

2021/2022

**MAGARENG
LOCAL MUNICIPALITY
ANNUAL REPORT
2021/22**

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REVISED ANNUAL REPORT TEMPLATE

The purpose of this revised Annual Report template is to address the need expressed by a number of municipalities for assistance in the preparation and development of improved content and quality of Municipal Annual Reports. This template provides an update to the MFMA Circular No. 11, issued in January 2005.

This template gives effect to the legal framework requirement, concepts and principals espoused in the White Paper on Local Government and Improving Government Performance. It reflects the ethos of public accountability. The content gives effect to information required for better monitoring and evaluation of government programmes in support of policy decision making. The template provides an improved overview of municipal affairs by combining the performance report data required under Municipal Systems Act Section 46 with annual report data referred to in that Act and in the MFMA.

The revised template makes its contribution by forging linkages with the Integrated Development Plan, Service Delivery and Budget Implementation Plan, Budget Reforms, In-year Reports, Annual Financial Statements and Performance Management information in municipalities. This coverage and coherence is achieved by the use of interlocking processes and formats.

Preface

The revised template relates to the Medium-Term Strategic Framework particularly through the IDP strategic objectives; cross cutting nature of services offered by different spheres of government, municipal service outcome indicators; and the contextual material as set out in Chapters 3, 4 & 5. It also provides information on good management practice in Chapter 4; risk management in Chapter 2; and Supply Chain Management in Chapter 5; and addresses the Auditor-General's Report, dealing with Financial and Performance Management arrangements in Chapter 6. This opens up greater possibilities for financial and non-financial comparisons between municipalities and improved value for money.

The revised template provides information on probity, including anti-corruption strategies; disclosure of financial interests by officials and councillors; disclosure of grants by external parties, disclosure of loans and grants by municipalities. The appendices talk to greater detail including disaggregated information on municipal wards, among others. Notes are included throughout the format to assist the compiler to understand the various information requirements.

The financial years contained in this template are explained as follows:

- Year -1: The previous financial year (2020/21); 2021/22
- Year 0: The financial year of reporting (2021/22); 2022/23
- Year 1: The following year, mostly requires future targets(2021/22); 2022/23 and
- The other financial years will follow a similar sequence as explained above.

COMPONENT A: MAYOR'S FOREWORD

MAYOR'S FOREWORD

Magareng Local Municipality's Annual Report for the 2021/2022 financial year gives one an account of work that was undertaken during the past financial year, as required by the Local Government: Municipal Systems Act, 32 of 2000 (Section 46) and Local Government: Municipal Finance Management Act, 56 of 2003 Section 121 & 127(2). This document helps us to evaluate our performance identify short comings and opportunities that will enhance our institutional capacity to deliver on our key strategic thrust of Local Government.

The year under review came to an end at a time when the country is confronted the deadly widespread global pandemic-Corona Virus as it is known, this is despite the persisting spell of drought that continue to confront us. This virus has ravaged many countries in the world and it has brought the global economy to a halt. This has presented challenges in our Country and our local economy as the municipality.

It is an honour to present the 2021/2022 Annual Report for Magareng Local Municipality. Reflecting on the past year, there has been work done on the ground to address the needs of our people as stipulated in our IDP. This reflection must strengthen our purpose as we continue to work with our stakeholders towards fulfilment of our Strategic Objectives.

We present this annual report in our efforts to implement our Service Delivery Budget & Implementation Plan (SDBIP) 2021/2022, the year under review. This report serves as a record of accounting mechanisms to our communities on the institution's achievements, challenges, mitigation and remedial measures implemented to address the latter. While it reflects progress that has been achieved in service delivery, there are still undeniable challenges confronting us as a municipality.

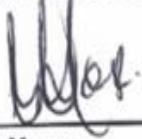
During the year under review our main focus of Council was on the Five (5) Developmental Local Government Key Performance Areas: **Municipal Transformation and Organisational Development, Basic Service delivery and Infrastructure Development, Local Economic Development, Municipal Financial Viability and Administration, Good Governance and Public Participations**

For the year under review the municipality has remained stagnat on the Qualified Audit. This outcome has been stagnant for the last four years. It is very critical for the municipality to improve and move to a better opinion. However, the municipality has developed Audit Action Plans in past to address issues raised by the AG during the Audit process but we seem to be stagnant on the outcome. This time around as the municipality we will need to employ other mechanisms and come up with the new approach on how we tackle the issues raised by AG in order to attain a better opinion going forward. Management will have to go back to the drawing board and develop a new strategy to address issues raised by AG.

We will accelerate the institutionalisation of performance management to ensure that all Council Resolutions towards service delivery are implemented, monitored, evaluated and improved. It is through this approach that we will ensure the accountability of the municipality to local communities; the administration to Council; and the line functions to executive management. We will work tirelessly to support an efficient, effective and highly skilled administration that delivers better services.

this approach that we will ensure the accountability of the municipality to local communities; the administration to Council; and the line functions to executive management. We will work tirelessly to support an efficient, effective and highly skilled administration that delivers better services.

All our efforts during this period were made possible by working together as a team, from the Exco, Speaker of Council, Chief Whip, Chairpersons of committees, fellow Councillors, entire management team, staff members and our stakeholders. Your constructive criticisms remains a pillar of our public participation and solid foundation for good governance and service delivery.



Cllr N.Mase
Executive Mayor
Magareng Local Municipality

T1.0.1

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW

The Magareng Local Municipality prepared its Annual Report for the year under review in line with Section 121 of the Local Government Municipal Finance Management Act, No. 56 of 2003 as well as accompanying circulars, templates and guidelines. This report provides the overview on the performance and progress made by the Local Municipality in fulfilling its strategic objectives and priorities as aligned in the Integrated Development Plan (IDP), Budget as well as Provincial and National strategic directives.

As part of this report, highlights of all the programmes and projects that were embarked on during this period to enhance service delivery within our area of jurisdiction are also presented here. We also do acknowledge our limitation which requires our concerted efforts in our quest to deliver quality services to our community. The outbreak of Covid-19 has put a strain on everyone globally including the local municipality and it has significantly impacted on our programmes.

The past two years has proven to be particularly difficult for our local municipality due to a range of issues that transpired. Economic conditions confronting us as the country continued to impact negatively on the collection rate of the revenue in the municipality. The local also experienced financial challenges which have compromised the municipality's ability to perform certain of its deliverables.

Our dysfunctional billing system coupled with the prevalent culture of non-payment for municipal services by some residents served as a major contributing factor to our financial situation. While water and sanitation services provision remains our main priority as the local, during this period, the service was faced with a myriad challenges related to aging infrastructure and backlogs.

We are however making all strides towards mitigating both our strategic and operational risks focused on improved billing systems for enhanced municipal revenue collection, water and sanitation services infrastructure and improved audit outcomes. As the local municipality, we are also hard at work employing all possible measures to move from the qualified opinion we have obtained to an improved audit outcome that we will all pride ourselves of. We still need more officials with the expertise; this will enable us to be confident that the ground has been levelled to achieve this goalpost.

We extend our deepest gratitude to the political leadership for their corporation and oversight role on the work that we have done. The manner in which our staff members execute their responsibilities must add more energy in future to contribute meaningfully to the lives of those we serve. Our existence as the local municipality mostly depends on the community and we would like to take this opportunity to express our sincere appreciation on the constructive criticism from our community which serves as a steppingstone to realize our objectives.



Mr T Thage
Acting Municipal Manager

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

The Magareng Local Municipality was established on 5 December 2000 after the amalgamation of Warrenton TLC with portions of Hartswater TLC and Vaal River TRC (NC093 Magareng IDP). The area of jurisdiction is approximately 1 542 km² in extent and accommodates approximately 24 204 people (Census 2011).

Magareng Local Municipality is situated in the Northern Cape Province and lies within the boundaries of the Frances Baard District Municipality. Warrenton, the administrative centre of Magareng Local Municipality, is situated approximately 75 km north of Kimberley on the banks of the Vaal River. It is one of the four municipalities that make up the district, accounting for 12% of its geographical area. Magareng is a Setswana name meaning 'in the middle'. The name reflects the geographic location of the municipality in relation to other areas.

According to Census 2011, Magareng Local Municipality has a total population of 24 204 people, of whom 80,0% are black African, 13,9% are coloured, 5,1% are white and 0,7% are Indian/Asian. The other population groups make up the remaining 0,3%. In this municipality, 41, 7% of households are headed by females.

Of those aged 20 years and older, 5,0% have completed primary school, 32,6% have some secondary education, 24,0% have completed matric, and 3,5% have some form of higher education, while 16,6% of those aged 20 years and older have no form of schooling.

POWERS AND FUNCTIONS OF THE IDP

Section 156 of the Constitution assigns executive authority to municipalities in respect of, and the right to administer the local government matter listed in Part B of Schedule 4 and Part B of Schedule 5 and any other matter assigned to it by national or provincial government.

The following functions and powers of the District Municipality have been authorized to Magareng Local Municipality by the MEC for Local Government and Housing in terms of Provincial Notice 27 of 10 July 2003 to execute from 1 August 2003. In terms of the latter notice, the following Local Municipality functions will be performed by the District Municipality on behalf of the local municipality.

In addition to the above, the following exclusive Local Municipality functions will be performed by the local municipality. However, due to limited capacity, some of these functions may be performed by another service provider on behalf of the local municipality. The municipality is therefore obliged to enter

into service level agreements (except for those functions authorized in terms of the above notices) with these service agents in order to ensure that these functions are performed on their behalf.

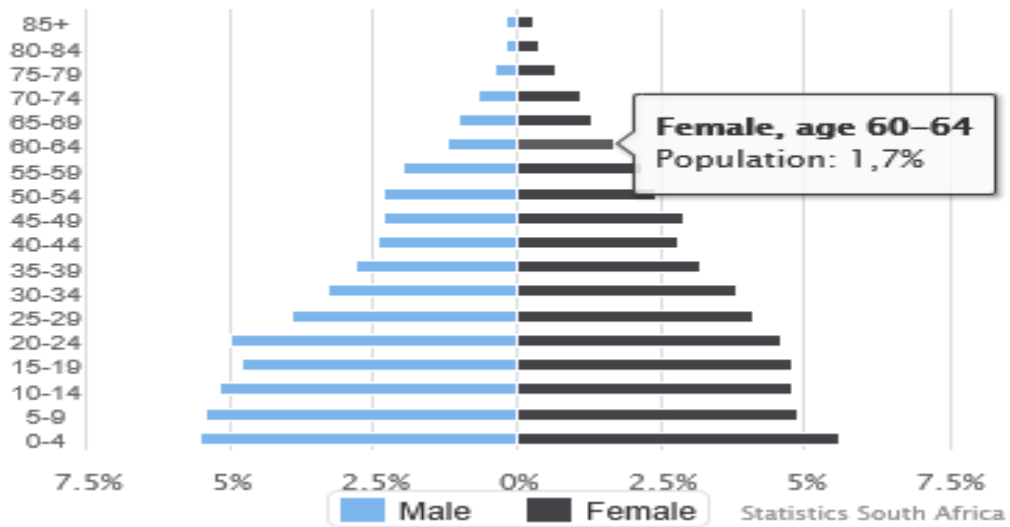
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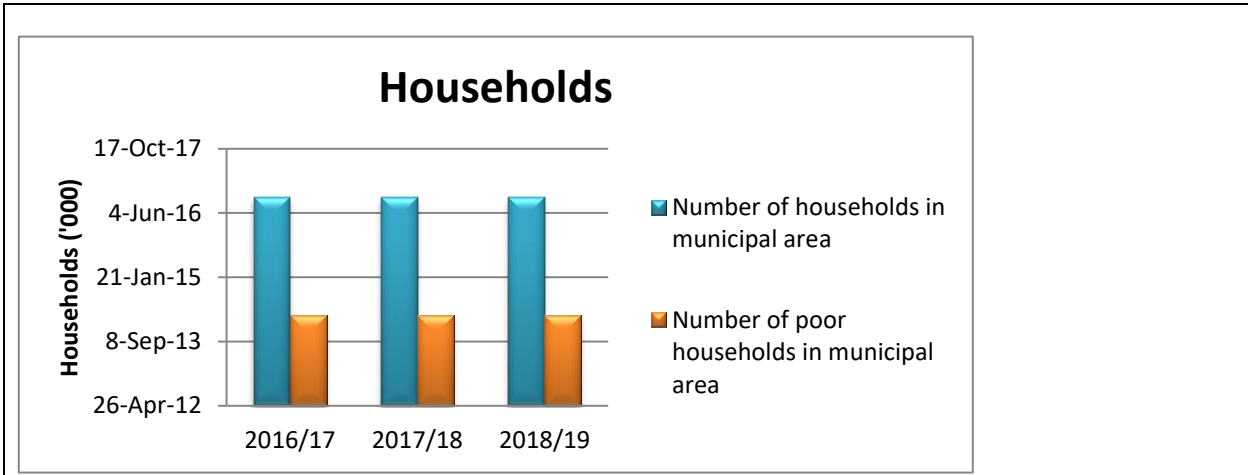
POPULATION DETAILS			
Age Group	Male	Female	Total
0 – 4	5,5%	5,6%	
5 – 9	5,4%	4,9%	
10 – 14	5,2%	4,8%	
15 – 19	4,8%	4,8%	
20 – 24	5%	4,6%	
25 – 29	3,9%	4,1%	
30 – 34	3,3%	3,8%	
35 – 39	2,8%	3,2%	
40 – 44	2,4%	2,8%	
45 – 49	2,3%	2,3%	
50 – 54	2,3%	2,4%	
55 – 59	2%	2,2%	
60 – 64	1,2%	1,7%	
65 – 69	1%	1,3%	
70 – 74	0,7%	1,1%	
75 – 79	0,4%	0,7%	
80 – 84	0,2%	0,4%	
85+	0,2%	0,3%	
Total			

Source: Statistics SA - 16 Aug 2011T.1.2.2

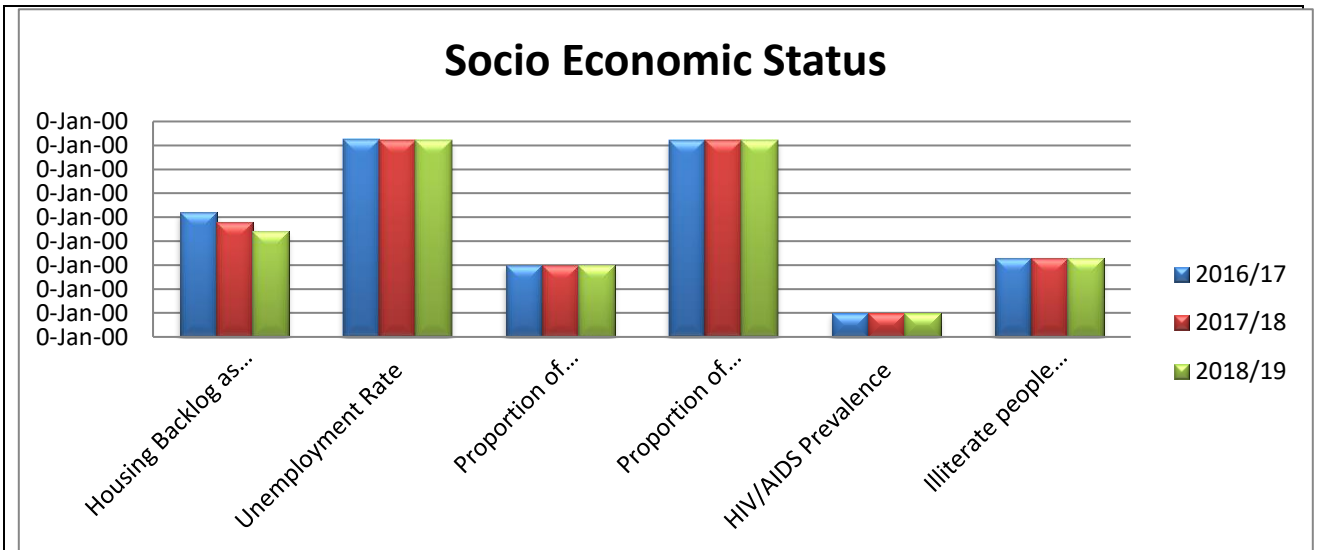
Socio Economic Status						
Year	Housing Backlog (Informal Units %)	Unemployment Rate	Proportion of Households with no Income	Proportion of Population in Low-skilled Employment	HIV/AIDS Prevalence	Illiterate People Older than 19 Years
2018/19	19%	49.8%	10%	12%	14%	27%
2019/20	20%	49.8%	10%	12%	14%	27%
2020/21	21%	52%	20%	2%	14%	27%
						T 1.2.4

Sex and Age Distribution





T1.2.3



T1.2.5

Natural Resources	
Major Natural Resource	Relevance to Community
Land	<ul style="list-style-type: none"> • Access to land • Security of Tenure • High Agriculture Potential • Food Production
Water	<ul style="list-style-type: none"> • Access to water • Food Production

Mineral Resources - Diamonds	<ul style="list-style-type: none"> • Job Creation Remittances • Economic Development • Environmental Sustainability
	T 1.2.7

COMMENT ON BACKGROUND DATA:

Warrenton, the administrative centre of Magareng Municipality, is situated approximately 75 km north of Kimberley on the banks of the Vaal River. The N12 national road between Kimberley and Christiana as well as the N18 route to Vryburg passes through the centre of Warrenton.

The Railway line, that connects Gauteng with the Northern and Western Cape Province, runs through Magareng Municipality with a railway station at Warrenton and Windsorton station. The railway line also connects the Northern Cape and North West Province. The municipal area comprises an urban node, villages and farms. The urban node consists of Warrenton, Warrenvale and Ikhutseng while small agricultural villages have been established throughout the municipal area of which Bullhill, Fourteen Streams, Sydney’s Hope, Windsorton Station, Moleko’s Farm, Nazareth and Hartsvallei Farms are the most prominent.

The rest of the area comprises mainly mixed farming. The area of jurisdiction is approximately 1542 km² in extent and accommodates approximately 24,042 people (StatsSA – 2011). 72% of the total population is Black, 17, 5% Coloured while the White population represents only 10% of the total population. The Indian and Asian population is insignificantly small to impact on the proportional representation. The municipal area is divided into 5 wards. Wards 1 to 3 constitute Ikhutseng, the former Black residential area, while Warrenvale, the former Coloured residential area constitutes Ward 4. Ward 5 is made up of Warrenton town, which was previously a predominantly White area, and the surrounding rural areas.

T1.2.8

1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

The South African constitution state that municipalities have the responsibility to ensure that all citizen residing within municipal area of jurisdiction are provided with service to satisfy their basic needs. These services have a direct and immediate effect on the quality of the lives of the people in that community.

The Department Technical Services is devoted to improve the quality of life of its community by providing efficient, sustainable and affordable infrastructure specifically in terms of:

- Water and Sanitation
- Roads and Stormwater
- Electricity, and
- Housing
- Effectively utilizing the available resources, and

- Identifying the best option that would maximize the output.
Expanded & accelerated economic investment and availability of reliable economic infrastructure. Section 229 of the Constitution allows municipalities to impose property rates and service charges. This obligation requires strict financial management and accountability to the public.
The provision of basic services is one of the Key Performance Areas as contemplated in Sect 152(1) of the Constitution. The National Minister in conjunction with the MEC for local government take their marching orders from the State of the Nation Address to continuously improve service delivery and assist local municipalities in meeting community needs.
Council conducted an audit of its indigent register to migrate as many deserving beneficiaries as possible. This will enhance our capacity to control and monitor our age analysis and ensure proper credit control and revenue collection.

T 1.3.1

T 1.3.2

COMMENT ON ACCESS TO BASIC SERVICES:

Access to Electricity

The Basic Services Policy adopted by government in 2001 addresses the right of all households, particularly those living in poor areas, to access a minimum amount of free basic electricity. This implies that distribution networks must be extended to ensure that all households are able to access the electricity grid.

According to the information gathered from different sources there is a decline in the accessibility to basic services. This decline is a mathematical reflection of Stats SA data set also relevant to the explanation that was given with regard to the change in the data set as well as what is considered to be acceptable access. The sharp drop in sanitation and waste services is because of the interpretation of the data sets. Many households do have pit-latrines without ventilation improvement pipes (VIP) that is now considered not be an acceptable standard of sanitation access.

Access to Sanitation

The Basic Service Policy of 2001 also guarantees access to a minimum level of sanitation, which is defined as households having access to, at minimum, a ventilated pit latrine also known as a VIP toilet. This standard of service delivery is seemed necessary to ensure human dignity and prevent the spread of disease.

T1.3.3

FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

Magareng Local Municipality is a developing and growing Municipality striving for service delivery excellence. Therefore many challenges are faced with regards to Financial Planning and are ever changing due to the dynamic setting of Local Government.

The priority for the Municipality, from the financial perspective is to ensure viability and sustainability of the Municipality. The Multi-Year Financial Plan and related strategies will address a number of key areas in order to achieve this priority. These strategies are detailed below:

- Revenue Enhancement Strategy
- Asset Management Strategy: Financial Management Strategies:
- Operational Financing Strategies:
- Capital Funding Strategies:
- Cost-Effective Strategy:

Municipal Finance Department provide fiscal and financial management support to MLM. Finance department is committed to providing timely, accurate and complete information with the aim of improving living standard, to ensure that municipality remains financially viable and that sustainable municipal service are provided economically and equitable to all communities.

T1.4.1

NATIONAL KEY PERFORMANCE INDICATORS – MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (RATIOS)

The following table indicates the municipality’s performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These KPI is linked to National Key Performance Area: Municipal Financial Viability and Management.

