

MAHIKENG LOCAL MUNICIPALITY



2022-2023
ANNUAL REPORT



MAHIKENG LOCAL MUNICIPALITY

ANNUAL REPORT

2022-2023

Compiled by
MAHIKENG LOCAL MUNICIPALITY
Private Bag X63, Mmabatho, 2735
Physical: Cnr University Drive & Hector Peterson Street, Mmabatho
Phone: +27(0)183890111
Fax: +27(0)183890212
www.mahikeng.gov.za



CONTENTS

CONTENTS..... 2

CHAPTER 1 6

FOREWORD OF THE EXECUTIVE MAYOR..... 6

OVERVIEW OF THE MUNICIPAL MANAGER 7

MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW..... 8

SERVICE DELIVERY OVERVIEW..... 16

FINANCIAL HEALTH OVERVIEW 20

ORGANISATIONAL DEVELOPMENT OVERVIEW..... 20

CHAPTER 2 21

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE.....21

2.1.1 POLITICAL GOVERNANCE 21

2.1.2 ADMINISTRATIVE GOVERNANCE..... 31

2.1.3 INTERGOVERNMENTAL RELATIONS..... 33

COMPONENT B: PUBLIC ACCOUNTABILITY AND PARTICIPATION37

2.1.4 PUBLIC MEETINGS 37

2.1.5 IDP PARTICIPATION AND ALIGNMENT 38

2.1.6 CORPORATE GOVERNANCE 38

2.1.7 RISK MANAGEMENT 38

2.1.8 ANTI-CORRUPTION AND FRAUD..... 40

2.1.9 SUPPLY CHAIN MANAGEMENT 40

2.1.10 BY-LAWS..... 40

2.1.11 WEBSITES 41

2.1.12 PUBLIC SATISFACTION ON MUNICIPAL SERVICES..... 42

CHAPTER 3 43

SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)..... 43

COMPONENT A: INFRASTRUCTURE43

3.1 WATER PROVISION AND SANITATION PROVISION 43

3.3 ELECTRICITY 45

BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: INFRASTRUCTURE 48

ELECTRICITY 48

3.4 ROADS AND STORMWATER DRAINAGE 50

COMPONENT B: COMMUNITY SERVICES	58
3.5 LIBRARIES AND COMMUNITY FACILITIES	59
3.6 PARKS, CEMETORIES AND STADIUM	61
3.7 WASTE MANAGEMENT	63
(THIS SECTION INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING).....	63
COMPONENT C: PUBLIC SAFETY	67
3.8 LAW ENFORCEMENT	67
3.9 FIRE & EMERGENCY SERVICES.....	69
3.10 DISASTER MANAGEMENT, SECURITY AND FLEET MANAGEMENT	71
3.11 VEHICLE TESTING & LICENSING.....	75
COMPONENT D: FREE BASIC SERVICES.....	78
3.12 FREE BASIC SERVICES AND INDIGENT SUPPORT	78
COMPONENT E: PLANNING AND DEVELOPMENT	79
3.13 PLANNING AND DEVELOPMENT	79
3.14 LOCAL ECONOMIC DEVELOPMENT	83
COMPONENT F: CORPORATE OFFICES AND OTHER SERVICES	91
3.15 EXECUTIVE AND COUNCIL	91
3.16 FINANCE SERVICES	98
3.17 CORPORATE SUPPORT AND ADMINISTRATION SUPPORT	105
3.18 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES.....	108
3.19 LEGAL; INTERNAL AUDIT AND RISK MANAGEMENT.	110
COMPONENT G: ENVIRONMENTAL PROTECTION	113
3.20 POLLUTION CONTROL.....	113
3.21 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)	113
COMPONENT H: HEALTH.....	114
3.22 CLINICS	114
3.23 AMBULANCE SERVICES	116
3.24 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC.....	116
COMPONENT I: SPORT AND RECREATION	116
COMPONENT J: MISCELLANEOUS	116

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD	117
CHAPTER 4	153
ORGANISATIONAL DEVELOPMENT PERFORMANCE	153
COMPONENT A: THE MUNICIPAL PERSONNEL	153
4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES	153
COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE	176
4.2 POLICIES	177
4.3 INJURIES, SICKNESS AND SUSPENSIONS	179
4.4 PERFORMANCE REWARDS	180
COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE	180
4.5 SKILLS DEVELOPMENT AND TRAINING	181
COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE	184
CHAPTER 5	185
FINANCIAL PERFORMANCE	186
CHAPTER 6	191
AUDITOR GENERAL AUDIT FINDINGS	191
COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS	191
6.1 AUDITOR GENERAL REPORTS 2021/22	191
6.2 AUDITOR GENERAL REPORT 2022/23	191
GLOSSARY	233
APPENDICES	236
APPENDIX A	236
COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE	236
APPENDIX B	242
COMMITTEES AND COMMITTEE PURPOSES	242
APPENDIX C	242
THIRD TIER ADMINISTRATIVE STRUCTURE	242
APPENDIX D	243
FUNCTIONS OF MUNICIPALITY	243
APPENDIX E	245
WARD REPORTING	245
APPENDIX F	263

WARD INFORMATION.....	263
APPENDIX G.....	264
RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE.....	264
APPENDIX H.....	266
LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS.....	266
APPENDIX I.....	267
MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE.....	267
APPENDIX J.....	269
DISCLOSURES OF FINANCIAL INTERESTS.....	269
APPENDIX K.....	272
REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE.....	272
APPENDIX L.....	272
CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG.....	272
APPENDIX M.....	273
CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES.....	273
APPENDIX N.....	279
CAPITAL PROGRAMME BY PROJECT.....	279
APPENDIX O.....	279
CAPITAL PROGRAMME BY PROJECT BY WARD.....	279
APPENDIX P.....	280
SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS.....	280
APPENDIX Q.....	280
SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION.....	280
APPENDIX R.....	280
DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY.....	280
APPENDIX S.....	280
NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT.....	280
VOLUME II ANNUAL FINANCIAL STATEMENT	

CHAPTER 1

FOREWORD OF THE EXECUTIVE MAYOR EXECUTIVE MAYOR CLLR. TSHEPISO MPHEHLO

The Mahikeng Local Municipality herewith presents its Annual Report for the 2021-2022 financial year in compliance with section 121 of the Local Government: Municipal Finance Management Act 56 of 2003. The purpose of this annual report is to:

- Provide a record of activities of the municipality during the year financial year;
- Provide a report on performance against the budget of the municipality for the financial year, and
- Promote accountability and transparency in the municipality.

Accountability, transparency and public consultation are constitutional requirements that form key objectives of our administration. Accordingly, the tabling of this annual report is a process of providing feedback to stakeholders on the work they tasked our administration to perform. I have the pleasure to inform you that the Mahikeng Local Municipality has worked very hard to ensure that Basic services as prescribed by Part B OF SCHEDULES 4 AND 5 to the Constitution of the Republic of South Africa were provided to the community.

We are proud that we have achieved most of our targets and acknowledge that there are certain targets in the scorecard that were not achieved. We commit to work hard on the outstanding targets such that we are able to report on them in the next financial year. These could have been achieved had the municipality not re-prioritized spending to procurement of new white and yellow fleet that we so desperately need in order to provide some of the services we have not been able.


Our management team has worked very hard to address issues earmarked in the Post Audit Action Plan to improve our audit outcome to unqualified opinion. We are confident that with time the target to achieve an unqualified audit opinion will materialize. The financial viability of the municipality has also improved and we can confidently report that of our majority of the creditors are paid within the prescribed time frames. We have made debt payment arrangements with Sedibeng Water and Eskom which we religiously service. The role of Council in this respect has been instrumental and cannot be overemphasized.

I wish to thank the Council of the Mahikeng Local Municipality, Members of the Mayoral Committee, Management and staff, Traditional Leaders and other stakeholders, and community of Mahikeng for continuing to work together in making sure that our city continues to receive quality and sustainable services.

Let us work together to build a better Mahikeng.

I Thank You.

Kind Regards



EXECUTIVE MAYOR
CLLR TSHEPISO MPHEHLO

OVERVIEW OF THE MUNICIPAL MANAGER

ADV. DINEO INNOCENTIA MONGWAKETSE

Section 121(1) requires that every municipality and every municipal entity must for each financial year prepare an annual report. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality.

Mahikeng Local Municipality Annual Report provides an account of the performance and progress that the municipality achieved as prescribed by section 121 of the Local Government Municipal Finance Management Act. The Annual Report will illustrate how the municipality has fulfilled its strategic objectives and priorities, as aligned with the Integrated Development Plan (IDP), the Budget and Service Delivery Budget Implementation Plan all adopted by the council.

The unsettled remark "Mahikeng e maswe" stated by the President of the Republic of South Africa, Hon. Cyril Ramaphosa, since then the municipality has and continues to provide the basic services to the community of Mahikeng. The Executive Mayor since launched "Rata Mahikeng campaign" which is aimed at encouraging the community and all stakeholders to work together to keep the area clean.

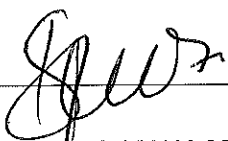
There are still challenges of potholes which the municipality is striving to repair pothole and simultaneously reseal the roads in units. The municipality will continue to use its internal funds to ensure that the challenge of potholes is eradicated. The streetlights are on continuous basis attended to and I would like to appeal to our communities to stop cable theft. We will continue to work with other law enforcement agencies to bring ensure that perpetrators are brought to book.

The Municipality has obtained a qualified audit opinion. It has further strengthened governance structures through the review and adoption of policies, procedures, improving systems and implementing new regulations. The review of the organizational structure is on-going to improve the human resource alignment to the Municipal strategy.

The Municipal Public Accounts Committee is resourced to perform its functions and to hold management accountable.

I would like to take this opportunity to sincerely send my appreciation to the Executive Mayor, Council and all other officials and community members for their support and commitment for the progress Mahikeng Municipality has registered.

Kind Regards



MUNICIPAL MANAGER

ADV. DINEO INNOCENTIA MONGWAKETSE

MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

BACKGROUND DATA

Mahikeng Local Municipality (NW383) is situated in the North-West Province 20 kilometers south of the Botswana Border. It is the capital city of North West Province and used to be known as the City Council of Mafikeng. The municipality is a considerably big local municipality as compared to the other four local municipalities (Category B Municipalities). It is situated within Ngaka Modiri Molema District Municipality which was established in terms of the Municipal Demarcation Act (Act No. 27 of 1998).

The neighbouring local municipalities which border the Ngaka Modiri-Molema District Municipality are:

Ramotse Moiloa Local Municipality;

Tswaing Local Municipality;

Ditsobotla Local Municipality and

Ratlou Local Municipality.

The below is compilations information concluded by statistics of South Africa with records from 2011 census report and 2016 community survey.

The total area of the Mahikeng Local Municipality is approximately 3 703km². It is divided into 35 Wards consisting of 102 villages and suburbs.

The 2016 official Community Survey indicates that the population of Mahikeng Local municipality has grown to 314 394 since 2016. It also indicated that the municipality has a predominantly African population with fewer Coloureds, Whites and Indian groups.

Demographic Indicators

TABLE: Population Distribution			
Year	Gender	Totals	Total Population
CENSUS 1996	Male	114 211	242 146
	Female	127 935	
CENSUS 2001	Male	125 607	259 502
	Female	133 871	
CENSUS 2011	Male	141 642	291 527
	Female	149 885	
Community Survey 2016	Male	153 094	314 394
	Female	161 300	
Population Growth Rate (2011 - 2016)	1.51%		

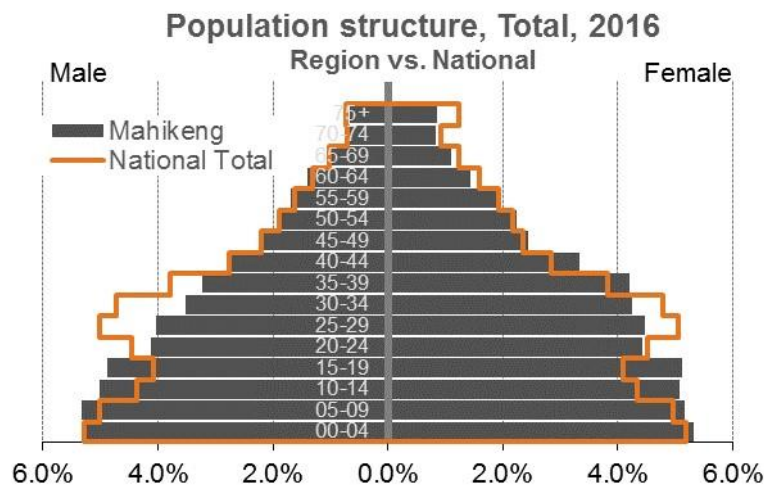
As per the above graph, it is estimated that the population growth has been 1.51%. The demographics indicate also that the municipality has a high population of women than men. Also refer to the population composite structure and pyramid. Statistics indicate that the municipality has the highest population of youth, therefore all programmes and budgeting must be directed at youth development and empowerment.

Population composition and structure

The table shows

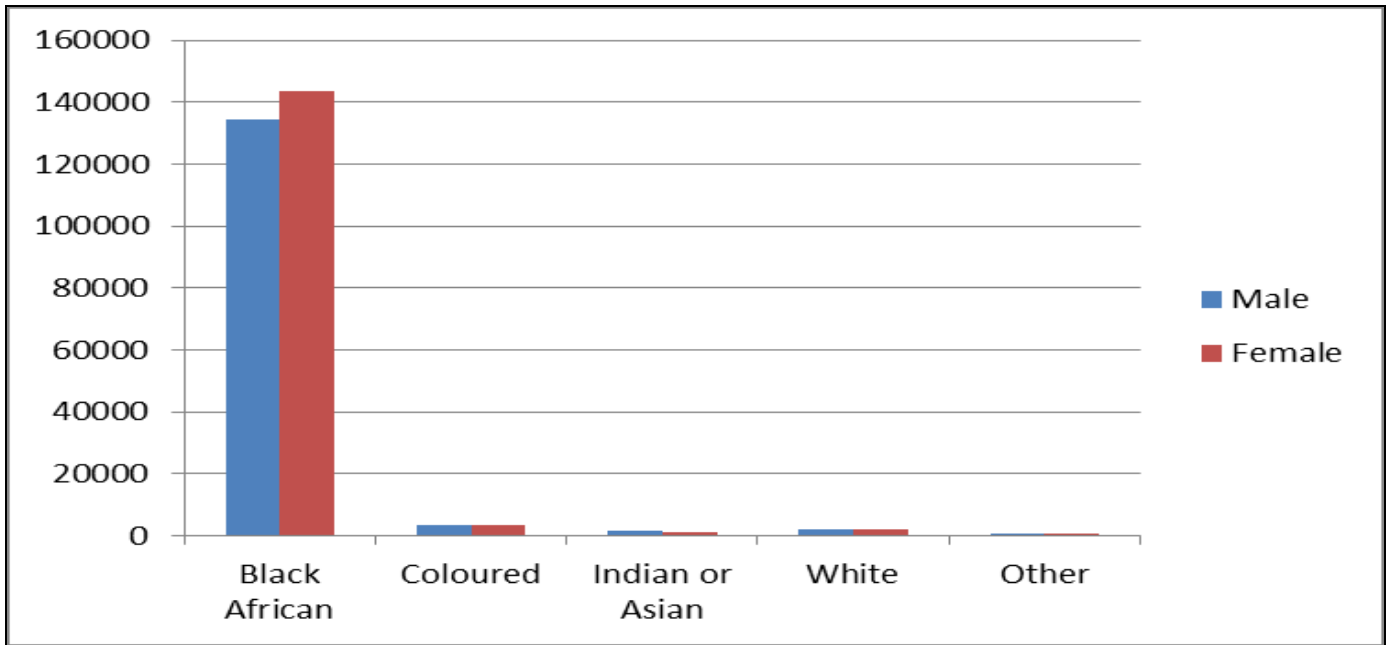
YOUNG (0-14)	Male	37 750
	Female	38 945
WORKING AGE (15-64)	Male	110 669
	Female	113 618
Elderly (65+)	Male	4 676
	Female	13 299
SEX RATIO (MALES/100 FEMALES)	94.50041	
DEPENDANCY RATIO (<15+>65/(1564))	55.28	

POPULATION PYRAMID



Population group

	Male	Female	Total
Black African	148 434	156 708	305 142
Coloured	2 461	2 634	5 096
Indian/Asian	1 040	848	1 888
White	1 158	1 110	2 268
Total	153 094	161 300	314 394



The municipality is, as per the graph above, populated by the black community amounting to 278 282 of the total population as opposed to other population groupings - Coloureds 6 691 and 2 328 Indian or Asian as well as 3 770 Whites respectively.

Population distribution

The table shows that the area size of Mahikeng municipality is 3,698 KM². Most of the land in the municipality is farm area (55%) and then traditional area (44%). Less than 2% of the Mafikeng area is urban area. Mafikeng municipality is the most densely populated area in Ngaka Modiri Molema, with 78 people per square Kilometer.

AREA (Km²)	3,698
POPULATION DENSITY (POP/Km²)	78.82
URBAN FORMAL AREA	52 (1.41%)
TRADITIONAL AREA	1,617 (43.73%)
FARM AREA	2,030 (54.88%)

Population size by ward

The table below shows the population size of wards in Mahikeng municipality by sex. The table shows that ward 63803007 has the highest population in the municipality – ward 63803005 has the lowest population size in the district. The table shows that in general there are more females than males in the municipality.

The below table indicates the population group per ward. It further elaborates the fact that Mahikeng Local Municipality is a predominantly black municipality. The highest number of population of the municipality is at ward 13 which is inclusive of unit 8,9,10 and Ext39. Ext 39 is the RDP section of the wards wherein it was established for a new settlement to house residents from various wards; the total number of households at Ext 39 alone is more than 2500.

NW 383 Mafikeng	Male	Female	Black African	Coloured	Indian or Asian	White
NW383 : Mafikeng	141642	149885	278282	6691	2328	3770
63803001 : Ward 1	4078	4514	8485	76	19	7
63803002 : Ward 2	3749	4009	7697	12	9	24
63803003 : Ward 3	4145	4437	8493	43	31	7
63803004 : Ward 4	4879	4304	8428	81	23	645
63803005 : Ward 5	1672	1819	3465	15	12	0
63803006 : Ward 6	4171	4000	8082	58	11	11
63803007 : Ward 7	4973	4931	7664	800	789	558
63803008 : Ward 8	3222	3691	6780	70	39	19
63803009 : Ward 9	5393	4241	7432	399	287	1494
63803010 : Ward 10	3328	3719	6911	63	40	27
63803011 : Ward 11	3005	3307	6219	18	14	5
63803012 : Ward 12	3664	4301	7893	47	17	3
63803013 : Ward 13	3585	4299	7567	219	71	22
63803014 : Ward 14	4816	5141	9902	25	18	5
63803015 : Ward 15	4028	4034	8011	18	27	4
63803016 : Ward 16	5095	5433	10460	27	28	6
63803017 : Ward 17	4065	4108	4098	3692	315	24
63803018 : Ward 18	4814	5233	9978	33	20	8
63803019 : Ward 19	2759	3239	5961	22	12	1
63803020 : Ward 20	2771	3031	5743	45	12	0
63803021 : Ward 21	3189	3454	6626	2	10	1
63803022 : Ward 22	4734	4986	9680	19	12	2
63803023 : Ward 23	3177	3491	6641	5	10	1
63803024 : Ward 24	3701	3995	7565	15	20	94
63803025 : Ward 25	3976	4284	8177	24	16	36
63803026 : Ward 26	4063	4587	8588	50	7	1
63803027 : Ward 27	3879	4285	8077	62	14	3
63803028 : Ward 28	5620	5653	11147	74	26	21
63803029 : Ward 29	4979	4863	9312	207	86	215
63803030 : Ward 30	3781	3989	7735	15	8	1
63803031 : Ward 31	4052	4406	8403	37	14	0
63803032 : Ward 32	3779	4029	6841	243	187	503
63803033 : Ward 33	5292	6308	11363	144	74	12
63803034 : Ward 34	3759	4014	7733	7	26	6
63803035 : Ward 35	5447	5750	11125	26	25	3

The table below shows the population size of wards in Mahikeng municipality by broad age-groups

Space-Time Research

Descriptive

Table 1

Geography 2016 by Sex then Population group then Age in completed years for Person adjusted

	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	65 - 69	70 - 74	75 - 79	80 - 84	85+	Total
NW383 : Mafikeng	33192	28186	28325	31482	29882	25295	20419	18925	17500	15149	12600	9610	6882	5147	3726	2358	1453	1397	291527
63803001 : Ward 1	1174	1052	958	988	776	652	478	426	397	328	306	249	228	188	158	96	62	75	8592
63803002 : Ward 2	904	844	822	906	681	551	484	450	471	376	329	288	204	161	97	70	66	54	7757
63803003 : Ward 3	963	803	848	813	777	648	542	539	506	416	406	358	297	218	181	124	78	66	8583
63803004 : Ward 4	1175	907	748	862	925	875	659	574	560	495	386	307	198	186	126	87	49	65	9183
63803005 : Ward 5	346	367	351	408	346	328	237	198	171	156	153	130	115	57	57	24	25	22	3492
63803006 : Ward 6	1147	867	746	839	816	740	561	528	464	380	314	226	172	144	89	43	44	52	8171
63803007 : Ward 7	914	859	1003	1075	861	873	873	877	821	644	420	286	165	91	64	36	20	23	9903
63803008 : Ward 8	447	356	427	947	1641	673	514	392	332	269	223	181	142	121	96	65	47	40	6913
63803009 : Ward 9	1064	826	835	923	962	846	766	770	605	508	494	413	216	135	158	46	34	34	9634
63803010 : Ward 10	539	482	450	869	1386	871	564	397	293	272	271	237	177	102	63	37	20	18	7047
63803011 : Ward 11	672	624	607	753	667	614	429	333	376	392	299	220	111	88	54	36	15	21	6312
63803012 : Ward 12	752	793	913	918	652	571	532	693	890	665	337	100	59	37	20	18	8	8	7965
63803013 : Ward 13	638	711	814	913	707	591	508	573	731	704	538	240	102	43	30	14	14	11	7884
63803014 : Ward 14	1216	1022	1096	1161	970	809	602	615	654	574	430	305	205	114	82	47	30	26	9957
63803015 : Ward 15	785	636	611	833	801	785	712	608	439	407	358	307	212	175	164	81	68	79	8062
63803016 : Ward 16	1154	986	896	997	1116	1104	911	703	550	467	405	382	280	205	144	99	66	62	10528
63803017 : Ward 17	807	625	690	769	759	801	637	596	512	489	485	295	244	174	133	72	49	38	8173
63803018 : Ward 18	1119	884	941	1067	958	899	685	634	521	470	423	411	288	236	193	151	96	70	10047

	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	65 - 69	70 - 74	75 - 79	80 - 84	85+	Total
63803019 : Ward 19	672	540	591	604	600	515	375	369	304	296	299	254	211	145	103	57	30	31	5998
63803020 : Ward 20	534	446	480	607	597	639	484	380	325	316	267	215	141	127	92	80	36	34	5803
63803021 : Ward 21	741	696	691	783	658	524	420	365	419	365	311	236	163	105	75	47	13	30	6643
63803022 : Ward 22	1213	980	1026	1015	921	748	693	660	585	458	394	295	248	180	128	91	42	42	9720
63803023 : Ward 23	764	649	637	765	654	449	379	366	368	319	320	264	203	201	123	104	55	49	6667
63803024 : Ward 24	1032	867	839	802	637	495	389	376	401	375	341	336	242	190	157	118	61	37	7697
63803025 : Ward 25	1045	890	952	849	680	588	414	383	412	390	372	355	269	245	160	123	74	60	8260
63803026 : Ward 26	1276	1153	1029	1008	761	550	424	423	403	319	308	233	213	184	152	88	68	56	8649
63803027 : Ward 27	1039	897	853	900	774	587	522	476	455	388	301	274	196	198	119	91	39	55	8164
63803028 : Ward 28	1458	1224	1176	1178	1179	1011	879	815	693	516	365	252	197	146	73	51	27	34	11273
63803029 : Ward 29	1211	997	944	1040	982	929	742	707	634	501	408	298	149	113	75	58	25	29	9842
63803030 : Ward 30	806	598	597	829	1014	952	640	465	331	341	326	283	240	139	86	49	40	34	7769
63803031 : Ward 31	1169	899	941	936	730	625	561	467	451	374	328	273	234	162	142	78	44	44	8458
63803032 : Ward 32	694	581	629	748	877	902	541	516	552	606	478	250	182	117	68	29	25	13	7808
63803033 : Ward 33	1385	1191	1083	1160	1116	1104	1141	1130	756	544	392	277	164	63	37	30	15	13	11600
63803034 : Ward 34	888	780	818	921	798	618	498	430	434	423	353	278	168	165	95	53	30	26	7774
63803035 : Ward 35	1449	1152	1282	1295	1105	828	624	692	682	605	459	301	247	195	130	64	39	46	11197

Created on Monday, 01 April 2019

Space-time Research Web page: www.str.com.au

Space-Time Research Online support: support@str.com.au

Household income

The municipality is a predominantly rural municipality and its rural economy is unable to provide individuals with remunerative jobs or self-employment opportunities. An estimated amount of about 13755 people in the municipality had no income in 2011. This amounts to 4.72%. Taking the 1.16% annual growth to date this therefore means that to date this figure has risen to 14 405. In general terms, the majority of households in the municipality earns less than the poverty line (about R1, 600 per household per month) and can be considered poor. Those classified as economically active are employed in the services sector. This sector is dominated by the services in terms of the various departments that render services such as health, justice, local government, education, SAPS, etc. Table below indicates the income categories within the municipality

Annual household income by Geography			
For Household weighted			
	North West	DC38: Ngaka Modiri Molema	NW383: Mahikeng
No income	176090	34587	14 405
R 1 - R 4800	44720	11335	4223
R 4801 - R 9600	76068	21338	7525
R 9601 - R 19 600	200531	51572	16506
R 19 601 - R 38 200	210842	48975	15338
R 38 201 - R 76 400	162965	24052	9368
R 76 401 - R 153 800	93223	15891	7365
R 153 801 - R 307 600	56610	11416	5827
R 307 601 - R 614 400	28028	5360	2987
R 614 001 - R 1 228 800	8266	1506	854
R 1 228 801 - R 2 457 600	2629	516	257
R 2 457 601 or more	2025	450	231

The income profile of households within the municipality has shown a marked improvement since 2016. It should also be noted that most of the households with some form of income rely on social grants e.g. old age pension and disability and child support grants.

TYPES OF MAIN DWELLING UNIT

Mahikeng Local Municipality	
House or brick/concrete block structure on a separate stand or yard or on a farm	79971
Traditional dwelling/hut/structure made of traditional materials	3624
Flat or apartment in a block of flats	1127
Cluster house in complex	297
Townhouse (semi-detached house in a complex)	86
Semi-detached house	286
House/flat/room in backyard	6526
Informal dwelling (shack; in backyard)	4003
Informal dwelling (shack; not in backyard; e.g. in an informal/squatter settlement or on a farm)	4660
Room/flat let on a property or larger dwelling/servants quarters/granny flat	1466
Caravan/tent	0
Other	1298
Unspecified	8

An estimated total of 80.57% of dwelling within the municipal area are house or bricks/concrete block structure on a separate stand or yard or on a farm.

SERVICE DELIVERY OVERVIEW

Census have shown a markedly improvement in the provision of services as follows:

Basic service delivery

Geography by piped water for household's weight

Area	Piped (tap) water inside dwelling/institution	Piped (tap) water inside yard	Piped (tap) water on community stand: distance less than 200m from dwelling/institution	Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	No access to piped (tap) water
North West	310885	425154	152119	50997	22770	10966	89123
DC38: Ngaka Modiri Molema	57219	59222	52486	16063	7209	3158	31644
NW383: Mafikeng	25990	18529	18 354	4423	1847	696	14180

The municipality is not a Water Services Authority.

The number of households within the municipal area was estimated at 84239 as per the 2011 Census. This therefore means with a growth rate of 1.16%, to date the total number of households is 88 217 households Comparative analysis is made between the province, district and the municipality, indicates that of the total households 25990 households have access to piped (tap) water inside dwelling. It should be noted that these are urban households. This leaves 14 180 households with no access to piped water, these are rural households.

Geography source of water for households weighted

	Regional/local water scheme (operated by municipality or other water services provider)	Borehole	Spring	Rain water tank	Dam/pool/ stagnant water	River/ stream	Water vendor	Water tanker	Other
DC38: Ngaka Modiri Molema	136788	61890	959	645	801	677	1939	16307	6994
North West	789545	161643	3291	2921	4488	2092	21080	46253	30702
NW383: Mafikeng	48812	26271	321	143	205	59	892	4592	2944

The highest number of households at 4592 depends on water tankers as the source of water, these are mostly rural households who does not have access to other sources of water. It is indicated that households estimated at 2944 depend on other sources of water, this include amongst others wells.

Access to electricity

According to the current statistics 90% (79 396) of the households within municipality have access to grid electricity. The remaining 10% (8 822) of backlogs consist of new extensions in the villages, RDP houses as well as rural low density areas which were previously classified as cattle posts.

There different energy methods used by households, they are as follows:

Geography by energy or fuel for heating for household weighted

	Electricity	Gas	Paraffin	Wood	Coal	Animal dung	Solar	Other	None
DC38: Ngaka Modiri Molema	125531	3827	8911	54684	1353	3347	309	14	29024
North West	655940	15639	53378	170625	5989	5136	1999	59	153250
NW383: Mafikeng	51994	2182	3957	12578	241	1046	128	4	12110

51994 households use electricity for heating as compared to 12578 households which uses wood for heating.

Geography by energy or fuel for lighting for household weighted

	Electricity	Gas	Paraffin	Candles (not a valid option)	Solar	None	Unspecified
DC38: Ngaka Modiri Molema	182600	330	2451	40418	510	691	-
North West	892424	1543	21893	140489	2616	3051	-
NW383: Mafikeng	71216	125	1176	11291	213	217	-

11291 households within the municipality do not have access to electricity since they depend in candles for lighting. This is the total backlog that the municipality and Eskom must try eliminate during the coming years.

Geography by energy or fuel for cooking for household weighted

	Electricity	Gas	Paraffin	Wood	Coal	Animal dung	Solar	Other	None	Unspecified
DC38: Ngaka Modiri Molema	155141	6038	21730	39825	502	2892	268	42	564	-
North West	799300	24646	119024	108352	1643	4083	1514	710	2741	-
NW383: Mahikeng	64903	2924	7494	7229	137	1253	108	29	162	-

Geography by refuse disposal for household weighted

	Removed by local authority/private Company at least once a week	Removed by local authority/private company less often	Communal refuse dump	Own refuse dump	No rubbish disposal	Other
DC38: Ngaka Modiri Molema	80370	3118	3543	123133	13980	2856
North West	517688	15907	20293	428923	67712	11492
NW383: Mahikeng	50407	1666	956	26246	4218	745

Geography by toilet facilities for household weighted

	None	Flush toilet (connected to sewerage system)	Flush (with toilet tank) septic	Chemical toilet	Pit toilet with ventilation (VIP)	Pit toilet without ventilation	Bucket toilet	Other	Unspecified
DC38: Ngaka Modiri Molema	17078	63480	7826	1530	29372	100633	2774	4308	-
North West	62034	446819	35288	9021	120335	363411	10647	14459	-
NW383: Mahikeng	3979	24566	2613	463	13081	38813	-	615	-

FINANCIAL HEALTH OVERVIEW

The financial health of the municipality will be elaborated more as per the financial ratios in Chapter 5.

ORGANISATIONAL DEVELOPMENT OVERVIEW

The key Organisational Development Performance issues in Chapter 4 relate to the vacancy rate in the municipality; the turnover rate; Approved and reviewed HR Policies and plans; Sick Leave and Injuries on duty reported and the cost implications thereof; as well as Suspensions and Disciplinary cases pertaining to financial misconduct.

AUDITOR GENERAL REPORT

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.

The 2021-2021 financial year the municipality improved to Qualified audit opinion and 2021-2022 financial year, obtained sustainably Qualified audit opinion.

The year under review 2022-2023 is reported in Chapter 6

THE ANNUAL REPORT PROCESS

The Annual Report process flow has provided 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.

The municipality has followed this process and is proud to have submitted Annual Report with the Annual Financial Statements in August to the Office of the Auditor General of South Africa for audit. The audited Annual Report has been compiled in consistent with the MFMA.

This audited Annual Report will be used to influence the strategic objectives indicated in the IDP for the next financial year as well as the budgetary requirements related to each vote.

CHAPTER 2

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Constitution section 151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community. Municipal executive and legislative authorities are vested in the municipal council.

2.1.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

Decision making structures

There are various decision-making structures within Council which include the following:

- Municipal Council;
- Executive Mayor and Mayoral Committee
- Portfolio Committees, including
 - Section 80 Committees
 - Section 79 Committees
- Officials with delegated powers.

Committees established in terms of Section 79 of the Municipal Structures Act referred to as council committees established for the effective and efficient performance of council functions or the exercise of any of the council powers. Section 80 committees are established if a Municipal Council has an Executive Mayor. In the case of Mahikeng Local Municipality, councillors are appointed to assist the Executive Mayor in execution of her duties.

The municipality has seven (7) Portfolio Committees and each Committee is chaired by a Member of the Mayoral Committee.

Listed below are the Portfolio Committees of the municipality:

- Corporate Support Services;
- Finance;
- Infrastructure;
- Community Services;
- Public Safety;
- Planning And Development
- Local Economic Development

The mayoral committee consist of an average of eleven (11) deployed Councillors including the Executive Mayor.

Political and administration functional competencies

The Governance model comprises of the Council, made up of the Speaker of Council, Single Whip, and Section 79 Portfolio and Standing Committees. On the other hand, the Executive is comprised of the Executive Mayor and Members of the Mayoral Committee (MMCs) and the administration led by the Municipal Manager. The intention of the model is to ensure that the municipality executes its functions through the leadership of the Executive Mayor while the Council oversees the activities of the executive for transparency and accountability.

Council

The Council consists of 70 Councillors, of which the 35 are ward councillors and the 35 Proportional Representation (PR) Councillors. The role of the Council in line with the Municipal Systems Act, (Act 32 of 2000) is to engage in meaningful discussion on matters of development for the Municipality. The key functions of Council are:

- Approval of legislation;
- Providing oversight on the planned and implemented interventions of the municipality; and
- Ensuring community and stakeholder participation.

In line with the roles highlighted above, the Council is responsible for the approval of municipal by-laws, IDP, budget and tariffs. Further, the Council, through its various committees, monitors and scrutinises delivery and outputs as carried out by the Executive. In relation to public participation, the Council is tasked with the responsibility of facilitating stakeholder and community participation in the affairs of the municipality through the ward committee system of the Municipal Structures Act.

Speaker of Council

The role of the Speaker of the Council is per Section 160(1) (b) of the Constitution and Section 36 of the Municipal Structures Act. The person elected as chairperson of the Council is designated the Speaker. The Speaker performs the duties and exercises the powers delegated in terms of the Municipal Structures Act.

The Speaker of the Council is entrusted with ensuring that the functions of the Council – legislation, oversight and ensuring community and stakeholder participation – are effectively implemented.

Single Whip

The Single Whip plays a pivotal role in the overall system of governance by ensuring and sustaining cohesiveness within the governing party, and also maintaining relationships with other political parties. The main functions of the Council's Single Whip are to

- Ensure proper representation of political parties in the various committees;
- Maintain sound relations with the various political parties represented on the Council; and
- Attend to disputes between political parties and building consensus.

Executive Mayor and Mayoral Committee

The Executive Mayor, **Councillor Tshepiso Mphelo** assisted by the Mayoral Committee, heads the executive arm of the Municipality. The Executive Mayor is at the centre of the system of governance since executive powers are vested in him, by the Council to manage the daily affairs of the municipality. This means that he has the overarching strategic and political responsibility.

POLITICAL DECISION-TAKING

Political decisions were taken in a form of council resolution during council meetings held.

POLITICAL STRUCTURE



EXECUTIVE MAYOR
CLLR. TSHEPISO MPHEHLO

POLITICAL STRUCTURE



SPEAKER
CLLR. O.G.B. MATHE



SINGLE WHIP
CLLR. M.E. MOETI



MMC FINANCE
CLLR. MOGOMOTSI SENOKWANE



MMC INFRASTRUCTURE
CLLR. GAASITE LEGALATLADI

POLITICAL STRUCTURE



MMC CORPORATE SERVICES
CLLR. MOREETSI JABANYANE



MMC PUBLIC SAFETY
CLLR. BARATANG MATHE



MMC COMMUNITY SERVICES
CLLR. PHARARE NKO



MMC LOCAL ECONOMIC DEVELOPMENT
CLLR. NOMZAMO HLAZO

POLITICAL STRUCTURE



MMC PLANNING AND DEVELOPMENT
CLLR. DITEBOGO MOLEMA



MMC SPECIAL PROJECTS
CLLR. JEREZ DANIELS



MMC STAKEHOLDER ENGAGEMENT
CLLR. KGOMOTSO SECHOGO



**MMC YOUTH, WOMEN, CHILDREN, OLDER PERSONS WITH
DISABILITIES, HIV/AIDS, MORAL REGENERATION, SOCIAL COHESION,
LGBTIQ+ AND DEVELOPMENT COMMUNICATIONS.**
CLLR. KGOMOTSO MBANE

WARD COUNCILORS

WARD 1

CLLR L.A. KGENGWE



WARD 2

CLLR T. MOTSHABI



WARD 3

CLLR. L.R. MOTLHABANE



WARD 4

CLLR M.P. SENOKWANE



WARD 5

CLLR D.M. PHETHA

WARD 6

CLLR M.C. SEGOE



WARD 7

CLLR L.J. MOTJALE



WARD 8

CLLR M.J. MORUBANE



WARD 9

CLLR G.D. MARUPING



WARD 10

CLLR O.C. KGONARE



WARD 11

CLLR C. MOHELEKETE



WARD 12

CLLR K.A. MONCHUSI



WARD COUNCILORS

WARD 13
CLLR D.K. MOLEMA



WARD 14
CLLR M.D. RAMATAE



WARD 15
CLLR K.C. SECHOGO



WARD 16
CLLR O.L. MAGOGODI



WARD 17
CLLR J.C. DANIELS



WARD 18
CLLR P.F. NKO



WARD 19
CLLR N.G. HLAZO



WARD 20
CLLR. A.E. RAKWENA



WARD 21
CLLR M. PHUTHEGO



WARD 22
CLLR O.E. MPHEHLO



WARD 23
CLLR B. MBIZA



WARD 24
CLLR M.E. MSIMANGA



WARD COUNCILORS

WARD 25
CLLR B.C. MATHE



WARD 26
CLLR K.D. SEGA



WARD 27
CLLR K.I. MBANA



WARD 28
CLLR K.P. MOTSUMI



WARD 29
CLLR M.J. MONERE



WARD 30
CLLR K.D. SEKETEMA



WARD 31
CLLR P.L. PHANTSI



WARD 32
CLLR M.E. KHATHAZO



WARD 33
CLLR I. MALAKAJE



WARD 34
CLLR P.P. MOLALE



WARD 35
CLLR R.G. MOLOSIOA



LIST OF TRADITIONAL LEADERS/DIKGOSI

The Traditional Leaders within municipal boundaries who are part of the key stakeholders in the Council decision making processes.

POSITION	NAMES	GENDER	RE-ELECTED
Kgosi	Shole	Male	✓
Kgosi	Seatholo	Male	

LIST OF TRADITIONAL COUNCILS

It is also a legislative imperative that Traditional Leaders be involved and actively participates in the affairs of the Municipality. The following Traditional Leaders are found within the boundaries of Mafikeng Local Municipality.

NAME & SURNAME	NAME OF TRADITIONAL COUNCIL	VILLAGES
Kgosi Jeff Montshiwa	Barolong Boora Tshidi	Montshiwa Stadt Village
Kgosi T. Seatholo	Barolong Boora Rapulana	Lotlhakane Village
Kgosi Malefo	Batloung Boo-Molopyane	Tsetse Village
Kgosi Shole	Batloung Ba ga Shole	Ramatlabama Village

2.1.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The administration of the municipality is headed by the Municipal Manager as its Accounting Officer. As head of the administration the Municipal Manager is, subject to the policy directions of the Municipal Council, responsible and accountable for the formation and development of an economical, effective, efficient and accountable administration. As an Accounting Officer, he is also responsible for the financial management of the Municipality including the administration of the municipal assets. The Municipal Manager is assisted by Directors who head the six directorates of the Municipality. The Municipal Manager has delegated certain functions to the Directors. Top Management meetings of the Municipal Manager and the Directors are regularly held to discuss administrative governance issues affecting the Municipality and to check that the resolutions of Council are implemented.

TOP ADMINISTRATIVE STRUCTURE



MUNICIPAL MANAGER
ADV. D.I. MONGWAKETSE



CHIEF FINANCIAL OFFICER
MR. R.A. MORRIS



SENIOR MANAGER CORPORATE SUPPORT SERVICES
MR. M.J. MOLAMU



ACTING SENIOR MANAGER OPERATIONS
MR. L.H. MAHOLE



SENIOR MANAGER PLANNING AND DEVELOPMENT
MR. T. MASIA



SENIOR MANAGER INFRASTRUCTURE
MRS. M. MOLOI-TSAE



ACTING SENIOR MANAGER PUBLIC SAFETY
MR. J. RAMAOKA



SENIOR MANAGER COMMUNITY SERVICES
DR. K. LEFENYA MOTSHEGARE

INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Public Participation through stakeholder involvement is promoted within the municipality and under this year of reporting the municipality had functional Ward Committees in all its wards. The municipality has a good leadership which is underpinned by the four values underpinning good governance namely responsibility, accountability, fairness and transparency.

2.1.3 INTERGOVERNMENTAL RELATIONS

This section highlights the continuous strengthening of Intergovernmental Relations (IGR) and rigorous sectoral engagements with other stakeholders. It reflects and highlights some of the key national and provincial implementation frameworks to which the municipality aligns its interventions.

Background to Intergovernmental Relations

Intergovernmental Relations (IGR) refers to the complex and interdependent relations amongst the national, provincial and local spheres of government as well as the coordination of public policies

amongst these three spheres. In essence, this means that the governance, administrative and fiscal arrangements operating at the interface between national, provincial and local governments must be managed to promote the effective delivery of services.

This is guided by the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005), which aims to provide within the principle of co-operative government set out in Chapter 3 of the Constitution, a framework for the national government, provincial governments and local governments, and all organs of state, to facilitate coordination in the implementation of policy and legislation, including:

- Coherent government;
- Effective provision of services;
- Monitoring implementation of policy and legislation; and
- Realisation of national priorities.

According to the MSA (2003), 24(1-4), the planning of local government, must at all times be integrated and aligned to the planning and strategies of the national and provincial spheres of government. In addition, any organ of state which is initiating legislation at national or provincial level that affects the planning at local government level, must first consult with organised local government before the legislation can be duly effected. The sections below give effect to Intergovernmental Relations by considering national and provincial imperatives especially for the 2015/16 financial year that are used to guide the development of this IDP.

Mahikeng Local Municipality, within the spirit of Inter-government relations, supports and aligned to the national and provincial strategies such as Government 12 Outcome Delivery Agreement, National Development Perspective, Local Government Turn-around Strategy, and the National Development Plan, amongst others.

Government 12 Outcome Delivery Agreement

In 2010, Cabinet approved 12 national outcomes to address the strategic priorities of government. Each outcome has a limited number of outputs and sub outputs as well as clear targets. These outcomes and outputs will be the strategic focus of the government until the year 2014. The following is the list of the 12 outcomes as well as the role of the City in relation to each outcome.

Outcome 1: Improve the quality of basic education

Outcome 2: Improve health and life expectancy

Outcome 3: All people in South Africa protected and feel safe

Outcome 4: Decent employment through inclusive economic growth

Outcome 5: A skilled and capable workforce to support inclusive growth

Outcome 6: An efficient, competitive and responsive economic infrastructure network

Outcome 7: Vibrant, equitable and sustainable rural communities and food security

Outcome 8: Sustainable human settlements and improved quality of household life

Outcome 9: A responsive and accountable, effective and efficient local government system

Outcome 10: Protection and enhancement of environmental assets and natural resources

Outcome 11: A better South Africa, a better and safer Africa and world

Outcome 12: A development-orientated public service and inclusive citizenship

Outcome 9

The vision of Outcome 9

The vision of Outcome 9 is a responsive, accountable, effective and efficient local government system whereby we have restored the confidence of our people in the local sphere of government as the primary expression of the developmental state by 2011 and beyond. Key ways to achieve this vision are by:

- I. Ensuring that municipalities meet the basic service needs of communities
- II. Building clean, effective, efficient, responsive and accountable local government
- III. Improving performance and professionalism in municipalities
- IV. Improving national and provincial policy, oversight and support
- V. Strengthening partnerships between local government, communities and civil society

The output objectives set-out on the Outcome 9 are as follows;

Outcome 9 Outputs

Output 1: improve access to basic services

Sub-outputs: Improve universal access to basic services by 2014 as follows:

- Water from 92% to 100%
- Sanitation from 69% to 100%
- Refuse removal from 64% to 75%
- Electricity from 81% to 92%
- Establishment of Bulk Infrastructure Fund
- Establishment of special purpose vehicle for municipal infrastructure

Output 2: Implement the Community Works Programme

Sub outputs:

- Implement the CWP in at least 2 wards per municipality
- CWP to support the creation of 4.5 million EPWP job opportunities
- 30% of all CWP job opportunities can be associated with functional co-operatives at local levels by 2014 functional.

Output 3: Action supportive of Human Settlement outcomes**Sub outputs:**

- Initiating actions to increase density in Metros and large towns by 2014
- Release public land for low income and affordable housing to support delivery of 400 000 housing units in well located land

Output 4: Deepen democracy through a refined ward committee model**Sub outputs:**

- Broaden participation of and better organise various sectors at local level
- New approach to better resource and fund work and activities of Ward Communities
- Put support measure in place to ensure at least 90% of Wards are fully functional

Output 5: Improve Municipal Finance and Administrative capacity**Sub – outputs:**

- Unqualified Audit from municipalities
- Average monthly collection on billing raised to 90%
- Debtor more than 50% of own revenue from 24% to 12%
- Ensure that percentage of municipalities that are overspending on OPEX improve 8% to 4%;
- Municipalities under-spending on CAPEX reduce from 63% to 30%
- Spending less 5% on OPEX repairs and maintenance reduce from 92% to 45%

RELATIONSHIPS WITH MUNICIPAL ENTITIES

The Mafikeng Local Municipality is described in section 155 (1) of the Constitution as a category B municipality and it excludes municipal entities.

COMPONENT B: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.1.4 PUBLIC MEETINGS

OVERVIEW OF PUBLIC ACCOUNTABILITY, COMMUNICATION, PARTICIPATION AND FORUMS

The Office of the Speaker has ensured that Ward Councillors submit both the Community and Ward Committee schedules for the year. The Community meetings are meant for the Councillors to communicate with their communities as well as with Council. Ward Committees sit on monthly basis to discuss issues that are recent and challenges that may need urgent attention. Monthly reports are submitted to the Office of the Speaker where they are processed and feedback given on monthly basis. Loud hailing is done by the Officials in the Office of the Speaker whenever a Councillor is convening a community meeting to increase awareness.

The same process is followed when a Public is convened for matters like IDP consultation meetings with the communities. Fliers are developed and distributed to schools and public places for the same purpose. With regards to the Public Accountability, the Office of the Speaker in consultation with other internal partners is in the process of putting in place a process of improving oversight. It has been acknowledged that the institution is not doing well in that area and the matter is receiving attention.

WARD COMMITTEES

Ward Committees are a body of the public representative that primarily assists the Ward Councilors to perform the community work. Ward Committees are elected by the community preferably one person per village to the maximum of ten per Ward. They are allocated portfolios in line with the municipal portfolios. They report community issues on monthly basis to the Office of the Speaker. The Office either refers or report matters directly to Council depending on the nature of the issue rose.

The Office of the Speaker is trying by all means possible to improve participatory democracy though the support it gives to the Ward Committees. Appendix E reflect on ward reporting.

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

Primarily there are two types of Public meetings; those where the municipality gives feedback to the community e.g. (MUNICIPAL PUBLIC ACCOUNTS COMMITTEE) and those in which the input are

taken from the public, e.g. IDP. In both instances, the communities are actively involved and assist to move the process forward. The huge advantage with the approach is that matters that are implemented by the municipality come directly from the people themselves.

2.1.5 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?	No
* Section 26 of Municipal Systems Act 2000	

2.1.6 CORPORATE GOVERNANCE

Cooperative governance is governed by King IV Code of Practice applicable to Local Government Sphere.

Corporate Support Services is responsible for facilitating accountability, good corporate governance and rendering internal administrative support function to all directorates and council. It consists of the following functional areas: Human Resource Management, Administration and ICT

2.1.7 RISK MANAGEMENT

The Institution has a Risk Management Unit which is placed under the Office of the Municipal Manager. The Unit is headed by the Assistant Manager and should be having two Officers reporting to the Assistant Manager as per the Organizational Structure. The Unit is also responsible for advocacy on fraud and corruption management.

Action/Activities	Status
1. Development of the Risk Management Documents for 2022/23 in line with the institutional policy development process	The documents were reviewed but not yet approved as there was a requirement that Council should be workshopped on them before their approval.

Action/Activities	Status
2. Development of the Fraud Management documents in line with the institutional policy development process	The documents were reviewed but not yet approved as there was a requirement that Council should be workshopped on them before their approval.
3. Communication of the Risk and Fraud Management Documents to all officials.	The documents were communicated to Management, Audit Committee Members and Council in meetings and workshops.
4. Provide training for management and staff on risk management as well as their roles and responsibilities.	Training was provided for Management and other staff members during our risk assessments. And a workshop was also held for Council members on Risk and Fraud Management Policies.
5. Facilitate risk identification and assessments of the 2022/23 Strategic Risks and Operational Risks.	The Strategic risk assessment was performed and completed and the Strategic Risk Assessment Report was compiled and presented to the Accounting Officer. The review and updating of the operational Risk Registers have been ongoing.
6. Facilitate risk identification and assessments of the 2022/23 ICT Risks.	The ICT risk assessment were performed and completed.
7. Facilitate risk identification and assessments of the 2022/23 Fraud Risks.	The Fraud risk assessment were performed
8. Monitoring of progress made relating to the implementation plan as well as reporting to the Municipal Manager and Council.	The monitoring was done and reports were sent to the Municipal Manager and Audit Committee
9. Internal and external audit to provide an independent opinion on the effectiveness of the implementation of risk management within the Municipality.	The Risk Management Unit has not yet been audited by the Internal Audit but was audited by the Audit General during the current financial year
11. The RMC meeting	The Institution does not have a formal Risk Management Committee; and it was agreed that the Audit Committee should assume the oversight responsibility for risk management. The Committee held all its quarterly meetings for 2022/23 financial year.

2.1.8 ANTI-CORRUPTION AND FRAUD

The Institution has developed the Anti-Fraud and Corruption Policies and Plans in line with the Local Government Anti-Fraud and Corruption Strategy but the documents have not yet been approved for implementation. The Provincial Department of Cooperative Governance has been providing support regarding the implementation of anti-fraud and corruption management within the Municipality and the Institution has been providing progress reports regarding the implementation of such.

2.1.9 SUPPLY CHAIN MANAGEMENT

The municipality is continuously striving to improve its sourcing strategies by ensuring that its Supply Chain Management Policy is regularly updated to align it with all applicable legislations that governs Supply Chain in the country. The Supply Chain Management Policy of the municipality has been reviewed and approved by Council as it is required by MFMA. Every procurement is done in line with SCM processes and thresholds outlined in the policy and National Treasury practice notes and guidelines and more so in line with MFMA. Procurement has been centralized to ensure compliance to the procurement process as compared to before when it was decentralized.

The Municipality also has functional bid committees and its composition is in line with the requirements of the National Treasury.

The biggest challenge currently is that not all functions of SCM are performed effectively due to limited human resources and this compromise the effectiveness of SCM. The municipality indicates that job evaluation process is currently underway and all human resources needs will be attended to afterwards.

2.1.10 BY-LAWS

The municipality did not have newly developed by-laws or revised by-laws during the financial year under review.

2.1.11 WEBSITES

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 (2022-2023)	Yes	June 2022
All current budget-related policies (2022-2023)	Yes	June 2022
The previous annual report (2021-2022)	Yes	February 2022
The annual report to be published (2022-2023)	Yes	February 2024
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act and resulting scorecards (2022-2023)	Yes	August 2022 February 2023
All service delivery agreements (2022-2023)	No	
All long-term borrowing contracts (2022-2023)	No	
All supply chain management contracts above a prescribed value (give value) (2022-2023)	No	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) (2022-2023)	No	
Contracts agreed to which subsection (1) of section 33 apply, subject to subsection (3) of that section(2022-2023)	No	
Public-private partnership agreements referred to in section 120 made (2022-2023)	No	
All quarterly reports tabled in the council in terms of section 52 (d) (2022-2023)	Yes	Quarterly

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS

Every effort is made to keep the website running smoothly. However the Mahikeng Local Municipality takes no responsibility for and will not be liable for the website being temporary unavailable due to technical issues beyond our control.

2.1.12 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

No surveys on public satisfaction were conducted during the financial year under review.

CHAPTER 3
SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

COMPONENT A: INFRASTRUCTURE

This component includes: water; sanitation; electricity and free basic services.

INTRODUCTION TO BASIC SERVICES
<p>Basic services in Mahikeng Local Municipality are mainly water; sanitation; electricity, free basic services, and waste management (refuse removal) which will be detailed in component D. There are key operational service delivery needs for the community and the Mahikeng Local Municipality is responsible for maintaining these services and also responsible for Infrastructure development.</p>

3.1 WATER PROVISION AND SANITATION PROVISION

INTRODUCTION TO WATER PROVISION AND SANITATION PROVISION
<p>The municipality is responsible for distributing water in its jurisdiction as the water service provider. Ngaka Modiri Molema District Municipality (NMMDM) is a water service authority. The municipality intends to install zonal meters in order to monitor consumption. This project will address challenges in respect of lack of water, low pressure and peak time identification. The objective is to meet adequate supply to all urban area households. This will ensure timorous & correct, billing and invoicing of customers. The meters will allow the stipulated free 6kl water provision in the event of non-payment by the customer.</p>
<p>The municipality is responsible for the operation and maintenance of the wastewater network, lift stations and the Mahikeng & Mmabatho Wastewater treatment plants. Ngaka Modiri Molema District Municipality (NMMDM) is responsible for the infrastructure. The NMMDM has an ongoing rehabilitation of electro-mechanical projects in both the treatment plants. The project is meant to optimize the treatment process and disposal of good quality treated effluent. The NMMDM Green Drop Wastewater Quality status is unacceptable due to non-operation of several components at the treatment plants</p>

**BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: INFRASTRUCTURE
WATER PROVISION**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
To facilitate the provision of basic water services urban areas	Volume in KL of water distributed in urban areas	10 800 000 KL of water distributed in urban areas by 30 June 2022	Not achieved 6 204 815 KL of water distributed to the urban areas	7 500 000 KL of water distributed in urban areas by 30 June 2023	Not achieved 3 751 523,14 KL water distributed in urban areas	7 500 000 KL of water distributed in urban areas by 30 June 2024	None	None
	Volume in KL of treated wastewater discharged from the wastewater treatment Works	N/A	N/A	5 750 000 KL of treated wastewater discharged from the wastewater treatment Works by 30 June 2023	Not achieved 3 917 708,67 KL of treated wastewater discharged from the wastewater treatment Works	1 600 000 KL of treated wastewater discharged from the wastewater treatment Works by 30 June 2024	None	None

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

The capital projects are under Ngaka Modiri Molema District Municipality (NMMDM) infrastructure. The municipality ensures continuous operation. Maintenance of the water distribution network as per the IDP schedule can be attained within approved budget provision. Delays in procurement processes adversely affected performance, creating backlog in meter replacement and installation of zonal meters.

The municipality has rapidly increased providing number of households with access to sanitation in the current year as compared to the previous years.

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

The Municipality focused on Public Lighting Repairs & Maintenance (High mast Lights, Streetlights and Traffic Lights) and facilitation of provision of electricity by Eskom since the Municipality is currently not the Electricity Distribution License Holder (Process for applications for the Electricity Distribution and generation are underway).

Public Lighting:

The inventory for the public lighting as follows:

- 889 High Mast Lights
- 5879 Streetlights
- 28 Traffic Lights Intersections

Electricity Provision (INEP)

Under facilitation of electrification projects, funded by Department of Minerals Resources & Energy (DMRE) through Integrated National Electrification Programme (INEP) and implemented by Eskom, the Municipality has received amount of R32 540 915 (Households & Infills connections) for total of 1558 connection, of which 1000 are Infills. The Wards benefitted are Ward 2, 3, 27 & 34.

In Ward 9, there is project of constructing 88/11 kV, 20 MVA Dihatswane Substation in Dihatswane to electrify Dihatswane, Mosiane View and Rooigrond Sonderwater in FY2025/26.

Renewable or Alternative Energy

Municipality have submitted Application and Business Plan for Non-Grid Electrification Grant from DMRE to be implemented in FY2023/24 (if approved). Targeted villages are informal settlements which has land disputes issues; dispersed areas; farms; not meeting INEP criteria

Spectrum Utility Management (SUM) is appointed to conduct feasibility study for the implementation of Energy Efficiency & Renewable Energy for the Municipality. To scope include to check the possibility of constructing 100 MW Solar Farm and Roof Top Solar for Municipal Buildings. The Feasibility Study Report to be made available in July 2023.

The Municipality is also participating in various Energy Management Programme:-

- National Solar Water Heaters (NSWH)
- Energy Efficiency & Demand Side Management (EEDSM)
- Municipal Energy Management System (MEMS)
- Energy Efficiency in Public Buildings & Infrastructure Projects (EEPPIP)

National Solar Water Heaters (NSWH)

The programme allocated 5000 Systems which were installed in Extension 38 (Ward 7); Extension 39 (Ward 33); Unit 2, Unit 5 & Ward 7 (Ward 10)

The project has completed all areas except Unit 2 (Ward 10) where about 590 Systems .still to be installed. Overall completion percentage is 88%.

