2021/22

UBUNTU MUNICIPALITY ANNUAL REPORT

Volume I

Draft 1 Jan 2023

CONTENTS

CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

MAYOR'S FOREWORD

It is against this background that our new vision which says '' **TO CREATE A SPACE WHERE HUMANITY MEETS''** is relevant. This IDP depicts the blueprint for the future of our municipality and is informed by the development aspirations of the citizens of our area. All our communities and social partners are therefore encouraged to be part of the development trajectory as encapsulated herein through submission of comments and how innovatively can we improve the quality so as to enhance on implementation and monitoring as we strive towards bettering the lives of our communities.

Community participation which is a cornerstone of local democracy will be entrenched and the best ways of improving this are underway.

OUR MISSION:

The mission of Ubuntu Municipality, also to be championed by the Ubuntu Municipal Council working together with the administration shall be:

These shall be pursued in an integrated and synergistic manner in pursuit of the long-term vision of Ubuntu Municipality.

- maximize the utility of the municipal resources in a sustainable, developmental and economic manner to better the life of all;
- improve institutional effectiveness and efficiency;
- optimally develop our human, financial and natural resources;
- create an enabling environment for local economic growth in order to create employment opportunities and alleviate poverty;
- work with all our existing and prospective partners to establish a vibrant tourism industry;
- participate in the fight to reduce the communicable disease infection rate and lessen the impact thereof;
- focus on youth development, women empowerment and enabling the disabled to play a meaningful role in unlocking human potential;
- ensure a safe, secure and community friendly environment; and maintain sound and sustainable management of financial and fiscal affairs

OUR VALUES:

The values of Ubuntu Municipality, also to be championed by the Ubuntu Municipal Council working together with the administration shall be:

- **Humanity** (courtesy, pro-poor focus, people-centeredness, equality, non-racialism, non-sexism);
- **Excellence** (effectiveness & efficiency, value for money, innovation; zero excuses);

- **Integrity & Accountability** (clean governance; responsiveness, responsibility);
- **Batho Pele**; and
- **Accessibility & Transparency** (convenience; availability and fairness).

These values shall inform the corporate culture of both the Ubuntu Municipal Council and all staff within the administration of Ubuntu Municipality.

These shall be pursued in an integrated and synergistic manner in pursuit of the long-term vision of Ubuntu Municipality.

OUR VALUES:

The values of Ubuntu Municipality, also to be championed by the Ubuntu Municipal Council

working together with the administration shall be:

- Humanity (courtesy, pro-poor focus, people-centeredness, equality, non-racialism, non-sexism);
- Excellence (effectiveness & efficiency, value for money, innovation; zero excuses);
- Integrity & Accountability (clean governance; responsiveness, responsibility);
- Batho Pele; and
- Accessibility & Transparency (convenience; availability and fairness).

These values shall inform the corporate culture of both the Ubuntu Municipal Council and all staff within the administration of Ubuntu Municipality.

The Municipality welcomed a new Council after the 1 November 2021 Local Government Elections and the Municipality Changes from a Plenary Executive with a ward participatory system to a collective executive system ward award participatory system.

The Municipality now has two full-time councillors in the Mayor and Speaker and to part-time members of the executive committee.

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Mayor

T 1.0.1

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW
T 1.1.1

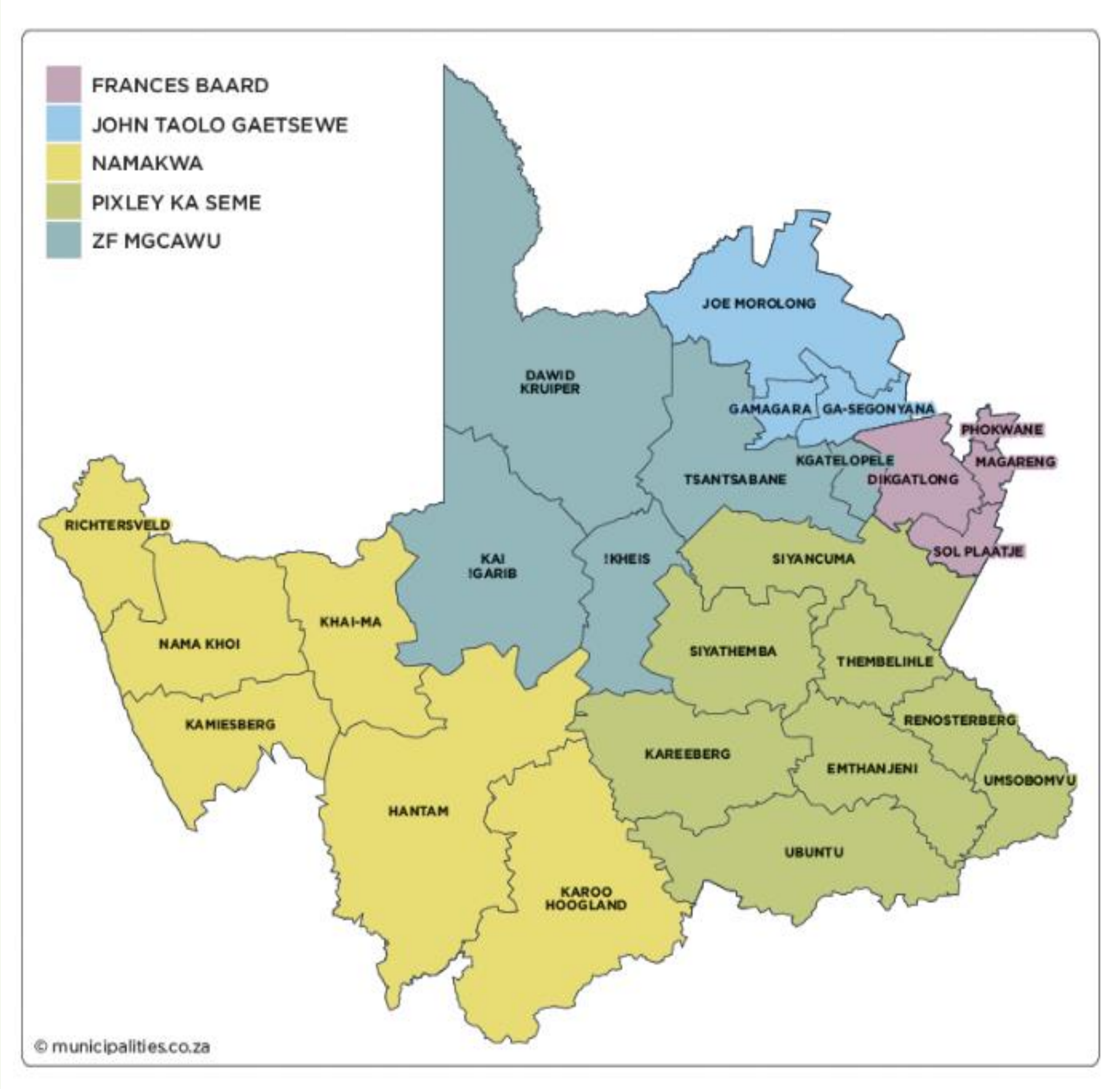
1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA
T 1.2.1

The Northern Cape is geographically the largest province in South Africa having a land mass of 373,239 km² and covers approximately one third of the country's surface area. It is bordered by the Atlantic Ocean on the west, Namibia on the northwest and Botswana on the north, the Western Cape on the southwest and the Free State on the east.

The Northern Cape is the largest and most sparsely populated province of South Africa. It was created in 1994 when the Cape Province was split up. The Orange River flows through the province, forming the borders with the Free State in the southeast and with Namibia to the northwest.

The demarcation process of 2000 resulted in five district municipalities (ZF Mgcawu DM, John Taolo Gaetsewe DM, Namaqua DM, Francis Baard DM and Pixley ka Seme DM) together comprising twenty-seven Category B municipalities.



The largest town in the study area, Victoria West; has a population of 7611 persons, Richmond being the second largest area having a population of 2841 and Loxton having the least population of 921

The Municipality has 4 wards

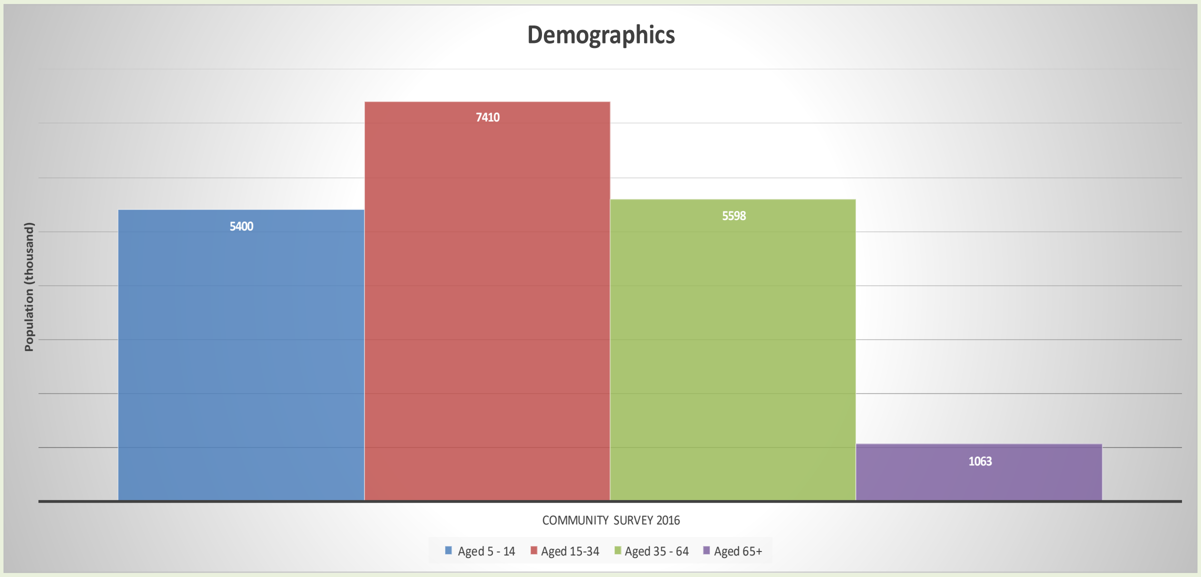
- Ward 1: Richmond
- Ward 2: Victoria West
- Ward 3: Loxton and Hutchinson and Merriman
- Ward 4: Victoria West

According to the Stats SA Community survey the Ubuntu Municipality's population growth was 1%. The Population in 2011 was 18601 and according to the community survey its was 19471 in 2016.

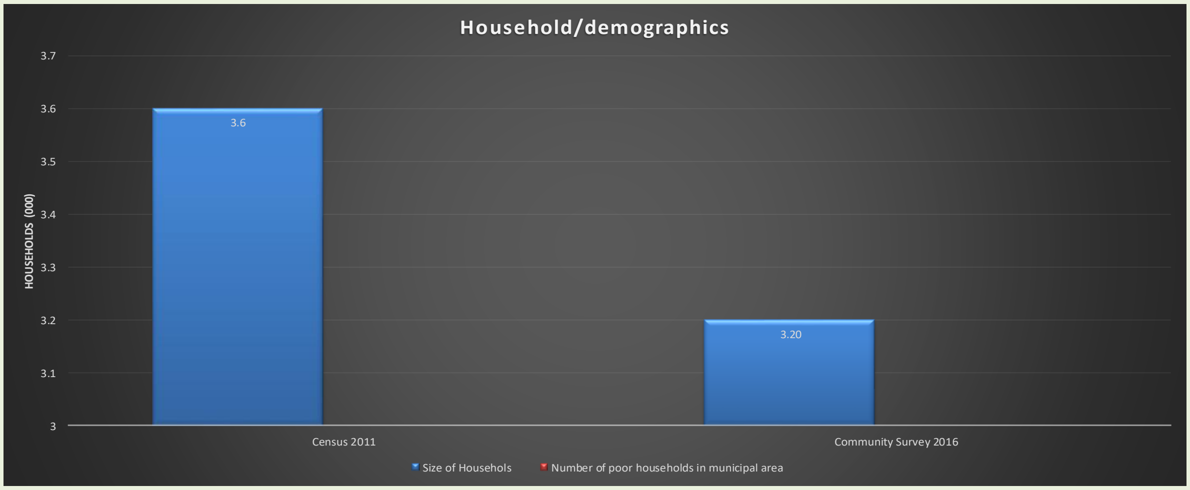
All statistics in this document will either be from the Censes 2011 or the 2016 Community Survey, depending the availability of the latest official Statics that is available.

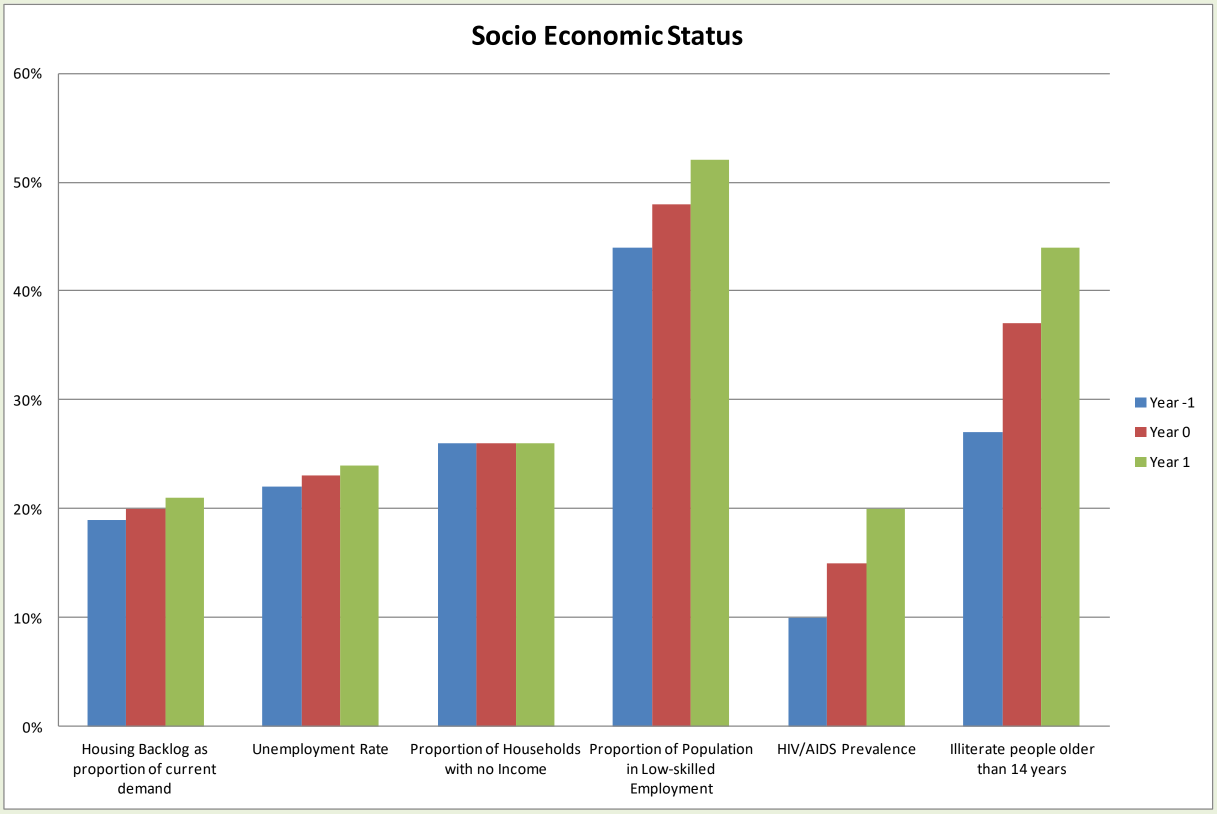
POPULATION PER AGE GROUP				
0 To 15	15 To 34	35 To 64	65 Plus	Total
5400	7410	5598	1063	19471

