BY THE MUNICIPALITY

APR REVIEWED APR 2021-22.docx

VOLUME II

Annual Financial Statements

Adjusted AFS LIM362 23H30.pdf

2021-22 financial year