Energy Efficiency & Demand Side Management (EEDSM)

Municipality has received R 5 million which was utilized for retrofitting of high energy consumption High Pressure Sodium (HPS) to energy saving Light Emitting Diodes (LED). With the programme, Municipality managed to retrofit 494 X 400W High Pressure Sodium (HPS) to 200W Light Emitting Diodes (LED) Luminaires. The programme created eight (8) employment opportunities and energy efficiency awareness which helped change behaviour and culture of employees towards energy usage.

The following training were done under the programme; Certificate for Energy Managers, Working-on-Heights and Operating of Aerial Platform Equipment (Cherry-Picker).

Municipal Energy Management System (MEMS)

The Municipal Energy Management Systems (MEMS) is South African German Energy (SAGEN) programme implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of The Federal Ministry for Economic Cooperation and Development (BMZ) and the Swiss State Secretariat for Economic Affairs (SECO). The programme provides support to eleven municipalities on the adoption of energy management systems for their municipal infrastructure. Mahikeng Local Municipality is participating with other eleven (11) Municipalities. The MEMS enables a systematic approaching to managing municipal energy use and identification of energy efficiency measures.

The programme assisted the Municipality with the development of Energy Management Policy which was adopted by Council and appointment of the Energy Management Committee. Organogram & Job Descriptions for Energy Management Personnel were also drafted.

Municipality has, with the assistance of the programme, have applied for the review of the tariff and reduce Notified Maximum Demand (NMD) for six (6) top high consumption accounts, one accounts Civic Centre was achieved and five (5) are still under process of review by Eskom.

Energy Efficiency in Public Buildings & Infrastructure Projects (EEPBIP)

Energy Efficiency Public Buildings and Infrastructure Programme (EEPBIP) is spearheaded by the Department of Mineral Resources and Energy (DMRE) in collaboration with The Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ), Department of Public Works and Infrastructure (DPWI), Department of Forestry, Fisheries, and Environment (DFFE), South African National Energy Development Institute (SANEDI), National Business Initiative (NBI) and Carbon trust (CT). The programme aims to catalyse an energy efficiency transformation within the public sector and wider energy efficiency market. This will be done through the pursuit of the programme's main objectives, which include the improvement of energy performance of public buildings and infrastructure and reduce greenhouse gas (GHG) emissions by promoting, identifying, financing, and implementing energy efficiency and demand-side management measure. Some key components of the programme are the mobilisation of public and private sector investments and mitigation of risks associated with such investments. EEPBIP can be co-finance by capital programmes such as the EEDSM grant to pursue measures in: Municipal buildings; Provincial buildings; State-Owned Entity (SoE) buildings; Public lighting; and Wastewater Treatment Plants (WWTPs).

Municipalities have been identified as an important stakeholder for improving energy performance of public infrastructure, to that effect, the intuitional assessment. i.e. current energy performance status of the Municipal Buildings & Facilities, have been done and awaiting the outcome from DMRE.

The programme is to assist with the compliance with the new regulation– Regulations for the Mandatory Display and Submission of Energy Performance Certificates for Buildings, this regulation is ensure and assist the Municipality to compile their energy data consumption in order to identify possible ways to save energy.

BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: INFRASTRUCTURE ELECTRICITY

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
To facilitate the provision of electricity and provide public lighting	Number of public street lighting maintained	196 public street lighting maintained by 30 June 2022	Target Exceeded 307 public street lighting maintained	600 public street lighting maintained by 30 June 2023	Target exceeded 1 244 public street lighting maintained	600 public street lighting maintained by 30 June 2024	None	None
	Number of high mast lights maintained	500 high mast lights maintained by 30 June 2022	Target Exceeded 672 High Mast Lights maintained	500 High Masts lights maintained by 30 June 2023	Target exceeded 938 High Masts lights maintained	500 High Masts lights maintained by 30 June 2024	None	None
	Number of high Masts lights retrofitted	494 High Mast lights retrofitted by 30 June 2022	Target achieved 494 High Masts light retrofitted	494 High Mast lights retrofitted by 30 June 2023	Target achieved 494 High Masts light retrofitted	None	None	None
To execute MIG Projects	Number of high mast lights constructed	80 high mast lights to be constructed by end of June 2022 - Multi year projects	Target not achieved All 80 high mast lights identify, contractor busy with Foundations	80 high mast lights to be constructed project to be complete by 30 June 2023	Target not achieved Foundation casted, poles erected awaiting Eskom connection	None	None	None

BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: INFRASTRUCTURE ELECTRICITY

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	Number of Traffic Signal Intersections maintained	28 Traffic Signal Intersections maintained by June 2022	Target Achieved 28 Traffic Signal intersections maintained	28 Traffic Signal Intersections maintained by 30 June 2023	Not achieved 25 Traffic Signal Intersections maintained	28 Traffic Signal Intersections maintained by 30 June 2024	None	None

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

As stated above electricity projects are done by Eskom and the role of the Municipality is to prioritize areas in need of electrification and submit the list to Eskom.

3.4 ROADS AND STORMWATER DRAINAGE

INTRODUCTION TO ROADS AND STORMWATER DRAINAGE

Roads within Mahikeng Local Municipality are classified in different types namely:

- National Roads
- Provincial Roads
- Local (internal) Roads

Municipal Roads as a function is listed in Schedule 5 Part B of the Constitution. The roads and stormwater unit has a responsibility to exercise any power concerning, or incidental to, the effective performance of this function where the street or road is mainly part of the infrastructure of the local municipality.

The Municipality focuses on main roads and internal roads in both urban and rural areas. The total kilometers of roads within the jurisdiction of the municipality is estimated to be 320 Kilometers surfaced roads plus 800 Kilometers of gravel and dirt roads infrastructure which is maintained by the Local Municipality. About 70% of surfaced roads requires persistent pothole patching and resealing while 20% require total reconstruction. About 534kms of rural roads are gravel roads, which require upgrading and the rest need construction.

Stormwater infrastructure consists of different nodes and links. Nodes are catchment structures and links are conveying structures. Mahikeng Local Municipality in urban areas has different nodes namely: Grid inlets, Chute structures, Wing Walls, Kerb Grid Inlets, Kerb inlets, Field inlets and Manholes. It has also different links namely: V-Drain, Box Culverts, Concrete Channels, Pipe Culverts, Earth Channels and Stone Pitching Channels. Under Nodes more attention is required in Wing Walls, Grid Inlets and Kerb Inlets and on Links attention is required in Box Culverts, Concrete Channels and Stone Pitching Channels. In rural areas, it will mostly be Earth Channels link and Wing Walls Node.

Kilometers				
Year	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar/pavement	Gravel roads graded/maintained
2018/19	553	0	4kms	3,4kms
2019/20	553	0	8kms	0
2020/21	553	0	16kms	7.8kms
2021/22	553	0	10,5kms	103,537826kms
2022/23	553	0	10,05kms	144.508kms

Tarred Road Infrastructure					
					Kilometers/Meter square m ²
Year	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted (Patching and resealing)	Tar roads maintained
2018/19	295	0	0	0	5.6
2019/20	295	7.4	0	0	0
2020/21	295	0	0	6	17.78
2021/22	295	0	0	Patching 8250,1 m ² Resealing 22 670,1 m ²	30 920,2 m ²
2022/23	295	0	0	Patching 3988,1 m² Resealing 4886,7 m²	8874,8 m²

Cost of Construction/Maintenance						
						R' 000
Year	Gravel			Tar		
	New	Gravel – Tar/Pavement	Maintained	New	Re-worked	Maintained
2018/19	0	0	0	0	0	539 005
2019/20	0	0	0	2 022 735	0	2 022 735
2020/21	0	41 000 000	0	0	0	11 873 673
2021/22	0	81 005 135	0	0	0	20 000 000
2022/23	0	49 237 390	0	0	0	6 682 173,9

Stormwater Infrastructure				Kilometers
Year	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2018/19	166	0	0	2.3
2019/20	166	0	0	1.2
2020/21	166	0	0	5.395
2021/22	166	0	0	34,88404kms
2022/23	166	0	0	23,739kms

Cost of Construction/Maintenance				R' 000
Year	Stormwater Measures			
	New	Upgraded	Maintained	
2018/19	0	0	2 864 649	
2019/20	0	0	860 200	
2020/21	0	0	3 845 246	
2021/22	0	0	2 000 000	
2022/23	0	0	959 718,70	

**BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: INFRASTRUCTURE
ROADS AND STORMWATER**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
To Maintain Roads & Stormwater drainage system	Number of square meters of surfaced road maintenance	20000 m ² square meters of surfaced road maintenance by 30 June 2022	Target Exceeded 30 920,2 m ² square meters of surfaced road maintenance	10 000 square meters of surfaced road maintenance by 30 June 2023	Not achieved 8 874,8m ² square meters of surfaced road maintenance	40 000 m ² square meters of surfaced road maintenance by 30 June 2024	None	None
	Number of kms stormwater drainage maintained	4 kms stormwater drainage maintained by 30 June 2022	Target Exceeded 34,88404 km stormwater drainage maintained	30 kilometers of stormwater drainage systems maintained by 30 June 2023	Not achieved 23,739 kilometers of stormwater drainage systems maintained	40 kms of stormwater drainage systems maintained by 30 June 2024	None	None
	Length in kilometres of rural gravel road maintained	20 kms of rural gravel road maintained by 30 June 2022	Target Exceeded 236,89 km of rural gravel road maintained	60 kilometers of rural gravel road maintained by 30 June 2023	Target exceeded 148,38 kilometers of rural gravel road maintained	40 kms of rural gravel road maintained by 30 June 2024	None	None

**BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: INFRASTRUCTURE
ROADS AND STORMWATER**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	Upgrading of road in Masuthe from gravel to Paving	Upgrading of 4 Kms road in Masuthe from gravel to Paving by 30 June 2022	Target not achieved Earthworks - 100% Roadbed - 100% Sub base & base - 80% Kerbing - 20%	Upgrading of 4km of road in Masuthe from gravel to Paving project to be complete by 30 June 2023	Not achieved Upgrading of 4km of road in Masuthe from gravel to Paving project not completed Progress report :-Subbase - 100% Paving - 85% Kerbing - 95%	None	None	None
	Upgrading of interconnector road from Airport view to Bray Road	Upgrading of 4,3km interconnector road from Airport view to Bray Road project to be complete by	Target not achieved Contractor appointed on the 07 June 2022	Upgrading of 4,4km interconnector road from Airport view to Bray Road project to be complete by 31 March 2023	Target achieved Upgrading of 4,4km interconnector road from Airport view to Bray Road project complete on 8	None	None	None

**BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: INFRASTRUCTURE
ROADS AND STORMWATER**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
		30 June 2022			December 2022			
	Upgrading of road from Tloung Village to Bokone - Phase II	2 Kms gravel roads upgraded to paving in Tloung village to Bokone village Ward 15 by 31 December 2021	Target Achieved 2 Kms gravel roads upgraded to paving in Tloung village to Bokone village Ward 15 - Completion certificate dated 06/04/2022	Upgrading of road from Tloung Village to Bokone - Phase II project to be complete by 30 June 2023	Not achieved Upgrading of road from Tloung Village to Bokone - Phase II project not complete Progress report :-Base - 80% Kerbing - 53% Paving - 53% V-Drains - 33%	700 meters of gravel road upgraded to surfaced road from Tloung Village to Bokone - Phase II project completed by 30 September 2023	None	None
	Upgrading of interconnector road in Setlopo	4,5 kms of road to be upgraded in Setlopo Sa	Target not achieved Earthworks -	Upgrading of 4,5km interconnector road in Setlopo	Target achieved Upgrading of 4,5km	None	None	None

**BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: INFRASTRUCTURE
ROADS AND STORMWATER**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	Sa Bosigo	Bosigo by 30 June 2022	100% Roadbed - 100% Sub base & base 70%	Sa Bosigo project to be complete by 30 June 2023	interconnector road in Setlopo Sa Bosigo project completed on 22 February 2023			

COMMENT ON THE PERFORMANCE OF ROADS AND STORMWATER DRAINAGE OVERALL:

The municipality plans to continue implementing maintenance actions, namely resurfacing and resealing, which aims to protect the road surface and prevent further deteriorations. This is a sustainable way for the maintenance of our roads and most importantly it eliminates the formation of potholes on our roads.

Maintenance of gravel roads remains a challenge for the municipality due to lack of capital resources. The municipality has only 1 grader at the moment to carry out maintenance of gravel roads in a form of grading. The municipality intends to reconstruct pavement layers (re-gravelling) of rural roads, which is a sustainable way for the maintenance of gravel roads and provides a safe and acceptable level of service for the travelling public.

To improve the efficiency of stormwater drainage the municipality intends to repair and replace damaged stormwater infrastructure to archive the maximum drainage allowable by the current system and reduce local floodings. One of the major issues the municipality is facing is blocked stormwater drainage systems which is mainly caused by community members dumping waste refuse into the system. Stormwater maintenance currently consist of clearing, cleaning and unblocking of the drainage system, however due to increased climate change and accelerated development (increase run-off), the current stormwater infrastructure performance is unsatisfactory. The above-mentioned maintenance actions to unblock, repair and replace damaged stormwater infrastructure does not address the issue of capacity. Therefore, the municipality had identified a need to develop a stormwater master-plan which will map-out current and future stormwater demands.

COMPONENT B: COMMUNITY SERVICES

This component includes: libraries; community halls; cemeteries; Parks and Stadiums; and Refuse removal and waste management

INTRODUCTION COMMUNITY SERVICES

The directorate comprises of 3 units namely Waste Management, Parks & Recreation as well as Community Facilities.

WASTE MANAGEMENT UNIT

The Unit is responsible for household refuse removal, street sweeping, removal of illegally dumped refuse as well as operation and management of the landfill site. The staff complement of this unit is 166, 74 refuse removal staff, 12 drivers, 75 street sweepers, 2 team leaders, Assistant Manager: Solid Waste, Manager: Waste Management, Superintendent and 3 vacant positions of Supervisors.

PARKS AND RECREATION

The Mahikeng Local Municipality's Parks and Recreation Unit as custodian of the environment, has the obligation to ensure that the Mahikeng community enjoys and lives in a clean, beautiful and green environment.

Some of the responsibilities of Parks and Recreation Unit include the following:

- Greening of environment – by planting trees, shrubs, groundcovers and grass on demarcated parks and city entrances.
- Beautification of Mahikeng- For enjoyment, pleasure and recreational purposes, by planting flowers and grass cutting on a regular basis.
- Development of parks- For recreational purposes and relaxation
- Maintenance of Recreational sites- to promote sport involvement by availing recreational facilities to the community, and maintenance of sport facilities by grass cutting and daily cleaning
- Maintenance and availing cemeteries- by providing burial sites for the community to bury their loved ones and maintenance of cemeteries by grass cutting and herbicides application.

The staff compliment in this unit is 45 comprising of:

- Head Parks: 1
- Horticulturalist: 1(The incumbent has not been on duty due to ill health)
- Superintendents: 2
- Team Leader (Brush cutting and Mowing): 2
- Team leader (Machine repair): 1
- Tractor drivers: 4
- Team leaders and general workers: 34

Vacant positions

Supervisors: (4) i) Brush cutting: and mowing ii) Horticulture iii) Tree felling iv), Lanscaping & grave yard.

- Care taker (Landscaping): 1
- Team leader (Horticulture): 1 Incumbent transferred to IT department
- Tractor drivers: 5 due to medical unfit, pension and transfer
- General Workers: 4

COMMUNITY FACILITIES UNIT

The Community Facilities Unit is responsible for the administration and management of 6 Multipurpose Centers. The staff compliment in the Community halls is 8 employees. Currently there are 6 Multipurpose Centers and they are:

1. Mantja
2. Gelukspan
3. Lonely Park
4. Moshawane
5. Tsetse, and
6. Mmabatho Civic Center

This Unit also administers and manages 8 libraries. The staff compliment at the libraries is 21, 15 of which are seconded from the Department of Culture, Arts and Traditional Affairs and 6 who belong to the Mahikeng Local Municipality.

3.4 LIBRARIES AND COMMUNITY FACILITIES

INTRODUCTION TO LIBRARIES AND COMMUNITY FACILITIES

The Library function offers information services that meet the educational, recreational, development and cultural needs of the people of Mahikeng.

We presently have 8 Functional libraries and they are situated as follows:

- Mmabatho Library
- Mahikeng Library
- Barolong Boo Ratshidi Library
- Danville Library
- Miga Library
- Ottoshoop Library
- Lomanyaneng Library
- Ramatlabama 600 Modular Library

All the libraries cater for the area they are in and the surrounding villages. Support is given to the poor communities by helping the children with home-works, school projects and promoting the culture of learning as part of promoting literacy.

**BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: COMMUNITY SERVICES
LIBRARIES AND COMMUNITY FACILITIES**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
To provide and maintain community facilities libraries community halls	Number of Library Services Awareness campaigns conducted	4 Library Services Awareness campaigns conducted by 30 June 2022	Target Achieved 4 Library Services Awareness campaigns conducted by 30 June 2022	4 Library Services Awareness campaigns conducted by 30 June 2023	Target exceeded 5 Library Awareness Campaigns conducted	4 Library Services Awareness campaigns conducted by 30 June 2024	None	None

COMMENT ON THE PERFORMANCE OF LIBRARIES AND COMMUNITY FACILITIES

The library is there to ensure access for all communities: to initiate library awareness campaigns and promote awareness of reading. The measures that were taken to improve performance was that of partnering with NPO's, government departments and schools.

3.6 PARKS, CEMETORIES AND STADIUM

INTRODUCTION TO PARKS, CEMETORIES AND STADIUM

The Parks and Recreation Unit is responsible for the development and maintenance of Parks in Mahikeng, Mmabatho, Danville and Montshioa, maintenance of Montshioa Stadium and maintenance of 3 cemeteries.

This unit is responsible for grass cutting and tree trimming in open spaces and sidewalks in Mahikeng, Mmabatho, Montshioa, Danville, Golfview, Riviera Park and all the Units from Unit 1 up to Unit 15.

Cemetery means a land within the area of jurisdiction of Mahikeng Local Municipality which Council has said aside as Cemetery.

The Mahikeng Cemetery contains certain specific section dedication for the use of particular minority ethnic groups.

The top 3 service priorities is:

1. The burial of ashes, indigents and unclaimed bodies;
 2. Recording of burials;
- Assisting with exumation and claiming of graves and ablusion blocks.

The Mahikeng Local Municipality have 3 cemeteries to maintain, being Mmabatho, Mahikeng and Danville Cemeteries respectively.

Mahikeng Local Municipality acknowledges that Parks section touches virtually every aspect of nation ethos. Our priorities are to provide clean and safe environmental Sports field, stadiums and beautiful parks. The major challenge is Lack of proper facilities and Absence of skilled personnel such as umpires; technical officials and professional coaches mostly in rural areas.

BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: COMMUNITY SERVICES PARKS, CEMETORIES AND STADIUM								
Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
Provide Parks and Recreation services	Number of parks maintained	10 Parks maintained by 30 June 2022	Target Achieved 10 Parks maintained by 30 June 2022	10 Parks maintained by 30 June 2023	Target Achieved 10 Parks maintained by 30 June 2023	10 Parks maintained by 30 June 2024	None	None

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

The Municipality was giving support to communities that are living in poverty. According to the Health Act, Act 63 of 1977 the local authority takes the responsibility for the removal and burial of the body of a destitute person or any dead body unclaimed or which no competent person undertakes to bury and thus bury. The objective of the Mahikeng Local Municipality is to assist in the indigent families in the burial of the deceased.

Top 3 service delivery priorities:

- a. To contribute towards rural development, healthy life style and social cohesion.
- b. Continue regular maintenance of the rural sport fields by mowing and cutting tall grasses to make the pitch playable.
- c. To ensure that a solid foundation is laid for development and recreational facilities.

Measures taken to improve performance:

- To carry out assessments on facilities;
- To conduct Inter departmental and directorates meeting;

3.7 WASTE MANAGEMENT

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

INTRODUCTION TO WASTE MANAGEMENT

The Waste Management section of the municipality comprises the refuse removal, street sweeping unit as well as landfill and illegal dumping units

HOUSEHOLD REFUSE COLLECTION

- Mahikeng local municipality is responsible for household refuse collection in peri-urban and urban areas within its jurisdiction.
- In the peri-urban areas household collection was carried out by services provider New GX. The collection is done on behalf of the municipality (presently residents in peri-urban do not pay for the services)
- The municipal has a weekly household refuse collection schedule which is used to achieve this objective.

CHALLENGES

- Frequent breakdown of refuse removal trucks.

REMEDIAL MEASURES

- Acquisition of refuse removal trucks
- Improvement of turnaround time in repair of broken trucks

WASTE DISPOSAL (LANDFILL)

- The municipality has a licensed landfill site which it uses to dispose of all general waste collected around Mahikeng.
- The municipality has appointed a new service provider, New GX to operate and manage the landfill site as from November 2015 and already there is a marked improvement.
- The municipality has also acquired machinery and equipment such as the landfill compactor, jaw-crusher and bulldozer to improve operations

CHALLENGES

- The landfill site is in dire need of relevant and dedicated heavy machinery/infrastructural developments to be fully compliant with legislative requirements and permit conditions

REMEDIAL MEASURES

- Acquisition of MIG funding
- The municipality has also requested funding from DEFF to address some of the infrastructure challenges

STREET CLEANING

- The municipality has deployed permanent staff around Mahikeng CBD for the purpose of litter picking and street sweeping.
- Over and above the permanent staff the municipality has EPWP contingent distributed around Mahikeng and Mmabatho residential areas for litter picking and skip patrolling.
- The municipality has also introduced a late shift team comprising of 20 EPWP workers to clean the town after hours
- New GX staff pick litter on all major entrance routes into town

CHALLENGES

- Supervision
- Littering and illegal dumping
- No enforcement of street trading by-laws

REMEDIAL MEASURES

- The municipality is yet to fill all vacant supervisory positions
- Law enforcement
- Acquisition of more skips

**BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: COMMUNITY SERVICES
WASTE MANAGEMENT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
To provide Waste management services	Number of weekly collection of refuse at trade premises and urban residential areas.	Once weekly collection of refuse at trade premises and urban residential areas by 30 June 2022	Target Achieved Once weekly collection of refuse at trade premises and urban residential areas	Once weekly collection of refuse at trade premises and urban residential areas by 30 June 2023	Target Achieved Once weekly collection of refuse at trade premises and urban residential areas	Once weekly collection of refuse at trade premises and urban residential areas by 30 June 2024	None	None
	Number of illegal dumping spots cleaned	47 Illegal dumping spots cleaned by 30 June 2022	Target Achieved 47 Illegal dumping spots cleaned	47 Illegal dumping spots cleaned by 30 June 2023	Target exceeded 52 Illegal dumping spots cleaned	47 illegal dumping spots cleaned by 30 June 2024	None	None
	Integrated Waste Management Plan (IWMP) submitted to council	None	None	Integrated Waste Management Plan (IWMP) submitted to council by 30 June 2023	Not achieved No Integrated Waste Management Plan (IWMP) submitted to council	None	None	None

**BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: COMMUNITY SERVICES
WASTE MANAGEMENT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	Number of Rata Mahikeng campaigns conducted	4 Rata Mahikeng campaigns conducted by 30 June 2022	Target Achieved 4 Rata Mahikeng campaigns conducted	4 Rata Mahikeng campaigns conducted by 30 June 2023	Target exceeded 6 Rata Mahikeng Campaigns conducted	4 Rata Mahikeng campaigns conducted by 30 June 2024	None	None
	Number of landfill site operational and maintained	1 landfill site operational and maintained by 30 June 2022	Target Achieved 1 landfill site operational and maintained	1 landfill site operational and maintained by 30 June 2023	Target Achieved 1 landfill site operational and maintained	1 landfill site operational and maintained by 30 June 2024	None	None

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

Illegal dumping remains a major challenge. As soon as an area is cleaned the community dumps again. This is unsustainable as valuable resources are wasted. The municipality is looking at various options to address illegal dumping, including environmental awareness campaigns and law enforcement.

COMPONENT C: PUBLIC SAFETY

This component includes: Law Enforcement; Fire Brigade and Disaster Management; Security & VIP Protection Services and Testing & Licensing.

INTRODUCTION TO PUBLIC SAFETY

The Directorate of the Public Safety render a sustainable and effective service to the public. The Directorate consists of four units Law Enforcement, Fire, Brigade & Disaster Management, Testing & Licensing as well as Security, VIP Protection & Fleet Management

3.8 LAW ENFORCEMENT

INTRODUCTION TO LAW ENFORCEMENT

Despite the shortage of personnel in the Law Enforcement unit; all efforts were made to ensure road safety and orderly traffic flow. Law Enforcement activities were conducted and the 3 main priorities of the service were:

- To conduct regular roadblocks in order to promote road safety, visibility and to trace outstanding payments.
- Focus was also placed on training of scholar patrollers and educators in order to teach them on the aspects of safe road usage.
- Speed enforcements were also conducted as there was an obvious need to inculcate the spirit of voluntary compliance by motorists to set speed limits and traffic regulations in general.

Law Enforcement

	Details	2021/2022	2022/23		2023/24
		Actual No.	Estimate No.	Actual No.	Actual No.
1	Number of road traffic accidents during the year	1620	1600	1620	1620
2	Number of by-law infringements attended	385	300	1739	385
3	Number of traffic officers in the field on an average day	14	10	15	14
4	Number of traffic officers on duty on an average day	14	10	20	14

**BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: PUBLIC SAFETY
LAW ENFORCEMENT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
To provide professional law enforcement management services	Number of roadblocks conducted	24 roadblocks conducted by 30 June 2022	Target Achieved 24 Roadblocks were conducted	24 roadblocks conducted by 30 June 2023	Target Exceeded 33 Roadblocks were conducted	24 roadblocks conducted by 30 June 2024	None	None
	Number of warrant of arrest executed	None	None	40 warrant of arrests executed by 30 June 2023	Target Exceeded 41 warrant of arrests were executed	None	None	None

COMMENT ON THE PERFORMANCE OF POLICE OVERALL:

ACHIEVEMENTS

- Traffic Officers' uniform was purchased
- Logistics section was relocated from Infrastructue Directorate to Public Safety Directorate

CHALLENGES

- Shortage of staff (By-law Enforcement Officers and Traffic Officers)
- There is no vehicle for transportation of contracted By-law Enforcement Officers
- Contracted By-law Enforcement Officers do not have uniform
- Escalation of fuel prices affects Traffic Officials' allowance
- Boardroom chairs to be replaced

3.9 FIRE & EMERGENCY SERVICES

INTRODUCTION TO FIRE SERVICES & EMERGENCY SERVICES	
<p>The Fire Service of the Municipality is currently understaffed at Fire training and Fire safety. Other authorities during emergency situations rely on the municipality for assistance. The Fire Service was assisted by the Provincial Government to purchase some much-needed vehicles.</p> <p>The following were some of the set priorities for the Fire Service:</p> <ul style="list-style-type: none"> - The service increased the fire safety compliance inspections in order to ensure that most businesses and other Institutions complied with the Legislation prescripts. - Fire hydrants were regularly inspected and more fire safety awareness programmes were conducted. - Additional fire fighting vehicles were purchased in order to increase the service standard of the fire service. - The Fire Brigade provide special services to the community of Mahikeng, e.i. filling in or emptying individuals/institutions swimming pools, rescue of animals, etc - Further gives provision of fire and rescue services such as, Building fires, House fires, rescue people from motor vehicle accident and vehicle fires. - Rendering of specialised services such as, swift water rescue, high angle rescue, trench rescue, and structural collapse - Rendering of hazardous material services such as, attending hazardous material incidents - Rendering of humanitarian services. 	

Fire Service Data					
#	Details	2021/22	2022/23		2023/24
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year	336	200	434	400
2	Total of other incidents attended in the year	87	40	90	80
3	Average turnout time - urban areas	8 min	8 min	8 min	8 min
4	Average turnout time - rural areas	15 min	15 min	15 min	15 min
5	Fire fighters in post at year end	21	60	59	61
6	Total fire appliances at year end	08	6	08	15
7	Average number of appliances off the road during the year	07	8	08	15

**BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: PUBLIC SAFETY
FIRE SERVICES & EMERGENCY SERVICES**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
To provide professional Fire Brigade and Disaster Management	Number of fire safety compliance inspections conducted	200 fire safety compliance inspections conducted by 30 June 2022	Target Exceeded 243 fire safety compliance inspections conducted	200 fire safety compliance inspections conducted by 30 June 2023	Target Achieved 200 Fire safety compliance inspections were conducted	200 fire safety compliance inspections conducted by 30 June 2024	None	None
	% of fire incidents reported and attended	100% of fire incidents reported and attended by 30 June 2022	Target Achieved 100% of fire (87) incidents reported and attended	100% of fire incidents reported and attended by 30 June 2023	Target Achieved 100% (434) Fire incidents were reported and attended	100% of fire incidents reported and attended by 30 June 2024	None	None
	% of rescue incidents reported and attended	100% of rescue incidents reported and attended by 30 June 2022	Target Achieved 100% of fire (336) incidents reported and attended	100% of rescue incidents reported and attended by 30 June 2023	Target Achieved 100% (90) Rescue incidents were reported and attended	100% of rescue incidents reported and attended by 30 June 2024	None	None

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

ACHIEVEMENTS

- Procurement of rescue pumper in collaboration with the Department of Cooperative Government and Traditional Affairs (COGTA) and delivered on 30 November 2022
- Procurement of rapid intervention, rescue pumper and water tanker for financial year 2022/2023
- 38 Junior Firefighters were appointed on 01 September 2022
- 2 General Workers were appointed
- 5 Fire personnel successfully performed pre-selected fo Swift water rescue and the course is on-going

CHALLENGES

- Shortage of personnel at Fire Safety and Fire Training
- Lack of training of fire and rescue personnel in line with their field of expertise
- Lack of routine maintenance of Municipal buildings
- Tools of trade i.e. Cameras to be used at emergency incidents and assessment
- Telephones are out of commission
- No radio communication system
- No Emergency Server System (ESS) to measure response time

3.10 DISASTER MANAGEMENT, SECURITY AND VIP PROTECTION SERVICES

INTRODUCTION TO DISASTER MANAGEMENT, SECURITY AND VIP PROTECTION SERVICES

The Disaster Management Service is provided as one of the functions under the Fire Brigade and Disaster Management unit. The Disaster Management section is currently functioning with only one permanent staff member and two contract workers who are assisting in reducing the work load pressure. They service all 35 wards of the Municipality.

The primary focus of Security is protection of the Executive through VIP Protection, create secured working environment and protection of Municipal assets.

The Fleet Section ensure that all drivers comply with fleet management policy with regards to rendering basic services to the community.

**BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT : PUBLIC SAFETY
DISASTER MANAGEMENT, SECURITY AND VIP PROTECTION SERVICES**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
To provide professional Disaster management	Number of disaster management awareness campaigns conducted	None	None	4 Disaster Management Awareness campaigns conducted by 30 June 2023	Target achieved 4 Disaster Management Awareness campaigns conducted by 30 June 2023	4 Disaster Management Awareness campaigns conducted by 30 June 2024	None	None
	Number of Disaster Risk Assessment Conducted	80 disaster assessments conducted by 30 June 2022	Target Exceeded 584 disaster assessments conducted	4 Disaster Risk Assessment conducted by 30 June 2023	Target achieved 4 Disaster Risk Assessment conducted by 30 June 2023	4 Disaster Risk Assessment conducted by 30 June 2024	None	None
	Number of Ward Based Disaster Management Committees Established	None	None	4 Ward Based Disaster Management Committees established by 30 June 2023	Target achieved 4 Ward Based Disaster Management Committees established by 30 June 2023	8 Clusters Ward Based Disaster Management Committees established by 30 June 2024	None	None

**BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT : PUBLIC SAFETY
DISASTER MANAGEMENT, SECURITY AND VIP PROTECTION SERVICES**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
To provide Security and VIP Protection Services	Number of Information Security awareness Campaigns conducted	None	None	1 Information Security awareness campaign conducted by 30 June 2023	Target exceeded 5 Information Security awareness campaigns were conducted	2 Information Security awareness campaigns conducted by 30 June 2024	None	None
Establish Community Safety Forum for Mahikeng Local Municipality	Number of reports on establishment of Community Safety Forum for Mahikeng Local Municipality submitted to council for approval	None	None	4 Community Safety Forum reports submitted	Target achieved Preparatory meeting for the establishment of the Mahikeng Local Municipality Community Safety Forum was held on 29 June 2023	4 progress reports on Community Safety Forum establishment by 30 June 2024	None	None

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT, SECURITY AND FLEET
MANAGEMENT OVERALL:

Disaster Management: Achievements

- 4 Disaster Management Awareness Campaigns were conducted
- 4 Disaster Risk Assessments were conducted
- 4 Ward Based Disaster Management Committees were established

Disaster Management: Challenges

- Turn around times of orders for blankets and mattresses
- Shortage of personnel

Security Section: Achievements

- Threats and Risks Assessment conducted
- Vetting workshop held for senior officials
- Monthly meetings held with Security Service Providers

Challenges

- Increased cases of Security breaches with financial implications reported
- Delay in appointing Manager Security, VIP Protection & Fleet Management
- Non-implementation of security infrastructure (perimeter fence, security lights, CCTV and electricity)
- Shortage of staff

Fleet Management: Achievement

- Maintained better control of fleet at Traffic Premises and Municipal yard
- Regular inspection of Fleet was done
- Branding of white new fleet (Mahindra pick-up)

Fleet Management: Challenges

- Delay in payments of vehicle license for heavy trucks/vehicles
- Log books not completed properly
- Shortage of staff
- No central parking of Fleet for purpose of control
- Logbooks not submitted in time
- Some vehicles are not brought in for inspection

3.11 VEHICLE TESTING & LICENSING

INTRODUCTION TO VEHICLE TESTING & LICENSING

Despite shortage of personnel in the Testing and Licensing unit, all efforts were made to provide effective and efficient testing and licensing services in accordance with legislation. The following activities were conducted:

- Eye testing for PrDP's and Driving Licenses Renewals as well as for Learners and Driving Licenses applicants
- Testing Applicants for Learners and Driving Licenses
- Testing of motor vehicles for road worthiness and for certificate of fitness
- Authorisation and issuing of PrDP's
- Issuing Driving Licence Cards

**BASIC SERVICES DELIVERY AND INFRASTRUCTURE INVESTMENT: PUBLIC SAFETY
VEHICLE TESTING & LICENSING**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
To provide testing and licensing in accordance with legislation	Number of driving license cards issued	None	None	4200 driving license cards issued by 30 June 2023	Target exceeded 9746 driving license cards were issued	100% driving licence cards issued by 30 June 2024	None	None

COMMENT ON THE PERFORMANCE OF VEHICLE TESTING & LICENSING OVERALL:

ACHIEVEMENTS:

- 1394 Driving license Applicants tested were tested 100%
- 2731 Permits (PrDP) were issued 100%
- 636 Vehicles were tested 100%
- 9746 Driving licence cards were issued

CHALLENGES:

- Shortage of staff
- No electronic security systems
- Tools of trade i.e. and Printers and telephone
- Lack of skills and training
- Poor toilet facilities
- No motor cycle track.
- Leaking roof and cracked building
- Office furniture and chairs for public members
- There is no first aid kit
- Protective Clothing (PPE) for Examiners
- Air conditionings are not maintained
- Vehicle Testing Station unoperational during load shedding due to low voltage of the back-up generator
- Communication holes at the desks of the Financial Clerks need to be upgraded
- Cubicles need to be revamped
- Butlers to be installed at the Financial Clerks cubicles for restriction of movement
- Lights at the Testing area to be repaired
- Vehicle Testing Station roller doors need to be maintained
- There is no waiting area for applicants

COMPONENT D: FREE BASIC SERVICES

3.12 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The municipality free basic services are mainly water supplied to rural *villages /wards* and Indigents receiving 6,000 litres of potable water supplied per formal connection per month and any access above that its payable to the municipality.

The municipality has a compiled indigent register. The free basic services provided to indigents are water,

STATISTICS SERVICES FOR FREE BASIC SERVICES AND INDIGENTS SUPPORT

Free basic water

Free basic water (URBAN)	3 399
Free basic electricity	2 874
<u>Free property rates</u>	<u>3 399</u>
Rural indigents (from the spread sheet)	6 892
Urban indigents (from the munsoft)	3 399
TOTAL INDIGENTS REGISTERED	10 291

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The municipality provided free basic services such as free water. The municipality has an indigent register which is been updated annual in order to verify the indigents consuming the free basic services per wards.

COMPONENT E: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

INTRODUCTION TO PLANNING AND DEVELOPMENT

Government is committed to economic growth, employment creation, sustainable service delivery, poverty alleviation programmes and the eradication of historic inequalities. In order to ensure that infrastructure investment and development programmes are channelled towards these objectives, the National Spatial Development Perspective (NSDP) was formulated. The principles enshrined in the NSDP are thus of great importance to local government investment, through the IDP and capital expenditure.

The National Spatial Development Vision is as follows:

South Africa will become a nation in which investment in infrastructure and development programmes support government's growth and development objectives:

- By focusing economic growth and employment creation in areas where this is most effective and sustainable;
- By supporting restructuring to ensure greater competitiveness;
- By fostering development on the basis of local potential; and
- By ensuring that development institutions are able to provide basic needs throughout the country.

3.13 PLANNING AND DEVELOPMENT

INTRODUCTION TO PLANNING AND DEVELOPMENT DIRECTORATE

The Directorate's main objective is to alleviate poverty and inequality by encouraging sustainable and efficient economic growth. The Directorate has the following core functions:

Building Control

This unit ensures that people work and live in safe, clean and healthy environment by enforcement of the National Building Regulations and Building Standards Act No. 103 OF 1977 (as amended)

Property Management

Acquisition and availing of land and buildings for use by the municipality for purposes of developing and maintaining Municipal infrastructure, promoting service delivery and for facilitating social and economic development, spatial integration and environmental sustainability.

Housing Development Facilitation

To ensure that people have access to adequate housing, setting housing delivery goals, coordinate the delivery of housing and ensure sound public participation for all forms of housing development.

Town Planning

Development of a common spatial vision which directs development and capital investment decisions and providing for well-managed, sustainable and orderly use of land.

Environmental Management

Promotion of a safe and healthy environment including the Principles of the National Environmental Management Act 107 of 1998 (NEMA) and the Bill of Rights as stated in the Constitution.

Transportation Planning

Ensuring that Municipality has an efficient public transport and development and maintenance of public transport facilities.

Geographic Information System

Provide spatial information and support to all users within the Municipality in order to facilitate planning efforts and informed decisions.

Outdoor Advertising

Regulation of all forms of outdoor advertising ensuring that outdoor advertising is in line with South African Manual for Outdoor Advertising Control (SAMOAC) and the Municipality's Outdoor Advertising Policy.

Applications for Land Use Development

Detail	Formalisation of Townships		Land Use Applications		Building Plans	
	Year 2021/22	Year 2022/23	Year 2021/22	Year 2022/23	Year 2021/22	Year 2022/23
	Planning application received	0	0	67	55	260
Determination made in year of receipt	0	0	36	22	218	170
Determination made in following year	1	0	12	27	0	-
Applications withdrawn	0	0	1	2	0	0
Applications outstanding at year end	0	0	18	4	42	22

**LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL
PLANNING AND DEVELOPMENT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
Effective and efficient spatial planning and land use management	Procurement of functioning of Geographic Information System (GIS)	None	None	Procurement and functioning of Graphic Information System (GIS) by 30 June 2023	Procured GIS system is live by 30 June 2023	None	None	None
	Review of Mahikeng Land Use Scheme	None	None	Review of Mahikeng Land Use Scheme by 30 June 2023	Final Land Use Scheme Maps Report submitted by 30 June 2023	None	None	None
	Preparation of Village Development Strategy	None	None	Preparation of Village Development Strategy by 30 June 2023	Implementation Framework submitted by 30 June 2023	None	None	None
To expand municipal rates base and residential opportunities	Township Establishment of Portion 54 of the farm Mmabatho Town and Townlands No.	None	None	Approval of Township Establishment application of Portion 54 of the farm Mmabatho Town and	Township establishment application approved by 30 June 2023	None	None	None

**LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL
PLANNING AND DEVELOPMENT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	301-JO			Townlands No. 301-JO by 30 June 2023				
Local Economic development	Development of Ottoshoop Master plan	None	None	Development of Ottoshoop Master plan by 30 June 2023	Implementation Framework not submitted 30 June 2023	None	None	None

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The planning section appointed a town planner during the year under review and she has worked very hard to feel up the gaps the municipality has been experiencing.

3.14 LOCAL ECONOMIC DEVELOPMENT

INTRODUCTION TO ECONOMIC DEVELOPMENT

Mahikeng Local Municipality is faced by development problem in that a mix of urban and rural economies characterizes the municipal area of jurisdiction, thus ranging from a relatively strong economic performance to relatively isolated rural settlements with high levels of poverty. As a municipality, it has a specific coordination and facilitation responsibilities, which need to be addressed in an innovative manner to initiate and promote integrated and sustainable LED as well as to attract investments.

The municipality's LED Strategy its purpose is to collate all economic information and investigate the coordinated and integrated options and opportunities available to broaden the economic base of the study area, packaged as a strategic implementation framework in order to address the creation of employment opportunities, investment and business development and the resultant positive spin-off effects throughout the district economy.

Some of the critical relevant economic activities within the main economic sectors are Agriculture, Mining, Manufacturing, Trade and Tourism. The Standard Industrial Classification does not define Tourism as an economic sector, but because it is such an important industry in terms of potential job creation. Local Economic Development aims to address and reduce Poverty alleviation through introducing sustainable projects and job creation in wards.

There is a growing need for LED projects especially within our rural communities. Almost 50% of the wards have prioritized the provision of LED projects, especially in the area of small scale commercial farming with the potential for income-generation and the reduction of unemployment.

“The NDP contains proposals for tackling the problems of poverty, inequality and unemployment. It is a roadmap to a South Africa where all will have water, electricity, sanitation, jobs, housing, public transport, adequate nutrition, education, social protection, quality healthcare, recreation and a clean environment.”

Youth in particular came strong on matters relating to projects implementation as a result the Municipality decided that it will develop plans to help sustain youth development and empowerment.

LED includes provincial and local context and will result in detailed opportunities and constraints from sectoral opportunities and constraints which will serve as the basis for possible future Local Economic Development projects.

Job creation through Extended Public Works Programme (EPWP) projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
2014/15	7	500
2015/16	7	500
2016/17	6	250
2017/18	6	250
2018/19	6	350
2019/20	6	102
2020/21	6	250
2021/22	4	180
2022/23	5	250

**LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL
PLANNING AND DEVELOPMENT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual actual Performance 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
To create an enabling environment for economic growth	Number of brick making projects facilitated and established	None	None	1 Brick making projects by 30 June 2023	Not achieved No brick making projects	None	None	None
To support Rural and Agricultural Development	Number of agricultural projects farmers and/or supported and monitored	None	None	12 agricultural projects and/or farmers supported and monitored by 30 June 2023	Target exceeded Fifteen (13) agricultural farmers was supported Monitoring and evaluation on site was conducted on twenty five (25) projects. Fifty three (53) projects consulted at office	12 agricultural farmers development by 30 June 2024	None	None
	Number of Informal Traders database	None	None	300 Informal Traders database by 30 June 2023	Not achieved No Informal traders database	None	None	None

**LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL
PLANNING AND DEVELOPMENT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual actual Performance 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	Number of Arts projects facilitated	4 Sports, Arts & Culture Activities Supported by 31 December 2022	Target Exceeded 5 Sport, Arts & Culture Activities Supported through LED Initiatives. Request permission to utilise Montshioa Stadium tuckshop was granted to lease between Beneficiary and Mahikeng Local Municipality. Mmabatho Stadium parking for permission event was granted.	4 Arts and Culture Activities by 30 June 2023	Not achieved 3 Arts and Culture Activities	4 art and culture community development by 30 June 2024	None	None

**LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL
PLANNING AND DEVELOPMENT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual actual Performance 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
Promote Tourism and marketing in Mahikeng Local Municipality	Number of Tourism and Heritage projects facilitated	None	None	2 Tourism and Heritage Activities by 30 June 2023	Not achieved 1 tourism and heritage activity achieved through heritage tour for MLM and Lobatse City Council delegates on 03 December 2022	4 Tourism and Heritage projects and programs facilitated by 30 June 2024	None	None
To enhance and support through LED	Number of SMMES trained	240 SMMES Trained by 30 June 2022	Not Achieved 4 SMMES Trained and there were outstanding first aid certificates issued to 20 individuals	5 SMMES Supported through LED Initiatives by 30 June 2023	Target achieved Three (3) business licences was issued, Transport assistance for Bamboo Tree Promotions was granted; Billboards & street pole ads for Fill Up Mmabatho Stadium and 1 SMME supported.	5 SMMES Supported through LED Initiatives by 30 June 2023	None	None

**LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL
PLANNING AND DEVELOPMENT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual actual Performance 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	Number of SMMES Supported through LED Initiatives	20 SMMES Supported through LED Initiatives by 30 June 2022	Target Exceeded Seventy-two (72) SMMES Supported through LED Initiatives. 3 SMME database compiled for department of tourism, Monitoring and evaluation on site was conducted on (29) projects. (28) Projects consulted at office. Twelve (12) beneficiaries received garden tools and seeds. The marketing	200 SMMES trained by 30 June 2023	Target exceeded 245 SMMES trained	200 SMMES trained by 30 June 2023	None	None

**LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL
PLANNING AND DEVELOPMENT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual actual Performance 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
			collateral for the Tourism Association of Mahikeng was handed over to the association. Twenty (20) ungraded tourism establishments for the Grading Assistance Programme					
	Number of Arts projects facilitated	3 Sports, Arts & Culture Activities Supported by 31 December 2021	Not achieved No Activities supported	4 Sports, Arts & Culture Activities Supported by 31 December 2022	Target Exceeded 5 Sport, Arts & Culture Activities Supported through LED Initiatives. Request permission to utilise Montshioa	4 Sports, Arts & Culture Activities Supported by 31 December 2023	None	None

**LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL
PLANNING AND DEVELOPMENT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual actual Performance 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
					Stadium tuckshop was granted to lease between Beneficiary and Mahikeng Local Municipality. Mmabatho Stadium parking for permission event was granted.			

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

Local Economic Development includes all activities associated with economic development initiatives. The function of economic planning / development within the municipality is administered as follows and includes:

1. Marketing & Tourism Management
2. Project Management in Agriculture
3. Sports, Arts and Culture
4. SMMEs developments and supports

These services extend to include economic development, but do not take account of economic development which resides within the jurisdiction of District Municipality and North West Provincial Government. The municipality has a mandate to capacitate and support SMME's.

The Strategic objective of this function is to train SMMEs on tendering, business management and marketing.

Local Economic Development aims to address and reduce Poverty alleviation through introducing sustainable projects and job creation in wards 35 wards. The 16 entrepreneurs were supported on greening project including school.

COMPONENT F: CORPORATE OFFICES AND OTHER SERVICES

This component includes: Executive office, political office, financial services, human resource services, ICT services, property services.

3.15 EXECUTIVE AND COUNCIL

This component includes: Office of the Mayor; office of the speaker; Councilors; and Municipal Manager.

INTRODUCTION TO EXECUTIVE AND COUNCIL

Council elected consisted of 70 councillors; made up of 35 ward councillors and 35 proportional councillors.

MPAC and section 79 and 80 committees were established. Political decisions were taken in the form of council resolution.

The administration operations of the offices is run by the Acting Senior Manager Operations.

**GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM
EXECUTIVE AND COUNCIL**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
To manage and coordinate municipal strategic planning	Number of Community and stakeholder consultation meeting on the draft IDP and Budget coordinated per ward	2 Community and stakeholder consultation meeting on the draft IDP and budget coordinated by 30 April 2022	Target Achieved 1 Community and stakeholder consultation meeting on the draft IDP and budget coordinated by 30 June 2022	35 Community and stakeholder consultation meeting on the draft IDP and Budget coordinated per ward by 30 June 2023	Not achieved 32 Community and stakeholder consultation meeting on the draft IDP and Budget coordinated per ward	35 Community and stakeholder consultation meeting on the draft IDP and Budget coordinated per wards by 30 June 2024	None	None
	Number of ward committee meetings held	420 ward committee meetings held by 30 June 2022	Not achieved 101 ward committee meetings	140 ward committee meetings facilitated by 30 June 2023	Target Exceeded 213 ward committee meetings facilitated	420 ward committee meetings facilitated by 30 June 2024	None	None
	Number of council meetings held	4 council meetings held by 30 June 2022	Target Exceeded 13 Council meetings held i.e. 3 Ordinary council and 10 Special council meetings.	Number of council meetings held by 30 June 2023	Target Exceeded 14 council meetings held	4 council meetings held by 30 June 2024	None	None

**GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM
EXECUTIVE AND COUNCIL**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	Percentage of councillors attending council meetings	None	None	100% councillors attending council meetings by 30 June 2023	Not achieved 91% councillors attending council meetings	100% councillors attending council meetings by 30 June 2024	None	
	Percentage of councillors who have declared their financial interests	None	None	100% councillors who have declared their financial interests by 30 September 2022	Target Achieved 100% councillors who have declared their financial interests	100% councillors who have declared their financial interests by 30 September 2023	None	None
	Number of reports on Monitoring of council resolutions	None	None	4 reports on Monitoring of council resolutions by 30 June 2023	Target Achieved 4 report on Monitoring of council resolutions	100% of council resolutions implementation by directorates by 30 June 2024	None	None

**GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM
EXECUTIVE AND COUNCIL**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	Number of special projects conducted	None	None	1 special projects conducted by 31 March 2023	Target Exceeded 2 Special project -Disability golden games which were held on the 25th March 2023 and Aerobics games held on 2 June 2023	4 Special program and projects conducted by 30 June 2024	None	None
	Number of stakeholders projects conducted	None	None	2 stakeholders projects conducted by 30 June 2023	Not achieved No stakeholder projects conducted by 30 June 2023	7 Stakeholders projects conducted by 30 June 2024	None	None
To provide oversight on financial matters of council	Functionality of the Municipal Public Accounts Committee (MPAC)	None	None	Functionality of the Municipal Public Accounts Committee (MPAC) by 30 June 2023	Target Achieved Functionality of the Municipal Public Accounts Committee (MPAC)	None	None	None

**GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM
EXECUTIVE AND COUNCIL**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	Number of oversight reports submitted to council	None	None	1 oversight reports submitted to council by 31 March 2023	Target Achieved 1 (2021-22) Oversight reports submitted to council by 31 March 2023	Submission of the oversight report timeously to council by 31 March 2024	None	None
	Timeously submitting Oversight report and Annual report to Provincial legislature, AGSA, COGTA and Treasury within 7 days after adoption of oversight report	None	None	Timeously advertise and submitting Oversight report and Annual report to Provincial legislature, AGSA, COGTA and Treasury within 7 days after adoption of oversight report	Target Achieved Timeously advertise and submitting Oversight report and Annual report to Provincial legislature, AGSA, COGTA and Treasury within 7 days after adoption of oversight report	Timeously submitting Oversight report and Annual report to Provincial legislature within 7 days after adoption of oversight report	None	None

**GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM
EXECUTIVE AND COUNCIL**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
Facilitate the interaction between the executive and legislative oversight structures in the municipality	Number of political structures meetings of convened	None	None	40 political structures meetings of convened by 30 June 2023	Not Achieved 36 Political structures meetings of convened	12 political structures meetings of convened	None	None
To provide ethical and effective leadership that leads to trust in the municipality amongst its stakeholders	IDP report developed and reviewed	IDP report developed and reviewed	Target achieved IDP report developed and reviewed	IDP report developed and reviewed by 31 May 2023	Target Achieved Adoption of review IDP by 31 May 2023	IDP report developed and reviewed by 31 May 2024	None	None
	IDP process plan submitted to council	None	None	IDP process plan submitted to council by 30 August 2022	Target Achieved IDP process plan submitted to council	IDP process plan submitted to council by 30 August 2023	None	None

**GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM
EXECUTIVE AND COUNCIL**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	Timeous tabling of Draft Annual Report to council	Timeous tabling of 2020/2021 Draft Annual Report to council by 31 January 2022	Target Achieved The Executive Mayor tables the Annual report in council on the 28th January 2022.	Timeous tabling of Draft Annual Report to council by 31 January 2023	Target Achieved Draft Annual Report timeously tabled to council	Timeous tabling of Draft Annual Report to council by 31 January 2024	None	None

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

The municipal council has been stable. Council meetings have been sitting with Budget and the IDP been approved and other resolutions which impacts on service delivery been taken.

3.16 FINANCE SERVICES

INTRODUCTION FINANCE SERVICES

Section 71 and 72 of the MFMA compels the Accounting Officer of a municipality to assess and table the municipal budget performance on a monthly basis and during the mid-year assessment respectively. There is an urgent need to focus on the governance, decision making and financial management to deal with budgeting, tariff setting, revenue collection, customer services, operations and maintenance of infrastructure asset management. The relationship between financial management and financial viability remain a challenging factor and the focus on the next financial year will be on maintaining a balance between financial management and viability. The focus on financial viability will be on revenue enhancement including debt management

The Finance unit is broadly comprised of Revenue section, Expenditure section, Budget section Salaries section, and Data processing and Supply Chain Management section, led by the Chief Financial Officer.

The highest most priority was to provide sound financial viability and sustainability.

- The Annual Financial Statement was timeously submitted to the Office of the Auditor General of South Africa.
- 4 Section 52 (Quarterly) Reports submitted to Council

**FINANCIAL MANAGEMENT AND VIABILITY
FINANCE SERVICES**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
To promote accountability and transparency	Timeous Submissions of Annual Financial Statement to Office of the Auditor General (Section 126 MFMA)	Timeous Submissions of Annual Financial Statement to Office of the Auditor General by 31st August 2022	Target Achieved Timeous Submissions of Annual Financial Statement to Office of the Auditor General by 31 August 2021	Timeous Submissions of Annual Financial Statement to Office of the Auditor General by 31st August 2023	Target Achieved Timeous Submissions of Annual Financial Statement to Office of the Auditor General	Timeous Submissions of Annual Financial Statement to Office of the Auditor General by 31st August 2023	None	None
	Number of Section 71 Reports submitted to the Mayor and National treasury within legislative timeline	12 Section 71 Reports submitted to the Mayor and National treasury within legislative timeline by 30 June 2022	Target Achieved 12 Section 71 Reports submitted to the Mayor and National treasury within legislative timeline by 30 June 2022	12 Section 71 Reports submitted to the Mayor and National treasury within legislative timeline by 30 June 2023	Target Achieved 12 Section 71 Reports submitted to the Mayor and National treasury within legislative timeline	12 Section 71 Reports submitted to the Mayor and National treasury within legislative timeline by 30 June 2024	None	None

**FINANCIAL MANAGEMENT AND VIABILITY
FINANCE SERVICES**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	2023/2024 Budget tabled and approved within legislated timelines and tariffs	2022/23 Budget tabled and approved within legislated timelines and tariffs by 30 May 2022	Target Achieved 2022/23 Budget tabled and approved within legislated timelines and tariffs by 30 May 2022	2023/24 Budget tabled and approved within legislated timelines and tariffs by 30 May 2023	Target Achieved 2023/24 Budget tabled and approved within legislated timelines and tariffs	2024/25 Budget tabled and approved within legislated timelines and tariffs by 30 May 2024	None	None
	2023/2024 Budget related policies and tariffs tabled and approved by Council within the legislated timeline	2022/23 Budget related policies tabled and approved by Council within the legislated timeline by 30 May 2022	Target Achieved 2022/23 Budget related policies tabled and approved by Council within the legislated timeline by 30 May 2022	2023/24 Budget related policies and policies tabled and approved by Council within the legislated timeline by 30 May 2023	Target Achieved 2023/24 Budget related policies tabled and approved by Council within the legislated timeline	2024/25 Budget related policies and policies tabled and approved by Council within the legislated timeline by 30 May 2024	None	None

**FINANCIAL MANAGEMENT AND VIABILITY
FINANCE SERVICES**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	Number of Section 52 Reports submitted to Council within 30 days after end of each quarter	4 Section 52 Reports submitted to Council within 30 days after end of each quarter	Target Achieved 4 Section 52 Reports submitted to Council within 30 days after end of each quarter	4 Section 52 Reports submitted to Council within 30 days after end of each quarter	Target Achieved 4 Section 52 Reports submitted to Council within 30 days after end of each quarter	4 Section 52 Reports submitted to Council within 30 days after end of each quarter	None	None
	2022/2023 Mid-year budget assessment report prepared and submitted to council and National Treasury by	2021/2022 Mid-year budget assessment report prepared and submitted to council and National Treasury by the 25th Jan 2022 (section 72)	Target Achieved 2021/2022 Mid-year budget assessment report prepared and submitted to council and National Treasury by the 25th Jan 2022 (section 72)	2022/2023 Mid-year budget assessment report prepared and submitted to Council and National Treasury by the 25th Jan 2023 (section 72)	Target Achieved Mid-year budget assessment report prepared and submitted to Council and National Treasury	2023/2024 Mid-year budget assessment report prepared and submitted to Council and National Treasury by the 25th Jan 2024 (section	None	None

**FINANCIAL MANAGEMENT AND VIABILITY
FINANCE SERVICES**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	the 25th Jan 2023 (section 72)					72)		
	Number of updated assets register	None	None	4 Assets register updated reports by 30 June 2023	Target Achieved 4 Assets register updated reports	4 Assets registers updated by 30 June 2024	None	None
Promote accountability and transparency	Number of MSA Sec 21 Monthly reports on awarded bids submitted for advertisement on the municipal website and National Treasury	100 % of MSA Sec 21 Monthly reports on awarded bids submitted for advertisement on the municipal website and National Treasury by 30 June 2022	Not Achieved MSA Sec 21 Monthly reports on awarded bids not submitted for advertisement on the municipal website and National Treasury	100 % of MSA Sec 21 Monthly reports on awarded bids submitted for advertisement on the municipal website and National Treasury by 30 June 2023	Target Achieved 100 % of MSA Sec 21 Monthly reports on awarded bids submitted for advertisement on the municipal website and National	100 % of MSA Sec 21 Monthly reports on awarded bids submitted for advertisement on the municipal website and National Treasury by 30 June 2024	None	None
	Interim AFS submitted to	None	None	Interim AFS submitted to	Target Achieved Interim AFS	None	None	None

**FINANCIAL MANAGEMENT AND VIABILITY
FINANCE SERVICES**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	Provincial and National Treasuries and reported to Mayoral Committee			Provincial and National Treasuries and reported to Mayoral Committee in March 2023	submitted to Provincial and National Treasuries and reported to Mayoral Committee			
	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	None	None	90 Average days from the point of advertising to the letter of award per 80/20 procurement process	Target Achieved 90 Average days from the point of advertising to the letter of award per 80/20 procurement process	None	None	None
	Number of MFMA Sec 32 and SCM regulation 32 Reports on Deviation,	4 MFMA Sec 32 and SCM regulation 32 Reports on Deviation, Fruitless and	Target Achieved 12 MFMA Sec 32 and SCM regulation 32 Reports on Deviation,	4 MFMA Sec 32 and SCM regulation 32 Reports on Deviation, Fruitless and Irregular	Target Achieved 4 MFMA Sec 32 and SCM regulation 32 Reports on Deviation, Fruitless and	4 MFMA Sec 32 and SCM regulation 32 Reports on Deviation, Fruitless and	None	None

**FINANCIAL MANAGEMENT AND VIABILITY
FINANCE SERVICES**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	Fruitless and Irregular expenditure submitted to council	Irregular expenditure submitted to council by 30 June 2022	Fruitless and Irregular expenditure submitted to council by 30 June 2022	expenditure submitted to council by 30 June 2023	Irregular expenditure submitted to council	Irregular expenditure submitted to council by 30 June 2023		
	Improve % of revenue collection	75 % of revenue collection by 30 June 2022	Target not achieved 60% Yearly achieved for 2021/2022	75 % of revenue collection by 30 June 2023	Not Achieved 65% achieved of revenue collection	75 % of revenue collection by 30 June 2023	None	None
	Increase number of indigents households receiving Free Basic Services	3759 indigents households receiving Free Basic Services by 30 June 2022	Target Exceeded 6795 Indigent registered up to 30th June 2022 and 1759 for Electricity to make a total of 8554	10 000 indigents households receiving Free Basic Services by 30 June 2023	Target Achieved Indigent's households registered to receive Free Basic Services Increased beyond the target. 10292	20 000 indigents households receiving Free Basic Services by 30 June 2023	None	None

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:

The Supply chain management is centralized, there has been appointment of Manager AFS, and fortunately the AFS are done in house.