StatsSA Community Profile 2016



T1.2


Household/demographics
HOUSEHOLDS (000)
3.7
3.6
3.5
3.4
3.3
3.2
3.1
3
3.6
3.20
Census 2011
Community Survey 2016
Size of Househols
Number of poor households in municipal area


Socio Economic Status
60%
50%
40%
30%
20%
10%
0%
Housing Backlog as proportion of current demand
Unemployment Rate
Proportion of Households with no Income
Proportion of Population in Low-skilled Employment
HIV/AIDS Prevalence
Illiterate people older than 14 years
Year -1
Year 0
Year 1

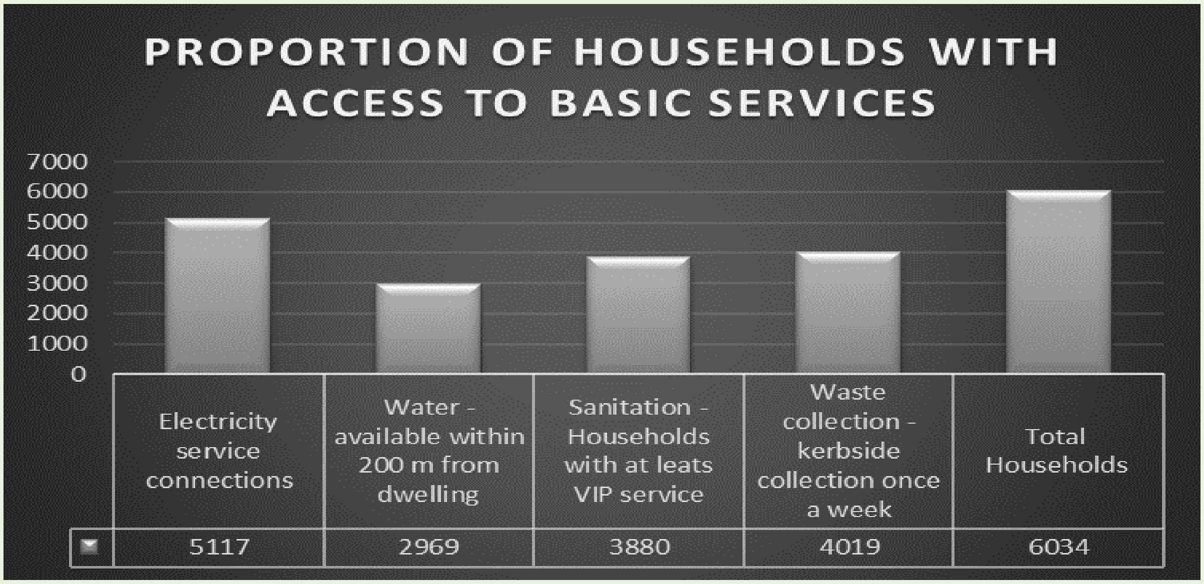
T1.2.5

Overview of Neighbourhoods within Ubuntu Municipality		
Settlement Type	Households	Population
Towns		
Victoria West	2393	8607
Loxton	375	1106
Richmond	1103	3983
Sub-Total	3871	13696
Townships		
Sabelo	400	1395
Ubuntu NU	1636	3913
Sub-Total	2036	5308
Rural settlements		
Hutchinson	98	385
Merriman	29	82
Sub-Total	127	467
Informal settlements		
Sub-Total		
Total	6034	19471
		T1.2.6

Natural Resources	
Major Natural Resource	**Relevance to Community**
Agriculture	Primary Economic Activity
Tourism	Growth Phase
Eco-tourism	Growth Phase
	T1.2.7

1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION
T 1.3.1



1.4. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW
T1.4.1

Financial Overview - 2021/22			R'
Details	**Original budget**	**Adjustment Budget**	**Actual**
Income			
Grants	67 315 000.00	60 015 000.00	62 908 732.00
Taxes, Levies and tariffs	33 874 816.00	43 387 630.00	26 308 298.00
Other	5 395 445.00	13 269 333.00	9 137 759.00
Sub Total	106 585 261.00	116 671 963.00	98 354 789.00
Less Expenditure	147 384 214.00	152 875 821.00	157 275 530.00
Net Total*	-40 798 953.00	-36 203 858.00	-58 920 741.00
** Note: surplus/(defecit)*			T1.4.2

Operating Ratios	
Detail	%
Employee Cost	23%
Repairs & Maintenance	1%
Finance Charges & Depreciation	22%
	T1.4.3

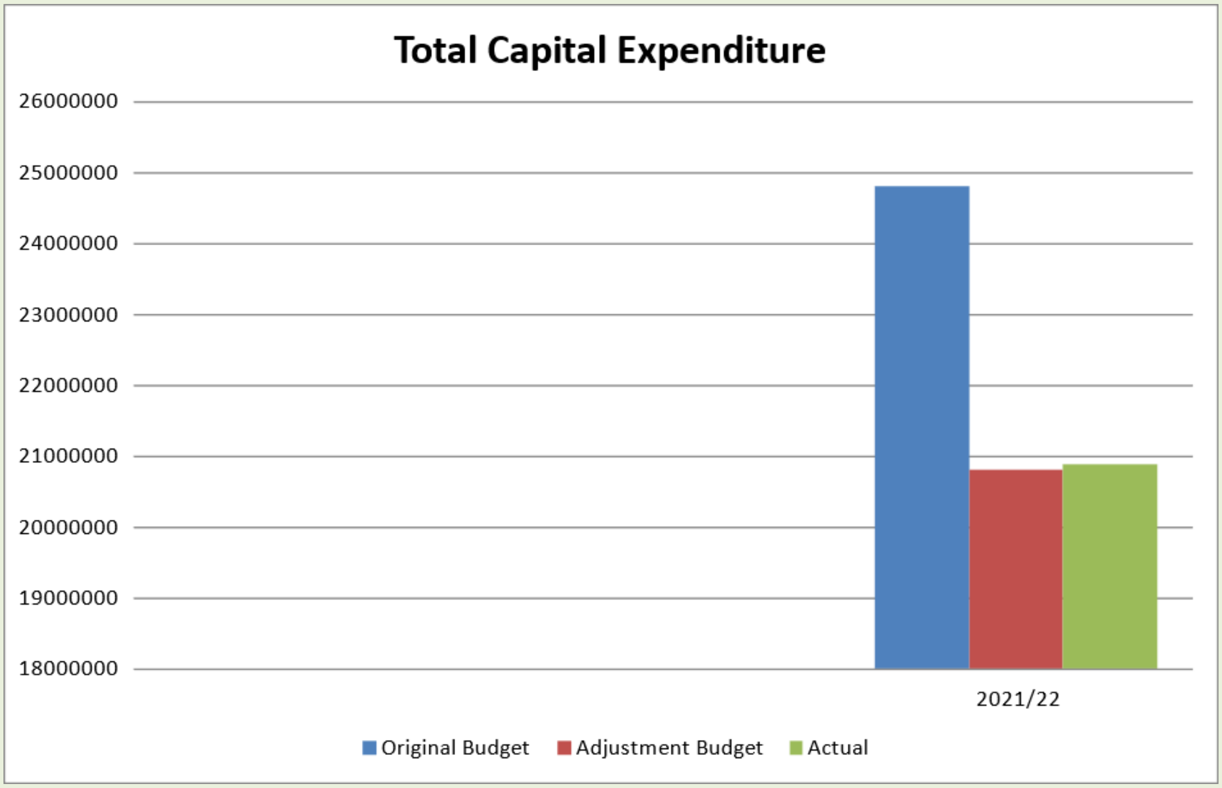
COMMENT ON OPERATING RATIOS:

According to the financial statements of the Municipality the Employee costs were 23%, the Repairs and Maintenance were on 1% and the Finance Charges and Depreciation were on 22%.

The Employee cost is below the national level and the Municipality's Repairs and Maintenance is a mere 1% and this is an area where the Municipality will have to perform more effectively

T1.4.3

Total Capital Expenditure: Ubuntu Municipality R'			
Detail			2021/22
Original Budget			24 812 000.00
Adjustment Budget			20 812 000.00
Actual			20 892 724.02
			T1.4.4



T1.4.5

COMMENT ON CAPITAL EXPENDITURE:

The total capital expenditure of the Municipality was below the budgeted capital expenditure,

T 1.4.5.1

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVES	STRATEGIES
Basic Service Delivery	Basic Service Delivery and Infrastructure Development	Provision of Sustainable Basic Services	Sanitation Infrastructure Construction and Maintenance
			Water Services Infrastructure Construction and Maintenance

BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVES	STRATEGIES
			Electricity Infrastructure Construction and Maintenance
			Roads Infrastructure Construction and Maintenance
			Solid Waste Management Infrastructure Construction and Maintenance
		Spatial Planning Excellence	Spatial Development Framework & Land Use Management System
			Developmental Bulk Infrastructure Optimisation
		Spatial Development Bulk Infrastructure Optimisation	Spatial Development Bulk Infrastructure Assessment
Building Capable Local Government Institutions	Local Economic Development	Investment Acceleration & Attraction	Private Sector Investment Upliftment & Acceleration
			Public Sector Investment Upliftment & Acceleration
			Tourism Upliftment & Acceleration
			Agriculture & Agri-processing Upliftment & Acceleration
			Industry Upliftment & Acceleration
			Commerce Upliftment & Acceleration
			SMME Upliftment & Acceleration
			Industrial & Commercial Economic Zone Establishment
Sound Financial Management	Municipal Financial Management & Viability	Sound Financial Management & Viability	Financial Governance Excellence
			Budget Management Excellence
			Financial Reporting Excellence
			AFS Compilation & Assets Management Excellence
			Supply Chain Management Excellence
			Municipal Revenue Management Excellence (Income & Expenditure)
			Conditional Grants Reporting Excellence
Building Capable Local Government	Municipal Transformation & Institutional	Municipal Transformation	Comprehensive Organogram Review
		Institutional	Recruitment & Selection Excellence

BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVES	STRATEGIES
Institutions	Development	Development Excellence	Skills Development Excellence
		Institutional Integrity Excellence	Staff/Public Interface Excellence (Code of Conduct, Batho Pele, Anti-corruption)
		Institutional Responsiveness Excellence	Customer Care Excellence (Compliments/Enquiries/Complaints/Mpimpa)
		Institutional Performance Excellence	Organisational & Individual Performance Management
Good Governance & Putting People First	Good Governance & Public Participation	Institutional Governance Excellence	Functional Council & Audit Oversight Excellence
			Community Participation Excellence (Ward Committees, Rapid Response Team, Community Meetings)

T1.5.1

1.6. AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT 2017/18
The Annual Financial statements was compiled and submitted to the Auditor- General for Auditing and with the compilation of this draft of the Annual Report (AR) the audit for 2017/18 was completed and audited by the Auditor- General, the Municipality received a qualified opinion that will be included in this report.
T 1.6.1

1.7. STATUTORY ANNUAL REPORT PROCESS

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year 1 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January
		T1.7.1

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The ubuntu Local Municipality operates as a plenary municipality and there the authority of the municipality is in full council. The municipality has a Speaker as the chairperson of the municipal council. The Speaker is also called a Mayor and has the ceremonial duties of a mayor as per the Municipality Structures Act, 1998, Act 117 of 1998.

T2.1.0

2.1 POLITICAL GOVERNANCE

A list of Councillors and portfolio Committees are attached in Appendix A of the Annual Report

T2.1.2

POLITICAL DECISION-TAKING

The Municipality as eluded above was a plenary Municipality until the November 2021 election from whereon it was established as a executive collective system with a ward participatory system and had an Executive Committee of 3 Members of which one was elected the mayor. The Municipal has a Full-time Mayor and Speaker as well as two part-time members of the Executive Committee.

T2.1.3

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNAN

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

The Municipality is divided into 3 departments namely Finance, Infrastructure Development and Technical Services and Corporate Services. These Departments are managed by a senior manager who report in terms of the MSA, Section 56 to the Municipal Manager.

The Heads of Departments doe have performance-based contracts and needs to perform in terms of set performance target within the 5 Key Performance Areas for Local Government namely

Basic Service Delivery and Infrastructure Development

Municipal Transformation and Institutional Development

Local Economic Development

Municipal Financial Viability and Management

Good Governance and Public Participation

T2.2.1

TOP ADMINISTRATIVE STRUCTURE
Tier 1: Municpal Manager
Acting Municipal Manager

Tier 2:
Finance

Corporate and Community Services

Infrastructure Development and Technical Services

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The Municipality in terms of co-operative and Inter-Governmental Relations participate in both the District and Premier’s IGR and Technical IGR processes

The Municipality does not have a local IGR Structure but forms part of the Pixley ka Seme District IGR process and is a member of both the District Technical IGR and District Political IGR Process. The Municipality attended the IGR meeting in the District.

The Municipality also forms part of the Premier's IGR process and report regularly on that forum as well

T 2.3.0

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

N/A

T2.3.1

RELATIONSHIPS WITH MUNICIPAL ENTITITIES

The Municipality does not have any Municipal Entities

Appendix D.

T2.3.3

DISTRICT INTERGOVERNMENTAL STRUCTURES

See T 2.3.0

T2.3.4

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The Municipality account to its constituents via the structure's as per the Municipal Structures Act such as ward committees and formal engagements with the community by having community meetings and ward meetings. The Municipality also has formal programmes of meeting with its stakeholders in programmes such as council-meets-the-people and block and ward meetings.