National Key Performance Indicator	2021/22	2022/23
Debt Coverage ((Total operating revenue- operating grant received) debt service payment due within the year	0%	0%
Service Debtors to Revenue – (Total outstanding service debtors: revenue received for services)	723.60%	86%
Cost Coverage ((Available cash + Investment): Monthly fixed operating expenditure	-49.37%	11%/

Financial Overview: 2021/22			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:	R154 527 663	-	R83 781 578
Grants	R88 576 000	-	R52 631 000
Taxes, Levies and tariffs	R55 644 016	-	R22 225 636
Other	R10 307 647	-	R8 924 942
Sub Total	R154 527 663	-	R83 781 578
Less: Expenditure (excl. grants)	R93 737 394	-	R19 887 997
Expenditure (grants)	R 88 576 000	-	R48 716 740
Net Total*	(R27 785 731)	-	R15 175 186
<i>* Note: surplus/(deficit)</i>			

Operating Ratios	
Detail	%
Employee Cost = R 53 077 824/182 313 394*100	29
Repairs & Maintenance = R 13 849 631/182 313 394*100	8
Finance Charges & Impairment =R 37 815 384/182 313 394*100	21
1.4.3	

COMMENT ON OPERATING RATIOS:

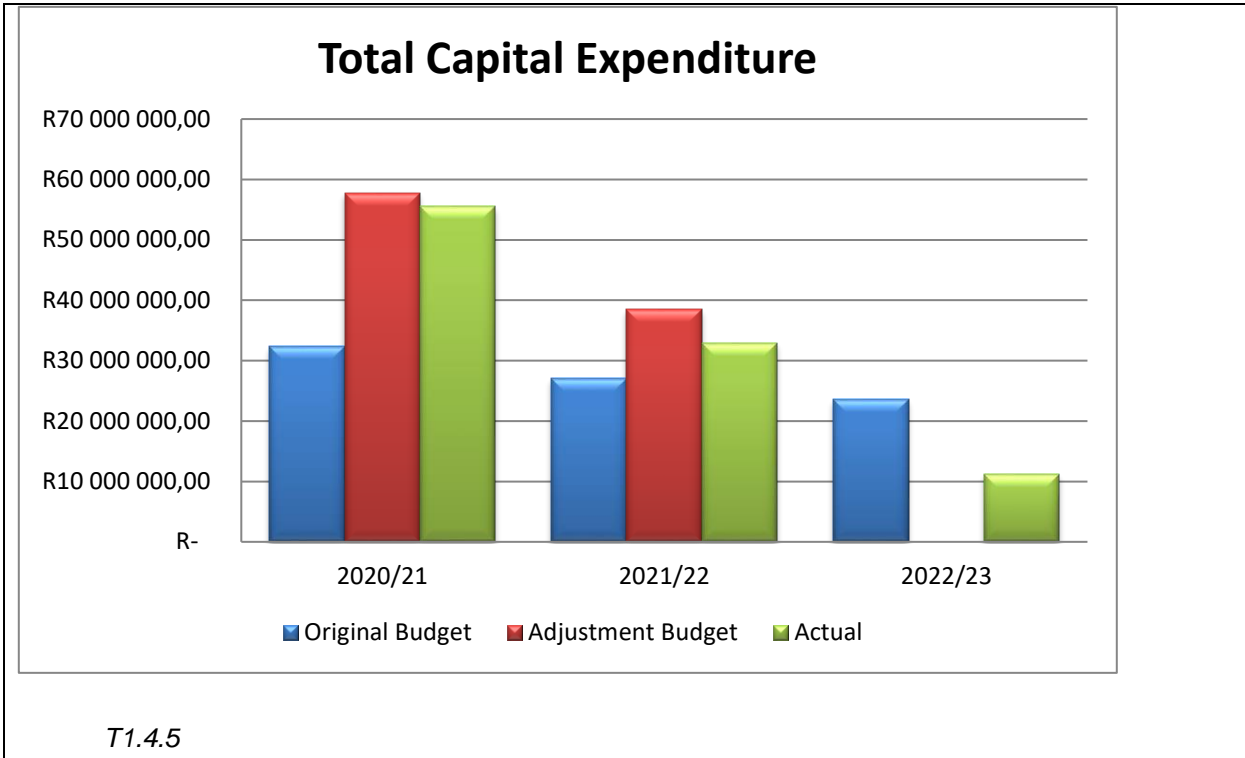
Employee Cost- measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employees cost by the difference between total revenue and capital revenue. The ratio of personnel expenditure to operating expenditure is widely used as an indicator of the sustainability of municipal budget and expenditures. According to MFMA budget circular No. 59 there is no prescribed or recommended benchmark for the ratio personnel expenditure to operating expenditure. Currently among municipalities with electricity function, this ratio is tending to move downward despite fairly large increases in personnel spending. This is because spending on bulk electricity purchases is increasing at a very fast rate, driving the relative share of all expenditure categories down

Repairs and Maintenance – this represent the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance. National Treasury has recommended that repairs and maintenance expenditure budget should be 8 percent of the total value of assets.

T1.4.3

Total Capital Expenditure: 2020/21-2022/23			
			R'000
Detail	2020/21	2021/22	2022/23
Original Budget	R 32 340 000	R 27 041 000	R 23 612 000
Adjustment Budget	R 57 804 000	R 38 486 000	-

Actual	R 55 522 475	R32 908 357	R 11 153 653
			T 1.4.4



COMMENT ON CAPITAL EXPENDITURE:

Comments provided on the AFS
T 1.4.5.1

ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

The Municipal Systems Act, MSA 2000 S67, requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998. In order to comply with the prescripts of the Municipal Systems Act No. 32 of 2000 the following strategic interventions, amongst others, have been invoked to ensure fair; efficient; effective; and transparent personnel administration.

Establishment of the Local Labour Forum (where Management and Organized Labour engage vigorously on matters relating to Conditions of Employment for employees), which is fully functional irrespective of the teething challenges, experienced.

A number of workforce policies that forms part of the Human Resources Strategy were compiled and reviewed during the period under review and have to been approved and adopted by Council after the Council members are work shopped on the policies. The policies will provide Management with strategic decision making and meeting the organization's strategic objectives.

The effective and efficient Human Resource Management and Development allowed us to identify and report on all HR matters, which could have an effect on financials, performance management and compliance with rules and regulations. Magareng Local Municipality has managed to become a Learning Organization with skills and capacity due to our dedication and commitment to Human Resource Management and Human Resource Development.

The position of the Municipal Manager (MM) is vacant and the position of Head Technical Department is filled. Site visits on Occupational health and Safety was done to educate and make employees aware about Health and Safety measures in the workplace. The OHS Committee monitors all instances of injuries on duty and makes follow up on all Occupational Health and Safety incidents within the Municipality and submits reports on progress.

A proper record is kept for all types of leave instances and an amount of time taken each year is recorded as per Human Resources Dashboard. The Workplace Skill Plan (WSP) for the year under review has been submitted after proper consultation all stakeholders within the Municipality. The WSP was populated based on the individual Personal Development Plans (PDP) of employees and training/development will be carried out on the basis of these. Some of the HODs and middle managers are currently attending the Competency Requirements course as determined by the Municipal Finance Management Act (MFMA).

Challenges faced by the Municipality on Capacity Development are to some extent the unavailability or insufficient funds to finance developmental training and capacity building for career-pathing of employees within Municipality.

T 1.5.1

AUDITOR GENERAL'S REPORT

AUDITOR GENERAL REPORT:2021/2022 (CURRENT YEAR)

As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), the responsibility of the Auditor General is to express an opinion on the municipality's financial statements based on conducting an audit in accordance with International Standards on Auditing.

A report from the Auditor General for the financial year under review **will be** contained in chapter 6 of this report.

T 1.6.1

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	May
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 2021/2022 Annual Report to Internal Audit	
5	Audit/Performance committee considers draft Annual Report of municipality	August
6	Mayor tables the unaudited draft Annual Report	
7	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
8	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	September – November
9	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	
10	Municipalities receive and start to address the Auditor General's comments	December
11	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	January
12	Audited Annual Report is made public and representation is invited	
13	Oversight Committee assesses Annual Report	February – March
14	Council adopts Oversight report	
15	Oversight report is made public	March
16	Oversight report is submitted to relevant provincial councils	
17	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	

T1.7.1

COMMENTS ON THE ANNUAL REPORT PROCESS:

It is necessary that the municipality derive maximum benefit from its efforts in submitting reports. Such benefits are typically obtained in the form of being able to compare and benchmark against other municipalities and to learn from the feedback mechanisms.

The annual report process flow provides a framework for the municipality to follow in completing various reports within each financial year cycle. It is recommended that municipal manager study this process flow and ensure that reports are submitted timeously. If the process flow is followed, the municipality should be able to provide an unaudited annual report in August of each year, which is consistent with the MFMA.

The annual report of a municipality and every municipal entity must be tabled in the municipal council on or before 31 January each year (MFMA S127). In order to enhance oversight functions of the council, this must be interpreted as an outer deadline; hence the municipality must submit the annual report as soon as possible after year end.

The annual report must be aligned with the planning documents and municipal budget for the year reported on. This means that the IDP, budget, SDBIP, in-year reports, annual performance report and annual report should have similar and consistent information to facilitate understanding and to enable the linkage between plans and actual performance.

The above can only occur if the municipality set appropriate key performance indicators and performance targets with regards to the development of priorities and objectives in its IDP and outcomes (MSA S41). This requires an approved budget together with a resolution of approving measurable performance objectives for revenue from each source and each vote in the budget (MFMA, S24).

The annual report content will assist municipal councillors, municipalities, residents, oversight institutions and other users of annual reports with information and progress made on service delivery. It must align with the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP), and in year reports.

The contents will also assist with the annual audits. Another key aspect of the reform in combining the relevant information into the new annual report format will assist the municipality to streamline operations and processes through combined committees, reduce costs, time and effort. There will be a limited need for the municipality to have different committees to deal with financial and non-financial related matters.

T1.7.1.1

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

Good governance has eight major characteristics. It is participatory; consensus oriented; accountable and transparent; responsive; effective and efficient; equitable; inclusive; and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

To govern is to exercise political, economic and administrative authority to manage the nation's affairs. Governance is the complex mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights and obligations, and mediate their differences.

The political and administrative components of Council maintain a sound working relationship by ensuring respect of procedures and protocols. The Magareng Local Municipality (MLM) as Legal entity relate to the other spheres of Government and Organized Local Government Bodies through the Intergovernmental Policy Framework. Communities as an Interest Group in Municipal Affairs participates through Public Participation Mechanisms and processes in the Decision-Making Systems of Council

This includes interaction with the stakeholders in shaping the performance of the municipality in order to enhance a healthy relationship and minimizing conflict.

T2.0.1

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Executive Committee of Magareng Local Municipality is the political governance structure that is established in terms of Section 45 of Local Government: Municipal Structures Act 117 of 1998. Cllr Neo Mase is the Executive Mayor of Magareng Local Municipality and the face of the municipality and the Executive Mayor should be used in all public meetings, municipal stakeholders forums and all media platforms.

The Speaker of council is elected in terms of section 36 of Local Government: Municipal Structures Act 117 of 1998 and he is responsible to carry out the duties of Chairperson of the Municipal Council under the Municipal Structures and Section 59 of the Systems Act No 32 of 2000. The Speaker enforces the Code of Conduct and exercises delegated authority in terms of the Municipal Systems Act.

Political governance ensures regular communication with the community at large by means of Imbizo's, IDP and budget consultations. This ensures that the community participates in identifying needs and make inputs on the performance of the municipality. This process ensures healthy relations

with the community and minimizes conflict. Administrative governance ensures transparent administration, regular feedback to the community, compliance to the required rules, processes, and laws by which Council is operated, regulated, and controlled.

T2.1.0

POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

Council performs legislative functions. It focuses on legislative, oversight and participatory roles. Its primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their function as policy makers, Councillors are also actively involved in community work and the various social programmes in the municipal area.

COUNCILLORS

Magareng local Municipality is an Executive Council type of Municipality. The Council elects the Executive Committee members and the Executive Mayor. Magareng local Municipality consists of 11 Councillors' and has 6 wards. The Municipality has been established in terms of the Constitution of the Republic of South Africa 1996 Chapter 7- Local Government 155 Establishment of Municipalities.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

Municipal Public Accounts Committee has been established in terms of section 79 of the Municipal Structures Act, No. 117 of 1998. The main purpose of the committee is to exercise oversight over the executive functionaries of council and to ensure good governance in the municipality and to consider annual report and submit oversight report on the annual report to council. The MPAC comprises of three (3) Councillors and one (1) support official. The Oversight Report will be published separately in accordance with MFMA guidance.

T2.1.1

POLITICAL STRUCTURE	FUNCTIONS
Executive Mayor	<p>Provide political guidance over the fiscal and financial affairs of the municipality</p> <p>To oversee the preparation of the annual budget</p> <p>Submit quarterly reports to Council on the implementation of the budget and the financial status of the municipality</p> <p>Coordinate the annual review of the IDP</p> <p>To ensure that the Mayoral Committee is perform its functions properly</p> <p>Promotion of intergovernmental relations</p> <p>Convene public hearings and meetings</p> <p>Identifies the needs of the community in terms of the IDP processes.</p> <p>Reviews those needs in order of priority</p> <p>Recommend to the municipal council strategies, programmes and services to address priority needs through the IDP, estimates revenues and expenditure, taking into account any applicable National and Provincial Plans</p> <p>Recommend and determine the best way, including partnership and other approaches, to deliver those strategies, programmes and services to the maximum benefit of the community.</p>
The Speaker	<p>The Speaker presides over the council meetings and maintains order during council meetings.</p> <p>Ensure that the council meets at least quarterly.</p> <p>Ensure that the rules of order are complied with during the proceedings of council meetings.</p> <p>Execute any other duties as delegated to the speaker in terms of the council delegation systems.</p> <p>Maintains order during Council meetings</p> <p>Ensure that Councilors adhere to the Code of Conduct</p> <p>Support to Councilors</p> <p>Facilitate public participation coordinate the establishment and functionality of ward committees</p>
Chief Whip:	<p>The role of Chief Whip is to ensure that Councillors are accountable to the communities, that code of conduct is respected and adhered to by all Councillors.</p> <p>The Chief Whip ensures discipline during Council and Committee Meetings.</p> <p>He facilitates political debates, workshop for all Councillors.</p>

COUNCILLORS

Councillors provide a vital link between communities they serve. They are responsible for representing the needs and interests of the people they represent, regardless of whether they voted for them. Although councillors are not usually full time professionals, they are bound by a code of conduct.

A Ward Councillor has to balance the expectations of his/her ward and that of their political party. The Ward Councillor is the chairperson of the ward committee, responsible for convening the constituency meeting to elect ward committee members, calling ward committee meetings, ensuring that a schedule of meetings is prepared, handling queries and complaints in the ward, resolving disputes and making referrals of unresolved disputes to the municipality, ensuring that the ward committee does what the municipality expects about reporting procedures. See Appendix B which sets out committees and committee purposes.

T2.1.2

POLITICAL DECISION-TAKING

All council meetings are run according to the approved Standing Rules of Orders. These set out how the council meeting should be run, how you can propose motions or pass resolutions and how decisions will be made. The speaker or chairperson of the council decides whether anyone is breaking the Standing Orders and is responsible for keeping order.

The Political decision-making is done in the following manner:

1. The Corporate Services Department is responsible and ensures that the agendas are prepared in time before council and committee meetings. Any committee reports, petitions or motions have to appear on an agenda, before they can be discussed and must be received by all Councillors at least seven (7) days before the sitting of section 79 committee and Executive Council.
2. Often issues are discussed at committees before they can be brought to council.
3. The council will then resolve on the matter/s. Most council decisions are taken after a committee held its meeting and recommend to council. When council agrees by a majority resolution, the recommendation becomes a resolution of council.

SECTION 79 COMMITTEES

(a) The Audit Committee

The Audit Committee is a committee of the Council and performs the statutory responsibilities assigned to it by the Local Government: Municipal Finance MFMA (sections 165 and 166), and other relevant responsibilities delegated to it under its charter by the Council.

It is an independent advisory body that advises Council, the political office-bearers, the accounting officer and the management of the municipality on matters relating to:

- Internal financial control and internal audits;
- Risk management; Accounting policies;
- The adequacy, reliability and accuracy of financial reporting and information;
- Performance management;
- Effective governance and compliance with the prescribed laws and regulations.

T2.1.3

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

Municipal Manager who is the head of administration and therefore the Accounting Officer is in terms of section 55 of the Municipal Systems Act, 32 of 2000 as amended the Municipal Manager as head of administration is subject to policy directives of the municipal council responsible for the formation and development of an efficient, economical, effective and accountable administration and must manage the municipality in accordance with all legislation and policies pertaining to Local Government. In terms of section 50 of the Municipal Systems Act 32 of 2000 as amended, the Council in consultation with the Municipal Manager must appoint managers who are directly responsible to the Municipal Manager who must have relevant and requisite skills and expertise to perform the duties associated with the posts they each occupy.

The Municipal Manager is also accountable for all the income and expenditure and all assets as well as the discharge of liabilities of the municipality including proper and diligent compliance with the Municipal Finance Management Act, 53 of 2003. Each senior manager or director who reports directly to the Municipal Manager are delegated the functions which the Municipal Manager may delegate to them and are responsible for all those matters delegated to them including financial management as well as discipline and capacitating of officials within their areas of responsibility and compliance to all legislation governing Local Government, it's policies and by-laws.

The Municipal Manager and Directors forms the senior management core and all directors are accountable to the Municipal Manager in terms of strategic management and oversight of their departments.

TOP ADMINISTRATIVE STRUCTURE	FUNCTIONS
<p>Acting Municipal Manager</p> <p>Mr T Thage</p>	<p>Forming and developing an economic, efficient and accountable administration;</p> <p>Implementing and managing the MLM's performance management system; Coordinating and implementing the MLM's IDP; Implement departmental Service Delivery Budget Implementation Plan (SDBIP).</p> <p>Managing the Municipality's administration in accordance with the Constitution, the Local Government Structures Act, the Municipal Systems Act, the Municipal Finance; Management Act and all other national and provincial legislation applicable to MLM;</p> <p>Managing provision of services to the local community in a sustainable and equitable Manner;</p> <p>Developing and maintaining a system to access community satisfaction with Municipal Services; Appointing, managing, effectively utilizing and training staff and maintaining staff discipline; Advising political structures and political office bearers of the MLM, managing communications between them, administering, implementing council resolutions and carrying out their decisions; Being responsible for all income and expenditure of the MLM all assets, the discharge of all liabilities of the MLM and proper and diligent compliance with applicable Municipal Finance Management legislation.</p>
<p>Acting CFO</p> <p>Ms K Khaziwa</p>	<p>Reporting directly to the Municipal Manager on key departmental activities. Develop and implement key strategic / business plans including Supply Chain Management, Revenue Management, Expenditure Management and Budget & Reporting.</p> <p>Prepare and implement municipal budget.</p> <p>Prepare Annual Financial Statements and other mandatory financial management reports.</p> <p>Manage Departmental budget, human resources & other resources in accordance with local government legislation;</p> <p>Establish, operate and maintain support structures, processes and systems; Management and monitoring of all income, expenditure, assets and Liabilities; Cash-flow management;</p> <p>Develop and implement Supply Chain Management Policy, specific procedures, systems and controls;</p> <p>Ensure timely preparation of Budget and Financial Statements; Implement all financial policies and ensure they comply with applicable legislation and National Treasury Regulations.</p>

<p>HOD: Corporate Service Mrs.DibuengCorneyLentsoe</p>	<p>Managing and controlling various line functions within the Directorate which include general administration, Human Resources, Council Support, Corporate strategy; Leading, directing and managing staff within the Department so that they are able to meet their objectives; Rendering Support by advising and overseeing all matters of procedures relating to minutes and resolutions of the Council Committees; Managing and controlling the compilation and execution of the departmental capital and operating budget; Executing any function delegated by the municipal Manager in terms of powers and delegations in the relevant legislation and related to the functions of this post; Administering records/archives registry, skills development, legal matters and employment Equity; Developing, implementing Collective Agreements and managing strategic goals, policies, procedures and plans; Ensuring proper administration of Council delegation System;</p>
<p>HOD : Technical Services Mr Tumelo Thage</p>	<p>Management of the entire Technical Services department. Compile and manage the Directorate's annual Capital and Operational Budget. Management of Technical Services including Civil Engineering Services, electrical distribution and maintenance of roads and storm-water drainage. Planning and maintenance of water reticulation system and sewerage treatment infrastructure. Developmental strategic planning of infrastructure expansion and co-ordination. Ensure the sustainable provisioning of engineering services including infrastructure development and maintenance in line with the IDP. Management of civil engineering, projects and capital construction development</p>
<p>HOD: Community Service Vacant</p>	<p>Management of the entire Social Services department. Compile and manage the Directorate's annual Capital and Operational Budget. Strategically direct and manage services related to solid waste management. Provision of sports, recreation, cultural, arts and library information services. Responsible for setting standards for the maintenance of cemeteries, parks, halls and other community services. Management of refuse services of the entire Magareng area.</p>

2.2.1

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Chapter (3) three of the Constitution of 1996 is an overarching legislative tool used to guide and provide detailed pieces of legislation like Municipal Systems Act, section 3, Municipal Structures Act, section 88 and the Intergovernmental Relations Framework Act, Act 13 of 2005.

The Magareng Local Municipality complied with the above legislative requirements during the annual report under review to ensure the continuous consultation with relevant stakeholders at the level of Co-operative Governance and Intergovernmental Relations (IGR) across the spheres of government to provide basic services to the community of the district. Sectors do present their developmental projects and programs to IGR meetings for inclusion in the Integrated Developmental Plan (IDP) of the district. We normally have outreach and service delivery blitz programs where all sectors would provide services to a particular ward in one of our local municipalities. This is a response to the clarion call of having a developmental local government in South Africa. However, there are some challenges in this process that need attention to be able to achieve the intended objective. There is a perception that Intergovernmental Relations and Co-operative governance is the responsibility of municipalities alone and not the other two spheres of government.

Inter-Governmental Relations is the organization of the relationships between the three spheres of government. The Constitution states that "the three spheres of government are distinctive, interdependent and interrelated". Local government is a sphere of government in its own right and is no longer a function or administrative implementing arm of national or provincial government. Although the three spheres of government are autonomous, they exist in a unitary South Africa meaning that they have to work together on decision-making, co-ordinate budgets, policies and activities, particularly for those functions that cut across the spheres.