3.17 CORPORATE SUPPORT AND ADMINISTRATION SUPPORT

INTRODUCTION TO HUMAN RESOURCE SERVICES

Corporate support services is responsible for facilitating accountability, good corporate governance and oversight rendering internal administrative and legal support function to all directorates and council. It consists of the following functional areas: Human Resource Management, Administration, ICT and Legal.

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

Municipality had a total number of 1616 positions as per the approved organogram with a total number of 782 filled positions. Vacancy rate is almost at 51.61% with a low staff turnover of 0,03 due to death, retirement and resignation.

**INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT
CORPORATE SUPPORT AND ADMINISTRATION SUPPORT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
Provision of Human Resource Capability	Number of senior management positions filled within 6 months	None	None	6 Senior Managers positions filled by 30 June 2023	Not achieved 4 Positions filed Municipal Manager Director Infrastructure Director Planning & Development Director Community Services	None	None	None
	Number of vacant positions filled	10 positions filled by 30 June 2022	Target Exceeded 21 position filled	10 vacant positions to be filled by 30 June 2023	Target exceeded 34 Critical Positions filled	None	None	None
Cascading of Performance management development system (Individual performance)	Number of Managers signed performance agreements	None	None	50 Manager signed performance agreements 30 June 2023	Not achieved 7 Senior Managers signed performance agreements	None	None	None

**INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT
CORPORATE SUPPORT AND ADMINISTRATION SUPPORT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
Enhance workplace skills	Submission WSP & ATR report to LGSETA	Develop 2021/22 Workplace Skills Plan and ATR Submitted to LGSETA by 30 April 2022	Target Achieved 2021/22 Workplace Skills Plan Developed and Submitted to LGSETA	Submission WSP & ATR report to LGSETA by 31 March 2023	Not achieved WSP & ATR Report submitted	Submission WSP & ATR report to LGSETA by 30 April 2024	None	None
	Number of reviewed Employment Equity Plan submitted to DOL	1 Reviewed Employment Equity Plan by 30 January 2022	Achieved Employment Equity Plan reviewed	1 Employment Equity Plan submitted to DOL by 31 December 2022	Target achieved Reviewed EPP and Submitted to Department of Labour on 02 December 2022	1 Employment Equity Plan submitted to DOL by 15 January 2024	None	None
Provision of Sound Administration	Number of mayoral committee meetings held	None	None	4 mayoral committees meeting held by 30 June 2023	Target exceeded 8 Mayoral Committee meetings held	4 Mayoral committee meetings held by 30 June 2024	None	None

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The Human resource unit managed to reduce vacant positions especially where employees were acting. All senior managers' positions were filled including municipal manager except for the senior manager socio-economic development. Workplace skills plan was development and submitted timeously to the LGSETA. There was also smooth employer and employee relations.

3.18 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The municipality does not have sufficient internal capacity to deal with ICT. There is no disaster recovery and business continuity in place.

The municipality has Data section which deals with financial Data processing and updating of data into the system. The data section is the sub-unit of finance unit.

The municipality is in use of Venus and MUNSOFT financial systems

**INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT
INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
	Data integration and maintenance of system security	None	None	1 report on data integration and maintenance security by 30 September 2022	Target achieved 1 report on data integration submitted	4 reports on maintenance of the system security and telecommunications by 30 June 2024	None	None

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

ICT manage to upgrade PABX Telephone system. The internet system has been upgraded from ADSL line in the head office and radio links at the remote site. New Web development and Technical Maintenance has been operational. Email System has been upgraded.

3.19 LEGAL; INTERNAL AUDIT AND RISK MANAGEMENT.

This component includes: legal, internal audit and risk management.

INTRODUCTION TO LEGAL; INTERNAL AUDIT AND RISK MANAGEMENT
<p>The Legal services unit is integrated in office of the Municipal Manager and its function areas are drafting of by-laws; providing legal advice and opinion; and handle all litigations matters for and against council.</p> <p>The MLM Internal Audit comprises of Internal Audit professionals led by the Chief Audit Executive, the fundamental role of Internal Audit team is to provide independent, objective assurance and consulting services designed to add value and improve the operations of the Municipality. The Internal Audit helps the Municipality accomplish its objectives by bringing a systematic, disciplined approach in order to evaluate and make recommendations for improving the effectiveness of risk management, control and governance processes. Thereby it promotes a culture of efficient and effective management within the Municipality</p>

SERVICE STATISTICS FOR LEGAL; INTERNAL AUDIT AND RISK MANAGEMENT
<p>No By-laws published</p> <p>The Internal Audit Team provides the following services:</p> <p>Audit Assurance</p> <p>The Internal Audit Team provides an independent assessment on the risk management, internal control, and governance processes for the organisation. Examples include financial, performance, compliance, systems auditing, and control self-assessment reviews.</p> <p>Consulting services</p> <p>Relates to advisory and related client service activities which are intended to add value and improve the organisations governance, risk management and control processes. Examples include counsel, advice facilitation and training.</p>

**GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM
LEGAL, INTERNAL AUDIT AND RISK MANAGEMENT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
Effective and efficient internal audit services	Internal Audit Charter approved by the Audit Committee.	2021/2022 Internal Audit Charter approved by Audit Committee by the 30 September 2022	Not achieved 2021/2022 Internal Audit Charter approved by Audit Committee late in the year	Internal Audit Charter approved by the Audit Committee by 30 September 2022	Target achieved Internal Audit Charter approved by the Audit Committee	Internal Audit Charter approved by the Audit committee by 30 September 2023	None	None
	Audit Committee Charter approved by council.	2021/2022 Audit Committee Charter approved by council by 30 September 2022	Not achieved 2021/2022 Audit Committee Charter could also not be approved by the Municipal Council.	Audit Committee Charter submitted to council by 30 September 2022	Target achieved Audit Committee Charter submitted to council	Audit Committee Charter submitted to council by 30 September 2023	None	None
	Number of Audit Committee Meeting Held	4 Audit Committee Meeting held by 30 June 2022	Not achieved 2 Audit Committee Meeting held	4 Audit Committee Meeting held by 30 June 2023	Target achieved 4 Audit Committee meetings was successfully held	4 Audit committee meetings held by 30 June 2024	None	None
Effective and	Number of Risk	1 Risk Assessment	Not achieved No Risk	1 Risk Assessment	Target achieved 1 Risk	1 Risk Assessment	None	None

**GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM
LEGAL, INTERNAL AUDIT AND RISK MANAGEMENT**

Strategic Objective	Key Performance Indicators	Previous Year		Current year		Following Year		
		Target	Actual	Target	Actual	Target		
		Annual Performance Target 2021/22	Annual actual Performance 2021/22	Annual Performance Target 2022/23	Annual actual Performance 2022/23	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
efficient risk management	Assessment conducted	conducted by 30 September 2022	Assessment conducted	conducted by 30 September 2022	Assessment conducted	conducted by 30 September 2023		
	Number of Risk Management Progress Reports submitted to Council	4 Risk Management Reports by 30 June 2022	Not achieved No Risk Management Reports	4 Risk Management Progress Reports submitted to Council by 30 June 2023	Not achieved 1 Risk Management Progress Reports submitted to audit committee/Accounting officer	4 Risk Management Progress Reports submitted to audit committee by 30 June 2024	None	None

COMMENT ON THE PERFORMANCE OF PROPERTY SERVICES OVERALL:
--

The legal section's intention for the next financial year is to develop record keeping for all contracts worked on.

The internal audit and audit committee have worked tremendously in helping the municipality to ensure quality assurance and compliances matters on municipal internal controls throughout the financial year.

COMPONENT G: ENVIRONMENTAL PROTECTION

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

INTRODUCTION TO ENVIRONMENTAL PROTECTION
--

The Municipality did not have objectives set on environmental protection
--

3.20 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

The Municipality did not have objectives set on pollution control

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

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE
--

The Municipality did not have objectives set on bio-diversity and landscape

COMPONENT H: HEALTH

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

INTRODUCTION TO HEALTH
The Municipality did not have objectives set to support health initiatives

3.22 CLINICS

CLINICS IN OUR MUNICIPALITY

The municipality is served by twenty-eight (28) clinics and community health centers as well as five (5) mobile clinics servicing rural wards where there are no clinics. All those clinics and community health centers in the Greater Mafikeng Sub District are listed below:

CLINICS	PROFESSIONAL NURSES	NURSING AUXILLARY
1. Modimola Clinic	1	1
2. Montshioa Stadt Community Health Center	15	11
3. Unit 9 Community Health Center	11	13
4. Ramatlabama Community Centre	8	6
5. Lekoko Community Health Centre	7	5
6. Tshunyane Clinic	3	1
7. Maureen Roberts Clinic*	3	2
8. Gelukspan Gateway Clinic	6	3
9. Weltevreden Clinic	3	1
10. Dithakong Clinic	3	1
11. Matshepe Clinic	2	1
12. Mafikeng Gateway Clinic	6	5
13. Magogwe Clinic	6	3
14. Matlhonyane Clinic	2	2

CLINICS	PROFESSIONAL NURSES	NURSING AUXILLARY
15. Rapulana Clinic*	5	3
16. Lonely Park Clinic	5	3
17. Tsetse Clinic	2	2
18. Tlapeng Clinic	2	2
19. Miga Clinic	2	2
20. Mogosane Clinic*	2	2
21. Lokaleng Clinic	2	1
22. Mocoseng Clinic	5	2
23. Motlhabeng Clinic	4	3
24. Montshioatown Clinic	9	4
25. Setlopo Clinic*	4	2
26. Makouspan Clinic*	0	0
27. Masutlhe I Clinic	2	2
28. Masutlhe II Clinic	0	0

LIST OF MOBILE CLINICS

MOBILE CLINICS	PROFESSIONAL NURSES	NURSING AUXILLARY
1. Montshioastad Mobile	1	1
2. Modimola Mobile	1	1
3. Ramatlabama Mobile	1	1
4. Gelukspan Mobile	1	1

The Municipality did not have objectives set to support clinics.

3.23 AMBULANCE SERVICES

The Municipality did not have objectives set to support ambulance services.

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

The Municipality did not have objectives set on health inspections, food and abattoir licencing inspections.

COMPONENT I: SPORT AND RECREATION

Mahikeng Local Municipality acknowledges that sports and recreation touches virtually every aspect of nation ethos. The Mahikeng Local Municipality has a special section that undertakes responsibilities of organising Sports, Arts, cultural development supported for interested community individuals.

The Mahikeng Local Municipality employees have also sport teams where they practice and participate in municipal sports tournaments.

COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises. The Municipality is not responsible for the airport and abattoirs, municipal courts and forestry as well as municipal enterprises.

The North West High court and Mmabatho Magistrate court situated in Mahikeng Local Municipality jurisdiction area are the responsibility of North West Regional Department of Justice and-constitutional-development.

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

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

KEY PERFORMANCE AREA : MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION													
DIRECTORATE: CORPORATE SUPPORT SERVICES													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI01	Provision of Human Resource Capability	Number of senior management positions filled within 6 months	New KPI	6 Senior Managers positions filled by 30 June 2023	Opex	6 Senior Managers positions filled by 30 June 2023	Opex	No adjustment	4 Positions filed Municipal Manager Director Infrastructure Director Planning & Development Director Community Services	Target not achieved	Delay in Assessments Reports from SALGA	Consider other entities for assessments such as Gijima etc.	Advert, Council Resolutions Advert Offer of employment, Acceptance letter
KPI02		Number of vacant positions filled	21 positions filled for 2021/22	10 vacant positions to be filled by 30 June 2023	Opex	10 vacant positions to be filled by 30 June 2023	Opex	No adjustment	34 Critical Positions filled	Target exceeded	High vacancy rate on critical positions	follow recruitment plan once all critical positions are filled	Advert Offer of employment Acceptance letter
KPI03		Number of HR policies work shopped for council approval	No HR policies work shopped for council approval for 2021/22	20 HR & ICT policies work shopped for council approval by 30 June 2023	Opex	No target for the KPIs	-	Adjustment - Key performance indicator 'Number of HR policies work shopped for council approval' is removed from the SDBIP reporting and will be reported in the departmental operational plan	12 Policies approved by Council	Target not achieved	Delay in review and Council induction on policies	Directorates to review their policies and induct councillors and staff	Inputs from employees and organised labour, Attendance register, Approved policies Council resolution

KEY PERFORMANCE AREA : MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION													
DIRECTORATE: CORPORATE SUPPORT SERVICES													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI04	Cascading of Performance management development system (Individual performance)	Number of Managers signed performance agreements	New KPI	50 Manager signed performance agreements 30 June 2023	Opex	50 Manager signed performance agreements 30 June 2023	-	No adjustment	7 Senior Managers signed performance agreements	Target not achieved	Performance agreements not cascaded to middle & Assistant Managers	Cascade Performance Agreements to all managers on time for the next financial year	List of Managers signed PA, All signed Performance Agreements
KPI05	Enhance workplace skills	Submission WSP & ATR report to LGSETA	2021/2022 work skills plan developed and submitted to LGSETA for 2021/22	Adding new KPI		Submission WSP & ATR report to LGSETA by 31 March 2023	-	Adjustment - Key performance indicator 'Submission WSP & ATR report to LGSETA' is added to the SDBIP reporting.	WSP & ATR Report submitted	Target not achieved	SAMWU Representative did not sign the WSP	Make sure that all parties sign the WSP	WSP & ATR report LGSETA, Acknowledgement letter
KPI06		Number of councillors completed training	New KPI	70 councillors trained by 30 June 2023	Opex	No target for the KPIs Trade market facilitated by 30 June 2023	Opex	Adjustment - Key performance indicator 'Number of councillors completed training' is removed from the SDBIP reporting and will be reported in the departmental operational plan	5 Councillors Trained,2 completed training	Target not achieved	inadequate funding for training	Municipality to source funding /budget for training	Report and attendance registers Skill plan
KPI07		Number of employees completed training	New KPI	100 employees trained by 30 June 2023	Opex	No target for the KPIs Trade market facilitated by 30 June 2023	Opex	Adjustment - Key performance indicator 'Number of councillors completed	30 Employees Training on Municipal Finance Management 42 Awaiting LGSETA Training on various skills	Target not achieved	Inadequate funding for training	Municipality to source funding /budget for training	Report and attendance registers Skill plan

KEY PERFORMANCE AREA : MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

DIRECTORATE: CORPORATE SUPPORT SERVICES

Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
								training" is removed from the SDBIP reporting and will be reported in the departmental operational plan					
KPI08		Number of reviewed Employment Equity Plan submitted to DOL	1 Employment Equity plan reviewed for 2021/22	1 Employment Equity Plan submitted to DOL by 31 December 2022	Opex	1 Employment Equity Plan submitted to DOL by 31 December 2022	-	No adjustment	Reviewed EPP and Submitted to Department of Labour on 02 December 2022	Target achieved	Not applicable	Not applicable	EE plan
KPI09		Number of Health and Safety report submitted quarterly to management	New KPI	4 reports submitted to management by 30 June 2023	Opex	No target for the KPIs Number of Health and Safety report submitted quarterly to management by 30 June 2023	-	Adjustment - Key performance indicator 'Number of Health and Safety report submitted quarterly to management' is removed from the SDBIP reporting and will be reported in the departmental operational plan	OHS Report submitted to management 08 November 2022	Target not achieved	OHS Officers on Sick Leave	Appoint Assistant to OHS office to carry out the work	OHS Reports

KEY PERFORMANCE AREA : MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

DIRECTORATE: CORPORATE SUPPORT SERVICES

Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI10		Number of LLF meetings held	3 Local Labour Forum meetings held for 2021/22	4 LLF meeting held annually by 30 June 2023	Opex	No target for the KPIs Number of LLF meetings held by 30 June 2023	-	Adjustment - Key performance indicator 'Number of LLF meetings held' is removed from the SDBIP reporting and will be reported in the departmental operational plan	1 LLF Meeting held on 06 December 2022	Target not achieved	Unavailability of Members	Members to adhere to set dates on Corporate Calendar	Agenda, LLF minutes and attendance register
KPI11		Number of disciplinary cases in the municipality	New KPI	4 reports on number of disciplinary hearing by 30 June 2023	Opex	No target for the KPIs Number of disciplinary cases in the municipality by 30 June 2023	-	Adjustment - Key performance indicator 'Number of disciplinary cases in the municipality' is removed from the SDBIP reporting and will be reported in the departmental operational plan	4 Reports on disciplinary cases submitted	Target achieved	Not applicable	Not applicable	Reports on disciplinary cases register
KPI12		Number of finalized disciplinary cases	New KPI	1 report on number of finalised disciplinary cases by 30 June 2023	Opex	No target for the KPIs Number of finalized disciplinary cases by 30 June 2023	-	Adjustment - Key performance indicator 'Number of finalized disciplinary cases' is removed from the SDBIP	1 Report on finalised	Target achieved	Not applicable	Not applicable	Annual finalised disciplinary hearing cases success rate report Disciplinary hearing files and the personal files for disciplinary hearing outcome

KEY PERFORMANCE AREA : MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION													
DIRECTORATE: CORPORATE SUPPORT SERVICES													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
								reporting and will be reported in the departmental operational plan					report
KPI13	Provision of Sound Administration	Number of mayoral committee meetings held	New KPI	4 mayoral committees meeting held by 30 June 2023	Opex	4 mayoral committees meeting held by 30 June 2023	-	No adjustment	8 Mayoral Committee meetings held	Target exceeded	Special meetings convened to address compliance issues	Follow the corporate calendar for mayoral meetings	Minutes of the meeting, Attendance register
KPI14		Development of record Management policy	New KPI	Record management policy workshopped for council approval by 30 September 2022	Opex	No target for the KPIs Development of record Management policy cases by 30 June 2023	-	Adjustment - Key performance indicator 'Development of record Management policy' is removed from the SDBIP reporting and will be reported in the departmental operational plan	Policy is development but not yet approved by council	Target not achieved	Policy to not workshopped	Policy to be workshopped and sent to council for approval	Notice, attendance register
KPI15		Number of records management awareness/inspection conducted	New KPI	4 report submitted by 30 June 2023	Opex	No target for the KPIs Number of records management awareness/inspection conducted by 30 June 2023	-	Adjustment - Key performance indicator 'Number of records management awareness/inspection conducted' is	2 Records Management Inspection Conducted	Target achieved	Not applicable	Not applicable	Report on inspection and awareness conducted

KEY PERFORMANCE AREA : MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

DIRECTORATE: CORPORATE SUPPORT SERVICES

Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
								removed from the SDBIP reporting and will be reported in the departmental operational plan					
KPI16	Provision of ICT	Data integration and maintenance of system security	New KPI	1 report on data integration and maintenance security by 30 September 2022	Opex	1 report on data integration and maintenance security by 30 September 2022	Opex	No adjustment	1 report on data integration submitted	Target achieved	Not applicable	Not applicable	Report on maintenance of security system and data integration
KPI17		Number of users provided with ICT devices and improved telephone systems	New KPI	60 users provided ICT & telephone system by 30 June 2023	Opex	No target for the KPIs Number of users provided with ICT devices and improved telephone systems by 30 June 2023	-	Adjustment - Key performance indicator 'Number of users provided with ICT devices and improved telephone systems' is removed from the SDBIP reporting and will be reported in the departmental operational plan	40 Users provided with ICT and Telephone	Target not achieved	Poor procurement planning by directorates	Directorates to submit procurement plans for gadgets in the beginning of a new financial year	Report with list of users provided with ICT and Telephone services

KEY PERFORMANCE AREA : GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM													
DIRECTORATES: OFFICE OF THE EXECUTIVE MAYOR; OFFICE OF THE SPEAKER AND OFFICE OF THE MUNICIPAL MANAGER													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI18	Promote a culture of participatory governance	Number of Community and stakeholder consultation meeting on the draft IDP and Budget coordinated per ward	1 Community and stakeholder consultation meeting on the draft IDP and Budget coordinated per ward for 2021/2022	35 Community and stakeholder consultation meeting on the draft IDP and Budget coordinated per ward by 30 June 2023	Opex	35 Community and stakeholder consultation meeting on the draft IDP and Budget coordinated per ward by 30 June 2023	Opex	No adjustment	32 Community and stakeholder consultation meeting on the draft IDP and Budget coordinated per ward	Target not achieved	The community did not want to participate and for other wards the IDP consultations were postponed due to unavailability of councillors	Councillors and ward committee members will be represent community at IDP forums	Attendance register Minutes of the meeting Reports
KPI19		Number of ward committee meetings facilitated	101 Ward committee meetings facilitated for 2021/2022	140 ward committee meetings facilitated by 30 June 2023	Opex	140 ward committee meetings facilitated by 30 June 2023	Opex	No adjustment	213 ward committee meetings facilitated	Target Exceeded	Ward committee meetings must be held on monthly basis per ward	All 35 wards to frequently held meetings of ward committees.	Attendance register Minutes of the meeting Reports
KPI20		Number of council meetings held	13 Council meetings held i.e. 3 Ordinary council and 10 Special council meetings held for 2021/2022	Number of council meetings held by 30 June 2023	Opex	Number of council meetings held by 30 June 2023	-	No adjustment	14 council meetings held	Target Exceeded	4 Ordinary and 10 special council meetings held	To conduct council meeting as per corporate calendar	Municipal Council Register Minutes of the meetings Summary report
KPI21		Percentage of councillors attending council meetings	New KPI	100% councillors attending council meetings by 30 June 2023	Opex	100% councillors attending council meetings by 30 June 2023	-	No adjustment	91% councillors attending council meetings	Target not achieved	The variance was due to unavailability of councillors	To submit invitation with agenda to councillors to attend council meetings as per corporate calendar	Municipal Council Register Council attendance Summary calculation report
KPI22		Percentage of councillors who have declared their financial interests	New KPI	100% councillors who have declared their financial interests by 30 September	Opex	100% councillors who have declared their financial interests by 30 September	-	No adjustment	100% councillors who have declared their financial interests	Target Achieved	Not applicable	Not applicable	Municipal Council Register Completed Declaration forms

KEY PERFORMANCE AREA : GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM													
DIRECTORATES: OFFICE OF THE EXECUTIVE MAYOR; OFFICE OF THE SPEAKER AND OFFICE OF THE MUNICIPAL MANAGER													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
				2022		2022							
KPI23		Number of reports on Monitoring of council resolutions	New KPI	4 reports on Monitoring of council resolutions by 30 June 2023	Opex	4 reports on Monitoring of council resolutions by 30 June 2023	-	No adjustment	4 report on Monitoring of council resolutions	Target Achieved	Not applicable	Not applicable	Resolution register Monitoring reports
KPI24		Number of special projects conducted	New KPI	New KPI	-	1 special projects conducted by 31 March 2023	237 250	Adjustment - adding new key performance to the SDBIP reporting.	2 Special project -Disability golden games which were held on the 25th March 2023 and Aerobics games held on 2 June 2023	Target Exceeded	Management anticipated for more than 1 project as it was actually planned for the year.	To plan special projects in accordance with community needs.	Attendance register Monthly report Event report Event report
KPI25		Number of stakeholders projects conducted	New KPI	New KPI	-	2 stakeholders projects conducted by 30 June 2023	1 281 460	Adjustment - adding new key performance to the SDBIP reporting.	No stakeholder projects conducted by 30 June 2023	Target not achieved	Lack of readiness from external stakeholders, needed more time required to plan projects	To plan for the projects in the next financial year	Memo
KPI26	To provide oversight on financial matters of council	Functionality of the Municipal Public Accounts Committee (MPAC)	New KPI	Functionality of the Municipal Public Accounts Committee (MPAC) by 30 June 2023	Opex	Functionality of the Municipal Public Accounts Committee (MPAC) by 30 June 2023	-	No adjustment	Functionality of the Municipal Public Accounts Committee (MPAC)	Target Achieved	Not applicable	Not applicable	Approved Plan/program me Minutes of the meeting Attendance register Council resolution on MPAC items
KPI27		Number of oversight reports submitted to council	New KPI	1 oversight reports submitted to council by 31 March 2023	Opex	1 oversight reports submitted to council by 31 March 2023	Opex	No adjustment	1 (2021-22) Oversight reports submitted to council by 31 March 2023	Target Achieved	Not applicable	Not applicable	Oversight report Council resolution

KEY PERFORMANCE AREA : GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM													
DIRECTORATES: OFFICE OF THE EXECUTIVE MAYOR; OFFICE OF THE SPEAKER AND OFFICE OF THE MUNICIPAL MANAGER													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI28		Timeously submitting Oversight report and Annual report to Provincial legislature, AGSA, COGTA and Treasury within 7 days after adoption of oversight report	New KPI	Timeously advertise and submitting Oversight report and Annual report to Provincial legislature, AGSA, COGTA and Treasury within 7 days after adoption of oversight report	Opex	Timeously advertise and submitting Oversight report and Annual report to Provincial legislature, AGSA, COGTA and Treasury within 7 days after adoption of oversight report	Opex	No adjustment	Timeously advertise and submitting Oversight report and Annual report to Provincial legislature, AGSA, COGTA and Treasury within 7 days after adoption of oversight report	Target Achieved	Not applicable	Not applicable	Letters to Provincial legislature, AGSA, COGTA and Treasury Acknowledge ment of receipt from Provincial legislature, AGSA, COGTA and Treasury, Advert Delivery schedule to libraries
KPI29	Establishment of council committees	Number of establishment council committees meetings held	New KPI	No target for the KPI 120 Meetings Excluding Special Meetings	1 440 000-00	120 Meetings Excluding Special Meetings	1 440 000	Adjustment - KPI "Number of establishment council committees meetings held" removed, because the status of Council committees has still not changed hence we are not able to report on them as the responsibility for such establishment is still not in Chief whip office.	No Meetings Excluding Special Meetings	Target not applicable	The status of Council committees has still not changed hence we are not able to report on them as the responsibility for such establishment is still not in our office.	We are looking forward to a busy quarter in relation to programs as we do not foresee any impediments like what we experienced due to the by elections and as such expect an improved performance in the 3rd quarter. Once again, we request for the programs to be funded from the municipality because this	List of Members / ToR / Council Resolution Attendance register Minutes of the meeting Reports

KEY PERFORMANCE AREA : GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM													
DIRECTORATES: OFFICE OF THE EXECUTIVE MAYOR; OFFICE OF THE SPEAKER AND OFFICE OF THE MUNICIPAL MANAGER													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
												lack of funding badly affects performance.	
KPI30	Facilitate the interaction between the executive and legislative oversight structures in the municipality	Number of political structures meetings of convened	New KPI	40 Excluding Special Meetings by 30 June 2023	5 400 000-00	40 political structures meetings of convened by 30 June 2023	-	No adjustment	36 Political structures meetings of convened	Target not Achieved	Lack of funding and Meetings of this structure largely run in tandem with council meetings and are held to ensure that council sitting achieves its objectives.	The municipality to fund programs so that the chief whip office can create an effective whippery system in the municipality. To succeed in this mission, we have to embark on a benchmarking process with other municipalities as well as parliament and for that funding is needed.	Attendance register Minutes of the meeting Reports IDP
KPI31	To provide ethical and effective leadership that leads to trust in the municipality amongst its stakeholders	IDP report developed and reviewed	1 IDP report developed and reviewed for 2021/2022	IDP report developed and reviewed by 31 May 2023	Opex	IDP report developed and reviewed by 31 May 2023	-	No adjustment	Adoption of review IDP by 31 May 2023	Target Achieved	Not applicable	Not applicable	Council resolution
KPI32		IDP process plan submitted to council	New KPI	IDP process plan submitted to council by 30 August 2022	Opex	IDP process plan submitted to council by 30 August 2022	-	No adjustment	IDP process plan submitted to council	Target Achieved	Not applicable	Not applicable	IDP Process plan Council resolution
KPI33		Timeous tabling of Draft	The Executive Mayor tabled	Timeous tabling of Draft	Opex	Timeous tabling of Draft	-	No adjustment	Draft Annual Report timeously	Target Achieved	Not applicable	Not applicable	Annual report Council

KEY PERFORMANCE AREA : GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM													
DIRECTORATES: OFFICE OF THE EXECUTIVE MAYOR; OFFICE OF THE SPEAKER AND OFFICE OF THE MUNICIPAL MANAGER													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
		Annual Report to council	the Annual report in council for 2021/2022	Annual Report to council by 31 January 2023		Annual Report to council by 31 January 2023			tabled to council				resolution
KPI34	Effective and efficient risk management	Number of Risk Assessment conducted	No Risk Assessment conducted for 2021/2022	1 Risk Assessment conducted by 30 September 2022	Opex	1 Risk Assessment conducted by 30 September 2022	-	No adjustment	1 Risk Assessment conducted	Target Achieved	Not applicable	Not applicable	Risk assessment report Council Resolution
KPI35		Number of Risk Management Progress Reports submitted to Council	No Risk Management Progress Reports submitted to Council for 2021/2022	4 Risk Management Progress Reports submitted to Council by 30 June 2023	Opex	4 Risk Management Progress Reports submitted to Council by 30 June 2023	-	No adjustment	1 Risk Management Progress Reports submitted to audit committee/Accounting officer	Target not achieved	Risk Management Progress Reports must be submitted to Audit committee before submitted to Council, and the Audit Committee has not yet sat for 4th Quarter meeting.	To submit Risk Management Progress Reports to Audit Committee and subsequently to Council	Risk management reports
KPI36	Effective and efficient internal audit services	Internal Audit Charter approved by the Audit Committee	Internal Audit Charter approved by the Audit Committee for 2021/2022	Internal Audit Charter approved by the Audit Committee by 30 September 2022	Opex	Internal Audit Charter approved by the Audit Committee by 30 September 2022	-	No adjustment	Internal Audit Charter approved by the Audit Committee	Target Achieved	Not applicable	Not applicable	Internal audit charter Audit committee resolution/ Minutes of the meeting
KPI37		Audit Committee Charter submitted to council.	Audit Committee Charter submitted to council for 2021/2022	Audit Committee Charter submitted to council by 30 September 2022	Opex	Audit Committee Charter submitted to council by 30 September 2022	-	No adjustment	Audit Committee Charter submitted to council	Target Achieved	Not applicable	Not applicable	Audit committee charter Council Resolution
KPI38		Number of Audit Committee	2 Audit Committee Meeting held	4 Audit Committee Meeting held	Opex	4 Audit Committee Meeting held	Opex	No adjustment	4 Audit Committee meetings was	Target Achieved	Not applicable	Not applicable	Minutes of Meeting and Attendance

KEY PERFORMANCE AREA : GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM													
DIRECTORATES: OFFICE OF THE EXECUTIVE MAYOR; OFFICE OF THE SPEAKER AND OFFICE OF THE MUNICIPAL MANAGER													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
		Meeting Held	for 2021/2022	by 30 June 2023		by 30 June 2023			successfully held				Register

KEY PERFORMANCE AREA : MUNICIPAL FINANCIAL VIABILITY														
DIRECTORATES: FINANCE														
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline(Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/ Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence	Portfolio of Evidence reference
KPI39	Promote accountability and transparency	Timeous Submissions of Annual Financial Statement to Office of the Auditor General (Section 126 MFMA)	Timeous submission Annual Financial Statement to Office of the Auditor General within legislative timeline for 2021/2022	Timeous Submissions of Annual Financial Statement to Office of the Auditor General by 31st August 2023	R12 000 000	Timeous Submissions of Annual Financial Statement to Office of the Auditor General by 31st August 2023	R12 000 000.00	No Adjustment	Timeous Submissions of Annual Financial Statement to Office of the Auditor General	Target Achieved	Not applicable	Not applicable	Letter of submission of AFS,AGSA signed for acknowledgment of receipt	FV1
KPI40		Number of Section 71 Reports submitted to the Mayor and National treasury within legislative timeline	12 Section 71 Reports submitted to the Mayor and National treasury within legislative timeline for 2021/2022	12 Section 71 Reports submitted to the Mayor and National treasury within legislative timeline by 30 June 2023	Opex	12 Section 71 Reports submitted to the Mayor and National treasury within legislative timeline by 30 June 2023	Opex	No Adjustment	12 Section 71 Reports submitted to the Mayor and National treasury within legislative timeline	Target Achieved	Not applicable	Not applicable	Acknowledgement of receipt of reports from National Treasury	FV2
KPI41		2023/2024 Budget tabled and approved within legislated timelines and tariffs	Budget approved within legislated timelines and tariffs for 2021/2022	2023/24 Budget tabled and approved within legislated timelines and tariffs by 30 May 2023	Opex	2023/24 Budget tabled and approved within legislated timelines and tariffs by 30 May 2023	Opex	No Adjustment	2023/24 Budget tabled and approved within legislated timelines and tariffs	Target Achieved	Not applicable	Not applicable	Council Resolution A/68/05/2023	

KEY PERFORMANCE AREA : MUNICIPAL FINANCIAL VIABILITY														
DIRECTORATES: FINANCE														
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline(Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/ Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence	Portfolio of Evidence reference
KPI42		2023/2024 Budget related policies and tariffs tabled and approved by Council within the legislated timeline	Budget related policies and tariffs approved by Council within the legislated timeline for 2021/2022	2023/24 Budget related policies and policies tabled and approved by Council within the legislated timeline by 30 May 2023	Opex	2023/24 Budget related policies and policies tabled and approved by Council within the legislated timeline by 30 May 2023	Opex	Adjustment - Key performance indicator "2023/2024 Budget related policies and tariffs tabled and approved by Council within the legislated timeline " target is adjusted because the target number was initially captured incorrectly.	2023/24 Budget related policies and policies tabled and approved by Council within the legislated timeline	Target Achieved	Not applicable	Not applicable	Council Resolution A/68/05/2023	FV3
KPI43	Promote accountability and transparency	Number of Section 52 Reports submitted to Council within 30 days after end of each quarter	4 Section 52 Reports submitted to Council within 30 days after end of each quarter for 2021/2022	4 Section 52 Reports submitted to Council within 30 days after end of each quarter	Opex	4 Section 52 Reports submitted to Council within 30 days after end of each quarter	Opex	No Adjustment	4 Section 52 Reports submitted to Council within 30 days after end of each quarter	Achieved	Not applicable	Not applicable	Reports	FV4

KEY PERFORMANCE AREA : MUNICIPAL FINANCIAL VIABILITY														
DIRECTORATES: FINANCE														
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline(Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/ Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence	Portfolio of Evidence reference
KPI44		2022/2023 Mid-year budget assessment report prepared and submitted to council and National Treasury by the 25th Jan 2023 (section 72)	2021/2022 Mid-year budget assessment report prepared and submitted to Council and National Treasury by the 25th Jan 2022 (section 72) for 2021/2022	2022/2023 Mid-year budget assessment report prepared and submitted to Council and National Treasury by the 25th Jan 2023 (section 72)	Opex	2022/2023 Mid-year budget assessment report prepared and submitted to Council and National Treasury by the 25th Jan 2023 (section 72)	Opex	No Adjustment	Mid-year budget assessment report prepared and submitted to Council and National Treasury	Target Achieved	Not applicable	Not applicable	Council Resolution	FV6
KPI45		Number of updated assets register	New KPI	4 Assets register updated reports submitted to Mayoral Committee	R4 000 000	4 Assets register updated reports submitted to Mayoral Committee by 30 June 2023	R4 000 000	No Adjustment	4 Assets register updated reports submitted to Mayoral Committee	Target Achieved	Not applicable	Not applicable	Assets register/report	FV7
KPI46	Promote accountability and transparency	Number of MSA Sec 21 Monthly reports on awarded bids submitted for advertisement on the municipal website and National Treasury	MSA Sec 21 Monthly reports on awarded bids submitted for advertisement on the municipal website and National Treasury for 2021/2022	100 % of MSA Sec 21 Monthly reports on awarded bids submitted for advertisement on the municipal website and National Treasury by 30 June 2023	Opex	100 % of MSA Sec 21 Monthly reports on awarded bids submitted for advertisement on the municipal website and National Treasury by 30 June 2023	Opex	No Adjustment	100 % of MSA Sec 21 Monthly reports on awarded bids submitted for advertisement on the municipal website and National	Target Achieved	Not applicable	Not applicable	SCM Report	FV8

KEY PERFORMANCE AREA : MUNICIPAL FINANCIAL VIABILITY														
DIRECTORATES: FINANCE														
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline(Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/ Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence	Portfolio of Evidence reference
KPI47	Improved audit opinion	Interim AFS submitted to Provincial and National Treasuries and reported to Mayoral Committee	New KPI	Interim AFS submitted to Provincial and National Treasuries and reported to Mayoral Committee in March 2023	R2 000 000	Interim AFS submitted to Provincial and National Treasuries and reported to Mayoral Committee in March 2023	R2 000 000	No Adjustment	Interim AFS submitted to Provincial and National Treasuries and reported to Mayoral Committee	Target Achieved	Not applicable	Not applicable	Interim AFS	FV9
KPI48		Average number of days from the point of advertising to the letter of award per 80/20 procurement process	New KPI	Bids status report to Management on half year to Management in February 2023	Opex	90 Average days from the point of advertising to the letter of award per 80/20 procurement process	Opex	Adjustment - Key performance indicator "Average number of days from the point of advertising to the letter of award per 80/20 procurement process" target is adjusted because the target was initially captured incorrectly.	90 Average days from the point of advertising to the letter of award per 80/20 procurement process	Target Achieved	Not applicable	Not applicable	SCM Report Bids status report	FV10

KEY PERFORMANCE AREA : MUNICIPAL FINANCIAL VIABILITY														
DIRECTORATES: FINANCE														
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline(Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/ Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence	Portfolio of Evidence reference
KPI49		Number of MFMA Sec 32 and SCM regulation 32 Reports on Deviation, Fruitless and Irregular expenditure submitted to council	12 MFMA Sec 32 and SCM regulation 32 Reports on Deviation, Fruitless and Irregular expenditure submitted to council for 2021/2022	4 MFMA Sec 32 and SCM regulation 32 Reports on Deviation, Fruitless and Irregular expenditure submitted to council by 30 June 2023	Opex	4 MFMA Sec 32 and SCM regulation 32 Reports on Deviation, Fruitless and Irregular expenditure submitted to council by 30 June 2023	Opex	No Adjustment	4 MFMA Sec 32 and SCM regulation 32 Reports on Deviation, Fruitless and Irregular expenditure submitted to council	Target Achieved	Not applicable	Not applicable	SCM Report	FV11
KPI50	Enhance(Maximize) revenue collection	Improve % of revenue collection	60 % of revenue collected for 2021/2022	75 % of revenue collection by 30 June 2023	Opex	75 % of revenue collection by 30 June 2023	Opex	No Adjustment	65% achieved of revenue collection	Target Not Achieved	65% achieved. There was stoppage by various members of the communities.	Not applicable	Revenue collection report	FV12
KPI51		Increase number of indigents households receiving Free Basic Services	6795 indigents households registered to receive Free Basic Services for 2021/2022	20 000 indigents households receiving Free Basic Services by 30 June 2023	Opex	10 000 indigents households receiving Free Basic Services by 30 June 2023	Opex	Adjustment - Key performance indicator "Increase number of indigents households receiving Free Basic Services" target is adjusted because the finance unit is faced with the challenge that community members	Indigent's households registered to receive Free Basic Services Increased beyond the target. 10292	Target Achieved	Registration of indigent was achieved due to initiative to participate in all 35 wards. Challenges are to be addressed.	To register indigent in all 35 wards.	Indigents register	FV13

KEY PERFORMANCE AREA : MUNICIPAL FINANCIAL VIABILITY														
DIRECTORATES: FINANCE														
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline(Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/ Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence	Portfolio of Evidence reference
								refuses to register for indigents because they don't trust municipal officials with their personal information.						

KEY PERFORMANCE AREA : LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL													
DIRECTORATES: TOWN PLANNING AND DEVELOPMENT													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of evidence
KPI52	Effective and efficient spatial planning and land use management	Procurement of functioning of Geographic Information System (GIS)	New KPI	Procurement and functioning of Graphic Information System (GIS) by 30 June 2023	R4 000 000	Procurement and functioning of Graphic Information System (GIS) by 30 June 2023	R4 000 000	No adjustment	Procured GIS system is live by 30 June 2023	Achieved	Not applicable	Not applicable	Devices, software, business solutions and live GIS system
KPI53		Review of Mahikeng Land Use Scheme	New KPI	Review of Mahikeng Land Use Scheme by 30 June 2023	R500 000	Review of Mahikeng Land Use Scheme by 30 June 2023	R500 000	No adjustment	Final Land Use Scheme Maps Report submitted by 30 June 2023	Achieved	Not applicable	Not applicable	Land Use Scheme Report and Land Use Scheme Maps
KPI54		Preparation of Village Development Strategy	New KPI	Preparation of Village Development Strategy by 30 June 2023	R1 000 000	Preparation of Village Development Strategy by 30 June 2023	R1 000 000	No adjustment	Implementation Framework submitted by 30 June 2023	Achieved	Not applicable	Not applicable	Village Development Strategy Report
KPI55	To expand municipal rates base and residential opportunities	Township Establishment of Portion 54 of the farm Mmabatho Town and Townlands No. 301-JO	New KPI	Approval of Township Establishment application of Portion 54 of the farm Mmabatho Town and Townlands No. 301-JO by 30 June 2023	R2 439 612	Approval of Township Establishment application of Portion 54 of the farm Mmabatho Town and Townlands No. 301-JO by 30 June 2023	R2 439 612	No adjustment	Township establishment application approved by 30 June 2023	Achieved	Not applicable	Not applicable	Approval letter of township establishment application
KPI56	Local Economic development	Development of Ottoshoop Master plan	New KPI	Development of Ottoshoop Master plan by 30 June 2023	R4 000 000	Development of Ottoshoop Master plan by 30 June 2023	R4 000 000	No adjustment	Implementation Framework not submitted 30 June 2023	Not achieved	There was a delay in appointing the service provider to develop the Ottoshoop Master plan	To request for budget to be available to appoint service provider to develop the Ottoshoop Master plan	Ottoshoop Master plan Report

KEY PERFORMANCE AREA : LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL													
DIRECTORATES: SOCIO ECONOMIC													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI57	To create an enabling environment for economic growth	Number of brick making projects facilitated and established	New KPI	1 Brick making projects by 30 June 2023	1 000 000	1 Brick making projects by 30 June 2023	1 000 000	No adjustment	No brick making projects	Target not achieved	There was a delay in appointing the service provider for feasibility study	To request for budget to be available to appoint service provider for feasibility study	Memo
KPI58		Number of hawkers stalls developed	New KPI	7 hawkers stalls developed by 30 June 2023	500 000	No target for the KPIs Hawkers stalls developed by 30 June 2023	0	Adjustment - Key performance indicator "Number of hawkers stalls developed" is removed from the SDBIP reporting because there is no sustainable plan	Adjustment - Key performance indicator "Number of hawkers stalls developed" is removed from the SDBIP reporting because there is no sustainable plan	Target not applicable	Target not applicable	Target not applicable	Summary listing Submission of reports
KPI59		Number of Multi-Purpose Centre facilitated and developed in Matsatseng	New KPI	1 Multi-Purpose Centre facilitated and developed in Matsatseng by 30 June 2023	3 500 000	No target for the KPIs Multi-Purpose Centre facilitated and developed in Matsatseng by 30 June 2023	0	Adjustment - Key performance indicator 'Number of Multi-Purpose Centre facilitated and developed in Matsatseng' is removed from the SDBIP reporting because land ownership has not yet resolved.	Adjustment - Key performance indicator 'Number of Multi-Purpose Centre facilitated and developed in Matsatseng' is removed from the SDBIP reporting because land ownership has not yet resolved.	Target not applicable	Target not applicable	Target not applicable	Summary listing Submission of reports
KPI60		Number of progress report Fresh produce market development facilitated	New KPI	1 progress report Fresh produce market development facilitated by	40 000 000.00	No target for the KPIs Progress report Fresh produce market	0	Adjustment - Key performance indicator 'Number of progress report	Adjustment - Key performance indicator 'Number of progress report Fresh produce market	Target not applicable	Target not applicable	Target not applicable	Summary listing Progress update reports

KEY PERFORMANCE AREA : LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL													
DIRECTORATES: SOCIO ECONOMIC													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
				30 June 2023		development facilitated by 30 June 2023		Fresh produce market development facilitated" is removed from the SDBIP reporting because there is no land identified and project not included on the MIG implementation plan 2022-202	development facilitated" is removed from the SDBIP reporting because there is no land identified and project not included on the MIG implementation plan 2022-202				
KPI61	To support Rural and Agricultural Development	Number of agricultural projects farmers and/or supported and monitored	New KPI	12 agricultural projects and/or farmers supported and monitored by 30 June 2023	1 850 000.00	12 agricultural projects and/or farmers supported and monitored by 30 June 2023	1 850 000	No adjustment	Fifteen (13) agricultural farmers was supported Monitoring and evaluation on site was conducted on twenty five (25) projects. Fifty three (53) projects consulted at office	Target exceeded	The demand was higher in requesting support for agricultural projects	To support agricultural projects or farmers as per demand	Summary listing Attendance Register & Reports
KPI62	Promote economic wellbeing of SMME's	Number of trade markets facilitated	New KPI	1 trade market facilitated by 30 June 2023	8 000 000.00	No target for the KPIs Trade market facilitated by 30 June 2023		Adjustment - Key performance indicator' 'Number of trade markets facilitated" is removed from the SDBIP reporting because is NWDC project.	Adjustment - Key performance indicator' 'Number of trade markets facilitated" is removed from the SDBIP reporting because is NWDC project.	Target not applicable	Target not applicable	Target not applicable	Summary listing Attendance Register & Reports
KPI63		Number of Informal Traders database	New KPI	700 Informal Traders formalised by 30 June 2023	500 00.00	300 Informal Traders database by 30 June 2023	50 000	Adjustment - Key performance indicator "Number of Informal	None	Not achieved	Needed additional human resources to suffice the programme	Additional human resources would suffice the programme	Summary listing Attendance Register & Reports

KEY PERFORMANCE AREA : LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL													
DIRECTORATES: SOCIO ECONOMIC													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
								Traders formalised" is modified and target adjusted because there are challenges in collecting forms due to delays by the informal traders forum holding onto the forms distributed, they are waiting until their memo has been responded by the Municipality.					
KPI64		Number mobile kitchens and support facilitated and provided to informal traders	New KPI	10 mobile kitchens and support facilitated and provided to informal traders by 30 June 2023		No target for the KPIs Mobile kitchens and support facilitated and provided to informal traders by 30 June 2023	0	Adjustment - Key performance indicator' 'Number mobile kitchens and support facilitated and provided to informal traders" is removed from the SDBIP reporting because is CCBSA initiative	Adjustment - Key performance indicator' 'Number mobile kitchens and support facilitated and provided to informal traders" is removed from the SDBIP reporting because is CCBSA initiative	Target not applicable	Target not applicable	Target not applicable	Summary listing Attendance Register & Reports

KEY PERFORMANCE AREA : LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL													
DIRECTORATES: SOCIO ECONOMIC													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI65		Number of sports tournaments hosted	New KPI	1 Mayoral games by 30 June 2023	2 500 000	No target for the KPIs Mayoral game by 30 June 2023	0	Adjustment - Key performance indicator' 'Number of sports tournaments hosted" is removed from the SDBIP reporting because is office of the Executive Mayor's project.	Adjustment - Key performance indicator' 'Number of sports tournaments hosted" is removed from the SDBIP reporting because is office of the Executive Mayor's project.	Target not applicable	Target not applicable	Target not applicable	Summary listing Submission of Reports
KPI66		Number of Arts projects facilitated	5 Sports, Arts & Culture Activities Supported through LED Initiatives, Request permission to utilise Montshioa Stadium tuckshop was granted to lease between Mr Makgwa and Mahikeng Local Municipality. Mmabatho Stadium parking for permission by Katz Media (pty0 Ltd) for event was granted	4 Arts and Culture Activities by 30 June 2023	2 500 000	4 Arts and Culture Activities by 30 June 2023	2 500 000	No adjustment	3 Arts and Culture Activities	Target not achieved	Some of the requests granted from LED budget i.e.Hasebohale Youth Centre to host arts and Culture event and Mahikeng Local municipality collaborated with The Bridge Entertainment Solutions hosted Fill-Up Mmabatho Stadium event, however some request were not approved because of budget constraints.	Arts and Culture activities to be achieved on availability of Budget allocation in the next financial year.	Summary listing submission of Reports

KEY PERFORMANCE AREA : LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL													
DIRECTORATES: SOCIO ECONOMIC													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI67	Promote Tourism and marketing in Mahikeng Local Municipality	Number of Tourism and Heritage projects facilitated	New KPI	6 Tourism and Heritage Activities by 30 June 2023	2 000 000	2 Tourism and Heritage Activities by 30 June 2023	2 000 000	Adjustment - Key performance indicator "Number of Tourism and Heritage projects facilitated" target is adjusted because Flea Market in partnership with NWU, was part of the task for tourism and heritage projects, therefore no longer continue because Mahikeng Tourism association took over the project	1 tourism and heritage activity achieved through heritage tour for MLM and Lobatse City Council delegates on 03 December 2022	Target not achieved	MM advised to put project on hold until next financial year	Project postponed to next financial year	Summary listing Attendance Register & Reports
KPI68		Lotlamoeng Dam Revitalization facilitated	New KPI	1 Lotlamoeng Dam Revitalization facilitated by 30 June 2023	18 000 000	No target for the KPIs Lotlamoeng Dam Revitalization facilitated by 30 June 2023		Adjustment - Key performance indicator "Lotlamoeng Dam Revitalization facilitated" is removed from the SDBIP reporting because is funded by Department of Tourism.	Adjustment - Key performance indicator "Lotlamoeng Dam Revitalization facilitated" is removed from the SDBIP reporting because is funded by Department of Tourism.	Target not applicable	Target not applicable	Target not applicable	Summary listing Submission of reports

KEY PERFORMANCE AREA : LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL													
DIRECTORATES: SOCIO ECONOMIC													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI69		Revitalization of Manyane Game Reserve Conference Centre facilitated	New KPI	1 Revitalization of Manyane Game Reserve Conference Centre facilitated by 30 June 2023	22 000 000	No target for the KPIs Revitalization of Manyane Game Reserve Conference Centre facilitated by 30 June 2023	-	Adjustment - Key performance indicator "Revitalization of Manyane Game Reserve Conference Centre facilitated" is removed from the SDBIP reporting because is funded by Department of Tourism.	Adjustment - Key performance indicator "Revitalization of Manyane Game Reserve Conference Centre facilitated" is removed from the SDBIP reporting because is funded by Department of Tourism.	Target not applicable	Target not applicable	Target not applicable	Summary listing Submission of reports
KPI70		Number of SMMES Supported through LED Initiatives	Seventy-two (72) SMME Supported through LED initiatives. 3 SMME database compiled for department of tourist, Monitoring and evaluation on site was conducted on 29) projects. (28) Projects consulted at office. Garden tools and seeds. The marketing collateral for the Tourist Association of Mahikeng was handed over to	240 SMMES Supported through LED Initiatives by 30 June 2023	1 000 000	5 SMMES Supported through LED Initiatives by 30 June 2023	1 000 000	Adjustment - Key performance indicator "Number of SMMES Supported through LED Initiatives" target is adjusted because the target number was initially captured incorrectly.	Three (3) business licences was issued, Transport assistance for Bamboo Tree Promotions was granted; Billboards & street pole ads for Fill Up Mmabatho Stadium and 1 SMME supported.	Target Achieved	Not applicable	Not applicable	Summary listing Attendance Register & Reports

KEY PERFORMANCE AREA : LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL													
DIRECTORATES: SOCIO ECONOMIC													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/ Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
			the association. Twenty (20) ungraded tourism establishments for the Grading Assistance Programme Twelve (12) beneficiaries received										
KPI71		Number of SMMES trained	4 SMMES trained and there were outstanding first aid certificates issued to 20 individuals for 2021/2022	20 SMMES trained by 30 June 2023	1 000 000	200 SMMES trained by 30 June 2023	1 000 000	Adjustment - Key performance indicator "Number of SMMES trained" target is adjusted because target number was initially captured incorrectly.	245 SMMES trained	Target exceeded	Four (4) tourism association members and Thirteen (13) local Tourism SMME's attended a workshop organised by the National Department of Tourism in partnership with Ngaka Modiri Molema District Municipality Food handling workshop conducted for 88 SMMES to sell at fill up Mmabatho stadium event For 4th Quarter 140 SMMES trained	To train SMMES as per need	Summary listing Attendance Register & Reports

KEY PERFORMANCE AREA : BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT													
DIRECTORATES: INFRASTRUCTURE													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI72	Provision of basic water services in urban area	Volume in KL of water distributed in urban areas	6 240 815 KL of water distributed to the urban areas for 2021/2022	10800 KL of water distributed in urban areas by 30 June 2023	Opex	7 500 000 KL of water distributed in urban areas by 30 June 2023	83 250 000	Adjustment - The KPI "Volume in KL of water distributed in urban areas" target is adjusted because target number was initially captured incorrectly.	3 751 523,14 KL water distributed in urban areas	Target not achieved	The plant solely depends on electricity to operate optimally, therefore with constant power outages the plant doesn't perform to its capacity, and there are outstanding invoices for May and June	Procurement of standby generators and the meeting to be held between Magalies water and Mahikeng Local Municipality.	Bulk water monthly supply readings
KPI73	The provision of basic sanitation services in urban areas	Volume in KL of treated wastewater discharged from the wastewater treatment Works	1 664 426 Kiloliters (flow meter reading outlet kl) of treated wastewater discharged from the Waste Water Treatment Works for 2021/2022	240000 KL of treated wastewater discharged from the wastewater treatment Works by 30 June 2023	Opex	5 750 000 KL of treated wastewater discharged from the wastewater treatment Works by 30 June 2023	Opex	Adjustment - The KPI "Volume in KL of treated wastewater discharged from the wastewater treatment Works" target is adjusted because target number was initially captured incorrectly.	3 917 708,67 KL of treated wastewater discharged from the wastewater treatment Works	Target not achieved	Loadshedding affect the operation of the plant and some pumpstation are not functioning properly.	fixing of wastewater treatment plants and upgrading of pumpstations to ensure continuous flow and environmental compliance regarding sewer	Wastewater treatment works Meter readings
KPI74	The maintenance of surfaced Roads on the municipal road network	Number of square meters of surfaced road maintained	30 920,2 m2 tar road maintained for 2021/2022	20 000 m2 of surfaced road maintained by 30 June 2023	Opex	10 000 m2 of surfaced road maintained by 30 June 2023	Opex	Adjustment - The KPI "Number of square meters of surfaced road maintained" Target not achieved due to no prospects of a resealing contract for this current financial year.	8 874,8m2 of surfaced road maintained	Target not achieved	No availability of small plant machine and material for pothole patching	To request additional budget in the next financial year for procuring small plant machine and material for pothole patching	Roads and stormwater: Monthly reports Weekly reports Daily reports