T 2.4.0

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

T2.4.1

WARD COMMITTEES
T2.4.2

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	Dates and manner of feedback given to community
Stakeholder Meeting (Ward 1)	9-May-22	11	4		
Community Meeting (Ward1)	9-May-22	11	4		
Stakeholder Meeting (Ward 1)	9-May-22	11	4		
Community Meeting (Ward2)	9-May-22	11	4		
Community Meeting (Ward 3)	10-May-22	11	4		
Community Meeting (Ward 4)	10-May-22	11	4		
Stakeholder Meeting (Ward 3,4 & 5)	11-May-22	11	4		
Community Meeting (Ward 5)	12-May-22	11	4		
Stakeholders Meeting (Ward 6)	5-May-22	11	4		
Community Meeting (Ward 6)	5-May-22	11	4		
Meeting with Goutrou Community on electricity complains (Ward 3)	10-Jun-22	11	11	Unkown	Ward Committee
Coomunity Meeting (Ward 5)	1-Feb-22	1		Unknown	
Community Meeting (Ward 5)	1-Mar-22	1		Unknown	
Police Forum Meeting (Ward 5)	5-May-22	11		Unknown	
Community Meeting (Ward 6)	21-Feb-22	1		Unknown	Community Meeting
					T2.4.3

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

The Municipality engage on a regular basis with the residents and has a policy environment to regulate the frequency of the engagement by having ward committee meetings and a council programme of engaging with the different wards and stakeholders

T2.4.3.1

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	yes
Does the IDP have priorities, objectives, 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 56 Managers	yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	yes
Were the indicators communicated to the public?	yes
Were the four quarter aligned reports submitted within stipulated time frames?	yes
** Section 26 Municipal Systems Act 2000*	T2.5.1

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE
The Municipality a Plenary Municipality until the November 2021 from then it was established as a Collective Executive with a a ward participatory system, under financial constraints and rural of nature, it however has the two major national roads from north to south, the N1 and N12 that runs through the Municipality, this creates a number of economic opportunities. The Municipality however deals with the same challenges as most of the smaller rural municipalities such as high unemployment levels, water shortages, the payment of Eskom, low payment rates for services and insufficient assistance to the poorest of the poor. The Municipality has a seconded Acting Municipal Manager, all the Senior Management positions are not filled and the skills levels available are possible threats. T2.6.0

2.6 RISK MANAGEMENT

RISK MANAGEMENT
Risk Management needs to be improved and the following can be highlighted as potential risks that needs to be dealt with: Unemployment Water Shortage Service Delivery (Plant and equipment) Climate Crime Finance Unfunded Mandates Electricity- Eskom

T2.6.1

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY
The Municipality do have a Fraud and Anti-Corrupting Policy and is vigilant in detecting and monitoring any threats that might lead to the possibility of potential fraud and corruption.
T2.7.1

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT
The Municipality does have SCM policies and Structures in place and all procurement is done in terms of the policy environment.
T2.8.1

2.9 BY-LAWS

COMMENT ON BY-LAWS:
The Municipality did not promulgate any by-laws during this financial year.
T2.9.1.1

2.10 WEBSITES

Municipal Website : Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	**Yes / No**	**Publishing Date**
Current annual and adjustments budgets and all budget-related documents	Yes	
All current budget-related policies	Yes	
The previous annual report 2016/17	No	
The annual report 2017/18 published/to be published	-	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act 2017/18 and resulting scorecards	No	
All service delivery agreements 2017/18	No	
All long-term borrowing contracts 2017/18	No	
All supply chain management contracts above a prescribed value (give value) for 2017/18	Yes	Continuous
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 2017/18	No	
Contracts agreed in 2017/18 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	
Public-private partnership agreements referred to in section 120 made in 2017/18	No	
All quarterly reports tabled in the council in terms of section 52 (d) during 2017/18	No	-
Note: MFMA S75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.		T2.10.1

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

The Municipality has an operational website, www.ubuntu.gov.za, tenders, quotations and information regarding the Municipality including projects, attractions and other links are shred on the website. The compilers of this document tested if the website is activated and it was found that it was.

T2.10.1.1

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFCATION LEVELS

A Survey was done as part of another project of the Municipality, but not enough and comprehensive information was available to complete this part of the document successfully.

T2.11.1

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

INTRODUCTION

The Municipality delivers basic services to the Communities of all the towns and settlements, the services include:

water;

waste water (sanitation);

electricity; (only in the municipality's licencing areas, the reticulation of electricity in some areas are done by Eskom)

waste management;

T3.0.1

COMPONENT A: BASIC SERVICES

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

INTRODUCTION TO BASIC SERVICES

T3.1.0

3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION
T3.1.1

Households - Water Service Delivery Levels below the minimum						
						Households
Description	Year -2	Year -1	Year 0	Year 1		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements						
Total households	100,000	100,000	100,000	100,000	100,000	100,000
Households below minimum service level	25,000	25,000	25,000	25,000	25,000	25,000
Proportion of households below minimum service level	25%	25%	25%	25%	25%	25%
Informal Settlements						
Total households	100,000	100,000	100,000	100,000	100,000	100,000
Households ts below minimum service level	25,000	25,000	25,000	25,000	25,000	25,000
Proportion of households ts below minimum service level	25%	25%	25%	25%	25%	25%
						T3.1.4

Employees: Water Services					
Job Level		2021/22			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3		6	5	1	17%
4 - 6		1	1	0	0%
7 - 9		1	1	0	0%
10 - 12					#DIV/0!
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total					#DIV/0!

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T3.1.7*

Financial Performance 2021/22: Water Services					
R'000					
Details		2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		5 761 742.00	16 034 021.00	12 497 002.41	54%
Expenditure:					
Employees		1 202 148.00	1 202 148.00	1 829 376.84	34%
Repairs and Maintenance		571 638.00	786 638.00	884 071.84	35%
Other		2 239 721.00	3 150 261.00	3 395 181.37	34%
Total Operational Expenditure	-	**4 013 507.00**	**5 139 047.00**	**6 108 630.05**	34%
Net Operational Expenditure	-	-1 748 235.00	-10 894 974.00	-6 388 372.36	73%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T3.1.8

3.2 WASTE WATER (SANITATION) PROVISION

T3.2.5

Employees: Sanitation Services					
Job Level	2016/17	2017/18			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					#DIV/0!
4 - 6					#DIV/0!
7 - 9					#DIV/0!
10 - 12					#DIV/0!
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	0	0	0	0	#DIV/0!

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T3.2.7

Financial Performance 2021/22: Sanitation Services					R'
Details		2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		4 538 064.00	5 132 948.00	5 681 149.14	20%
Expenditure:					
Employees		3 824 820.00	3 824 820.00	2 773 483.43	-38%
Repairs and Maintenance		587 845.00	317 845.00	174 705.59	-236%
Other		3 455 034.00	3 801 084.00	1 843 211.86	-87%
Total Operational Expenditure	-	7 867 699.00	7 943 749.00	4 791 400.88	-64%
Net Operational Expenditure	-	3 329 635.00	2 810 801.00	-889 748.26	474%

Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T3.2.8

There was no Capital Budget spent on Sanitation

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

There was big differences between the orginal and adjustment budget

T3.2.10

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

Note: Recent legislation includes the Electricity Amendment Acts 1989; 1994; 1995; and the Electricity Regulation Act 2006.

T3.3.1

Employees: Electricity Services					
Job Level		2021/22			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3		3	2	1	33%
4 - 6					#DIV/0!
7 - 9					#DIV/0!
10 - 12		1	1	0	0%
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	0	4	3	1	25%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*
T3.3.6

Financial Performance 2021/22: Electricity Services R'					
Details		2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		19 575 057.00	18 811 219.00	18 653 090.41	-5%
Expenditure:					
Employees		2 192 688.00	2 192 688.00	733 238.46	-199%
Repairs and Maintenance		2 545 773.00	625 773.00	225 383.99	-1030%
Other		25 628 843.00	26 570 415.00	13 559 105.11	-89%
Total Operational Expenditure	-	30 367 304.00	29 388 876.00	14 517 727.56	-109%

Financial Performance 2021/22: Electricity Services R'					
Details		2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Net Operational Expenditure	-	10 792 247.00	10 577 657.00	-4 135 362.85	361%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T3.3.7

Capital Expenditure 2021/22: Electricity Services R' 000					
Capital Projects	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	10 000.00	10 000.00	9 979.48	0%	
INEP: Ubuntu LM: New 22 kV Intake Sub-station for Victoria West	10 000.00	10 000.00	9 979.48	0%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.3.8

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

INTRODUCTION TO WASTE MANAGEMENT
T3.4.1

Employees: Solid Waste Magement Services					
Job Level		2021/22			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	27	32	32	5	16%
4 - 6					#DIV/0!
7 - 9					#DIV/0!
10 - 12					#DIV/0!
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	27	32	32	5	16%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*
T3.4.5

Employees: Waste Disposal and Other Services					
Job Level	2016/17	2017/18			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	21	24	20	4	17%
4 - 6	4	4	4	3	75%
7 - 9					#DIV/0!
10 - 12					#DIV/0!
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	25	28	24	7	25%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T3.4.6*

Financial Performance 2021/22: Solid Waste Management Services R'					
Details		2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-4 950 674.00	-5 925 667.00	-6 331 402.13	22%
Expenditure:					
Employees		4 796 713.00	4 796 713.00	2 774 500.31	-73%
Repairs and Maintenance		186 969.00	336 969.00	546 014.02	66%
Other	-	4 155 020.00	4 338 422.00	20 023.75	-20650%
Total Operational Expenditure	-	9 138 702.00	9 472 104.00	3 340 538.08	-174%
Net Operational Expenditure	-	14 089 376.00	15 397 771.00	9 671 940.21	-46%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T3.4.7					

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

The financial Performance of Waste Disposal and Other Services were recorded under Solid Waste Management

No Capital Expenditure was recorded under this vote

T3.4.10

3.5 HOUSING

INTRODUCTION TO HOUSING
Housing as a function is done by the Pixley ka Seme District Municipality under an accreditation contract to the Department of Housing
T3.5.1

Employees: Housing Services					
Job Level		2021/22			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3					#DIV/0!
4 - 6					#DIV/0!
7 - 9					#DIV/0!
10 - 12	1	1	1	0	0%
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	1	1	1	0	0%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*
T3.5.4

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:
The Municipality does not have a Housing Department
T3.5.7

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT
T3.6.1

Financial Performance 2021/22: Cost to Municipality of Free Basic Services Delivered					
Services Delivered		2021/22			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water		200 855	931 847	1 033 587	81%
Waste Water (Sanitation)		307 764	307 764	1 844 153	83%
Electricity		141 684	329 885	379 746	63%
Waste Management (Solid Waste)		393 498	1 939 234	1 749 913	78%
Total	-	1 043 801	3 508 730	5 007 399	79%
					T3.6.4

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT: NO spilt could be obtained from AFS/RETURN T3.6.6

COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (stormwater drainage).

3.7 ROADS

INTRODUCTION TO ROADS

The Municipality do have a roads infrastructure containing of both tarred and gravel roads, there are also urban and rural roads and this section with storm water drainage form part of one division within the municipality

T3.7.1

Employees: Road Services					
Job Level		2021/22			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	11	15	11	4	27%
4 - 6					#DIV/0!
7 - 9					#DIV/0!
10 - 12					#DIV/0!
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	11	15	11	4	27%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*
T3.7.7

Financial Performance 2021/22: Road Services					
					R'000
Details		2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		-	-	-	0%
Expenditure:					
Employees		2 263 008.00	2 263 008.00	-	#DIV/0!
Repairs and Maintenance					#DIV/0!
Other					#DIV/0!
Total Operational Expenditure		2 263 008.00	2 263 008.00	-	#DIV/0!
Net Operational Expenditure		2 263 008.00	2 263 008.00	-	#DIV/0!
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T3.7.8

Capital Expenditure 2021/22: Road Services					
					R'
Capital Projects	2021/22				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	0	-	#DIV/0!	
Roads, Pavements, Bridges	-	0	-	#DIV/0!	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.7.9

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

No Roads project were implemented in the 2021/22 FY

T3.7.10

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT
The Municipality does not have any transport services
T3.8.1

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE
Stormwater is dealt with under Roads
T3.9.1

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

INTRODUCTION TO PLANNING AND DEVELOPMENT
T3.10.0

3.10 PLANNING

Financial Performance 2021/22: Planning Services					
					R'
Details		2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		-	-	-	#DIV/0!
Expenditure:					
Employees		-	-	-	#DIV/0!
Repairs and Maintenance		-	-	-	#DIV/0!
Other	-	-	-	-	#DIV/0!
Total Operational Expenditure	-	-	-	-	#DIV/0!
Net Operational Expenditure	-	-	-	-	#DIV/0!
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T3.10.5

Capital Expenditure 2021/22: Planning Services					
					R'
Capital Projects	2021/22				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	10 063 000	-	#DIV/0!	
Project A	-	10 063 000		#DIV/0!	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.10.6

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

There are no employees registered under the Planning Unit

T3.10.7

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVLOPMENT

T3.11.1

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL: Nothing was recorded under This Section T3.11.11

COMPONENT D: COMMUNITY & SOCIAL SERVICES

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

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES T3.52.0

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

Employees: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
Job Level		2021/22			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	8	11	8	3	27%
4 - 6					#DIV/0!
7 - 9					#DIV/0!
10 - 12					#DIV/0!
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	8	11	8	3	27%
*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*					

T3.52.4

Financial Performance 2021/22: Libraries; Archives; Museums; Galleries; Community Facilities; Other R'					
Details		2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-2 258	-497	-290	-679%
Expenditure:					
Employees		1 585 788	1 585 788	712 482	-123%
Repairs and Maintenance		-	-	-	#DIV/0!
Other	-	131 993	278 199	-	#DIV/0!
Total Operational Expenditure	-	1 717 781	1 863 987	712 482	-141%
Net Operational Expenditure	-	1 720 039	1 864 484	712 772	-141%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T3.52.5

COMMENT ON THE PERFORMANCE OF LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC) OVERALL:

Included in Here are Community & Social Services, Sport and Recreation, Public Safety. There was no Capital expenditure in this division

T3.52.7

3.55 CEMETORIES AND CREMATORIUMS

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

This Section's details are included under 3.52

T3.55.7

3.56 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES
This is not a function of the Municipality.
T3.56.1

COMMENT ON THE PERFORMANCE OF CHILD CARE; AGED CARE; SOCIAL PROGRAMMES OVERALL: T3.56.7

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection.

INTRODUCTION TO ENVIRONMENTAL PROTECTION T3.59.0

3.59 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL The Municipality does not have any sections that specifically deals with this function T3.59.1

COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL: T3.59.7

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

COMPONENT F: HEALTH

This component includes: clinics; ambulance services; and health inspections.