Co-operative governance means that the three spheres of government should work together (co-operate) to provide citizens with a comprehensive package of services (governance). Local government is represented in the National Council of the Provinces and other important institutions like the Financial and Fiscal Commission and the Budget Council. The South African Local Government Association [SALGA] is the official representative of local government.

SALGA is made up of nine provincial associations. Local Municipalities join their provincial association. Executive elections and decisions on policies and programmes happen at provincial or national general meetings. SALGA is also an employers' organization, and sits as the employer in the South African Local Government Bargaining Council. SALGA's main source of funding is membership fees payable by municipalities. There is no intergovernmental strategy in the municipality

T 2.3.0

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

The notion of Co-operative Governance and Intergovernmental Relations (IGR) in the country is rapidly evolving and gradually taking a particular shape and direction. The IGR system must be understood in the context of being a facilitating and engagement platform of sectors across the three spheres to amongst others ensuring the implementation of the National Development Plan (NDP), the Provincial Growth and Developmental Strategy (PGDS) and the District Growth and Development Strategy (DGDS) which includes local municipalities. Our engagements with national departments like Water and Sanitation, National Treasury, Land and Rural Development, Monitoring and Evaluation, Public Works on EPWP program and Co-operative Governance and Traditional Affairs amongst others and the support they provide despite some challenges.

Intergovernmental Relations is about relations between different governments or between organs of state from different governments about the conduct of their affairs. At its most basic level, intergovernmental relations is about the relationships between the three “spheres” of government – national, provincial and local government – and how these can be made to work together for the good of the country as a whole.

The function of the IGR Forums such as the Mayors Forum as (Political and Policy Directive), Municipal Managers Forum as a (Technical Implementation Forum) will be established and their function is to:

- A consultative forum for the District Municipality, the respective Local Municipalities in the area, and the relevant Sector Departments from the Northern Cape Provincial Government to discuss and consult each other on matters of strategic and mutual regional interest, including:
 - Draft national and provincial policy and legislation, relating to matters affecting local government interests in the municipal area;
 - The implementation of national and provincial policy and legislation with respect to such matters in the municipal Area;
 - Matters arising in the Premier’s intergovernmental forum affecting the municipal area;
 - Coherent planning and development in the Municipal Area, focusing on:
 - Water Services;
 - Sanitation
 - Land;
 - Subsistence farming;
 - The processing of agricultural products;
 - Housing; and
 - Traditional Leaders.
 - The provision of services in the Magareng Local Municipal Area;

At meetings of the IGR, as municipalities we discuss the implementation of national policy and legislation that affect the district and Provincial Government and discuss upcoming national policy and legislation that will affect the municipality.

The IGR is an ideal forum to discuss progress with regard to service delivery in the municipality as well as the problems that may impede such progress. Initiatives such as shared services models could also be dealt with at forum meetings.

T2.3.1

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Magareng Local Municipality as part of the Northern Cape Province does participate in all the provincial programmes that seek to improve the quality of the life of its area of jurisdiction. The Office of the Premier in the province does extend invitations for municipalities to attend the Northern Cape Extended IGR.

South African Local Government Association in the Northern Cape that represent the interest of municipalities in the provision of sustainable services to communities also ensured that it establish the provincial IGR practitioners forum where all the municipalities in the province meet to chart a way of ensure that IGR and Back to Basics is implemented. Magareng Local Municipality is fully participating at that level.

T2.3.2

RELATIONSHIPS WITH MUNICIPAL ENTITIES

MLM does not have any entities in place.

T2.3.3

DISTRICT INTERGOVERNMENTAL STRUCTURES

The White Paper on Local Government issued in 1998 expresses the role of the District municipalities as follows: to build local municipalities where there is no capacity, initiating economic development of the district, planning land-use in the district and providing in the basic needs of people living in deprived areas. Number of processes and structures has been established by law to manage the relations between municipalities exercising jurisdiction over the same geographical area. First, the relationship should be one of mutual support and coordination.

The Municipal Structures Act thus obliges district and local municipalities to support one another at the request of either. The most important aspect of the relationship is probably the drafting of a district-wide IDP. There are also a number of structures in place in Frances Baard District Municipality to give effect to the objectives of mutual support and coordination. The following are IGR structures that we have in the district that are operational: The local Intergovernmental Relations: According to section 88 of the Municipal Structures Act, Act 117 of 1998, the District Municipality has the responsibility to provide support to its family local municipalities. The district provides support to locals in jointly convening at least one local IGR forum.

T2.3.4

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

Section 16 (1) of the Municipal Systems Act (MSA), Act 32 of 2000, stipulates that a municipality must develop a system of municipal governance that complements formal representative governance with a system of participatory governance. Furthermore, Section 18 (1) of the MSA stipulates that a municipality is to provide its community with information concerning municipal governance, management and development.

Such participation is required in terms of:

- The preparation, implementation and review of the IDP;
- Establishment, implementation and review of the performance management system;
- Monitoring and review of the performance, including the outcomes and impact of such performance; and Preparation of the municipal budget.

Community participation in local government affairs gives expression to the democratic principles and values of our Constitution and the political rights of the individual as entrenched in section 19 of the Constitution of the Republic of South Africa, 1996.

The Municipal Council encourages participation of the community and community organisations in local government matters and adheres to the democratic values and principles as enshrined in the Constitution of the Republic of South Africa, 1996 which governs the public administration.

Public participation is a principle that is accepted by all spheres of government in South Africa. Participation is important to make sure that government addresses the real needs of communities in the most appropriate way.

Public participation also helps to build an informed and responsible citizenry with a sense of ownership of government developments and projects. It allows municipalities to get buy-in and to develop partnerships with stakeholders.

The Municipal Council encourages participation of the community and community organisations in the local government matters and to adhere to the democratic values and principles as enshrined in the Constitution of the Republic of South Africa, 1996 which governs the public administration through:

- The preparation, implementation and review of the IDP
- Establishment, implementation and review of performance management system
- Monitoring and review of the performance, including the outcomes and impact of such performance and preparation of the municipal budget.

T 2.4.0

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

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

Residents, Communities and Stakeholders (Civil Society)

To represent interests and contribute knowledge and ideas in the planning process by:

Participating in the IDP Representative Forum to:

- Inform interest groups, communities and organisations, on relevant planning activities and their outcomes
- Analyse issues, determine priorities, negotiate and reach consensus
- Participate in the designing of project proposals and/or assess them
- Discuss and comment on the draft IDP
- Ensure that annual business plans and budgets are based on and linked to the IDP
- Monitor performance in implementation of the IDP

Conduct meetings or workshops with groups, communities or organisations to prepare for and follow-up on relevant planning activities.

Communication is a two-way process in which there is an exchange of thoughts, opinions, or information by speech, writing, or symbols towards a mutually accepted goal or outcome. "Purpose of effective communication is sustaining the on-going work with maximum efficiency" Communication will help build good relationships with team members, sponsors, and other key stakeholders, to increase the likelihood of project or any activity success.

The Council also responds to the people's needs and encourage the public to participate in policy-making through IDP Representative Forums.

The Council fosters transparency by providing the public with timely, accessible and accurate information by publishing information in the local newspapers, using three predominant official languages of Setswana, Afrikaans and English. The municipality also make use of newspapers to communicate. The Municipal Council also engages the community through consultation in matters such as the IDP, budget, performance management, provision of services etc.

A key part of the municipality's annual plans should be how to communicate all this to the people and how to involve them in decisions or as partners. The municipality does not have public participation policy and communication policy but we have drafts in place of the two policies.

The Frances Baard District Municipality has established the Communication Forum and Magareng Local Municipality is part of the Communication Forum. Our current communication initiatives are the district external newsletters issued yearly and other means of communication available.

T2.4.1

WARD COMMITTEES

Legislation allows that Ward Committee be established in each ward of the local municipality. The purpose is to assist and advise Ward Councillors on matters relating to service delivery and the improvement of public participation.

Ward Committees are mainly advisory committees which can make recommendations on any matter affecting the ward within a municipality. It is thus the responsibility of the ward councillors to present the views or reports of ward committee to council for implementation purposes. The Municipal Council formulates the rules that guide Ward Committee Members, how often should meetings be held and the circumstances under which a member of a Ward Committee can be removed.

The purpose of a Ward Committee is to:

- Facilitate participatory democracy amongst community members.
- Ensure the dissemination of information or effective communication between the council and the Members of community.
- Help rebuild better partnership for better service delivery.
- Advise the ward councillor on service delivery and developmental projects in the community.

Structure of Ward Committee:

- Ward Committee shall consist of a ward councillor who must be the Chairperson of the Committee. In the absence of the Chairperson at a meeting, the councillor should delegate in writing the member who should chair.
- A Ward Committee shall be established in each ward and shall be inclusive of women, disabled and the youth etc, and not more than 10 (ten) people elected shall serve in a ward committee.
- Gender equity may be pursued by ensuring that there is an even spread of men and women on a ward committee, and a diversity of interest groups from within the ward.
- A ward councillor must at its first meeting nominate a secretary to fulfil the relevant duties of the ward committee.
- A ward committee may establish one or more subcommittees necessary for the performance of its functions and to involve organisations more broadly.

- The ward committee must appoint the members of such a sub-committee, from among its members and determine the functions of such a committee.
- The ward committee and subcommittees may meet together as a ward forum for major discussions.
- All relevant sectors in the ward are encouraged to participate in subcommittees that are relevant to their fields or interest and to their day-to-day functioning as a sector.

11.1

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	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Outreach Program	N/A	N/A	N/A	N/A	N/A	N/A
Digital Migration Awareness	JUNE 21	ALL	LED UNIT	1000 (+) plus	YES	SEPTEMBER 2022. INTALLATIOIN OF DISHES AND DECODERS
Public paricipation	14 March 2022-08 DEC 2022	ALL	MM, AMM, LED, MAYOR'S OFFICE STAFF, SPEAKER'S OFFICE STAFF	500 COMMUNITY MEMBERS- ALL WARDS INCLUDED	YES	Not Available

T 2.4.3

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

Participation is one of the cornerstones of our democracy and has equal benefits for politicians, officials and civil society:

Consultation will help council make more appropriate decisions based on the real needs of people.

The more informed people are, the better they will understand what government is trying to do and what the budget and resource limitations are.

Councillors can only claim to be accountable if they have regular interactions with the people they represent and if they consult and report back on key council decisions.

Government cannot address all the development needs on its own and partnerships are needed with communities, civil society and business to improve service delivery and development.

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 57 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
T 2.5.1	

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed. Corporate governance does cover a broad spectrum of elements that need to be aligned and integrated to ensure the smooth effective, efficient and economic functionality of municipalities.

T2.6.0

2.6 RISK MANAGEMENT

In terms of section 62(1)(c)(i) " the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal controls.

Risk Management plays a crucial role in identifying both risks and opportunities that are present and to take a strategic position in minimizing the said risks and maximizing present opportunities for the benefit of its citizens. The role of the Risk Management in the municipality is to provide the expertise and support

for institutionalizing Enterprise Risk Management and thereby embedding a risk intelligent culture. This is achieved through various methods including employee training on the principles and practices of risk management, coordinating efforts in determining the municipality's risk exposure and in the development of mitigating actions by management for addressing the identified risks.

T2.6.1

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the MFMA, section 112(1)(m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favoritism and unfair and irregular practices, section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

Internal Audit Unit

Magareng Local Municipality make use of the internal audit shared services of Francis Baard District Municipality to advise the Accounting Officer and report to the Audit Committee on the implementation of the internal audit plan and matters as stipulated in section 165 of the MFMA.

Audit Committee

Magareng Local Municipality make use of a single audit committee established for the District municipality and its local municipalities to advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, or the board of directors, the accounting officer and the management staff of the municipal entity, on matters as stipulated in section 166 of the MFMA.

Human Resources Management

Screening procedures are performed prior to the employment of officials.

All employees signed the code of conduct on appointment.

New employees are inducted to introduce the employees to the culture of the municipality. In the process the employees are provided with the policies and procedures of the municipality to encourage good business conduct in performing the duties.

T2.7.1

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

Magareng Local Municipality approved a supply chain management policy that is fair, equitable, transparent, competitive and cost effective. In case of an abuse of supply chain management system the accounting officer implement the procedures according to the supply chain management policy to combat fraud. Officials and other role players in the supply chain management system of the municipality signs a code of ethical standards as set out in the National Treasury’s code of conduct for supply chain management practitioners and other role players involved in supply chain management” which is established to promote mutual trust and respect; and an environment where business can be conducted with integrity and in a fair and reasonable manner.

The supply chain management policy is aimed primarily at promoting uniformity in SCM processes and also in the interpretation of government’s preferential procurement legislation and policies, which should themselves be seen in the context of other related legislative and policy requirements.

Essentially, SCM refers to managing the demand of goods and services to their acquisition, managing the logistics processes and finally, after use, to their disposal. It encompasses the procurement, contract management, inventory and asset management, and obsolescence planning processes.

The procurement processes covers:

- Pre-solicitation (need analysis, specification, award criteria)
- Solicitation (bidding process)
- Negotiation (bidding process, drafting of contracts)
- Performance (change orders, review of completed work and sign-offs compliance assessments of deliverables, release of funding etc.)
- Administration, within the municipal prescripts and policies.

The MFMA expects all municipalities to ensure that they develop and maintain a well-documented, operational procurement system, within a system which is fair equitable, competitive, cost effective and transparent. This process is, and will always remain one of the highest exposures to fraud and corruption in any organization in the government. The process is, by necessity, highly regulated and very complex including a wide array of legislative and procedural requirements and prescripts.

T2.8.1

2.9 BY-LAWS

By-laws Introduced during 2021/2022					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
No new By-Laws were Developed	No By-Laws were revised	No	N/A	N/A	N/A

**Note: See MSA section 13.*

T 2.9.1

COMMENT ON BY-LAWS:

Section 11 of the MSA gives municipal council the executive and legislative authority to pass and implement by - laws and policies. Once the by-laws are gazetted, people who are in contravention will

be criminally prosecuted in a court of law, and could be sentenced to pay a fine or even to direct imprisonment.

T2.9.1.1

2.10 WEBSITES

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that municipalities place key documents and information on their website, including the IDP, annual budget, adjustment budget and budget related documents and policies.

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Partially	N/A
All current budget-related policies	Yes	N/A
The previous annual report (2020/21)	Yes	February 2021
The Annual Report (2020/21) published/to be published	Yes	February 2022
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2021/22) and resulting scorecards	Yes	
All service delivery agreements (2021/22)	No	N/A
All supply chain management contracts above a prescribed value (give value) for 2021/22	No	N/A
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2021/22	No	N/A
Contracts agreed in 2021/22 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	N/A
All quarterly reports tabled in the council in terms of section 52 (d) during 2021/22	No	N/A
<i>T 2.10.1</i>		

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that municipalities place key documents and information on their website, including the IDP, annual budget, adjustment budget and budget related documents and policies.

T2.10.1.1

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

For the year under review, the municipality did not conduct the public satisfaction survey.

T2.11.1

Satisfaction Surveys Undertaken during: 2020/21 and 2021/22				
Subject matter of survey	Survey method	Survey date	No. of people included in survey	Survey results indicating satisfaction or better (%)*
Overall satisfaction with:	Not conducted	n/a	None	None
(a) Municipality				
(b) Municipal Service Delivery				
(c) Mayor				
Satisfaction with:	Not conducted	n/a	None	None
(a) Refuse Collection				
(b) Road Maintenance				
(c) Electricity Supply				
(d) Water Supply				
(e) Information supplied by municipality to the public				
(f) Opportunities for consultation on municipal affairs				
* The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory				T 2.11.2

Concerning T 2.11.2:

The table is relevant to MLM but information could not be provided due to the fact that no public satisfaction surveys were conducted.

T2.11.2.1

COMMENT ON SATISFACTION LEVELS:

Community satisfaction survey was not conducted, and the responsibility should first be delegated to a specific department. i.e Community Services

T2

.11.2.2

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

COMPONENT A: BASIC SERVICES

INTRODUCTION TO BASIC SERVICES

Generally, Magareng Local Municipality basic services provision is characterised with poor planning, adhoc implementation of capital projects with no systematic thought process. This can be mainly attributed to three aspects (i) the lack of planning tools such as service delivery frameworks;(ii) inadequate budgeting for infrastructure maintenance and new infrastructure development; and (iii) lack of qualifications and trade specific competencies in the technical department.

The lack of service delivery frameworks simply translates to poor planning and inefficient provision of service delivery to the community. Some of the primary grant funders of the municipality, such as MIG and WSIG, have indicated reluctance to continue funding municipal programmes in the absence of the service delivery frameworks. The following service delivery frameworks are identified as critical components that are lacking at the municipality:

- Capital Infrastructure Framework: medium to long term
- Integrated Waste Management Plan
- Water and Sanitation Masterplan
- Water Conservation and Demand Management Plan
- Electrification Masterplan
- Energy Saving and Demand Management Plan
- Sector based Operation & Maintenance Plans (O&M Plan)

The budget for basic services is not reflective of the service delivery challenges the municipality experiences. Firstly, by simply analysing the O&M budget over the 5 previous financial years, an irregular budget pattern is evident, to the extent that the budget is decreasing over the period; this simply means O&M it is grossly under budgeted. Secondly, the municipalities O&M activities are mainly reactive. In other words, the municipality does not know how to plan operation and maintenance activities, as a result there is no predisposition of the magnitude of the next breakdown.

The qualifications in middle management and trade specific competencies such as technicians, process controllers, plumbers, electricians are very low and non-existent in some areas in the technical department. This is a serious problem, as critical municipal infrastructure in roads, electricity, water and sanitation is managed and handled through 'common sense' that is not backed the application of scientific theory. Interrelated to all of the above is that, there is a direct linkage in the between irregular and wasteful expenditure that is continuously incurred due to inadequate budgeting and reactive O&M protocols.

WATER SUPPLY SERVICES

A common characteristic of the municipality's water distribution systems is that it is passively vulnerable and operates under extreme challenges. High water losses of the water distribution system is the most significant challenge, which best represents, the current status quo and is identified as playing a significant role on the vulnerability of the water distribution system. This is further demonstrated by disaggregating the water losses into two components financial and technical losses.

Firstly for financial losses, the Auditor General audit finding for the 2020/21, indicates that the material water losses accounts for 84% of the total water purchased, this percentage indicates the municipality only generates income from 16% of the total water purchased. Secondly, for the technical losses there is no bulk metering in place to ascertain the total system volume input. In other words, the municipality does not know how much water it produces on a daily basis vs the bulk purchases, how much is lost due to leakages, etc. It is also important to note that the municipality does not know if existing water demand exceeds the authorised raw water abstraction allowance. This clearly illustrates what was termed 'a growing water crisis' and an unsustainable water supply service provision. The character and scale of the problem requires an integrated management approach.

SANITATION SERVICES

The existing bulk sewer network is experiencing operational failures. The Warrenton Waste Water Treatment Works experiences a myriad of challenges on a daily basis. There are three primary challenges, which best represents, the current status quo and are identified as playing a significant role in the level of treatment of wastewater the facility achieves.

Firstly, the facility does not have enough capacity to deal with the existing wastewater flow and its constituent loading. In other words, the volume of the wastewater generated exceeds the capacity of the plant to adequately and efficiently treat the wastewater. This specific challenge creates an insidious overloading problem for the processes at the Clarifier, Aeration Basin and Maturation Pond. For example, at the secondary settlement tank, the increased 'load' has created a sludge build-up, which overtime has blocked the desludge valves and decreased the speed of the rotating bridge. At this point, the "activated sludge" is constrained from recirculating back to the aeration basin. This directly affects the rate of decomposition of bacteria and further biodegradation not occurring. This is also the reason why 'partially' treated water is being disposed into the maturation pond and ultimately into the Vaal River.

Secondly, major processing units such as the inlet works, horizontal aerators and clarifier are old, dilapidated and lost its optimal functionality over a period of time. Thirdly, it is the vandalism and theft of the existing infrastructure, moreover in the context of Magareng municipality, which has no financial

capability to replace major processing units and equipment as and when incidents of vandalism and theft occurs.

The existing pumpstations is experiencing operational failures. The operational failures are directly influenced by problems at the three pumping stations (vandalism of electrical panels, theft of submersible pumps, no roof structure, no site lighting, no screening equipment and backup power). This ultimately constrains the sewer in flowing at the required velocity.

In other words, due to the problems at the three pumping stations, the sewage is not draining adequately. It remains stationary for prolonged periods, resulting in blocked manholes downstream that subsequently creates refluxes of raw sewer back into the households, overflows of raw sewer from the blocked manholes on the road reserves and discharges to the natural environment.

ELECTRICAL SERVICES

Electrical service provision within the municipality is a balance between scarce financial resources and service priority; this has led to infrastructure delivery backlogs. There is significant backlog in the provision of public high mast lighting system and electrification of households in areas such as Majeng. The Majeng community is made-up mainly of indigent households and wholly depend on the municipality for the provision of basic services.

SOLID WASTE MANAGEMENT SERVICES

Magareng local municipality is faced with a precarious and hazardous situation where the solid waste disposal sites in Warrenton are in a bad state and in direct conflict with the provisions of the waste act. The Warrenton waste disposal site is in a more dire situation as a section 51(g) directive has already been issued by the Provincial Department of Environment and Nature Conservation.

The following items are identified as shortcomings:

- Waste is windblown all over the area as there is no adequate fencing around the sites.
- There is no shelter for the caretaker/supervisor.
- There is no water supply to the site, and no sanitation facilities present.
- There is no weighing bridge to record procedures
- Dumping trenches need to be constructed.
- There is no classification of waste and general waste management practices on site

ROAD AND STORMWATER SERVICES

The provision of roads is the most notable feature in Magareng municipality's land development. However, the impact of O & M costs, stormwater management, increased traffic and vehicular

movements has caused serious problems such as formation of excessive potholes and flooding downstream. The effects of flooding downstream also create new problems in the receiving streams i.e. high peak flows, excessive erosion and sedimentation, increased pollution and general decreased value of the environment.