KEY PERFORMANCE AREA : BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT													
DIRECTORATES: INFRASTRUCTURE													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI75	The maintenance of stormwater drainage systems along the municipal road network	Length in kilometers of stormwater drainage systems maintained	34,88404 km stormwater drainage maintained for 2021/2022	20 kilometers of stormwater drainage systems maintained by 30 June 2023	Opex	30 kilometers of stormwater drainage systems maintained by 30 June 2023	Opex	Adjustment - The KPI "Length in kilometers of storm water drainage systems maintained " was over-achieved during the midterm when compared to the entire target for the whole year.	23,739 kilometers of stormwater drainage systems maintained	Target not achieved	Due to the use of one TLB in the roads and storm water unit, the maintenance of stormwater slowed down productivity.	To request additional budget in the next financial year for procuring additional TLB to focus on Stormwater.	Roads and stormwater: Monthly reports Weekly reports Daily reports
KPI76	The Maintenance of gravel roads	Length in kilometers of rural gravel road maintained	236,89 km of rural gravel road maintained for 2021/2022	20 kilometers of rural gravel road maintained by 30 June 2023	Opex	60 kilometers of rural gravel road maintained by 30 June 2023	Opex	Adjustment - The KPI "Length in kilometers of rural gravel road maintained " was over-achieved during the midterm when compared to the entire target for the whole year.	148,38 kilometers of rural gravel road maintained	Target exceeded	Availability of TLB Workforce being assisted by EPWP Inter-governmental initiatives(district /provincial assistance	To maintain kilometers of rural gravel as per performance plan in the next financial year.	Roads and stormwater: Monthly reports, Weekly reports, Daily reports
KPI77	The maintenance of street lights	Number of Street lighting maintained	307 Street lights maintained for 2021/2022	600 Street lighting maintained by 30 June 2023	Opex	600 Street lighting maintained by 30 June 2023	Opex	No adjustment	1 244 Street lighting maintained	Target exceeded	Availability of resources	Maintain street lights on availability of resources	EMCB: Monthly reports, Daily reports
KPI78	The maintenance of High Masts lights	Number of High Masts lights maintained	672 High Masts lights maintained for 2021/2022	500 High Masts lights maintained by 30 June 2023	Opex	500 High Masts lights maintained by 30 June 2023	Opex	No adjustment	938 High Masts lights maintained	Target exceeded	Availability of resources	Maintain highmast lights on availability of resources	EMCB: Monthly reports Daily reports

KEY PERFORMANCE AREA : BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT													
DIRECTORATES: INFRASTRUCTURE													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI79	Retrofitting of highmast lights	Number of high Masts lights retrofitted	494 High Mast lights retrofitted for 2021/2022	New KPI	EEDSM Grant	494 High Masts light retrofitted by 31 March 2023	5 000 000	Adjustment - KPI " Number of high Masts lights retrofitted" EEDSM allocation was received after the approval of the SDBIP.	494 High Masts light retrofitted	Target achieved	Not applicable	Not applicable	EMCB: Monthly reports Daily reports
KPI80	The maintenance of traffic signal intersections	Number of Traffic Signal Intersections maintained	28 Traffic Signal Intersections for 2021/2022	28 Traffic Signal Intersections maintained by 30 June 2023	Opex	28 Traffic Signal Intersections maintained by 30 June 2023	Opex	No adjustment	25 Traffic Signal Intersections maintained	Target not achieved	Non-availability of resources and Traffic Lights were vandalised.	Matter for vandalism is reported to Public Safety and SAPS for further handling and Service provider to be appointed for materials and construction in the next financial year.	EMCB: Monthly reports Daily reports
KPI81	The execution of MIG Projects	Upgrading of road in Masuthe from gravel to Paving	Earthworks - 100% Roadbed - 100% Subbase & base - 80% Kerbing - 20%	Upgrading of 4km of road in Masuthe from gravel to Paving project to be complete by 30 June 2023	9 189 351	Upgrading of 4km of road in Masuthe from gravel to Paving project to be complete by 30 June 2023	9 189 351	Adjustment - KPI"Upgrading of road in Masuthe from gravel to Paving" The extension of 2 months was granted to complete the road.	Upgrading of 4km of road in Masuthe from gravel to Paving project not completed Progress report :- Subbase - 100% Paving - 85% Kerbing - 95%	Target not achieved	Delay on supply of material on site	Speed up the delivery of material	Appointment of contractors Meeting minutes for progress and payments certificates
KPI82	The execution of MIG Projects	Upgrading of interconnector road from Airport view to Bray Road	Upgrading of interconnector road in Setlopo Sa Bosigo project -Contractor appointed on the 07 June 2022	Upgrading of 4,3km interconnector road from Airport view to Bray Road project to be complete by 30 June 2023	7 611 625	Upgrading of 4,4km interconnector road from Airport view to Bray Road project to be complete by 31 March	7 611 625	Adjustment - KPI "Upgrading of interconnector road from Airport view to Bray Road" The target exceeded completed before completion date and the project was	Upgrading of 4,4km interconnector road from Airport view to Bray Road project complete on 8 December	Target achieved	Not applicable	Not applicable	Appointment of contractors Meeting minutes for progress and payments certificates Completion certificates

KEY PERFORMANCE AREA : BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT													
DIRECTORATES: INFRASTRUCTURE													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
						2023		approved for 3,4kms but on site construction was 4,4kms.	2022				
KPI83	The execution of MIG Projects	Upgrading of road from Tloung Village to Bokone - Phase II	N/A	Upgrading of road from Tloung Village to Bokone - Phase II project to be complete by 30 June 2023	4 500 000	Upgrading of road from Tloung Village to Bokone - Phase II project to be complete by 30 June 2023	4 500 000	No adjustment	Upgrading of road from Tloung Village to Bokone - Phase II project not complete Progress report :-Base - 80% Kerbing - 53% Paving - 53% V-Drains - 33%	Target not achieved	The planned project targets for the year were achieved, however the project is not completed.	The projects to be completed in the next financial year.	Appointment of contractors Meeting minutes for progress and payments certificates Completion certificates
KPI84	The execution of MIG Projects	Upgrading of interconnector road in Setlopo Sa Bosigo	Earthworks - 100% Roadbed - 100% Subbase & base 70%	Upgrading of 4,5km interconnector road in Setlopo Sa Bosigo project to be complete by 30 June 2023	6 149 708	Upgrading of 4,5km interconnector road in Setlopo Sa Bosigo project to be complete by 30 June 2023	6 149 708	No adjustment	Upgrading of 4,5km interconnector road in Setlopo Sa Bosigo project completed on 22 February 2023	Target achieved	Not applicable	Not applicable	Appointment of contractors Meeting minutes for progress and payments certificates Completion certificates
KPI85	The execution of MIG Projects	Provision of a multipurpose centre in Ward 25 Gelukspan	New KPI	Provision of a multipurpose centre in Ward 25 Gelukspan project to be complete by 30 June 2023	4 630 600	Provision of a multipurpose centre in Ward 25 Gelukspan project to be complete by 30 June 2023	4 630 600	No adjustment	Provision of a multipurpose centre in Ward 25 Gelukspan project completed on 2 December 2022	Target achieved	Not applicable	Not applicable	Appointment of contractors Meeting minutes for progress and payments certificates Completion certificates
KPI86	The execution of MIG Projects	Upgrading of Danville Stadium	New KPI	Upgrading of Danville Stadium project to be complete by 30 June 2023	2 858 243	Upgrading of Danville Stadium project to be complete by 30 June 2023	2 858 243	No adjustment	Upgrading of Danville Stadium project completed on 16 September 2022	Target achieved	Not applicable	Not applicable	Appointment of contractors, Meeting minutes for progress and payments certificates, Completion certificates

KEY PERFORMANCE AREA : BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT													
DIRECTORATES: INFRASTRUCTURE													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI87	The execution of MIG Projects	Construction of kilometers of new access road to Matlalong Graveyard	New KPI	Construction of 2 kilometers of new access road to Matlalong Graveyard project to be complete by 30 June 2023	6 300 000	Construction of 2 kilometers of new access road to Matlalong Graveyard project to be complete by 30 June 2023	6 300 000	No adjustment	Construction of 1.25 kilometers of new access road to Matlalong Graveyard project completed on 30 March 2023	Target not achieved	Management oversight, the appointments letter did not indicate the kms for the projects	Appointment letters for projects to indicate the kms for the projects.	Appointment of contractors Meeting minutes for progress and payments certificates Completion certificates
KPI88	The execution of MIG Projects	Number of new outdoor sports centre developed Mmabatho Stadium phase 3	1 New outdoor sports centre with one centre court in site. At Mmabatho stadium - phase 3 completion certificate dated 20/05/2022	1 new outdoor sports centre developed Mmabatho Stadium phase 3 project complete by 30 June 2023	21 000 000	1 new outdoor sports centre developed Mmabatho Stadium phase 3 project complete by 30 June 2023	21 000 000	No adjustment	1 new outdoor sports centre developed Mmabatho Stadium phase 3 project not completed Progress report:- Platform excavation - 100% main building foundation - 100% casting of column - 10% brick works - 25% plumbing - 20%	Target not achieved	Platform excavation - 100% main building foundation - 100% casting of column - 10% brick works - 25% plumbing - 20%	The projects to be completed in the next financial year.	Appointment of contractors Meeting minutes for progress and payments certificates Completion certificates
KPI89	The execution of MIG Projects	Number of high mast lights to be constructed	All 80 high mast lights identify, contractor was busy with foundations for 2021/2022	80 high mast lights to be constructed project to be complete by 30 June 2023	13 938 113	80 high mast lights to be constructed project to be complete by 30 June 2023	13 938 113	No adjustment	Foundation casted, poles erected awaiting Eskom connection	Target not achieved	Foundation casted, poles erected awaiting Eskom connection	Eskom to electrification connection and Project will be completed	Appointment of contractors Meeting minutes for progress and payments certificates Completion certificates

KEY PERFORMANCE AREA : BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT													
DIRECTORATES: INFRASTRUCTURE													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline (Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI90	The execution of the EPWP programme	Number of EPWP employees appointed	180 EPWP employees appointed for 2021/2022	175 EPWP employees appointed by 31 March 2023		175 EPWP employees appointed by 30 June 2023		Adjustment - KPI "Number of EPWP employees appointed" The target to be moved to the 30th June 2023 since the current contract extended from ending in February 2023 to end June2023.	71 EPWP employees appointed by 30 June 2023	Target not achieved	The recruitment selection for EPWP was not done in accordance with the municipal financial year 2022/23 and EPWPs contracts were extended from ending in February 2023 to end June2023.	For 2023/24 recruitment will go according to the municipal financial year, from July 2023 to June 2024 with 300 Participants.	EPWP List proof of payment. EPWP appointment letters

KEY PERFORMANCE AREA : BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT													
DIRECTORATE: PUBLIC SAFETY													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline(Annual Performance of 2021/2022)	Annual Target for 2022/2023	Annual budget for 2022/2023	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not Achieved/Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI91	To provide professional law enforcement management services	Number of Roadblocks Conducted	28 roadblocks were conducted for 2021/2022	24 roadblocks conducted by 30 June 2023	Opex	24 roadblocks conducted by 30 June 2023	Opex	No adjustment	33 roadblocks were conducted	Target Exceeded	Invitations from other stakeholders	Not Applicable	Law-enforcement reports
KPI92		Number of warrant of arrest executed	New KPI	40 warrant of arrests executed by 30 June 2023	Opex	40 warrant of arrests executed by 30 June 2023	Opex	No adjustment	41 warrant of arrests were executed	Target Exceeded	Warrant of arrests were also executed during operations with other stakeholders	Not Applicable	Law-enforcement reports warrant of arrest
KPI93	To provide testing and licensing in accordance with legislation	Number of driving license cards issued	New KPI	4200 driving license cards issued by 30 June 2023	900 000	4200 driving license cards issued by 30 June 2023	900 000	No adjustment	9746 driving license cards were issued	Target Exceeded	The demand was high	Not Applicable	Licensing report - RD323 and RD324 tested driving license applicants and renewals of driving licenses
KPI94	To provide professional Fire Brigade Services	Number of fire safety compliance inspections conducted	243 Fire safety compliance inspections were conducted for 2021/2022	200 fire safety compliance inspections conducted by 30 June 2023	Opex	200 fire safety compliance inspections conducted by 30 June 2023	Opex	No adjustment	200 Fire safety compliance inspections were conducted	Achieved	Not Applicable	Not Applicable	Fire safety compliance inspections monthly Reports Fire prevention Inspection forms
KPI95		% of fire incidents reported and attended	100% Fire (336)incidents were reported and attended for 2021/2022	100% of fire incidents reported and attended by 30 June 2023	Opex	100% of fire incidents reported and attended by 30 June 2023	Opex	No adjustment	100% (434) Fire incidents were reported and attended	Achieved	Not Applicable	Not Applicable	Fire and emergency services call report incidents Summary Reports
KPI96		% of rescue incidents reported and attended	100% Rescue (87)incidents were reported and attended for 2021/2022	100% of rescue incidents reported and attended by 30 June 2023	Opex	100% of rescue incidents reported and attended by 30 June 2023	Opex	No adjustment	100% (90) Rescue incidents were reported and attended	Achieved	Not Applicable	Not Applicable	Fire and emergency services call report Incidents Summary Reports

KEY PERFORMANCE AREA : BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT													
DIRECTORATE: PUBLIC SAFETY													
Key Performance Indicator Number	Strategic Objectives	Key Performance	Baseline(Annual Performance of	Annual Target for	Annual budget	Annual Performance	Annual Budget	Reason for Adjustment	Actual Performance	Status (Target Achieved/Not	Reasons for under/over	Remedial action taken	Portfolio of Evidence
KPI97	To provide professional Disaster management	Number of disaster management awareness campaigns conducted	New KPI	4 Disaster Management Awareness campaigns conducted by 30 June 2023	Opex	4 Disaster Management Awareness campaigns conducted by 30 June 2023	Opex	No adjustment	4 Disaster Management Awareness campaigns were conducted	Achieved	Not Applicable	Not Applicable	Disaster Management Awareness campaign reports
KPI98		Number of Disaster Risk Assessment Conducted	584 disaster assessment conducted for 2021/2022	4 Disaster Risk Assessment conducted by 30 June 2023	Opex	4 Disaster Risk Assessment conducted by 30 June 2023	Opex	No adjustment	4 Disaster Risk Assessment were conducted	Achieved	Not Applicable	Not Applicable	Disaster management monthly report Disaster assessments reports
KPI99		Number of Ward Based Disaster Management Committees Established	New KPI	4 Ward Based Disaster Management Committees established by 30 June 2023	Opex	4 Ward Based Disaster Management Committees established by 30 June 2023	Opex	No adjustment	4 Ward Based Disaster Management Committee were established	Achieved	Not Applicable	Not Applicable	Reports
KPI100	To provide Security and VIP Protection Services	Number of Information Security awareness Campaigns conducted	3 Information Security awareness campaigns were conducted for 2021/2022	1 Information Security awareness campaign conducted by 30 June 2023	Opex	1 Information Security awareness campaign conducted by 30 June 2023	Opex	No adjustment	5 Information Security awareness campaigns were conducted	Target Exceeded	The demand was high	Not Applicable	Invitation letters Attendance Registers
KPI101	Establish Community Safety Forum for Mahikeng Local Municipality	Number of reports on establishment of Community Safety Forum for Mahikeng Local Municipality submitted to council for approval	New KPI	4 reports on establishment of Community Safety Forum for Mahikeng Local Municipality submitted to council for approval	Opex	4 reports on establishment of Community Safety Forum for Mahikeng Local Municipality submitted to council for approval	Opex	No adjustment	4 reports on establishment of Community Safety Forum for Mahikeng Local Municipality submitted to council for approval 29 June 2023	Achieved	Not Applicable	Not Applicable	Invitation letters Attendance Registers invitations letters Schedules reports Attendance Registers Minutes of the meetings Community Safety Forum reports Council resolution

KEY PERFORMANCE AREA : BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT													
DIRECTORATE: COMMUNITY SERVICES													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline	Annual Target for 2022/2023	Annual budget	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/ Not Achieved /Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI102	Provide waste management services	Number of weekly collection of refuse at trade premises and urban residential areas	Once weekly collection of refuse at trade premises and urban residential areas for 2021/2022	Once weekly collection of refuse at trade premises and urban residential areas by 30 June 2023	Opex	Once weekly collection of refuse at trade premises and urban residential areas by 30 June 2023	Opex	No adjustment	Once weekly collection of refuse at trade and urban residential areas	Target achieved	Not applicable	Not applicable	Waste management monthly report Refuse removal weekly schedule areas Refuse removal weekly reports Timesheets/clock sheets
KPI103	Removal of refuse from open spaces used as illegal dumping areas by the community	Number of illegal dumping spots cleaned	47 illegal dumping spots cleaned for 2021/2022	47 illegal dumping spots cleaned by 30 June 2023	Opex	47 illegal dumping spots cleaned by 30 June 2023	Opex	No adjustment	52 illegal dumping spots cleaned	Target exceeded	The illegal dumping spots had increased in the period, and the unit strived to clean them all.	To clean illegal dumping spots as planned target.	Waste management monthly report Refuse removal weekly schedule areas Refuse removal weekly reports Timesheets/clock sheets
KPI104		Integrated Waste Management Plan (IWMP) submitted to council	New KPI	Integrated Waste Management Plan (IWMP) submitted to council by 30 June 2023		Integrated Waste Management Plan (IWMP) submitted to council by 30 June 2023	Opex	No adjustment	No Integrated Waste Management Plan (IWMP) submitted to council	Not Achieved	There was a delay in appointment of the service provider to review the IWMP.	IWMP to be reviewed as required by NEM: WA 59 of 2008 and that service provider be appointed to assist with the process.	IWMP Council resolution
KPI105	Environmental awareness raising to the community to promote a healthy and clean environment for all	Number of Rata Mahikeng campaigns conducted	New KPI	4 Rata Mahikeng campaigns conducted by 30 June 2023	Opex	4 Rata Mahikeng campaigns conducted by 30 June 2023	Opex	No adjustment	6 Rata Mahikeng Campaigns conducted	Target exceeded	The additional anti-litter campaign was conducted in Q4, the municipality partnered with tribal authority to clean Lotlamoreng dam and Mmaphacwa cemetery and the 2nd campaign was conducted at Danville as it is one of the hotspots when coming to illegal dumping.	Ensuring that cleaning up campaign and waste management educational awareness campaigns are conducted on quarterly basis	Anti-littering campaign reports and Attendance register

KEY PERFORMANCE AREA : BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT													
DIRECTORATE: COMMUNITY SERVICES													
Key Performance Indicator Number	Strategic Objectives	Key Performance Indicator	Baseline	Annual Target for 2022/2023	Annual budget	Annual Performance Target Adjustment (Revised)	Annual Budget Adjustment (Revised)	Reason for Adjustment	Actual Performance	Status (Target Achieved/ Not Achieved /Exceeded)	Reasons for under/over performance	Remedial action taken to improve performance	Portfolio of Evidence
KPI106	Provide waste management services	Number of landfill site operational and maintained	1 Landfill site operational and maintained for 2021/2022	1 Landfill site operational and maintained by 30 June 2023	Opex	1 Landfill site operational and maintained by 30 June 2023	Opex	No adjustment	1 Landfill Site operational and maintained	Target achieved	Not applicable	Not applicable	Waste management monthly report Landfill site Inspections report
KPI107	Promote parks and recreation services	Number of parks maintained	9 parks maintained for 2021/2022	10 parks maintained by 30 June 2023	Opex	10 parks maintained by 30 June 2023	Opex	No adjustment	10 Parks maintained	Target achieved	Not applicable	Not applicable	Parks Monthly report Parks weekly plan Parks weekly plan report Timesheets/clock sheets
KPI108	Ensure access to information	Number of Library Services Awareness campaigns conducted	4 Library Services Awareness campaigns conducted for 2021/2022	4 Library Services Awareness campaigns conducted by 30 June 2023	Opex	4 Library Services Awareness campaigns conducted by 30 June 2023	Opex	No adjustment	5 Library Awareness Campaigns conducted	Target exceeded	The Library services unit managed to have 2 awareness's, on the 9th June was World Play day with Staff wellness day at Montshia stadium and on 22nd June held Youth day at Mmabatho Library.	It is planned in the next financial year that for every Quarter the Library unit is expected to have one(1) library services awareness campaign as per annual performance plan	Library Services Awareness campaigns reports Attendance register

**CHAPTER 4
ORGANISATIONAL DEVELOPMENT PERFORMANCE**

INTRODUCTION

The municipality had a total of 782 employees for 2022 – 2023 financial year which includes 70 Councillors, appointed 56 new employees and 25 were termination of employees.

COMPONENT A: 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.	%
Office of the Mayor	14	14	12	2	14.29%
Office of the Speaker	15	20	20	0	0.00%
Office of Council Whip	4	6	5	1	16.67%
Councillors	69	70	70	0	0.00%
Office of the Municipal Manager	11	39	15	24	61.54%
Corporate Support Services	62	130	83	47	36.15%
Community Services	286	372	194	178	47.85%
Public Safety	110	298	131	167	56.61%
Socio – Economic Development	21	21	7	14	66.67%
Planning and Development	22	57	19	38	66.67%
Infrastructure	151	475	169	306	64.42%
Finance	24	114	57	57	50.00%
Totals	768	1616	782	834	51.61%

Vacancy Rate: Year 2022/2023			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Office of the Mayor	14	2	14.29%
Office of the Speaker	20	0	0.00%
Office of Council Whip	6	1	16.67%
Councillors	70	0	0.00%
Office of the Municipal Manager	39	24	61.54%
Corporate Support Services	130	47	36.15%
Community Services	372	178	47.85%
Public Safety	295	167	56.61%
Socio Economic Development	21	14	66.67%
Planning and Development	57	38	66.67%
Infrastructure	475	306	64.42%
Finance	114	57	50.00%
Totals	1616	834	51.61%

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2021/2022	17	34	
2022/2023	56	23	0,03

**Turnover rate - Divided the number of terminates during the year by the number of employees at the beginning of the financial year.*

MAHIKENG LOCAL MUNICIPALITY

EXECUTIVE MAYOR OFFICE

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION/ NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Executive Secretary	8	Occupied
2.	One	Manager : Office of the Executive Mayor	2	Occupied
3.	One	Assistant Manager: Administrative Services and Traditional Leaders	3	Occupied
4.	One	Administrative Services and Traditional Leaders Coodinator	5	Occupied
5.	One	Assistant Manager : Stakeholder Relations	3	Occupied
6.	One	Assistant Manager: Special Programmes	3	Occupied
7.	One	Protocol Officer	6	Occupied
8.	One	Disability & HIV/AIDS Coordinator	5	Occupied
9.	One	Disability Officer	6	Vacant
10	One	HIV/ AIDS Officer	6	Vacant
11	One	Women & Children , Youth & Elderly Coordinator	5	Occupied
12	One	Women and Children Officer	6	Occupied
13	One	Youth Officer	6	Occupied
14	One	Elderly Officer	6	Occupied
	Fourteen			12 x Occupied 2 x Vacant

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

July 2022/June 2023				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	4	4	0	100%
4 -6	9	7	2	37%
7 – 9	1	1	0	0%
10 – 12	-	-	-	-
13 – 15	-	-	-	-
Total	14	12	2	25%

SPEAKERS OFFICE

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Manager : Office of the Speaker	2	Occupied
2.	One	Executive Secretary	8	Occupied
3.	One	Assistant Manager: Office of the Speaker	3	Occupied
4.	One	Assistant Manager : MPAC	3	Occupied
5.	One	Coodinator : MPAC	5	Occupied
6.	Two	MPAC Administrator	8	2 x Occupied
7.	One	Reseacher	6	Occupied
8.	One	Coordinator : Public Participation & Council Support	5	Occupied
9.	Eight	Public Participation & Council Support Officer	6	8 x Occupied
10.	One	Front Desk Assistant	8	Occupied
11.	One	Coordinator : Civic Education & Rules	5	Occupied
12.	One	Civic Education & Rules Administrator	8	Occupied
	Twenty			20 x Occupied

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2022/2023				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	3	3	0	0%
4 -6	12	12	0	0%
7 – 9	5	5	0	0%
10 – 12	-	-	-	
13 – 15	-	-	-	
Total	20	20	0	0%

COUNCIL WHIP OFFICE

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Executive Secretary	8	Occupied
2.	One	Manager: Office of the Whip	3	Occupied
3.	Three	Administrator	8	2 x Occupied 1 x Vacant
4.	One	Constituency Officer	6	Occupied
	Six			6 x Occupied

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2022/2023				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	1	1	0	0%
4 -6	1	1	0	0%
7 -9	4	3	1	25%
Total	6	6	1	16%

**ORGANISATIONAL STRUCTURE
OFFICE OF THE MUNICIPAL MANAGER**

	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION PER STRUCTURE	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Municipal Manager	030A	Occupied
2.	One	Senior Manager :Corporate Support Services	030A	Vacant
3.	One	Senior Manager: infrastructure	030A	Occupied
4.	One	Senior Manager : Community Services	030A	Occupied
5.	One	Senior Manager : Public Safety	030A	Vacant
6.	One	Senior Manager : Socio – Economic Development	030A	Vacant
7.	One	Senior Manager :Planning and Development	030A	Occupied
8.	One	Senior Manager: Finance/ BTO	030A	Occupied
9.	One	Senior Manager: Operations	030A	Vacant
10.	One	Executive Secretary : Office of the MM	8	Occupied
11.	One	Manager : Office of the Municipal Manager	2	Occupied
12.	One	Manager : Strategic Management	2	Vacant
13.	One	Assistant Manager: PMS	3	Occupied
14.	One	Manager: Chief Audit Executive	2	Occupied
15.	One	Administrative Asssitant	9	Vacant
16.	One	Assistant Manager: Risk Management	3	Occupied
17.	One	Assistant Manager : Communications	3	Occupied
18.	One	Risk Officer: Planning	6	Vacant
19.	One	Risk Offier: Evaluation	6	Vacant
20.	One	Internal Communication Officer	6	Vacant
21.	One	External Comunication Officer	6	Vacant
22.	One	Graphic Designing and Social Media	6	Vacant
23.	One	Administration Communications Officer	8	Occupied
24.	One	PMS Coodinator	5	Vacant
25.	One	Assistant Manager : Monitoring & Evaluation	3	Vacant
26.	Two	Monitoring and Evaluation Coodinator	5	2 x Vacant
27.	One	Assistant Manager: IDP and IGR	3	Occupied
28.	One	Coordinator : IDP	5	Vacant
29.	One	IGR – Coordinator	5	Vacant
30.	One	Admin Assistant	9	Vacant
31.	One	Admin Assistant	9	Vacant
32.	One	Assistant Manager: Internal Audit	3	Vacant
33.	Four	Internal Auditor	6	2 x Occupied 2 x Vacant
34.	Two	Assistant Internal Auditor	8	2 x Vacant
	Thirty Nine			15 x Occupied 24 x Vacant

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2022 – 2023				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	18	11	7	38.89%
4 -6	14	2	12	85.71%
7 – 9	7	2	5	71.43%
10 – 12	-	-	-	-
13 – 15	-	-	-	-
Total	39	15	24	61.54%

CORPORATE SUPPORT SERVICES

NO.	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION PER STRUCTURE	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Executive Secretary	8	Occupied
2.	One	Manager : Human Resources Management	2	Occupied
3.	One	Administrative Assistant to the Head	9	Vacant
4.	One	Assistant Manager: Personnel	3	Vacant
5.	Five	HRM Officer	6	4 x Occupied 1 x Vacant
6.	Two	HRM Administrator	8	1 x Occupied 1 x Vacant
7.	Three	Benefits Officer	6	1 x Occupied 2 x Vacant
8.	One	Benefits Administrator	8	Occupied
9.	One	Assistant Manager: Efficiency Services	3	Vacant
10.	One	Organizational Development Officer	5	Occupied
11.	One	PMDS Coordinator	5	Vacant
12.	One	Assistant Manager: Human Resource Development	3	Occupied
13.	Two	Training and Development Officer	6	1x Occupied 1x Vacant
14.	One	Training and Development Administrator	8	Vacant
15.	Two	ABET Facilitator	8	2 x Occupied
16.	One	Assistant Manager: Labour Relations	3	Occupied
17.	Two	Labour Relations Officer	6	1 x Occupied x 1x Vacant
18.	One	Assistant Manager: Employee Health and Wellness	3	Vacant
19.	One	Wellness Coordinator	5	Vacant
20.	Two	Occupational Health and Safety Officer	5	2 x Occupied
21.	One	Professional Nurse	6	Vacant
22.	One	Manager: ICT	2	Vacant
23.	One	Assistant Manager : ICT	3	Occupied
24.	One	System Administrator	8	Vacant

NO.	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION PER STRUCTURE	SALARY LEVEL	STATUS OF THE POSITION
25.	Two	Network Technician	6	2 x Vacant
26.	Two	Support Technician	6	2 x Vacant
27.	One	ICT Security Technician	6	Vacant
28.	One	Manager: General Administration	3	Occupied
29.	One	Assistant Manager: Records	3	Vacant
30.	One	Administration Officer: Records	5	Vacant
31.	One	Assitant Manager : General Administration	3	Vacant
32.	Five	Committee Officers	6	5 x Vacant
33.	Five	Committee Clerk	8	3 x Occupied 2 x Vacant
34.	One	Administration Officer	6	Vacant
35.	One	Cleaning Supervisor	10	Vacant
36.	One	Call Center Supervisor	10	Vacant
37.	One	Receptionist	13	Vacant
38.	Six	Messenger	13	2 x Occupied 4 x Vacant
39.	Two	Switchboard Operator	13/12	1 x Occupied x 1x Vacant
40.	Two	Printing Room Operator	9	2 x Occupied
41.	Four	Call Centre Operator	13	1 x Occupied 3 x Vacant
42.	Two	Admin Clerk : Records	8	2 x Vacant
43.	Fifty	General Workers	15	49 x Occupied 1 x Vacant
44.	Three	Secretariat Councillor (MM: IDP) and (INF: Fleet)	8	2 x Occupied 1 x Vacant
45.	One	Manager : Legal	2	Occupied
46.	One	Assistant Manager : Legal	3	Occupied
47.	One	Legal Officer	5	Occupied
	One Hundred and Thirty (130)			83 x Occupied 47 x Vacant

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2022/2023				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	13	7	6	46%
4 -6	28	9	19	67%
7 – 9	21	9	12	57%
10 – 12	2	0	2	100%
13 – 15	66	58	8	10.6%
16 – 18	-	-	-	-
19 – 20	-	-	-	-
Total	130	83	47	36.15%

COMMUNITY SERVICES

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITON
1.	One	Executive Secretary	8	Occupied
2.	One	Manager: Waste Management	2	Occupied
3.	One	Manager : Parks, Recreation Cemtries and Community Facilities	2	Occupied
4.	One	Administrative Assistant to the Head	9	Occupied
5.	One	Assistant Manager; Solid Waste Management	3	Occupied
6.	One	Superintendent : Solid	6	Vacant
7.	One	Superintendent : Solid Waste Management	6	Vacant
8.	One	Overseer: Refuse Removal	7	Occupied
9.	One	Overseer; Street Sweeper	7	Vacant
10.	One	Overseer : Illegal Dumping	7	Vacant
11.	Nine	Team Leader; Refuse Removal Driver	10	9 x Occupied
12.	Eight	Team Leader: Street Sweeper	11	6 x Occupied 2 x Vacant
13.	Sixty Seven	General Worker : Refuse Removal	15	62 x Occupied 5 x Vacant
14.	Eighty	General Worker: Street Sweeper	15	39 x Occupied 41 x Vacant
15.	Two	Tipper Driver	10	2 x Vacant
16.	Six	Skip Loader Tipper	10	6 x Vacant
17.	Six	General Worker: Skip Patrol	15	6 x Vacant

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITON
18.	One	General Worker: PHC	15	Occupied
19.	One	Asssitant Manager: Waste Minimisation & Education	3	Vacant
20.	One	Waste Minimisation & Recycling Officer	6	Vacant
21.	Two	Waste Education Officer	6	2 x Vacant
22.	One	Assistant Manager: Landfill	3	Vacant
23.	One	Supervisor	7	Vacant
24.	Two	Operators	10	2 x Vacant
25.	One	Landfill Clerk	9	Vacant
26.	Four	General Workers	15	4 x Vacant
27.	One	Assistant Manager: Libraries	3	Vacant
28.	Six	Librarian	7	6 x Vacant
29.	Eight	Library Clerk	11	3 x Occupied 3 x Vacant
30.	One	Assistant Manager: Community Halls	3	Vacant
31.	Six	Administration Officer	6	6 x Vacant
32.	One	Admin Clerk	8	Occupied
33.	Twenty	General Workers: Community Halls	15	10 x Occupied 10 x Vacant
34.	One	Superintendent Horticulture	6	Occupied
35.	One	Horticulturist	8	Occupied
36.	One	Supervisor: Bush Cutting Mowing	7	Vacant
37.	Two	Team Leader: Bush Cutting and Mowing	12	2 x Occupied
38.	Twenty	Team Leader: Tractor Driver	11	7 x Occupied 13 x Vacant
39.	Ten	General Worker: Bush Cutting and Mowing	15	3 x Occupied 7 x Vacant
40.	Ten	General Worker	15	10 x Vacant
41.	One	Supervisor : Horticulture	7	Vacant
42.	One	Team Leader: Horticulture	11	Occupied
43.	One	Team Leader: Pest Control	11	Vacant
44.	One	Team Leader: Nursery	11	Vacant
45.	Twenty nine	General Worker; Horticulture	15	26 x Occupied 3 x Vacant
46.	Twelve	General Worker: Pest Control	15	12 x Vacant
47.	Seven	General Worker: Nursery	15	5 x Occupied 2 x Vacant
48.	One	Superintendent : Caretaking and Landscaping	6	Occupied
49.	One	Supervisor: Tree Filling	7	Vacant
50.	One	Supervisor : Landscaping	7	Vacant
51.	One	Team Leader: Chainsaw Operator	11	Vacant
52.	One	Team Leader: Tree Filing	11	Vacant
53.	One	Team Leader: Landscaping	11	Vacant

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITON
54.	One	Team Leader: (Small Machine Operator)	12	Occupied
55.	One	Team Leader: Handyman	11	Vacant
56.	One	Team Leader: Graveyard: Landscaping	11	Vacant
57.	One	General Worker: Chainsaw Operator	15	Occupied
58.	Five	General Worker: Landscaping	15	5 x Vacant
59.	One	General Worker: Handyman Landscaping	15	Vacant
60.	Ten	General Worker: Graveyard	15	10 x Occupied
61.	One	Care Taking (Ommitted)	12	Vacant
	Three Hundred and Seventy Two			194 x Occupied 178 x Vacant

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2022/2023				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	7	3	4	57.14%
4 -6	13	2	11	84.62%
7 – 9	19	5	14	73.68%
10 – 12	67	31	36	53.73%
13 – 15	266	153	113	42.48%
16 – 18	-	-	-	-
19 – 20	-	-	-	-
Total	372	199	173	46.50%

PUBLIC SAFETY

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Secretary	8	Occupied
2.	One	Manager : Security and VIP Protection Services	2	Vacant
3.	One	Manager: Fire Brigade	2	Occupied
4.	One	Messenger	8	Occupied
5.	One	Chief Fire Officer	3	Occupied
6.	One	Assistant Chief Fire Safety & Training	4	Vacant
7.	One	Divisional Commander : Training	5	Vacant
8.	Three	Station Commander: Training	6	2 x Occupied 1x Vacant
9.	Six	Pier Officer	6	6 x Vacant
10.	One	Divisional Commander : Fire Safety	5	Occupied
11.	Four	Station Officer Fire Safety	6	4 x Occupied
12.	Three	Platoon Commander	8	3 x Vacant
13.	Six	Fire Hydrant Attendant	11	6 x Vacant
14.	One	Assistant Chief : Fire Rescue & Control Centre	4	Vacant
15.	One	Divisional Commander : Fire & Rescue	6	Occupied
16.	Four	Station Commander : Fire and Rescue	6	4 x Occupied
17.	Nine	Platoon Commander	5	9 x Occupied
18.	Four	Senior Fire Fighter	12	4 x Vacant
19.	Ten	Fire Fighter	10	10 x Vacant
20.	Fifty	Junior Fire Fighter	15	38x Occupied 12x Vacant
21.	One	Trainee Fire Fighter	17	Vacant
22.	One	Community Liaison Officer	6	Vacant
23.	One	Divisional Commander : Control Center	6	Vacant
24.	Two	Station Commander	6	2 x Vacant
25.	Four	Senior Control Room Attendant	10	4 x Vacant
26.	Eight	Control Room Attendant	12	4 x Occupied 4 x Vacant
27.	One	Manager : Disaster Management Center	2	Vacant
28.	One	Coordinator : Disaster Management	5	Vacant
29.	Two	Disaster Management Officer	6	1 x Occupied 1 x Vacant
30.	One	General Worker	15	Occupied
31.	One	Manager : Testing and Licensing	2	Vacant
32.	One	Assistant Manager : Management Representative	3	Vacant
33.	One	Senior Examiner: VTS	6	Occupied
34.	Two	Examiner : VTS	7	2 x Occupied
35.	One	Clerk: VTS	8	Occupied
36.	Two	Pit Assistant	14	2 x Vacant

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITION
37.	One	Assistant Manager : Management Representative	6	Vacant
38.	One	Management Representative : DLTS		Vacant
39.	One	ENATIS: Supervisor	7	Vacant
40.	One	Senior Examiner: DLTC	7	Occupied
41.	Six	Examiner: Testing Gr A & B	8	4 x Occupied 2 x Vacant
42.	Three	Examiner DLTC Gr D and L		3 x Occupied
43.	Six	Clerk	8	4 x Occupied 2 x Vacant
44.	One	General Worker	15	Occupied
45.	One	Manager: Security and Protection Services	3	Vacant
46.	One	Assistant Manager : Protection	3	Vacant
47.	Three	Driver VIP Protector	6	3 x Occupied
48.	Four	Team Leader: Shift Operations	11	4 x Occupied
49.	One	Chief Security Officer		Occupied
50.	Four	Information Security Officer	14	4 x Vacant
51.	One	Key Custodian: Clerk	8	Vacant
52.	Two	Superintendent : Security x 2	6	2 x Vacant
53.	Four	Security Officer	13	4 x Occupied
54.	One	Manager : Law Enforcement	2	Occupied
55.	One	Admin Assistant to the Head	9	Occupied
56.	One	Chief Traffic Officer	3	Occupied
57.	Three	Superintendent : Law Enforcement	6	3 x Occupied
58.	One	Administrator	8	Vacant
59.	Two	Data Capturer	8	2 x Occupied
60.	One	Court Officer	-	Vacant
61.	Four	Assistant Superintendent	8	4 x Occupied
62.	Six	Senior Traffic Officer	8	6 x Vacant
63.	Thirty	Traffic Officer	8	15 x Occupied 15 x Vacant
64.	Ten	Traffic Warden	17	10 x Vacant
65.	ONE	Accident Officer	-	Vacant
66.	Two	Road Safety Officer	-	Vacant
67.	Four (8)	General Worker: Logistics	17	12 x Occupied
68.	Two	Superintendent r: By – Law Enforcement	3	2 x Vacant
69.	Two	Inspector : Impoundment	8	Vacant
70.	One	Clerk	9	Vacant
71.	Two	Inspector : By Law Enforcement	8	Vacant
72.	Forty	By Law Enforcement Warden	13	40 x Vacant
	Two Hundred and Ninety - Eight			131 x Occupied 167 x Vacant

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2022/2023				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	10	6	4	40%
4 -6	48	33	15	31%
7 – 9	55	24	31	56%
10 – 12	63	24	39	61.90%
13 – 15	122	49	73	59.83%
16 – 18	-	-	-	-
19 – 20	-	-	-	-
Total	298	136	162	54%

PLANNING AND DEVELOPMENT

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Secretary	8	Occupied
2.	One	Manager Planning	2	Vacant
3.	One	Administrative Assistant to Head	9	Occupied
4.	One	Assistant Manager: Development Planning	3	Occupied
5.	Three	Town Planner	5	3 x Occupied
6.	Two	Assistant Town Planner	5	2 x Vacant
7.	One	Enforcement Officer	5	2X Vacant
8.	One	Admin Assistant : Town Planning	8	2X Vacant
9.	Two	Transportation Officer	5	1 x Occupied 1 x Vacant
10.	Two	Assitant Transportation Officer	5	2 x Vacant
11.	One	Transportation Planning Clerk	8	Vacant
12.	One	Assistant Manager : Environmental Management	3	Occupied
13.	Two	Environmental Management Officer	5	1X occupied 1 x Vacant
14.	One	Asistant Manager : GIS	3	Vacant
15.	Two	GIS Officer	5	2 x Vacant
16.	Three	Data Capturer	8	3 x Vacant
17.	One	Manager : Housing	3	Vacant

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITION
18.	One	Assistant Manager : Housing Development Facilitation	3	Occupied
19.	Two	Housing Admin Coodinator	5	2 x Occupied
20.	Two	Housing Admin Officer	5	2 x Vacant
21.	Two	Housing Admin Clerk	8	2x vacant
22.	One	Construction Project Coodinator	5	Vacant
23.	Two	Construction Project Officer	5	2 x Vacant
24.	One	Construction Project Clerk	8	Vacant
25.	One	Assistant Manager Building Control	3	vacant
26.	One	Building Control Officer	5	Vacant
27.	Six	Building Inspector	8	3 x Occupied 3 x Vacant
28.	Three	Front Desk Clerk	8	3 x Occupied
29.	One	Assistant Manager : Property Management	3	Occupied
30.	Two	Rental Officer	5	2 x Vacant
31.	Two	Outdoor Advertisng Officer	5	2 x Vacant
32.	Two	Land Admin Officer	5	2 x Vacant
	Fifty two			19 x Occupied 38 x Vacant

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2022/2023				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	8	4	4	50%
4 -6	29	7	22	75.8%
7 – 9	20	8	12	60%
10 – 12	-	-	-	
13 – 15	-	-	-	
16 – 18	-	-	-	
19 – 20	-	-	-	
Total	57	19	38	66.6%

SOCIO ECONOMIC DEVELOPMENT

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Secretary	8	Occupied
2.	One	Manager : LED & Investment Creation	2	Occupied
3.	One	Administrative Assistant to Head	9	Occupied
4.	One	Assistant Manager: Economic Policy Development & Investment Creation	3	Vacant
5.	Two	Economic Policy Development Officer	5	2 x Vacant
6.	Two	SMME Development and Investment Facilitaion Officer	5	2 x Vacant
7.	One	Assistant Manager : Trade & Manufacturing	3	Vacant
8.	One	Trade & Market Dev Officer	5	Occupied
9.	One	Financial & Infor Development Officer	5	Vacant
10.	Two	Trade Manufacturing Development Officer	5	2 x Vacant
11.	One	Manager : Tourism , Sport s, Mining & Agriculture	3	Vacant
12.	One	Administrative Assistant to Head	9	Vacant
13.	One	Assistant Manager : Tourism , Sport s and Heritage	3	Vacant
14.	One	Tourism Heritage Officer	5	Occupied
15.	One	Sport Arts and Culture Officer	5	Occupied
16.	One	Assistant Manager: Mining & Agriculture Development	3	Vacant
17.	One	Agriculture Development Officer	5	Occupied
18.	One	Mining Facilitation Officer	5	Vacant
	Twenty One			7 x Occupied 14 x Vacant

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2022/2023				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	6	1	5	83%
4 -6	12	4	8	66%
7 – 9	3	2	1	33%
10 – 12	-	-	-	
13 – 15	-	-	-	
16 – 18	-	-	-	
19 – 20	-	-	-	
Total	21	7	14	66%

INFRASTRUCTURE

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	POSITION STATUS
1.	One	Secretary	8	Occupied
2.	One	Manager : Water and Sanitation and PMU	2	Vacant
3.	One	Admin Assistant to the Head	9	Vacant
4.	One	Assistant Manager : Water and Sanitation	3	Occupied
5.	One	Technician : Water Scheme	5	Occupied
6.	One	Superintendent : Meter Care & Revenue Stream	6	Occupied
7.	Two	Foreman : Meter Care 7 Revenue Stream	7	2 x Vacant
8.	Three	Artisan : Pipe Fitting & Plumbing (Meter Care)	9	3 x Vacant
9.	Six	Artisan Aid : Plumbing	12	6 x Vacant
10.	Two	Artisan & Pipe Fitting (Revenue Stream)	9	2 x Occupied
11.	Twelve	General Workers	15	12 x Occupied
12.	Eight	Artisan Aid Plumbing	12	8 x Vacant
13.	One	Artisan : Brick Laying	9	Vacant
14.	Four	Artisan Aid : Brick Laying and Paving	12	4 x Vacant
15.	One	Superintendent : WCDM & Reticulation	6	Vacant
16.	Two	Foreman : WCDM & Asset Management (GIS)	7	2 x Vacant
17.	Four	Artisan : Plumbing & Pipe Fitting (Reticulation)	9	2 Occupied 2 x Vacant
18.	Two	Team Leaders: (Doesn't appear in the	11	2 x Occupied

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	POSITION STATUS
		Structure)		
19.	Seventeen	Artisan Aid : Plumbing	12	17 x Vacant
20.	Fourteen	General Workers :	15	14 x Occupied
21.	One	Artisan : Plumbing & Pipe Fitting	9	Vacant
22.	Four	Artisan Aid	12	4 x Vacant
23.	One	Superintendent : Customer Query	6	Vacant
24.	Two	Artisan Aid	12	2 x Vacant
25.	One	Quiries Clerk	9	Vacant
26.	One	BIO Chemist : Scientific Services	3	Vacant
27.	One	Laboratory Technician	5	Occupied
28.	One	Laboratory Assistant Techncian: Water	8	Occupied
29.	One	Laboratort Assistant	9	Vacant
30.	One	Laboratory Cleaner	15	Vacant
31.	One	Laboratory Assistant Techncian: Sanitation	8	Occupied
32.	One	Laboratort Assistant	9	Vacant
33.	One	Laboratory Cleaner	15	Vacant
34.	One	Technician : Sanitation Scheme	5	Occupied
35.	One	Superintendent : Sanitation	6	Vacant
36.	One	Foreman : Network	7	Vacant
37.	One	Artisan Brick laying	9	Vacant
38.	Eight	Artisan Aid	12	8 x Vacant
39.	Two	Artisan : Plumbing	9	2 x Vacant
40.	Four	Artisan Aid :	12	4 x Vacant
41.	Eleven	General Workers	15	7 x Occupied 3 x Vacant
42.	Two	Machine Operator	12	Vacant
43.	One	Superintendent : WWTW & Pump Stations	6	Vacant
44.	One	Process Controller	9	Vacant
45.	Sixteen	Mmabatho PC: Artisan	9	16 x Vacant
46.	Two	Team Leader : Operator	10	1 x Occupied 1x Vacant
47.	Fifteen	General Worker	15	9 x Occupied 6 x Vacant
48.	Eight	Mahikeng PC: Artisan	9	1 x Occupied
49.	One	Artisan Aid	12	Vacant
50.	Sixteen	General Workers	15	16 x Occupied
51.	One	Foreman	7	Vacant
52.	Two	Welder	9	2 x Vacant
53.	Two	Mechanical Fitter & Turner	9	2 x Vacant
54.	Eight	Mechanical Artisan Aid	12	8 x Vacant

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	POSITION STATUS
55.	One	Electrician : Instrumentation Controller	9	Vacant
56.	Four	Artisan Aid	12	4 x Vacant
57.	One	Assistant Manager: PMU	3	Occupied
58.	One	Administrator : PMU	8	Occupied
59.	One	Technician : PMU (Roads)	5	Vacant
60.	One	Technician : PMU (Water)	5	Vacant
61.	One	Technician PMU (Electrical)	5	Occupied
62.	Two	Data Capturer	9	2 x Vacant
63.	Two	Programms Coordinator	5	2 x Vacant
64.	Two	Projects Coordinator	5	2 x Vacant
65.	One	Manager : Roads and Storm Water	2	Occupied
66.	One	Admin Assistant to the Heads	9	Vacant
67.	One	Assistant Manager : Roads and Strom Water	3	Occupied
68.	One	Laboratory Technician	5	Vacant
69.	Two	Superintendent : Road and Laboratory	6	2 x Vacant
70.	Two	Artisan Roads and Stormwater	9	2 x Vacant
71.	Twenty	Artsain Aid	12	20 x Vacant
72.	One	Technician : Construction	5	Vacant
73.	One	Superintendent : Roads and Storm Water	6	Vacant
74.	One	Artisan Roads & Storm Water	9	Vacant
75.	Sixteen	Artisan Aid	12	16 x Vacant
76.	One	Technician : Maintenance	5	Vacant
77.	One	Superintendent : Roads	6	Vacant
78.	One	Foreman	7	Occupied
79.	Six	Team Leaders	11	6 x Occupied
80.	Ten	Machine Operator	12	10 x Vacant
81.	Twenty – Two	General Workers	15	22 x Occupied
82.	One	Foreman	7	Vacant
83.	Twelve	General Workers	15	12 x Vacant
84.	One	Superintendent : Storm Water	6	Vacant
85.	One	Foreman	7	Occupied
86.	Ten	Heavy Duty : Truck Drivers	10	1 x Occupied 9 x Vacant
87.	Four	Team Leaders	11	4 x Occupied
88.	Two	Artisan Aid	12	2 x Occupied
89.	Sixteen	General Workers	15	12 x Occupied 4 x Vacant
90.	One	Manager : Electro – Mechanical, Civic Building & Fleet	2	Occupied

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	POSITION STATUS
91.	One	Assistant Manager : Public Illumination & Civic Building	3	Vacant
92.	One	Eletrical Technician : Public Illumination	5	Occupied
93.	One	Superintendent : Public Illumination	6	Occupied
94.	Four	Artisan Electrician	9	2 x Occupied 2 x Vacant
95.	Eight	Artisan Aid Electrical	12	1 x Occupied 7 x Vacant
96.	One	Superintendent : Traffic Lights	6	Vacant
97.	Two	Artisan Electrician	9	2 x Vacant
98.	One	Artisan Aid : Electrical	12	Vacant
99.	One	Assistant : Manager : Energy Conservation	3	Vacant
100.	One	Technician : Energy: Comsumption & Assets Management	5	Vacant
101.	Three	Artisan	9	3 x Vacant
102.	Fourteen	General Worker	15	14 x Occupied
103.	One	Technician : Refrigeration & Air Conditioning	5	Vacant
104.	One	Artisan : Refrigeration & Air Conditioning	9	Vacant
105.	One	Artichectural Technician : Civic Building	5	Vacant
106.	Two	Artisan Carpenter	9	2 x Vacant
107.	Five	General Workers	15	5 x Occupied
108.	Two	Artisan Floor and Wall Tiler	9	2 x Vacant
109.	Two	Artisan Plumber	9	1 x Occupied 1 x Vacant
110.	One	Assistant Manager: Electro Mechanical	3	Vacant
111.	One	Senior Auto Technician	5	Vacant
112.	One	Superintendent : Mechanical	6	Occupied
113.	Two	Diesel Mechanic : Dignostic & Repairs	9	2 x Vacant
114.	Six	Artisan Aid : Mechanics	12	6 x Vacant
115.	One	Technical Officer	5	Occupied
116.	Two	Petrol Mechanic : Dignostic and Repairs	9	2 x Vacant
117.	One	Team Leader:	11	Occupied
118.	Six	Artisan Aid : Mechanics	12	6 x Vacant
119.	Two	Artisan Mechanic	9	2 x Occupied
120.	One	Team Leader	11	Occupied
121.	Six	General Workers	15	6 x Occupied
122.	One	Assistant Manager : Fleet Management	3	Vacant
123.	One	Superintendent : Fleet	6	Vacant
124.	One	Insurance Officer	6	Vacant
125.	One	Insurance Clerk	9	Vacant

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	POSITION STATUS
126.	One	Fleet Officer	6	Vacant
127.	One	Fleet Clerk	9	Vacant
All	Four hundred and Seventy Five			169 Occupied 306 x Vacant

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2022/2023				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	12	8	4	33.33%
4 -6	43	9	34	79.06%
7 – 9	83	16	67	80.72 %
10 – 12	189	18	171	90.47%
13 – 15	148	122	26	17.56%
16 – 18	-	-	-	
19 – 20	-	-	-	
Total	475	173	302	63.57%

FINANCE

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	POSITION STATUS
1.	One	Secretary	8	Occupied
2.	One	Manager : Budget and Reporting	2	Occupied
3.	One	Accountant : Budget	6	Vacant
4.	Two	Financial Officer : Budget	7	2 x Occupied
5.	One	Accountant : Reporting	6	Vacant
6.	One	Financial Officer: Internal Reporting	7	Vacant
7.	One	Financial Officer : MFMA Reporting	7	Vacant
8.	One	Manager : AFS	2	Occupied
9.	One	Accountant : AFS	6	Vacant

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	POSITION STATUS
10.	One	Financial Officer: AFS	7	Vacant
11.	One	Financial Officer: AFS	7	Vacant
12.	One	Financial Officer : AFS	7	Vacant
13.	One	Manager : Expenditure	2	Occupied
14.	One	Assistant Manager : Salaries	3	Vacant
15.	One	Financial Officer : Classification & Reconciliation	7	Vacant
16.	One	Financial Officer : Deductions	7	Occupied
17.	One	Salary Clerk	9	Occupied
18.	Two	Payroll Clerk	9	2 x Occupied
19.	One	Assistant Manager Creditors & Vat	3	Vacant
20.	One	Accountant : Bank Recon& Creditors	6	Vacant
21.	One	Financial Officer: Recon	7	Vacant
22.	One	Reconciliation Clerk	9	Vacant
23.	One	Financial Officer: Expenditure	7	Occupied
24.	Two	Creditors Clerk	9	2 x Occupied
25.	One	Accountant : VAT	6	Vacant
26.	One	Financial Officer: VAT	7	Vacant
27.	One	VAT Clerk	9	Vacant
28.	One	Filing Clerk	9	Vacant
29.	One	Manager : Supply Chain Management	2	Occupied
30.	One	Assistant Manager : Supply Chain Management	3	Vacant
31.	Two	Financial Officer: Demand	7	2 x Vacant
32.	One	Financial Clerk	9	Occupied
33.	Two	Financial Officer: Acquisition	7	1 x Occupied 1 x Vacant
34.	One	Financial Clerk	9	Occupied
35.	One	Financial Officer : Compliance	7	Vacant
36.	One	Accountant :	6	Vacant
37.	Two	Store Keeper	12	1 x Occupied 1 x Vacant
38.	Three	Finance Clerk	9	1 x Occupied 2 x Vacant
39.	Two	Petrol Attendent	13	1 x Occupied 1 x Vacant
40.	One	Driver Messenger	13	Occupied
41.	One	Manager : Asset Management	2	Occupied
42.	One	Assistant Manager: Asset Management	3	Vacant
43.	One	Accountant	6	Occupied
44.	One	Financial Officer : Movable Assets	7	Occupied
45.	Three	Assets Clerk	9	1 x Occupied 2 x

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	POSITION STATUS
				Vacant
46.	One	Financial Officer : Immovable Assets	7	Vacant
47.	Two	Assets Technician	5	2 x Vacant
48.	Two	Technical Clerks	9	2 x Vacant
49.	One	Manager : Revene & Debt Collection	2	Occupied
50.	One	Assistant Manager: Credit Control & Debt Collection	3	Vacant
51.	One	Accountant	6	Occupied
52.	Three	Financial Officer	7	2 x Occupied 1 x Vacant
53.	Six	Financial Clerk	9	3 x Occupied 3 x Vacant
54.	One	Messenger : Driver	13	Occupied
55.	One	Assitant Manager : Biling, Cash Management, Customer Care, Indigent and Valuation	3	Vacant
56.	One	Accountant	6	Vacant
57.	Two	Financial Officer: Receipting, Rates, & Meter Reading	7	4 x Occupied
58.	Thirteen	Financial Clerk	9	13 x Occupied
59.	One	Data Capturer	9	Vacant
60.	Two	Accountant	6	1 x Occupied 1 x Vacant
61.	Three	Financial Officer: Clearances, Certificatess, Customer Care & Indigent	7	1 x Occupied 2 x Vacant
62.	Nine	Financial Clerk	9	9 x Vacant
63.	One	Data Capturer	9	Vacant
64.	One	Manager: Business Processing	2	Vacant
65.	One	Assistant Manager: Business Processing	3	Vacant
66.	One	Accountant	6	Occupied
67.	Two	Financial Officer	7	2 x Vacant
	One hundred and Fourteen			57 x Occupied and 57 x Vacant

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2022/2023				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	14	6	8	57%
4 -6	14	4	10	71.4%
7 – 9	80	43	37	46.25%
10 – 12	2	1	1	50%
13 – 15	4	3	1	25%
16 – 18	-	-	-	-
19 – 20	-	-	-	-
Total	114	57	57	50%

COMMENT ON VACANCIES AND TURNOVER:

The positions of Municipal Manager, Senior Managers: Infrastructure, Community Services and Planning and Development has been filled except for Senior Manager: Socio-Economic, Public Safety and Senior Manager: Operations and Senior Manager Corporate Support Services. On the overall, the municipality had low turnover as a result of death and retirement and resignations

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Workforce decisions are taken at management forums which compose of Department's Directors, LLF members and council.

4.2 POLICIES

HR Policies and Plans					
Number	Name of Policy	Completed Yes/No	Reviewed Yes/No	Date adopted by council or comment on failure to adopt	Resolution number
1	Abscondment	Yes	Yes	29/09/2022	A.:124/09/2022
2	Appointment to Acting Positions	Yes	Yes	29/09/2022	A.:124/09/2022
3	Bereavement	Yes	Yes	19/10/2017	A.:01/10/2017
4	Cellphone	Yes	Yes	29/09/2022	A.:124/09/2022
5	Employment Practice	Yes	Yes	29/09/2022	A.:124/09/2022
6	HIV/Aids	Yes	Yes	13/12/2012	A.:77/12/2012
7	Incapacity due to ill Health	Yes	Yes	13/12/2012	A.:77/12/2012
8	Internal Bursaries	Yes	Yes	13/12/2012	A.:77/12/2012
9	Job Evaluation	Yes	Yes	31/01/2020	A.:09/01/2020
10	Overtime, Night work, Shift and Standby allowance	Yes	Yes	28/03/2018	A.:23/03/2018
11	Performance Management and Development	Yes	Yes	29/09/2022	A.:124/09/2022
12	Recruitment, Selection and Appointments	Yes	Yes	29/09/2022	A.:124/09/2022
13	Attendance and Punctuality	No	No	Not Developed	N/a
14	Code of Conduct for employees	No	No	Not Developed	N/a
15	Delegations, Authorisation & Responsibility	No	No	Not Developed	N/a
16	Employees under the influence of Intoxicating substances	No	No	Not Developed	N/a
17	Employment Equity	No	No	Not Developed	N/a
18	Engagement of Temporary Staff	No	No	Not Developed	N/a
19	Human Resource and Development	No	No	Draft Policy	N/a
20	Internship	No	No	Draft Policy	N/a

HR Policies and Plans					
Number	Name of Policy	Completed Yes/No	Reviewed Yes/No	Date adopted by council or comment on failure to adopt	Resolution number
21	Leave	No	No	Not Developed	N/a
22	Occupational Health and Safety	No	No	Not Developed	N/a
23	Official Housing	No	No	Not Developed	N/a
24	Organisational Rights	No	No	Not Developed	N/a
25	Placement	No	No	Not Developed	N/a
26	Private Work and Declaration of Interest	No	No	Not Developed	N/a
27	Relocation	No	No	Not Developed	N/a
28	Remuneration	No	No	Draft Policy	
29	Sexual Harassment	No	No	Not Developed	N/a
30	Smoking	No	No	Not Developed	N/a
31	Sport and Recreation	No	No	Draft Policy	N/a
32	Staff establishment	No	No	Draft Policy	N/a
33	Training and Development	No	No	Draft Policy	N/a
34	Wellness management	No	No	Draft Policy	N/a

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

A resolution was taken that policy before adopted by council for implementation it must be workshoped. Therefore the municipality has taken robust initiative for most policies to be workshoped to councillors.