INTRODUCTION TO HEALTH Municipal Health is a District Municipal function and is dealt with by Pixley ka Seme District Muncipality T.62.0

3.62 CLINICS

INTRODUCTION TO CLINICS T3.62.1

3.63 AMBULANCE SERVICES

INTRODUCTION TO AMBULANCE SERVICES
Not a Municipal Function
T3.63.1

Concerning T3.63.2
T3.63.2.1

COMMENT ON THE PERFORMANCE OF AMBULANCE SERVICES OVERALL: T3.63.7

3.64 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

INTRODUCTION TO HEALTH INSPECTIONS; FOOD AND ABATTOIR LICENCING AND INSPECTIONS, ETC Function delivered by Pixley ka Seme District Municipality T3.64.1

SERVICE STATISTICS FOR HEALTH INSPECTION, Etc T3.64.2

COMMENT ON THE PERFORMANCE OF HEALTH INSPECTIONs, Etc OVERALL:
T3.64.7

COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

INTRODUCTION TO SECURITY & SAFETY
T3.65.0

3.65 POLICE

INTRODUCTION TO POLICE
The municipality does not have a police service
T3.65.1

3.66 FIRE

INTRODUCTION TO FIRE SERVICES
Part of Public Works Section
T3.66.1

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL: T3.66.7

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

INTRODUCTION TO DISASTER MANAGEMENT District Municipal Function T3.67.1

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT No activity took place under this section. T3.67.7

COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

INTRODUCTION TO SPORT AND RECREATION
No Activity took place under this Section.
T3.68.0

3.68 SPORT AND RECREATION

SERVICE STATISTICS FOR SPORT AND RECREATION
T3.68.1

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:
T3.68.6

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

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

3.69 EXECUTIVE AND COUNCIL

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

INTRODUCTION TO EXECUTIVE AND COUNCIL
T3.69.1

Employees: The Executive and Council					
Job Level		2021/22			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3		8	8	0	0%
4 - 6					#DIV/0!
7 - 9					#DIV/0!
10 - 12					#DIV/0!
13 - 15		3	3	0	0%
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	0	11	11	0	0%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T3.69.4*

Financial Performance 2021/22: The Executive and Council					R'000
Details		2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		-	-	-	#DIV/0!
Expenditure:					
Employees		2 150 917	2 150 917	3 726 311	42%
Repairs and Maintenance	-	-	-	-	#DIV/0!
Other	-	-	-	-	#DIV/0!
Total Operational Expenditure	-	2 150 917	2 150 917	3 726 311	42%
Net Operational Expenditure	-	2 150 917	2 150 917	3 726 311	42%

Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T3.69.5

Capital Expenditure 2021/22: The Executive and Council R' 000					
Capital Projects	2021/22				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	24 812 000.00	20 812 000.00	20 892 724.02	-19%	
MIG 1: Victoria West Upgrading of Groundwater Supply	10 274 000.00	6 274 000.00	5 752 149.00	-79%	
MIG 2: Victoria West Upgrading of Mandela Square Pump Station and water reticulation pipelines	538 000.00	538 000.00	537 746.00	0%	
WSIG: Ubuntu Water Conservation and Demand Management Project 2021/22	4 000 000.00	4 000 000.00	4 623 351.30	13%	
INEP: Ubuntu LM: New 22 kV Intake Sub-station for Victoria West	10 000 000.00	10 000 000.00	9 979 477.72	0%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.69.6

3.70 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES
T3.70.1

Debt Recovery								
								R'
Details of the types of account raised and recovered	2016/17		2017/18			2018/19		
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Billed in Year	Estmated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates	5 342 908.00		8 982 140.00	5 392 008.00		9 700 000.00		
Electricity - B	9 447 745.00		17 266 413.64	11 888 283.00		18 900 000.00		
Electricity - C								
Water - B	5 806 171.00		7 224 088.00	2 587 590.00		8 180 015.07		
Water - C								
Sanitation	3 583 918.00		5 451 103.00	2 590 222.00		6 000 000.00		
Refuse	3 838 566.00		4 583 294.00	3 678 969.00		5 000 000.00		
Other								
B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.								T3.70.2

Employees: Financial Services					
Job Level		2021/22			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	4	7	4	3	43%
4 - 6	13	16	13	3	19%
7 - 9	2	2	2	0	0%
10 - 12	6	6	6	0	0%
13 - 15	1	1	1	0	0%
16 - 18	1	1	1	0	0%
19 - 20					#DIV/0!
Total	27	33	27	6	18%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T3.70.4*

Financial Performance 2021/22: Financial Services R'					
Details		2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-4 763 005	-12 845 161	-14 003 635	66%
Expenditure:					
Employees		8 107 164	8 107 164	7 309 528	-11%
Repairs and Maintenance		61 607	61 607	1 493	-4027%
Other	-	29 887 361	33 292 361	13 879 543	-115%
Total Operational Expenditure	-	38 056 132	41 461 132	21 190 564	-80%
Net Operational Expenditure	-	42 819 137	54 306 293	35 194 199	-22%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T3.70.5

Capital Expenditure 2021/22: Financial Services R' 000					
Capital Projects	2021/22				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	R0.00	0	#DIV/0!	
Other		-		#DIV/0!	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.70.6

3.71 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES
T3.71.1

Employees: Human Resource Services					
Job Level		2021/22			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3					#DIV/0!
4 - 6					#DIV/0!
7 - 9					#DIV/0!
10 - 12	1	1	1	0	0%
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	1	1	1	0	0%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T3.71.4*

Financial Performance: Human Resource Services R'000					
Details		2021/22			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-20 380	-29 355	-30 692	34%
Expenditure:	-	-	-	-	
Employees	-	3 294 732	3 294 732	3 841 934	14%
Repairs and Maintenance	-	177 821	237 821	194 590	9%
Other	-	1 058 182	1 368 182	1 519 929	30%
Total Operational Expenditure	-	4 530 735	4 900 735	5 556 452	18%
Net Operational Expenditure	-	4 551 115	4 930 090	5 587 144	19%

Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T3.71.5

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL: Corporate Services is included in this section T3.71.7

3.72 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES The Municipality does not have a separate ICT Section T3.72.1

SERVICE STATISTICS FOR ICT SERVICES

3.73 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

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

INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES These services are incorporated into Financial and Human Resource Sections T3.73.1

SERVICE STATISTICS FOR PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES T3.73.2

COMMENT ON THE PERFORMANCE OF PROPERTY SERVICES OVERALL:
T3.73.7

COMPONENT J: MISCELLANEOUS

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

INTRODUCTION TO MISCELLANEOUS
T3.74.0

COMPONENT K: ORGANISATIONAL PERFOMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year.

BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVES	STRATEGIES
Basic Service Delivery	Basic Service Delivery and Infrastructure Development	Provision of Sustainable Basic Services	Sanitation Infrastructure Construction and Maintenance
			Water Services Infrastructure Construction and Maintenance
			Electricity Infrastructure Construction and Maintenance
			Roads Infrastructure Construction and Maintenance
			Solid Waste Management Infrastructure Construction and Maintenance
		Spatial Planning Excellence	Spatial Development Framework & Land Use Management System
			Developmental Bulk Infrastructure Optimisation

BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVES	STRATEGIES
		Spatial Development Bulk Infrastructure Optimisation	Spatial Development Bulk Infrastructure Assessment
Building Capable Local Government Institutions	Local Economic Development	Investment Acceleration & Attraction	Private Sector Investment Upliftment & Acceleration
			Public Sector Investment Upliftment & Acceleration
			Tourism Upliftment & Acceleration
			Agriculture & Agri-processing Upliftment & Acceleration
			Industry Upliftment & Acceleration
			Commerce Upliftment & Acceleration
			SMME Upliftment & Acceleration
			Industrial & Commercial Economic Zone Establishment
Sound Financial Management	Municipal Financial Management & Viability	Sound Financial Management & Viability	Financial Governance Excellence
			Budget Management Excellence
			Financial Reporting Excellence
			AFS Compilation & Assets Management Excellence
			Supply Chain Management Excellence
			Municipal Revenue Management Excellence (Income & Expenditure)
			Conditional Grants Reporting Excellence
Building Capable Local Government Institutions	Municipal Transformation & Institutional Development	Municipal Transformation	Comprehensive Organogram Review
		Institutional Development Excellence	Recruitment & Selection Excellence
			Skills Development Excellence
		Institutional Integrity Excellence	Staff/Public Interface Excellence (Code of Conduct, Batho Pele, Anti-corruption)
		Institutional Responsiveness Excellence	Customer Care Excellence (Compliments/Enquiries/Complaints/Mpimpa)

BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVES	STRATEGIES
		Institutional Performance Excellence	Organisational & Individual Performance Management
Good Governance & Putting People First	Good Governance & Public Participation	Institutional Governance Excellence	Functional Council & Audit Oversight Excellence
			Community Participation Excellence (Ward Committees, Rapid Response Team, Community Meetings)

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

INTRODUCTION
T4.0.1

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Vacancy Rate: 2021/22			
Designations	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	1	100.00
CFO	1	1	100.00
Other S57 Managers (excluding Finance Posts)	2	2	100.00
Other S57 Managers (Finance posts)	0		#DIV/0!
Police officers	0		#DIV/0!
Fire fighters	0		#DIV/0!
Senior management: Levels 13-15 (excluding Finance Posts)	3	3	100.00
Senior management: Levels 13-15 (Finance posts)	1	1	100.00
Highly skilled supervision: levels 9-12 (excluding Finance posts)	2	2	100.00
Highly skilled supervision: levels 9-12 (Finance posts)	4	4	100.00
Total	**14**	**14**	100.00

*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*

T4.1.2

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
2020/21			
2021/22	2	19	950.00%

** 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*

T4.1.3

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT
T4.2.0

4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Affirmative Action	50%		
2	Attraction and Retention	0-Jan-00		
3	Code of Conduct for employees	`100%		7-Feb-17
4	Delegations, Authorisation & Responsibility	`100%		
5	Disciplinary Code and Procedures	`100%		As per collective agreement - conditions of services
6	Essential Services	`0%		
7	Employee Assistance / Wellness	`0%		
8	Employment Equity	`0%		
9	Exit Management	`100%		
10	Grievance Procedures	`100%		As per collective agreement - conditions of services
11	HIV/Aids	`0%		
12	Human Resource and Development	`100%		The HR Manual has not been reviewed
13	Information Technology			
14	Job Evaluation			
15	Leave			As per collective agreement - conditions of services
16	Occupational Health and Safety			
17	Official Housing			
18	Official Journeys			
19	Official transport to attend Funerals			
20	Official Working Hours and Overtime			As per collective agreement - conditions of services
21	Organisational Rights			Organisational Right Agreement
22	Payroll Deductions			
23	Performance Management and Development	`100%		
24	Recruitment, Selection and Appointments	`100%		
25	Remuneration Scales and Allowances			
26	Resettlement			
27	Sexual Harassment			
28	Skills Development			
29	Smoking			
30	Special Skills			
31	Work Organisation			
32	Uniforms and Protective Clothing			
33	Other:			
Use name of local policies if different from above and at any other HR policies not listed.				T4.2.1

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

T4.2.1.1

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	**Injury Leave Taken Days**	**Employees using injury leave No.**	**Proportion employees using sick leave %**	**Average Injury Leave per employee Days**	**Total Estimated Cost R'000**
Required basic medical attention only	0	0	0.00%	0	
Temporary total disablement	0	0	0.00%	0	
Permanent disablement	0	0	0.00%	0	
Fatal	0	0	0.00%	0	
Total	0	0		0	0
					T4.3.1

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave Days	Proportion of sick leave without medical certification %	Employees using sick leave No.	Total employees in post* No.	*Average sick leave per Employees Days	Estimated cost R' 000
Lower skilled (Levels 1-2)	97	90%	33	33	2.94	
Skilled (Levels 3-5)	38		9		1.15	
Highly skilled production (levels 6-8)					0.00	
Highly skilled supervision (levels 9-12)	9	95%	2		0.27	
Senior management (Levels 13-15)	7		2		0.21	
MM and S57					0.00	
Total	**151**	**93%**	**46**	**33**	4.58	**0**

** - Number of employees in post at the beginning of the year*
**Average is calculated by taking sick leave in colunm 2 divided by total employees in colunm 5*

T4.3.2

The highest percentage of sick is is the lwer and medium skilled levels and this will need to be addressed

T4.3.3

COMMENT ON INJURY AND SICK LEAVE:

T4.3.4

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Municipal Manager		12-May-17		
				T4.3.5

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
CASHIER	Alleged missing of funds	yes	not yet
			T4.3.6

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

The Municipal Manager was suspended, and the case is currently still not finalised, thus the Municipality will have an Acting Municipal Manager until this situation is finalised, the only other pending disciplinary action is the that of financial misconduct against a cashier, this case is also still pending.

T4.3.7

4.4 PERFORMANCE REWARDS

Performance Rewards By Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1 R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 1-2)	Female				
	Male				
Skilled (Levels 3-5)	Female				
	Male				
Highly skilled production (levels 6-8)	Female				
	Male				
Highly skilled supervision (levels 9-12)	Female				
	Male				
Senior management (Levels 13-15)	Female				
	Male				
MM and S57	Female				
	Male				
Total					
Has the statutory municipal calculator been used as part of the evaluation process ?					Yes/No

Note: MSA 2000 S51(d) requires that ... 'performance plans, on which rewards are based should be aligned with the IDP'... (IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. 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).

T4.4.1

COMMENT ON PERFORMANCE REWARDS:

No Performance Rewards were paid this financial year, in terms of the Performance Management model applicable to the Municipality, only the Section 54A and 56 will be able to qualify for performance rewards. The Municipality does not have a policy frame is place that deals with performance awards on lower levels

T4.4.1.1

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

T4.5.0

4.5 SKILLS DEVELOPMENT AND TRAINING

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	0	1	0	0	0
Chief financial officer	1	0	1	0	0	0
Senior managers	2	0	2	0	0	0
Any other financial officials	1	0	1	0	0	0
Supply Chain Management Officials						
Heads of supply chain management units	1	0	1	0	0	0
Supply chain management senior managers	0	0	0	1	1	1
TOTAL	**6**	**0**	**6**	**1**	**1**	**1**
** This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)*						T4.5.2

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

As you can see from the above tables, none of them have any populated data, this data could not be obtained from the Municipality, and this is an area where the Municipality will have to excel to be able to populate the tables

T4.5.4

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

T4.6.0

4.6 EMPLOYEE EXPENDITURE

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:
No Employees were paid outside of the T levels as it is approved for the level of the Municipality and no employees were appointed in posts that are not on the approved organisational Structure
T4.6.5

DISCLOSURES OF FINANCIAL INTERESTS
All Financial disclosures was recorded under Appendix J.
T4.6.6

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

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

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

T5.0.1

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

Note: Statements of Revenue Collection Performance by vote and by source are included at **Appendix K**.