FLEET MANAGEMENT SERVICES

The Fleet Management Section consists of **14 petrol and diesel vehicles** (including earthmoving machinery & other miscellaneous equipment). For a municipality which consists of ±114 workers in the technical department 11 vehicles simply translates to inadequate tools of trade and shambled service delivery provision. Notwithstanding the condition of the vehicles, which is bad, as almost all the vehicles has failed roadworthy tests.

The municipality procured 3 bakkies and 1 sedan in the 2021/22 Financial Year.

ENVIRONMENTAL COMPLIANCE DIRECTIVES ISSUED

The task of the Municipal Council and management is to respond to this historical anomaly, rectify the contravention and take reasonable measures to prevent such pollution from occurring, continuing or recurring.

WARRENTON WASTE DISPOSAL SITE

The Department of Environment and Nature Conservation has issued a notice of intent in terms of section 51(G) of the National Environmental Management: Waste Act (Act No 59 of 2008) in respect of mismanaging the license conditions of the landfill site. Some of the findings against Magareng Municipality are:

- Waste is disposed haphazardly which causes the site to be unsightly and unhealthy
- Different waste are mixed with no control
- No management of Site
- Burning of waste
- Unformalised recyclers on site

WARRENTON WASTE WATER TREATMENT WORKS

The Department of Water and Sanitation has issued a directive in terms of sections 21(f) (g), 19(3) and 53(1) of the National Water Act, 1998 (Act no 36 of 1998). The substantive matters of the directive are summarised as follows:

- Section 19 (1) of NWA, 1998 – Engaging in water activities that cause pollution of a water resource

- Section 21(f) (g) & 22 (1) (a) (b) (c) of NWA, 1998 – Warrenton WWTW Water use authorisation

STATE OF EXISTING INFRASTRUCTURE

Perhaps it is pertinent to state that the current state of infrastructure in Magareng is in precarious and bad condition. Simply put, the infrastructure is old and has reached its design life. In certain instances, operation and maintenance activities are actually destroying the infrastructure further. For an example, a blocked sewer in Ikhuseng cannot be unblocked through a simple mechanism such as a drain rods as the asbestos cement pipes are heavily corroded that an application of pressure collapses a whole length of pipes. Similarly, in town, Erasmus Street is riddled with potholes, over the years the municipality has been patching potholes as the only remedy whereas a simple visual inspection indicates that the problem is the base layer materials thus a suitable option would have been to rehabilitate and mill the road.

All of the potable water bulk distribution pipeline materials is made of asbestos cement, which is not permitted by the current legislation for transportation of potable water. The long term effect of asbestos on human health has been well researched and published, resulting in review of various laws pertaining to the usage of Asbestos products.

It is in this context, that it is categorically stated that the infrastructure of Magareng municipality requires an urgent and comprehensive recapitalization program. This needs to be urgently undertaken to deliver services sustainably to the deserving communities of Magareng.

INTRODUCTION TO WATER SERVICES PROVISION

The Water Services Act, Act 108 of 1997 (RSA, 1997) defines a water service as a water supply services and sanitation services. Accordingly, a water supply service is defined as the raw water abstraction from a source (river or dams), conveyance to a water purification facility, the treatment and subsequent distribution of potable water to households. Sanitation service is defined as the collection, removal, disposal or purification of human excreta, domestic waste-water (grey water), sewage and effluent from commercial sources.

Magareng municipality has a centralized water service system having its own Water Treatment Works (WTW), Waste Water Treatment Works (WWTW) and respective service distribution networks. The major attributes of the water service are summarised as follows:

Table 1: Attributes of the Water service

Attributes	Warrenton
WTW Capacity	9.79Mℓ/d
Boreholes	-
Water Distribution Network consists of asbestos and uPVC pipes (length)	125km
WWTW Capacity	2Mℓ/d
WWTW (Extended Aeration)	-
Sewer Distribution Network consists of asbestos and PVC pipes	80km

WATER SUPPLY SERVICES PROVISION

The Constitution of the Republic of South Africa (1996) under the Bill of Rights, section 27(1) (b) states that it is a basic human right to have access to water. The Constitution under section 27(2) makes it an obligation for government to take practical legislative and other measures, within its available resources, to achieve the progressive realization of this right. In response to this constitutional injunction, it is important for Magareng Municipality to translate this mandate into tangible results on the ground, taking into account the realities as they exist within the municipality.

Magareng municipality has the Water Service Provider and Water Service Authority status as per the provisions of the Water Services Act, Act 108 of 1997. As such, Magareng municipality is responsible for raw water abstraction, water purification and the subsequent distribution to all households under its jurisdiction.

The Water Treatment Plant is located on the western side of the Vaal River and the water supply areas on the eastern side. The municipality is authorised to abstract 3 572 000 m³/year, this translated to 9.79Mℓ/d of raw water. The water purification plant was constructed in 1998 and no major upgrade has occurred since then. The process flow of the bulk water supply is summarised as follows:

- Raw water is obtained from two points, firstly, from the main water canals of the Vaalharts Irrigation Scheme and it gravitates towards water treatment works facilities. The second point, at the edge of the Vaal river where raw water is pumped to the water treatment works.
- From the Water treatment works, the water gravitates through a 500mm Ø asbestos pipeline, which crosses the Vaal River to a sump at the main water pump station.
- The main water pump station is equipped with two sets of electrically controlled pumps. The one set supplies purified water to an elevated reservoir located near Warrenton CBD.

There is also an additional reservoir, which acts as a balancing tank to manage the pressure fluctuations in the Warrenton CBD system.

- The second set of pumps supply the Warrenton Railway Station elevated tank, the Ikhutseng reservoir and a ground concrete reservoir near the industrial area.
- Warrenton Railway elevated tank supplies water to the Railway stations residential area and back to the Warrenton suburbs.
- The Ikhutseng reservoir (5.2Mℓ) water is pumped into two elevated tanks, which supplies the Ikhutseng area.
- From the industrial reservoir(4.5Mℓ), water is pumped into an elevated tank, which supplies the Warrenvale residential area and the Industrial area.

Below is a schematic representation of the water demand areas in the Magareng Municipality's water distribution system.

AREAS	MAP OF WATER DEMAND AREAS
AREA 1 – WARRENTON CBD	
AREA 2 – WARRENTON CBD	
AREA 3 – WARRENTON	
AREA 4 – WARRENTON	
AREA 5 – NORTH-EAST OF WARRENTON	
AREA 6 – EASTERN SIDE OF WARRENTON	
AREA 7 – EASTERN SIDE OF WARRENTON	
AREA 8 – IKHUTSENG (CHRIS HANI)	
AREA 9 – EAST IKHUTSENG	
AREA 10 – IKHUTSENG (RICH BLOCK & LAS VEGAS)	
AREA 11 – DITSHOTSHWANENG, RABATJI & SONDERWATER	

Chapter 3

WATER SUPPLY SERVICE DELIVERY DISTRIBUTION LEVELS

The water supply service delivery distribution is summarised in Table 2 below as extrapolated from the Community Survey 2016 data.

Table 2 Water Supply Service Delivery Distribution Levels

Description	2018/19	2019/20	2020/21	2021/22
Water: Above min level				
Piped (tap) water inside dwelling	2265	2289	2313	2338
Piped (tap) water inside yard	3015	3048	3079	3112
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	306	309	312	316
Piped (tap) water on community stand: distance between 200m and 500m from dwelling	117	118	119	121
Minimum Service Level and above Sub- Total	5703	5765	5823	5886
Minimum Service Level and above Percentage	93%	94%	95%	96%
Water: Below min level				
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	12	12	12	12
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	129	130	132	133
No access to piped (tap) water	276	279	282	285
Below Minimum Service Level Sub- Total	417	422	426	431
Below Minimum Service Level Percentage	7%	7%	7%	7%

EMPLOYEES: WATER SUPPLY SERVICE

Employees: Water Services					
Job Level	2021/22	2022/23			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	1	1	1	0	0%
4 – 6	13	19	13	6	31.58%
7 – 9	1	1	1	0	0%
10 – 12	1	1	1	0	0%
13 – 15	1	1	1	0	0%
16 – 18	N/A	N/A	N/A	N/A	N/A
19 – 20	N/A	N/A	N/A	N/A	N/A
Total	17	22	17	6	27,28%
					T3.1.7

Financial Performance: FOR THE WHOLE MUNICIPALITY					
Details	R'000				
	2021/22	2022/23			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	Financial Information covered in the Annual Financial Statement				
Operational Revenue	R127 324 922	R130 915 663	-	R71 779 923	55%
Expenditure:					
Employees	R 52 129 857	R53 077 824	-	R 23 537 066	44%
Repairs and Maintenance	R8 160 058	R13 849 631	-	R2 439 785	18%
Other	R122 613 791	R115 385 939	-	R42 627 886	37%
Total Operational Expenditure	R182 903 706	R 182 313 394	-	R 68 604 737	38%
Net Operational Expenditure					
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. Repairs and maintenance include bulk purchases.					
					T 3.1.7
Capital Expenditure 2022/2023: Water Services					
R' 000					
Capital Projects	2022/2023				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	Financial Information covered in the Annual Financial Statement				

Upgrade of the Warrenton Water Treatment Works	R23 612 000	-	R 11 155 653	R 12 458 347	R23 612 000
1.7km gravity fed bulk water pipeline	R11 000 000		R2.300 000		R11 000 000
New Internal Water Reticulation in Ditshotshwaneng, Rabaki & Sonderwater	R5 000 000		R5 352 312.56		R22 000 000.0
					<i>T 3.1.9</i>

SANITATION SERVICES PROVISION

Magareng municipality is responsible for the collection, removal, disposal or purification of human excreta, domestic waste-water (grey water), sewage and effluent from commercial sources. The sanitation services is rendered typically through internal sewer reticulation networks, bulk distribution and honey sucker mechanisms, then ultimately to Waste Water Treatment Facilities.

A detailed overview of the existing wastewater distribution systems is presented in the following sections.

WARRENTON BULK SANITATION DISTRIBUTION SYSTEM

The Warrenton bulk waste water distribution system is relatively diverse and complicated, as it consists of various components such as conveyance tanks, vacuum sewer, pumpstations, rising mainlines and gravitational water borne network. Fig 1 below indicates presents a schematic layout of the warrenton bulk waste water.

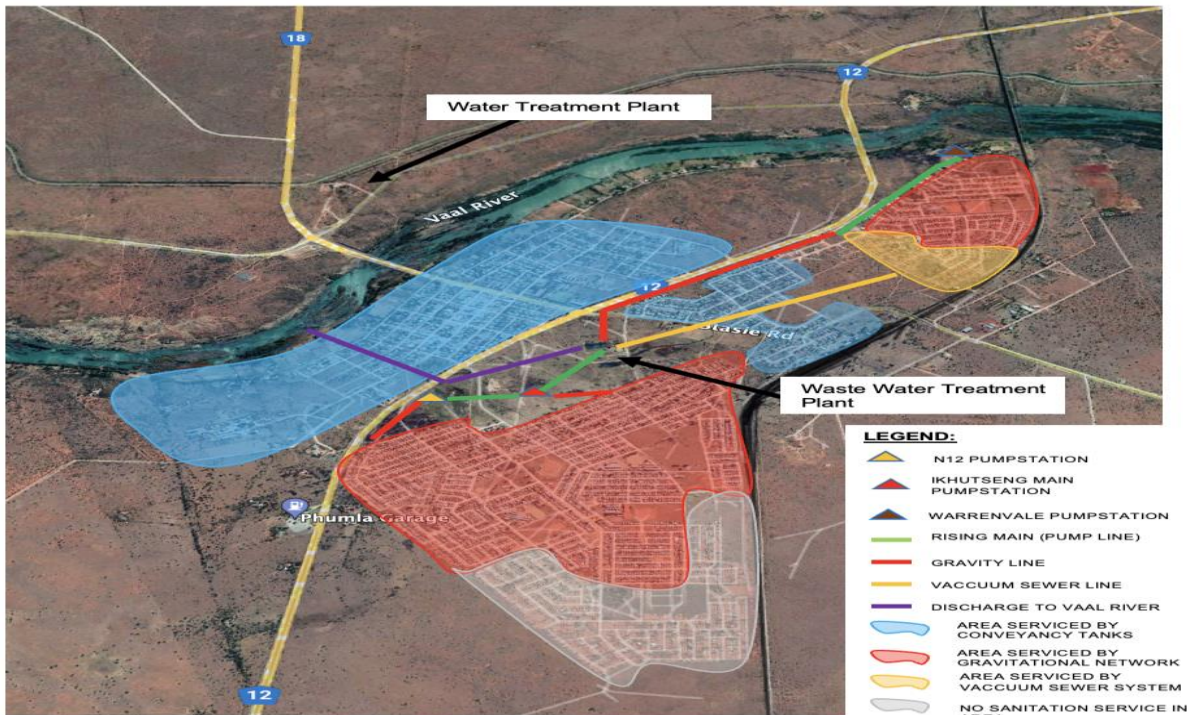


Fig 1 Schematic Layout of the Warrenton Bulk Waste Water System

The Warrenton bulk waste water distribution system is summarised as follows:

- The Ikhutseng area in the south eastern direction marked in red, sewerage gravitates towards the N12 and Ikhutseng main pumpstation.
- The Warranvale area in the north eastern direction marked in red, sewerage gravitates towards the Warrenvale pumpstation
- The new stasie area marked in orange is serviced through a vacuum sewer system, which discharges to the Warrenton WWTW.
- The town area on the western side of the N12 and the old stasie area on the eastern side of the N12 is serviced through conveyance tanks, of which the municipality uses two 18 000l Vacuum Sewer Trucks (honeysucker).
- The warrenvale pumpstation pumps through a rising main for about 2km into a sump. From the sump the sewerage, then gravitates to the Warrenton WWTW.
- The N12 pumpstation pumps directly into the Ikhutseng main pumpstation and then the Ikhutseng main pumpstation pumps collectively into the Warrenton WWTW.
- After the treatment process the treated effluent is discharged into the Vaal River.

EXISTING INFRASTRUCTURE OF THE WARRENTON WWTW AND SURROUNDING PUMPSTATION

WARRENTON WWTW

The existing Warrenton Wastewater Treatment Works (WWTW) was initially designed for an average flow of 2 Ml/d. All indications are that the existing process is an extended aeration activated sludge process, consisting of Inlet Works, Horizontal Aeration Basin (Reactor), Secondary Settling Tank (Clarifier) Return Sludge Pumps, Maturation ponds, Sludge Drying Beds and Chlorination Tank.

Figure 2 below shows the existing infrastructure of the Warrenton WWTW.



Fig 2 Existing Infrastructure Of The Warrenton WWTW

1. Inlet Works

2. Horizontal Aerator 1
3. Horizontal Aerator 2
4. Horizontal Aerator 3
5. Horizontal Aerator 4
6. Aeration Basin with Horizontal Flow Channels
7. Clarifier
8. Pumps to Anaerobic Process and to Sludge Drying Beds
9. Sludge Drying Beds (Concrete Surface)
10. Maturation Pond
11. Pumps for excess water to Anaerobic Process
12. Storeroom
13. Vacuum Sewer Pumps
14. Chlorination Contact Channel

DETAILS OF SURROUNDING PUMPSTATIONS

The details of the pumpstations was obtained through interviews conducted with the municipal sanitation team in Warrenton. The details are summarised in Table 2 below.

Table 2 Details of Pump stations in Warrenton

Pump Station	Make	Model	Impeller Diameter	Speed	Motor	Configuration	Capacity / Duty Point
Ikhutseng PS	LEO	2AC400H	234mm	2900rpm	4kw, 380V	Two Pumps alternating	4.25 l/s @ 45m
N12 PS	LEO	2AC400H	234mm	2900rpm	4kw, 380V	Two Pumps alternating	4.25 l/s @ 45m
Warrenvalle	LEO	2AC400H	234mm	2900rpm	4kw, 380V	Two Pumps alternating	4.25 l/s @ 45m

THE OPERATIONAL INADEQUACIES OF THE WARRENTON WWTW AND SURROUNDING PUMPSTATIONS

WARRENTON WWTW

The Warrenton Waste Water Treatment Works experiences a myriad of challenges on a daily basis. There are three primary challenges, which best represents, the current status quo and are identified as playing a significant role in the level of treatment of wastewater the facility achieves.

Firstly, the facility does not have enough capacity to deal with the existing wastewater flow and its constituent loading. In other words, the volume of the wastewater generated exceeds the capacity of the plant to adequately and efficiently treat the wastewater. This specific challenge creates an insidious overloading problem for the processes at the Clarifier, Aeration Basin and Maturation Pond. For example, at the secondary settlement tank, the increased 'load' has created a sludge build-up, which overtime has blocked the desludge valves and decreased the speed of the rotating bridge. At this point, the "activated sludge" is constrained from recirculating back to the aeration basin. This directly affects the rate of decomposition of bacteria and further biodegradation not occurring. This is also the reason why 'partially' treated water is being disposed into the maturation pond and ultimately into the Vaal River.

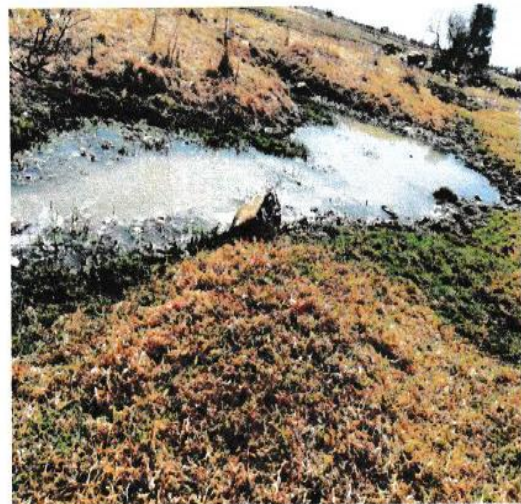
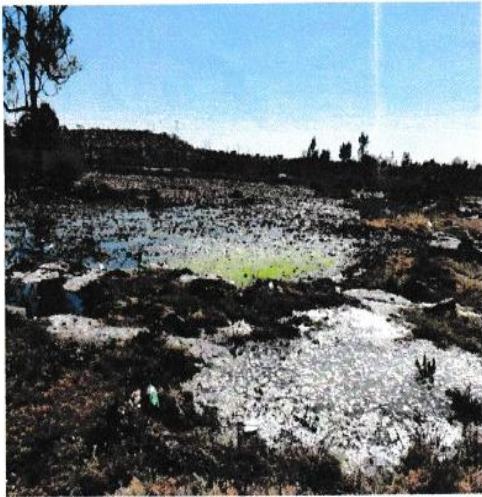
Secondly, major processing units such as the inlet works, horizontal aerators and clarifier are old, dilapidated and lost its optimal functionality over a period of time. Thirdly, it is the vandalism and theft of the existing infrastructure, moreover in the context of Magareng municipality, which has no financial capability to replace major processing units and equipment as and when incidents of vandalism and theft occurs.

SURROUNDING PUMPSTATIONS

The existing pumpstations is experiencing operational failures. The operational failures are directly influenced by problems at the three pumping stations (vandalism of electrical panels, theft of submersible pumps, no roof structure, no site lighting, no screening equipment and backup power). This ultimately constrains the sewer in flowing at the required velocity.

In other words, due to the problems at the three pumping stations, the sewage is not draining adequately. It remains stationary for prolonged periods, resulting in blocked manholes downstream that subsequently

creates refluxes of raw sewer back into the households, overflows of raw sewer from the blocked manholes on the road reserves and discharges to the natural environment. Figure 3 below indicates the spillages that has been occurring from the pumpstations.





SANITATION SERVICE DELIVERY DISTRIBUTION LEVELS

The sanitation service delivery distribution is summarised in Table 3 below as extrapolated from the Community Survey 2016 data.

Table 3 Sanitation Service Delivery Distribution Levels

Description	2018/19	2019/20	2020/21	2021/22
Sanitation: Above min level				
Flush toilet (connected to sewerage system)	4968	5022	5076	5131
Flush toilet (with septic tank)	147	149	150	152
Chemical toilet	3	3	3	3
Pit toilet with ventilation (VIP)	393	397	402	406
Other	303	306	310	313
Minimum Service Level and above Sub-Total	5814	5877	5940	6004
Minimum Service Level and above Percentage	95%	96%	97%	98%
Sanitation: Below min level				
Bucket toilet	18	18	18	19
Other	24	24	25	25

None	264	267	270	273
Below Minimum Service Level Sub-Total	306	309	313	316
Below Minimum Service Level Percentage	5%	5%	5%	5%



Employees: Sanitation Services					
2021/22					
Job Level	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	
0-3	11	8	3	28%	
4-6	9	2	5	56%	
7-9	2	0	2	100%	
10-12	N/A	N/A	N/A	N/A	
Total	22	10	10	46%	

Capital Expenditure 2021/22 : Sanitation Services					
R' 000					
Capital Projects	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	N/a	.			
Project A	N/a	N/a	N/a	N/a	N/a
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.2.8

ELECTRICITY SERVICES PROVISION

Electricity is one of the most sought after basic services. Local government plays a very important role in the provision of electricity, as an agent for Eskom. Section 153 of the Constitution places the responsibility on municipalities to ensure the provision of services to communities in a sustainable manner for economic and social manner.

Eskom supplies 11kv bulk supply to a substation situated in Warrenton. From there the 11kv supply is distributed to 11kv transformers which steps it down to 380V networks in Warrenton CBD, Warrenton residential, Warrenvale and the surrounding plots. Supply in Warrenvale is by means of prepaid metering system and Warrenton CBD and residential is by means of credit meters. Some residences in Warrenton have also changed to pre-paid system. Municipality is planning to review to policy to standardize the electricity metering system. Moleko's farm gets the bulk supply from Eskom and the municipality distributes it by means of a pre-paid system. The following areas get both the bulk and low tension supply directly from Eskom: Ikhuseng, Bull Hill, Sydney's Hope and Hartsvally. Windsorton station and Majeng have not yet been electrified. Windsorton station previously was supplied by Transnet. Transnet gets the bulk 11kv supply from the municipality and further distribute this to their own transformers and networks. The electrical network also is very old therefore needs to be upgraded. Only indigents beneficiaries are receiving 50 kW of electricity free both the residents' services by Eskom and municipality as service providers.