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken Days	Employees using injury leave No.	Proportion employees using sick leave %	Average Injury Leave per employee Days	Total Estimated Cost R'000
Required basic medical attention only	195 Days	35	17%	5 days	0
Temporary total disablement	0	0	0	0	0
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
Total	195	0	17%	5 days	0

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
	Days	%	No.	No.	Days
MM & Other S57 Managers	-	-	-	-	0%
Senior management: Levels 0-3	62	4	12	96	52%
Highly skilled supervision: levels 4-8	567	33	84	223	80%
Highly skilled supervision (levels 9-12)	385	10	36	843	89%
Other staff member	1036	15	100	566	22%
Total	2050	62	232	1728	38%

COMMENT ON INJURY AND SICK LEAVE:

The report as per table above is inclusive of injury on duty leave taken even though it is not clearly indicated. The total number of 25 employees reported as injured on duty.

Number And Period Of Suspension				
Position	Alleged Misconduct	Date Of Suspension	Disciplinary Action Taken	Date Finalised
1. Manager Human Resources	➤ Irregular Recruitment Process	19 July 2022 to date	➤ Disciplinary hearing underway	Pending
2. Manager LED	➤ Sexual Harrasment	16 September 2022 to date	➤ Disciplinary hearing underway	Pending

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	None	None	None

4.4 PERFORMANCE REWARDS

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

The performance assessments were conducted for 2017/18; 2018/19 and 2019/20, the Senior Manager's were rewarded based on their performance score ratings, after approval of such evaluation by Municipal council to rewards outstanding performance, during the current financial year.

No Performance rewards has been made for 2020/21, 2021/22 and current financial year.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The municipality develops a workplace skill plan on a yearly basis which highlights the type of trainings that needs to be conducted or offered by the municipality as per the WSP report. Those trainings help the employees to implement and develop their level of competency and to improve service delivery.

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix

Management level	Gender	Employees in post as at 30 June 2023	Number of skilled employees required and actual as at 30 June 2022											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			Actual: End of 2020/21	Actual: End of 2021/22	2022/23 Target	Actual: End of 2020/21	Actual: End of 2021/22	2022/23 Target	Actual: End of 2020/21	Actual: End of 2021/22	2022/23 Target	Actual: End of 2020/21	Actual: End of 2022/23	2022/23 Target
MM and S57	Female	3	0	0	0	0	0	0	0	0	0	0	0	0
	Male	2	0	0	0	0	0	0	0	0	0	0	0	0
Councillors, senior officials (Heads) and managers	Female	23	0	0	0	20	30	5	0	0	0	20	30	5
	Male	51	0	0	0	20	53	6	0	0	0	20	53	6
Technicians and associate professionals*	Female	53	0	0	0	10	3	0	0	0	0	10	3	0
	Male	74	0	0	0	44	11	0	0	0	0	44	11	0
Clerks/ officers	Female	92	0	0	0	15	121	2	0	0	0	15	121	2
	Male	112	0	0	0	8	60	3	0	0	0	8	60	3
Elementary	Female	145	0	0	0	10	50	1	0	0	0	10	50	1
	Male	227	0	0	0	25	190	0	0	0	0	25	190	0
Sub total	Female	316	0	0	0	55	204	8	0	0	0	55	204	8
	Male		0	0	0	97	314	9	0	0	0	97	314	9
Total		782	0	0	0	152	519	17	0	0	0	152	519	17

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						
<i>Accounting officer</i>	1	0	1	1	1	0
<i>Chief financial officer</i>	1	0	1	1	1	0
<i>Senior managers</i>	3	0	3	3	3	0
<i>Any other financial officials</i>	0	0	0	0	0	0
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>	1	0	1	0	0	0
<i>Supply chain management senior managers</i>	0	0	0	0	0	0
TOTAL	6	0	6	5	5	0

Skills Development Expenditure										
										R'000
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget
MM and S57	Female	1	0	0	200 000	116 000	0	0	200 000	116 000
	Male	2	0	0	0	116 000	0	0		116 000
Legislators, senior officials and managers	Female	5	0	0	400 000	116 000	0	0	400 000	116 000
	Male	15	0	0	0	174 000	0	0		
Professionals	Female	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	Female	4	288 000	28 800	0	0	0	0	288 000	28 800
	Male	0	0	0	0	0	0	0	0	0
Clerks & officers	Female	29	288 000	208 800	0	0	0	0	288 000	208 800
	Male	24	0	172 800	0	0	0	0		172 800
Service and sales workers	Female	0	0	0	0	0	0	0		0
	Male	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0
Elementary occupations	Female	57	288 000	410 400	50000	42000	0	0	288 000	698 400
	Male	46	0	331 200	0	0	0	0	0	331 200
Sub total	Female	8	0	0	0	0	0	0	0	0
	Male	9	0	0	0	0	0	0	0	0

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

All newly appointed senior managers are currently registered for the minimum competency level regulation 14(4) (e). Other expenditure are for skills programme to enhance performance in different directorates.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

Workforce Expenditure within the Mahikeng Local Municipality is compliant with all legislative requirements governing the workplace together with collective agreement and policies. This is done through management of the recruitment process, overtime worked and capacitation of employees.

Equal or proper distribution of work to avoid overtime abuse and attending to the factors that impact negatively on staff morale and ensuring that the municipality have good productivity/performance through training and development (Value for money) and filling budgeted position

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
0	0	0	0	0

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
None	None	None	None	None

CHAPTER 5 FINANCIAL PERFORMANCE

INTRODUCTION

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

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Cash flow

Component A: Statement of Financial Performance

Description	2022/23									Budget Year 2023/24	Budget Year 2024/25	
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H			
R thousands												
Financial Performance												
Property rates	409,616	-	-	-	-	-	-	-	409,616	427,934	428,344	
Service charges	275,485	-	-	-	-	-	-	-	275,485	288,092	288,390	
Investment revenue	4,100	-	-	-	-	-	-	-	4,100	4,161	4,230	
Transfers recognised - operational	348,067	-	-	-	-	-	27,000	27,000	375,067	369,272	400,122	
Other own revenue	178,160	-	-	-	-	-	-	-	178,160	180,833	183,816	
Total Revenue (excluding capital transfers and contributions)	1,215,428	-	-	-	-	-	27,000	27,000	1,242,428	1,270,292	1,304,902	
Employee costs	389,389	-	-	-	-	-	27,715	27,715	417,104	404,420	409,736	
Remuneration of councillors	25,452	-	-	-	-	-	6,075	6,075	31,527	26,484	26,507	
Depreciation & asset impairment	60,311	-	-	-	-	-	-	-	60,311	62,965	63,025	
Finance charges	1,823	-	-	-	-	-	-	-	1,823	1,903	1,905	
Inventory consumed and bulk purchases	173,498	-	-	-	-	-	(3,043)	(3,043)	170,455	185,325	187,094	
Transfers and grants	-	-	-	-	-	-	4,000	4,000	4,000	-	-	
Other expenditure	456,981	-	-	-	-	-	43,045	43,045	500,026	504,107	566,766	
Total Expenditure	1,107,454	-	-	-	-	-	77,792	77,792	1,185,246	1,185,203	1,255,032	
Surplus/(Deficit)	107,974	-	-	-	-	-	(50,792)	(50,792)	57,182	85,089	49,870	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)												
	72,168	-	-	-	-	-	-	-	72,168	65,695	68,670	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)												
	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions	180,142	-	-	-	-	-	(50,792)	(50,792)	129,350	150,783	118,540	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year	180,142	-	-	-	-	-	(50,792)	(50,792)	129,350	150,783	118,540	
Capital expenditure & funds sources												
Capital expenditure	109,765	-	-	-	-	-	10,400	10,400	120,165	104,945	107,958	
Transfers recognised - capital	72,168	-	-	-	-	-	9,300	9,300	81,468	65,695	68,670	
Borrowing	-	-	-	-	-	-	-	-	-	-	-	
Internally generated funds	37,596	-	-	-	-	-	1,100	1,100	38,696	39,251	39,288	
Total sources of capital funds	109,765	-	-	-	-	-	10,400	10,400	120,165	104,945	107,958	
Financial position												
Total current assets	643,991	-	-	-	-	-	(126,814)	(126,814)	517,177	(2,019,580)	(2,280,811)	
Total non current assets	2,047,230	-	-	-	-	-	10,400	10,400	2,057,630	41,981	44,933	
Total current liabilities	934,481	-	-	-	-	-	(82,647)	(82,647)	851,834	1,005	1,006	
Total non current liabilities	488,673	-	-	-	-	-	-	-	488,673	-	-	
Community wealth/Equity	1,268,066	-	-	-	-	-	(50,792)	(50,792)	1,217,275	150,783	118,540	
Cash flows												
Net cash from (used) operating	311,850	-	-	-	-	-	(214,628)	(214,628)	97,221	296,015	315,886	
Net cash from (used) investing	(109,765)	-	-	-	-	-	(10,400)	(10,400)	(120,165)	(104,945)	(107,958)	
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-	
Cash/cash equivalents at the year end	243,033	-	-	-	-	-	(225,028)	(225,028)	18,005	209,074	358,380	
Cash backing/surplus reconciliation												
Cash and investments available	205,974	-	-	-	-	-	(225,028)	(225,028)	(19,055)	165,984	185,632	
Application of cash and investments	154,014	-	-	-	-	-	(100,005)	(100,005)	54,010	1,660,753	1,864,824	
Balance - surplus (shortfall)	51,960	-	-	-	-	-	(125,024)	(125,024)	(73,064)	(1,494,770)	(1,679,192)	
Asset Management												
Asset register summary (WDV)	1,850,221	-	-	-	-	-	10,400	10,400	1,860,621	(23,714)	(23,737)	
Depreciation	60,311	-	-	-	-	-	-	-	60,311	62,965	63,025	
Renewal and Upgrading of Existing Assets	48,395	-	-	-	-	-	-	-	48,395	40,973	45,923	
Repairs and Maintenance	65,340	-	-	-	-	-	500	500	65,840	89,662	89,932	
Free services												
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-	
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-	-	
Households below minimum service level												
Water:	23,496	-	-	-	-	-	-	-	23,496	-	-	
Sanitation/sewerage:	43,465	-	-	-	-	-	-	-	43,465	-	-	
Energy:	-	-	-	-	-	-	-	-	-	-	-	
Refuse:	91,522	-	-	-	-	-	-	-	91,522	-	-	

Standard Description	Ref	2022/23									Budget Year 2023/24	Budget Year 2024/25
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
R thousands	1, 4											
Revenue - Functional												
Governance and administration		877,244	-	-	-	-	-	-	-	877,244	922,407	952,912
Executive and council Finance and administration		393	-	-	-	-	-	-	-	393	399	406
Internal audit		876,850	-	-	-	-	-	-	-	876,850	922,008	952,506
Community and public safety Community and social services Sport and recreation		15,836	-	-	-	-	-	27,000	27,000	42,836	16,120	16,360
Public safety Housing Health		5,095	-	-	-	-	-	-	-	5,095	5,219	5,278
Energy		539	-	-	-	-	-	-	-	539	548	557
Economic and environmental services		1,135	-	-	-	-	-	-	-	1,135	1,152	1,171
Planning and development Road transport		8,816	-	-	-	-	-	-	-	8,816	8,948	9,096
Environmental protection		250	-	-	-	-	-	27,000	27,000	27,250	254	258
Trading services Energy sources Water management		99,954	-	-	-	-	-	-	-	99,954	90,786	94,385
Waste water management Waste management		94,644	-	-	-	-	-	-	-	94,644	85,397	88,907
Other		5,309	-	-	-	-	-	-	-	5,309	5,389	5,478
		-	-	-	-	-	-	-	-	-	-	-
		294,563	-	-	-	-	-	-	-	294,563	306,673	309,915
		5,000	-	-	-	-	-	-	-	5,000	4,292	7,000
		187,641	-	-	-	-	-	-	-	187,641	195,988	196,348
		53,344	-	-	-	-	-	-	-	53,344	55,673	55,766
		48,578	-	-	-	-	-	-	-	48,578	50,721	50,801
		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1,287,597	-	-	-	-	-	27,000	27,000	1,314,597	1,335,987	1,373,572

Expenditure - Functional												
Governance and administration		547,192	-	-	-	-	-	41,902	41,902	589,094	579,802	643,002
Executive and council Finance and administration		65,455	-	-	-	-	-	1,195	1,195	66,650	67,990	68,195
Internal audit		478,645	-	-	-	-	-	40,522	40,522	519,167	508,592	571,579
Community and public safety		3,092	-	-	-	-	-	185	185	3,277	3,221	3,228
Community and social services		145,868	-	-	-	-	-	21,164	21,164	167,032	151,680	153,428
Sport and recreation		36,549	-	-	-	-	-	(1,494)	(1,494)	35,054	37,788	39,313
Public safety		44,290	-	-	-	-	-	100	100	44,390	46,124	46,225
Housing Health		52,038	-	-	-	-	-	1,182	1,182	53,221	54,207	54,315
Economic and environmental services		8,224	-	-	-	-	-	770	770	8,994	8,585	8,594
Planning and development		4,767	-	-	-	-	-	20,606	20,606	25,373	4,976	4,981
Road transport		162,782	-	-	-	-	-	221	221	163,003	185,258	185,927
Environmental protection		54,849	-	-	-	-	-	(7)	(7)	54,842	56,258	56,669
Trading services		107,558	-	-	-	-	-	315	315	107,873	128,608	128,866
Energy sources		375	-	-	-	-	-	(87)	(87)	288	392	392
Water management		251,612	-	-	-	-	-	13,835	13,835	265,447	268,464	272,675
Waste water management		82,922	-	-	-	-	-	1,375	1,375	84,297	90,255	93,124
Other		119,173	-	-	-	-	-	4,340	4,340	123,513	126,650	127,847
		15,351	-	-	-	-	-	2,650	2,650	18,001	16,068	16,094
		34,165	-	-	-	-	-	5,470	5,470	39,635	35,490	35,610
		-	-	-	-	-	-	670	670	670	-	-
Total Expenditure - Functional	3	1,107,454	-	-	-	-	-	77,792	77,792	1,185,246	1,185,203	1,255,032
Surplus/ (Deficit) for the year		180,142	-	-	-	-	-	(50,792)	(50,792)	129,350	150,783	118,540

GRANTS

Description	Ref	2022/23							Budget Year 2023/24	Budget Year 2024/25
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
		A	2 A1	3 B	4 C	5 D	6 E	7 F		
R thousands										
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:										
Operating expenditure of Transfers and Grants National Government:										
Expanded Public Works Programme Integrated Grant		(18,357)	-	-	-	-	-	(18,357)	(14,691)	(17,730)
Local Government Financial Management Grant		(2,238)	-	-	-	-	-	(2,238)	-	-
Municipal Infrastructure Grant		(3,100)	-	-	-	-	-	(3,100)	(3,100)	(3,100)
Energy Efficiency and Demand Side Management Grant		(8,019)	-	-	-	-	-	(8,019)	(7,299)	(7,630)
Provincial Government:		(5,000)	-	-	-	-	-	(5,000)	(4,292)	(7,000)
Specify (Add grant description)		(1,622)	-	-	-	-	-	(1,622)	(1,694)	(1,695)
District Municipality:		(1,622)	-	-	-	-	-	(1,622)	(1,694)	(1,695)
Specify (Add grant description)		-	-	-	-	27,000	27,000	27,000	-	-
Other grant providers:		-	-	-	-	27,000	27,000	27,000	-	-
Local Government, Water and Related Service SETA		(300)	-	-	-	-	-	(300)	-	-
		(300)	-	-	-	-	-	(300)	-	-
Total operating expenditure of Transfers and Grants:		(20,279)	-	-	-	27,000	27,000	6,721	(16,385)	(19,425)
Capital expenditure of Transfers and Grants National Government:										
Municipal Infrastructure Grant		(72,168)	-	-	-	-	-	(72,168)	(65,695)	(68,670)
Provincial Government: District Municipality:		(72,168)	-	-	-	-	-	(72,168)	(65,695)	(68,670)
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		(72,168)	-	-	-	-	-	(72,168)	(65,695)	(68,670)
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		(92,447)	-	-	-	27,000	27,000	(65,447)	(82,080)	(88,095)

Assets Management

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 0				
Asset 1 (Immovable Asset)				
Name	MIG/NW/2743/R,ST/21/22 - Upgrading of Interconnector Road in Setlopo Sa Bosigo (Ward 35)			
Description	Construction of Immovable Asset (i.e. Road) - Upgrading of Interconnector Road in Setlopo Sa Bosigo (Ward 35)			
Asset Type	Immovable Asset - Road Network Asset			
Key Staff Involved	Infrastructure Project Management Unit (i.e. Mr V.Thukani & Mrs A. Samodien)			
Staff Responsibilities	Co-ordinate, planning, implementing, managing and oversight for the Infrastructure Construction Project			
Asset Value	Year -3	Year -2 (Estimate)	Year -1 (Estimate)	Year 0 (Estimate)
	21 101 689.10	20 007 408.65	19 343 932.97	18 680 457.28
Capital Implications	Multi-year project funded by the Municipal Infrastructure Grant.			
Future Purpose of Asset	To provide a facility that allows the movement of vehicles and pedestrians to access their properties and for travel mobility			
Describe Key Issues	None			
Policies in Place to Manage Asset	MLM has a council approved asset management policy. Furthermore, the MLM Technical Department (Roads) will continually assess and maintain the road.			
Asset 2 (Immovable Asset)				
Name	MIG/NW/2742/R/21/22 - Upgrading of Interconnector Road from Airport View to Bray Road			
Description	Construction of Immovable Asset (i.e. Road) - Upgrading of Interconnector Road from Airport View to Bray Road			
Asset Type	Immovable Asset - Road Network Asset			
Key Staff Involved	Infrastructure Project Management Unit (i.e. Mr V.Thukani & Mrs A. Samodien)			
Staff Responsibilities	Co-ordinate, planning, implementing, managing and oversight for the Infrastructure Construction Project			
Asset Value	Year -3	Year -2 (Estimate)	Year -1 (Estimate)	Year 0 (Estimate)
	19 691 191.67	18 879 195.67	18 351 831.72	17 824 467.77
Capital Implications	Multi-year project funded by the Municipal Infrastructure Grant.			

Future Purpose of Asset	To provide a facility that allows the movement of vehicles and pedestrians to access their properties and for travel mobility			
Describe Key Issues	None			
Policies in Place to Manage Asset	MLM has a council approved asset management policy. Furthermore, the MLM Technical Department (Roads) will continually assess and maintain the road.			
Asset 3 (Immovable Asset)				
Name	MIG/NW/2068/CF/15/16 - Provision for Multi-purpose Centre in Ward 29/Ward 32			
Description	Construction of Immovable Asset (i.e. Road) - Provision for Multi-purpose Centre in Ward 29/Ward 32			
Asset Type	Immovable Asset - Road Network Asset			
Key Staff Involved	Infrastructure Project Management Unit (i.e. Mr V.Thukani & Mrs A. Samodien)			
Staff Responsibilities	Co-ordinate, planning, implementing, managing and oversight for the Infrastructure Construction Project			
Asset Value	Year -3	Year -2 (Estimate)	Year -1 (Estimate)	Year 0 (Estimate)
	17 337 923.96	16 757 817.75	16 293 478.36	15 829 138.96
Capital Implications	Multi-year project funded by the Municipal Infrastructure Grant.			
Future Purpose of Asset	To provide a multi-purpose facility to the community to serve as a public hall for meetings, functions and gatherings.			
Describe Key Issues	None			
Policies in Place to Manage Asset	MLM has a council approved asset management policy. Furthermore, the MLM Technical Department (Roads) will continually assess and maintain the road.			
Asset 4 (Movable Asset)				
Name	UD - Compactor Garbage Truck			
Description	UD - Compactor Garbage Truck			
Asset Type	Transport Assets - Heavy Vehicles (Trucks)			
Key Staff Involved	Community Services (Refuse Removal)			
Staff Responsibilities	To collect refuse and solid waste from the residents of Mahikeng.			
Asset Value	Year -3	Year -2 (Estimate)	Year -1 (Estimate)	Year 0 (Estimate)
	2 250 000.00	2 034 261.09	1 869 523.21	1 704 785.34
Capital Implications	Acquired cash through a transversal contract.			
Future Purpose of Asset	To assist to collect rubble, refuse and solid waste from the MLM households and illegal dumping sites			
Describe Key Issues	None			
Policies in Place to Manage Asset	MLM has a council approved asset management policy. Furthermore, the MLM Community Services will continually assess the vehicle. The vehicle also has a manufacturer warranty and service plan.			
Asset 5 (Movable Asset)				
Name	Fire Truck			
Description	Fire Truck			
Asset Type	Transport Assets - Fire Truck			
Key Staff Involved	Technical Department (Fire)			
Staff Responsibilities	To assist the fire department to extinguish fires.			
Asset Value	Year -3	Year -2 (Estimate)	Year -1 (Estimate)	Year 0 (Estimate)
	1 552 495.30	1 306 148.52	1 182 636.75	1 059 124.97
Capital Implications	Donated by Department of Forestry			
Future Purpose of Asset	To assist the fire department to extinguish fires.			
Describe Key Issues	None			
Policies in Place to Manage Asset	MLM has a council approved asset management policy. Furthermore, the MLM Technical Department and Community Services will continually assess the vehicle. The vehicle also has a manufacturer warranty and service plan.			
Asset 6 (Movable Asset)				
Name	Cherry Picker Truck			
Description	Cherry Picker Truck			
Asset Type	Transport Assets - Truck			
Key Staff Involved	Technical Department (Electrical)			
Staff Responsibilities	To assist electrical officials to service and maintain street lights and high mast lights. Also assists with tree cutting and trimming at Community Services			
Asset Value	Year -3	Year -2 (Estimate)	Year -1 (Estimate)	Year 0 (Estimate)
	977 470.03	906 620.68	846 620.66	786 620.63
Capital Implications	Acquired cash through a transversal contract.			
Future Purpose of Asset	To assist electrical officials to service and maintain street lights and high mast lights. Also assists with tree cutting and trimming at Community Services			
Describe Key Issues	None			
Policies in Place to Manage Asset	MLM has a council approved asset management policy. Furthermore, the MLM Technical Department will continually assess the Cherry Picker Truck and ensure that it is in good working order. The vehicle also has a manufacturer warranty.			

Financial Ratios Analysis

1. Financial Position

A. Asset Management

1. Capital Expenditure to Total Expenditure

Purpose/Description of the Ratio

This Ratio is used to assess the level of Capital Expenditure to Total Expenditure, which indicates the prioritisation of expenditure towards current operations versus future capacity in terms of Municipal Services.

Total Capital Expenditure / Total Expenditure (Total Operating Expenditure + Capital Expenditure) × 100

2023	2022
9.27%	10.48%

Comments

The norm range between 10% and 20%. Mahikeng local municipality has 9.27% in 2023 which signal an acceptable percentage of capital expenditure in relation to total expenditure.

B. Liquidity Management

1. Cash/ Cost Coverage Ratio (Excluding Unspent Conditional Grants)

Purpose/ Use of the Ratio

The Ratio indicates the Municipality's or Municipal Entity's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.

The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal Municipal day-to-day operational expenditure but rather reserved for Grant related expenditure.

((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)).

2023	2022
2.98	0.57

Comments

The norm range between 1 month to 3 months and the municipality has the coverage period of 3 months which means the municipality is able to cover its operational expenditure for 3 months from cash and short-term investments.

2. Current Ratio

Purpose/ Use of the Ratio

The Ratio is used to assess the Municipality's or Municipal Entity's ability to pay back its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables).

Current Assets / Current Liabilities

2023	2022
0.40	0.48

Comments

The norm range between 1.5 to 2 :1 is acceptable, however, the municipality has a ratio of 0.40:1 which is negative because it means the municipality's current assets cannot cover current liability which creates cashflow problems in the short-term.

C. Debtors Management

1. Net Debtors Days

Purpose/ Use of the Ratio

This ratio reflects the collection period. Net Debtor Days refers to the average number of days required for a Municipality or Municipal Entity to receive payment from its Consumers for bills/invoices issued to them for services. The Ratio exclude balances for Debtors, which the Municipality or Municipal Entity has assessed as potentially irrecoverable, and is also a good indication of the effectiveness of credit control procedures within the Municipality or Municipal Entity as well as the extent to which the Municipality or Municipal Entity has provided for Doubtful Debts.

((Gross Debtors - Bad Debt Provision) / Billed Revenue) × 365

2023	2022
10.33	57.98

Comments

The norm is 30 Days and currently the municipality collection period is 10 days which is an improvement from 57 days in the prior year. The collects revenue timeously.

Component B: Spending Against Capital Budget

Description	Ref	2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year 2023/24	Budget Year 2024/25
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Capital Expenditure - Functional																
<i>Governance and administration</i>		-	-	58	931	979	-	6	978	961	961	961	4,853	10,687	10,530	10,541
Executive and council		-	-	-	-	979	-	-	948	294	294	294	(125)	2,683	2,175	2,177
Finance and administration		-	-	58	931	-	-	6	30	650	650	650	4,828	7,803	8,147	8,154
Internal audit		-	-	-	-	-	-	-	-	17	17	17	150	200	209	209
<i>Community and public safety</i>		-	-	977	28	-	6,948	-	1,131	3,460	3,460	3,460	9,033	28,498	20,043	20,062
Community and social services		-	-	-	28	-	-	-	-	163	163	163	1,442	1,960	2,046	2,048
Sport and recreation		-	-	977	-	-	-	-	1,105	349	349	349	1,059	4,188	4,372	4,376
Public safety		-	-	-	-	-	6,948	-	26	1,058	1,058	1,058	2,550	12,700	13,259	13,272
Housing		-	-	-	-	-	-	-	-	29	29	29	263	350	365	366
Health		-	-	-	-	-	-	-	-	1,860	1,860	1,860	3,720	9,300	-	-
<i>Economic and environmental services</i>		7,909	2,511	20,794	12,625	3,213	8,167	-	3,462	5,990	5,990	5,990	(2,670)	73,981	69,153	72,132
Planning and development		7,909	2,511	20,794	12,597	3,213	8,167	-	3,462	5,983	5,983	5,983	(2,702)	73,901	69,070	72,048
Road transport		-	-	-	28	-	-	-	-	7	7	7	32	80	84	84
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	584	-	-	145	952	798	798	798	2,704	6,778	4,989	4,993
Energy sources		-	-	-	584	-	-	145	58	613	613	613	1,932	4,558	2,671	2,673
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	893	185	185	185	772	2,220	2,318	2,320
<i>Other</i>		-	-	-	-	-	-	-	-	18	18	18	165	220	230	230
Total Capital Expenditure - Functional		7,909	2,511	21,830	14,168	4,192	15,115	151	6,523	11,227	11,227	11,227	14,085	120,165	104,945	107,958

Component C: Cash flow

Description	Ref	2022/23										Budget Year 2023/24	Budget Year 2024/25
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H			
R thousands													
CASH FLOW FROM OPERATING ACTIVITIES													
Receipts													
Property rates Service charges Other revenue		48,715	-	-	-	-	-	258,497	258,497	307,212	56,349	55,505	
Transfers and Subsidies - Operational Transfers and Subsidies - Capital		421,478	-	-	-	-	-	(214,864)	(214,864)	206,614	436,856	437,134	
Interest		175,045	-	-	-	-	-	(138,805)	(138,805)	36,240	181,801	182,490	
Dividends	1	317,318	-	-	-	-	-	47,279	47,279	364,597	332,181	359,425	
Payments													
Suppliers and employees Finance charges Transfers and Grants	1	72,168	-	-	-	-	-	-	-	72,168	65,695	68,670	
		4,100	-	-	-	-	-	-	-	4,100	4,161	4,230	
		-	-	-	-	-	-	-	-	-	-	-	
		(726,974)	-	-	-	-	-	(166,736)	(166,736)	(893,710)	(781,027)	(791,568)	
		-	-	-	-	-	-	-	-	-	-	-	
	1	-	-	-	-	-	-	-	-	-	-	-	
NET CASH FROM/(USED) OPERATING ACTIVITIES		311,850	-	-	-	-	-	(214,628)	(214,628)	97,221	296,015	315,886	
CASH FLOWS FROM INVESTING ACTIVITIES													
Receipts													
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current receivables Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	
Payments													
Capital assets		(109,765)	-	-	-	-	-	(10,400)	(10,400)	(120,165)	(104,945)	(107,958)	
NET CASH FROM/(USED) INVESTING ACTIVITIES		(109,765)	-	-	-	-	-	(10,400)	(10,400)	(120,165)	(104,945)	(107,958)	
CASH FLOWS FROM FINANCING ACTIVITIES													
Receipts													
Short term loans		-	-	-	-	-	-	-	-	-	-	-	
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	
Payments													
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-	-	
NET INCREASE/ (DECREASE) IN CASH HELD		202,085	-	-	-	-	-	(225,028)	(225,028)	(22,943)	191,070	207,927	
Cash/cash equivalents at the year begin:	2	40,948	-	-	-	-	-	-	-	40,948	18,005	150,453	
Cash/cash equivalents at the year end:	2	243,033	-	-	-	-	-	(225,028)	(225,028)	18,005	209,074	358,380	

GRAP COMPLIANCE

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

No instances where the municipality has deviated from the GRAP standards. 190

CHAPTER 6
AUDITOR GENERAL AUDIT FINDINGS
INTRODUCTION

The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement must be audited annually by the Auditor-General.

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS

6.1 AUDITOR GENERAL REPORTS 2021/22

The Mahikeng Local Municipality received an Qualified audit opinion for prior financial year.

COMPONENT B: AUDITOR-GENERAL OPINION 2022/23

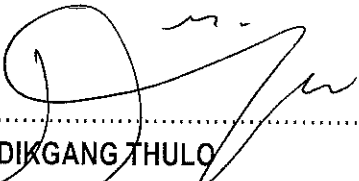
6.2 AUDITOR GENERAL REPORT 2022/23

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: 2022/23

Auditor's report present qualified opinion to the financial position of the Mahikeng Local Municipality as at 30 June 2023

MFMA SECTION 71 RESPONSIBILITIES

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.


.....
MR. DIKGANG THULO
ACTING CHIEF FINANCIAL OFFICER

Dated 2024/01/25

Report of the auditor-general to the North West Provincial Legislature and the council on Mahikeng Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of Mahikeng Local Municipality set out on pages 01 to 105 on Volume II Annual Financial Statements, which comprise the statement of financial position as at 30 June 2023, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the possible effects of the matter described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Mahikeng Local Municipality as at 30 June 2023, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

Basis for opinion

General expenses

3. The municipality did not account for general expenses in accordance with GRAP 1, *Presentation of financial statements*. This is due to the submitted invoices not agreeing to the accounting records. Consequently, general expenditure and trade payable are overstated by R26 019 305 as disclosed in note 33 and note 6 to the financial statements respectively.

Context for opinion

4. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
5. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matter

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

Restatement of corresponding figures

8. As disclosed in note 47 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of correction of errors identified by the municipality in the prior year financial statements of the municipality at, and for the year ended, 30 June 2023.

Other matter

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

Unaudited disclosure notes

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

Responsibilities of the accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or there is no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

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

Report on the audit of the annual performance report

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
16. I selected the following material programmes presented in the annual performance report for the year ended 30 June 2023. I selected programmes that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Key performance areas (KPA)	Page numbers	Purpose
KPA: Basic Service Delivery and Infrastructure Development	[143]	Distribution of water and wastewater treatment and Operation and maintenance of the wastewater network, lift stations and wastewater treatment plants and infrastructure development.
KPA: Local Economic Development and Spatial Rational	[135]	The purpose is to collate all economic information and investigate the coordinated and integrated options and opportunities available to broaden the economic base of the study area, packaged as a strategic implementation framework in order to address the creation of employment opportunities, investment and business development and the resultant positive spin-off effects throughout the district economy

17. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
18. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives.
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements.
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.

- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
- the reported performance information is presented in the annual performance report in the prescribed manner.
- There is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

19. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

20. The material findings on the reported performance information for the selected programmes are as follows:

KPA: Basic service delivery and Infrastructure development

KPI 72: Volume in KL of water distributed in urban areas

21. An achievement of 3 751 523 KL was reported against a target of 7 500 000 KL, but the audit evidence showed the actual achievement to be 7 858 373 KL. The achievement against the target was better than reported.

KPI 89: Number of high mast lights to be constructed

22. An achievement of *“Foundation casted, poles erected awaiting Eskom connection”* was reported against a target of *“80 high mast lights”*. However, the audit evidence showed the actual achievement to be zero. Consequently, the target was not achieved. Additionally, the reported achievements were not consistent with planned targets as the indicators targeted the completion of 80 high mast lights, however the achievements were reported in terms of stages of completion. Furthermore, the audit evidence provided did not provide the latest progress at year end.

KPI 102: Number of weekly collections of refuse at trade premises and urban residential areas

23. I could not determine if the predetermined nature and required level of performance to be used when measuring the achievement of the target of *“Once weekly collection of refuse at trade premises and urban residential areas by 30 June 2023”* was correct, as the target was not determined as a number consistent with how the indicator is described.

KPI 106: Number of landfill site operational and maintained

24. An achievement of 1 was reported against a target of 1. However, the audit evidence showed the actual achievement to be zero. Consequently, the target was not achieved and the reported performance was overstated.

Various indicators

25. I could not determine if the reported achievements were correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievements might be more or less than reported.

Indicator	Target	Reported achievement
KPI 79: Number of high Masts lights retrofitted	494 High Masts light retrofitted by 31 March 2023	494 High Masts light retrofitted
KPI 81: Upgrading of road in Masutlhe from gravel to Paving	Upgrading of 4km of road in Masutlhe from gravel to Paving project to be complete by 30 June 2023	Upgrading of 4km of road in Masutlhe from gravel to Paving project not completed Progress report: <ul style="list-style-type: none"> • Subbase - 100% • Paving - 85% • Kerbing - 95%

Various indicators

26. I could not determine if the reported achievements were correct, due to the poor state of the performance records as the listings or monthly reports differed with the reported achievements. Consequently, the achievements might be more or less than reported.

Indicator	Target	Reported achievement
KPI 73: Volume in KL of treated wastewater discharged from the wastewater treatment Works	5 750 000 KL of treated wastewater discharged from the wastewater treatment Works by 30 June 2023	3 917 708,67 KL of treated wastewater discharged from the wastewater treatment Works
KPI 77: Number of Street lighting maintained	600 Street lighting maintained by 30 June 2023	1 244 Street lighting maintained
KPI 78: Number of High Masts lights maintained	500 High Masts lights maintained by 30 June 2023	938 High Masts lights maintained
KPI 103: Number of illegal dumping spots cleaned	47 illegal dumping spots cleaned by 30 June 2023	52 illegal dumping spots cleaned

Various indicators

27. Based on audit evidence, the actual achievement for the 2 indicators did not agree to the achievements reported. Consequently, the targets were not achieved. Furthermore, the audit evidence provided did not provide the latest progress at year end.

Indicator	Target	Reported achievement	Audited value
KPI 83: Upgrading of road from Tloung Village to Bokone - Phase II	Upgrading of road from Tloung Village to Bokone - Phase II project to be complete by 30 June 2023	Upgrading of road from Tloung Village to Bokone - Phase II project not complete Progress report: <ul style="list-style-type: none"> • Base - 80% • Kerbing - 53% • Paving - 53% • V-Drain - 33% 	Upgrading of road from Tloung Village to Bokone - Phase II project not complete Progress report: The overall progress is 50% and time elapse is 34%, contractor is behind by 16%. They have done

Indicator	Target	Reported achievement	Audited value
			240m of roadbed and 220m of selected layer which still need to be verified and tested.
KPI 88: Number of new outdoor sports centre developed Mmabatho Stadium phase 3	1 new outdoor sports centre developed Mmabatho Stadium phase 3 project complete by 30 June 2023	1 new outdoor sports centre developed Mmabatho Stadium phase 3 project not completed. Progress report: <ul style="list-style-type: none"> Platform excavation - 100% Main building foundation - 100% Casting of columns - 10% Brick works - 25% Plumbing - 20% 	1 new outdoor sports centre developed Mmabatho Stadium phase3 project not completed. Progress report: <p>Detailed progress</p> <p>Excavation = 10%</p> <p>Compaction = 0%</p> <p>Testing = 0%</p> <p>Reinforcement = 0%</p> <p>Concrete = 0%</p> <p>Brickwork = 0%</p> <p>Wall plate level = 0%</p> <p>Roof = 0%</p> <p>Plaster = 0%</p> <p>Paint = 0%</p> <p>Plumbing = 0%</p> <p>Electrical work = 0%</p> <p>Mechanical = 0%</p> <p>Summary progress</p> <p>Expenditure: 14,75%</p> <p>Construction Progress:15%</p> <p>Time lapsed :23%</p>

Various indicators

28. The measures below were reported to improve the performance against the target. I could not determine if the measures were correct, as adequate supporting evidence was not provided for auditing. Consequently, I could not determine whether the reported measures were reliable.

Indicator	Target	Remedial action taken to improve performance
KPI 72: Volume in KL of water distributed in urban areas	7 500 000 KL of water distributed in urban areas by 30 June 2023	Procurement of standby generators and the meeting to be held between Magalies water and Mahikeng Local Municipality.
KPI 73: Volume in KL of treated wastewater discharged from the wastewater treatment Works	5 750 000 KL of treated wastewater discharged from the wastewater treatment Works by 30 June 2023	Fixing of wastewater treatment plants and upgrading of pumpstations to ensure continuous flow and

Indicator	Target	Remedial action taken to improve performance
		environmental compliance regarding sewer
KPI 74: Number of square meters of surfaced road maintained	10 000 m2 of surfaced road maintained by 30 June 2023	To request additional budget in the next financial year for procuring small plant machine and material for pothole patching
KPI 75: Length in kilometres of stormwater drainage systems maintained	30 kilometres of stormwater drainage systems maintained by 30 June 2023	To request additional budget in the next financial year for procuring additional TLB to focus on Stormwater.
KPI 81: Upgrading of road in Masutlhe from gravel to Paving	Upgrading of 4km of road in Masutlhe from gravel to Paving project to be complete by 30 June 2023	Speed up the delivery of material
KPI 83: Upgrading of road from Tloung Village to Bokone - Phase II	Upgrading of road from Tloung Village to Bokone - Phase II project to be complete by 30 June 2023	The projects to be completed in the next financial year.
KPI 87: Construction of kilometres of new access road to Matlalong Graveyard	Construction of 2 kilometres of new access road to Matlalong Graveyard project to be complete by 30 June 2023	Appointment letters for projects to indicate the kms for the projects.
KPI 88: Number of new outdoor sports centre developed Mmabatho Stadium phase 3	1 new outdoor sports centre developed Mmabatho Stadium phase 3 project complete by 30 June 2023	The projects to be completed in the next financial year.
KPI 89: Number of high mast lights to be constructed	80 high mast lights to be constructed project to be complete by 30 June 2023	Eskom to electrification connection and Project will be completed

KPA: Local Economic Development and Spatial Rational

KPI 61: Number of agricultural projects farmers and/or supported and monitored

29. An achievement of 91 was reported against a target of 12 but the audit evidence indicate the actual achievement to be 20. The target was still achieved and the reported performance was overstated.

Various indicators

30. I could not determine if the reported achievements were correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievements might be more or less than reported.

Indicator	Target	Reported achievement
KPI 53: Review of Mahikeng Land Use Scheme	Review of Mahikeng Land Use Scheme by 30 June 2023	Final Land Use Scheme Maps Report submitted by 30 June 2023
KPI 54: Preparation of Village Development Strategy	Preparation of Village Development Strategy by 30 June 2023	Implementation Framework submitted by 30 June 2023
KPI 66: Number of arts projects facilitated	4 Arts and culture activities by 30 June 2023	3 Arts and culture activities by 30 June 2023
KPI 70: Number of SMMEs supported through LED initiatives	5 SMMEs Supported through LED Initiatives by 30 June 2023	Three (3) business licences were issued, Transport assistance for Bamboo Tree Promotions was granted; Billboards & street pole ads for Fill Up Mmabatho Stadium and 1 SMME supported.

Various indicators

31. The measures below were reported to improve the performance against the target. I could not determine if the measures were correct, as adequate supporting evidence was not provided for auditing. Consequently, I could not determine whether the reported measures were reliable.

Indicator	Target	Remedial action taken to improve performance
KPI 56: Development of Ottoshoop Master plan	Development of Ottoshoop Master plan by 30 June 2023	To request for budget to be available to appoint service provider to develop the Ottoshoop Master plan
KPI 57: Number of bricks making projects facilitated and established	1 Brick making projects by 30 June 2023	To request for budget to be available to appoint service provider for feasibility study
KPI 66: Number of Arts projects facilitated	4 Arts and Culture Activities by 30 June 2023	Arts and Culture activities to be achieved on availability of Budget allocation in the next financial year.

Other matters

32. I draw attention to the matters below.

Achievement of planned targets

33. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

Material misstatements

34. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Basic Service Delivery and Infrastructure Development and Local Economic Development and Spatial Rational. Management did not correct all the misstatements and I reported material findings in this regard.

Report on compliance with legislation

35. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.
36. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
37. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
38. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

39. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Some material misstatements of current liabilities, cashflow statement and disclosures identified by the auditors in the submitted financial statements were subsequently corrected, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

Expenditure management

40. Reasonable steps were not taken to prevent irregular expenditure amounting to R209 063 530 as disclosed in note 41 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was due to tax and other non-compliance with supply chain management (SCM) regulation 29(2) and procurement processes not being followed.
41. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R163 992 285, as disclosed in note 39 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA.

Procurement and contract management

42. Sufficient appropriate audit evidence could not be obtained that the performance of contractors or providers was monitored on a monthly basis as required by section 116(2) of the MFMA. This limitation was identified in the procurement processes for the provision of eighty high mast lights.
43. Sufficient appropriate audit evidence could not be obtained that contract performance and monitoring measures were in place to ensure effective contract management as required by section 116(2)(c)(ii) of the MFMA. This limitation was identified in the procurement processes for the provision of eighty high mast lights.
44. Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM Regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM Regulation 36(1).
45. Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of by SCM Regulation 17(1)(a) and (c). Similar non-compliance was also reported in the prior year.
46. The preference point system was not applied to some of the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act. Similar non-compliance was also reported in the prior year.

Asset Management

47. Capital assets were disposed of without the municipal council having, in a meeting open to the public, decided on whether the assets were still needed to provide the minimum level of basic municipal services and/or considered the fair market value of the assets and the economic and community value to be received in exchange for the assets, as required by section 14(2)(a) and 14(2)(b) of the MFMA.

Human resource management

48. Senior manager was appointed without submitting original/certified copies of academic and professional qualifications prior to signing employment contracts, as required by municipal performance regulations for municipal managers and managers directly accountable to municipal managers 4(4)(b).

Consequence management

49. Unauthorised, irregular or fruitless and wasteful expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) and (b) of the MFMA.

Other information in the annual report

50. The accounting officer is responsible for the other information included in the annual report which includes the audit committees report. The other information referred to does not include

the financial statements, the auditor's report and those selected material indicators in the scoped-in development priority presented in the annual performance report that have been specifically reported on in this auditor's report.

51. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
52. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in development priority presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
53. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

54. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified of opinion, and the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
55. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant, and accurate information was accessible and available to support financial and performance reporting.
56. Management did not implement controls over daily and monthly processing and reconciling of transactions.
57. Management did not implement effective human resource management to ensure that adequate and sufficiently skilled resources were in place and that performance was monitored.
58. Management did not review and monitor compliance with applicable laws and regulations.

Material irregularities

59. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of the material irregularities reported in the previous year's auditor's report.

Status of previously reported material irregularities

Investment of funds in contradiction of the Municipal Investment Regulations

60. During 2018, the municipality invested funds in a 32 day notice account with a mutual bank that was not registered in terms of the Banks Act 94 of 1990, which is a contravention of municipal investment regulation 6(c). As the mutual bank was placed under curatorship on 11 March 2018, the non-compliance is likely to result in a material financial loss if the municipality cannot obtain a refund of these deposits. During the 2019-20 financial year, the municipality impaired the investment of R83 440 312 (including interest).
61. The accounting officer was notified of the material irregularity on 24 February 2021. The following actions have been taken to resolve the material irregularity:
- The municipality successfully lodged a claim against the estate of the mutual bank on 13 November 2018 in the Gauteng High Court. During the 2021-22 financial year, the curators of VBS mutual bank made a preliminary distribution of R5 948 284.85 to the municipality. The claim and the process to recover the deposits from the estate of the mutual bank are still in progress.
 - An investigation concluded that the previous accounting officer was responsible for the non-compliance and the related financial loss. The municipality instituted disciplinary action against the previous accounting officer, resulting in his dismissal.
 - Criminal proceedings against the previous accounting officer are ongoing. He appeared in the Molopo Magistrate Court on 11 August 2021 and 6 November 2021.
62. The material irregularity was resolved.

AUDITOR GENERAL

Rustenburg

15 December 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for key performance area and on the municipality's compliance with selected requirements in key legislation.

Financial statements

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

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

Communication with those charged with governance

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

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 - Paragraph (a), (b) & (d) of the definition: irregular expenditure, Section 1 - Definition: service delivery and budget implementation plan, Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), Sections 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, Sections 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a), Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b), Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, Regulations 44, 46(2)(e), 46(2)(f)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 29(3)(b), 34(a), 34(b), Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a), Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 93J(1), 96(b) Parent municipality with ME: Sections 93B(a), 93B(b) Parent municipality with shared control of ME: Sections 93C(a)(iv), 93C(a)(v)

Legislation	Sections or regulations
MSA: Municipal Planning and performance Management Regulations,2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a),10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2), Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

Financial Year: 2021/2022
Annexure: Matters Affecting Audit Report
Audit Action Plan Status: All
Implementation Status: Not Yet
Started|In Progress|Completed|Agreed
Findings Addressed

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
AAP46134-2022		ISS.73-COMAF:26: ISS73: Payment not made within 30 days (Inventory, legal fees, professional fees and remaining population)		Payments were not made in 30 days.	Lack of reviews by the finance department when receiving invoices	Management should ensure all invoices/statements are date stamped when received by the finance department to ensure that payment is effected within 30 days of receipt			Implement invoice tracing register to monitor the date of receiving the invoice and the payment of the invoice to ensure that invoices are paid within 30 days of receiving the invoice.	Action plan documented and awaiting POE	Action plan address the findings	Developed(Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A
AAP46144-2022	General expenses	ISS 63: Cut off issue Expenditure	1 066 714	During execution it was noted that expenditure transactions relating to audit fees committee for the year ended 30 June 2022 was not recorded in 2021/22 financial year.	Management does not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting	Management should put controls in place to ensure that transaction are recorded in the financial year in which they are incurred	Tshepiso Modisa	30-Jun-2023	Management to revisit the audit committee fees transactions and ensure that transaction under the account is accounted for in the correct financial period.	Action plan documented and awaiting POE	Enough evidence attached but action plan status still in progress since current year payments will still have to continue being carried out until year end.	Developed(Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A
AAP46145-2022	General expenses	ISS 72: Insurance Pre-payment:	4 187 171	During execution it was noted that pre-payment was made for insurance with Kunene Makopo Risk solutions for a period of 5 months from July 2022 to November 2022 and the amount was recorded in the current financial year as expenditure. Cause Lack of application of GRAP standard 1 to ensure that	Management does not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.	Management should put controls in place to ensure that all amounts recorded in the current financial year relates to current financial year.	Tshepiso Modisa	30-Jun-2023	Management to revisit the short-term insurance transactions and ensure that transaction under the account is accounted for in the correct financial period.	Action plan documented and awaiting POE	Bases on the nature of the finding being continuous and the evidence provided ,the action plan status is correctly captured as in progress	Developed(Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
				transactions are recorded in accrual basis impact The finding will result in overstatement of general expenditure by 4 187 170,61												
AAP46146-2022	General expenses	ISS 103: Repairs and maintenance transactions recorded as inventory expenditure:	4 789 584	During execution it was noted that the are transactions relating to repairs and maintenance were recorded under inventory expenditure. Impact The finding will result in projected misstatement of 4 789 583,74 with inventory Overstated by by R4 789 583,74 and repairs and maintenance understated by R4 789 583,74	Management does not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate	Management should ensure that controls are in place to ensure that transactions are been recorded in the correct accounts	Tshepiso Modisa	30-Jun-2023	Management to revisit inventory expenditure transactions and ensure that transaction under the account is correctly classified with support.	Action plan documented and awaiting POE	Status recorded correctly as in progress and affected transactions still needs to be tracked for correct classification.	Developed(Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A
AAP46147-2022	General expenses	Inconsistency in Repairs and Maintenance Note:		During execution it was noted that note 4 in the financial statements for the year ended 30 June 2022 did not disclose breakdown of prior year repairs and maintenance. Only current year break down was disclosed. Impact The finding will result in control deficiencies	Lack of review of the financial statements to confirm that financial statements are disclosed as per GRAP 1 par 44 and 45	Management should ensure that financial statements are reviewed for compliance with GRAP 1 before submission for the audit	Pule Letshaba	30-Jun-2023	Disclosure notes to be updated in the new financial year with prior year comparatives. Disclosure checklist to be done as per GRAP requirements to ensure that financial statements are presented and disclosed as per GRAP.	Action plan documented and awaiting POE	Draft Disclosure checklist (as per GRAP requirements) not provided to support the implementation status.	Developed(Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
AAP46148-2022	General expenses	ISS: 107 - Differences between the GL and invoice amount	13 199 275	During execution a repairs and maintenance transaction differences between GL and invoice amount were noted. Management did not provide evidence for some invoices or for differences between the invoice and the recorded amounts Impact The finding will result in overstatement of repairs and maintenance by R13 199 275.	Management does not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.	Management should put controls in place to ensure that accurate information is recorded.	Tshepiso Modisa	30-Jun-2023	Payment vouchers will be reviewed against the GL to ensure accuracy. Bonolo Supply Distributors transactions appearing on the GL will be verified against invoices to correct the misstatement and ensure that a correct amount is recorded on the GL.	Action plan documented and awaiting POE	Management should introduce further or extra controls to address this findings i.e Introduction of internal control unit for independent review purposes over payment vouchers.	Developed(Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A
AAP46159-2022	General expenses	ISS 108 - No proof that the service was received from the supplier	1 174 352	During execution it was noted that a job card or a report was not received from tsela road confirming the repairs and maintenance work done for the municipality. impact The finding will result in repairs and maintenance overstated by projected amount of 1 174 352,49	Management does not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting	Management should put controls in place to ensure that all invoices received are support by evidence of the work done by the supplier	Tshepiso Modisa	30-Jun-2023	Management to engage AGSA on the issue in terms of adequate support required on the issue. In addition, after the engagement with AGSA management will revisit the population to ensure that payment batches have adequate and sufficient support.	Action plan documented and awaiting POE	Evidence provided does not relate to the finding and the agreed action plan .The details on the job card does not make reference to tsela telele as stated on the finding and the amount on the job card does not tally with the amount on the findings.	Developed(Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A
AAP46161-2022	General expenses	ISS 110: Employee related cost was classified as professional fees	697 671	During execution it was noted that internal death claim of an amount of R100 000 by Phetha Koyesa was classified as professional fees instead of employee cost, Impact The finding will result in	Management does not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and	Management should put controls in place to ensure that transaction are recorded in the correct accounts.	Tshepiso Modisa	30-Jun-2023	Management to revisit professional fees and ensure that transaction under the account is correctly classified with support.	POE attached to the findings and resolved	Adjustments made to be verified on the AFS since there is no POE attached for internal audit review purposes.	Developed(Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
				projected misstatement of R697 670.66. with professional fees been overstated by R697 670.66 and employee cost understated by R697 670.66	performance reporting.											
AAP46162-2022	General expenses	ISS 119 - No proof of receipt of the goods or services	14 466 180	<p>During execution it was noted that a job card reports or any other supporting documents supporting that good/service was received from the client by the municipality was not received.</p> <p>Impact The finding will result in remaining population overstated by projected amount of R14 466 179,90</p>	Lack of controls in place to ensure that every invoice received by the municipality is supported by the work done by the supplier	Management should put controls in place to ensure that all invoices received are support by evidence of the work done by the supplier.	Tshepiso Modisa	30-Jun-2023	<p>Management to engage AGSA on the issue in terms of adequate support required on the issue.</p> <p>In addition, after the engagement with AGSA management will revisit the population to ensure that payment batches have adequate and sufficient support.</p>	POE attached to the findings and resolved	Finding not clear on specific vouchers that did not have supporting documentation that goods or services were received, furthermore evidence provided does agree to the action plan.	Developed(Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A
AAP46165-2022	General expenses	ISS 120 - Cut off issue	645 707	<p>During execution it was noted that an invoice was received from KJBM TRADING CC for refuse collection done by KJBM TRADING CC for the period 19 May to 29 June 2021 which relates to prior financial year and period 1 July to 19 July 2021 which relates to current financial year. The entire amount was record in the current financial year. impact</p>	Lack of controls in place to ensure that expenditure is recorded in the financial year in which it was incurred.	Management should put controls in place to ensure that transaction are recorded in the financial year in which they are incurred.	Tshepiso Modisa	30-Jun-2023	KJBM Trading CC invoices to be wholly revisited to ensure that all the transactions have been recorded in the correct period. Current year transactions before and after year end to be revisited to ensure that transactions are recorded in the correct financial period.	POE attached to the findings and resolved	POE attached does not relate to the the agreed action plan and the finding. Therefore internal audit cannot further comment on the implementation progress	Developed(Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
				The finding will result in projected overstatement of remaining population by R645 706,78												
AAP46170-2022	Property, plant and equipment	ISS 132: - Misclassification of Assets as Expenditure	24 761 908	<p>During execution it was noted that the following Journals were passed which resulted in assets been recorded as expenditure instead of been recorded as PPE.</p> <p>Impact The finding will result in expenditure been overstated with a projected misstatement of 24 761 908,78 and PPE understated with a projected misstatement of 24 761 908,78</p>	Lack of controls in place to ensure that goods/ services and assets are recorded in the correct accounts Impact	Management should put controls in place to ensure that expenditure and assets are recorded in the correct accounts and for minor assets with low value they can be recorded as assets and be depreciated in full at the same time	Dikgang Thulo	30-Jul-2023	<p>Management to revisit journals on expenditure in the prior year with supporting documents and ensure that transactions have been correctly classified.</p> <p>A similar process will be followed in the preparation of current year AFS in which the population of expenditure will be visited to ensure there are no misclassifications.</p> <p>Mainly the finding refers to the R500, 000 for fire extinguishers for all municipal properties.</p> <p>We acknowledge that the new fire extinguishers must be accounted for correctly. Fire extinguishers are classified as "Standy-by Consumable Equipment". Thus, they must be classified as GRAP 12 Inventory Assets.</p> <p>The above invoice was for new fire extinguishers and servicing of old fire extinguishers. Only the new and refills will be recognised as inventory. The service fees will be expensed.</p> <p>Thus, only R367,600 be recognised as inventory. A prior year journal will be processed to account for the error.</p> <p>The journal will be as follows:</p> <p>Dr Cr Item Account Debit Credit Dr Assets:Current Assets:Inventory:Finished Goods:Acquisitions R500 000.00 Cr Expenditure:Operational Cost:Assets less than the Capitalisation Threshold R500</p>	POE attached to the findings and resolved	Action plan address an adequate POE provided. However, this POE (46170_JNL_-_DK_CY_021_(R170_742).pdf and 46170_JNL_-_DK_CY_021_(R121_249) pdf) is not relevant	Developed(Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
									000.00							
AAP46175-2022	Invalid deviations from official procurement process - SCM reg. 32	ISS 15: SCM: Deviations with value below R200 000		Non-compliance matters were identified whilst auditing the deviations	The lack of proper annual procurement planning as there is enough base data for municipality to identify what are annual needs of goods/services and to plan for these in a timely manner through a complete and accurate procurement plan that must be prepared before commencing of next financial	Management should ensure an accurate and complete annual procurement plan is prepared.	Omphile Xhuma	30-Jun-2023	An SCM compliance checklist will be implemented to ensure that all procurement is done as per published laws and regulations.	POE attached to the findings and resolved	Action plan address the findings and SCM checklist has been developed.	Developed(Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
					year											
AAP46179-2022	Missing or incomplete information	ISS 83: SCM: Preference Points awards below R200 000		The follow findings were identified relating to application of PPPFA	Deficiency in the controls relating to accurate and complete audit trail of awards made where the PPPFA applies. Non-compliance to SCM Regulations and PPPFA as well as irregular expenditure.	Management should improve the internal controls that ensure a complete and accurate audit trail for awards where the PPPFA applies.	Omphile Xhuma	30-Jun-2023	An SCM compliance checklist will be implemented to ensure that all procurement is done as per published laws and regulations.	POE attached to the findings and resolved	POE is attached (Compliance checklist) and action plan address the finding.	Developed (Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
AAP46185-2022	Invalid deviations from official procurement process - SCM reg. 32	ISS 113: Procurement and contract management - Lack of substantive evidence / reasons for deviation from SCM processes are not justifiable		<p>during execution it was identified that competitive bidding processes were not properly followed in procurement of goods and service above R200 000, sufficient reasons were not given for the deviations and the reasons provided are not justifiable for the below deviations:</p> <p>1) Orion Hotel and Conferencing 11 March 2022 3 day Strategic Session for 95 officials: Inspected the payment voucher with order number 0739 and invoice #SP-MLM1503 dated 11 March 2022 from Orion Hotel and Conference, with an amount of R524 415. The transaction related to Accommodation and Meals for 96 Officials who attended a yearly Strategic Planning Session which was held over 3 day period (16 to 18 March 2022).</p> <p>Upon inspection of the Request to Deviation memo, noted that the Municipality stated the</p>	<p>1) This is an indication of poor planning as the Municipality could have properly planned the Strategic Planning to take place as soon as the new council was appointed and followed the competitive bidding process before 16 February 2022.</p> <p>2) Management failed to comply with the regulation and providing substantive evidence / reasons for deviating from SCM processes</p>	Management must ensure that compliance with applicable laws and regulation is monitored and reviewed by designated personnel and there should also be strict internal controls for SCM purposes (valid motivation for any deviations).	Omphile Xhuma	30-Jun-2023	An SCM compliance checklist will be implemented to ensure that all procurement is done as per published laws and regulations.	POE attached to the findings and resolved	Management should introduce further or extra controls to address this findings i.e Introduction of internal control unit for independent review purposes over bidding process and contract management.	Developed(Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
				<p>following reasons for deviating from the competitive bidding procurement processes:</p> <p>1) Hotels and Lodges normally do not respond to bids when advertised.</p> <p>2) National Treasury issued a directive that:</p> <ul style="list-style-type: none"> * Tenders advertised before 16 February 2022 should be finalized in terms of the Procurement Regulations * Tenders advertised on or after 16 February 2022 to be held in abeyance. * No new tenders to be advertised. <p>3) SCM regulation 36 - (1)(a) The accounting officer to dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only -</p> <ul style="list-style-type: none"> (i) in an emergency; (v) in any other exceptional case where it is impractical / impossible to follow the official procurement 												