T5.1.0

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Financial Summary									
Description				**Current year 2021/22**			**2021/22 Medium Term Revenue & Expenditure Framework**		
R thousands	**Audited Outcome**	**Audited Outcome**	**Audited Outcome**	**Original Budget**	**Adjusted Budget**	**Full Year Forecast**	**Budget Year**	**Budget Year 2019/20**	**Budget Year 2021/22**
Financial Performance									
Property rates		R22 140 169	R21 416 321	R24 518 436	R20 673 681	R20 673 681			
Service charges		R24 593 118	R29 704 647	R33 581 372	R42 384 560	R42 384 560			
Investment revenue		R360 476	R501 104	R408 664	R296 373	R296 373			
Transfers recognised - operational		R49 734 353	R45 915 990	R43 041 000	R35 741 000	R35 741 000			
Other own revenue		R12 872 347	R13 533 820	R42 810 827	R51 504 539	R51 504 539			

Financial Summary									
Description				Current year 2021/22			2021/22 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year 2019/20	Budget Year 2021/22
Total Revenue (excluding capital transfers and contributions)	**R0**	**R109 700 463**	**R111 071 882**	**R144 360 299**	**R150 600 153**	**R150 600 153**	**R0**	**R0**	**R0**
Employee costs	R0	R37 553 606	R35 298 846	R44 482 875	R44 446 875	R44 446 875	R0	R0	R0
Remuneration of councillors	R0	R2 841 726	R4 010 222	R3 002 280	R3 002 280	R3 002 280	R0	R0	R0
Depreciation & asset impairment	R0	R29 517 484	R31 469 325	R24 869 627	R24 869 627	R24 869 627	R0	R0	R0
Finance charges	R0	R5 094 626	R1 266 205	R4 000 000	R2 820 000	R2 820 000	R0	R0	R0
Materials and bulk purchases	R0	R21 397 604	R24 542 746	R22 000 769	R24 605 769	R24 605 769	R0	R0	R0
Transfers and grants	R0	R0	R0	R0	R0	R0	R0	R0	R0
Other expenditure	R0	R45 963 944	R58 186 929	R48 839 585	R53 131 270	R53 131 270	R0	R0	R0
Total Expenditure	R0	**R142 368 990**	**R154 774 273**	**R147 195 136**	**R152 875 821**	**R152 875 821**	**R0**	**R0**	**R0**
Surplus/(Deficit)	R0	**-R32 668 527**	**-R43 702 391**	**-R2 834 837**	**-R2 275 668**	**-R2 275 668**	**R0**	**R0**	**R0**
Transfers recognised - capital	R0	R19 348 358	R20 269 373	R24 274 000	R24 274 000	R14 063 000			
Contributions recognised - capital & contributed assets	R0	R7 319 665	R0	R0	R0	R0	R0	R0	R0
Surplus/(Deficit) after capital transfers & contributions	**R0**	**-R6 000 504**	**-R23 433 018**	**R21 439 163**	**R21 998 332**	**R11 787 332**	**R0**	**R0**	**R0**
Share of surplus/ (deficit) of associate	R0	R0	R0	R0	R0	R0	R0	R0	R0
Surplus/(Deficit) for the year	**R0**	**-R6 000 504**	**-R23 433 018**	**R21 439 163**	**R21 998 332**	**R11 787 332**	**R0**	**R0**	**R0**
<u>Capital expenditure & funds sources</u>									
Capital expenditure				**R24 274 000**	**R24 274 000**	**R14 063 000**	**o**	**o**	**o**
Transfers recognised - capital				R24 274 000	R24 274 000	R24 274 000			
Public contributions & donations				R0	R0	R0	R0	R0	R0
Borrowing				R0	R0	R0	R0	R0	R0
Internally generated funds				R0	R0	R0	R0	R0	R0
Total sources of capital funds				**R24 274 000**	**R24 274 000**	**R24 274 000**	**R0**	**R0**	**R0**
<u>Financial position</u>									
Total current assets		R52 078 668	R37 884 581	R29 102 779	R11 181 915	R11 181 915	R0	R0	R0
Total non-current assets		R599 113 418	R589 858 641	R585 233 157	R585 233 157	R585 233 157	R0	R0	R0
Total current liabilities		R117 095 129	R114 556 040	R73 426 169	R73 426 173	R73 426 173	R0	R0	R0
Total noncurrent liabilities		R21 331 572	R23 854 814	R17 558 230	R17 558 230	R17 558 230	R0	R0	R0

Financial Summary									
Description				**Current year 2021/22**			**2021/22 Medium Term Revenue & Expenditure Framework**		
R thousands	**Audited Outcome**	**Audited Outcome**	**Audited Outcome**	**Original Budget**	**Adjusted Budget**	**Full Year Forecast**	**Budget Year**	**Budget Year 2019/20**	**Budget Year 2021/22**
Community wealth/Equity		R518 765 889	R512 765 386	R501 912 374	R483 432 337	R483 432 337	R0	R0	R0
Cash flows									
Net cash from (used) operating	**R0**	**-R72 780**	**-R13 873**	**R31 465 733**	**R13 544 878**	**R13 544 878**	**R0**	**R0**	**R0**
Net cash from (used) investing	**R0**	**R0**	**R0**	**R0**	**R0**	**R0**	**R0**	**R0**	**R0**
Net cash from (used) financing	**R0**	**R0**	**R0**	**R0**	**R0**	**R0**	**R0**	**R0**	**R0**
Cash/cash equivalents at the year end		**R12 509 753**	**R1 520 279**	**R33 354 088**	**R15 433 233**	**R15 433 233**			
Cash backing/surplus reconciliation									
Cash and investments available				**R11 346**	**-R6 575**	**-R6 575**	**R3 024**	**R12 468**	**R12 468**
Application of cash and investments			**R62 903**	**R62 903**	**R64 054**	**R64 054**	**R67 481**	**R64 310**	**R64 873**
Balance - surplus (shortfall)	**R0**	**R0**	**-R62 903**	**-R51 557**	**-R70 629**	**-R70 629**	**-R64 457**	**-R51 842**	**-R52 405**
Asset management									
Asset register summary (WDV)	**R0**	**R0**	**R0**	**R585 233**	**R585 233**	**R585 233**	**R0**	**R0**	**R0**
Depreciation & asset impairment	**R0**	**R0**	**R0**	**R24 706**	**R24 706**	**R24 706**	**R0**	**R0**	**R0**
Renewal of Existing Assets	**R0**	**R0**	**R0**	**R10 274**	**R10 274**	**R10 274**	**R0**	**R0**	**R0**
Repairs and Maintenance	**R0**	**R0**	**R0**	**R4 423**	**R1 993**	**R1 993**	**R0**	**R0**	**R0**
Free services									
Cost of Free Basic Services provided	**R0**	R0	R0	R736	R3 012	R3 012	R0	R0	R0
Revenue cost of free services provided	**R0**	R0	R0	R1 761	R1 761	R1 761	R0	R0	R0
Households below minimum service level		R0	R0	R0	R0	R0	R0	R0	R0
Water:	R0	R0	R0	R0	R0	R0	R0	R0	R0
Sanitation/sewerage:	R0	R0	R0	R0	R0	R0	R0	R0	R0
Energy:	R0	R0	R0	R0	R0	R0	R0	R0	R0
Refuse:	R0	R0	R0	R0	R0	R0	R0	R0	R0

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1

5.1.1

Standard Classification Description	2018/19 Medium Term Revenue & Expenditure Framework	
R thousands	Budget Year 2019/20	Budget Year 2020/21
Revenue - Standard		
Governance and Administration	**R48 220 506**	**R52 212 096**
Executive & Council	R5 030	R5 332
Budget & Treasury Office	R47 989 098	R51 966 803
Corporate Services	R226 378	R239 961
Community and Public Safety	**R893 643**	**R895 662**
Community & Social Services	R879 564	R880 738
Sport And Recreation	R14 079	R14 924
Public Safety		
Housing		
Health		
Economic and Environmental Services	**R46 628 227**	**R49 127 719**
Planning and Development	R108 174	R114 664
Road Transport	R46 520 053	R49 013 055
Environmental Protection		
Trading Services	**R30 833 072**	**R31 211 057**
Electricity	R15 647 460	R15 114 308
Water	R6 711 362	R7 114 044
Waste Water Management	R4 028 499	R4 270 209
Waste Management	R4 445 751	R4 712 496
Other		
Total Revenue - Standard	**R126 575 448**	**R133 446 534**
Expenditure - Standard		
Governance and Administration	**R65 649 330**	**R69 395 306**
Executive & Council	R5 169 920	R5 458 610
Budget & Treasury Office	R50 386 353	R53 375 854
Corporate Services	R10 093 057	R10 560 842
Community and Public Safety	**R2 879 047**	**R3 051 788**
Community & Social Services	R2 863 975	R3 035 812
Sport And Recreation	R419	R444
Public Safety	R14 653	R15 532
Housing		
Health		
Economic and Environmental Services	**R21 559 134**	**R23 013 566**
Planning and Development	R19 511 096	R20 842 644
Road Transport	R2 048 038	R2 170 922

Standard Classification Description R thousands	2018/19 Medium Term Revenue & Expenditure Framework	
	Budget Year 2019/20	**Budget Year 2020/21**
Environmental Protection		
Trading Services	**R104 124 052**	**R110 005 103**
Electricity	R65 692 918	R69 634 494
Water	R9 426 364	R9 991 945
Waste Water Management	R14 098 656	R14 602 379
Waste Management	R14 906 114	R15 776 285
Other		
Total Expenditure - Standard	**R194 211 563**	**R205 465 763**
Surplus/(Deficit) for the year	**-R67 636 115**	**-R72 019 229**

5.1.2

5.2 GRANTS

Grant Performance						
						R'
Description		2021/22			2021/22 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Transfers and Grants						
National Government:	**–**	**R48 405 584**	**R49 483 245**	**R53 483 245**	**-R5 077 661**	
Equitable share		R40 120 241	R45 820 241	R45 820 241	-R5 700 000	
Municipal Systems Improvement						
Department of Water Affairs		R5 000 000		R4 000 000	R1 000 000	
Levy replacement						
Financial Management Grant/EPWP/MIG		R3 285 343	R3 663 004	R3 663 004	-R377 661	
Provincial Government:	**–**	**R860 000**	**R0**	**R860 000**		
Health subsidy						
Housing						
Ambulance subsidy						
Sports and Recreation		R860 000		R860 000	R0	
Financial Management Grant/EPWP/MIG						
District Municipality:	**–**	**R0**	**R0**	**R0**		
[insert description]						
Other grant providers:	**–**	**R0**	**R0**	**R3 092 464**	**-R3 092 464**	
NC Provincial Treasury				R3 092 464	-R3 092 464	
Total Operating Transfers and Grants	**–**	**R49 265 584**	**R49 483 245**	**R57 435 709**	**-R8 170 125**	
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						T5.2.1

COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

T5.2.4

5.3 ASSET MANAGEMENT

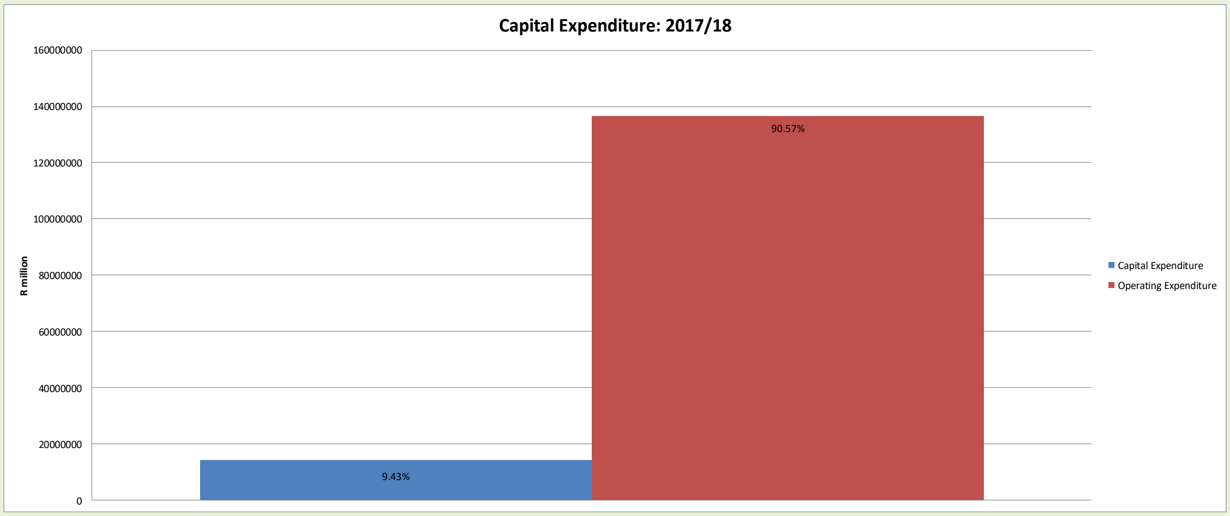
Repair and Maintenance Expenditure: 2021/22				
				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	4 778 535.00	2 673 531.00	2 173 520.25	54.51%
				T5.3.4