Internal Reticulation

The municipality is responsible for electricity distribution to Warrenton, Warrenvale and Moleko's farm. The municipality is planning to upgrade existing and construct the electricity new mainline for the new developments as well as its electrification. Cost needed.

Backlogs in Electricity Supply

Most of the backlogs in electrical supply relates to the rural areas not yet serviced by Eskom as well as problem of ageing infrastructure. Windsorton station and Majeng are not electrified.

Warrenton Substation Bulk Supply Upgrade

The bulk supply upgrades at Warrenton substation will include the upgrading the existing substation with new switchgear to supply developments and infills in Warrenvale.

Warrenvale Bulk Supply Upgrade

The bulk supply lines and cables to Warrenvale will be upgraded to cater for new additional loads.

ELECTRICITY DELIVERY DISTRIBUTION LEVELS

Description	2018/19	2019/20	2020/21	2021/22
Energy (above minimum level)				
Electricity (minimum level of service)	518	524	530	535
Electricity prepaid (minimum level of service)	5365	5423	5482	5541
Minimum Service Level and above Sub-Total	5884	5947	6011	6076
Minimum Service Level and above Percentage	95%	95%	95%	95%
Energy (below minimum level)				
No Access to Electricity (below minimum level)	279	282	285	288
Other Energy Sources	6	6	7	7
Below Minimum Service Level Sub-Total	286	289	292	295
Below Minimum Service Level Percentage	5%	5%	5%	5%

Employees: Electricity Services				
Job Level	2021/22			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	4	4	0	0%
4 - 6	2	0	2	100%
7 - 9	4	1	3	75%
10 - 12	1	1	0	0%
13 - 15	1	1	0	0%
16 - 18	N/A	N/A	N/A	N/A
19 - 20	N/A	N/A	N/A	N/A
Total	12	7	3	25%

T 3.3.6

Capital Expenditure 2021/22 :Electricity Services					
					R' 000
Capital Projects	2022/2023				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	N/a	.			
Project A	N/a	N/a	N/a	N/a	N/a
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.8

SOLID WASTE MANAGEMENT SERVICES PROVISION

Magareng local municipality is faced with a precarious and hazardous situation where the solid waste disposal sites in Warrentonare in a bad state and in direct conflict with the provisions of the waste act. The Warrenton waste disposal site is in a more dire situation as a section 51(g) directive has already been issued by the Provincial Department of Environment and Nature Conservation.

The following items are identified as shortcomings:

- Waste is windblown all over the area as there is no adequate fencing around the sites.
- There is no shelter for the caretaker/supervisor.
- There is no water supply to the site, and no sanitation facilities present.
- There is no weighing bridge to record procedures
- Dumping trenches need to be constructed.
- There is no classification of waste and general waste management practices on site

The Magareng Local Municipality does not have a dedicated unit responsible for Solid waste management but there are official responsible for waste collection placed under community service department.

SOLID WASTE DELIVERY DISTRIBUTION LEVELS

Description	2018/19	2019/20	2020/21	2021/22
Solid Waste: Above min level	-	-	-	-
Removed at least once a week	3879	3921	3963	4006
Minimum Service Level and above Sub-Total	3879	3921	3963	4006
Minimum Service Level and above Percentage	63%	64%	65%	65%
Solid Waste: Below min level	-	-	-	-
Removed less than a week	132	133	135	136
Own refuse dump	0	0	0	0
Using communal refuse dump	0	0	0	0

No rubbish disposal	393	397	402	406
Other	45	45	46	46
Below Minimum Service Level Sub-Total	2196	2220	2244	2268
Below Minimum Service Level Percentage	36%	36%	37%	37%

Employees: Solid Waste Services				
Job Level	2021/22			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	8	2	6	75%
4 - 6				N/A
7 - 9	2	2	0	0%
10 - 12	2	1	0	50%
13 - 15	1	1	1	100%
16 - 18	N/A	N/A	N/A	N/A
19 - 20	N/A	N/A	N/A	N/A
Total	13	6	7	53.85%

T 3.3.6

Capital Expenditure 2021/22: Solid Waste Services					
					R' 000
Capital Projects	2021/2022				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	N/a	.			
Project A	N/a	N/a	N/a	N/a	N/a
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.8

ROADS AND STORMWATER

The provision of roads is the most notable feature in Magarengmunicipality’s land development. However the impact of O &Mcosts, stormwater management, increased traffic and vehicular movementshas caused serious problems such as formation of excessive potholes and flooding downstream. The effects of flooding downstream also creates new problems in the receiving streams i.e. high peak flows, excessive erosion and sedimentation, increased pollution and general decreased value of theenvironment.

Consequently, the level of service of the road and stormwater infrastructure is below standard.

THE ROAD NETWORK

The total road network of the municipality is 354.6km. Unpaved roads constitutes a larger portion of the entire road network at 73% (259.3km) and paved roads at 27% (95.3km). The Rural Road Assessment Management System (RRAMS)programme that is currently underway, indicates that overall standards of unpaved roads ranges between fair andpoor, with a very significant percentage falling into very poor.Whilst the paved roads ranges between good and fair, with a small percentage ranging between very good and very poor. Table and Figure summarizes the overall conditions of unpaved roads.

Table for Condition of Unpaved Roads

Municipality	Unpaved Road Condition				
	Very Good	Good	Fair	Poor	Very Poor
Magareng	0%	0%	23%	23%	54%

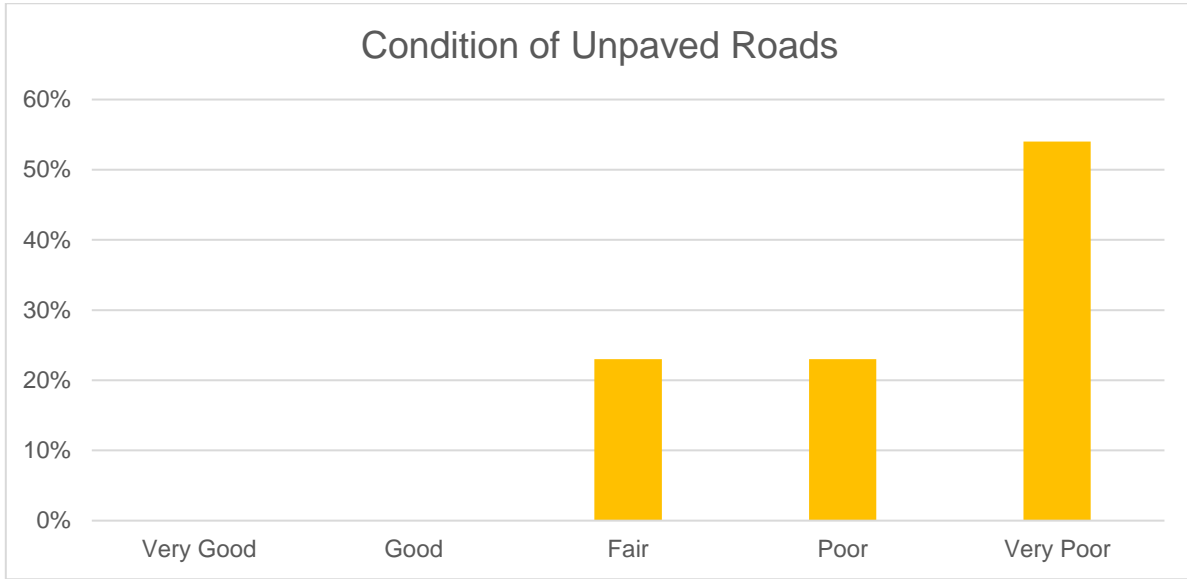


Figure for Condition of Unpaved Roads

Table and Figure summarizes the overall conditions of paved roads

Table Condition of Paved Roads

Municipality	Unpaved Road Condition				
	Very Good	Good	Fair	Poor	Very Poor
Magareng	6%	42%	39%	13%	1%

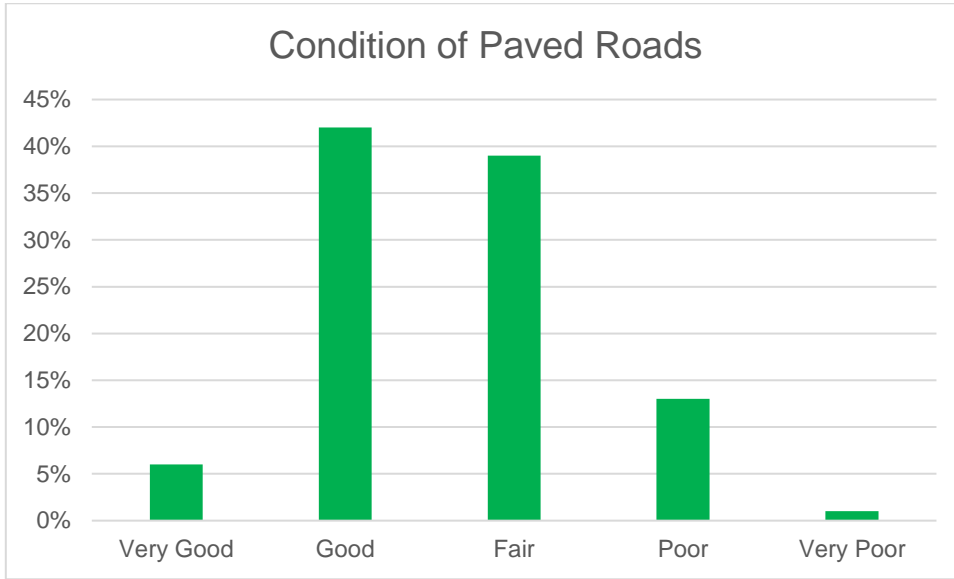


Figure Condition of Paved Roads

DISTRESS RATING FOR PAVED ROADS

The relative condition of the various types of distress on the road network that were detected during the visual inspections and computed using the deductmethod. The condition ratings per distress type for the road network are indicated per category in Figure for paved roads below.

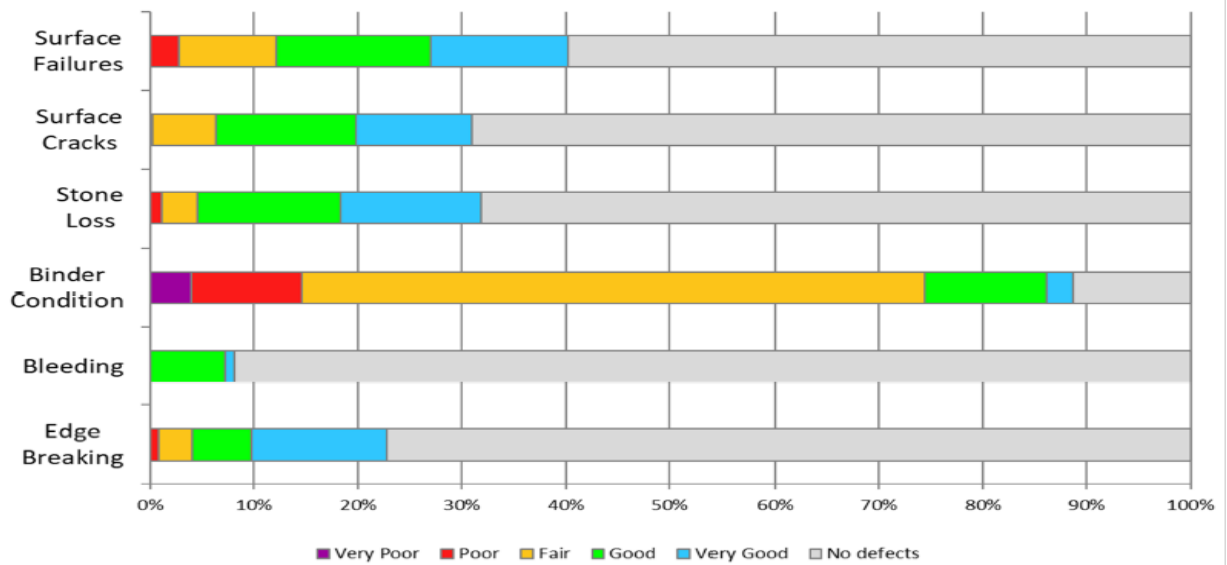


Figure for Condition Ratings (%) for Surfacing Distress Types For Paved Roads

From Figure above, the surfacing analysis indicates that the Binder Condition of 3.9% of the road network is Very Poor, 10.7% is Poor and 59.8% is Fair. This assessment indicates that the existing surfacing is fairly old.

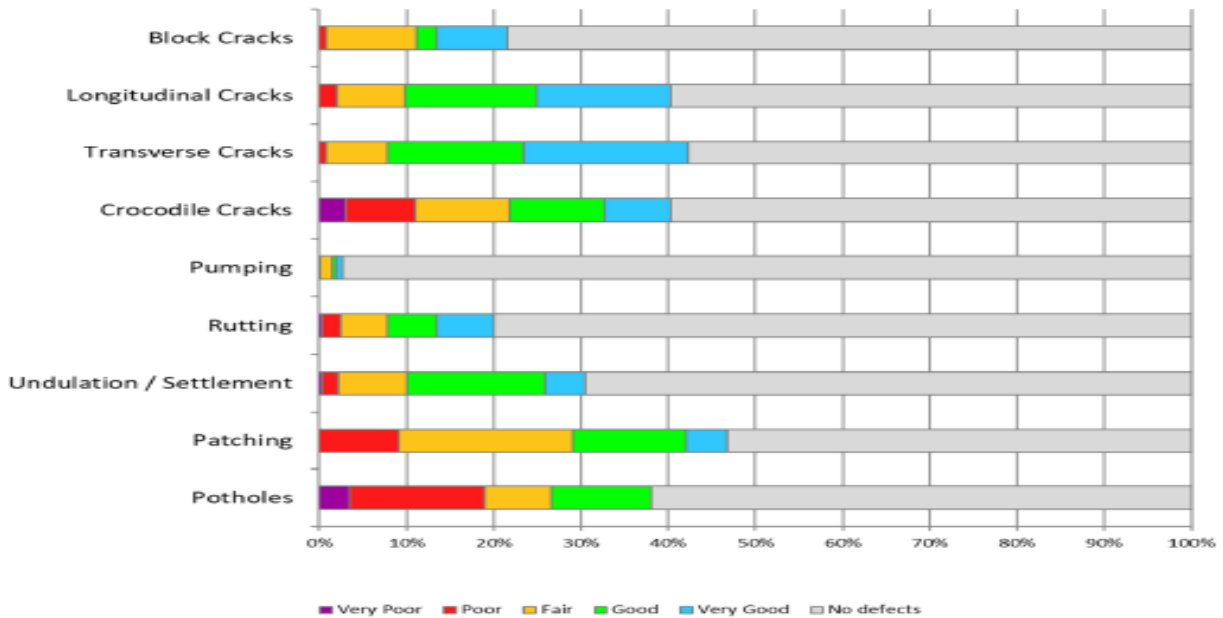


Figure for Condition Ratings (%) for Surfacing Distress Types for Paved Roads

A structural analysis of crocodile cracks, pumping, rutting and potholes provides a good indication of the structural capacity of the road network. The analysis revealed the following:

- 11.0% of the Flexible road network is in a Very Poor and Poor condition due to Crocodile Cracks,
- 9.1% of the network is in a Very Poor and Poor condition due to Patching,
- 19.0% of the network is in a Very Poor and Poor condition due to Potholes.

Preventative measures such as crack sealing, patching and resurfacing should be investigated to delay the deterioration of the road network.

DISTRESS RATING FOR UNPAVED ROADS

The relative conditions of various items on the Gravel/Earth road network that were detected during the visual inspections and computed using the deduct method. The condition ratings per distress type for the road network are indicated per category in Figure 1.20 for gravel roads below.

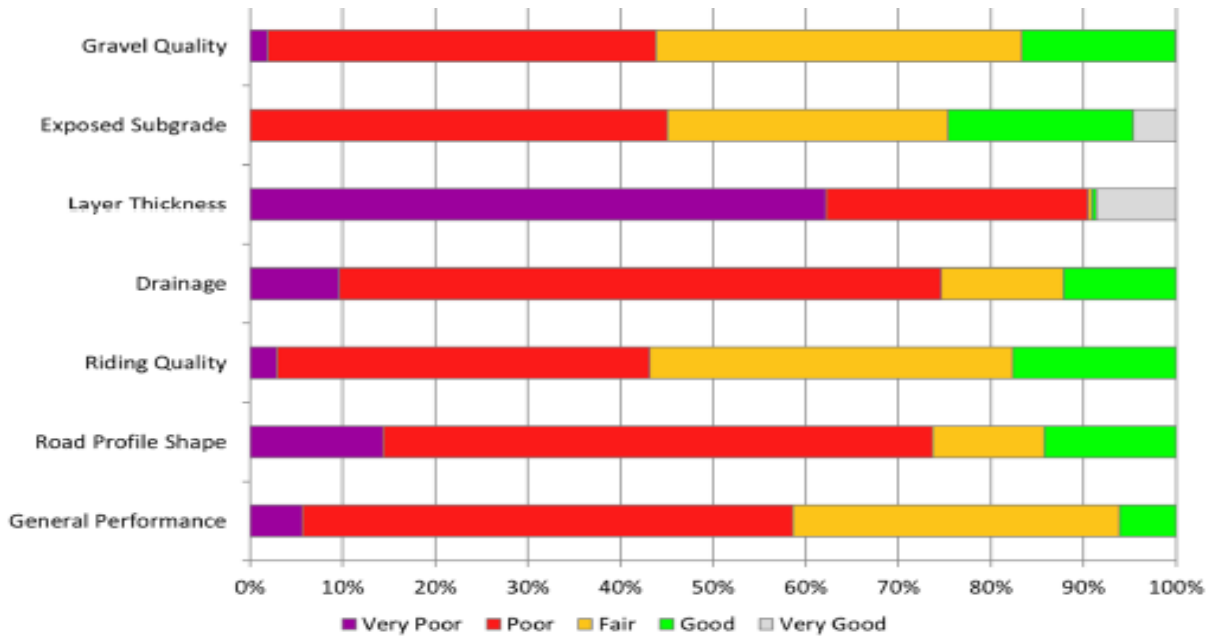


Figure Condition Ratings (%) for the Gravel Road Network

THE STORMWATER NETWORK

The management of stormwater in Magareng Municipality remains a major challenge; especially in low-lying areas as well as newly constructed roads where no consideration whatsoever was made for Stormwater management. The population growth experienced over the years and new surfaced roads has resulted in additional surface runoff, thus requiring upgrading of storm water infrastructure to accommodate the additional discharge. The effects of flooding downstream also creates new problems in the receiving streams i.e. high peak flows, excessive erosion and sedimentation, increased pollution and general decreased value of the environment

Employees: Road and Stormwater Services				
Job Level	2022/23			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	12	2	10	83%
4 - 6	2	1	1	50%
7 - 9	1	0	1	100%
10 - 12	0	0	0	0%
13 - 15	0	0	0	0%
16 - 18	0	0	0	0%

19 - 20				
Total	15	3	12	80%
<i>T 3.3.6</i>				

Capital Expenditure 2021/22 :Road and Stormwater Services					
R' 000					
Capital Projects	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	N/a	.			
Project A	N/a	N/a	N/a	N/a	N/a
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					
<i>T 3.2.8</i>					

FLEET MANAGEMENT SERVICES

The Fleet Management Section consists of **14 petrol and diesel vehicles** (including earthmoving machinery&other miscellaneous equipment). For a municipality which consists of ±114 workers in the technical department 11 vehicles simply translates to inadequate tools of trade and shambled service delivery provision. Notwithstanding the condition of the vehicles, which is bad, as almost all the vehicles has failed roadworthy tests.

The municipality procured 2 bakkies and 1 sedanto the amount of R1.2 million in the 2021/22 Financial Year.

INTRODUCTION TO HOUSING

The Magareng Local Municipality continue to provide free basic services to the community on a regular basis. Indigent register is updated and a resident who which qualifies receives free basic services from the municipality.

T3.5.1

Percentage of households with access to basic housing

Year end	Total households (formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
2018/19	7 301	5145	2156
2019/20	7 301	5145	2156
2020/21	7 301	5145	2156
2021/22	7 301	5145	2156

T 3.5.2

Employees: Housing Services

Job Level	2021/22			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts) %
	No.	No.	No.	
0 - 3	4	0	4	100%
4 - 6	0	0	0	0%
7 - 9	1	1	0	0%
10 - 12	0	0	0	100%
13 - 15	1	1	0	0%
16 - 18				
19 - 20				
Total	6	2	4	67%

T 3.5.3

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

Not function of the Magareng Local Municipality

T3.5.5

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The Magareng Local Municipality continue to provide free basic services to the community on a regular

Services Delivered	2021-2022	2022-2023			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water		R28 868 454	-	R10 601 240	R18 267 214
Waste Water (Sanitation)		R21 148 913	-	R8 833 290	R12 315 623
Electricity		R44 804 261	-	R14 844 726	R29 959 535
Waste Management (Solid Waste)		R19 774 025	-	R8 047 075	R11 726 950
Total					

basis. Indigent register is updated and a resident who which qualifies receives free basic services from the municipality.

T3.6.1

Information provided in terms of FBS does not automatically develop graph and the assumption is that there is an an error on the template as provided by NT.

T3.6.2

Free Basic Services To Low Income Households

	Number of households									
	Total	Households earning less than R3,200 per month								
		Free Basic Water			Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
		Total	Access	%	Access	%	Access	%	Access	%
2022/23	6522	1124	1124	17.23%	1124	17.23%	1124	17.23%	1124	17.23%
2021/22	6522	1259	1259	19.3%	1259	19.3%	1259	19.3%	1259	19.3%
2020/21	6522	1124	1124	17.23%	1124	17.23%	1124	17.23%	1124	17.23%

T 3.6.3

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

Magareng Local Municipality has 1124 registered indigents and support provided in on basic water charges and 6kl water. They are also supported with basic electricity charges and 50kw. Basic refuse and basic sanitation and one free extraction for the town and station areas.

T3.6.5

PERFORMANCE HIGHLIGHTS 2021/22

KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes planning and local economic development.