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered	
				<p>process.</p> <p>Based on the above and through inspection of the from SCM documentation, the auditor does not view this as * emergency - where immediate action was necessary * any other exceptional case where it is impractical / impossible to follow the official procurement process The auditor rather views this as proof of poor planning as the Municipality could have properly planned the Strategic Planning to take place as soon as the new council was appointed and followed the competitive bidding process before 16 February 2022. This is therefore not a valid deviation.</p> <p>2) Southern Business School 24 Aug 2021 Training of councillors This relates to formal Diploma registrations for councillors and municipal employees in Public Management with a NQF 5 credit at a cost of R490 000. From SCM</p>													

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
				documentation inspected as provided for audit evidence there is no indication that this is a valid deviation as there is no reason provided for deviating from procurement processes. The memo provided and approved by the Municipal Manager does not meet any of the following requirements below as per SCM reg 36(1)(a): i) in an emergency - where immediate action is necessary ii) if goods or services are produced or available from a sole provider; iii) for acquisition of special works of art or historical objects iv) acquisition of animals for zoos; v) in any other exceptional case where it is impractical or impossible to follow the official procurement process. This is therefore not a valid deviation												

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
AAP46188-2022	Missing or incomplete information	ISS 118 - Functionality was not evaluated on tender MIG/NW/2766/SP/21/22 - Completion of Danville Stadium in Ward 17 - Phase 17		During the audit of Procurement and Contract Management, the auditor inspected the tender file of MIS/394786/CL/21/22 - Completion of Danville Stadium Phase II which was awarded to World Focus Projects at an amount of R6 960 973,98 and the following was identified: 1. Inspected the tender document and noted that "Part T1: tendering Procedure, Section T1.2: Tender Data" indicated that the tender will be evaluated on functionality and the functionality scoring criteria was described. 2. Inspected the tender evaluation report dated 2021/11/05 and noted that the 2 bids that complied with all administrative requirements were not evaluated for functionality but only for Pricing. This was in contradiction with the tendering Procedure of the tender document, which indicated that the bids will be evaluated for	The bid evaluation committee failed to evaluate the construction tender on functionality which they had indicated in their bidding documents that the bids will be evaluated on functionality. They have therefore failed to assess the capabilities and competencies of the winning bidder.	The bid evaluation committee should ensure that they evaluate all bids on functionality as indicated in their tender adverts or bidding documents.	Omphile Xhuma	30-Jun-2023	An SCM compliance checklist will be implemented to ensure that all procurement is done as per published laws and regulations.	POE attached to the findings and resolved	Management should introduce further or extra controls to address this findings i.e Introduction of internal control unit for independent review purposes over payments and bid committee to undergo training.	Developed(Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
				functionality												
AAP46205-2022		ISS 58: Payment not made within 30 days-General expenditure (Electricity)		Payments were not made in 30 days.	Lack of reviews by the finance department when receiving invoices.	Management should ensure all invoices/statements are date stamped when received by the finance department to ensure that payment is effected within 30 days of receipt.	Tshepiso Modisa	30-Jun-2023	Expenditure standard operating procedures to be developed and communicated to all responsible parties to ensure that there is compliance with laws and regulations.	Action plan documented and awaiting POE	POE not provided and SOP outlining compliance with applicable legislation still to be developed.	Developed (Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A
AAP46208-2022		ISS 1- Fraud risk assessment not done		During the audit of the current financial year ended 2021/2022 it was noted that the Mahikeng Local Municipality did not perform a Fraud Risk Assessment, furthermore the risk manager had responded via fraud questionnaire enquires and indicated that the fraud risk assessment was not done for the year under review.	Inadequate controls in place to ensure that fraud risk assessments are done on time	Management should implement appropriate risk management activities to ensure that regular fraud risk assessments are conducted in order to align its control environment to changing circumstances that may have an impact on the level of fraud risk that could materialise, and to ensure that fraud risks are monitored and mitigated	Kgomotso Mokoene	30-Jun-2023	Risk assessment templates developed and to be implemented to ensure that the fraud risk assessment is completed and available for audit in the next financial year.	Action plan documented and awaiting POE	Management did not attached a developed risk assessment template as per agreed action plan, therefore the action has not been implemented.	Developed (Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
AAP46242-2022	Underlying records/planning documents not submitted for auditing	ISS 99 - KPI 49: Number of Street lighting maintained (Limitation of scope and internal control deficiency)		1) Limitation of scope In auditing the validity and the accuracy of the performance information relating to KPI 49: Number of Street lighting maintained, the auditor inspected the quarterly listings that were provided as part of the POE submitted in RFI 9 for the street lights maintained and agreed the information entailed in the quarterly listings to the information as per the daily job cards. It should be noted that the information as per the listings did not agree with the information as per the daily job cards. It should be further noted that the two types of listings that were provided for inspection by the auditor were the work inspection reports and the monthly reports for Infrastructure directorate: Electrical, mechanical and civic buildings. The former listings are not detailed as they will only state that 3 street lights at Danville were inspected but the daily job	Management should exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls by ensuring that they provide auditors with consolidated lists that will agree with the daily job cards. Management should further implement controls over daily and monthly processing and reconciling of KPI information to ensure that the listings provided agree with the daily job cards.	Management should exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls by ensuring that they provide auditors with consolidated lists that will agree with the daily job cards. Management should further implement controls over daily and monthly processing and reconciling of KPI information to ensure that the listings provided agree with the daily job cards.	Kgomotso Mokoene	30-Jun-2023	The unit EMCB (Infrastructure Directorate) to compile information as per the daily job card, Monthly report, quarterly report, annual report, summary/listing as per worked performed. Consolidate all information and record keeping for submission to PMS/Internal audit/ External audit (AGSA) PMS review through inspection of the supporting evidence contained in the POE against the reported target to ensure that the reported performance or non-performance is correct. The reported target must be fully supported with evidence that is clear and documentary evidence signed by the appropriate officials. Amounts must agree, descriptive information must have the same meaning and results must not be misleading. The reports and POEs reviewed and submitted to Internal audit for audit purposes.	Action plan documented and awaiting POE		Developed (CFO Approved)	100%	Completed	22-Jun-2023	N/A

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
				<p>cards would further detail the building, etc and therefore agreeing the two (the listing and the daily job cards) could not be done. The latter listings details also do not agree with the details as per the daily job cards and therefore agreeing the two could also not be done.</p> <p>2.) Limitation of scope and internal control deficiency In auditing the completeness of the performance information relating to KPI 49: Number of Street lighting maintained, the auditor inspected the daily job cards that were provided as part of the POE submitted in RFI 9 for the street lights maintained and agree the number of street lights as per the daily job cards to the quarterly listings to ensure that the quarterly listings are complete.</p> <p>It should be noted that the auditor performed an alternative procedure where the daily job cards, for each month</p>												

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
				<p>from 1 July 2021 until 30 June 2022, were counted to confirm that there aren't any numbers missing (to confirm the monthly sequential numbering and therefore the overall completeness of the daily job cards). From the alternative procedure performed, it was noted that there were daily job cards missing in December 2021 and there was a duplicate job card number used in September 2021, therefore resulting in a limitation of scope misstatement relating the completeness assertion.</p> <p>It should be further noted that the two types of listings that were provided for inspection by the auditor were the work inspection reports and the monthly reports for Infrastructure directorate: Electrical, mechanical and civic buildings. The former listings are not detailed as they will only state that 3 street lights at Danville were inspected but</p>												

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
				the daily job cards would further detail the building, etc and therefore agreeing the two (the listing and the daily job cards) could not be done. The latter listings details also do not agree with the details as per the daily job cards and therefore agreeing the two could also not be done.												

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
AAP46243-2022	Reported information not reliable	ISS 90: AoPO - Reported achievement in the Annual Performance Report not accurate		<p>After performing our audit procedures, we identified differences for the following Key Performance Indicators:</p> <p>1.) Key Performance Indicator 54: Number of Kms gravel roads upgraded to paving in Lotlhakane Ward 23:</p> <p>* Management reported in the Annual Performance Report that the planned target is the upgrading of 2.5km of road, while the practical completion certificate stipulates that 4km of road was upgraded.</p> <p>* Management reported in the Annual Performance Report that the planned target will be achieved by 31 December 2021 and that the target was achieved. The practical completion certificate indicates that the project was completed after 31 December 2021, i.e. completed on 31 March 2022.</p> <p>2.) Key Performance Indicator 55: Number of Kms gravel roads</p>	Management did not ensure that the Key Performance Indicators are accurately reported in the Annual Performance Report.	Management should ensure that the information reported in the Annual Performance Report is accurate.	Kgomotso Mokoene	30-Jun-2023	<p>The unit PMU (Infrastructure Directorate) to ensure that the accurate information is reported in the Quarterly report and Annual Performance Report. E.g., Contractor appointment date, completion date of the contract must be accurately recorded on completion certificate and recorded correctly on the reports. Consolidate all information and record keeping for submission to PMS/Internal audit/ External audit (AGSA)</p> <p>PMS review through inspection of the supporting evidence contained in the POE against the reported target to ensure that the reported performance or non-performance is correct. The reported target must be fully supported with evidence that is clear and documentary evidence signed by the appropriate officials. Amounts must agree, descriptive information must have the same meaning and results must not be misleading.</p> <p>The reports and POEs reviewed and submitted to Internal audit for audit purposes.</p>	Action plan documented and awaiting POE	To address the agreed action plan, POE submitted should have been current year's quarterly performance reports (from PMS) Instead of resolutions because this way it was going to be easy to verify that the finding doesn't repeat.	Developed (Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered	
				<p>upgraded to paving in Tloung village to Bokone village Ward 15</p> <p>Management reported in the Annual Performance Report that the planned target will be achieved by 31 December 2021 and that the target was achieved. The practical completion certificate indicates that the project was completed after 31 December 2021, i.e. completed on 6 April 2022.</p> <p>3.) Key Performance Indicator 59: Number of kms of road to be upgraded from Airport View to Bray Road:</p> <p>In the Annual Performance Report management reported that the planned target to achieve is the upgrading of 4.3km of road, while the project is for the upgrading of 4.4km of road.</p>													

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
AAP46244-2022	Reported information not reliable	ISS 91: AoPO - KPI 70: Number of illegal dumping spots cleaned		<p>1.) During the audit of the Key Performance Indicator 70: Number of illegal dumping spots cleaned, we identified that management uses the monthly reports to compile the quarterly reports. The information in the monthly reports is compiled from the daily registers of illegal dumping spots cleaned. During the 2nd quarter, we identified that the area "Gambling Board" was indicated as cleaned. After we inspected the daily registers of illegal dumping spots cleaned for October 2021, November 2021 and December 2021, we identified that the area was not cleaned.</p> <p>The area was however cleaned in the following quarters.</p> <p>2.) Management did not report in the second quarterly report that they cleaned the specify area "Next to Dr. Sibanela Surgery", but after inspecting the weekly reports for</p>	Management should ensure that the monthly reports are accurately compiled using the daily registers of illegal dumping sites cleaned and that the total number of illegal dumping sites cleaned is correctly disclosed in the Annual Performance Report.	Management should ensure that the monthly reports are accurately compiled using the daily registers of illegal dumping sites cleaned and that the total number of illegal dumping sites cleaned is correctly disclosed in the Annual Performance Report.	Kgomotso Mokoene	30-Jun-2023	<p>The unit Waste management (Community services Directorate) to correctly compile information as per the daily job card, weekly report, Monthly report, quarterly report, annual report, summary/listing/register as per worked performed. Consolidate all information and record keeping for submission to PMS/Internal audit/ External audit (AGSA)</p> <p>PMS review through inspection of the supporting evidence contained in the POE against the reported target to ensure that the reported performance or non-performance is correct. The reported target must be fully supported with evidence that is clear and documentary evidence signed by the appropriate officials. Amounts must agree, descriptive information must have the same meaning and results must not be misleading.</p> <p>The reports and POEs reviewed and submitted to Internal audit for audit purposes.</p>	Action plan documented and awaiting POE	To address the agreed action plan, POE submitted should have been current year's quarterly performance reports (from PMS) Instead of resolutions because this way it was going to be easy to verify that the finding doesn't repeat.	Developed (Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
				<p>November 2021, we confirmed that the area was cleaned.</p> <p>3.) We inspected the quarterly reports for the 2021/22 financial year and concluded that 89 individual illegal dumping sites were cleaned during the 2021/22 financial year. Management only reported 47 illegal dumping sites cleaned in the Annual Performance Report</p>												

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
AAP46246-2022	Reported information not reliable	ISS 98: AoPO - KPI 44: Number of kilo-litres of treated wastewater discharged from the wastewater treatment works per month		<p>During the audit of the Key Performance Indicator KPI44 "Number of kilo-litres of treated waste water discharged from the waste water treatment works per month" we identified the following differences:</p> <p>1.) Management indicated in the Annual Performance Report that the planned target was achieved. This is however not the case as the Key Performance Indicator stipulates 240 000 KL per month by the end of 30 June 2022, which gives a total of 2 880 000 KL per annum by the end of 30 June 2022. Management only achieved 1 664 426 KL, therefore the target is not achieved.</p> <p>2.) The Mahikeng Local Municipality has 2 waste water treatment plants, one in Mahikeng and one in Mmabatho.</p> <p>The treatment plant in Mahikeng only started recording the meter reading</p>	<p>Management should ensure:</p> <p>1.) That the waste water treatment plants are in a full working condition in order to provide accurate monthly readings.</p> <p>2.) That the meter readings of both the Mahikeng and Mmabatho waste water treatment plants are taken into account in the monthly performance reports.</p>	<p>Management should ensure:</p> <p>1.) that the waste water treatment plants are in a full working condition in order to provide accurate monthly readings.</p> <p>2.) that the meter readings of both the Mahikeng and Mmabatho waste water treatment plants are taken into account in the monthly performance reports.</p>	Kgomotso Mokoene	30-Jun-2023	<p>Unit Water and Sanitation to ensure</p> <ul style="list-style-type: none"> • That the waste water treatment plants are in a full working condition in order to provide accurate monthly readings. • That the meter readings of both the Mahikeng and Mmabatho waste water treatment plants are taken into account in the monthly performance reports. • That daily meter reading report is compiled and consolidated to monthly report. • That total reported monthly reading are reconciled to Sedibeng/ Magalies water billing and Finance payment records. • Consolidate all information and record keeping for submission to PMS/Internal audit/ External audit (AGSA) <p>PMS review through inspection of the supporting evidence contained in the POE against the reported performance or non-performance is correct. The reported target must be fully supported with evidence that is clear and documentary evidence signed by the appropriate officials. Amounts must agree, descriptive information must have the same meaning and results must not be misleading.</p> <p>The reports and POEs reviewed and submitted to Internal audit for audit purposes</p>	Action plan documented and awaiting POE	To address the agreed action plan, POE submitted should have been current year's quarterly performance reports (from PMS) Instead of resolutions because this way it was going to be easy to verify that the finding doesn't repeat.	Developed (Internal Auditor Approved)	100%	Completed	22-Jun-2023	N/A

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered	
				<p>of waste water discharged from 14 January 2022. Before 14 January 2022, the inflow and outflow meters were not working properly to provide accurate readings. There are also not readings available before January 2022. We also do not have the meter readings for March 2022.</p> <p>Management only took the meter readings of the Mmabatho waste water treatment plant into consideration in the monthly performance reports. The meter readings for July 2021, August 2021 and September 2021 of the treatment plant are not available for inspection and the meter readings from October 2021 until June 2022 is available.</p> <p>3) In addition, as per the reports and schedules provided for audit the discharge of waste water is 2 665 271.5 kilolitres, based on this the waste water discharged is understated by 1 000 845.5 kiloliters.</p>													

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
AAP46247-2022	Information not submitted in time for auditing	ISS 106: AoPO - KPI 69: Number of weekly collections of refuse at trade premises and urban residential areas		During the audit of the Key Performance Indicator KPI69 "Number of weekly collection of refuse at trade premises and urban residential areas" we could not obtain the Portfolio of Evidence for April 2022, May 2022 and June 2022 as proof that refuse was collected in these months. As there was no POE there was no option to perform alternative procedures on the collections.	Management did not ensure that all the Portfolio of Evidence is available to inspect in order to determine whether the refuse was collected during the months of April 2022, May 2022 and June 2022.	Management should ensure that all the Portfolio of Evidence is available to inspection.	Kgomotso Mokoene	30-Jun-2023	The unit Waste management (Community services Directorate) to correctly compile information as per the daily job card, weekly report, Monthly report, quarterly report, annual report, summary/listing/register as per worked performed. Consolidate all information and record keeping for submission to PMS/Internal audit/ External audit (AGSA) PMS review through inspection of the supporting evidence contained in the POE against the reported target to ensure that the reported performance or non-performance is correct. The reported target must be fully supported with evidence that is clear and documentary evidence signed by the appropriate officials. Amounts must agree, descriptive information must have the same meaning and results must not be misleading. The reports and POEs reviewed and submitted to Internal audit for audit purposes	Action plan documented and awaiting POE	To address the agreed action plan, POE submitted should have been current year's quarterly performance reports (from PMS) Instead of resolutions because this way it was going to be easy to verify that the finding doesn't repeat.	100%	Completed	22-Jun-2023	N/A	
AAP46248-2022	Reported information not reliable	ISS 112: KPI 48: Not all gravel and blading of rural areas as per timesheets included on reports		During the completeness testing of KPI 48: Number of Km's of rural gravel road maintained, the following activities were identified on the daily time sheets which did not appear on the weekly/monthly reports, or was reported at an incorrect number.	Management did not ensure that the information reported in the Annual Performance Report is complete.	Management should ensure that the information reported in the Annual Performance Report is complete.	Kgomotso Mokoene	30-Jun-2023	The unit Roads and Storm-water (Infrastructure Directorate) to correctly compile information as per the daily timesheets, weekly report, Monthly report, quarterly report, annual report, summary/listing/register as per worked performed. Consolidate all information and record keeping for submission to PMS/Internal audit/ External audit (AGSA) PMS review through inspection of the supporting evidence contained in the POE against the reported target to ensure that the reported performance or non-performance is correct. The reported target must be fully supported with evidence that is clear and documentary evidence signed by the appropriate officials. Amounts must agree, descriptive information must have the same meaning and results must not be misleading.	Action plan documented and awaiting POE	To address the agreed action plan, POE submitted should have been current year's quarterly performance reports (from PMS) Instead of resolutions because this way it was going to be easy to verify that the finding doesn't repeat.	100%	Completed	22-Jun-2023	N/A	

Reference	Line Item	Finding	Amount	Finding Details	Root Cause	Recommendation	Responsible Person	Due Date	Action Plan	CFO Approval Comments	IA Approval Comments	Action Plan Status	Implementation Progress %	Implementation Status	Completed Date	NT/PT Recommendation Considered
									The reports and POEs reviewed and submitted to Internal audit for audit purposes.							

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.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are “ <i>what we use to do the work</i> ”. They include finances, personnel,

	equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<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 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 EPMS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.

Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: <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> <i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>

APPENDICES

**APPENDIX A
COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE**

COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE						
COUNCIL MEMBERS	FULL TIME / PART TIME	COMMITTEES ALLOCATED	*WARD AND/ OR PARTY REPRESENTED	COUNCIL MEETINGS ATTENDANCE	APOLOGIES FOR NON ATTENDANCE	NUMBER OF COUNCIL MEETINGS
	FT/PT					#
N.D MOSEKI	PT	COMMUNITY SERVICES	ANC	4	0	7
T. MOTSHABI	FT	MMC DEVELOPMENT & TOWN PLANNING	ANC	7	0	7
T.G.E. MALEBADI	PT	MPAC	ANC	3	0	7
M.G.MOKGOSI	PT	CORPORATE SERVICES	ANC	5	0	7
K.L. PHETHA	FT	MMC OF PUBLIC SAFETY	ANC	7	0	7
M.C.SEGOE	FT	MMC INFRASTRUCTURE	ANC	7	0	7
S.L. MOLEFE	FT	MPAC CHAIRPERSON	ANC	3	0	7
S.T.M.M.GASEALAHWE	PT	COMMUNITY SERVICES	ANC	2	0	7
P.I.MOKGELE	PT	CORPORATE SERVICES	ANC	2	0	
K.I.MOTALANE	PT	DEVELOPMENT AND TOWN PLANNING	ANC	0	0	7

COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE						NUMBER OF COUNCIL MEETINGS
COUNCIL MEMBERS	FULL TIME / PART TIME	COMMITTEES ALLOCATED	*WARD AND/ OR PARTY REPRESENTED	COUNCIL MEETINGS ATTENDANCE	APOLOGIES FOR NON ATTENDANCE	
	FT/PT					
K.A.PHASHE	PT	CORPORATE SERVICES	ANC	4	0	7
G.A. KGWADIBANE	FT	SINGLE WHIP	ANC	7	0	7
D.K. MOLEMA	PT	CORPORATE SERVICES	ANC	2	0	7
M.M.MANYENENG	PT	INFRASTRUCTURE FINANCE BOARD OF TRUSTEES	ANC	3	0	7
T.B.MAKOLOMAKWA	FT	RULES COMMITTEE CHAIRPERSON	ANC	7	0	7
M.C.SEGWE	PT	MPAC	ANC	0	0	7
NTAMEHLO	FT	MMC OF COMMUNITY SERVICES(RESIGNED)	ANC	7	0	7
N.V.MOILWA	PT	MMC OF INFRUSTRUCTURE (RELACED BY CLLR SEGOE)	ANC	4	0	7
N.G. HLAZO	PT	CORPORATE SERVICES	ANC	0	0	7
M. PHUTHEGO	PT	INFRASTRUCTURE ANC	ANC	4	0	7
B .S. NGOBENI	FT	MMC OF FINANCE ANC	ANC	2	0	7

COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE							NUMBER OF COUNCIL MEETINGS
COUNCIL MEMBERS	FULL TIME / PART TIME	COMMITTEES ALLOCATED	*WARD AND/ OR PARTY REPRESENTED	COUNCIL MEETINGS ATTENDANCE	APOLOGIES FOR NON ATTENDANCE	#	
	FT/PT						
P.D.SEELE	PT	FINANCE ANC	ANC	3	0	7	
S.N.MOKWENA	PT	MPAC ANC	ANC	3	0	7	
C.M.MOSETLO	PT	MMC SPECIAL PROJECTS	ANC	7	0	7	
M.DICHABE	PT	INFRASTRUCTURE	ANC	2	0	7	
K.L.DLAMINI	PT	FINANCE PUBLIC SAFETY	ANC	7	0	7	
K.G. MATHAKATHAKA	PT	INFRASTRUCTURE	ANC	4	0	7	
T.G.DAMANITI	PT	PUBLIC SAFETY	ANC	5	0	7	
M.E.LEKHOBE	PT	MMC STAKEHOLDER RELATIONS	ANC	7	0	7	
K.C.SEHERI	PT	COMMUNITY SERVICES	ANC	4	0	7	
T.J.MATOANE	PT	MMC SOCIO ECONOMIC	ANC	7	0	7	
N.M.NLOVU	PT	MPAC	ANC	0	0	7	
K.B.DIAKANYO	FT	EXECUTIVE MAYOR	ANC	7	0	7	
T.NEBE	FT	SPEAKER	ANC	7	0	7	

COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE						NUMBER OF COUNCIL MEETINGS
COUNCIL MEMBERS	FULL TIME / PART TIME	COMMITTEES ALLOCATED	*WARD AND/ OR PARTY REPRESENTED	COUNCIL MEETINGS ATTENDANCE	APOLOGIES FOR NON ATTENDANCE	
	FT/PT					#
G.A.MASIBI	PT	DEVELOPMENT AND TOWN PLANNING FINANCE	ANC	3	0	7
M.E. MOETI	PT	COMMUNITY SERVICES RULES COMMITTEE	ANC	2	0	7
G.A.SEATLHOLO	PT	RULES COMMITTEE	ANC	0	0	7
M.J.MONERE	PT	MPAC	ANC	3	0	7
M.C.MAKOLEMAKO	FT	MMC FOR PUBLIC SAFETY	ANC	4	0	7
I.L. MACHAPA	PT	MPAC	EFF	3	0	7
P.P.MOKOLOPI	PT	RULES COMMITTEE	EFF	5	0	7
P. LEMME	PT	PUBLIC SAFETY	EFF	4	0	7
T.F PHAMBANE	PT	FINANCE	EFF	3	0	7
K.K.G. NKO	PT	INFRASTRUCTURE	EFF	1	0	7
S.L MOGOTLA	PT	CORPORATE SERVICES	EFF	2	0	7
M.G.BILLIOT	PT	COMMUNITY SERVICES	EFF	3	0	7
E.P. EBUSANG	PT	INFRASTRUCTURE	EFF	2	0	7
S.K.MATSHEKA	PT	CORPORATE SERVICES	EFF	3	0	7

COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE						NUMBER OF COUNCIL MEETINGS
COUNCIL MEMBERS	FULL TIME / PART TIME	COMMITTEES ALLOCATED	*WARD AND/ OR PARTY REPRESENTED	COUNCIL MEETINGS ATTENDANCE	APOLOGIES FOR NON ATTENDANCE	
	FT/PT					#
T.D.	PT	DEVELOPMENT AND TOWN PLANNING	EFF	0	0	7
T.C.KENALEMONGWE	PT	MPAC	EFF	3	0	7
D.M.MOROE	PT	INFRASTRUCTURE	EFF	5	0	7
M.M.CHANDA	PT	RULES COMMITTEE	COPE	6	0	7
L.R.MANGE	PT	PUBLIC SAFETY	DA	4	0	7
T.L.SELEPE	PT	MPAC BOARD OF RUSTEES	DA	7	0	7
MOTAU	PT	DEVELOPMENT AND PLANNING TOWN	DA	6	0	7
D.E.VAN ROOYEN	PT	FINANCE	DA	5	0	7
M.P. MODISENYANE	PT	FINANCE	DA	4	0	7
W.N.BOHNER	PT	INFRASTRUCTURE	DA	6	0	7
M. RAMAKGOLO	PT	PUBLIC SAFETY	F4SD	1	0	7
M.J.RABOTAPI	PT	DEVELOPMENT AND PLANNING TOWN	F4SD	0	0	7
O.J.MOTSEPE	PT	MPAC	F4SD	0	0	7

COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE						NUMBER OF COUNCIL MEETINGS
COUNCIL MEMBERS	FULL TIME / PART TIME	COMMITTEES ALLOCATED	*WARD AND/ OR PARTY REPRESENTED	COUNCIL MEETINGS ATTENDANCE	APOLOGIES FOR NON ATTENDANCE	
	FT/PT					#
E.O.E.SELEKE	PT	CORPORATE SERVICES	UCDP	1	0	7
G.K.KGAJE	PT	DEVELOPMENT AND PLANNING TOWN	UCDP	1	0	7
M.E.DINGILE	PT	INFRASTRUCTURE MPAC	ACDP	2	0	7
L.F. MACHAKA	PT	COMMUNITY SERVICES	COPE	0	0	7

**APPENDIX B
COMMITTEES AND COMMITTEE PURPOSES**

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
RULES (Rules Committee)	Making sure that Councilors adhere to rules and regulations as set out
MPAC (Municipal Public Accounts Committee)	Playing internal oversight role on municipal administration
LLF (Local Labour Forum)	Bargaining Forum between employer and labour component regarding matters affecting employees

**APPENDIX C
THIRD TIER ADMINISTRATIVE STRUCTURE**

Third Tier Structure		
Directorate	Director/Manager	Name
Office of the Municipal Manager	Municipal Manager:	Adv. D.I. Mongwaketse
	Acting Senior Manager Operations	Mr.L.H. Mahole
Budget Treasury Office/Finance Office	Chief Financial Officer:	Mr. R.A. Morris
	Acting Senior Manager Corporate Support Services	Mr. M.J. Molamu
Planning and Development	Senior Manager Planning and Development:	Mr. T. Masia
Infrastructure	Senior Manager Infrastructure:	Mrs M. Moloji-Tsae
Public Safety	Acting Senior Manager Public Safety:	Mr. J. Ramaoka
Community Service	Senior Manager Community Services:	Dr. K. Lefenya Motshegare
Local Economic Development	Vacant	

**APPENDIX D
FUNCTIONS OF MUNICIPALITY**

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

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No) *	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Cemeteries, funeral parlours and crematoria	Yes	N/A
Cleansing	Yes	N/A
Control of public nuisances	Yes	N/A
Control of undertakings that sell liquor to the public	Yes	N/A
Facilities for the accommodation, care and burial of animals	No	N/A
Fencing and fences	Yes	N/A
Licensing of dogs	No	N/A
Licensing and control of undertakings that sell food to the public	Yes	N/A
Local amenities	Yes	N/A
Local sport facilities	Yes	N/A
Markets	No	N/A
Municipal abattoirs	No	N/A
Municipal parks and recreation	Yes	N/A
Municipal roads	Yes	N/A
Noise pollution	No	N/A
Pounds	Yes	N/A
Public places	Yes	N/A
Refuse removal, refuse dumps and solid waste disposal	Yes	N/A
Street trading	Yes	N/A
Street lighting	Yes	N/A
Traffic and parking	Yes	N/A

APPENDIX E
WARD REPORTING
WARD COMMITTEE LIST 2022

WARD 01

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
KATLEGO MOKALANE KEDUTSI NTWAYAGAE THABO NKWANE TSHEPANG MORALO LUCIA KERNS LERATO MATLHOLWA GOITSIONE MAKGOPA RUTH GABATSEWE	YES	3	3	3

WARD 02

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
KARABO MOETI KGOROSI GOITSIMODIMO SHIELA GAOGANEDIWE LEBOGANG MADIKONG ITUMELENG LETSOMO EMILY NAMANE MESHACK MOEMANE BONOLO NKGWANG KEGOMODITSWE NAMANE PULE SEIKOKOTLELO	YES	4	4	4

WARD 03

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
MMAMUSI SEPHAI REGINA MOREI LETLHOGONOLO MODISE ITUMELENG MAGOME PAULINE SERAPELO TUMISANG MOLETE BOTLHALE SEKOKOPE KEGOMODITSWE SEBIGI GODFREY LEWANG LEKGETHO	YES	5	5	5

WARD 04

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
TUMALANO MOTSWAISO MAGOSI THATO SEMAKELENG LETHOKO MMANTEPA MOLAPISI TUMELO GOOLAM MARANG MOLOTWANE MMATHAPELO MATSAPOLA TEBOGO KGORI DISEKO PITSO RAPOO SAMUEL	YES	7	7	7

WARD 05

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
MMATHAPELO MATSAPOLA TEBOGO KGORI DISEKO PITSO RAPOO SAMUEL	YES	0	0	0

WARD 06

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
PODILE ODIRILE BAITSHOLETSE MOKOLOPI OTHUSITSE SESENYI OFENTSE MERE HANSEN SENTLEENG MODISENYANE KESUPANG LETLHOGONOL CHAENA ITUMELENG KGATHETHE	YES	8	8	8

WARD 07

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
AUBREY MODISANE DOLORESE PELE PORTIA PHORA TUMELO MOKETSI MANASI THAPO ISSAC KOBUE BATSILE GAVRILOVIC KEABETSWE SENNA MOHAU RAMPHORE	YES	3	3	3

WARD 08

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
PATRICK DIREKO TUMELO HENDRIK KELEBOGILE TSHELE NOMVUYO NOJILA MODISAOTSILE MAGANO TSHEPO PHIRI THABANG MOROKWANE JOHNNY MONNAPULA	YES	1	1	1

WARD 09

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
GADIFELE MACATA LETLHOGONOLO MAKHASANI SANNAH KGABUNG SEBENZILE KGASE BOITUMELO MAZENYO KABELO MOGOTSI BOTSHELO MOLEFE JOHANNES PIETERSE ROSE MANONYANE	YES	1	1	1

WARD 10

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
SMANGELA MOTLHABI KENEILWE MOKAE TERESA TSIMELE YVONNE MAKGELEDISA AOBAKWE PAYI DAVID MAJOMBOSI NOMPUMELELO WANA LESEGO TLHABANYANE	YES	4	4	4

WARD 11

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
AUBREY NKOMA DOROTHY MOLELEKWA KEAOBAKA MOGAODI TUMISANG RAKGOMO TEBOGO MOROBE MOTSWAGOLE ESSAU MAPASEKA MODIBEDI TUMELO THEBE THETHIWE KHUMA	YES	9	9	9

WARD 12

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
KEDIBONE KGOSIMORE MOJALEFA KITSE THABONG RASEMANE DAVID LEKOMA KGOMOTSO TSHELENG JEREMAYIH TSHIPO ITUMELENG GOPANE ELLEN KWENAMORE	YES	11	11	11

WARD 13

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
LENKY MOLAMU OBAKENG SELEKA ONKABETSE MVELASE GUGULETHU MABIZELA RAMPHOMANE LEBOGANG TSHEGOFATSO NTSHABELE ROMEO SEGONE BOIPELO METHIKGE OAGENG SEBAENG	YES	0	0	0

WARD 14

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
KELEBOGILE MASHOMAKO MARTIN MPECHENI ZOMISELE GQEBA EMILY JERE GORATILWEONE GOPANE PHILLIMON MOTLHABANE MOSALA RAMAOKA	YES	11	11	11

WARD 15

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
MORGAN MOKGADI THAPELO GOPANE ODUETSE PHAKEDI EDWIN MOBITA PHINDA MOSIANE TUMELO SELEKA TUELO BOIKANYO MOKUPI LEKOKO SESUPO SEMAUSHO	YES	2	2	2

WARD 16

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
LEBOGANG MODISANYANE BASIMANEBOTLHE MAHUBE GABOITSEWE KGOGOBI PATRICIA SEGOTSO KEBAABETSWE KOIKOI POGISO MATLHOKO CHRISTINA MAANO TEBOGO MOTSHABI	YES	6	6	6

WARD 17

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
CHANDRE JURIES GOITSIONE MONOANE KGOTLHAETSILE MMADI BRENDA SAMBAE DEON FERRIS ANGELA LUDICK ODETTE FREEMEN NKULULEKO BUSAKWE	YES	13	13	13

WARD 18

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
ZUKISWA BIZWAPI KAGISO SEBOKE BOINELO MASONGA DIKABELO MAGANO PHENYO MMONO VERONICA RAMMITLWA PEO MOKOTO MOHAU MARUMO	YES	6	6	6

WARD 19

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
EMMAH RAMASILO MONTWADI KGWADIBANE GABORONE NOKO KGOSIMOTHO NTHABISENG KGOMOTSO TSHETLHANYANE KELEBOGILE OREMENG CHARLSE KGOMOETSILE KARABO TAMENTI	YES	2	2	2

WARD 20

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
OFENTSE CHIMBA MOSESE KAREL KETHRINE MOKAILA JEFERRY MABOI MMAPULA KOIKOI KEAMOGETSE MOLETE ROSINA VINEGAR	YES	3	3	3

WARD 21

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
KHOTSO MOTHIBI KEHILWE AISENG MAGGY GAOSHUBELWE BALESENG LOETO TSHEPISO QUMA ORAPELENG MOKGOTHU ANGELINA KHALANE OTUKILE SIMON	YES	1	1	1

WARD 22

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
ONKABETSE MADIE BEAUTY MORWAKWENA DONALD TSHABALALA NTONIGE MATEWANE AMOGELANG MSUTHWANA ABRAM GOGELA THAMSANQA SOWAGA MOGOMOTSI MLAMBO	YES	2	2	2

WARD 23

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
SEBONGILE XUTYWA KEITUMETSE MABUSA NTHABISENG METSEEME LOPANG MABOTE TUMISANG NABE AMOGELANG DITLHOKWA PULE MAGANO BEN KOLWANE	YES	3	3	3

WARD 24

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
KENNETH MODISE TSHIRELETSO SETLHODI EZEKHILE LEEPILE BALENI TSHIDISO VAN WYK LOVERATTE MSIMANGA LUCKY METSWEYAMARE MARUPING LETHOBA ANDREW DIKOBE	YES	0	0	0

WARD 25

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
BRAIN ITLHABANENG THULAGANYO MOMPATI DAVID MABASO GABRIEL NOVOLO SHIYEKA SOLANE THABANG MUTLOATSE BONTLE SEKWELE PATRICK NYONI	YES	4	4	4

WARD 26

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
MMAMA METSWAMERE HAPPY SEIMA TSHOLOFELO MOLEFE BONGANI NGALUMBA SYLVESTER MOTLHABI GOITSEONE MODIKO REBAONE MORWADIRA TLOTLO PHETLO	YES	2	2	2

WARD 27

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
SEGOPOLO TAUYAGAE ANNAH PELA KEDIBONE MOLEFE SANA MOKGELE MAKHUDUGA KGAMPE MONNAPULA MMATHAPELO KABELO MOGARI MOGOMOTSI PATRICK	YES	4	4	4

WARD 28

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
KABELO MATLHOMANG SELLO LOTSHOLO MIDO MOTSEOTHATA CAPHAIS DLAMINI ORAPELENG MARUMO RUBEN MOTSAMAI PHUMZILE BEKWEPE	YES	3	3	3

WARD 29

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
DINEO KEHITLHILE MANTWA DITSHIPI OLEBOGENG MPOLOKENG JOHN MUTLWANE KATLEGO ATSHABENG ONKARABILE MOTLOGELWA BEN BERENG VALTEIN OTLANDISA	YES	5	5	5

WARD 30

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
ZACHARIAH MOTLHAOLENG KABELO LESABE GAOUSITWE MATONG JANE MOOKETSI PRETTY GOPOLANG ONALENNA SELEFO KATLEGO LETEBELE DAVID CHINDIO	YES	3	3	3

WARD 31

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
DORCAS MOLOI MOGOMOTSI MOTHUPI TUMISANG MOKAILA MPHO DITABA REFILWE MOLOKO THATO MENOE MOSES NALEDI ZULWAYO MCEDISI	YES	5	5	5

WARD 32

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
NKASHELE MOEMEDI TAU KABELO MOKOTEDI GUGULETHU SEJOSINGOE KGOSI ROMEO CLAYTON MPHO LENTSWANE KEALEBOGA MPANZA KERILENG RASENGALO	YES	2	2	2

WARD 33

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
PHEMELO LEMME BONGANI MOREO OGONE SEBUSHO MAPULE TAUkobong KEFILWE MODISE NTSHIDISENG OLIPHANT MOTUKISAKGOTLA MALE OFENTSE KEITSENG	YES	8	8	8

WARD 34

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
MOKGANTSHANG GAABAINWE WILLIAM RANTAPI SONIA NNANI TSHEPO TLHARIPE SIMON LEITLHO GIDEON BOYSENS MOLETE GOGONTLE POPINYANA MOALOSI	YES	5	5	5

WARD 35

NAME OF WARD COUNCILOR AND ELECTED WARD COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO SPEAKERS OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING YEAR
SEGOMOTSO NCHUPETSANG OMPHEMETSE TLHOMELANG BATHUSI MOKALANE KAGISO MKHWANAZI SAMUEL MADODA KEDIBONE LETHOKO WAGENG MOLAODI SELLO MOELETSI	YES	3	3	3

**APPENDIX F
WARD INFORMATION**

Top Four Service Delivery Priorities for Ward (Highest Priority First)	
Priority Name and Detail	Progress During Year 2020-2021
Roads	Project Ongoing
High Mast Lights	Project Ongoing
RDP Houses	Function of the Department: Human Settlement
Water Stand pipes	Function of Ngaka Modiri Molema District Municipality

APPENDIX G

RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE

Audit Committee Recommendations

- a) That council to respect and adhere to its own processes relating to workshops for policy review, development, and approval to assist the municipality to run efficiently and comply with legislations.

- b) Where feasible review and/or develop the policy on policies to ensure efficiency and flexibility within the value chain of policy review, consultation, and approval.

- c) That the process of scheduling AC meetings should be synchronized with the Council Calendar to avoid the oversight limitations and ensure that the AC fulfil its mandate as per section 166 of MFMA.

- d) That the workplan on UIFW investigation be shared with AC to monitor the work done and future activities.

- e) That the issue of shortage of resources within the Departments be attended to and measures be put in place to limit the exposure of continuity.

- f) That Municipality should address the internal audit findings on performance information for all 3 quarters and deal with limitation of scope/evidence not submitted primarily as it was also raised by AGSA.

- g) That the municipality should urgently scrutinize the current debt and consider other strategies and approaches and/or measures to propel households, commercials, and government departments to pay their debts and enforce the Credit Control and Debt Collection Policy.

- h) That the processes around debt of Magalies Water (previously Sedibeng Water) be accelerated be mitigate increased accruals by year end.

- l) That Municipality should monitor the revenue collection patterns and trends and put robust measures in place to improve the collection rates.

- J) That the Municipality should investigate and accelerate the process of concluding and developing the business continuity plan and IT disaster recovery plan to ensure continuity of the business in case of a disaster and information security.

- K) That the Municipality should address the risk of ICT equipment being procured by departments without the consultation of ICT Manager and this remains a growing concern which should be dealt as a matter of matter of urgency.

Conclusion

The Audit Committee would like to thank the Council, Council Committees, MPAC, Accounting Officer and Management for their commitment and contribution in ensuring Mahikeng Local Municipality improves its service delivery performance and systems of internal controls in endeavor to achieve clean administration.

Yours Sincerely

Mogakolodi Sebeelo (Mr)
Chairperson of the Audit Committee

APPENDIX H

LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

CONTRACT REGISTER FINANCIAL YEAR 2020/21									
NO	CONTRACT NUMBER	BID NUMBER	GRANT REGISTER NUMBER (eg. MIG REG No.)	ORDER NO.	APPOINTED BIDDER	APPOINTMENT DATE	CONTRACT START DATE	CONTRACT END DATE	CONTRACTED VALUE
90		SCM/MLM 74/01/2021	APPOINTMENT LETTER	MEKO AND BROTHERS SECURITY SERVICES (PTY) LTD	SUPPLY, DELIVERY, INSTALLATION, REPAIR & MAINTENANCE OF ALARM MONITORING SYSTEM FOR A PERIOD OF THREE (03) YEARS.	29-06-2022	29-06-2022	29-06-2025	R6 152 868,00
91		SCM/MLM 75/01/2022	APPOINTMENT LETTER	115 ELECTRICAL SOLUTION (PTY) LTD	SUPPLY ,DELIVERY,INSTALLATION AND COMSSION OF ENERGY EFFECIENCY PROJECTS WITHIN MAHIKENG LOCAL MUNICIPALITY FOR A PERIOD OF THREE (3) YEARS AS AND WHEN THE GRANT IS AVAILABLE	29-06-2022	20-07-2022	20-07-2025	R1 747 757,99
		SCM/MLM 15/07/2022	APPOINTMENT LETTER	BANTSI CONSTRUCTION	UPGRADING OF ROAD FROM TLOUNG VILLAGE TO BOKONE VILLAGE WARD 15-PHASE 2	2023-11-30	2023-12-01	ONCE OFF	R4 886 916,72
		SCM/MLM 17/07/2022	APPOINTMENT LETTER	MOCHE JV	UPGRADING OF INTERCONNECTOR ROAD IN SETLOPO SA BOSIGO-WARD 35	2022-11-30	2022-12-01	ONCE OFF	R19 702 387,65
94		SCM/MLM 18/07/2022	APPOINTMENT LETTER	GLOBAL EXTENSIVE	CONSTRUCTION OF TENNIS COURT AT MMABATHO STADIUM -PHASE2	2023-02-01	2023-02-02	ONCE OFF	R29 671 692,73
96		SCM/MLM 21/07/2022	APPOINTMENT LETTER	TOLL MAN TRADING AND PROJECTS MOTHEO WA KITSO TRADING	SUPPLY AND DELIVERY OF ROAD MARKING PAINTS FOR PERIOD OF 3 YEARS.	2023-01-31	2023-02-01	30 FEB 2026	R3500 PER 20L
97		SCM/MLM22/07/2022	APPOINTMENT LETTER	ARMS AUDIT & RISK MANAGEMENT JOFANI SA INC SNG GRANT THUSO FINANACIAL CONSULTANTS TUMISONG (PTY) LTD	APPOINTMENT OF PANEL OF AUDITS FIRMS FOR CO-SOURCING OF INTERNAL AUDIT PROJECTS	2023-03-01	2023-03-02	30-MAR-26	CONSULTANTS FEE
		SCM/MLM 109/04/2023	APPOINTMENT LETTER	MOKGWASA CONSTRCUTION AND PROJECTS (PTY) LTD JV SERVIPIX 122 CC	UPGRADING OF ROAD FROM MMABATHO WASTE WATER TREATM,ENT TO MOLETSAMONGWE PHASE 1	2023-06-21	2023-06-22	ONCE OFF	R13 675 831,40
		SCM/MLM 109/04/2024	APPOINTMENT LETTER	MAFOKO BROTHERS LOGISTICS CC	UPGRADING OF ROAD FROM MMABATHO WASTE WATER TREATM,ENT TO MOLETSAMONGWE PHASE 2	2023-06-22		ONCE OFF	R27 959 921,83
		SCM/MLM 109/04/2025	APPOINTMENT LETTER	SIZWE SECHABA CONSTRUCTION PROJECTS	UPGRADING OF ROAD FROM MMABATHO WASTE WATER TREATM,ENT TO MOLETSAMONGWE PHASE 3	2023-06-23		ONCE OFF	R13 348 181,33

APPENDIX I
MUNICIPAL SERVICE PROVIDER PERFORMANCE SCHEDULE

Municipal Entity/Service Provider Performance Schedule									
Name of the Service Provider	Service Key Performance Indicators	Previous Year		Current year			Following Year		
		Target	Actual	Target		Actual	Target		
		Annual Performance Target 2021/2022	Annual actual Performance 2021/2022	Annual Performance Target 2021/2022	Annual Performance Target 2022/2023	Annual actual Performance 2022/2023	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
Ziggy Investments CC	Upgrading of road in Masuthe from gravel to Paving	4 Kms of gravel road upgraded to paving in Masuthe by 30June 2022	Target not achieved Earthworks - 100% Roadbed - 100% Sub base & base - 80% Kerbing - 20%	4 Kms of gravel road upgraded to paving in Masuthe by 30June 2022	Upgrading of 4km of road in Masuthe from gravel to Paving project to be complete by 30 June 2023	Target not achieved Upgrading of 4km of road in Masuthe from gravel to Paving project not completed Progress report :- Subbase -100% Paving - 85% Kerbing - 95%	None	None	None
Bornfree Investments	Upgrading of interconnector road from Airport view to Bray Road	4,3 Kms of road to be upgraded from Airport View to Bray Road by 30 June 2022	Target not achieved Contractor appointed on the 07 June 2022	4,3 Kms of road to be upgraded from Airport View to Bray Road by 30 June 2022	Upgrading of 4,3km interconnector road from Airport view to Bray Road project to be complete by 30 June 2023	Target achieved Upgrading of 4,4km interconnector road from Airport view to Bray Road project complete on 8 December 2022	None	None	None
Bantsi Construction & Projects	Upgrading of road from Tloung Village to Bokone - Phase II	2 Kms gravel roads upgraded to paving in Tloung village to Bokone village Ward 15 by 31 December 2021	Target Achieved 2 Kms gravel roads upgraded to paving in Tloung village to Bokone village Ward 15 - Completion certificate dated 06/04/2022	2 Kms gravel roads upgraded to paving in Tloung village to Bokone village Ward 15 by 31 December 2021	Upgrading of road from Tloung Village to Bokone - Phase II project to be complete by 30 June 2023	Target not achieved Upgrading of road from Tloung Village to Bokone - Phase II project not complete Progress report :-Base - 80% Kerbing - 53% Paving - 53% V-Drains - 33%	700 meters of gravel road upgraded to surfaced road from Tloung Village to Bokone - Phase II project completed by 30 September 2023	None	None
Moche JV R2KZ	Upgrading of interconnector road in Setlopo Sa Bosigo	4,5 kms of road to be upgraded in Setlopo Sa Bosigo by 30 June 2022	Target not achieved Earthworks - 100% Roadbed - 100% Sub base & base 70%	4,5 kms of road to be upgraded in Setlopo Sa Bosigo by 30 June 2022	Upgrading of 4,5km interconnector road in Setlopo Sa Bosigo project to be complete by 30 June 2023	Target achieved Upgrading of 4,5km interconnector road in Setlopo Sa Bosigo project completed on 22 February 2023	None	None	None
GMD Projects	Provision of a multipurpose centre in Ward 25 Gelukspan	None	None	None	Provision of a multipurpose centre in Ward 25 Gelukspan project to be complete by 30 June 2023	Target achieved Provision of a multipurpose centre in Ward 25 Gelukspan project completed on 2 December 2022	None	None	None

Municipal Entity/Service Provider Performance Schedule									
Name of the Service Provider	Service Key Performance Indicators	Previous Year		Current year			Following Year		
		Target	Actual	Target		Actual	Target		
		Annual Performance Target 2021/2022	Annual actual Performance 2021/2022	Annual Performance Target 2021/2022	Annual Performance Target 2022/2023	Annual actual Performance 2022/2023	Annual Performance Target 2023/24	Annual Performance Target 2024/25	Annual Performance Target 2025/26
World Focus Projects	Upgrading of Danville Stadium	None	None	None	Upgrading of Danville Stadium project to be complete by 30 June 2023	Target achieved Upgrading of Danville Stadium project completed on 16 September 2022	None	None	None
Majop Trading	Construction of kilometers of new access road to Matlalong Graveyard	None	None	None	Construction of 2 kilometers of new access road to Matlalong Graveyard project to be complete by 30 June 2023	Target not achieved Construction of 1.25 kilometers of new access road to Matlalong Graveyard project completed on 30 March 2023	None	None	None
Global Extensive Networking	Number of new outdoor sports centre developed Mmabatho Stadium phase 3	1 new indoor sports center with one center court in site. At Mmabatho stadium - Phase III by 30 June 2022	Target Achieved 1 new indoor sports center with one center court in site. At Mmabatho stadium - Phase III - Completion certificate dated 20/05/2022	1 new indoor sports center with one center court in site. At Mmabatho stadium - Phase III by 30 June 2022	1 new outdoor sports centre developed Mmabatho Stadium phase 3 project complete by 30 June 2023	Target not achieved 1 new outdoor sports centre developed Mmabatho Stadium phase 3 project not completed Progress report:- Platform excavation - 100% main building foundation - 100% casting of column - 10% brick works - 25% plumbing - 20%	1 (Nr.16) outdoor tennis court developed at Mmabatho tennis centre - phase 3 completed by 30 June 2024	None	None
Agroevolution (PTY) LTD	Number of high mast lights to be constructed	80 high mast lights to be constructed by end of June 2023 - Multi year projects	Target not Achieved All 80 high mast lights identify, contractor busy with Foundations	80 high mast lights to be constructed by end of June 2023 - Multi year projects	80 high mast lights to be constructed project to be complete by 30 June 2023	Target not achieved Foundation casted, poles erected awaiting Eskom connection	80 high mast lights to be erected and electrified project to complete by 30 June 2024	None	None

**APPENDIX J
DISCLOSURES OF FINANCIAL INTERESTS**

Disclosures of Financial Interests		
Period 1 July 2022 to 30 June 2023 (Current Year)		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	Cllr. T. Mphehlo	2
Member of Mayoral Committee	Cllr. M. Senokwane	None
	Cllr. G. Legalatladi	1
	Cllr. M. Jabanyane	1
	Cllr. B. Mathe	None
	Cllr. P. Nko	None
	Cllr. N. Hlazo	None
	Cllr. D. Molema	None
	Cllr. J. Daniels	2
	Cllr. K. Sechogo	None
	L.G Sehole	1
	Cllr. K. Mbana	None
Municipal Manager	Adv. D.I. Mongwaketse	4
Chief Financial Officer	A. Morris	None
Other S57 Officials	M.J. Molamu	None
	L.H. Mahole	5
	T. Masia	None

Disclosures of Financial Interests		
Period 1 July 2022 to 30 June 2023 (Current Year)		
Position	Name	Description of Financial interests* (Nil / Or details)
	M. Moloji-Tsae	None
	J. Ramaoka	None
	Dr. K. Lefenya Motshegare	2
Councillors	Cllr. L.A Kgengwe	3
	Cllr. T. Motshabi	None
	Cllr.L.R Motlhabane	None
	Cllr. D.M Phetha	None
	Cllr. M.C Segoe	2
	Cllr. L. J Motjale	None
	Cllr. M. J Morubane	None
	Cllr. G. D Maruping	None
	Cllr. O. C Kgonare	None
	Cllr. C. Mohelekete	None
	Cllr. K. A Monchusi	None
	Cllr. M.D Ramatae	None
	Cllr. O.L Magogodi	1
	Cllr. A.E. Rakwena	None
	Cllr. M.D. Phuthego	None
	Cllr. O. E. Mphehlo	None
	Cllr. B. Mbiza	1
	Cllr.M.E. Msimanga	1

Disclosures of Financial Interests		
Period 1 July 2022 to 30 June 2023 (Current Year)		
Position	Name	Description of Financial interests* (Nil / Or details)
	Cllr. K.D. Sega	None
	Cllr. K.P. Motsumi	3
	Cllr. M. J. Monere	None
	Cllr. K.D. Seketema	None
	Cllr. P.L. Phantsi	None
	Cllr.M. E. Khathazo	None
	Cllr. I. Malakaje	None
	Cllr. P.P. Molale	None
	Cllr. R.G. Molosioa	None
	Cllr. S.Van Rooyen	1
	Cllr. T.D, Femele	4
	Cllr. T. Maibi	None
	Cllr. K.C Sechogo	None
	Cllr. M.M Mogapi	1
	Cllr. T. Selepe	3
	Cllr. M.A Setshedi	1

APPENDIX K

REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE (B3)

NW383 Mafikeng - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 28 February 2023

Vote Description [Insert departmental structure etc]	Ref	2022/23									Budget Year 2023/24	Budget Year 2024/25
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands												
Revenue by Vote	1											
Vote 1 - Council General		1,888	—	—	—	—	—	—	—	1,888	1,917	1,948
Vote 2 - Corporate Support Services		490	—	—	—	—	—	—	—	490	193	196
Vote 3 - Budget and Treasury Office		874,278	—	—	—	—	—	—	—	874,278	919,719	950,170
Vote 4 - Infrastructure		329,413	—	—	—	—	—	27,000	27,000	356,413	329,947	336,440
Vote 5 - Public Safety		6,444	—	—	—	—	—	—	—	6,444	6,541	6,649
Vote 6 - Community Services		54,213	—	—	—	—	—	—	—	54,213	56,487	56,636
Vote 7 - Planning and Development		20,870	—	—	—	—	—	—	—	20,870	21,183	21,533
Vote 8 -		—	—	—	—	—	—	—	—	—	—	—
Vote 9 -		—	—	—	—	—	—	—	—	—	—	—
Vote 10 -		—	—	—	—	—	—	—	—	—	—	—
Vote 11 -		—	—	—	—	—	—	—	—	—	—	—
Vote 12 -		—	—	—	—	—	—	—	—	—	—	—
Vote 13 -		—	—	—	—	—	—	—	—	—	—	—
Vote 14 -		—	—	—	—	—	—	—	—	—	—	—
Vote 15 -		—	—	—	—	—	—	—	—	—	—	—
Total Revenue by Vote	2	1,287,597	—	—	—	—	—	27,000	27,000	1,314,597	1,335,987	1,373,572
Expenditure by Vote	1											
Vote 1 - Council General		72,802	—	—	—	—	—	105	105	72,907	75,522	75,810
Vote 2 - Corporate Support Services		112,315	—	—	—	—	—	24,030	24,030	136,345	115,418	117,686
Vote 3 - Budget and Treasury Office		325,174	—	—	—	—	—	6,322	6,322	331,496	350,352	410,946
Vote 4 - Infrastructure		328,457	—	—	—	—	—	29,945	29,945	358,402	364,765	369,275
Vote 5 - Public Safety		118,996	—	—	—	—	—	9,373	9,373	128,369	123,877	124,153
Vote 6 - Community Services		94,983	—	—	—	—	—	5,836	5,836	100,819	98,697	100,346
Vote 7 - Planning and Development		48,299	—	—	—	—	—	381	381	48,680	49,862	50,099
Vote 8 -		—	—	—	—	—	—	—	—	—	—	—
Vote 9 -		—	—	—	—	—	—	—	—	—	—	—
Vote 10 -		—	—	—	—	—	—	—	—	—	—	—
Vote 11 -		—	—	—	—	—	—	—	—	—	—	—
Vote 12 -		—	—	—	—	—	—	—	—	—	—	—
Vote 13 -		—	—	—	—	—	—	—	—	—	—	—
Vote 14 -		—	—	—	—	—	—	—	—	—	—	—
Vote 15 -		—	—	—	—	—	—	—	—	—	—	—
Total Expenditure by Vote	2	1,101,026	—	—	—	—	—	75,992	75,992	1,177,018	1,178,492	1,248,315
Surplus/ (Deficit) for the year	2	186,571	—	—	—	—	—	(48,992)	(48,992)	137,579	157,494	125,257