INTRODUCTION TO ASSET MANAGEMENT

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.5 CAPITAL EXPENDITURE

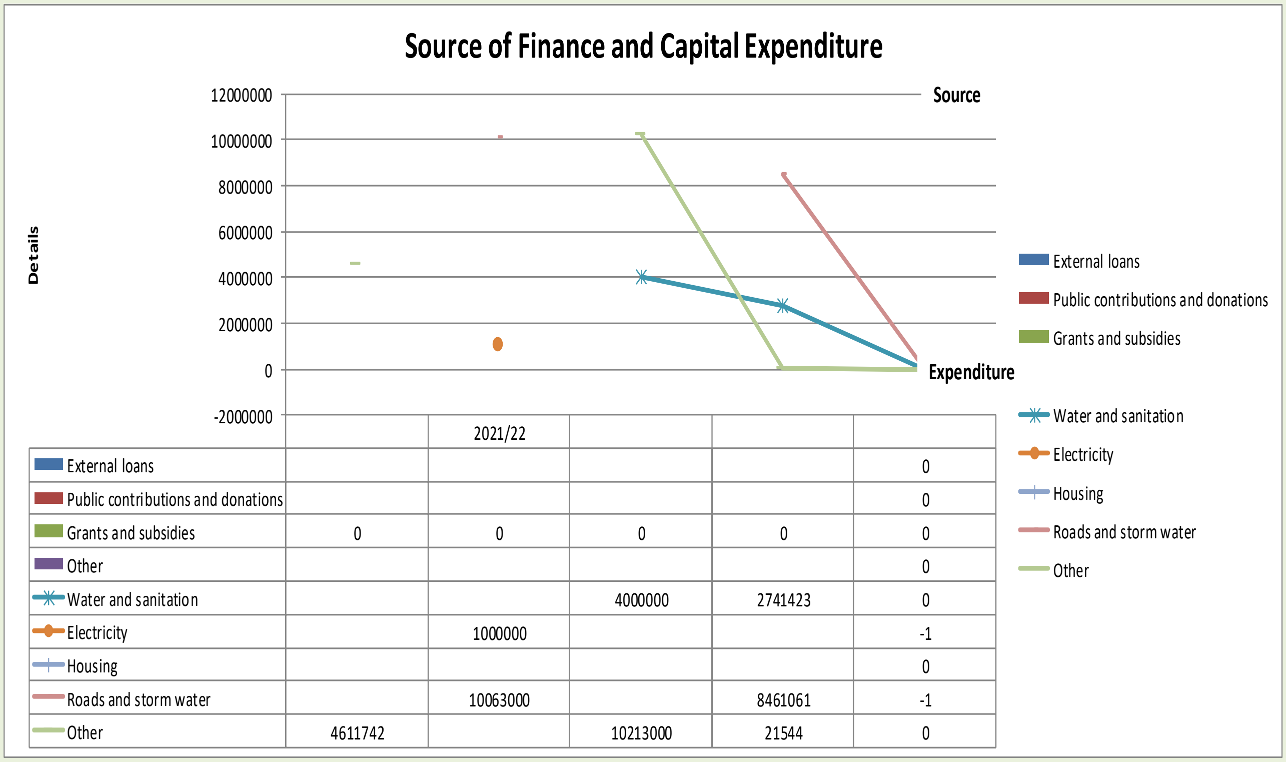


	Original Budget	Adjustment Budget	Un-audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Capital Expenditure	R15 063 000	R14 213 000	R11 266 640	25.2%	20.7%
	R15 063 000	**R14 213 000**	**R11 266 640**	25.2%	20.7%
Operating Expenditure	R110 138 533	R136 453 453	R137 815 802	-25.1%	-1.0%
	R110 138 533	**R136 453 453**	**R137 815 802**	-25.1%	-1.0%
Total expenditure	**R125 201 533**	**R150 666 453**	**R149 082 442**	-19.1%	1.1%
Water and sanitation	R9 641 478	R70 150 653	R69 897 654	-625.0%	0.4%
Electricity	R47 304 900	R47 654 890	R47 648 794	-0.7%	0.0%
Housing	R4 500 000	R4 654 690	R4 655 980	-3.5%	0.0%
Roads, Pavements, Bridges and storm water	R16 111 111	R14 436 798	R13 645 789	15.3%	5.5%
Other	R5 800 000	R5 567 453	R5 567 689	4.0%	0.0%
	R138 358 621	**R134 809 794**	**R132 759 926**	4.0%	1.5%
External Loans	R30 000 000	R31 000 000	R31 000 000	-3.3%	0.0%
Internal contributions	R42 245 670	R33 829 251	R33 839 245	19.9%	0.0%
Grants and subsidies	R66 112 951	R75 980 543	R75 983 528	-14.9%	0.0%
Other	R0	R0			
	R138 358 621	**R140 809 794**	**R140 822 773**	-1.8%	0.0%
External Loans	R35 000 000	R35 000 000	R35 000 000	0.0%	0.0%
Grants and subsidies	R162 000 000	R162 000 000	R162 000 000	0.0%	0.0%
Investments Redeemed	R30 000 000	R48 000 000	R47 976 543	-59.9%	0.0%
Statutory Receipts (including VAT)	R85 000 000	R87 342 563	R88 445 130	-4.1%	-1.3%
Other Receipts	R870 000 000	R856 463 267	R858 345 120	1.3%	-0.2%
	R1 182 000 000	**R1 188 805 830**	**R1 191 766 793**	-0.8%	-0.2%
Salaries, wages and allowances	R313 400 000	R310 818 524	R310 800 432	0.8%	0.0%
Cash and creditor payments	R550 047 659	R527 229 005	R531 564 879	3.4%	-0.8%
Capital payments	R102 349 567	R142 325 967	R141 342 678	-38.1%	0.7%
Investments made	R0	R54 261 000	R43 000 000		20.8%
External loans repaid	R56 000 000	R64 299 073	R64 200 456	-14.6%	0.2%
Statutory Payments (including VAT)	R93 146 796	R91 656 000	R91 546 298	1.7%	0.1%
Other payments	R0	R7 871 004	R793 465		89.9%
	R1 114 944 022	**R1 198 460 573**	**R1 183 248 208**	-6.1%	1.3%
	Original Budget	**Adjustment Budget**	**Un-audited Full Year Total**	**Original Budget variance**	**Adjusted Budget Variance**
Property rates	R163 789 453	R164 116 782	R164 239 578	-0.3%	-0.1%
Service charges	R603 836 900	R604 452 756	R604 453 785	-0.1%	0.0%
Other own revenue	R214 342 679	R215 327 659	R215 432 173	-0.5%	0.0%
	R981 969 032	**R983 897 197**	**R984 125 536**	-0.2%	0.0%
Employee related costs	R302 500 000	R300 390 487	R300 567 342	0.6%	-0.1%
Provision for working capital	R0	R0	R0		
Repairs and maintenance	R51 289 054	R52 451 275	R52 485 347	-2.3%	-0.1%
Bulk purchases	R290 608 422	R293 268 753	R293 199 456	-0.9%	0.0%
Other expenditure	R337 571 556	R339 658 943	R340 342 653	-0.8%	-0.2%
	R981 969 032	**R985 769 458**	**R986 594 798**	-0.5%	-0.1%
Service charges: Electricity	R314 325 689	R322 453 738	R323 563 549	-2.9%	-0.3%
Grants & subsidies: Electricity	R7 088 489	R11 134 267	R12 453 965	-75.7%	-11.9%
Other revenue: Electricity	R21 846 491	R22 347 891	R22 398 055	-2.5%	-0.2%
	R343 260 669	**R355 935 896**	**R358 415 569**	-4.4%	-0.7%
Employee related costs: Electricity	R13 256 748	R12 956 409	R12 765 432	3.7%	1.5%
Provision for working capital: Electricity	R0	R0	R0		
Repairs and maintenance: Electricity	R16 543 298	R19 423 438	R19 352 310	-17.0%	0.4%
Bulk purchases: Electricity	R178 976 501	R184 317 863	R184 298 704	-3.0%	0.0%
Other expenditure: Electricity	R33 546 809	R49 542 968	R50 875 324	-51.7%	-2.7%
	R242 323 356	**R266 240 678**	**R267 291 770**	-10.3%	-0.4%
Service charges: Water	R137 689 643	R139 085 643	R140 347 210	-1.9%	-0.9%
Grants & subsidies: Water	R27 453 255	R25 500 250	R25 500 250	7.1%	0.0%
Other revenue: Water	R11 567 489	R13 875 632	R13 995 321	-21.0%	-0.9%
	R176 710 387	**R178 461 525**	**R179 842 781**	-1.8%	-0.8%
Employee related costs: Water	R13 452 549	R14 012 349	R13 998 372	-4.1%	0.1%
Provision for working capital: Water	R0	R0	R0		
Repairs and maintenance: Water	R8 546 289	R9 357 128	R9 421 863	-10.2%	-0.7%
Bulk purchases: Water	R85 765 454	R88 356 120	R88 547 219	-3.2%	-0.2%
Other expenditure: Water	R48 634 526	R44 746 511	R44 653 219	8.2%	0.2%
	R156 398 818	**R156 472 108**	**R156 620 673**	-0.1%	-0.1%
					Txxx

5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources 2020/21 to 2021/22							
							R'
Details			2021/22				
		Actual		Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans					#DIV/0!	#DIV/0!
	Public contributions and donations					#DIV/0!	#DIV/0!
	Grants and subsidies	R0	R0	R0	R0	#DIV/0!	#DIV/0!
	Other					#DIV/0!	#DIV/0!
Total		**R0**	**R0**	**R0**	**R0**	**#DIV/0!**	**#DIV/0!**
Percentage of finance							
	External loans	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Public contributions and donations	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Grants and subsidies	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Other	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Capital expenditure							
	Water and sanitation			R4 000 000	R2 741 423	#DIV/0!	#DIV/0!
	Electricity		R1 000 000			-R1	-R1
	Housing					#DIV/0!	#DIV/0!
	Roads and storm water		R10 063 000		R8 461 061	-R1	R0
	Other	R4 611 742		R10 213	R21 544	#DIV/0!	#DIV/

Capital Expenditure - Funding Sources 2020/21 to 2021/22							
							R'
Details			2021/22				
		Actual		Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
				000			0!
Total		**R4 611 742**	**R11 063 000**	**R14 213 000**	**R11 224 028**	**#DIV/0!**	**#DIV/0!**
Percentage of expenditure							
	Water and sanitation	R0	R0	R0	R0	#DIV/0!	#DIV/0!
	Electricity	R0	R0	R0	R0	#DIV/0!	#DIV/0!
	Housing	R0	R0	R0	R0	#DIV/0!	#DIV/0!
	Roads and storm water	R0	R1	R0	R1	#DIV/0!	#DIV/0!
	Other	R1	R0	R1	R0	#DIV/0!	#DIV/0!
							T5.6.1



5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects* R' 000					
Name of Project	**Current Year: Year 1**			**Variance Current Year: Year 1**	
	Original Budget	**Adjustment Budget**	**Actual Expenditure**	**Original Variance (%)**	**Adjustment variance (%)**
A - MIG1: Victoria West Upgrading of Groundwater Supply	10 274	6 274	5 752	44%	39%
B - MIG2: Victoria West Upgrading of Mandela Square Pump Station and water reticulation pipelines	538	538	538	0%	0%
C - WSIG: Ubuntu Water Conservation and Demand Management Project 2021/22	4 000	4 000	4 623	-16%	0%

D - INEP: Ubuntu LM: New 22kV intake Sub-station for Victoria West	10 000	10 000	9 979	0%	0%
E -				#DIV/0!	#DIV/0!
** Projects with the highest capital expenditure in Year 1*					

Name of Project - A	MIG1: Victoria West Upgrading of Groundwater Supply
Objective of Project	The development of additional water sources to supply water to Victoria West
Delays	None
Future Challenges	None
Anticipated citizen benefits	

Name of Project - B	MIG2: Victoria West Upgrading of Mandela Square pump station and water reticulation pipelines
Objective of Project	The upgrading of Mandela Square Pump staion and reservoir to supply water to Mandela Square, Modderpoel, Missionvale and Gou Trou.
Delays	The project was ceded by the main contractor to the municipality.
Future Challenges	Application for additional funds from COGHSTA/MIG was rejected.
Anticipated citizen benefits	

Name of Project - C	WSIG: Ubuntu Water Conservation and Demand Management Project 2021/22
Objective of Project	The replacement of old water pipeline in Loxton and the emergency repair works on Loxton Bulk Water Supply system.
Delays	None
Future Challenges	None
Anticipated citizen benefits	

Name of Project - D	INEP: Ubuntu LM: New 22kV intake sub-station for Victoria West.
Objective of Project	Construction of a new 22kV intake sub-station in Victoria West.
Delays	The lead times on major components of the sub-station is 6 months, hence they are still being manufactured.
Future Challenges	None
Anticipated citizen benefits	

Name of Project - E	
Objective of Project	
Delays	
Future Challenges	
Anticipated citizen benefits	
	T5.7.1

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS
T5.8.1

Municipal Infrastructure Grant (MIG)* Expenditure 2021/22 on Service backlogs						**R' 000**
Details	**Budget**	**Adjust-ments Budget**	**Actual**	**Variance**		**Major conditions applied by donor (continue below if necessary)**
				Budget	**Adjust-ments Budget**	
Infrastructure - Road transport				%	%	
Roads, Pavements & Bridges				%	%	
Storm water				%	%	
Infrastructure - Electricity				%	%	
Generation				%	%	
Transmission & Reticulation				%	%	
Street Lighting				%	%	
Infrastructure - Water				%	%	
Dams & Reservoirs&Bulk Services	10 812	6 812	6 290	%	%	
Water purification				%	%	
Reticulation				%	%	

Municipal Infrastructure Grant (MIG)* Expenditure 2021/22 on Service backlogs R' 000						
Details	Budget	Adjust-ments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust-ments Budget	
Infrastructure - Sanitation				%	%	
Reticulation				%	%	
Sewerage purification				%	%	
Infrastructure - Other				%	%	
Waste Management				%	%	
Transportation				%	%	
Gas				%	%	
Other Specify:				%	%	
				%	%	
				%	%	
				%	%	
Total				%	%	

** MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.*

T5.8.3

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.9 CASH FLOW

Description	Ref	Budget Year 2017/18				Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Other Adjusts. 8-Jan-00	Total Adjusts. 9-Jan-00	Adjusted Budget 10-Jan-00	Adjusted Budget	Adjusted Budget
R thousands		A	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES							
Receipts							
Property rates		R4 352 856	R113 000	R113 000	R4 465 856	R5 000 000	R5 500 000
Service charges		R19 633 035	-R5 628 000	-R5 628 000	R14 005 035	R15 221 000	R16 464 000
Other revenue		R20 269 000	-R6 294 000	-R6 294 000	R13 975 000	R15 502 000	R15 792 000
Government - operating	1.00	R31 952 000	-R3 219 536	-R3 219 536	R28 732 464	R34 098 000	R36 404 000
Government - capital	1.00	R15 063 000	-R850 000	-R850 000	R14 213 000	R13 377 000	R12 209 000
Interest		R4 856 000	-R2 884 000	-R2 884 000	R1 972 000	R1 975 000	R2 025 000
Dividends		R0		R0	R0	R0	R0
Payments							
Suppliers and employees		-R76 300 854		R0	-R76 300 854	-R59 700 000	-R45 000 000
Finance charges		-R1 161 941		R0	-R1 161 941	-R800 000	-R500 000
Transfers and Grants	1.00	R0		R0	R0		
NET CASH FROM/(USED) OPERATING ACTIVITIES		**R18 663 096**	**-R18 762 536**	**-R18 762 536**	**-R99 440**	**R24 673 000**	**R42 894 000**
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds on disposal of PPE				R0	R0		
Decrease (Increase) in non-current debtors				R0	R0		
Decrease (increase) other non-current receivables				R0	R0		
Decrease (increase) in non-current investments				R0	R0		
Payments					R0		
Capital assets		-R15 063 000	R850 000	R850 000	-R14 213 000	-R10 377 000	-R10 709 000
NET CASH FROM/(USED) INVESTING ACTIVITIES		**-R15 063 000**	**R850 000**	**R850 000**	**-R14 213 000**	**-R10 377 000**	**-R10 709 000**
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
Short term loans				R0	R0		
Borrowing long term/refinancing				R0	R0		
Increase (decrease) in consumer deposits				R0	R0		
Payments					R0		
Repayment of borrowing		-R1 000 000		R0	-R1 000 000	-R1 000 000	-R1 000 000
NET CASH FROM/(USED) FINANCING ACTIVITIES		**-R1 000 000**	**R0**	**R0**	**-R1 000 000**	**-R1 000 000**	**-R1 000 000**
NET INCREASE/ (DECREASE) IN CASH HELD		**R2 600 096**	**-R17 912 536**	**-R17 912 536**	**-R15 312 440**	**R13 296 000**	**R31 185 000**
Cash/cash equivalents at the year begin:	2.00	R2 632 786	-R104 174	-R104 174	**R0**	-R15 312 440	-R2 016 440
Cash/cash equivalents at the year end:	2.00	R5 232 882	-R18 016 710	-R18 016 710	**-R15 312 440**	-R2 016 440	R29 168 560

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENT
T5.10.1

Actual Borrowings 2016/17 to 2018/19			
			R' 000
Instrument	**2016/2017**	**2017/2018**	**2018/2019**
Municipality			
Long-Term Loans (annuity/reducing balance)	1 949 790.00	1 705 341.00	0
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Municipality Total			