3.10 PLANNING

INTRODUCTION TO PLANNING

The role of Planning and Development Department is to provide strategic management support to all the Departments within the municipality. It is also responsible for the development of the Integrated Development Plan (IDP) and implementation of Performance Management System (PMS), Strategic Planning, Facilitation, and also by providing support to local municipalities and further ensure that there is effective inter-governmental relations.

Planning and Development Department is responsibility is to ensure that there is efficient and effective compliance with legislation such as Integrated Development Plan (IDP), Public Participation, Performance Management System (PMS) and other applicable laws.

The top 3 service delivery priorities and the impact made during the year are outlined underneath together with the measures taken to improve performance and the major efficiencies achieved by the Department during the year:

1. Integrated Development Planning

The IDP Unit is responsible for ensuring compliance with implementation of Chapter 5 of the Systems Act, especially compliance with Section 25 by identifying with the key deliverables and immediate goals detailed in the Council's IDP in respect of communication, investment, tourism and agricultural dimensions of local economic development.

2. Performance Management System

The PMS Unit is responsible for the implementation of PMS in line with the Municipal Systems Act (MSA) 2000 which requires municipalities to establish a Performance Management System (PMS), the Municipal Finance Management Act (MFMA) which requires that the IDP to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

3. Governance

The Department is also charged with the responsibility to ensure that there is effective governance processes in the municipality. It has also been instrumental in ensuring that the Council performs its oversight responsibilities and functions by ensuring that the MPAC is functional in terms of Section 79 of the Structures Act and the MFMA Guideline on Establishment of MPACs.

The following were achieved during the financial year:

- The Executive Mayor approved the SDBIP by the 28 June 2021.
- The Municipal Manager and Section 56 Manager signed their Performance Agreements by the 31st July 2021.
- All Quarterly Reviews Sessions were held and the Quarterly Reports were done as required during financial year.
- The PMS Framework was tabled before Council
- The 2020/2021 Annual Reports and Oversight Report were tabled during the financial year and submitted to all the stakeholders i.e. Auditor-General, Provincial and National Treasuries.
- The Annual Performance Evaluation of the Municipal Manager and Section 57 for the year under review were not done.

T3.10.1

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning, Sub-Division & Consolidation		Built Environment	
	2020/21	2021/22	2021/22	2021/22	2020/21	2021/22
Planning application received	None	None	None	None	None	None
Determination made in year of receipt	None	None	None	None	None	None
Applications withdrawn	None	None	None	None	None	None
Applications outstanding at year end	None	None	None	None	None	None

Employees: Planning Services					
Job Level	2020/21	2021/22		Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
	Employees No.	Posts No.	Employees No.		
0 - 3					
4 - 6					
7 - 9	1	1	1	0	0%
10 - 12	1	1	1	0	
13 - 15					0%
16 - 18					
19 - 20					
Total					

T 3.10.3



COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The physical planning of the municipality, there is no qualified official performing this function.

T3.10.6

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

Local Economic Development (LED) is an outcome: It is a continuous development process based on local initiatives and driven by local stakeholders. It involves identifying and using local resources and skills to stimulate economic growth and development. Source: "Northern Cape Local Economic Development Manual(NCLEDM).

LED is about communities continually improving their investment climate and business enabling environment to enhance their competitiveness, retain jobs and improve incomes. Local communities respond to their LED needs in many ways, and a variety of approaches can be taken that include:

- Ensuring that the local investment climate is functional for local businesses;
- Supporting small and medium sized enterprises.
- Encouraging the formation of new enterprises.

- Attracting external investment (nationally and internationally);
- Investing in physical (hard) infrastructure.
- Investing in soft infrastructure (educational and workforce development, institutional support systems and regulatory issues);
- Supporting the growth of clusters of businesses.

The Magareng Local Municipality is considered an agricultural hub within the province and as a result, special attention is given to promoting agricultural initiatives and ensure value chain benefits by the sector. While it is acknowledged that agriculture is one of the main sectors contributing effectively to the province's GDP, the district has ensured equitable focus on other sectors of the economy. Tourism for instance, is one area that has extreme potential for development and promotion. Equally so, other sectors of the economy including but not limited to trade, small businesses, cooperatives, etc. remain to be substantially harnessed for job creating opportunities. Focused attention has been towards supporting agricultural initiatives since they not only create significant job opportunities BUT also contribute towards human day to day livelihood. To date, a total of 269 emerging and established agricultural SMMEs and Cooperatives were provided with various interventions from skills development, market access to funding (livestock water infrastructure).

The anticipated establishment of the Agriparks in the district has seen some progress with the sites' identification process undertaken and the Master Plan completed and duly adopted for implementation. Among some of the overall objectives of the Agriparks is to ensure that processing facilities, warehousing and distribution of raw material produced are directly linked with the production areas supporting small holder farmers, communities as well as emerging black farmers. Support will focus mainly in enhancing production, farm infrastructure, extension services, production inputs as well as mechanisation inputs. Thus far, sites have been identified through local municipalities and Service Providers for Infrastructure Development, EIA studies and Feasibility Studies regarding the establishment of the Agri-Hubs on identified sites are appointed and currently working on producing expected reports to guide implementation.

T 3.11.1

MLM does not have accurate baseline information to complete the following table

Economic Activity by Sector			
	R '000		
Sector	2020/21	2021/22	2022/23
Agric, forestry and fishing	0	0	0
Mining and quarrying	0	0	0
Manufacturing	0	0	0
Wholesale and retail trade	0	0	0
Finance,	0	0	0
Govt, community and social services	0	0	0
Infrastructure services	Unknown		

T 3.11.2

Economic Employment by Sector	Jobs
-------------------------------	------

Sector	2020/21 No.	2021/22 No.	22/23 No.
Agric, forestry and fishing	0	0	0
Mining and quarrying	0	0	0
Wholesale and retail trade	0	0	0
Finance, property, etc.	0	0	0
Govt, community and social services	0	0	0
Infrastructure services	0	0	0
Total			

T 3.11.3

COMMENT ON LOCAL JOB OPPORTUNITIES:

LED strongly support the poverty alleviation projects in order to improve the community livelihood and create sustainable and decent jobs.

MLM need to give valuable support to the local SMMEs, especially the existing businesses, because they will create collectively the most jobs in the economy. In the medium to long term it is critical that we complete the integrated sustainable development plans so that we can budget adequately to support the various economic opportunity nodal developments.

T3.11.4

Jobs Created during 2021/22 – 2022/23 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created/lost
Total (all initiatives)				
2020/21	0	0	0	N/A
2021/22	0	0	0	N/A
2022/23	0	0	0	N/A

T 3.11.5

Job creation through EPWP* projects		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
2020/21	50	50
2021/22	60	60
2022/23	60	60

* - Extended Public Works Programme

T 3.11.6

Employees: Local Economic Development Services				
Job Level	2021/22			
	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3				
4 - 6	0	0	0	0
7 - 9	2	2	0	0
10 - 12	N/A	N/A	N/A	N/A
13 - 15	1	1	0	100%
16 - 18	N/A	N/A	N/A	N/A
19 - 20	N/A	N/A	N/A	N/A
Total	3	3	3	100

T 3.11.7

Capital Expenditure 2021/22: Economic Development Services –						R'
Capital Projects	2021/22					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All						

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.

T 3.11.9

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

Given the importance of LED, the municipal supply chain management environment, has enable the local micro & medium enterprise to fully participate in the municipal procurement processes, whether through directly scoring in municipal advertised procurement opportunities, or indirectly scoring procurement opportunities from contractors appointed by the municipality in a form of sub contracting.

The municipality has been engaging in the creation of conducive environment, to attract investment to the municipal area, through a number of activities, the key one been the ability

to avail municipal land for implementation of LED initiatives, and the support given to SMME's ranging from workshops which seeks to empower local businesses, as well as ensuring that contractors source labour locally, and ensure there is skills transfer in the process.

T3.11.10

PERFORMANCE HIGHLIGHTS 2021/22

KPA3: LOCAL ECONOMIC DEVELOPMENT

- The number of employment opportunities created so far, whether through labour to different implemented projects locally.
- Continuous support provided to Small medium & micro enterprises (smme's) both financially and non-financially.
- The municipal availed pockets of land for economic activities.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries and community halls; cemeteries and crematoria

3.12 LIBRARIES; COMMUNITY FACILITIES; (ETC)

INTRODUCTION TO LIBRARIES;

Libraries are not the mandate of Local Municipalities but of Department of Sports, Arts and Culture

T3.12.1

COMMENT ON THE PERFORMANCE OF LIBRARIES

Libraries report is on the quarterly and APR 2021/22

T3.12.2

3.13 CEMETORIES AND CREMATORIALS

INTRODUCTION TO CEMETORIES & CREMATORIALS

T3.13.1

SERVICE STATISTICS FOR CEMETORIES & CREMATORIUMS

Not applicable

T3.13.2

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

Not applicable

T3.13.3

3.14 CHILDCARE; AGED CARE; SOCIAL PROGRAMMES

This function is not relevant to MLM but office of the Mayor supports and assists through special programmes budget.

COMPONENT E: ENVIRONMENTAL PROTECTION

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

3.15 POLLUTION CONTROL

This function is relevant to MLM. The municipality is assisted by the Department of Environmental affairs to deal with pollution control

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

This function is not relevant to MLM.

COMPONENT F: HEALTH

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

3.17 CLINICS

This function is not relevant to MLM.

3.18 AMBULANCE SERVICES

This function is not relevant to MLM.

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

This function is not relevant to MLM.

COMPONENT G: SECURITY AND SAFETY

3.20 POLICE

This function is not relevant to MLM.

3.21 FIRE

INTRODUCTION TO FIRE SERVICES

The District Municipality is responsible for provision of fire-fighting service throughout the District in terms of Section 84(1) j of the Municipal Structures Act, (Act 117 of 1998). "The District Municipality is, inter alia, responsible for provision of fire-fighting services serving the area of the district municipality as a whole, which include:

- Planning, co-ordination and regulating fire services
- Specialised fire fighting services such as mountain, veld and chemical fire services
- Co-ordination of the standardisation of infrastructure, vehicles, equipment and procedures
- Training fire officers"

Fire Fighting Service - Local Municipality Function

The District Municipality is also responsible for provision of fire-fighting service to local municipalities in terms of the adjustment by the of Section 84 (2) of the Municipal Structures Act, (Act 117 of 1998)The Act further describes the local function as:

- Preventing the outbreak or spread of a fire
- Fighting or extinguishing a fire
- The protection of life or property against a fire or other threatening danger
- The rescue of life or property from a fire or other danger"

T3.21.1

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

This function is a shared service between MLM, FBDM and other Gorvenment departments.

COMPONENT H: SPORT AND RECREATION

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

3.23 SPORT AND RECREATION

INTRODUCTION TO SPORT AND RECREATION

The main of sport and recreation is to integrate local sport and recreation activities in the MagarengLocal Municipality, to transfer sustainable skills to the local sports people through development programmes. The ultimate is to ensure that all sporting codes are managed effectively and efficiently and running well in the local municipality

T3.23.1

Employee: Parks and Recreation				
Job level	2021/22			
	Posts No	Employees No	Vacancies (fulltime Equivalents) No	Vacancies (as a % of total posts)
0 - 3	4	4	0	0%
4 - 6	3	3	0	0%
7 - 9	N/A	N/A	N/A	N/A
10 - 12	2	2	0	0%
13 - 15	1	1	0	0%
16 - 18	N/A	N/A	N/A	N/A
19 - 20	N/A	N/A	N/A	N/A
Total	10	10	0	0%

T 3.23.2

COMMENTS ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

The municipality has no capital project budget for Sports and Recreation. There is no amount is allocated from operational budget of the municipality. This is as a result of municipal powers and functions. Sport is not a core function of the municipality- it is the core function of Department of Sports. The municipality is just providing a supportive role to communities on certain sporting codes.

T3.23.3

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

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

INTRODUCTION TO CORPORATE POLICY OFFICES

Chapter 7 of the Constitution of the Republic of South Africa states that the municipality comprise of Councillors, Officials and the Community. In order for the municipality to govern its affairs correctly it must consult with the community to ensure that needs are correctly determined, explained and included in the IDP for service delivery purposes.

Policies must be put in place which will address the needs of the community in terms of how service delivery matters will be addressed.

In order for the municipality to be able to address the service delivery matters the municipality must within limitation approve a budget that will be commensurate with the needs/projects identified for the particular year.

A Municipal Council must, within the municipality's financial and administrative capacity and having regard for practical considerations,

- exercise the municipality's legislative authority and use the resources of the municipality in the best interests of the community;
- provide, without favour or prejudice, democratic and accountable government;
- encourage the involvement of the community;
- strive to ensure that municipal services are provided to the community in a financially and environmentally sustainable manner;
- consult the community about the level, quality, range and impact of municipal services and the available options for service delivery;
- give members of the community equitable access to the municipal services to which they are entitled;
- promote and undertake development in the municipality;
- promote gender equity in the exercise of the municipality's legislative authority;
- promote a safe and healthy environment in the municipality; and
- contribute, together with other organs of state, to the progressive realisation of the fundamental rights contained in sections 24, 25, 26, 27 and 29 of the Constitution.

T3.23.4

3.24 EXECUTIVE AND COUNCIL

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

INTRODUCTION TO EXECUTIVE AND COUNCIL

The top political office consists of the Offices of Mayor/Speaker. This political management cluster is led by the Mayor. The Municipal Manager is responsible for the administration wing of the municipality. The Annual Budget was also approved thirty days before the end of the Financial Year.

In accordance with chapter 7 section 151 (2) of the Constitution of the Republic of South Africa, 1996, the Executive and Legislative authority of a municipality is vested in its Municipal Council.

In terms of delegation of powers certain matters may be delegated to the Mayor by Council who will in turn also sub-delegate to the Municipal Manager. The Municipal Manager may also sub-delegate to Directors who may in turn further sub-delegate to other officials.

Section 152 of the Constitution sets among others the following objectives for Local Government:

- (a) to provide democratic and accountable government for local communities
- (b) to ensure the provision of services to communities in a sustainable manner
- (c) to promote social and economic development

T3.24.1

3.25 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

This department deals with the administration of finances of the municipality i.e. own budget as well as the money received from Government Fiscal i.e. allocation by Government to the municipality to enhance service delivery as in MIG and equitable shares. In order for the municipality to have effective service delivery, budget and IDP processes must be followed in order to ensure public participation to cover all community proposals in terms of projects. The department must develop budget related policies and by-laws which will govern consistent charging of moneys for services rendered to the communities.

Collection of moneys owed to Council as revenue must also be covered in terms of the approved policy. There will be internal and external audits in order to ensure management of risk and curbing corruption while encouraging effecting customer care service.

The financial management of the municipality is coordinated under the Budget and Treasury Office as established in terms of S80 of the MFMA. The responsibilities for the municipal coffers including financial management, financial planning, financial accounting and supply chain management are placed within the Budget and Treasury Office. The staff complement within the BTO is twenty people, headed by the Chief Financial Officer. The vacancy rate of the budget and treasury office increased from one vacant position to four during the financial year based on the newly reviewed organisational structure. Two resignations and one promotion contributed to the increased in the vacancy rate.

The Budget and Treasury Office is divided into two performance units, namely Income, Budgeting and Expenditure Management Unit and the Supply Chain and Reporting Unit. These units are further divided into four sections (Income and Budgeting section, Supply Chain and Asset Management section, Payroll section and Expenditure Management section). These performance arrangements were agreed upon during a strategic planning session which was held by the Budget and Treasury Office during the financial year. The department has gone through the year ensuring that the reporting requirements of the National and Provincial Treasury are timeously done, and that general compliance with the Municipal Finance Management Act is achieved.

T 3.25.1

T3.25.2

The Municipality 's collection rate is very low and cannot meet its financial obligations on time. The main contributing factor is community cannot pay their accounts due to are high unemployment rate and resulting in most of the residents to be recognized as indigent.

T3.25.2.1

Employees: Financial Services					
Job Level	2021/22	2022/23			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	N/A	N/A	N/A	N/A	N/A
4 - 6	13	22	15	7	32%
7 - 9	12	14	12	2	14%
10 - 12	5	5	2	3	60%
13 - 15	4	4	4	0	0%
16 - 18	1	1	1	0	0%
19 - 20	N/A	N/A	N/A	N/A	N/A
Total	35	46	34	12	26%
3ED					T
3.25.3					

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:

Magareng LM have compiled its annual financial statements for the year 2021/22 and submitted to Office of the Auditor General on the 31st of August 2022. The total revenue amounts to R 156 054 780 versus the total expenditure of R 182 903 706 resulting in a deficit of R 27 253 052

T3.25.6

3.26 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The Human Resources Section is responsible for ensuring that the organisation's most valuable asset, its employees, is taken care of.

Enhanced staff performance is fundamentally part of the achievement of the municipality's primary service delivery objectives. The municipality continually strives to promote a culture of good governance and an environment where the needs of employees can be addressed in a manner that is conducive for the persistent advancement of the interests of our local communities.

The Human Resources functions include, but are not limited to, administration of employee benefits, recruitment and selection of competent staff, Organisational Efficiency Improvement, employment equity, training and development of staff, sound labour relations, occupational health and safety and general support services to enhance staff capacity in the process of realising organisational strategic objectives of service delivery to the community.

The Corporate Services Department has developed the Human Resources Strategy which will assist the employees of the Magareng Local Municipality to perform better by sending them to different trainings and short courses as stated in the Workplace Skills Plan.

T3.26.1

Employees: Human Resource Services					
Job Level	2021/2022	2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	N/A	N/A	N/A	N/A	N/A
4 - 6	N/A	N/A	N/A	N/A	N/A
7 - 9	1	5	2	3	60%
10 - 12	2	2	1	1	50%
13 - 15	1	1	1	0	0%
16 - 18	N/A	N/A	N/A	N/A	N/A
19 - 20	N/A	N/A	N/A	N/A	N/A
Total	4	8	4	4	50%

T3.26.4

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

HR is only support service and has no capital projects to deal with.

T3.26.3

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Key to the strategic nature of ICT in the Magareng Local municipality is the enabling of the municipal key objectives of the municipality in order to meet its constitutional obligations. Municipal ICT enable the achievement of these obligations by deploying relevant information technology solutions

Municipal ICT Unit intend to:

Services that are currently provided by the district municipality to locals are as follows.

- Collaborator Systems: records management system.
- TGIS: Geographical Information System
- IT Support Services
- Internet and email access (not all locals)
- To assist by addressing Auditor General IT findings

T3.27.1

Employees: ICT and Communications Services				
Job Level	2021/22			
	Posts	Employees	Vacancies/ (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
7 - 9	2	2	0	0%
10 - 12	N/A	N/A	N/A	N/A
13 - 15	N/A	N/A	N/A	N/A
16 - 18	N/A	N/A	N/A	N/A
19 - 20	N/A	N/A	N/A	N/A
Total	2	2		0%

T3.27.2

3.28 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
<i>T3.28.1</i>

COMPONENT J: MISCELLANEOUS

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

INTRODUCTION TO MISCELLANEOUS
None.
<i>T3.29.0</i>

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD 2022/2023

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

8. Departmental Scorecards.

The municipality reports departmental scorecards in accordance with Section 46(1) (b); wherein a municipality must prepare for each financial year a performance report reflecting a comparison of the performance with targets set for and performances in the previous financial year and (c) measures taken to improve performance.