References

1. Insert 'Vote'; e.g. Department, if different to standard classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
4. Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably have been foreseen)
5. Increases of funds approved under MFMA section 31
6. Adjustments approved in accordance with MFMA section 29
7. Adjustments to transfers from National or Provincial Government
8. Adjusts. = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(f))
9. $G = B + C + D + E + F$
10. Adjusted Budget $H = (A \text{ or } A1/2 \text{ etc}) + G$

check revenue	—	—	—	—	—	—	—	—	—	—	—	—
check expenditure	(6,428)	—	—	—	—	—	—	(1,800)	(1,800)	(8,228)	(6,711)	(6,711)

APPENDIX L

CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

No Conditional Grants Received Excluding MIG

APPENDIX M

CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

(i) CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME (NW383 Mafikeng - Supporting Table SA34a Capital expenditure on new assets by asset class)

(ii) Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		120,586	286,780	38,352	3,500	7,250	7,250	6,250	5,569	5,576
Roads Infrastructure		107,147	119,957	6,718	-	-	-	-	-	-
Roads		107,147	119,957	5,941	-	-	-	-	-	-
Road Structures		-	-	777	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		8,799	8,799	5,317	3,500	7,250	7,250	6,250	5,569	5,576
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	5,317	3,500	7,250	7,250	6,250	5,569	5,576
Capital Spares		8,799	8,799	-	-	-	-	-	-	-
Water Supply Infrastructure		-	153,384	26,317	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	153,384	26,317	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		4,640	4,640	-	-	-	-	-	-	-
Landfill Sites		4,640	4,640	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		1,311	39,719	25,414	26,986	19,836	19,836	18,013	19,664	17,683
Community Facilities		1,311	39,724	-	6,986	10,539	10,539	10,539	11,003	11,013
Halls		-	-	-	-	-	-	-	-	-
Centres		1,148	39,724	-	6,986	10,319	10,319	10,319	10,773	10,783
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		163	-	-	-	220	220	220	230	230
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	(5)	25,414	20,000	9,296	9,296	7,474	8,661	6,670
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	(5)	25,414	20,000	9,296	9,296	7,474	8,661	6,670
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		72	971	-	-	-	-	-	-	-
Operational Buildings		72	971	-	-	-	-	-	-	-
Municipal Offices		65	964	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		7	7	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-

Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	193	-	3,333	3,333	3,333	3,480	3,483
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	193	-	3,333	3,333	3,333	3,480	3,483
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	193	-	3,333	3,333	3,333	3,480	3,483
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		4,885	5,978	971	1,459	4,119	4,119	3,019	3,152	3,155
Computer Equipment		4,885	5,978	971	1,459	4,119	4,119	3,019	3,152	3,155
Furniture and Office Equipment		2,047	2,150	340	6,771	3,963	3,963	4,086	4,266	4,270
Furniture and Office Equipment		2,047	2,150	340	6,771	3,963	3,963	4,086	4,266	4,270
Machinery and Equipment		4,253	5,457	(287)	22,226	19,226	19,226	19,226	20,072	20,091
Machinery and Equipment		4,253	5,457	(287)	22,226	19,226	19,226	19,226	20,072	20,091
Transport Assets		(12,836)	(11,508)	21,703	6,650	6,542	6,542	7,442	7,769	7,777
Transport Assets		(12,836)	(11,508)	21,703	6,650	6,542	6,542	7,442	7,769	7,777
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	120,318	329,548	86,685	67,592	64,268	64,268	61,369	63,972	62,035

(iii) CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME (NW383 Mafikeng - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure on renewal of existing assets by Asset Class/Sub-class	1									
Infrastructure		3,284	5,503	6,870	-	-	-	-	-	-
Roads Infrastructure		823	-	-	-	-	-	-	-	-
Roads		823	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		2,461	5,503	-	-	-	-	-	-	-
Drainage Collection		2,461	5,503	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	6,870	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	6,870	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-

Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		29	2,205	42	-	-	-	-	-	-
Operational Buildings		29	2,205	42	-	-	-	-	-	-
Municipal Offices		-	-	-	-	-	-	-	-	-
Pay/Enquiry Points		29	29	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	2,175	42	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-

APPENDIX N

CAPITAL PROGRAMME BY PROJECT

Capital Programme by Project: 2022-2023 R' 000		
Capital Project	Original Budget	Actual
Electricity		
LV Networks: Provision of High Mast Lights All 35 Wards	15 204 581	15 156 681.73
Roads and Stormwater		
Roads: Upgrading Tar Road From Lothlakane To Rapulana Clinic MIG/1393	7 248 960	7 668 624.46
Roads: Upgrading Signal Hill Internal Road MIG/2625	8 837 772	6 747 986
Roads: Upgrading Magoegoe Village Road MIG/2628	9 528 700	9 528 699.41
Roads: Upgrading Interconnector Road From Airport View to Bray Road (MIG/NW/2745)	1 747 996	1 747 955.18
Roads: Upgrading Interconnector Road In Setlopo Sa Bosigo (MIG/NW/2743)	18 672 618	18 666 282.02
Roads: Upgrading of Roads in Masuthe From Gravel to Paving (MIG/NW/2744)	6 373 658	6 035 898.36
Roads: Upgrading Moshawane Road MIG/2461	0	0
Roads: Upgrading Road In Tloung Village to Bokone MIG/2627	9 587 128	9 587 074.09
Sports, Arts & Culture		
Centres: Provision of Multi-Purpose Centre In Ward 32 - Phase II	2 039 636	2 038 813.97
Centres: Provision of Multi-Purpose Centre In Ward 24 - Phase II	3 417 204	3 416 271.28
Other		
Outdoor Facilities: Upgrading of Danville Stadium Phase II	4 820 528	4 820 491.39
Outdoor Facilities: Construction of Mmabatho Tennis Court MIG/2548	19 233 931	19 013 066.67

Vote Description	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Funds by National Government	72 168	112 168	104 428	-7%	31%

APPENDIX O

CAPITAL PROGRAMME BY PROJECT BY WARD

CAPITAL EXPENDITURE (MUNICIPAL VOTES)

NW383 Mafikeng - Supporting Table SA36 Detailed capital budget

Function	2021/22 Medium Term Revenue & Expenditure Framework		
	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Parent municipality: <i>List all capital projects grouped by Function</i>			
Roads: Upgrading Tar Road From Lothlakane To Rapulana Clinic MIG/1393	7 248 960,00	7611420	8068104
Roads: Upgrading Signal Hill Internal Road MIG/2625	12 115 080,00	12720828	13484076
Roads: Upgrading Magoegoe Village Road MIG/2628	10 798 836,00	0	12019104
Outdoor Facilities: Upgrading of Danville Stadium Phase II	3 442 260,00	3614364	3795084
Centres: Provision of Multi-Purpose Centre In Ward 24 - Phase II	3 825 504,00	3350004	3717504
Centres: Provision of Multi-Purpose Centre In Ward 32 - Phase II	3 000 000,00	3150000	3307500
Roads: Upgrading Interconnector Road From Airport View to Bray Road (MIG/NW/2745)	2 499 996,00	2625000	2756256
Roads: Upgrading Interconnector Road In Setlopo Sa Bosigo (MIG/NW/2743)	2 499 996,00	2625000	2756256
Roads: Upgrading of Roads in Masuthe From Gravel to Paving (MIG/NW/2744)	2 499 996,00	2625000	2756256
LV Networks: Provision of High Mast Lights All 35 Wards	3 500 004,00	3675000	3858756
Outdoor Facilities: Construction of Mmabatho Tennis Court MIG/2548	20 000 004,00	18000000	16839996
Roads: Upgrading Moshawane Road MIG/2461	-	0	0
Roads: Upgrading Road In Tloung Village to Bokone MIG/2627	5 837 124,00	6128988	6496716
Parent Capital expenditure	77 268	66 126	79 856
Entities: <i>List all capital projects grouped by Entity</i>			
Entity Capital expenditure	-	-	-
Total Capital expenditure	77 268	66 126	79 856

APPENDIX P**SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS**

Schools and clinics are not functions of the Mahikeng Local Municipality

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

Housing delivery is low as there is still a backlog of 35000 houses

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

No Loans and Grants made by the Mahikeng Local Municipality

APPENDIX S**NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT**

National and Provincial outcomes of Local Government		
Outcome/output	Progress to date	Number or percentage achieved
Output: improving access to basic services	Water Sanitation Electricity Refuse removal	Rates = 20462 Units Water = 16117 Units Sanitation = 16440 Units Electricity = 2874 Units Refuse = 28811 Units
Output: implementation of Community Works Programme	Community Works Programme is implemented in all wards in the municipality with an employment of jobs	250 EPWP
Output: Deepening Democracy through refined ward committee model	Municipality through Ward Committees consult with community. Planning and prioritisation is also communicated through ward Committees	100%
Output: administrative & financial capabilities	The administrative wing of the municipality is stable, as well as the financial muscles however it is not enough to provide more service to the community	Total posts = 1616 Total new appointed = 56 Total termination = 23 Total employees = 782

VOLUME II: ANNUAL FINANCIAL STATEMENTS

Mahikeng Local Municipality Annual Financial Statements (AFS) for 2022-2023 financial year completed and submitted to the Auditor General.



Mahikeng Local Municipality
Annual Financial Statements
for the year ended June 30, 2023

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

General Information

Legal form of entity

Local Municipality
Municipal Finance Management Act No. 56 of 2003

Nature of business and principal activities

Provision of municipal services in terms of Chapter 7 of the Constitution of the Republic of South Africa Act No. 108 of 1996, Municipal System Act No. 32 of 2000

Mayoral committee

Executive Mayor	T MPHEHLO
Speaker	OGB MATHE
Chief Whip	ME MOETI
MMC Finance	MP SENOKWANE
MMC Infrastructure	GU LEGALATLADI
MMC Corporate Services	MD JABANYANE
MMC Planning and Development	DK MOLEMA
MMC Special Projects	JC DANIELS
MMC Community Services	PF NKO
MMC Local Economic Development	NG HLAZO
MMC Public Safety	BC MATHE
MMC Stakeholder Engagements	KC SECHOGO
MMC Youth, Women, Children, Older persons with disabilities, HIV/AIDS, Moral Regeneration, Social Cohesion, LGBTIQ+, and Development Communications	KI MBANA
Councillors	GE MOSIEDI CL MAHLANGU TD FEMELE LG SEHOLE MM MOGAPI DL MONALEDI K GAOGANEDIWE C MATSHIDISO KK G NKO TO MOGOIWA LR MANGE NB MABOTE AL ANNANDALE KE GAEBEE OL MAGOGODI DM PHETHA ME MSIMANGA B MBIZA OC KGONARE I MALAKAJE MJ MORUBANE KD SEKETEMA MG BILLIOT BS STORAIS M MOPAKO SK MATSHEKA PL PHANTSI KD SEGA

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

General Information

LR MOTLHABANE
GD MARUPING
KA MONCHUSI
OE MPHEHLO
PP MOLALE
RG MOLOSIOA
MA SETSHEDI
LJ MOTLALE
C MOHELEKETE
LMO MOKGOSI
ME KHATHAZO
LA KGENGWE
AE RAKWENA
MD RAMATAE
TC MAIBI
HP KGASI
NJ MANGAYI
TC MATSHEKA
MC SEGOE
SJ TAUYAGAE
WN BOHMER
MJ NKOMO (MONERE)
ME DINGILE
T SELEPE
T MOTSHABI
KP MOTSUMI
LS MOGOTLHA
SJ VAN ROOYEN
MD PHUTHEGO

Grading of local authority

Category B

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

General Information

Chief Finance Officer (CFO)	RA MORRIS
Accounting Officer	ADV D I MONGWAKETSE
Registered office	Cnr University Drive & Hector Peterson Road Mmabatho 2735
Business address	Cnr University Drive & Hector Peterson Road Mmabatho 2735
Postal address	Private Bag X63 Mmabatho 735
Bankers	Standard Bank of South Africa Business Centre, Nelson Mandela Drive, Mahikeng, 2745
Auditors	Auditor General of South Africa
Preparer	The annual financial statements were internally compiled by: Pule Letshaba

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Index

The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

	Page
Accounting Officer's Responsibilities and Approval	5
Accounting Officer's Report	6
Statement of Financial Position	7
Statement of Financial Performance	8
Statement of Changes in Net Assets	9
Cash Flow Statement	10
Statement of Comparison of Budget and Actual Amounts	11 - 12
Accounting Policies	13 - 36
Notes to the Annual Financial Statements	36 - 105

Abbreviations used:

PIG	Provincial Infrastructure Grant
DBSA	Development Bank of South Africa
DORA	Division of Revenue Act
GRAP	Generally Recognised Accounting Practice
EPWP	Expanded Public Works Programme
FMG	Financial Management Grant
SALGA	South African Local Government Association
MFMA	Municipal Finance Management Act
mSCOA	Municipal Standard Chart of Accounts
SCM	Supply Chain Management
SDL	Skills Development Levy
UIF	Unemployment Insurance Fund
VAT	Value Added Tax
MIG	Municipal Infrastructure Grant
WIP	Work in Progress
PAYE	Pay As You Earn
EEDMS	Energy Efficiency and Demand Side Management Grant

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended.

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

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

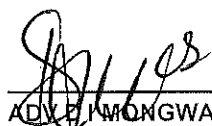
The accounting officer acknowledges that she is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting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

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

The accounting officer has reviewed the municipality's cash flow forecast and, in the light of this review and the current financial position, she is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The accounting officer certifies that the salaries, allowances, and benefits of councillors as disclosed in Note 28 of these financial statements are within the upper limits of the frame work envisaged in section 219 of the Consitution, read with the Remuneration of Public Office Bearers Act (Act 20 of 1998) and the Minister of Provincial and Local Government's determination in accordance with this Act.6.

The annual financial statements set out on page 7 to 11 have been prepared on the going concern basis, and were approved by the accounting officer on 31 August 2023 and were signed on its behalf by:



ADV. P. MONGWAKETSE
Accounting Officer


Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Officer's Report

The accounting officer submits her report for the year ended June 30, 2023.

The annual financial statements set out on page 7 to 11, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2023 and were signed on its behalf by:



ADV DUMONGWAKETSE
Accounting Officer

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Statement of Financial Position as at June 30, 2023

Figures in Rand	Note(s)	2023	2022 Restated*
Assets			
Non-Current Assets			
Investment property	3	240,644,000	285,519,000
Property, plant and equipment	4	1,799,726,544	1,740,996,942
Intangible assets	5	2,627,987	2,187,685
		2,042,998,531	2,028,703,627
Current Assets			
Prepayments	10	18,354,995	3,616,267
Inventories	11	14,887,537	14,271,738
Receivables from exchange transactions	12	22,813,411	73,382,178
Receivables from non-exchange transactions	13	13,729,709	102,562,253
Cash and cash equivalents	14	117,509,209	22,133,098
Inter-governmental receivables	43	13,711,801	887,570
		201,006,662	216,853,104
Total Assets		2,244,005,193	2,245,556,731
Liabilities			
Non-Current Liabilities			
Employee benefit obligation	9	194,380,000	280,072,000
Provisions	16	174,145,264	151,000,853
		368,525,264	431,072,853
Current Liabilities			
Payables from exchange transactions	6	352,123,198	401,286,083
VAT payable	7	50,253,952	34,252,936
Consumer deposits	8	13,624,954	13,414,511
Employee benefit obligation	9	55,667,000	2,591,000
Unspent conditional grants and receipts	15	30,899,657	-
		502,568,761	451,544,530
Total Liabilities		871,094,025	882,617,383
Net Assets		1,372,911,168	1,362,939,348
Accumulated surplus		1,372,911,168	1,362,939,348
Total Net Assets		1,372,911,168	1,362,939,348

* See Note 47

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Statement of Financial Performance

Figures in Rand	Note(s)	2023	2022 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	18	252,972,758	246,131,167
Rental of facilities and equipment	19	7,146,503	8,260,843
Interest received		83,611,299	55,811,301
Licences and permits		4,642,534	1,898,176
Fees earned		4,460,303	6,294,272
Other income		9,475,670	12,472,532
Donations income		3,802,495	-
Interest received - investment	23	10,836,605	4,588,450
Total revenue from exchange transactions		376,948,167	335,456,741
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	24	389,752,043	332,898,910
Interest on property rates	21	62,930,845	44,804,961
Transfer revenue			
Government grants & subsidies	26	460,660,789	393,729,000
Fines, Penalties and Forfeits		1,378,586	815,835
Total revenue from non-exchange transactions		914,722,263	772,248,706
Total revenue	17	1,291,670,430	1,107,705,447
Expenditure			
Employee related costs	27	(390,111,724)	(348,035,214)
Remuneration of councillors	28	(30,301,761)	(28,741,635)
Remuneration of ward committee members		(5,714,500)	(3,143,500)
Expanded Public Works Programme Stipend		(5,103,621)	(2,794,221)
Repairs and maintenance		(20,862,745)	(53,085,074)
Lease rentals on operating lease	20	(4,188,444)	(3,073,205)
Transfers and Subsidies	25	(100,000)	-
Depreciation and amortisation	29	(63,428,122)	(78,916,061)
Finance costs	30	(228,387)	(938,169)
Debt Impairment	32	(424,499,257)	(194,950,685)
Bulk purchases	34	(78,546,699)	(69,198,699)
Contracted services	35	(96,283,026)	(103,703,181)
General Expenses	33	(119,628,488)	(105,374,118)
Total expenditure		(1,238,996,774)	(991,953,762)
Operating surplus	37	52,673,656	115,751,685
Loss on disposal of assets and liabilities		(44,911,172)	-
Fair value adjustments	38	(55,000)	37,370,040
Actuarial gains/losses	9	2,657,000	(14,302,000)
Reversal of Impairments		(1,322,873)	-
Inventories losses/write-downs		917,748	(1,791,127)
		(42,714,297)	21,276,913
Surplus for the year		9,959,359	137,028,598

* See Note 47

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	1,142,591,173	1,142,591,173
Adjustments		
Prior year adjustments 47	83,319,577	83,319,577
Balance at July 1, 2021 as restated*	1,225,910,750	1,225,910,750
Changes in net assets		
Surplus for the year	137,028,598	137,028,598
Total changes	137,028,598	137,028,598
Opening balance as previously reported	1,353,564,861	1,353,564,861
Adjustments		
Prior year adjustments 47	9,386,948	9,386,948
Restated* Balance at July 1, 2022 as restated*	1,362,951,809	1,362,951,809
Changes in net assets		
Surplus for the year	9,959,359	9,959,359
Total changes	9,959,359	9,959,359
Balance at June 30, 2023	1,372,911,168	1,372,911,168
Note(s)		

* See Note 47

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Cash Flow Statement

Figures in Rand	Note(s)	2023	2022 Restated*
Cash flows from operating activities			
Receipts			
Cash received from customers		369,999,890	341,931,383
Grants		491,560,446	393,729,000
Interest income		157,378,749	60,399,751
Other cash item		12,461	-
		<u>1,018,951,546</u>	<u>796,060,134</u>
Payments			
Employee costs		(420,653,253)	(336,818,364)
Cash paid to Suppliers		(342,656,635)	(338,801,246)
Finance costs		(228,387)	(938,169)
Other payments		(36,016,261)	(31,885,134)
Other cash item		(100,000)	-
		<u>(799,654,536)</u>	<u>(708,442,913)</u>
Net cash flows from operating activities	36	<u>219,297,010</u>	<u>87,617,221</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(122,714,599)	(115,867,490)
Purchase of other intangible assets	5	(1,206,300)	(1,814,729)
Net cash flows from investing activities		<u>(123,920,899)</u>	<u>(117,682,219)</u>
Cash flows from financing activities			
Finance lease payments		-	11,250,000
Net increase/(decrease) in cash and cash equivalents		95,376,111	(18,814,998)
Cash and cash equivalents at the beginning of the year		22,133,098	40,948,096
Cash and cash equivalents at the end of the year	14	<u>117,509,209</u>	<u>22,133,098</u>

The accounting policies on pages 13 to 36 and the notes on pages 36 to 105 form an integral part of the annual financial statements.

* See Note 47

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	275,485,000	-	275,485,000	252,972,758	(22,512,242)	54
Rental of facilities and equipment	13,187,000	-	13,187,000	7,146,503	(6,040,497)	54
Interest income - debtors	141,219,000	-	141,219,000	83,611,299	(57,607,701)	54
Licences and permits	3,625,000	-	3,625,000	4,642,534	1,017,534	54
Fees earned	-	-	-	4,460,303	4,460,303	54
Other income	17,860,000	-	17,860,000	9,475,670	(8,384,330)	54
Donations income	-	-	-	3,802,495	3,802,495	54
Interest received - investment	4,100,000	-	4,100,000	10,836,605	6,736,605	54
Total revenue from exchange transactions	455,476,000	-	455,476,000	376,948,167	(78,527,833)	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	409,616,000	-	409,616,000	389,752,043	(19,863,957)	54
Interest on property rates	-	-	-	62,930,845	62,930,845	54
Transfer revenue						
Government grants & subsidies	447,235,000	45,556,000	492,791,000	460,660,789	(32,130,211)	54
Fines, Penalties and Forfeits	2,269,000	-	2,269,000	1,378,586	(890,414)	54
Total revenue from non-exchange transactions	859,120,000	45,556,000	904,676,000	914,722,263	10,046,263	
Total revenue	1,314,596,000	45,556,000	1,360,152,000	1,291,670,430	(68,481,570)	
Expenditure						
Personnel	(417,104,000)	484,000	(416,620,000)	(390,111,724)	26,508,276	54
Remuneration of councillors	(31,527,000)	-	(31,527,000)	(30,301,761)	1,225,239	54
Remuneration of ward committee members	-	-	-	(5,714,500)	(5,714,500)	54
Repairs and maintenance	-	-	-	(20,862,745)	(20,862,745)	54
Depreciation and amortisation	(60,311,000)	-	(60,311,000)	(63,428,122)	(3,117,122)	54
Expanded Public Works Programme Stipend	-	-	-	(5,103,621)	(5,103,621)	54
Finance costs	(1,823,000)	-	(1,823,000)	(228,387)	1,594,613	54
Lease rentals on operating lease	-	-	-	(4,188,444)	(4,188,444)	54
Debt Impairment	(225,402,000)	-	(225,402,000)	(424,499,257)	(199,097,257)	54
Bulk purchases	(40,000,000)	9,000,000	(31,000,000)	(78,546,699)	(47,546,699)	54
Contracted Services	(191,504,000)	(2,613,000)	(194,117,000)	(96,283,026)	97,833,974	54
Transfers and Subsidies	(4,000,000)	-	(4,000,000)	(100,000)	3,900,000	54
General Expenses	(213,574,000)	(1,194,000)	(214,768,000)	(119,628,488)	95,139,512	54
Total expenditure	(1,185,245,000)	5,677,000	(1,179,568,000)	(1,238,996,774)	(59,428,774)	
Operating surplus	129,351,000	51,233,000	180,584,000	52,673,656	(127,910,344)	
Loss on disposal of assets and liabilities	-	-	-	(44,911,172)	(44,911,172)	54

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Fair value adjustments	-	-	-	(55,000)	(55,000)	54
Actuarial gains/losses	-	-	-	2,657,000	2,657,000	54
Reversal of impairment	-	-	-	(1,322,873)	(1,322,873)	54
Inventories losses/write-downs	-	-	-	917,748	917,748	54
	-	-	-	(42,714,297)	(42,714,297)	
Surplus before taxation	129,351,000	51,233,000	180,584,000	9,959,359	(170,624,641)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	129,351,000	51,233,000	180,584,000	9,959,359	(170,624,641)	

Refer to Note 54 for explanations on budget vs actuals variances.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

Figures in Rand	Note(s)	2023	2022
-----------------	---------	------	------

1. Presentation of Annual Financial Statements

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

The municipality's principal accounting policies, which are in all material aspects consistent with those applied in the previous year, are set out below. The details of any changes in accounting policies are explained in the note thereto. The historical cost convention has been used, except where indicated otherwise. Management has used assessments and estimates in preparing the annual financial statements which are based on the best information at the time of preparation.

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

1.1 Presentation currency

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

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.3 Comparative figures

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed.

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

Refer to the prior period note:

1.4 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Allowance for slow moving, damaged and obsolete stock

An allowance/ provision to write stock down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the statement of financial performance.

Impairment testing

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

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, together with economic factors such as inflation interest.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are discounted when the time value of money is material. Additional disclosure of these estimates of provisions are included in the provision note to the financial statement.

Management's judgement is required when recognising and measuring provisions, contingent liabilities, contingent assets and debt impairment.

The provision for staff leave is based on accrued leave at year-end. The uncertainty is when the leave will be taken or if employment is terminated.

Useful lives

The municipality's management annually determines the estimated useful lives and related depreciation charges for the infrastructure and other assets. This estimate is based on industry norms or technical advice. Management will amend the depreciation charge where there is a change in the estimated useful lives.

Post-retirement benefits

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

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Effective interest rate

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

Allowance for doubtful debts

The municipality assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the surplus makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables is calculated based on an assessment of the extent to which trade receivables have defaulted on payments already due, and an assessment of their ability to make payments based on the history of payments made for municipal services over the last twelve months. This was performed per significant trade receivables first and then for all classes of trade receivables

1.5 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Investment property is held at fair value.

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.5 Investment property (continued)

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

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

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

Fair value

Subsequent to initial measurement investment property is measured at fair value.

The fair value of investment property reflects market conditions at the reporting date whilst provisional amounts reflect the amounts determined using a reasonable basis such as the valuation roll.

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

The fair value of investment property under construction is not determinable, it is measured at cost until the earlier of the date it becomes determinable or construction is complete.

1.6 Property, plant and equipment

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

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

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

Property, plant and equipment is initially measured at cost.

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

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

Major spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

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

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses or fair value where assets have been acquired by grant or donation. Similarly, land is not depreciated as it is deemed to have an indefinite life.

Where items of Property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the Statement of Financial Performance in the period that the impairment is identified.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.6 Property, plant and equipment (continued)

Subsequent expenditure relating to Property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery capabilities of the assets are enhanced in excess of the originally assessed standard of performance. If the expenditure only restores the originally assessed standard of performance, it is regarded as repairs and maintenance, and is expensed.

The municipality maintains and acquires assets to provide a social service to the community, with no intention of disposing of the assets for any economic gain, and thus no residual values are determined other than for motor vehicles.

The gain or loss arising from the disposal or retirement of an item of Property, plant and equipment is determined as the difference between the sales proceeds and the carrying value, and is recognised in the Statement of Financial Performance.

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

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

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

Item	Depreciation method	Average useful life
Buildings	Straight-line	5 - 100
Community facilities	Straight-line	5 - 100
Roads Network	Straight-line	5 - 100
Furniture and fixtures	Straight-line	7
Motor vehicles	Straight-line	7
Office equipment	Straight-line	7
IT equipment	Straight-line	5
Capital Assets	Straight-line	45
Electrical Network	Straight-line	45
Other assets	Straight-line	3 -20
Stormwater network	Straight-line	5 - 80

Property, plant and equipment are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment charged to the Statement of Financial Performance is the excess of the carrying value over the recoverable amount.

An impairment is reversed only to the extent that the asset's carrying value does not exceed the carrying value that would have been determined had no impairment been recognised. A reversal of impairment is recognised in the Statement of Financial Performance.

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

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

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

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.7 Site restoration and dismantling cost

The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. These costs include the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an municipality incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. The costs are capitalised to the cost of the relevant assets.

If the related asset is measured using the cost model:

- (a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- (b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
- (c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

1.8 Intangible assets

An asset is identifiable if it either:

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

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

An intangible asset is recognised when:

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

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

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

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

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

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

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

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.8 Intangible assets (continued)

Item	Depreciation method	Average useful life
Computer software	Straight-line	10

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

The computer software is externally acquired and not internally generated.

1.9 Conditional grants

Revenue from conditional grants is recognised when it is probable that the economic benefits or service potential will flow to the municipality the amount of the revenue can be measured reliably and to the extent that there has been compliance with any restrictions associated with the grant.

Interest earned on investments is treated in accordance with grant conditions. If interest is payable to the grantor, it is recognised as a liability and if not, it is recognised as interest earned in the statement of financial performance.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

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

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

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

1.10 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance leases - lessee

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

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

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

Any contingent rents are expensed in the period in which they are incurred.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.10 Leases (continued)

Operating leases - lessee

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

1.11 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

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

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

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

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

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Where inventories are acquired at no cost, or for nominal consideration, the cost is deemed to be the fair value as at date of acquisition. Cost is generally using the first-in-first-out principle except where stated otherwise.

Unsold properties are measured at the lower of cost and net realisable value. Cost is primarily determined by reference to the valuation roll values as at the date of initial recognition or total cost of servicing the land. Net realisable values are based on the latest valuation roll values less estimated cost to sell.

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

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

1.12 Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

1.13 Impairment of cash-generating assets

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented entity.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.13 Impairment of cash-generating assets (continued)

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

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

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

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

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

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

Useful life is either:

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

Identification

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

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

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

Value in use

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

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

Basis for estimates of future cash flows

In measuring value in use the municipality:

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.13 Impairment of cash-generating assets (continued)

Composition of estimates of future cash flows

Estimates of future cash flows include:

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

Estimates of future cash flows exclude:

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

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

Discount rate

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

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.13 Impairment of cash-generating assets (continued)

Reversal of impairment loss

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

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

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

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

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

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

Redesignation

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

1.14 Impairment of non-cash-generating assets

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

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

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

Reversal of an impairment loss

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

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

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

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

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

Redesignation

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

1.15 Employee benefits

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

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

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

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

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

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

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.15 Employee benefits (continued)

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

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

Short-term employee benefits

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

Short-term employee benefits include items such as:

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

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

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

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

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

Post-employment benefits

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

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

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.15 Employee benefits (continued)

Post-employment benefits: Defined contribution plans

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

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

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.15 Employee benefits (continued)

Post-employment benefits: Defined benefit plans

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.15 Employee benefits (continued)

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

The entity recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

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

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

The entity offsets an asset relating to one plan against a liability relating to another plan when the entity has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

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

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

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

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

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

1.16 Provisions and contingencies

Provisions are recognised when:

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

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

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.16 Provisions and contingencies (continued)

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

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

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

Provisions are not recognised for future operating surplus.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 45.

Decommissioning, restoration and similar liability

Site Restoration

In accordance with applicable legal requirements, a provision for site restoration in respect of landfill sites is recognised when the land is contaminated. The related expense is capitalised against the cost of the landfill sites.

Restructuring

A provision for restructuring is recognised when the municipality has approved a detailed and formal restructuring plan and the restructuring either has commenced or has been announced as publicly.

Long Service Award

In terms of the Collective Bargaining Agreement, employees who achieve a certain predetermined milestone of service within the municipality are entitled to leave days or cash equivalent. A provision is made at the end of each balance sheet date based on the estimated number of employees who are likely to achieve the milestones in the future. The provision is discounted using a reasonable discounting rate.

1.17 Commitments

Capital commitments disclosed in the financial statements represents the balance committed to capital projects on reporting date that will be incurred in the period subsequent to the specific reporting date.

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

Disclosures are required in respect of unrecognised contractual commitments. Capital commitments disclosed in the financial statements represents the balance committed to capital projects on reporting date that will be incurred in the period subsequent to the specific reporting date.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.18 Revenue from exchange transactions

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.18 Revenue from exchange transactions (continued)

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

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

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.18 Revenue from exchange transactions (continued)

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Service Charges

Service charges relating to distribution of water are based on consumption. Meters are read on a regular basis consumption is recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made on a monthly basis when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without it being invoiced. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is raised based on the average monthly consumption. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters are read. These adjustments are recognised as revenue in the invoicing period.

Service charges relating to refuse removal are recognised on a monthly basis by applying the approved tariff to each property receiving services. Tariffs are determined per category of property and are levied monthly based on the type of property not taking into consideration the number of refuse containers.

Service charges from sewerage and sanitation services are based on the type of service not taking into consideration the number of sewer connections on all developed property, using the tariffs approved by Council. Revenue is recognised on a monthly basis.

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest earned and rentals received

Interest income is recognised in surplus or deficit as it accrues, using the effective interest method. Interest earned on unutilised conditional grants is recognised as an unspent conditional grants liability if the grant conditions indicate that interest is payable to the grantor.

Rental income from operating leases is recognised on a straight line basis over the lease term.

Tariff charges

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits.

1.19 Revenue from non-exchange transactions

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

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.19 Revenue from non-exchange transactions (continued)

Control of an asset arises when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

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

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

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

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

Recognition

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

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

Measurement

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

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

Transfers

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

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

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

Fines

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

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

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.20 Statutory receivables identification

Basis

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means and require settlement by another entity in cash or another financial asset.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of the Standard of GRAP on Statutory Receivables) means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means

Recognition

The municipality recognises statutory receivables as follows:

- (a) If the transaction is an exchange transaction, using the accounting policy on revenue from exchange transactions;
- (b) If the transaction is a non-exchange transaction, using the accounting policy on revenue from non-exchange transactions (Taxes and transfers); or
- (c) If the transaction is not within the scope of the accounting policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the municipality and the transaction amount can be measured reliably

Initial measurement

The Municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The Municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- (a) Interest or other charges that may have accrued on the receivable (where applicable);
- (b) Impairment losses; and
- (c) Amounts derecognise

Accrued interest

Where the Municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using prime lending rates plus one percent per annual.

Interest on statutory receivables is recognised as revenue in accordance with the accounting policy on Revenue from exchange transactions or the accounting policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the municipality is required or entitled to levy additional charges in terms of legislation, supporting regulations, by-laws or similar means on overdue or unpaid amounts, these charges are accounted for in terms of the municipality's accounting policy on revenue from exchange transactions or the policy on Revenue from non-exchange transactions (taxes and transfers).

Impairment losses

The Municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- (a) Significant financial difficulty of the receivable, which may be evidenced by an

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.20 Statutory receivables identification (continued)

- (b) Application for debt counselling, business rescue or an equivalent.
- (c) It is probable that the receivable will enter sequestration, liquidation or other financial re-organisation.
- (d) A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- (e) Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the Municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable, or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The Municipality derecognises a statutory receivable, or a part thereof, when:

- (a) The rights to the cash flows from the receivable are settled, expire or are waived;
- (b) The Municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- (c) The Municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

In this case, the Municipality:

- (a) Derecognises the receivable; and
- (b) Recognises separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The municipality considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.21 Investment income

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

Finance income comprises interest income on funds invested, dividend income, gains on the disposal of financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in surplus or deficit, using the effective interest method. Dividend income is recognised in surplus or deficit on the date that the municipality's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets through profit or loss and impairment losses recognised on financial assets.

Borrowing costs are recognised in surplus or deficit using the effective interest method.

1.22 Borrowing costs

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

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.23 Segment information

Segment information

A segment is an activity of an entity:

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

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

Measurement

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

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

1.24 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is expenditure that has not been budgeted for, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No 56 of 2003). Unauthorised expenditure is accounted for as an expense and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.25 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the statement of financial performance and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.26 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. The irregular expenditure excludes unauthorised expenditure.

All the expenditure relating to irregular expenditure is recognised in the statement of financial performance in the period that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

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

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

Where the irregular expenditure was incurred in the prior financial periods and only condoned in the following financial period, the irregular expenditure register and the note to the financial statements must be updated with the amounts condoned.

Irregular expenditure that was incurred and identified during the current financial period and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If the liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the concerned person. If recovery is not possible, the accounting officer or accounting authority may write off the irregular expenditure as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must be updated accordingly. If the irregular expenditure has not been condoned no person is liable in law, the expenditure related thereto must remain against the relevant programme/ expenditure line item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

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

1.27 Accumulated surplus

Accumulated surplus is a residual interest in the assets of an municipality after deducting all of its liabilities from the total municipal assets.

1.28 Tax

Value Added Tax (VAT)

The municipality accounts for VAT on the cash basis. The municipality is liable to account for VAT at the standard rate 15% (14%(31 March 2018) in terms of section 7 (1) (a) of the VAT Act in respect of the supply of goods or services, except where the supplies are specifically zero-rated in terms of section 11, exempted in terms of section 12 of the VAT Act or are scoped out for VAT purposes. The municipality accounts for VAT on a monthly basis.

1.29 Budget information

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

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Accounting Policies

1.29 Budget information (continued)

The approved budget is prepared on an accrual basis and presented by economic classification..

The approved budget covers the fiscal period from 01-Jul-22 to 30-Jun-23.

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

Comparative information is not required.

1.30 Related parties

The municipality operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the local sphere of government are considered to be related parties.

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

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

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.31 Events after reporting date

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

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

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

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

1.32 Consumer deposits

Consumer deposits are charged when new water and/or electricity accounts are opened except for owner occupied proportions. The amounts vary per type of consumer and are approved by Council as part of the tariff structure.

1.33 Other financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

2.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after July 1, 2023 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none">GRAP 25 (as revised): Employee Benefits	April 1, 2009	Unlikely there will be a material impact
<ul style="list-style-type: none">iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction	April 1, 2009	Unlikely there will be a material impact
<ul style="list-style-type: none">GRAP 104 (as revised): Financial Instruments	April 1, 2025	Unlikely there will be a material impact

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

3. Investment property

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	240,644,000	-	240,644,000	285,519,000	-	285,519,000

Reconciliation of investment property - 2023

Investment property	Opening balance	Other changes, movements	Fair value adjustments	Total
	285,519,000	(44,820,000)	(55,000)	240,644,000

Reconciliation of investment property - 2022

Investment property	Opening balance	Fair value adjustments	Total
	246,983,000	38,536,000	285,519,000
Fair value of investment properties		-	38,536,000

Pledged as security

The municipality has not pledged any Investment property as security as at 30 June 2023.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

3. Investment property (continued)

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

The Investment property is measured using the fair value model in accordance with GRAP 16.

The following valuation approaches are applied in combination depending on the category of investment property as follows:

1. Comparison sales/price method. Comparable valid sales in a specific area are used, subject property is compared to the sales and market valuations are derived. This is mostly used for residential properties.
2. Capitalization of income approach. A future income stream is capitalized to determine a value of property. This valuation method is mostly used for commercial properties.
3. Replacement cost minus depreciation valuation. Valuation method for specialized property where there is no comparable properties sales, no income stream, properties like schools, churches, etc.

There are no restrictions on the realizability of investment property or the remittance of revenue and proceeds of disposal and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements for the financial year ended 30 June 2023.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

4. Property, plant and equipment

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	242,851,977	-	242,851,977	242,851,977	-	242,851,977
Buildings	179,550,673	(125,534,595)	54,016,078	179,550,672	(122,024,538)	57,526,134
Furniture and fixtures	13,301,726	(8,032,347)	5,269,379	12,905,444	(7,191,626)	5,713,818
Motor vehicles	62,900,557	(26,165,488)	36,735,069	53,901,293	(21,146,501)	32,754,792
Machinery and equipment	7,643,408	(1,357,541)	6,285,867	6,977,195	(779,286)	6,197,909
IT equipment	13,370,348	(5,861,680)	7,508,668	10,695,050	(4,117,726)	6,577,324
Community facilities	201,571,773	(111,436,732)	90,135,041	168,067,927	(107,500,299)	60,567,628
Other property, plant and equipment	5,784,252	(2,773,139)	3,011,113	5,006,357	(2,053,245)	2,953,112
Roads Network Infrastructure	2,293,781,403	(1,275,132,050)	1,018,649,353	2,305,347,766	(1,280,645,032)	1,024,702,734
Capital assets	2,809,006	(1,741,584)	1,067,422	2,809,006	(1,679,161)	1,129,845
Work-In-Progress	149,131,586	-	149,131,586	123,677,233	-	123,677,233
Electrical Network Infrastructure	165,890,929	(58,409,037)	107,481,892	165,890,929	(54,657,151)	111,233,778
Landfill site	25,306,592	-	25,306,592	25,306,592	-	25,306,592
Wastewater network	75,385,642	(23,109,135)	52,276,507	60,916,285	(21,112,219)	39,804,066
Total	3,439,279,872	(1,639,553,328)	1,799,726,544	3,363,903,726	(1,622,906,784)	1,740,996,942

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Transfers received	Transfers	Depreciation	Impairment loss	Total
Landfill site	25,306,592	-	-	-	-	-	-	25,306,592
Land	242,851,977	-	-	-	-	-	-	242,851,977
Buildings	57,526,134	-	-	-	-	(3,510,056)	-	54,016,078
Community facilities	60,567,628	-	-	33,503,846	-	(3,936,433)	-	90,135,041
Roads Network Infrastructure	1,024,702,734	-	(14,389)	35,748,538	-	(41,536,463)	(251,067)	1,018,649,353
Wastewater network	39,804,066	-	-	14,469,358	-	(1,996,917)	-	52,276,507
Electrical Network Infrastructure	111,233,778	-	-	-	-	(3,751,886)	-	107,481,892
Capital assets	1,129,845	-	-	-	-	(62,423)	-	1,067,422
Work-In-Progress	123,677,233	111,804,794	-	-	(86,350,441)	-	-	149,131,586
Furniture and fixtures	5,713,818	409,565	(8,329)	-	-	(837,986)	(7,689)	5,269,379
Motor vehicles	32,754,792	8,999,263	-	-	-	(3,954,870)	(1,064,116)	36,735,069
IT equipment	6,577,324	2,768,307	(60,740)	-	-	(1,776,223)	-	7,508,668
Other property, plant and equipment	2,953,112	778,495	(533)	-	-	(719,961)	-	3,011,113
Machinery and equipment	6,197,909	673,713	(6,849)	-	-	(578,906)	-	6,285,867
	1,740,996,942	125,434,137	(90,840)	83,721,742	(86,350,441)	(62,662,124)	(1,322,872)	1,799,726,544

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Prior Year Corrections	Transfers received	Transfers	Other changes, movements	Depreciation	Total
Landfill site	25,306,592	-	-	-	-	-	-	25,306,592
Land	242,851,977	-	-	-	-	-	-	242,851,977
Buildings	62,220,253	-	-	29,900	-	(180,545)	(4,543,474)	57,526,134
Community facilities	64,455,271	-	-	59,750	-	11,099	(3,958,492)	60,567,628
Roads Network Infrastructure	996,052,149	-	-	87,238,467	-	-	(58,587,882)	1,024,702,734
Wastewater network	22,281,457	-	-	19,058,374	-	-	(1,535,765)	39,804,066
Electrical Network Infrastructure	114,985,664	-	-	-	-	-	(3,751,886)	111,233,778
Capital assets	1,192,267	-	-	-	-	-	(62,422)	1,129,845
Work-In-Progress	131,447,544	98,008,502	1,056,268	-	(106,835,081)	-	-	123,677,233
Furniture and fixtures	5,872,319	621,925	71,846	-	-	-	(852,272)	5,713,818
Motor vehicles	29,704,661	6,296,341	-	-	-	-	(3,246,210)	32,754,792
IT equipment	3,949,046	3,744,760	17,141	-	-	-	(1,133,623)	6,577,324
Other property, plant and equipment	2,700,321	888,096	11,009	-	-	-	(646,314)	2,953,112
Machinery and equipment	1,662,137	4,808,898	10,807	-	-	-	(283,933)	6,197,909
	1,704,681,658	114,368,522	1,167,071	106,386,491	(106,835,081)	(169,446)	(78,602,273)	1,740,996,942

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand 2023 2022

4. Property, plant and equipment (continued)

Pledged as security

No assets have been pledged as security as at 30 June 2023 year end.

Capitalised expenditure (excluding borrowing costs)

Assets subject to finance lease (Net carrying amount)

Other information

Details of properties

Reconciliation of Work-in-Progress 2023

	Included within Infrastructure	Included within Community	Total
Opening balance	52,847,385	70,829,848	123,677,233
Additions/capital expenditure	88,789,416	23,015,377	111,804,793
Transferred to completed items	(44,165,249)	(42,185,191)	(86,350,440)
	97,471,552	51,660,034	149,131,586

Reconciliation of Work-in-Progress 2022

	Included within Infrastructure	Included within Community	Included within Other PPE	Total
Opening balance	83,664,991	49,073,050	-	132,738,041
Additions/capital expenditure	74,871,470	21,816,548	29,990	96,718,008
Other movements	1,056,268	-	-	1,056,268
Transferred to completed items	(106,745,341)	(59,750)	(29,990)	(106,835,081)
	52,847,388	70,829,848	-	123,677,236

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

Maintenance of building and facilities	1,949,244	1,535,612
Maintenance of equipment	57,665	3,404,728
Maintenance of road and stormwater	14,443,385	24,429,819
Maintenance of motor vehicles	3,580,139	11,496,217
Maintenance of community facilities	745,871	-
Maintenance of IT equipment	86,440	-
	20,862,744	40,866,376

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand 2023 2022

5. Intangible assets

	2023			2022		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	5,976,247	(3,348,260)	2,627,987	4,769,947	(2,582,262)	2,187,685

Reconciliation of intangible assets - 2023

	Opening balance	Additions	Amortisation	Total
Computer software	2,187,685	1,206,300	(765,998)	2,627,987

Reconciliation of intangible assets - 2022

	Opening balance	Additions	Amortisation	Total
Computer software	686,744	1,814,729	(313,788)	2,187,685

Other information

All computer software classified as intangible assets have useful lives of 10 years based on future expected usage. The amortisation for the year is included under depreciation and amortisation in the statement of financial performance. The entity does not have any internally generated intangible assets and no indications of impairment were identified during the financial year.

6. Payables from exchange transactions

Trade payables	249,662,336	298,416,286
Accrued leave pay	32,431,362	28,710,769
Thirteenth cheque accrual	7,237,038	6,436,539
Retentions	14,405,989	13,507,588
Unallocated deposits	16,449,190	16,445,660
Advance receipts	31,937,283	37,769,241
	352,123,198	401,286,083

7. VAT payable

VAT payable	50,253,952	34,252,936
-------------	------------	------------

8. Consumer deposits

Other deposits	8,096,833	7,130,589
Water	5,528,121	6,283,922
	13,624,954	13,414,511

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand 2023 2022

9. Employee benefit obligations

Defined benefit plan

Post retirement medical aid plan

The municipality provides certain post-retirement health care benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service) is entitled to remain a continued member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. No other post-retirement benefits are provided to these employees.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2023 by S Basadien, Fellow of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method

Pension benefits

The Mahikeng City Council Pension Fund ("the Fund") is a defined benefit pension fund that commenced on 1 March 1983. It provides, amongst other benefits, a pension that is defined as a percentage of pensionable salary at the retirement date.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2023 by S Basadien, Fellow of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Method.

Long service awards

In-Service Members 659 690

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

Carrying value

Present value of the defined benefit obligation-wholly unfunded	(36,050,000)	(31,793,000)
Present value of the defined benefit obligation-partly or wholly funded	(200,251,000)	(237,749,000)
Long service awards	(13,746,000)	(13,121,000)
	<u>(250,047,000)</u>	<u>(282,663,000)</u>
Non-current liabilities	(194,380,000)	(280,072,000)
Current liabilities	(55,667,000)	(2,591,000)
	<u>(250,047,000)</u>	<u>(282,663,000)</u>

The members of the plans are made up as follows:

Medical aid fund

Total active members	429	349
Continuation members	32	26
Pension fund		
Total active members	388	434
Total pensioners	15	6

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
9. Employee benefit obligations (continued)		
Changes in the present value of the defined benefit obligation are as follows:		
Opening balance	611,892,000	649,298,000
Benefits paid	(34,336,000)	(89,267,000)
Interest cost	80,010,000	30,075,000
Current service cost	11,843,000	11,232,000
Other	(1,190,000)	1,339,000
Member contributions	9,083,000	9,215,000
	677,302,000	611,892,000
Net expense recognised in the statement of financial performance		
Current service cost	11,843,000	7,816,000
Benefit payments	(2,591,000)	(693,000)
Interest cost	39,714,000	(269,000)
Movement in contributions	(30,925,000)	-
	18,041,000	6,854,000
Changes in the fair value of plan assets are as follows:		
Opening balance	329,229,000	308,189,000
Expected return	40,297,000	30,344,000
Actuarial gains (losses)	1,467,000	(12,268,000)
Contributions by employer	78,925,000	79,602,000
Contributions by plan participants	9,083,000	9,215,000
Benefits paid	(31,745,000)	(85,853,000)
	427,256,000	329,229,000

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand 2023 2022

9. Employee benefit obligations (continued)

Key assumptions used

Assumptions used at the reporting date:

Salary increase rate	-	8.10 %
Discount rates used	11.40 %	11.30 %
Inflation rate	6.20 %	7.00 %
Pension increase allowance (Pensioners)	6.20 %	7.00 %
Post retirement discount rate (Pensioners)	-	4.00 %
Expected rate of return on plan assets	11.40 %	11.30 %
Medical aid inflation	-	8.50 %
Discount rate - In service members	-	8.90 %
Discount rate - Continuation members	-	8.50 %

The number of leave days payable for each milestone (number of years served) are detailed in the table below:

- After 10 years of service - 10 working days
- After 15 years of service - 20 working days
- After 20 years of service - 30 working days
- After 25 years of service - 30 working days
- After 30 years of service - 30 working days
- After 35 years of service - 30 working days
- After 40 years of service - 30 working days
- After 45 years of service - 30 working days

Historical analysis

	2023	2022	2021	2020	2019
Defined Benefit Obligation	250,047,000	282,663,000	341,109,000	337,593,000	297,265,000

10. Prepayments

Nature

Insurance	1,739,825	984,367
Firetruck	13,455,481	2,631,900
SALGA	3,159,688	-
	18,354,994	3,616,267

11. Inventories

Land	9,145,998	8,228,582
Consumable stores	5,741,539	6,043,156
	14,887,537	14,271,738

Inventory pledged as security

No inventory was pledged as security as at 30 June 2023.

12. Receivables from exchange transactions

Gross balances

Water	985,709,773	840,141,225
Sewerage	226,313,099	205,324,503
Refuse	220,176,237	193,013,073
Other (specify)	181,720,652	188,620,723
	1,613,919,761	1,427,099,524

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
12. Receivables from exchange transactions (continued)		
Less: Allowance for impairment		
Water	(974,857,930)	(794,744,584)
Sewerage	(222,947,252)	(195,312,040)
Refuse	(217,668,018)	(183,580,557)
Other (specify)	(175,633,150)	(180,080,165)
	(1,591,106,350)	(1,353,717,346)
Net balance		
Water	10,851,843	45,396,641
Sewerage	3,365,847	10,012,463
Refuse	2,508,219	9,432,516
Other (specify)	6,087,502	8,540,558
	22,813,411	73,382,178
Water		
Current (0 -30 days)	268,788	1,126,576
31 - 60 days	204,667	872,894
61 - 90 days	206,150	931,813
91 - 120 days	230,254	1,004,581
121 - 365 days	9,941,984	41,460,777
	10,851,843	45,396,641
Sewerage		
Current (0 -30 days)	99,151	259,522
31 - 60 days	68,648	221,815
61 - 90 days	64,945	193,648
91 - 120 days	62,977	183,904
121 - 365 days	3,070,126	9,153,574
	3,365,847	10,012,463
Refuse		
Current (0 -30 days)	63,495	234,802
31 - 60 days	53,017	206,359
61 - 90 days	50,187	190,085
91 - 120 days	48,110	183,234
121 - 365 days	2,293,410	8,618,036
	2,508,219	9,432,516
Other		
Current (0 -30 days)	37,785	157,052
31 - 60 days	35,232	9,524
61 - 90 days	32,354	27,719
91 - 120 days	22,007	16,074
121 - 365 days	5,960,124	8,330,189
	6,087,502	8,540,558

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
12. Receivables from exchange transactions (continued)		
Summary of debtors by customer classification		
Residential		
Current (0 -30 days)	20,313,305	18,051,609
31 - 60 days	18,790,214	15,735,399
61 - 90 days	18,564,936	17,485,118
91 - 120 days	19,573,346	17,189,697
121 - 365 days	1,073,320,020	954,600,002
	<u>1,150,561,821</u>	<u>1,023,061,825</u>
Less: Allowance for impairment	(1,148,251,504)	(1,011,162,131)
	2,310,317	11,899,694
Industrial/ commercial		
Current (0 -30 days)	8,075,596	5,398,567
31 - 60 days	4,903,237	2,567,663
61 - 90 days	4,577,280	2,759,810
91 - 120 days	4,185,092	1,947,447
121 - 365 days	178,694,315	99,351,497
	<u>200,435,520</u>	<u>112,024,984</u>
Less: Allowance for impairment	(196,691,973)	(105,158,008)
	3,743,547	6,866,976
National and provincial government		
Current (0 -30 days)	9,393,611	9,816,400
31 - 60 days	5,217,961	6,752,439
61 - 90 days	5,320,728	5,237,291
91 - 120 days	6,270,616	7,194,043
121 - 365 days	236,719,505	253,628,171
	<u>262,922,421</u>	<u>282,628,344</u>
Less: Allowance for impairment	(246,162,873)	(237,397,207)
	16,759,548	45,231,137
Total		
Current (0 -30 days)	37,782,511	33,266,575
31 - 60 days	28,911,413	25,055,500
61 - 90 days	28,462,944	25,482,219
91 - 120 days	30,029,053	26,331,187
121 - 365 days	1,488,733,840	1,316,964,043
	<u>1,613,919,761</u>	<u>1,427,099,524</u>
Less: Allowance for impairment	(1,591,106,350)	(1,353,717,346)
	22,813,411	73,382,178
Reconciliation of allowance for impairment		
Balance at beginning of the year	(1,353,717,346)	(1,158,766,661)
Contributions to allowance	(237,389,004)	(194,950,685)
	(1,591,106,350)	(1,353,717,346)

Receivables from exchange transactions which are less than 1 months past due are not considered to be impaired. At 30 June 2023, R37 782 511 (2022: R 33 266 575) were past due but not impaired.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
13. Receivables from non-exchange transactions		
Gross balances		
Property rates	976,697,808	879,685,082
Fines	3,462,921	2,926,250
	980,160,729	882,611,332
Less: Allowance for impairment		
Property rates	(963,030,453)	(777,131,834)
Fines	(3,400,567)	(2,916,800)
	(966,431,020)	(780,048,634)
Net balance		
Property rates	13,667,355	102,553,248
Fines	62,354	9,450
	13,729,709	102,562,698
Property Rates		
Current (0 -30 days)	590,551	2,700,812
31 - 60 days	368,975	2,145,543
61 - 90 days	314,493	2,095,460
91 - 120 days	301,796	1,961,152
121 - 365 days	12,091,540	93,650,281
	13,667,355	102,553,248
Fines		
Current (0 -30 days)	4,531	306
31 - 60 days	3,800	505
61 - 90 days	5,848	98
91 - 120 days	945	63
121 - 365 days	47,230	8,478
	62,354	9,450
Business & Commercial		
Current (0 -30 days)	9,324,549	5,448,499
31 - 60 days	5,094,771	3,104,479
61 - 90 days	3,954,729	2,660,176
91 - 120 days	3,742,050	2,211,165
121 - 365 days	141,819,393	97,853,932
Less: Allowance for impairment	(156,695,538)	(103,370,184)
	7,239,954	7,908,067
Residential		
Current (0 -30 days)	8,012,696	6,279,234
31 - 60 days	7,154,594	5,647,911
61 - 90 days	6,800,883	5,707,740
91 - 120 days	6,649,646	5,190,111
121 - 365 days	238,435,638	206,899,922
Less: Allowance for impairment	(265,402,098)	(224,381,276)
	1,651,359	5,343,642

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
13. Receivables from non-exchange transactions (continued)		
National and provincial government		
Current (0 -30 days)	14,146,927	11,439,394
31 - 60 days	11,027,884	9,651,731
61 - 90 days	10,843,275	9,606,600
91 - 120 days	10,602,237	9,421,163
121 - 365 days	499,150,891	498,563,023
Less: Allowance for impairment	(540,932,817)	(449,380,375)
	4,838,397	89,301,536
Total		
Current (0 -30 days)	31,484,172	23,167,127
31 - 60 days	23,277,249	18,404,121
61 - 90 days	21,598,886	17,974,516
91 - 120 days	20,993,934	16,822,439
121 - 365 days	879,405,922	803,315,866
Less: Allowance for impairment	(963,030,453)	(777,131,834)
	13,729,710	102,552,235

The allowance for impairment relating to fines was derived after taking into account the recovery rate of fines for the current and past two year.

The average recovery rate for the 2023 period was estimated at 1.08%, the allowance being at 98.20%

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

13. Receivables from non-exchange transactions (continued)

Statutory receivables general information

Transaction(s) arising from statute

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

13. Receivables from non-exchange transactions (continued)

Statutory Receivables

Property rates and traffic fines disclosed under Receivables from non-exchanges transactions are Statutory Receivables in context of GRAP 108. Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means; and require settlement by another entity in cash or another financial asset. The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

The Municipality has recognised property rates and traffic fines as statutory receivable using the Standard of GRAP 108 on Revenue from Non-exchange Transactions (Taxes and Transfers) as required by the paragraph .06 of the GRAP 23 on Statutory Receivables the transaction is a non-exchange transaction.

Property rates related transactions arise in terms of the Municipal Property Rates Act, 6 of 2004, Municipal Finance Management Act, 56 of 2003, as well as the Property Rates Policy of the Municipality approved by Council.