T5.10.3

Municipal and Entity Investments			
			R' 000
Investment* type	2016/17	2017/18	2018/19
	Actual	Actual	Actual
Municipality			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	1 466 597,00	4 881 022,00	-
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other			
Municipality sub-total	1 466 597,00	4 881 022,00	-
Municipal Entities			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
Entities sub-total	0	0	0
Consolidated total:	1 466 597,00	4 881 022,00	-
			T5.10.4

COMMENT ON BORROWING AND INVESTMENTS: T5.10.5

5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS T5.11.1

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

T5.12.1

5.13 GRAP COMPLIANCE

T5.13.1

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION
T6.0.1

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 206/17

6.1 AUDITOR GENERAL REPORTS 2020/21 (PREVIOUS YEAR)

Auditor-General Report on Financial Performance2020/21	
Audit Report Status*:	**Qualified Opinion**
Non-Compliance Issues	**Remedial Action Taken**
*Note:*The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)*	
	T6.1.1

Auditor-General Report on Service Delivery Performance: 2020/21	
Audit Report Status:	**Did not Audit Performance Management**
Non-Compliance Issues	**Remedial Action Taken**
	T6.1.2

COMPONENT B: AUDITOR-GENERAL OPINION 2017/18 (CURRENT YEAR)

6.2 AUDITOR GENERAL REPORT 2021/22

Auditor-General Report on Financial Performance 2021/22	
Status of audit report:	Qualified
Non-Compliance Issues	**Remedial Action Taken**
Note: The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse). This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor-General Report on Financial Performance Year 1.*	
	T6.2.1

AUDITOR-GENERAL
SOUTH AFRICA

The Accounting officer
Ubuntu Local Municipality
Private Bag X329
Victoria West
7070

30 November 2022

Reference: 21431REG21-22

Dear Sir

Report of the Auditor-General on the financial statements, annual performance report, compliance with legislation and other legal and regulatory requirements of Ubuntu Local Municipality for the year ended 30 June 2022

1. The above-mentioned report of the Auditor-General is submitted herewith in terms of section 21(1) of the Public Audit Act No. 25 of 2004 (PAA) read in conjunction with section 188 of the Constitution of the Republic of South Africa and section 126(3) of the Municipal Finance Management Act 56 of 2003 (MFMA).
2. We have not yet received the other information that will be included in the annual report with the audited financial statements and the annual performance report and have thus not been able to establish whether there are any inconsistencies between this information and the audited financial statements, the annual performance report or our audit report on compliance with legislation. You are requested to supply this information as soon as possible. Once this information is received it will be read and should any inconsistencies be identified these will be communicated to you and you will be requested to make the necessary corrections. Should the corrections not be made we will amend and reissue the audit report.
3. In terms of section 121(3) of the MFMA you are required to include the audit report in the municipality's annual report to be tabled.
4. Prior to printing or copying the annual report which will include the audit report you are required to do the following:
    - Submit the final printer's proof of the annual report to the relevant senior manager of the Auditor-General of South Africa for verification of the audit-related references in the audit report and for confirmation that the financial statements, annual performance report and other information are those documents that have been read and audited. Special care should be taken with the page references in your report, since an incorrect reference could have audit implications.

Auditing to build public confidence

Auditor-General of South Africa
www.agsa.co.za

AUDITOR-GENERAL
SOUTH AFRICA

- The signature *Auditor-General* in the handwriting of the auditor authorised to sign the audit report at the end of the hard copy of the audit report should be scanned in when preparing to print the report. This signature, as well as the place and date of signing and the Auditor-General of South Africa's logo, should appear at the end of the report, as in the hard copy that is provided to you. The official logo will be made available to you in electronic format.

5. Please notify the undersigned Senior Manager well in advance of the date on which the annual report containing this audit report will be tabled.

6. The confidentiality of information obtained in an engagement must be observed at all times. In terms of section 50 of the PAA and the International Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants *(including International Independence Standards)*, the AGSA, or an audit firm appointed in terms of section 25 of the PAA, may not disclose or make available any information obtained during an audit, other than the final auditor's report, to any third party unless this is to a legislature or internal committee of a legislature or a court in a criminal matter and the disclosure has been approved by the auditee and the Auditor-General.

7. Until the steps described in paragraphs 2 and 4 of this document are completed and the annual report is tabled as required by section 127(2) of the MFMA, the audit report is not a final and public document and you are therefore requested to treat it as confidential.

8. Your cooperation to ensure that all these requirements are met would be much appreciated.

Kindly acknowledge receipt of this letter.

Yours sincerely

Deputy Business Executive: Northern Cape

Enquiries: Tshililo Tshithavhani
Telephone: 053 836 8804
Email: TshililoT@agsa.co.za

Report of the auditor-general to the Northern Cape Provincial Legislature and the council on Ubuntu Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Ubuntu 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 statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Ubuntu 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 Recognised Accounting Practise (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 9 of 2021 (DORA).

Basis for qualified opinion

Revenue from exchange transactions

3. The municipality did not account for services charges in accordance with GRAP 9, *Revenue from exchange transactions*. Properties were identified for which service charges were not always billed and recorded. In addition, service charges were not accurately billed. I was unable to determine the full extent of the understatement of service charges included in revenue from exchange transactions, stated at R25 732 493 (2021: 21 212 298) in note 18 to the financial statements, and related receivable from exchange transactions, stated at R10 865 055 (2021: R6 969 255) in note 7 to the financial statements, as it was impracticable to do so. Additionally, there was an impact on the deficit for the period and on the accumulated surplus.

4. During 2021, I was unable to obtain sufficient appropriate audit evidence for service charges included in revenue from exchange transactions due to the state of the accounting records. I could not confirm the amounts by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the comparative figure of service charges included in revenue from exchange transactions stated at R21 212 298, in note 18 to the financial statements. My opinion on the financial statements for the period ended 30 June 2021 was modified accordingly. Consequently, my opinion on the current period's financial statements is also modified because of the possible effects of this matter on the comparability of the current period's figures.

Revenue from non-exchange transactions

5. The municipality did not account for property rates in accordance with GRAP 23, *Revenue from non-exchange transactions*. The municipality did not bill all consumers for property rates. I was unable to determine the full extent of the understatement of property rates stated at R21 416 294 (2021: R22 140 169) in note 20 to the financial statements and related property rates included in statutory receivables from non-exchange transactions stated at R13 300 582 (2021: R12 941 856) in note 6 to the financial statements, as it was impracticable to do so. Additionally, there was an impact on the deficit for the period and on the accumulated surplus.

VAT receivable from non-exchange transactions

6. I was unable to obtain sufficient appropriate audit evidence for value added tax as the underlying records were not accurate and complete. I was unable to confirm the value added tax by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to VAT receivable from non-exchange stated at R6 585 234 in note 6 to the financial statements. Since the VAT receivables from non-exchange transactions balance is included in the determination of sale of goods and services in net cash flows from operating activities reported in the statement of cash flows, I was unable to determine whether any adjustments were necessary to the sale of goods and services in cash flows from operating activities stated at R31 367 717 in the financial statements.

Receivables from exchange transactions

7. The municipality recognised items that did not meet the definition of receivables in accordance with GRAP 104, *Financial Instruments*. Management recognised receivables for consumers that could not be verified to have consumed basic services during the financial year. Consequently, receivables from exchange transactions was overstated by R8 426 547. Additionally, there was an impact on the deficit for the period and on the accumulated surplus. In addition, provision for debt impairment relating to exchange transactions were not accurately calculated. I was unable to determine the full extent of the understatement of provision for debt impairment from exchange transactions, stated at R102 657 326 in note 7 to the financial statements, and related receivable from exchange transactions, stated at R113 522 381 in note 7 to the financial statements, as it was impracticable to do so.

8. During 2021, I was unable to obtain sufficient appropriate audit evidence for receivables from exchange transactions due to the state of the accounting records. I could not confirm the amounts by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the comparative figure of receivables from exchange transactions stated at R6 969 255, in note 7 to the financial statements.

Debt impairment

9. The municipality did not account for allowance for impairment of receivables from exchange transactions in accordance with GRAP 104: *Financial Instruments*. Debt impairment was incorrectly calculated, resulting in an overstatement of debt impairment by R5 171 878, allowance for impairment of receivables from exchange transactions by R4 504 588 and allowance for impairment of receivables from non-exchange transactions by R667 290.

2

Payables from exchange transactions

10. The municipality did not recognise all items of direct deposits not receipted in accordance with GRAP 1, *Presentation of Financial Statements*. Deposits received were not allocated to the respective debtors' accounts. Consequently, direct deposits not receipted was overstated and the receivables from exchange transactions overstated by R1 905 523 in the financial statements. In addition, I was unable to obtain sufficient appropriate audit evidence for payments received in advance and retention creditors due to the state of the accounting records. I could not confirm the amounts by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to payments received in advance and retention creditors stated at R2 429 236 and R2 373 882 , respectively, in note 13 to the financial statements.

General expenditure

11. During 2021, the municipality did not account for consulting and professional fees included in general expenditure in accordance with GRAP 1: *Preparation of Financial Statements*. The municipality did not record all consulting and professional fees in the correct accounting period, resulting in consulting and professional fees included in general expenditure being overstated by R1 898 238. My opinion on the financial statements for the period ended 30 June 2021 was modified accordingly. Consequently, my opinion on the current period's financial statements is also modified because of the possible effects of this matter on the comparability of the current period's figures. In addition, I was unable to obtain sufficient appropriate audit evidence for consulting and professional fees included in general expenditure due to the state of the accounting records. I could not confirm the amounts by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the comparative figure of consulting and professional fees included in general expenditure stated at R5 353 352, in note 33 to the financial statements.

Unauthorised expenditure

12. I was unable to obtain sufficient appropriate audit evidence for unauthorised expenditure as the underlying records were not accurate and complete. I could not confirm the amounts by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to unauthorised expenditure stated at R440 261 947 (2021: R397 570 833), in note 40 to the financial statements.

Fruitless and wasteful expenditure

13. I was unable to obtain sufficient appropriate audit evidence for fruitless and wasteful expenditure as the underlying records were not accurate and complete. I could not confirm the amounts by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to fruitless and wasteful expenditure stated at R36 182 635 (2021: R33 383 870) in note 41 to the financial statements.

Irregular expenditure

14. I was unable to obtain sufficient appropriate audit evidence for irregular expenditure as the underlying records were not accurate and complete. I could not confirm the amounts by alternative means. Consequently, I was unable to determine whether any adjustment was

necessary to irregular expenditure stated at R103 958 580 (2021: R89 213 804), respectively, in note 42 to the financial statements.

Cash flow statement

15. The municipality did not correctly prepare and disclose the net cash flows from operating activities as required by the Standards of GRAP 2, *Cash flow statements*. The retention payables was incorrectly classified as cashflow from operating activities. Consequently, suppliers included in cashflows from operating activities was overstated and purchase of property, plant and equipment included in cash flow from investing activities was understated by R2 373 883. In addition, management did not separately calculate the movement in interest income. I was not able to determine the full extent of the error in interest income included in the net cash flows from operating activities as it was impracticable to do so. Consequently, I was unable to determine whether any adjustments to interest income included in cash flows from operating activities stated at R12 620 239 (2021: R11 189 757) in the financial statements were necessary.

Additional MFMA disclosure

16. I was unable to obtain sufficient appropriate audit evidence that amount paid - current year included in pension and medical aid deductions had been properly accounted for, due to the state of the accounting records. I was unable to confirm the amount paid - current year included in pension and medical aid deductions by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to amount paid - current year included in pension and medical aid deductions stated at R10 495 588 in note 43 to the financial statements.

Context for the opinion

17. 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.

18. I am independent of the municiplaity 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.

19. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Material uncertainty relating to going concern

20. I draw attention to the matter below. My opinion is not modified in respect of this matter.

21. I draw attention to note 44 to the financial statements, which indicates that the municipality incurred a net loss of R14 070 333 during the year ended 30 June 2022 and, as of that date the municipality's current liabilities exceeded its current assets by R78 171 461. As stated in

note 44, these events or conditions, along with other matters as set forth in note 44, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

Emphasis of matters

22. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

23. As disclosed in note 51 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of an errors in the financial statements of the municipality at, and for the year ended, 30 June 2022.

Material losses

24. As disclosed in note 43 to the financial statements, material electricity losses of R7 926 606 (2021: R6 774 018) was incurred, which represents 35.74% (2021: 33.98%) of total electricity purchased.

Other matter

25. I draw attention to the matter below. My opinion is not modified in respect of this matters.

Unaudited disclosure notes (MFMA 125)

26. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on them.

Unaudited supplementary schedules

27. 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 schedule(s) and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting for the financial statements

28. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

29. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate

governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

30. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

31. 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

32. I was unable to audit and report on the usefulness and reliability of the performance information, as the municipality's annual performance report was not prepared, as required by section 46 of the Municipal Systems Act 32 of 2000 (MSA) and section 121(3)(c) of the MFMA.

Report on the audit of compliance with legislation

Introduction and scope

33. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

34. The material findings on compliance with specific matters in key legislation are as follows:

Annual Financial statements, performance reports and annual reports

35. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and the supporting records could not be provided subsequently, which resulted in the financial statements receiving a qualified audit opinion.

36. The 2020/21 annual report was not tabled in the municipal council after the end of the financial year, as required by section 127(2) of the MFMA.

6

Page 7 was not part of the AG Report Sent to me

49. Amendments to the IDP were made without consultation with the district municipality, as required by municipal planning and performance management regulation 3(6)(a).

50. A performance management system was not established, as required by section 38(a) of the MSA.

51. A performance management system was not adopted, as required by municipal planning and performance management regulation 8.

Procurement and contract management

52. Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of by SCM Regulation 17(1)(a) and (c). Similar non-compliance was also reported in the prior year.

53. Sufficient appropriate audit evidence could not be obtained that written quotations were accepted from prospective providers who were on the list of accredited providers and met the listing requirements as prescribed by the SCM policy, in contravention of SCM Regulations 16(b) and 17(1)(b).

54. Some of the quotations were accepted from bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM Regulation 13(c). Similar non-compliance was also reported in the prior year.

55. Goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM Regulation 19(a).

56. The preference point system was not applied for some of the procurement of goods and services above R30 000 as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act.

57. Invitations to tender for procurement of commodities designated for local content and production, did not stipulated the minimum threshold for local production and content as required by the 2017 Preferential Procurement Regulation 8(2). Similar non-compliance was also reported in the prior year.

58. Sufficient appropriate audit evidence could not be obtained that the performance of contractors or providers was monitored on a monthly basis as required by section 116(2) of the MFMA. Similar non-compliance was also reported in the prior year.

59. Sufficient appropriate audit evidence could not be obtained that contract performance and monitoring measures were in place to ensure effective contract management as required by section 116(2)(c)(ii) of the MFMA. Similar non-compliance was also reported in the prior year.