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Actual Expenditure to date	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				
National KPA 1: Basic Service Delivery and Infrastructure Development: Technical Service Department										
<i>Strategic Objectives : Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance</i>										
01	Number of basic service delivery vehicles procured by end June 2022	N/A	N/A	N/A	R3 000 000	2 Bakkies and 1 sedan was procured in Q2.	R1 137 499.40	It was anticipated that the water truck procured would arrive in May 2022, However the manufacturing of the truck was delayed to July/August 2022.	-	<ul style="list-style-type: none"> ➤ Delivery note ➤ Invoices

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Actual Expenditure to date	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				
02	Number of quarterly reports on the upgrading of electrical infrastructure submitted to portfolio committee by end of June 2022	N/A	N/A	N/A	R500 000	Warrenville Highmast lights	R269 928.00	KPI achieved.		➤ Progress report
03	Number of service providers appointed to conduct investigation of adequacy of the Warrenton WWTW and related bulk sanitation outfall lines by end of June 2022	N/A	N/A	N/A	R800 000.00	Service Provider appointed in Q2	R900 706.46	The variance in costs (budget vs actual) is due to the procurement process.	-	➤ Appointment Letter
04	Number of reports on investigation of adequacy of the Warrenton WWTW and related bulk sanitation outfall lines by end of June 2022	N/A	N/A	N/A	R800 000.00	Phase 1 completed	R900 706.46	-	-	➤ Progress Report
05	Percentage completed on the upgrading of Warrenton water treatment plant	R83 211 000	R54 375 795.96	R54 375 795.96	R16 945 000	R20 186 341.20	R20 186 341.20	Schedule 6B grant. Therefore based on		➤ Progress Reports

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Actual Expenditure to date	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				
	completed by end of June 2022							performance DWS increased allocation		
06	Percentage completed on new internal water reticulation network construction in Ditshotshwaneng , Rabaki, and Sonderwater by end June 2022	N/A	N/A	N/A	R2.5 000 000	R4 938 112.84	R4 938 112.84	Contractor performed very well		➤ Progress reports
07	Repairs to the Warrenton WWTW and surrounding Pumpstations	N/A	N/A	N/A	R3 000 000	R4 286 368.74	R4 286 368.74	Contractor over performed	-	➤ Progress reports
08	Percentage of Kilometres completed of construction of Bulkwater Gravity Pipeline completed by end June 2022	R11 119 000	R2 837 067.68	R2 837 067.68	R6 000 000.	R3 977 249.67	R3 977 249.67	High Vaal river levels has stalled project	-	➤ Progress reports

Chapter 3

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Actual Expenditure to date	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				
09	Construction of 900m concrete palisade fence around the Warrenton WWTW by the end of June 2022	N/A	N/A	N/A	R1 200 000.	R1 199 921.50	R1 199 921.50	-	-	➤ Progress Report
10	Percentage of Surfaced Road Network Maintained	N/A	N/A	N/A	R2 000 000	R565 805.40	R565 805.40	Limited funds available to continue with KPI		➤ Progress Report
11	Percentage of Gravel Road Network Maintained	N/A	N/A	N/A	R1 000 000	R302 550.00	R302 550.00	Limited funds available to continue with KPI		➤ Progress Report
12	Number of Departmental Quarterly section 79 Committee meetings held by June 2022	4	4	-	Operational budget	3	Operational budget	Last quarter was not held due to unavailability of members	-	➤ Minutes

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Expenditure	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				

National KPA 1: Basic Service Delivery and Infrastructure Development: Community Service Department

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Expenditure	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				
Strategic Objectives :To maintain and control public amenities and areas to promote a safe and healthy environment, To deliver affordable, quality and sustainable services to communities and Promote literacy in communities through comprehensive Library Services.										
13	Number of Reports on verification of municipal properties / business sites submitted to portfolio committee by end June 2022	N/A	N/A	N/A	2	0	Operational	KPI not achieved. The reports were not submitted to the portfolio committee	Field workers required to achieve KPI as internal capacities is constrained.	➤ Progress reports
14	Number of reports on Application of land use management received by municipality approved by DMPT 30 June 2022	N/A	N/A	N/A	2	1	Operational	KPI partially achieved. No reports were received for Q2.	Performance is based on application received by DMPT and subsequent scheduling of meetings.	➤ Bi-annual land-use management reports
15	Number of Registration of title deeds processed by June 2022	N/A	N/A	N/A	60	0	Operational	KPI not achieved, service providers not appointed.	Allocation of budget for registration of title deeds	➤ List of actual registered properties.
16	Number of spatial Development Framework (SDF) reviewed and submitted to council	N/A	N/A	N/A	1	1	Operational	KPI achieved. However, item was not presented to council.	Within the first quarter of the new financial year. The SDF will be presented to council	➤ Council resolution

Chapter 3

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Expenditure	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				
	for approval by end June 2022									
17	Number of quarterly library services reports by end June 2022	4	4	Operational	4	4	Operational	KPI achieved	N/A	➤ Quarterly Reports
18	Number of reports on maintenance and repairs of municipal recreational facilities by June 2022	4	4	Operational	4	4	Operational	KPI Achieved	N/A	➤ Quarterly Reports
19	Number of quarterly reports on business refuse collection by end June 2022	4	4	Operational	4	4	Operational	KPI Achieved	N/A	➤ Quarterly Reports
20	Number of quarterly reports on households refuse collection by 30 June 2022	4	4	Operational	4	4	Operational	KPI Achieved	N/A	➤ Quarterly Reports
21	Number of quarterly traffic services reports on infringement / learners licenses & revenue by 30 June 2022	N/A	N/A	N/A	4	4	Operational	KPI Achieved	N/A	➤ Quarterly Reports

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Expenditure	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				
22	Number of Departmental Quarterly Section 79 Committee meetings held by June 2022	N/A	N/A	N/A	4	4	Operational	KPI Achieved	N/A	➤ Minutes of Community Services Portfolio meetings

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Expenditure	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				

National KPI 2: Municipal Transformation and Organizational Development - Corporate Service Department

Strategic Objectives: Provide for an accountable clean effective governance and organizational development.

23	Number of quarterly reports on ICT backup performed by end June 2022	4	4	Operational	4	4	Operational	NA	N/A	➤ Quarterly reports submitted
24	Number of quarterly Health & Safety Reports submitted to Corporate Services Portfolio committee by end June 2022	4	4	Operational	3	3	Operational	NA	N/A	➤ Portfolio Meeting Minutes / Attendance Register

Chapter 3

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Expenditure	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				
25	Number of Work Skills Plan Development submitted to LGSETA by April 2022	1	1	Operational	1	1	Operational	N/A	N/A	➤ Acknowledgement letter from LGSETA
26	Number of quarterly reports on the status of litigation against the Municipality compiled and submitted to the portfolio committee meeting by end of June 2022	4	4	Operational	3	3	Operational	N/A	N/A	➤ Minutes and attendance register of portfolio committee meetings submitted
27	Number of Employment Equity Reports Compiled and submitted to department of Labour by end June 2022	1	1	Operational	1	1	Operational	N/A	N/A	➤ Proof of submission to Department of Labour submitted
28	Number of ordinary council meetings coordinated by June 2022	4	4	Operational	4	4	Operational	N/A	N/A	Minutes /and attendance registers of ordinary council meetings submitted
29	Number of Departmental quarterly	16	13	Operational	3	3	Operational	N/A	N/A	➤ Minutes/and attendance

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Expenditure	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				
	Section 79 committee meetings held by June 2022									registers of portfolio committee meetings submitted
Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 20 21- 2022		Expenditure	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				
NPA 3: Local Economic Development - Community Service Department										
Strategic Objectives : <i>Create an environment that promotes development of local economy and facilitate job creation</i>										
30	Number of tourism programmes initiated by end June 2022	2	2	Operational	2	1	Operational	KPI partly achieved Couldn't host the tourism event due to covid regulations	The KPI will be done in new financial year	➤ Attendance register
31	Number of quarterly meetings between LED Unit and Warrenton Tourism unit association held by end June 2022	N/A	N/A	N/A	4	3	Operational	KPI Partially Achieved. Meeting couldn't sit due failed quorum.	Yearly schedule must be developed	➤ Attendance Register

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Expenditure	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				
32	Number of SMME's supported through skills development be end June 2022	2	2	Operational	2	2	Operational	N/A	N/A	➤ Attendance register
33	Number of quarterly reports submitted to portfolio committee on PDI's provided with business support by June 2022	N/A	N/A	N/A	4	3	Operational	KPI Partially Achieved. fourth quarter portfolio committee is yet to sit	N/A	➤ Attendance Register

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Expenditure	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				

KPA 4: Municipal Financial Viability and Administration – Finance Department

Strategic Objective: To improve overall financial management in the municipality by developing and implementing appropriate Financial Management.

34	Number of Annual Financial Statements submitted to AGSA by 31 August 2021	1	1	Operational	1	1	R1200000	N/A	N/A	➤ Acknowledgement of receipt from AG
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Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Expenditure	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				
35	Number of 2021/22 Adjustment Budgets submitted to Council for approval by end February 2022	1	1	Operational	1	1	Operational	N/A	N/A	➤ Council resolution submitted
36	Number of 2021/22 Final Budget submitted to Council for approval by end of May 2022	1	1	Operational	1	1	Operational	N/A	N/A	➤ Council resolution submitted
37	Number of Section 72 reports tabled to council by end Feb 2022	N/A	N/A	N/A	1	1	Operational	N/A	N/A	➤ Council resolution submitted
38	Number of Section 52(d) reports tabled at council meeting by end June 2022 implementing appropriate Financial Management	N/A	N/A	N/A	4	1	Operational	1 st quarter the bank reconciliation was yet closed for September an 2 nd quarter, the committee could not sit due to local government election and the 4 th quarter is still pending	To ensure that the Budget and Treasury Committee meeting convene as scheduled to table Section 52(d) reports.	➤ Minutes of Council meetings
39	% of revenue collected by end June 2022	N/A	N/A	N/A	32%	28.78%	Operational	Not be able to implement credit control fully due to change of pre-paid	Implementation of Pre-paid system data cleansing and	➤ Revenue Collection Report submitted

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Expenditure	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				
								system. Lack of distribution of accounts.	continuous distribution of accounts	
40	Number of Departmental Quarterly Section 79 Committee meetings held by June 2022	N/A	N/A	N/A	4	2	Operational	Treasury Committee could not sit in the 1 st quarter due non availability of committee member and 2 nd quarter due to the local government elections	To ensure that Committee meetings sits as scheduled	➤ Minutes and attendance registers of Department Quarterly Section 79 Committee meetings.

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Expenditure	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				

KPA 5: Good Governance and Public Participation - Office of the MM

Strategic Objectives: Promote a culture of participatory & good governance, Improve organizational cohesion effectiveness and To improve overall financial management in the municipality by developing and implementing appropriate Financial Management

41	Number of final 2022/23 reviewed IDP Documents submitted			N/A	1	1	Operational	N/A	N/A	➤ Council resolution
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Chapter 3

Ref	Key Performance Indicator/ Unit of Measurement	Previous Financial Years 2020- 2021		Revised Annual Budget	Financial Year Under Review 2021- 2022		Expenditure	Reason for under-performance/ deviation	Measures Taken/ to be taken to improve performance	Means of Verification /P.o.E
		Target	Actual performance		Annual Target	Actual performance				
	to Council by end May 2022	1	1							
42	Number of Annual Reports submitted to Council by end January 2022	1	1	N/A	1	1	Operational	N/A	N/A	➤ Council resolution
43	Number of mid-term budget and performance assessment reports submitted to the Mayor by 25 January 2022	1	1	N/A	1	1	Operational	N/A	N/A	➤ Letter of Acknowledgement of receipt by the Mayor

Summary of municipal performance from 01 July 2021 to 30 June 2022:

KPIs Achieved / Not Achieved	Number
KPI's not Achieved:	07
KPI's partially achieved:	03
KPI's achieved:	20
Total KPI's:	30

9. Progress on Annual Performance Report 2021/2022.

The following overall challenges were applicable at the end of 2021/2022 financial year. Progress during 2021/2022 is as follows:

KPIs	Indicator Description	Planned Target 2021/2022	Actual Achievement- 2021/2022	2022/2023 Progress
KPI 01	Number of basic service delivery vehicles procured by end June 2022	The initial target was to procure 3 bakkies, 1 Sedan and 1X 16 000L Water Truck	Only 2 X Bakkies and 1 Sedan were procured and delivered by end June 2022. The bakkies were reduced in order to be within budget and the delivery of 16 000L Water Truck was delayed due to manufacturing processes	KPI 01: The Delivery of the 16 000L Water Truck is expected in the new financial year. It was delayed due to manufacturing process.
KPI 02	Number of quarterly reports on the upgrading of electrical infrastructure submitted to portfolio committee by end of June 2022	R500 000.00	R269 928.00	KPI 02: More budget allocation is required to maximize KPI. Only one activity was achieved, however more needs to be done in electrical infrastructure.

KPIs	Indicator Description	Planned Target 2021/2022	Actual Achievement- 2021/2022	2022/2023 Progress
KPI 04	Number of service providers appointed to conduct investigation of adequacy of the Warrenton WWTW and related bulk sanitation outfall lines by end of June 2022	R800 000.00	R900 706.45	KPI 04: More budget allocation is required to complete KPI in 2022/23. The Project was broken down into phase1 and 2 to accommodate the budget
KPI 08	Percentage of Kilometres completed of construction of Bulkwater Gravity Pipeline completed by end June 2022	Completion of the construction of Bulkwater Gravity Pipeline	The project completion was not achieved due to the high-water levels at the Vaal River crossing point. Due to safety concerns the project was stalled.	KPI 08: The Vaal River crossing point is considered <i>force majeure</i> . Once the river levels subdues or significantly reduces, construction will resume.
KPI 10	Percentage of Surfaced Road Network Maintained	R2 000 000	R565 805.40. Limited funds available to continue with KPI	KPI 04: More budget allocation is required to complete KPI in 2022/23.

KPIs	Indicator Description	Planned Target 2021/2022	Actual Achievement- 2021/2022	2022/2023 Progress
KPI 11	Percentage of Gravel Road Network Maintained	R1 000 000	R302 550.00. Limited funds available to continue with KPI	KPI 04: More budget allocation is required to complete KPI in 2022/23.

Service Providers Strategic Performance

Section 76(b) of the MSA state that KPIs should inform the indicators set for every municipal entity and service provider with whom the municipality has entered into a service delivery agreement. A service provider:

- Means a person or institution or any combination of person and institution which provide to or for the benefit of the local community.
- External service provider means an external mechanism referred to in section 76(b) which provides a municipal service for a municipality
- Service delivery agreement means an agreement between a municipality and an institution or person mentioned in section 76(b) in term of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality

During the year under review the municipality did appoint service providers who provided municipal services to or for the benefit of the local community on behalf of the municipality and below is performance assessment of some of the service provider appointed to render service for the benefit of the local community on behalf of the Municipality. All these projects were regularly monitored by Project Management Unit.

ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS 2021/22 FINANCIAL YEAR											
Project name	Name of Service provider (Consultant & Contractor)	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor Average 2 - Fair 3 - Good 4 - Excellent 5 -				Assessment comments
							Q 1	Q2	Q3	Q4	
	Bright Ideas Projects 2241		22/11/2021		Completed						

ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS 2021/22 FINANCIAL YEAR											
Project name	Name of Service provider (Consultant & Contractor)	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 - Excellent				Assessment comments
							Q 1	Q2	Q3	Q4	
Construction of 900m concrete palisade fence around the Warrenton waste water treatment works.	Bright Ideas Projects 2241 (Pty) Ltd	Internal Funding	22/11/2021	15/01/2022	Completed						
Supply and delivery of High velocity sewer cleaning machine complete with Auxillary fittings for Magareng Municipality	Elewamma Enterprises (Pty) Ltd	MDRG	10/01/2022	15/05/2022	Completed						
Emergency repairs to the Warrenton WWWTW and surrounding pumpstations	Tarcron Projects (Pty) Ltd and NEP Consulting (Consultant)	WSIG	28 February 2023	On going	55%						

ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS 2021/22 FINANCIAL YEAR											
Project name	Name of Service provider (Consultant & Contractor)	Source of funding	Start date	Completion date	Progress to date	Challenges and interventions	Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 - Excellent				Assessment comments
							Q 1	Q2	Q3	Q4	
New Internal Water Reticulation network in Ditshotshwanen g , Rabatji & Sonderwater	Geezfix (Pty) Ltd and BVI consulting(Consultant)	MIG	18/03/2022	On going	Phase 1 completed, Phase 2 & 3 for 2022/23 FY						
Supply and delivery of three bakkies and one sedan	Simunye Fleet Management (Pty) Ltd	Internal Funding	22/11/2021	25/11/2021	Completed						

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

INTRODUCTION

This component represents the role that HRM&D plays in deciphering, defining, developing and rewarding an organizational culture that is conducive to achieving business objectives. This includes:

- Culture transformation and change management;
- The development of individuals and teams with a systems view;
- Review and design of organizational structures.
- Training that related to job and personal growth equipping all employees with the necessary knowledge, skills and competencies to perform their work effectively, in pursuit of the vision and mission of Council as well as the employee's vision.
- Enabling employees to deal effectively and pro-actively with change and to the challenges of dynamic work and external environment.
- Enabling employees to acquire development orientated professionalism and the appropriate competencies.
- Helping employees to address issues of diversity whilst promoting a common organization culture so as to or in doing support unity at the workplace.
- Assisting employees in developing a better understanding of the needs of the communities that they are serving, as well as the capability to respond to these needs.
- Creating an enabling environment for the training and development of present and future incumbents. Creating a pool of suitably qualified individuals to be identified and developed in terms of a succession planning program.
- By providing job security to competent individuals.
By providing equitable access and participation in properly structured training and appraisal processes that will ensure that every employee's work performance is maximized, and, that his/her potential is fully developed.

T4.0.1

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Description	Employees				
	2021/2022	2022/2023			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water	17	22	15	7	
Waste Water (Sanitation)	10	22	11	11	
Electricity	5	12	6	6	
Waste Management	27	28	10	18	
Housing	1	6	2	4	
Waste Water (Storm-water Drainage)	-	-	-	-	
Roads	2	15	3	12	
Transport	-	1	1	0	
Economic Development	2	4	3	1	
Planning and Development (Strategic & Regulatory)	2	2	2	2	
Community & Social Services – Fire and Disaster	N/A	N/A	N/A	N/A	N/A
Environmental Health	N/A	N/A	N/A	N/A	N/A
Security and Safety	15	10	6	4	
Parks and Recreation	3	10	10	0	
Corporate Services	15	29	19	10	
Budget and Treasury	35	46	35	11	

Chapter 4

Executive Support		17	13	4	N/A
Internal Audit	0	1	1	0	0
Totals					
Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June, as per the approved organogram.					

Vacancy Rate: 2021/2022			
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	0	0%
CFO	1	0	0%
Other S57 Managers (excluding Finance Posts)	3	1 (Community Services HoD) Post was never filled since it was introduced	33%
Line Managers: (including Finance Posts)	12	1 (IDP/PMS)	0%

		Post was vacant from 28 June 2021 to 30 June 2022	
Total	17	2	13%
			T 4.1.2

Turn- over Rate			
Details	Total Appointment as of beginning of financial year No.	Termination during the financial year No.	Turn- over Rate No.
2019/20		NONE	
2020/21		NONE	
2021/22	16	17	-
T 4.1.3			

COMMENT ON VACANCIES AND TURNOVER:

T4.1.4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Municipality has reviewed 3 policies which are explained to the workforce as and when are adopted by Council or reviewed periodically. The workforce through the Local Labour Forum, as an important stakeholder, in the development of such policies are properly consulted on all matters of mutual interest. The departments, units and the organisation in general holding continuous staff meeting in order to create a platform for the staff to air their views in matters of mutual interest

T4.2.0

OCCUPATIONAL LEVELS	Male					Female				
	African	Colour	Indian	White	Total	African	Colour	Indian	White	Total
Senior Management	1	0	0	0	0	3	0	0	0	4
Professionally qualified and experienced specialists and mid-management	8	0	0	1	9	2	1	0	0	4
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents										
Semi-skilled and discretionary decision making										
Unskilled and defined decision making										
TOTAL EMPLOYEES/POSTS										
AS % OF THE TOTAL NUMBER OF EMPLOYEES/POSTS										
CURRENT MALE TO FEMALE RATIO	Male					Female				
TOTAL NUMBER OF MALE & FEMALE EMPLOYEES										
CURRENT % MALE TO FEMALE RATIO										

4.2 POLICIES

HR Policies and Plans				
No.	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Ethics Policy	0	0	The municipality does not have ethics policy
2	Fraud Prevention Policy	100	100	30 June 2019
3	Whistle Blowing Policy	0	0	28 June 2018
4	Risk Management Committee Policy	100	100	31 May 2019
5	Risk Management Strategy	0	0	
6	Asset Management Policy	100	100	31 May 2019
7	SCM Policy	100	100	25 June 2018
8	Cell phone Policy	100	100	31 May 2019
9	Notebooks and Mobile Computing Policy	100	100	In a process of developing it
10	Leave and Overtime Policy	100	100	28 June 2018
11	Recruitment and Selection Policy	100	100	28 June 2018
12	Information Technology (IT) Policy	100	100	28 June 2018
13	Information Technology (ICT Disaster Recovery Plan)	0	0	28 June 2018
14	IT Corporate Governance Policy Framework	100	100	28 June 2018

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

All policies were in place and adopted by Council except the Ethics Policy.

T4.2.1.1

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	0	0	0	0	0
Temporary total disablement	20	2	0	0	R1600.00
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
Total	20	2	0	0	R1600.00

T 4.3.1

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	0	0	0	0	0	
Skilled (Levels 5-8)	0	0	0	0	0	
Highly skilled supervision (levels 9-12)	0	0	0	0	0	
Senior management (Levels 13-15)	0	0	0	0	0	
MM and S57	0	0	0	0	0	
Total	0	0	0	0	0	

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

T 4.3.2

T4.3.3

T4.3.4

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
None			

T 4.3.6

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

T 4.3.7

4.4 PERFORMANCE REWARDS

COMMENT ON PERFORMANCE REWARDS:

No performance rewards were paid out during the year under review.

T4.4.1.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Human Resource Section is the custodian for capacity building of employees within the Municipality and contributes to the building and creation of a capable service delivery organization. The Skills Development Act No 97 of 1998 as Amended in 2008 sets clear guidelines and requirements for the organization to implement capacity building initiatives for employees.

In response to the quoted legislative framework and related regulations such as the National Skills Development Strategy (NSDSIII) and the Local Government Sector Education and Training Authority (LGSETA), MLM acquitted itself well under the circumstances prevailing.

The Workplace Skills Plan (WSP) for 2021/22 financial year with its attended Training Plan was submitted to the Sector Education and Training Authority for Local Government (LGSETA) by as per requirement.

Emphasis has been on encouraging Municipal compliance with the Skills Development legislation, we continue to encourage compliance but we also emphasise on quality, in 2006 LGSETA began to issue completeness checks to Municipalities, in 2008 a quality criterion was developed, in 2009 evaluating the WSP/ATR in detail started to check if the WSP/ATR submitted is of required standards, feedback emanating from the evaluation is also given to the Municipalities in order to ensure that the gaps identified are addressed in future WSP & ATR,

The Municipality are ensuring that we are complying with the Skills Development Legislation and we will continue with our endeavour to have quality WSP/ATR, which will expose core IDP objectives of the Municipality

T4.5.0

5 SKILLS DEVELOPMENT AND TRAINING

The Skills Development Act (1998) and the Municipal Systems Act, (2000) requires employees to supply employees with the necessary training in order to develop its human resource capacity. Section 55 (i)(f) state that as head of the administrator the Municipal Manager is responsible for the management, utilization

Skills Matrix														
Management level	Gender	Employees in post as at 30 June Year 2021	Number of skilled employees required and actual as at 30 June Year 2021											
			Learner ships			Skills programmes & other short courses			Other forms of training			Total		
			No.	Actual: End of 2019/20	Actual: End of 2020/2021	2020/2021 Target	Actual: End of 2019/20	Actual: End of 2020/2021	2020/2021 Target	Actual: End of 2019/20	Actual: End of 2020/2021	2020/2021 Target	Actual: End of 2019/20	Actual: End of 2020/2021
MM and s57	Female	0							3	1		3	1	
	Male	0							2	1		2	1	
Councillors, senior officials and managers	Female	1							2	2		2	2	
	Male	2							2	2		2	2	
Technicians and associate professionals*	Female	0							3	2		3	2	
	Male	0							0	0		0	0	
Professionals	Female	0							3	2		3	2	
	Male	0							3	2		3	2	
Sub total	Female	1							11	7		11	7	
	Male	2							7	5		7	5	
Total		3							18	12		18	12	

*Registered with professional Associate Body e.g CA (SA)

T 4.5.1

4.5.2 MFMA Competencies

In terms of section 83(1) of the MFMA, the Accounting Officer, Senior Managers, the Chief Financial Officer, Non-financial Managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

To assist the above-mentioned officials to acquire the prescribed financial competencies, NT, with the collaboration of various stakeholders and role players in the Local Government sphere, developed an outcome based NQF level 6 qualifications in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, "(1) No Municipality or municipal entity may, with effect 1 January employ a person as a financial official if that person does not meet the competency level prescribed for the relevant position in terms of these Regulation".