Utilisation of conditional grants

60. Performance in respect of programmes funded by the Municipal Infrastructure Grant was not evaluated within two months after the end of the financial year, as required by section 12(5) of the Division of Revenue Act (Act 9 of 2021).

61. I was unable to obtain sufficient appropriate audit evidence that the Water Services Infrastructure Grant was spent for its intended purposes in accordance with the applicable grant framework, as required by section 16(1) of the Division of Revenue Act (Act 9 of 2021).

62. Performance in respect of programmes funded by the Water Services Infrastructure Grant was not evaluated within two months after the end of the financial year, as required by section 12(5) of the Division of Revenue Act (Act 9 of 2021).

63. I was unable to obtain sufficient appropriate audit evidence that the Integrated National Electrification Programme (INEP) was spent for its intended purposes in accordance with the applicable grant framework, as required by section 16(1) of the Division of Revenue Act (Act 9 of 2021).

64. Performance in respect of programmes funded by the Integrated National Electrification Programme (INEP) was not evaluated within two months after the end of the financial year, as required by section 12(5) of the Division of Revenue Act (Act 9 of 2021).

65. Performance in respect of programmes funded by the Financial Management Grant was not evaluated within two months after the end of the financial year, as required by section 12(5) of the Division of Revenue Act (Act 9 of 2021).

Consequence management

66. Unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.

67. Irregular and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Human resource management

68. An approved staff establishment was not in place, as required by section 66(1)(a) of the MSA.

69. The senior managers did not sign performance agreements within the prescribed period, as required by section 57(2)(a) of the MSA.

Other information

70. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, the other information does not include the financial statements and the auditor's report.

71. My opinion on the financial statements 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.

72. 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, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

73. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

74. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

75. Leadership did exercise an appropriate level of oversight as evidenced in the extent of recurring financial misstatements identified and material non-compliance. In addition, the oversight function was not evident in the audit action plan implementation, significant resourcing challenges and lack of policy implementation by municipal officials. These factors directly contributed to the qualified opinion reported for the financial period under review.

76. Senior management did not prepare regular and accurate financial statements evidenced by the amount of material misstatements identified in the financial statements. Significant deficiencies were identified on completeness of financial reporting and compliance was not monitored effectively during the reporting period under review.

77. Senior management did not prepare and submit a Service Delivery and Budget Implementation Plan (SDBIP) or an annual performance report.

78. Governance structures did not function effectively as no risk assessment process was conducted, significant resourcing challenged continued to cripple the municipality and internal audit did not achieve the desired impact on financial and performance reporting as envisioned.

Auditor General

Kimberley

30 November 2022

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

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 development priorities and on the municipality's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

   - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
   - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
   - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
   - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of Ubuntu local municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern
   - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships

and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

12

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES: 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. The Chief financial officer states that these data sets have been returned according to the reporting requirements/ with the exception of those items and for those reasons given at **Appendix S** (***delete '/…' if not applicable***).

Signed (Chief financial Officer) …………………………………………………….... Dated ………………….

T6.2.5

GLOSSARY

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give *"full and regular"* reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe *"what we do"*.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.

GLOSSARY

Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	• Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.

GLOSSARY

Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: *a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and* *b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned*

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance %	Percentage Apologies for non-attendance %
Councillor Cheryl Jantjies	Full Time	Financial Services Committee (Chairperson)	Party Representative	100%	0%
Councilor Luvuyo Yekani	Full Time		Ward Representative	100%	0%
Councilor Martin Zeekoei	Full Time	Technical Services Committee	Ward Representative	99%	1%
Councilor Andre Robertson	Full Time	Financial Services Committee	Ward Representative	100%	0%
Councilor Maria Baadjies	Full Time	Corporate Services Committee	Party Representative	100%	0%
Councilor Mzukisi Maloi	Part Time	MPAC Committee	Ward Representative	100%	0%
Councilor Soutie Kock	Part Time	MPAC Committee	Ward Representative	99%	1%
Councilor Wilna Olyn	Part Time	Corporate Services Committee	Ward Representative	100%	0%
Councilor Hugo Vorster	Part Time	Financial Services Committee	Party Representative	100%	0%
Councilor Johan Tolken	Part Time	MPAC Committee (Chairperson)	Party Representative	99%	1%
*Note: * Councillors appointed on a proportional basis do not have wards allocated to them*					T A

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees		
Municipal Committees	**Purpose of Committee**	
Financial Services Committee		
Technical Services Committee		
Corporate Services Committee		
MPAC Committee		
Rules Committee		
		T B

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	**Director/Manager (State title and name)**
Municipal Manager	T Makhoba, SW Madyo, RA Jacobs and D Maposa
Chief Financial Officer	RA Jacobs
Corporate Services	Vacant
Technical Services	Vacant
Use as a spill-over schedule if top 3 tiers cannot be accomodated in chapter 2 (T2.2.2).	**T C**

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	**Function Applicable to Municipality (Yes / No)***	**Function Applicable to Entity (Yes / No)**
Constitution Schedule 4, Part B functions:		
Air pollution		
Building regulations		
Child care facilities		
Electricity and gas reticulation		
Firefighting services		
Local tourism		
Municipal airports		
Municipal planning		
Municipal health services		
Municipal public transport		
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or		
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters		
Stormwater management systems in built-up areas		
Trading regulations		
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems		

Continued from previous page		
Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	**Function Applicable to Municipality (Yes / No)***	**Function Applicable to Entity (Yes / No)**
Constitution Schedule 5, Part B functions:		
Beaches and amusement facilities		
Billboards and the display of advertisements in public places		
Cemeteries, funeral parlours and crematoria		
Cleansing		
Control of public nuisances		
Control of undertakings that sell liquor to the public		
Facilities for the accommodation, care and burial of animals		
Fencing and fences		
Licensing of dogs		
Licensing and control of undertakings that sell food to the public		
Local amenities		
Local sport facilities		
Markets		
Municipal abattoirs		
Municipal parks and recreation		
Municipal roads		
Noise pollution		
Pounds		
Public places		
Refuse removal, refuse dumps and solid waste disposal		
Street trading		
Street lighting		
Traffic and parking		
**** If municipality: indicate (yes or No); * If entity: Provide name of entity***		T D

APPENDIX E – WARD REPORTING

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 1	Cllr. Collin Robertson	Yes	,,, 5	,,, 5	,, 2
Ward 2	Cllr. Luvuyo Yekani	Yes	,,, 5	,,, 5	,,, 3
Ward 3	Cllr. Soutie Kock	Yes	,,,5	,,, 3	,,, 2
Ward 4	Cllr. Wilna Olyn	Yes	,,, 6	,,, 6	,,, 2
Ward 5	Cllr. Mzukisi Maloi	Yes	,,, 6	,,, 6	,,, 3
Ward 6	Cllr. Martin Zeekoei	Yes	,,, 3	,,, 3	,,, 2

APPENDIX F – WARD INFORMATION

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in Year 1 (Full List at Appendix X) R' 000				
No.	Project Name and detail	Start Date	End Date	Total Value
4	Roads and Stormwater Project			
				T F.1

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2017/18
		T F.3

ELECTED WARD MEMBERS (STATING NUMBER OF MEETING ATTENDED – MAXIMUM 12 MEETINGS)

Names: xxx (8); xxx (7)…

T F.3

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2017/18

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 1	Recommendations adopted (enter Yes) If not adopted (provide explanation)
		T G

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
Makomota Investment Holdings	Preparation of AFS 07 July 21		3 years	MM	R246 744.00(per financial year)

Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
					T H.1

Public Private Partnerships Entered into 2021/22					R' 000
Name and Description of Project	Name of Partner(s)	Initiation Date	Expiry date	Project manager	Value 2021/22

Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
					T H.2

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

Municipal Entity/Service Provider Performance Schedule										
Name of Entity & Purpose	(a) Service Indicators	Year 0		Year 1			Year 2	Year 4		
		Target	Actual	Target		Actual	Target			
	(b) Service Targets	*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	

*Note: This statement should include no more than the top four priority indicators. * 'Previous Year' refers to the targets that were set in the Year 0 Budget/IDP round; *'Current Year' refers to the targets set in the Year 1 Budget/IDP round. *'Following Year' refers to the targets set in the Year 2 Budget/IDP round. Note that all targets must be fundable within approved budget provision. In column (ii) set out the Service Indicator (In bold italics) then the Service Target underneath (not in bold - standard type face) to denote the difference.*

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APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June of Year 1 (Current Year)		
Position	**Name**	**Description of Financial interests* (Nil / Or details)**
Mayor	Cheryl Jantjies	Nil
Member of MayCo / Exco	Andre Robertson	Nil
	Maria Baadjies	Nil
Speaker	Luvuyo Yekani	Nil
Councillor	Martin Zeekoei	Nil
	Mzukisi Maloi	Nil
	Soutie Kock	Nil
	Wilna Olyn	Nil
	Aubrey Verwey	Nil
	Johan Tolken	Nil
	Hugo Vorster	Nil
Municipal Manager	Disang Molaole (Acting MM)	Nil
Chief Financial Officer	Ophelia Sauli	Nil
Deputy MM and (Executive) Directors		
Other S57 Officials	Nonceba Mkontwana	Nil
** Financial intersets to be disclosed even if they incurred for only part of the year. See MBRR SA34A*		*T J*

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Standard Description	Ref	Budget Year 2021/22									Budget Year +1 2021/22
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
			5	6	7	8	9	10	11	12	
R thousands	1, 4	A	A1	B	C	D	E	F	G	H	
Revenue - Functional											
Governance and administration		**51 460**	**–**	**–**	**–**	**–**	**–**	**(18 832)**	**(18 832)**	**32 628**	**56 256**
Executive and council		35	–	–	–	–	–	–	–	35	38
Finance and administration		51 425	–	–	–	–	–	(18 832)	(18 832)	32 593	56 218
Internal audit		–	–	–	–	–	–	–	–	–	–
Community and public safety		**966**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**966**	**974**
Community and social services		951	–	–	–	–	–	–	–	951	958
Sport and recreation		–	–	–	–	–	–	–	–	–	–
Public safety		3	–	–	–	–	–	–	–	3	3
Housing		–	–	–	–	–	–	–	–	–	–
Health		12	–	–	–	–	–	–	–	12	13
Economic and environmental services		**38 552**	**–**	**–**	**–**	**–**	**–**	**3 916**	**3 916**	**42 468**	**40 065**
Planning and development		1 092	–	–	–	–	–	–	–	1 092	99
Road transport		37 460	–	–	–	–	–	3 916	3 916	41 376	39 966
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		**37 248**	**–**	**–**	**–**	**–**	**–**	**(5 235)**	**(5 235)**	**32 012**	**34 977**
Energy sources		18 370	–	–	–	–	–	(2 066)	(2 066)	16 304	17 777
Water management		11 340	–	–	–	–	–	(4 366)	(4 366)	6 974	7 830
Waste water management		3 451	–	–	–	–	–	800	800	4 251	4 500
Waste management		4 086	–	–	–	–	–	397	397	4 483	4 870
Other		**102**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**102**	**109**
Total Revenue - Functional	2	**128 327**	**–**	**–**	**–**	**–**	**–**	**(20 151)**	**(20 151)**	**108 176**	**132 381**

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Description	Ref	Budget Year 2021/22									Budget Year +1 2018/19
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
			3	4	5	6	7	8	9	10	
R thousands	1	A	A1	B	C	D	E	F	G	H	
Revenue By Source											
Property rates	2		–	–	–	–	–				
Service charges - electricity revenue	2		–	–	–	–	–				
Service charges - water revenue	2		–	–	–	–	–				
Service charges - sanitation revenue	2		–	–	–	–	–				
Service charges - refuse revenue	2		–	–	–	–	–				
Service charges - other											
Rental of facilities and equipment											
Interest earned - external investments											
Interest earned - outstanding debtors											
Dividends received											
Fines, penalties and forfeits											
Licences and permits											
Agency services											
Transfers and subsidies											
Other revenue	2		–	–	–	–	–	–			
Gains on disposal of PPE									–	–	
Total Revenue (excluding capital transfers and contributions)			–	–	–	–					

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG

R' 000

Details	Budget	Adjust-ments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust-ments Budget	
Water Systems Infrastructure Grant			4 000 000.00	%	%	
				%	%	
				%	%	
Public Transport Infrastructure and Systems Grant				%	%	
				%	%	
				%	%	
				%	%	
Other Specify:				%	%	
Financial Management Grant			1 900 000.00	%	%	
Expanded public Works program			1 000 000.00	%	%	
Northern Cape Provincial Treasury			3 092 464.00			
Project library			860 000.00	%	%	
Total				%	%	

** This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.*

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

APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2017/18

Capital Programme by Project: 2021/22					R'
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Water					
MIG1: Victoria West Upgrading of Groundwater Supply	10 274	6 274	5 752	-9%	-79%
MIG2: victoria West Upgrading of Mandela Square pumpstation and water reticulation pipelines	538	538	538	0%	0%
WSIG: Ubuntu Water Conservation and Demand Management Project 2021/22	4 000	4 000	4 623	13%	13%
Sanitation/Sewerage					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Electricity					
INEP: Ubuntu LM: New 22kV intake Sub-station for Victoria West	10 000	10 000.0	9 979	0%	0%
"Project B"				#DIV/0!	#DIV/0!
Housing					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Refuse removal					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Stormwater					
"Project A"	-	-	-	#DIV/0!	#DIV/0!

Capital Programme by Project: 2021/22 R'					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
"Project B"				#DIV/0!	#DIV/0!
Economic development					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Sports, Arts & Culture					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Environment					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Health					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Safety and Security					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
ICT and Other					
"Project A"			21544	100%	100%
"Project B"				#DIV/0!	#DIV/0!
					T N

Capital Programme by Project: 2017/18					
					R' 000
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Water					
"Project A"	4 000 000.00	4 000 000.00	2 741 423.00	-46%	-46%
"Project B"				#DIV/0!	#DIV/0!
"Project C"				#DIV/0!	#DIV/0!
Sanitation/Sewerage					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Electricity					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Housing					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Refuse removal					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Stormwater					
"Project A"	10 063 000.00	10 063 000.00	8 461 061.00	-19%	-19%
"Project B"				#DIV/0!	#DIV/0!
Economic development					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Sports, Arts & Culture					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Environment					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Health					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
Safety and Security					
"Project A"				#DIV/0!	#DIV/0!
"Project B"				#DIV/0!	#DIV/0!
ICT and Other					
"Project A"			21544	100%	100%
"Project B"				#DIV/0!	#DIV/0!
					T N

VOLUME II: ANNUAL FINANCIAL STATEMENTS

Volume II will consist of the following

1. **Appendix I: Audited AFS 2017/18**
2. **Appendix II: AGSA Report on the outcome of the audit 2017/18**
3. **Appendix III: Audit Action/Recovery Plan**
4. **Appendix IV: Annual Performance Report 2017/18**