The table below provides details of the financial competency development progress as required by the regulation:

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	4					
Accounting officer	0					
Chief financial officer	0					
Senior managers	0					
Any other financial officials	0					
Supply Chain Management Officials	0					
Heads of supply chain management units	0					
Supply chain management senior managers	0					
TOTAL	4					

* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)

Chapter 4

Skills Development Expenditure: 2021-2022							R
Management level	Gender	Employees as at the beginning of the financial year	Skills Development				
		No.	Learnerships	Skills programmes & other short courses	Other forms of learning/ training	Total	
MM and S57	Female	0					
	Male	0					
Legislators, senior officials and managers	Female	1					
	Male	2					
Professionals	Female	0					
	Male	0					
Technicians and associate professionals	Female	0					
	Male	0					
Clerks	Female	0					
	Male	0					
Plant and machine operators and assemblers	Female	0					
	Male	0					
Elementary occupations	Female	0					
	Male	0					
Sub total	Female	1					
	Male	2					
Total		3					
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.							*
NB. Portion of the allocation was used in profile searching, purchasing study books, catering and also for accommodation							

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

Training and skills development interventions are mainly aimed at increasing the knowledge, proficiency, ability and skills of MLM Human Capital to improve bottom line performance. MLM Training Plan is informed by key strategic documents such as IDP and internal Skills Audit Results as well as the National Treasury Minimum Competency Regulations of 2007. September 2015 was set by National Treasury as the final deadline by which compliance at the various sectorial and professional work levels must be achieved.

In terms of Section 83 (1) of the MFMA, the accounting officer, senior managers, the chief financial officer, nonfinancial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

The training plans specifically focus on the underneath aspects:

- **NEEDS ORIENTATED:**

It is important to align all training and development programs with needs based on post requirements, the tasks to be performed, and based on the performance gaps of the incumbent. The primary objective is to improve skills, knowledge, attitudes and values. These are to be specific and must at all-time indicate what the staff member should be able to demonstrate. At all times must individual, department needs and Municipality objectives be aligned in order to achieve the maximum.

- **OUTCOME BASED ORIENTATED:**

Here the emphasis is on outcomes, i.e. what the employee becomes and understands. The direct aim is to develop analytical thinking, improved attitudes, understanding and mastering skills. The main focus therefore is on the results expected at the end of a learning process, called the outcomes and the processes that will take the employee to these ends.

- **COMPETENCY BASED ORIENTATED:**

This is based on the identification of operational training and development needs, emanating from the strategic plan and the objectives of the Municipality. These learning modules, with specific training and development objectives, can subsequently be combined to determine if the employees met the training and development needs, and if the employees have the competency to apply the skill effectively.

T4.5.4

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

Section 66 of the MSA states that the Accounting Officer of a Municipality must report to the Council on all expenditure incurred by the Municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

T4.6.0

4.6 EMPLOYEE EXPENDITURE

Source: MBRR SA22

T 4.6.

COMMENT ON WORKFORCE EXPENDITURE:

The strict control of the workforce budget enables the municipality to implement and achieve the pre-determined objectives as set out in the IDP because all vacant and budgeted posts will be filled immediately the vacancy arises. The workforce budget is spent with the parameters of the approved budget. Appointment is done in terms of the requirements of the post because the salary package is commensurate to the experience and qualifications of the post.

T4.6.1.1

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	0
	Male	0
Skilled (Levels 3-5)	Female	0
	Male	0
Highly skilled production (Levels 6-8)	Female	0
	Male	0
Highly skilled supervision (Levels 9-12)	Female	0
	Male	0
Senior management (Levels 13-16)	Female	0
	Male	0
MM and S 57	Female	0
	Male	0

Total	0
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).	
T 4.6.2	

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	N/A			
T 4.6.3				

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
None	N/a	-	-	-
T 4.6.4				

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

No posts were upgraded during the year under review.

T4.6.5

DISCLOSURES OF FINANCIAL INTERESTS

The Municipality requires employees and Councillors to disclose financial interest annually. These disclosure forms are recorded and kept at Supply chain, and all these disclosure forms were requested by the AG and submitted as such.

T4.6.6

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

This financial overview presents the brief summary of the financial performance of the municipality for the financial year under review. The detailed financial performance, financial position and cash flow activities of the municipality are presented in the annual financial statements for the year ended 30 June 2021. The municipality has during the financial year, strived to comply with the requirements of the relevant legislative prescripts and the guidelines set by the National Treasury in as far as financial management is concerned.

The municipality managed the budget process effectively and adhered to the timeframes as set out by the Municipal Finance Management Act. The Budget Steering Committee was established and meetings of the committee were effectively held. Other success factors for the financial year 2021-2022 are amongst others being able to monitor and report effectively on the budgets as well as the submission of the Annual Financial Statements on time.

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

The original capital budget for the 2021-2022 was **R 27 041 000** and during the adjustment budget it was increased to R 38 486 000.00 The actual expenditure incurred amounts to R 32 908 357..

T5.0.1

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

The financial statements presented in this report are presented on the basis that the municipality is a going concern. The principles of GRAP have been taken into consideration when preparing these annual financial statements. The annual financial statements have been prepared in-house and have been submitted on time as prescribed in the Municipal Finance Management Act to the Auditor General.

Analyzing the financial position of the municipality as outlined in the statement of financial position, in the annual financial statements, the municipality is still financially viable. The municipality has maintained a sustainable and sufficient asset base, despite the fact that providing enough for repairs and maintenance remains a challenge.

T5.1.0

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Statement of Financial Performance will form part of the Audited Financial Statement

COMMENT ON FINANCIAL PERFORMANCE:

The municipality's total expenditure was within the approved budget during the year under review.

T5.1.3

5.2 GRANTS

Operating transfers and grants for the financial year 2021/22 were received as per DoRA.

T5.2.2

COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

Conditional grants for the financial year 2021/22 were received as per DoRA conditions

T5.2.4

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

T5.3.1

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2021/22

Asset 1				
Name	TRANSFORMER			
Description	EXTERNAL TRANSFORMER			
Asset Type	ELECTRICITY INFRASTRUCTURE ASSET			
Key Staff Involved	ELECTRICITY TECHNICIAN			
Staff Responsibilities	MAINTAINING THE FUNCTIONING OF ELECTRICITY INFRASTRUCTURE NETWORK			
Asset Value	2018/19	2019/20	2020/21	2021/22
	R 112 753.65	R 106 578.35	R 100 403.05	R 94 227.75
Capital Implications	ASSET NEEDS TO BE REPLACED			
Future Purpose of Asset	THE ASSET WILL CONTINUE TO BE USED IN THE ELECTRICITY NETWORK			
Describe Key Issues	REPAIR AND MINTENANCE ISSUES			
Policies in Place to Manage Asset	THERE IS AN ASSET MANAGEMENT POLICY IN PLACE			
Asset 2				
Name	MINI SUB			
Description	TRANSFORMER MINI SUB			
Asset Type	ELECTRICITY INFRASTRUCTURE ASSET			
Key Staff Involved	ELECTRICITY TECHNICIAN			
Staff Responsibilities	MAINTAINING THE FUNCTIONING OF ELECTRICITY INFRASTRUCTURE NETWORK			

	2018/19	2019/20	2020/21	2021/22
Asset Value	R43 227.07	R37 051.77	R30876.47	R24 701.17
Capital Implications	ASSET NEEDS TO BE REPLACED			
Future Purpose of Asset	THE ASSET WILL CONTINUE TO BE USED IN THE ELECTRICITY NETWORK			
Describe Key Issues	REPAIR AND MINTENANCE ISSUES			
Policies in Place to Manage Asset	THERE IS AN ASSET MANAGEMENT POLICY IN PLACE.			
Asset 3				
Name	PIPE			
Description	UPVC PIPE			
Asset Type	WATER INFRASTRUCTURE ASSET			
Key Staff Involved	WATER INFRASTRUCYURE MANAGER			
Staff Responsibilities	MAINTAINING WATER NETWORK			
	2018/19	2019/20	2020/21	2021/22
2018/19	R17 493	R16 813.08	R16 133.16	R15 453.24
Capital Implications				
Future Purpose of Asset	THE ASSET WILL CONTINUE TO BE USED IN THE WATER NETWORK UNTIL ITS DISPOSAL			
Describe Key Issues	NONE			
Policies in Place to Manage Asset	THERE IS AN ASSET MANAGEMENT POLICY IN PLACE.			
<i>T 5.3.2</i>				

Magareng Local Municipality have compiled the Fixed asset register for the year 2021/22 and audited by the Office of the Auditor General.

T5.3.3

Repair and Mainance Expenditure: 2021/22				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	R2 550 000	-	R8 160 058	(R5 610 058)
<i>T 5.3.4</i>				

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

The Municipality have budgeted) an amount of R 2 550 000. The expenditure incurred as at 30 June 2022 amounts R 8 160 058 which results in an overspending against the budgeted amount.

T5.3.4.1

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Employee Cost = $R\ 53\ 077\ 824 / 182\ 313\ 394 * 100 = 29\%$

T5.4.1

Repairs & Maintenance = $R\ 13\ 849\ 631 / 182\ 313\ 394 * 100 = 8\%$

T 5.4.2

Finance Charges & Impairment = $R\ 37\ 815\ 384 / 182\ 313\ 394 * 100 = 21\%$ T 5.4.3

COMMENT ON FINANCIAL RATIOS:

T 5.4.4

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

T5.5.0

5.5 CAPITAL EXPENDITURE

Information will form part of the Annual Financial Statement.

T5.5.1

5.6 SOURCES OF FINANCE

COMMENT ON SOURCES OF FUNDING:

Magareng Local Municipality is mostly reliant on government grants for service delivery related projects.

T5.6.1.1

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: 2021/2022			Variance: 2021/22	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A – Water Project	R29 741 000	R40 686 000	R23 352 109	79%	57%
B –Water				0	0%
C – Sports				0	0%
D –				0	%
E –					%
* Projects with the highest capital expenditure in 2021//2002					
Name of Project - A	Upgrading of Warrenton Water Treatment Works.				
Objective of Project	Refurbish and upgrade major processing units that will increase the capacity from 9ML/d to 12ML/d.				
Delays	Protests				
Future Challenges	Rainfall and vandalism				
Anticipated citizen benefits	Sustainable water supply				
Name of Project - B	1.7km Bulkwater Gravity-fed pipeline				
Objective of Project	Construction of New 1.7 km Bulkwater pipeline from Warrenton Water Treatment Works to main pump station				
Delays	Environmental and Sanral compliance matters				
Future Challenges	High water level of the Vaal River				
Anticipated citizen benefits	Increased capacity of the bulkwater infrastructure in Magareng				
Name of Project - C	Ikhutseng Sports Stadium				
Objective of Project	To provide sport facilities to the community of Ikhutseng				
Delays	Covid-19 restrictions				
Future Challenges	Covid-19				
Anticipated citizen benefits	New sports facilities				
Name of Project - D					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - E					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					

COMMENT ON CAPITAL PROJECTS:

Capital projects are funded through Government grants; VIZ Municipal Infrastructure Grant and RBIG

T5.7.1.1

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS– OVERVIEW**INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS**

No comments provided

T5.8.1

Service Backlogs as at 30 June 2021				
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	5052	77	1500	23
Sanitation	5052	77	1500	23
Electricity	5052	77	1500	23
Waste management		%		
Housing		%		%

*% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to * formal and ** informal settlements.*

T 5.8.2

Municipal Infrastructure Grant (MIG)* Expenditure 2021/22 on Service backlogs						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adj Budget	
Infrastructure -						
<i>Water treatment plant</i>	R15 000 000	R0	R2 500 000	R0	R0	
<i>Storm water</i>						
<i>highmast lights</i>						
<i>Community halls</i>						
<i>Sports Facilities</i>	R15 000 000	R7 000 000	R7 000 000			

<i>Economic Hubs</i>						
Total						
						<i>T 5.8.3</i>

COMMENT ON BACKLOGS:

The MLM’s annual budget for infrastructure development is unable to address backlogs.

T5.8.4

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2021/22

Capital Programme by Project by Ward: 2021/22			R' 000
Capital Project	Ward(s) affected		Works completed (Yes/No)
Upgrading of Warrenton WTW		1-5	Yes
1.7km Bulkwaterpiepline		1-5	Yes
Ikhutseng Sports Stadium		3,4&5	Yes
New Internal Water Reticulation network in Ditshotshwaneng , Rabatji & Sonderwater		4&5	No
Emergency repairs to the Warrenton WWWTW and surrounding pumpstations		1-5	No

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

T 5.9

5.9 CASH FLOW

Cash Flow Statement to be included once the AFS audited

COMMENT ON CASH FLOW OUTCOMES:

No borrowings

T5.9.1.1

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

Non borrowings

T5.10.1

COMMENT ON BORROWING AND INVESTMENTS:

No new loans were taken up in the financial year under review.

T5.10.5

5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS

T5.11.1

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

Supply Chain Management Unit is established according to Section 111 of the MFMA that states that the municipality has to adopt and implement SCM Policy. Supply Chain Management System of the municipality provides a mechanism to ensure fair, equitable, transparent, competitive and cost effective procurement whilst promoting black economic empowerment.

T5.12.1

5.13 GRAP COMPLIANCE

Magareng LM have compiled the annual financial statements and Fixed Asset register in accordance to GRAP standards.

T5.13.1

GLOSSARY

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS:2021/22

COMMENTS ON AUDITOR-GENERAL'S OPINION 2021/2022

T6.2.5

GLOSSARY

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

GLOSSARY

Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General performance indicators Key	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP) Plan	Set out municipal goals and development plans.
National performance areas Key	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance

GLOSSARY

	standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>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</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDICES

APPENDICES

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	Number Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
Neo Lovedelia Mase	FT	Executive Mayor	PR ANC		
Mrs Nontsisi Mkomela	PT	Finance Committee Chairperson	WARD 1 Cllr		
Mrs Masego Florence Melato	PT	Technical Services Committee Chairperson	WARD 2 Cllr		
Mr Matlhomola Mere	PT	Corporate Services Committee Chairperson	WARD 3 Cllr		
Mss Buhle Ouma Amos	PT	Community services chairperson	WARD 4 Cllr		
Mr Willem Potgieter	PT	Exco member	WARD 5 Cllr		
Mr Bonakele Plata	FT	Speaker	WARD 6 Cllr		
Miss Lerato Namelang	PT	Finance committee member	PR EFF		
Mrs Keolebogile Mekhoa	PT		PR EFF		
Mrs Diedre Watson	PT		PR DA		
Mrs Lorraine Valtyn	PT	Mpac Chairperson	Ward 5 Councillor		

*Note: * Councillors appointed on a proportional basis have been allocated to different wards to assist the ward councillors*

TA

Executive Committee Meetings				
Executive Committee Members	Total No of Meetings held	Attendance	Non attendance	
			With apology	Without apology

APPENDICES

Executive Committee Meetings				
Executive Committee Members	Total No of Meetings held	Attendance	Non attendance	
			With apology	Without apology
	N/A			

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
1. Corporate Services Committee	To assist the Executive Mayor in his/her responsibility to monitor the management of the municipality's administration in accordance with the directions of Council.
2. Technical Services Committee	To assist the Council in its responsibility to oversee the provision of services to communities in a sustainable manner.
	<p>provide political guidance of the fiscal and financial affairs of the municipality, including the budget process and the priorities that must guide the preparation of the budget;</p> <ul style="list-style-type: none"> - monitor and oversee the exercise of financial responsibilities assigned to the Accounting Officer and Chief Financial Officer in terms of the MFMA; - take reasonable steps to ensure the municipality performs its Constitutional and statutory functions within the limits to the municipality's approved budget; - submit a report to Council, within 30 days of the end of each quarter, on the implementation of the budget and the financial state of affairs of the municipality; - co-ordinate the annual revision of the Integrated Development Plan (IDP), and the preparation of the annual budget, and determining how the IDP is to be taken into account, or revised, for the purpose of the budget;
3. Finance Committee	- ensure that the budget is approved by Council before the start of the budget year;

APPENDICES

4. Community Services Committee	Hears presentations and receives correspondence and reports from the Community Development Department and from the Emergency Services Department, and shall make recommendations to Council on these matters.
5. MPAC	Is an oversight body whose main role is to hold the executive accountable on the spending of public funds.
6. Local Labour Forum	Are a structure designed to strengthen the relationship between organized labour and management. This then also means that the effectiveness of the structure will have an impact of policy frameworks that govern local government.

TB

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure		
Directorate	Director/Manager - State title	Name
Municipal Manager's Office	Acting Municipal Manager	Mr Tumelo Thage
Corporate Services	HOD: Corporate Services	Mrs DibuenLentsoe
Budget & Treasury	Acting Chief Financial Officer	Mss Kedisaletse Khaziwa
Technical Services	HOD: Technical Services	Mr Tumelo Thage
Community Services	Acting HOD : Community Services	Vacant
<i>Use as a spill-over schedule if top 3 tiers cannot be accommodated in chapter 2 (T2.2.2).</i>		TC

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

New No	Function As Per Government Gazette No 6847 - 24 Dec 2010	Function Assigned	Done By MLM
1	Air Pollution		N/A
2	Amusement Facilities		Yes
3	Billboards & Display of Advertisements in Public Places		Yes
4	Building Regulations		Yes
5	Cemeteries, Funeral Parlours and Crematoria		Yes
6	Child Care Facilities		N/A
7	Cleansing		Yes
8	Control of Public Nuisances		Yes
9	Control of Undertakings that Sell Liquor to the Public		Yes
10	Facilities for the Accommodation, Care and Burial of Animals		Yes

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New No	Function As Per Government Gazette No 6847 - 24 Dec 2010	Function Assigned	Done By MLM
11	Fencing and Fences		Yes
12	Fire Fighting Service		N/A
13	Integrated (IDP) Municipal Planning		Yes
14	Levying of fees for Services Provided by LM		Yes
15	Levying of Rates on Property		Yes
16	Levying of Surcharges on Fees for Services Provided for or on behalf of the LM		Yes
17	Licensing and control of undertakings that sell food to the public		N/A
18	Licensing of Dogs		N/A
19	Local Amenities		Yes
20	Local Roads and Streets		Yes
21	Local Sport Facilities		Yes
22	Local Markets		Yes
23	Municipal Abattoirs		Yes
24	Municipal Airports		N/A
25	Municipal Health Service		N/A
26	Municipal Parks & Recreation		Yes
27	Municipal Planning (Town Planning)		Yes
28	Municipal Public Transport		Yes
29	Municipal Public Works relating to any Functions of the LM		Yes
30	Noise Pollution		N/A
31	Pontoons, Ferries, Jetties, Piers & Harbours		N/A
32	Pounds		N/A
33	Promotion of Local Tourism for the Area		Yes
34	Public Places		Yes
35	Refuse Removal, Refuse Dumps and Solid Waste Disposal Sites		Yes
36	Retail Potable Water Supply Systems and Domestic Waste-Water and Sewerage Disposal Systems Serving the Area of the Municipality		Yes
37	Retail Supply of Electricity and Gas		Yes
38	Street Lighting		Yes
39	Street Trading		Yes
40	Storm Water Management in Build Areas		Yes
41	Trading Regulations		Yes
42	Traffic and Parking		Yes
			<i>T D</i>

APPENDIX E –WARD REPORTING

No.	Ward Councillors	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
1	Nontsisi mokomela	Yes			
2	Masego Melato	Yes			
3	Mathomola Mere	Yes			
4	Willem Potgieter	Yes			
5	Buhle Amos	Yes			
6	Bonakele Plata	Yes			

APPENDIX F – WARD INFORMATION

Full information provided in Appendix Q

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery	5052	5052	5052		
Households without minimum service delivery	1500	1500	1500		
Total Households*	6522	6522	6522		
Houses completed in year					0
Shortfall in Housing units					3950
<i>*Including informal settlements</i>					<i>T F.2</i>

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2021/22	Recommendations adopted (enter Yes) If not adopted (provide explanation)
	<p>Reports from Provincial Treasury</p> <p><u>Property rates implementation</u></p>	
	<p>Review of the 2021/2022 Draft AFS</p>	
	<p>Internal Audit Reports</p> <p>Revenue Management</p>	

	Financial recovery plan	
	Analysis of the Draft Annual Report	
	Final Audit Report of 2020-21 by the Auditor General	
	Assurance Report on Mid-term budget assessment – Section 72	

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

None

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

None

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July 2021 to 30 June of 2022 (Current Year)		
Position	Name	Description of Financial interests* (Nil / Or details)
Mayor	Neo Mase	None
Councillors		
Councillor	Bonakele Plata	None
Councillor	Lerato Namelang	None
Councillor	Buhle Amos	None
Councillor	Keolebogile Mekhoa	None
Councillor	Diedre Watson	None
Councillor	Nontsisi Mokomela	None
Councillor	Masego Melato	None
Councillor	Willem J Potgieter	None
Councillor	Matlhomola Mere	None
Acting Municipal Manager	Tumelo Thage	None
Acting Chief Financial Officer	Kedisaletse Khziwa	None
Technical Services	TumeloThage	None
Social Services		
Corporate Services	Corney D Lentsoe	None
Other S57 Officials		

* Financial interests 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

Incorporated in the AFS

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Incorporated in the AFS

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

None

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD2020/21

Capital Programme by Project by Ward: 2020/21		
Capital Project	Ward(s) affected	Works completed (Yes/No)
Roads	None	N/A
Stormwater	None	N/A
Economic development	None	N/A
Community Halls	None	N/A

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

No information

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

No information

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

No information

APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

No information

**VOLUME II:
ANNUAL FINANCIAL
STATEMENT**