Traffic fines arise from the National Road Traffic Act 93 of 1996, National Road Traffic Regulations 2000, National

Land Transport Act 5 of 2009 and Criminal Procedure Act 51 of 1971. Prosecutor performs prosecutorial functions in terms of a general delegation awarded by the National Prosecuting Authority and is subject to the control of the Magistrate's Court in the City of Mahikeng. Subsequent measurement of traffic fines is primarily through guidance provided by National Legislation.

Property rates accrue interest at a rate approved annually by the Municipal Council through the budget process. The prevailing interest rate charged by the Municipality is incorporated within the Municipal Tariff Schedule gazette.

For significant impairment losses recognised the Municipality is required by GRAP 10 paragraph 8 to disclose the main events and circumstances that led to the recognition of impairment losses. The Municipality's statutory receivables from receivables from non-exchange transactions property rates constitutes a significant proportion of the impairment loss allocation. As at 30 June 2022 more than 75% of Receivables from non-exchange transactions – Property rates were being owed for over a year which means they were on 202006+ (Over 1 Year) on the age analysis. This was identified as one of the indicators of the poor performance of the debtors' book as payment profiles of consumers deteriorated through increasing defaults.

The Municipality considered the payment profile of consumers with reference to latest payment date as one of the key indicators and assumptions used to assess and calculate whether statutory receivables were impaired during the reporting period. The following were also taken into account:

- Nature of the consumer with regards to whether accounts were active or inactive
- For residential properties whether accounts were designated indigent or not
- Categorisation of non-indigent households, businesses, and government

The Municipality held no collateral, which may include financial assets, non-financial assets and other forms of collateral such as guarantees or encumbrances over Statutory Receivables from non-exchange transactions.

The allowance for impairment relating to fines was derived after considering the recovery rate of fines for the current and past two year. The average recovery rate for the 2023 period was estimated at 12.52%, the allowance being at 87.48%.

Receivables from non-exchange transactions constituting statutory receivables that are past due at the reporting, and which have been impaired are those excluding those noted below as past due but not impaired.

Reason for the material increase on the statutory receivables (receivables from non-exchange transactions) is as a result of the application of GRAP 108 which requires the identification of individually significant debtors and assessing impairment based on the individual debtor's expected cashflow. As a result of assessing impairment based on the individual debtor's expected cashflow which mainly related to government accounts, the impairment was less than the previous period resulting in a much higher carrying amount.

Receivables from non-exchange transactions past due but not impaired

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

13. Receivables from non-exchange transactions (continued)

Receivables from non-exchange transactions which are less than 30 days past due are not considered to be impaired. At 30 June 2023 R31 484 172 (2022: R 23 167 127) were past due but not impaired.

14. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	17	17
Bank balances	28,474,792	10,416,226
Short-term deposits	89,034,400	11,716,855
	117,509,209	22,133,098

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023			2022		
14. Cash and cash equivalents (continued)						
The municipality had the following bank accounts						
Account number / description	Bank statement balances			Cash book balances		
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2023	June 30, 2022	June 30, 2021
Standard Bank - Current Account - Account number 30852595	1,007,686	8,297,007	1,989,288	28,474,793	10,416,224	4,108,504
Standard Bank - Call Account - 238650863/025	1,311	1,311	1,311	1,311	1,311	1,311
Standard Bank - Call Account - 238650863/036	17,545,814	3,747,267	365,704	17,545,814	3,747,267	365,704
Standard Bank - Call Account - 238650863/037	8,701	8,701	144	8,701	8,701	144
Standard Bank - Call Account - 238650863/038	135	135	135	135	135	135
Standard Bank - Call Account - 238650863/039	11,626,664	7,216,724	11,750,785	11,626,665	7,216,724	11,750,785
Standard Bank - Call Account - 238650863/040	59,346,397	277,797	24,273,024	59,346,397	277,797	24,273,024
Nedbank - Call Account - 03/7881120835/000001	158,613	149,683	144,422	159,650	149,683	144,422
ABSA - 90-6461-7006	42,803	41,334	40,996	42,803	41,334	40,996
ABSA - 20-4915-1018	76,370	73,074	70,611	76,133	73,074	70,611
ABSA - 20-5333-3573	11,852	11,369	10,858	11,852	11,369	10,858
ABSA - 20-5333-4163	11,852	11,369	10,858	11,852	11,369	10,858
ABSA - 20-5324-6724	61,861	59,313	57,032	61,861	59,313	57,032
ABSA - 20-5622-0905	14,907	14,115	13,539	14,907	14,115	13,539
ABSA - 20-7942-8427	-	1,019	1,000	-	1,019	1,000
ABSA - 20-8001-7453	5,580	4,490	-	5,580	4,490	-
First National Bank 710390511164	120,742	99,156	99,156	120,742	99,156	99,156
Total	90,041,288	20,013,864	38,828,863	117,509,196	22,133,081	40,948,079

The reconciling items at year end is the difference between the amount as per the bank statements and the amount on the general ledger of R (2022: R 2 119 234).

The short term investment with VBS Mutual Bank of R83 440 312.06 had been impaired due to recoverability of the amount being put in doubt. The bank has been put under curatorship and the deposits by municipalities held by the bank were not honoured as only natural people were to receive their deposits.

During the 2021-22 financial years the curators refunded R5 948 284.51 of the amount invested to the municipality. The short-term investment as adjusted for this refund is now R77 492 027.50. The uncertainty relating to the recoverability of the balance of the deposit remains. The municipality therefore reduced the impairment and investment of the VBS bank deposit by R5 948 284.51 to R77 492 027.50.

VBS reconciliation	Amount as per bank statement - 30 June 2018	Amount recovered	Amount impaired	Total
VBS Mutual Bank	83,440,312	(5,948,285)	(77,492,027)	-

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

15. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Construction Education and Training	291,326	-
Financial Management Grant	199,198	-
Water Indigent Support - NMDM	30,409,133	-
	30,899,657	-

Movement during the year

Additions during the year	163,772,381	-
Income recognition during the year	(132,872,724)	-
	30,899,657	-

The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the municipality has directly benefited; and unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

These amounts are invested in a ring-fenced investment until utilised.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand 2023 2022

16. Provisions

Reconciliation of provisions - 2023

	Opening Balance	Interest expense on provisions	Total
Environmental rehabilitation - Landfill site	151,000,853	23,144,411	174,145,264

Reconciliation of provisions - 2022

	Opening Balance	Interest expense on provisions	Total
Environmental rehabilitation - Landfill site	129,057,717	21,943,136	151,000,853

Environmental rehabilitation - Landfill Site

The provision was raised in order to determine the closure and rehabilitation costs for the waste disposal site in accordance with the Minimum Requirements (Second Edition, 1998) from the Department of Water Affairs and Forestry (DWAF).

The following assumptions were made to provide an estimation of the rehabilitation site:

- Minimal shaping of the existing waste body.
- The rate for the 300mm confining layer and 100mm topsoil layer is based on the assumption that all the material can be sourced free of charge on-site sources.
- The rate for the 100mm topsoil layer is based on the assumption that all the material can be sourced from on-site sources.
- It is assumed that the footprint that requires rehabilitation as described and indicated above is correct as verified by the local authority.
- It was assumed that insufficient volumes of the required quality clayey material would be available for the capping layers. As a result, it was replaced with Geosynthetic Clay Liner in the estimate.
- It was assumed that insufficient gas will be generated to warrant the installation of a gas management system and the cost thereof is not included in this estimate.
- Escalation for post-closure cost used: 5.17%, which is the average CPI June to June over the past 10 years
- Discount rates for post-closure costs based on Government Bond Yield Rates as at 30 June 2023:
 - 20 year: 12.315%
 - 25 year: 12.36%
 - 30 year: 12.31%

The remaining site life as at 30 June 2023 is 18 years.

The report was compiled by JPCE (Pty) Ltd specialists consulting engineers. The consultants have qualifications in engineering and are members of the consulting engineers of South Africa.

The following have an effect on the cost estimate:

The majority of rates for materials as well as construction items have increased. This is due to increases in fuel prices, the port rate, as well as shipping and importing costs of raw material used in the manufacturing of geosynthetic materials used in capping layers.

Increase in Engineering fees based on ECSA fees scales as published 2023.

Years	Escalated monitoring costs (Gas included for only 2 years after closure)	Years until	Current value'
2047	128,732	24	7,868
2048	135,388	25	7,350
2049	116,985	26	5,665
2050	123,033	27	5,316
2051	129,394	28	4,989

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
16. Provisions (continued)		
2052	136,083	29
2053	143,119	30
2054	150,518	31
2055	158,300	32
2056	166,484	33
2057	175,091	34
2058	184,143	35
2059	193,663	36
2060	203,676	37
2061	214,206	38
2062	225,280	39
2063	236,927	40
2064	249,176	41
2065	262,059	42
2066	275,607	43
2067	289,856	44
2068	304,842	45
2069	320,602	46
2070	337,177	47
2071	354,609	48
2072	372,943	49
2073	392,224	50
2074	412,502	51
2075	433,828	52
2076	456,257	53
	7,282,704	90,736
17. Revenue		
Service charges	252,972,758	246,131,167
Rental of facilities and equipment	7,146,503	8,260,843
Interest received (trading)	83,611,299	55,811,301
Licences and permits	4,642,534	1,898,176
Fees earned	4,460,303	6,294,272
Other income	9,475,670	12,472,532
Donations income	3,802,495	-
Interest received - investment	10,836,605	4,588,450
Property rates	389,752,043	332,898,910
Interest, Dividends and Rent on Land	62,930,845	44,804,961
Government grants & subsidies	460,660,789	393,729,000
Fines, Penalties and Forfeits	1,378,586	815,835
	1,291,670,430	1,107,705,447
The amount included in revenue arising from exchanges of goods or services are as follows:		
Service charges	252,972,758	246,131,167
Rental of facilities and equipment	7,146,503	8,260,843
Interest received (trading)	83,611,299	55,811,301
Licences and permits	4,642,534	1,898,176
Fees earned	4,460,303	6,294,272
Other income	9,475,670	12,472,532
Donations income	3,802,495	-
Interest received - investment	10,836,605	4,588,450
	376,948,167	335,456,741

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
17. Revenue (continued)		
The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Property rates	389,752,043	332,898,910
Interest, Dividends and Rent on Land	62,930,845	44,804,961
Transfer revenue		
Government grants & subsidies	460,660,789	393,729,000
Fines, Penalties and Forfeits	1,378,586	815,835
	914,722,263	772,248,706
18. Service charges		
Sale of water	166,198,877	152,703,521
Sewerage and sanitation charges	40,919,799	49,314,667
Refuse removal	45,854,082	44,112,979
	252,972,758	246,131,167
19. Rental of facilities and equipment		
Premises		
Facilities and equipment	7,146,503	8,260,843
20. Lease rentals on operating lease		
Lease rentals on operating lease - Other		
Contractual amounts	4,188,444	3,073,205
21. Interest, dividends and Rent on Land		
Interest - Receivables	62,930,845	44,804,961
22. Other revenue		
Fees earned	4,460,303	6,294,272
Other income	9,475,670	12,472,532
Donations income	3,802,495	-
	17,738,468	18,766,804
23. Investment revenue		
Interest revenue		
Interest earned (bank and investments)	10,836,605	4,588,450

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
24. Property rates		
Rates received		
Residential	1,150,738	6,086,636
Commercial	93,460,662	77,890,590
State	210,230,551	180,606,137
Municipal	63,294,178	47,972,695
Small holdings and farms	(1,743,286)	4,043,390
Industrial properties	16,513,654	12,949,527
PBOs	6,845,546	3,349,935
	389,752,043	332,898,910

All tariffs used by the municipality have been Approved for implementation in the 2020-21 MTREF. Please note all tariffs are exclusive of value added tax as property rates are exempt from VAT.

Valuations

Valuations on land and buildings are performed every 5 years. The applicable General Valuation came into effect on 1 July 2023 and will remain valid until 30 June 2028. It is based on market-related values. Property valuation adjustments, such as supplementary valuations, objection valuations and Valuation Appeal Board decisions are processed continuously.

Municipal rates are levied on a monthly basis in terms of the provisions of the rates policy, which makes provision for rebates and exemptions.

The valuation roll was prepared by a registered valuer and discharged their duties as municipal valuer and as such complied with Sections 43 and 44 of the Local Government: Municipal Property Rates Act, 2004. Valuer information: Hendrik Coenraad Botha

25. Transfer and subsidies

Other subsidies

Donations made to SPCA	100,000	-
------------------------	---------	---

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
26. Government grants & subsidies		
Operating grants		
Equitable share	327,788,000	302,733,000
Expanded Public Works Programme Grant (EPWP)	2,238,000	1,595,000
Energy Efficiency and Demand Side Management Grant (EEDMG)	5,000,000	-
LG SETA	300,000	-
Library Grant (LG)	1,900,000	1,622,000
Finance Management Grant (FMG)	2,900,802	3,100,000
	340,126,802	309,050,000
Capital grants		
Municipal Infrastructure Grant (MIG)	120,187,000	84,679,000
NMMDM Grant	346,987	-
	120,533,987	84,679,000
	460,660,789	393,729,000
Conditional Grants		
Current-year receipts	163,772,381	90,996,000
Conditions met - transferred to revenue	(132,872,724)	(90,996,000)
	30,899,657	-
Equitable Share		
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members and for the running of the municipality's operations.		
All registered indigents receive a monthly subsidy of 6 kilolitres of water per month which is funded from the grant. Equitable share consists of R327 788 000.00 from National Treasury.		
Construction Education and Training		
Current-year receipts	591,326	1,595,000
Conditions met - transferred to revenue	(300,000)	(1,595,000)
	291,326	-
The grant is meant to assist the municipality in the improvement of system related transactions.		
Municipal Infrastructure Grant		
Current-year receipts	120,187,000	84,679,000
Conditions met - transferred to revenue	(120,187,000)	(84,679,000)
	-	-
The grant was used to fund infrastructure related projects (mainly as part of the service delivery). Capitalised projects funded by this grant are included in property, plant and equipment whilst the unspent portion of the grant is included in current liabilities.		

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
26. Government grants & subsidies (continued)		
Expanded Public Works Program (EPWP)		
Current-year receipts	2,238,066	1,595,000
Conditions met - transferred to revenue	(2,238,066)	(1,595,000)
	-	-

The grant is used to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the Expanded Public Works Programme guidelines:

- Road maintenance and the maintenance of buildings;
- Low traffic volume roads and rural roads;
- Basic services infrastructure, including water and sewer reticulation, sanitation, pipelines (excluding bulk infrastructure);
- Other economic and social infrastructure; tourism and cultural industries; waste management; parks and beautification;
- Sustainable land-based livelihoods; social services programmes;
- Health service programmes; and community safety programmes.

Financial Management Grant

Current-year receipts	3,100,000	3,100,000
Conditions met - transferred to revenue	(2,900,802)	(3,100,000)
	199,198	-

The grant is mainly used for promoting and supporting reforms in financial management by building capacity in the municipality to implement the Municipal Finance Management Act and progressive financial reporting.

Library Grant

Current-year receipts	1,900,000	1,622,000
Conditions met - transferred to revenue	(1,900,000)	(1,622,000)
	-	-

The grant is used to transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities).

Energy Efficiency and Demand Side Management Grant

Current-year receipts	5,000,000	-
Conditions met - transferred to revenue	(5,000,000)	-
	-	-

Conditions still to be met - remain liabilities (see note 15).

Provide explanations of conditions still to be met and other relevant information.

NMDM - Water Laboratory Grant

Current-year receipts	30,756,120	-
Conditions met - transferred to revenue	(346,987)	-
	30,409,133	-

Conditions still to be met - remain liabilities (see note 15).

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
27. Employee related costs		
Basic	206,325,495	187,274,723
Bonus	15,194,570	16,002,886
Medical aid - company contributions	15,521,152	13,607,717
UIF - company contributions	1,622,309	1,453,041
SDL - company contributions	2,838,050	2,663,389
Leave pay provision charge	12,395,228	9,100,079
Post retirement benefit	18,041,000	6,854,000
Overtime payments	20,423,345	21,481,052
Travel Allowance	17,825,521	18,309,651
13th Cheques	800,499	743,649
Housing benefits and allowances	1,509,891	3,186,137
Pension fund - company contributions	53,362,832	49,051,185
Other	24,251,832	18,307,705
	390,111,724	348,035,214
Remuneration of municipal manager (Mr. NM Mokgwamme)		
Annual Remuneration	22,677	907,082
Car Allowance	-	339,497
Contributions to UIF, Medical and Pension Funds	-	2,097
Other	317,614	361,159
	340,291	1,609,835
Remuneration of chief financial officer (Mr. RA Morris)		
Annual Remuneration	992,851	1,280,020
Car Allowance	66,896	69,562
Contributions to UIF, Medical and Pension Funds	2,125	2,097
Other	607,043	156,110
	1,668,915	1,507,789
Remuneration of planning and development services director (Mr. T Masia)		
Annual Remuneration	742,275	833,814
Car Allowance	216,580	231,937
Contributions to UIF, Medical and Pension Funds	1,948	2,699
Other	617,653	261,546
	1,578,456	1,329,996
Remuneration of the chief financial officer (Acting CFO: Ms. T Modisa)		
Acting allowance	55,848	57,895
Remuneration of municipal manager (ADV DI Mongwaketse)		
Annual Remuneration	772,764	-
Car Allowance	256,459	-
Contributions to UIF, Medical and Pension Funds	1,948	-
Other	377,573	-
	1,408,744	-

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
27. Employee related costs (continued)		
Remuneration of corporate service director (Mrs. ZK Masuku)		
Annual Remuneration	695,974	943,701
Car Allowance	77,597	117,084
Contributions to UIF, Medical and Pension Funds	1,771	2,097
Other	757,518	471,753
	1,532,860	1,534,635
Remuneration of the public safety director (Mr. TJ Marumo)		
Annual Remuneration	359,241	848,526
Car Allowance	93,021	225,668
Contributions to UIF, Medical and Pension Funds	886	2,097
Other	667,458	253,064
	1,120,606	1,329,355
Remuneration of the public safety director (Acting Dir: Mr MJ Ramaoka)		
Acting allowance	147,060	-
Remuneration of the infrastructure service director (Mrs. M Moloi-Tsae)		
Annual Remuneration	635,424	914,959
Car Allowance	181,103	257,169
Contributions to UIF, Medical and Pension Funds	1,594	-
Other	854,197	289,139
	1,672,318	1,461,267
Remuneration of the community service director (Mrs. KP Nyembe)		
Annual Remuneration	290,871	847,787
Car Allowance	74,275	228,723
Contributions to UIF, Medical and Pension Funds	708	-
Other	611,908	254,117
	977,762	1,330,627
Remuneration of the community service director (Acting Dir: Mr NL Malefo)		
Acting allowance	96,457	-
Remuneration of the infrastructure service director (Acting Dir: Mr TC Mokoena)		
Acting allowance	96,457	-
Remuneration of the public safety director (Acting Dir: Mr HM Matshe)		
Acting allowance	144,686	-
Remuneration of corporate service director (Acting Dir: Mrs ME Mmoola)		
Acting allowance	69,202	-
Remuneration of corporate service director (Acting Dir: Mr MJ Molamu)		
Acting allowance	147,060	-

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
27. Employee related costs (continued)		
28. Remuneration of councillors		
Executive Major	982,221	917,580
Mayoral Committee Members	7,617,717	6,510,399
Speaker	800,179	745,239
Councillors	20,151,368	19,714,036
Chief Whip	750,276	854,381
	30,301,761	28,741,635
In-kind benefits		
<p>The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time and are provided with office space at the cost of the Council. In addition, they are paid travelling allowances for the trips outside Mahikeng. The Executive Mayor, Speaker, Chief Whip of Council are also provided with secretarial support at the cost of the Council.</p> <p>The Executive Mayor has use of a Council owned vehicle for official duties. The Mayor's driver also acts as a bodyguard.</p> <p>The Executive Mayor is entitled to stay at the mayoral residence owned by Council at no cost.</p>		
Additional information		
<p>The salaries, allowance and benefits of councillors are within the upper limits of the framework envisaged in section 219 of the Constitution of South Africa.</p>		
29. Depreciation and amortisation		
Property, plant and equipment	62,662,124	78,602,273
Intangible assets	765,998	313,788
	63,428,122	78,916,061
30. Finance costs		
Interest incurred	228,387	938,169
31. Auditors' remuneration		
Fees	6,111,185	6,117,404
32. Debt impairment		
Contributions to debt impairment provision	424,499,257	194,950,685

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022	
33. General expenses			
Advertising	3,840,384	2,555,041	
Assets less than the capitalisation threshold	93,794	2,036,099	
Auditors remuneration	6,111,185	6,117,404	
Bank charges	1,157,969	980,855	
Computer expenses	4,962,626	5,456,264	
Catering Services	1,585,669	1,862,232	
Electricity	26,019,305	20,165,828	
Entertainment	292,096	361,126	
Fines and penalties	36,956	-	
Housing Assistance	3,923,300	6,498,587	
Hire	2,245,863	2,917,452	
Insurance	3,431,126	1,913,443	
Indigent relief	205,000	131,550	
Inventory expenditure	21,431,584	12,851,753	
Learnerships and internships	-	373,360	
Drivers' licence cards	865,761	670,473	
Motor vehicle expenses	414,046	484,708	
Other expenses	7,405,997	2,214,172	
Interest expense on provisions	23,144,411	21,943,136	
Postage and courier	960,846	899,970	
Printing and publications	1,519,526	464,372	
Protective clothing	2,656,011	2,558,250	
Subscriptions and membership fees	1,067,452	7,279,022	
Telephone and fax	1,562,700	1,436,611	
Transport and freight	22,083	216,100	
Travel and subsistence	3,263,272	1,559,702	
Title deed search fees	60,448	56,398	
Workmen's compensation fund	1,349,078	1,370,210	
	119,628,488	105,374,118	
34. Bulk purchases			
Water	78,546,699	69,198,699	
Water losses			
	Number 2020	Number 2019	
Units purchased	-	-	7,854,164
Units sold	-	-	(9,160,418)
Total	-	-	(1,306,254)
Percentage Loss: Technical losses	- %	- %	(17)% (31)%

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
35. Contracted services		
Outsourced Services		
Animal Care	1,176,000	1,176,000
Business and Advisory	2,644,896	7,188,870
Call Centre	3,928,284	5,918,546
Meter Management	3,692,466	2,127,616
Medical Services [Medical Health Services & Support	23,970	-
Refuse Removal	1,204,254	1,532,500
Security Services	35,061,062	28,316,318
Transport Services	129,350	-
	47,860,282	46,259,850
Consultants and Professional Services		
Business and Advisory	1,903,536	8,068,217
Infrastructure and Planning	13,744,765	10,107,394
Other Services	8,408,846	14,806,883
Legal Cost	15,211,824	23,476,300
	39,268,971	56,458,794
Contractors		
Electrical	4,646,317	-
Traffic and Street Lights	4,415,949	984,537
Safeguard and Security	57,500	-
Sports and Recreation	34,007	-
	9,153,773	984,537
	96,283,026	103,703,181
36. Cash generated from operations		
Surplus	9,959,359	137,028,598
Adjustments for:		
Depreciation and amortisation	63,428,122	78,916,061
Fair value adjustments	55,000	(37,370,040)
Debt impairment	424,499,257	194,950,685
Movements in retirement benefit assets and liabilities	-	(57,624,000)
Movements in provisions	23,144,411	21,943,136
Inventory losses or write-downs	917,748	(1,791,127)
Other income prior year correction	2,436,354	(2,436,354)
Changes in working capital:		
Receivables from exchange transactions	(396,077,242)	(159,173,744)
Receivables from non-exchange transactions	88,832,544	(80,777,575)
Payables from exchange transactions	-	11,071,561
VAT	2,101,457	(17,119,980)
	219,297,010	87,617,221
37. Operating (deficit) surplus		
Operating (deficit) surplus for the year is stated after accounting for the following:		
Operating lease charges		
Lease rentals on operating lease - Other		
• Contractual amounts	4,188,444	3,073,205

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
37. Operating (deficit) surplus (continued)		
Loss on sale of property, plant and equipment	(90,840)	-
Loss on sale of investment property	(44,820,332)	-
Amortisation on intangible assets	765,998	313,788
Depreciation on property, plant and equipment	62,662,124	78,602,273
Employee costs	420,413,485	376,776,849
38. Fair value adjustments		
Investment property (Fair value model)	(55,000)	37,370,040
39. Unauthorised expenditure		
Opening balance as previously reported	1,484,449,894	1,296,864,646
Add: Unauthorised expenditure - current	163,992,285	187,585,248
Less: Amount authorised - prior period	(735,006,661)	-
Closing balance	913,435,518	1,484,449,894

Unauthorised expenditure for the current year and prior year relates to the following expenditure votes to over spending on operational expenditure votes. For detail overspending on votes the reader is referred to the Budget and Comparison Statement together with Note 44 .

Recoverability steps taken/criminal proceedings

The following processes were planned and implemented in detail regarding unauthorised expenditure as prescribed by section 32 of the MFMA incurred during 2015-16 and previous financial years:

Submitted the unauthorised expenditure registers to Council for tabling and further decision making.

Council assigned the Municipal Public Accounts Committee (MPAC) to investigate the unauthorised expenditure in accordance with the MFMA section 32 (2) (a) (ii).

40. Fruitless and wasteful expenditure

Opening balance as previously reported	37,695,778	38,211,744
Add: Fruitless and wasteful expenditure identified - current	228,387	1,414,551
Less: Amount written off - prior period	(16,777,666)	-
Adjustment (Revesal of Interest charged on overdue account)	-	(1,930,517)
Closing balance	21,146,499	37,695,778

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

40. Fruitless and wasteful expenditure (continued)

Details of fruitless and wasteful expenditure

	Disciplinary steps taken/criminal proceedings		
Interest charged on overdue account	As at 30 June 2022, no MFMA section 32 processes have been instituted for fruitless and wasteful expenditure arising from 2016-17 to 2020-21.	228,387	1,414,551
Supplier disputes	contractual dispute between the municipality and the supplier Kwane Capital which led to a high court judgement against the municipality	14,063,781	-
		14,292,168	1,414,551

The following processes were planned and implemented in detail regarding fruitless and wasteful expenditure as prescribed by section 32 of the MFMA for the 2015-16 and prior financial years:

- 1) Submitted the fruitless and wasteful expenditure registers to Council for tabling and further decision making.
- 2) Council assigned the Municipal Public Accounts Committee (MPAC) to investigate the fruitless and wasteful expenditure in accordance with the MFMA section 32 (2) (b).
- 3) MPAC requested the Audit Committee for assistance resulting in the Internal Audit unit being assigned the task of investigating the incurred expenditure.
- 4) No investigation has been performed as yet by the internal audit unit.

41. Irregular expenditure

Opening balance as previously reported	1,639,201,127	1,399,464,748
Add: Irregular expenditure - current	209,063,530	239,736,379
Closing balance	1,848,264,657	1,639,201,127

Cases under investigation

Municipal Supply Chain Management Policies or By-laws	186,240,477	222,843,332
---	-------------	-------------

42. Other financial assets

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
42. Other financial assets (continued)		
At amortised cost		
VBS investment	77,492,027	77,492,027
	<u>77,492,027</u>	<u>77,492,027</u>
Accumulated Impairment	(77,492,027)	(77,492,027)
	<u>-</u>	<u>-</u>
VBS Reconciliation		
Opening balance	77,492,027	83,440,312
Receipts	-	(5,948,285)
Accumulated Impairment	(77,492,027)	(77,492,027)
	<u>-</u>	<u>-</u>

The short term investment with VBS Mutual Bank of R83 440 312.06 had been impaired due to recoverability of the amount being put in doubt. The bank has been put under curatorship and the deposits by municipalities held by the bank were not honoured as only natural people were to receive their deposits.

During the 2021-22 financial years the curators refunded R5 948 284.51 of the amount invested to the municipality. The short-term investment as adjusted for this refund is now R77 492 027.50. The uncertainty relating to the recoverability of the balance of the deposit remains. The municipality therefore reduced the accumulated impairment and investment of the VBS bank deposit by R5 948 284.51 to R77 492 027.50.

43. Inter-governmental receivables

Inter-governmental receivables

NMMDM Debt	<u>13,711,801</u>	<u>887,570</u>
------------	-------------------	----------------

Mahikeng Local Municipality has carried repairs and maintenance on Pump Station 2, 12, and 13. These pump stations belong to Ngaka Modiri Molema District Municipality and the agreement is that MLM will be reimbursed for any work carried out on these pump stations.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
44. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Roads	12,988,607	40,724,036
• Recreational Facilities	27,961,668	14,787,063
• High Mast	-	25,909,832
• Community Buildings	-	12,172,115
• Bridges	-	1,082,188
	40,950,275	94,675,234
Total capital commitments		
Already contracted for but not provided for	40,950,275	94,675,234

MOCHE-R2KZ JV - SCM/MLM 17/07/2022:UPGRADING OF INTERCONNECTOR ROAD IN SETLOPO SA BOSIGO - R4 071 642.39

GLOBAL EXTENSIVE NETWORKING PR - #001-PHASE 3 - SCM/MLM 18/07/2022:CONSTRUCTION OF CENTRE COURT AT MMABATHO SPORTS FACILITIES - R25 982 675.31

BANTSI CONSTRUCTION AND PROJECTS - SCM/MLM 16/07/2022: UPGRADING OF ROAD FROM TLOUNG VILLAGE TO BOKONE VILLAGE TO PAVED ROAD IN WARD 15 - R1 978 992.35

SIZWE SECHABA CONSTRUCTION PROJECTS - SCM/MLM 109/04/2023: UPGRADING OF ROAD FROM MMABATHO WASTE WATER TREATMENT TO MOLETSAMONGWE VILLAGE - R8 916 964.56

This committed expenditure relates to property and will be financed by externally generated funds being the Municipal Infrastructure Grant and the Electricity Demand Management Grant as per DORA allocations.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

45. Contingencies

Current year cases

The below estimated fees were not included as part of the contingent amount, Best estimate of expenditure required to settle the obligation (Par 43 - 48 GRAP 19)

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
45. Contingencies (continued)		
Contingent Liabilities		
Service provider cases	7,390,492	7,390,492
Property losses/ damage cases	1,007,449	1,007,449
Labour cases	1,732,773	1,732,773
Others	1,016,757,558	1,017,016,716
	1,026,888,272	1,027,147,430

PARTIES	NATURE OF CLAIM	STATUS QUO OF THE MATTER	ESTIMATED LEGAL COSTS
Erf 10361 (Portion of Erf 853) Mafikeng -8	Transfer of property from Mahikeng Local Municipality to department of Public Works: Tswelelopele Independent Primary School	Purchaser or Donee to pay transfer costs in order for property to be lodged at the Deed Office	50,000
Portion 1 of Erf 853 Mafikeng Ext 8	Transfer of property from Mahikeng Local Municipality to department of Public Works: Iqra Islamic School	Purchaser or Donee to pay transfer costs in order for property to be lodged at the Deed Office	50,000
Portion 51 of farm Mmabatho Town & TownInd 301 JO	Transfer of property from Mahikeng Local Municipality to Joel Ramonewa & Beautice Moletsane	Registration of property lodged and filed at the Deeds office on the 12th June 2023 and awaiting finalization of transfer of property; Transfer Costs to be payable	50,000
Erf 607 Mmabatho Unit 2	Transfer of property from Mahikeng Local Municipality to MM Thakanyane	Registration of property lodged and filed at the Deeds office on the 12th June 2023 and awaiting finalization of transfer of property; Transfer Costs to be payable	50,000
Erf 7050 Mahikeng Ext 39 Mildred Mogapi Primary School	Donation of Property from Mahikeng Local Municipality to Department of Public Works	Deed of donation signed by both parties and awaiting finalization of registration of property at the Deed Office	350,000
Erf 3364 Ext 38 Retlametswe Special School	Donation of Property from Mahikeng Local Municipality to Department of Public Works	Deed of donation signed by both parties and awaiting finalization of registration of property at the Deed Office	350,000

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand		2023	2022
45. Contingencies (continued)			
Erf 10345 Mahikeng- Bophelong Special School	Donation of Property from Mahikeng Local Municipality to Department of Public Works	Deed of donation signed by both parties and awaiting finalization of registration of property at the Deed Office	350,000
Erf 5226 Mahikeng Ext 38: Boikagong Child & Youth Centre	Donation of Property from Mahikeng Local Municipality to Department of Public Works	Deed of donation signed by both parties and awaiting finalization of registration of property at the Deed Office	350,000
Erf 1456 Mahikeng Ext 38- Danville Clinic	Donation of Property from Mahikeng Local Municipality to Department of Public Works	Deed of donation signed by both parties and awaiting finalization of registration of property at the Deed Office	350,000
Erf 10344 Ext 38 Mahikeng Bophelong Psychiatric Hospital	Donation of Property from Mahikeng Local Municipality to Department of Public Works	Deed of donation signed by both parties and awaiting finalization of registration of property at the Deed Office	350,000
Erf 2140 Mahikeng Ext 24	Transfer of Property from Mahikeng Local Municipality to S S Abraham & T M Roberts	Letter of authority amended to include the property	50,000
Erf 2981 Mahikeng Ext 24	Transfer of Property from Mahikeng Local Municipality to B M Smith	Registration lodged at the Deed Office on the 04th July 2023, awaiting finalization of transfer of property	50,000
Erf 4100 Mahikeng Ext 38	Transfer of Property from Mahikeng Local Municipality to Disciple Ministry Church	Awaiting costs figure from the client to process registration	50,000
Erf 3008 Mahikeng Ext 24	Transfer of Property from Mahikeng Local Municipality to W G Ludick	Purchaser unable to settle rates & taxes since she is unemployed. Client to provide with further instruction	50,000
Erf 2245 Mahikeng Ext 24	Transfer of Property from Mahikeng Local Municipality to G A Graaf	Awaiting costs figure from client	50,000

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022	
45. Contingencies (continued)			
Erf 2149 Mahikeng Ext 24	Transfer of Property from Mahikeng Local Municipality to Mayfer	Registration of documents lodged at the deed office, awaiting finalization of transfer	50,000
Remaining Extent of Erf 1371 Mahikeng	Transfer of Property from Mahikeng Local Municipality to UNISA	Awaiting Clearance Certificate from Client	100,000
Mahikeng Local Municipality / K Lekoma	Instruction to chair the proceedings of the disciplinary enquiry	Disciplinary hearing still on-going and pending	500,000
Tholoana Investment / MLM: 151/ 2017	Summons issued against the Municipality for unpaid invoice amounting to R1 670 832.00: Applicant case withdrawn until costs are paid to the municipality	Case withdrawn until costs awarded to the municipality are paid in full	510,000
Isilungu Business Enterprise / MLM: 229/2017	Application to enforce the municipality to supply electricity to the Applicant: Applicant case dismissed with costs	Matter set down for opposed taxation on the 28th July 2023	863,656
K V Mogala / MLM: 2042/ 2019	Summons issued against the municipality for damage suffered 2023 as the result of falling into an open drainage system: R695 000.00	Matter set down for opposed taxation on the 28th August 2023	312,449
O B Mogale / MLM: 2068/2022	Summons issued against the Municipality allegation of damage and injuries suffered as the result of being executed by electrical pole: Claim for R3 100 000.00	Application for Non-Joinder to be heard	558,912
SNPRP Security Services / MLM: 809/ 2012	Summons issued against the Municipality for claim of unpaid invoices amounting to R791 539.00	Discovery affidavits and trial date to be applied	349,443

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022	
45. Contingencies (continued)			
L Thinyane/ Maruwa Capital / MLM: 727/2021	Application for declaratory order to enforce the municipality to transfer Portion 54 Mmabatho Town & Townland JO 301	Pleading stages, pending matter	1,003,403
Mahikeng Local Municipality / Tebogo Radikgojane: JR1755/2022	Application to review & set aside 79 employees recruited without following proper procedure	Parties file answering affidavits and reply, awaiting trial date	900,000
Imatu Obo Dabula / MLM: NWD 122206	Applicant was dismissed from employment lodge an application for unfair dismissal and unfair labour practice: Arbitration hearing at the CCMA	Matter at the arbitration and set down for hearing on the 12th -13th June 2023, pending matter	1,000,000
Nutshell Guest House/ MLM: 121/2020	Civil claim instituted against the Municipality for unpaid invoice for accommodation	Matter successfully defended: matter to be closed	50,000
Motsisi Funerals / MLM: 173/ 2020	Civil claims instituted against the municipality for failure to pay burial expenses for person designated as pauper	Matter finalized and settled out of court: outstanding payment of legal fees	6,000
W Tamenti & Others/ MLM:	Application for review the arbitration award by the Municipality	Awaiting for applicant to apply for trial date	350,000
SAMWU obo Matsheka / MLM: JR 339/2016	Application for declaratory order : salary disparity	Matter kept in abeyance subject to finalization of job evaluation process	200,000
MLM/ Gregory Matane & Others	Application for review arbitration award at the SALGBC ruling	Awaiting court trail date	150,000
Rebecca Senamolela/ MLM: JR650/2017	Application for declaratory order : salary disparity	Matter kept in abeyance subject to finalization of job evaluation process	150,000

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022	
45. Contingencies (continued)			
Ntiyiso Consulting Pty Ltd / MLM: 702/2023	Claim against the municipality for unpaid invoice of R8 000.000.00 for service rendered regarding debt collection	Exception application to be heard in court	8,000,000
Peermont Hotels & casino/ MLM	Objection lodged against Peermont for relocation of casino license	Applicant application dismissed and files an application to court for review.	500,000
Mahikeng Local Municipality/ NW Provincial Government	Donation of land by MLM to the Provincial Government Erf 10338 Portion of Erf 9753 Mahikeng)	Deed of Office to proceed with registartion	47,331
Mahikeng Local Municipality/ Realticon Pty Ltd	Deed of sale and transfer of land Erf 3786 , 3787 & 3728. Notarial Lease registered on the 21st Nov 2022	Deed of Office to proceed with transfer upon payment of purchase price	50,000
Mahikeng Local Municipality/ MGDevco Pty Ltd	Deed of sale and transfer of land Erf 8706 Mahikeng Ext 39. Awaiting payment confirmation of purchase price in full to effect transfer	Deed of Office to proceed with transfer upon payment of purchase price	20,000
Mahikeng Local Municipality/ Trident Infrastructure Pty Ltd	Deed of sale and transfer of land Erf 8707 Mahikeng Ext 39. Awaiting payment confirmation of purchase price in full to effect transfer	Deed of Office to proceed with transfer upon payment of purchase price	20,000
Mahikeng Local Municipality/ NW Provincial Government	Donation of land by MLM to the Provincial Government Erf 9753 Portion of Erf 962 Mahikeng)	Awaiting Clearance certificate from the municipality to lodge transfer application at the Deed Office	47,331

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022	
45. Contingencies (continued)			
Mahikeng Local Municipality/ Maine Properties	Deed of sale and Deed of Office to transfer of land Erf 3725 Mahikeng Ext 38. Awaiting payment confirmation of purchase price in full to effect transfer	Deed of Office to proceed with transfer upon payment of purchase price	20,000
Mahikeng Local Municipality	Deed of sale and Deed of Office to transfer of land Erf 3044 Mahikeng Ext 19. Awaiting payment confirmation of purchase price in full to effect transfer	Deed of Office to proceed with transfer upon payment of purchase price	20,000
Mahikeng Local Municipality	Removal of obsolete title condition of Remaining Extent of Erf 6180 (portion of Erf 6033)	Title Removed and new title deed delivered to client	13,000
Miagra Property Development / Mahikeng Local Municipality	Arbitration proceeding against the municipality for breach of sale of land contract : claim of R1 006 569 363. 00	Matter heard on the 19th – 23rd June 2023, awaiting judgement by end July 2023	1,006,569,363
Mahikeng Local Municipality/ Bradford Park development	Provisions for legal service for planning, design and implementation of proposed Bradford park. Client advise legal team not to proceed with matter until matter is presented at council pending assessment of whether PPP arrangement would be more suitable. Summary of PPP prepared and submitted to client	Matter still pending issuance of further instruction	579,323

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
45. Contingencies (continued)		
Mahikeng Local Municipality: Policy Development	Development of Policy not yet Charges Policy & Finalized Tariffs Calculator	306,789
Mahikeng Local Municipality / Justice Dilotsotlhe: UM 130/2020	Application to set aside and review of appointment of Municipal Manager	100,000
Mahikeng Local Municipality/ Sebege Labiuos Moralo: LCC 215/2016	Application for restitution of land claims right for Portion 55 Mmabatho Townland JO 301 against the Municipality for disposing the land under claim to Miagra Property Developers	200,000
Mahikeng Local Municipality/ Tedcor: 1161/2017	Claim for unpaid invoice regarding service rendered for domestic waste collection & management of the site: claim amount to R2 312 393.40 at the waste site	91,272
Mahikeng Local Municipality / Kea a Dira Construction: 1774/2016	Tender awarded to the Plaintiff for upgrading of Danville Stadium but failed to execute its obligations within expected timeframe. Plaintiff claim an amount of R4 327 538.89 for unpaid invoices	200,000
Mahikeng Local Municipality/ MLM Councilor's: 3950/2016	Allegation of unpaid benefits accrued to Councilors	200,000
Mahikeng Local Municipality / Kena Media	Claim amounting to R2 028 416.00 for failure to pay advertisement costs	300,000
		<u>1,026,888,272</u>

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand		2023	2022
45. Contingencies (continued)			
Contingent assets			
Contingent Assets			
Indebted to the municipality		945,000	4,629,916
Other		7,609,381	676,529
		8,554,381	5,306,445
PARTIES	NATURE OF CLAIM	STATUS QUO OF THE MATTER	ESTIMATED LEGAL COSTS
Erf 3144 Mmabatho Civic Centre	Donation of Property from the NW Provincial Government to Mahikeng Local Municipality	Registration of property lodged and filed at the Deeds office on the 12th June 2023 and awaiting finalization of transfer of property; Transfer Costs to be payable	270,000
Farm 93 Benadeplass (Slurry Mahikeng)	Expropriations of shares of land from various owners of shareholding	Expropriations has been confirmed & awaiting registration of property to be finalized, clearance certificate requested from the Municipality	500,000
Erf 1118 Mmabatho Unit 3	Re-Transfer of Property from Mike Binazir to Mahikeng Local Municipality	Application for leave to appeal was lodged with the SCA on the 27th June 2023	1,000,000
Q Tique 79 / MLM: 230/2017	Recovery of outstanding & annual escalation of lease rental	Matter to be closed, property sold to the lessee.	147,523
MLM / Letlhogonolo Mooketsi: 2136/ 2020	Claim instituted against the rate payer for outstanding payments of rates and taxes	Rate payer still untraceable	5,000
MLM/ Victor Thabeng: 502/2020	Claim instituted against the rate payer for outstanding payments of rates and taxes	Rate payer still untraceable	5,000
MLM / I Mpete:1723/2019	Claim instituted against the rate payer for outstanding payments of rates and taxes	Rate payer still untraceable	5,000
MLM/ Sajid Chaudry: 431/2022	Claim instituted against the rate payer for outstanding payments of rates and taxes	Rate payer still untraceable	350,000

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022	
45. Contingencies (continued)			
MLM/ Lesego busang	Claim instituted against the rate payer for outstanding payments of rates and taxes	Rate payer disputing the debts and matter to proceed with filing an application	350,000
Mahikeng Local Municipality: Expropriation of Portion 29 Farm 29 of Zeekoevlei 83 JO	expropriation of land for development purpose	Awaiting registration of expropriation.	471,776
Mahikeng Local Municipality/ Unlawful occupiers of Land: 287/2022	Interdict application against unlawful occupiers of land: Notice Board erected	Order Granted	299,475
Mahikeng Local Municipality	Legal Opinion: cancellation of sale agreement on portion 55, 56, 57 Mmabatho farmland & Townland JO 301	Opinion Obtained	100,000
Miagra Property Development / Lucas Legae & Others	Declaratory application for interdicting unlawful occupiers at Portion 55 as per the court order	Matter to be heard on the 23rd August 2023	250,000
Mahikeng Local Municipality/ Mike I Binazir: 2056/2020	Re-transfer of Erf 809, Unit 2, Mmabatho to the Municipality> Application heard on the 21st July 2020 for adjudication of defendant special plea	Matter still pending	170,606
Mahikeng Local Municipality/ 79 General Workers	Investigations into allegation of irregular appointment of general workers and possible disciplinary hearing against official implicated herein	Investigations finalized & pending finalization of disciplinary hearing	650,000
Mahikeng Local Municipality/ D Motingwe	Contravention of SPLUMA & Building Regulation: Erf 8512 Ext 39 erection of property without council approval	Letter of demand issued and awaiting compliance verification	250,000
Mahikeng Local Municipality/ T A Mfikoe	Contravention of SPLUMA & Building Regulation: Erf 261 Unit 2, Mmabatho: erection of illegal structure without council approval	Letter of demand issued and awaiting compliance verification	250,000

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand		2023	2022
45. Contingencies (continued)			
Mahikeng Local Municipality/ B Tlape	Contravention of SPLUMA & Building Regulation: Erf 8808 Ext 39, Mmabatho: erection of building structure without approval	Letter of demand issued and awaiting compliance verification	250,000
Mahikeng Local Municipality/ T A Mfikoe	Contravention of SPLUMA & Building Regulation: Erf 261 Unit 2, Mmabatho: erection of building structure without approval	Letter of demand issued and awaiting compliance verification	250,000
Mahikeng Local Municipality/ KE Senosi	Contravention of SPLUMA & Building Regulation: Erf 1690 Riviera Park, Mahikeng Ext 38, Mmabatho: erection of illegal structure without approval	Letter of demand issued and awaiting compliance verification	250,000
Mahikeng Local Municipality/ M P Mosakga	Contravention of SPLUMA & Building Regulation: Erf 4962 Unit 13, Mmabatho: erection of illegal structure without council approval	Letter of demand issued and awaiting compliance verification	250,000
Mahikeng Local Municipality/ M Serenyane	Contravention of SPLUMA & Building Regulation: Erf 8518 Ext 39, Mmabatho: erection of illegal structure without council approval	Letter of demand issued and awaiting compliance verification	250,000
Mahikeng Local Municipality/ M A Motshabi	Contravention of SPLUMA & Building Regulation: Erf 8575, Ext 39 Mmabatho: erection of illegal structure without council approval	Letter of demand issued and awaiting compliance verification	250,000
Mahikeng Local Municipality/ M Vilakazi	Contravention of SPLUMA & Building Regulation: Erf 8831 Ext 39, Mmabatho: erection of illegal structure without council approval	Letter of demand issued and awaiting compliance verification	250,000
Mahikeng Local Municipality/ V Jamani	Contravention of SPLUMA & Building Regulation: Erf 8517 Ext 39, Mmabatho: erection of illegal structure without council approval	Letter of demand issued and awaiting compliance verification	250,000

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022	
45. Contingencies (continued)			
Mahikeng Local Municipality/ K Modise	Contravention of SPLUMA & Building Regulation: Erf 8524 Ext 39, Mmabatho: erection of illegal structure without council approval	Letter of demand issued and awaiting compliance verification	250,000
Mahikeng Local Municipality/ K Ntwae	Contravention of SPLUMA & Building Regulation: Erf 8536 Ext 39, Mmabatho: erection of illegal structure without council approval	Letter of demand issued and awaiting compliance verification	250,000
Mahikeng Local Municipality/ Eva Moehi	Contravention of SPLUMA & Building Regulation: Erf 8516 Ext 39, Mmabatho: erection of illegal structure without council approval	Letter of demand issued and awaiting compliance verification	250,000
Mahikeng Local Municipality/ G Mokgadi	Contravention of SPLUMA & Building Regulation: Erf 8497 Ext 39, Mmabatho: erection of illegal structure without council approval	Letter of demand issued and awaiting compliance verification	250,000
Mahikeng Local Municipality/ G Maetso	Contravention of SPLUMA & Building Regulation: Erf 8491 Ext 39, Mmabatho: erection of illegal structure without council approval	Letter of demand issued and awaiting compliance verification	250,000
Mahikeng Local Municipality/ M N Gomono: NW/MMB/RC/413/19	Claim for unpaid rates and taxes amounting to R382 529.12	Order granted in favour of the Municipality. Warrant of Execution issued against the Defendant	230,000
			<u>8,554,380</u>

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

46. Related parties

Relationships		
Accounting Officer	ADV DI Mongwaketse	
Chief Financial Officer	Mr RA Morris	
Councillors	Refer to the general information page	
Members of key management	ADV DI Mongwaketse	
	Mr RA Morris	
	Mr TJ Marumo	
	Mrs KP Nyembe	
	Mr T Masia	
	Ms M Moloji-Tsae	
	Mrs ZK Masuku	
	Mr MJ Molamu	
	Ms KJ Lekoma	

Related party transactions

Councilor M. Moeti

Reimbursement for burnt house due to community strike	221,883	-
---	---------	---

Remuneration of key management

Remuneration of key management has been disclosed in Note 27 of the Annual Financial Statements.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

46. Related parties (continued)

Remuneration of councillors

Councillors

2023

Name	Councillors allowance	Other Allowances	Municipal Contributions	Total
T Mphehlo	597,142	272,613	112,466	982,221
OGB Mathe	478,113	231,979	90,087	800,179
ME Moeti	448,089	217,747	84,441	750,277
MP Senokwane	448,089	228,725	84,441	761,255
GU Legalatladi	448,089	275,295	84,441	807,825
MD Jabanyane	448,089	227,656	84,441	760,186
DK Molema	448,089	223,382	84,441	755,912
JC Daniels	448,089	224,768	84,441	757,298
PF Nko	448,089	225,804	84,441	758,334
NG Hlazo	448,089	214,161	84,441	746,691
BC Mathe	448,089	220,206	84,195	752,490
KC Sechogo	448,089	226,185	84,411	758,685
KI Mbana	448,089	226,777	84,181	759,047
T Motshabi	436,530	215,794	82,270	734,594
MD Phuthego	436,530	216,324	80,638	733,492
GE Mosiedi	189,286	112,670	34,857	336,813
CL Mahlangu	189,286	112,670	34,857	336,813
TD Femele	189,286	112,670	34,857	336,813
LG Sehole	189,286	112,670	34,857	336,813
MM Mogapi	189,286	112,670	34,857	336,813
DL Monaledi	189,286	112,670	35,451	337,407
K Gaoganediwe	189,286	112,670	34,857	336,813
C Matshidiso	189,286	115,200	34,844	339,330
KK G Nko	189,286	112,670	34,845	336,801
TO Mogoiwa	189,286	112,670	34,857	336,813
LR Mange	189,286	112,670	34,953	336,909
NB Mabote	189,286	112,670	34,857	336,813
AL Annandale	189,286	118,534	34,857	342,677
KE Gaebee	189,286	115,470	34,857	339,613
OL Magogodi	189,286	115,625	34,857	339,768
ME Msimanga	189,286	112,670	34,857	336,813
B Mbiza	189,286	122,570	34,929	346,785
OC Kgonare	189,286	112,670	34,857	336,813
I Majakaje	189,286	112,670	34,857	336,813
MJ Morubane	189,286	125,461	34,857	349,604
KD Seketema	189,286	112,670	34,857	336,813
MG Billiot	189,286	112,670	34,857	336,813
BS Storais	189,286	112,670	34,857	336,813
M Mopako	189,286	112,670	34,857	336,813
SK Matsheka	189,286	112,670	34,857	336,813
PL Phantsi	189,286	114,274	34,848	338,408
KD Sega	189,286	112,670	34,857	336,813
LR Motlhabane	189,286	112,670	34,857	336,813
GD Maruping	189,286	112,670	34,857	336,813
KA Monchusi	189,286	112,670	34,857	336,813
OE Mphehlo	189,286	115,087	34,857	339,230
PP Molale	189,286	115,325	34,856	339,467
RG Molosioa	189,286	112,670	34,857	336,813
MA Setshedi	189,286	112,670	34,857	336,813
LJ Motjale	189,286	115,261	34,857	339,404

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand			2023	2022
46. Related parties (continued)				
C Mohelekete	189,286	112,670	34,857	336,813
LMO Mokgosi	189,286	112,670	34,857	336,813
ME Khathazo	189,286	112,670	34,857	336,813
LA Kgengwe	189,286	118,459	34,849	342,594
AE Rakwena	189,286	112,670	34,857	336,813
MD Ramatae	189,286	114,657	34,857	338,800
TC Maibi	189,286	112,670	34,857	336,813
HP Kgasi	189,286	112,670	34,857	336,813
NJ Mangayi	189,286	112,670	34,857	336,813
TC Matsheka	189,286	112,670	34,857	336,813
MC Segoe	189,286	112,670	34,797	336,753
WN Bohmer	189,286	112,670	34,845	336,801
MJ Nkomo (Monere)	189,286	112,670	34,845	336,801
ME Dingile	189,286	115,907	34,830	340,023
T Selepe	189,286	112,670	34,845	336,801
KP Motsumi	189,286	112,670	34,800	336,756
LS Mogotlha	189,286	112,670	34,845	336,801
SJ Van Rooyen	189,286	112,670	34,857	336,813
DM Phetha	214,340	131,326	35,237	380,903
SJ Tauyagae	177,251	108,446	33,622	319,319
EO Seleke	41,275	25,253	7,598	74,126
	17,342,318	9,741,071	3,218,181	30,301,570

2022

Name	Councillors Allowance	Other Allowances	Municipal Contributions	Total
STM Gasealahwe	64,307	39,652	11,443	115,402
GA Masibi	64,307	39,652	11,443	115,402
PI Mokgele	64,307	39,652	11,443	115,402
SMM Tsolo-Mulasi	152,481	73,021	27,629	253,131
MD Moroe	64,307	39,652	11,443	115,402
MD Phuthogo	311,959	165,302	55,680	532,941
CM Moseitlo	154,675	73,021	27,823	255,519
MG Billiot	62,114	39,652	11,443	113,209
ME Lekhobe	147,206	73,021	27,642	247,869
T Motshabi	397,051	200,251	74,024	671,326
MM Chanda	62,114	39,652	11,443	113,209
LR Mange	62,114	39,652	11,476	113,242
DE Van Rooyen	62,114	39,652	11,443	113,209
TGE Malebadi	147,206	73,021	27,750	247,977
NM Ndlovu	62,114	39,652	11,443	113,209
KL Phetha	147,206	73,021	27,673	247,900
MG Mokgosi	62,114	39,652	11,443	113,209
SK Matsheka	193,353	123,432	33,343	350,128
TG Damaniti	147,206	73,021	27,750	247,977
TL Selepe	62,114	39,652	11,443	113,209
SL Molefe	62,114	39,652	11,413	113,179
NJ Motau	62,114	39,652	11,443	113,209
OJ Motsepe	62,114	39,652	11,443	113,209
WN Bohmer	62,114	39,652	11,443	113,209
KA Phase	62,114	39,652	11,443	113,209
PP Mokolopi	62,114	39,652	11,443	113,209
MC Segwe	62,114	39,652	11,443	113,209
MJ Rabotape	62,114	39,652	11,443	113,209
SJ Van Rooyen	118,216	75,466	19,501	213,183
KI Motalane	62,114	39,652	11,443	113,209
MC Segoe	147,206	73,021	27,750	247,977

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand			2023	2022
46. Related parties (continued)				
DK Molema	62,114	39,652	11,443	113,209
TC Kenalemongwe	62,114	39,652	11,443	113,209
SMM Melane	62,114	39,652	11,443	113,209
M Dichabe	62,114	39,652	11,443	113,209
GK Kgaje	62,114	39,652	11,443	113,209
EO Seleke	62,114	39,652	11,443	113,209
TJ Matoane	147,206	73,021	27,473	247,700
GN Monnapula	62,114	39,652	11,443	113,209
KP Motsumi	261,104	146,794	49,255	457,153
KL Dlamini	147,206	73,021	27,750	247,977
SN Mokoena	62,114	39,652	11,443	113,209
ND Moseki	62,114	39,652	11,443	113,209
PD Seele	62,114	39,652	11,443	113,209
MJ Monere	62,114	39,652	11,443	113,209
NV Moilwa	62,114	39,652	11,443	113,209
SKB Diakanyo	230,911	92,264	3,001	326,176
GA Kgwadibane	147,206	73,021	27,537	247,764
T Nebe	157,019	76,870	29,231	263,120
GA Seatlholo	62,114	39,652	11,443	113,209
TB Makolomakwa	147,206	73,021	27,640	247,867
BS Ngobeni	62,114	39,652	11,443	113,209
GK Mathakathaka	62,114	39,652	11,443	113,209
ME Dingile	180,330	115,118	33,221	328,669
KC Seheri	62,114	39,652	11,443	113,209
MC Makolemako	62,114	39,652	11,443	113,209
TM Seatlholo	62,114	39,652	11,443	113,209
GG Shole	62,114	39,652	11,486	113,252
MP Modisenyane	62,114	39,652	11,486	113,252
PM Ebusang	62,114	39,652	11,456	113,222
LI Machapa	62,114	39,652	11,456	113,222
TW Maseng	62,114	39,652	11,576	113,342
TF Phambane	62,114	39,652	11,443	113,209
KZ Ntamehlo	62,114	39,652	11,578	113,344
ME Moreti	62,114	39,652	11,443	113,209
MH Ramakgolo	62,114	39,652	10,961	112,727
JP Lemme	62,114	39,652	11,557	113,323
LF Machake	62,114	39,652	11,491	113,257
TD Phungu	62,114	39,652	11,491	113,257
NG Hlazo	315,140	167,984	59,076	542,200
GE Mosiedi	118,216	75,466	21,778	215,460
CL Mahlangu	118,216	75,466	21,778	215,460
TD Femele	118,216	75,466	21,778	215,460
LG Sehole	118,216	75,466	21,778	215,460
MM Mogapi	118,216	75,466	21,778	215,460
DL Monaledi	118,216	75,466	20,862	214,544
K Gaoganediwe	118,216	75,466	21,778	215,460
C Matshidiso	118,216	77,461	21,778	217,455
KKG Nko	180,330	115,118	33,231	328,679
TO Mogoiswa	118,216	75,466	21,778	215,460
LR Mange	118,216	75,466	21,769	215,451
NB Mabote	118,216	75,466	21,778	215,460
AL Annandale	118,216	75,466	21,778	215,460
KE Gaebe	118,216	75,466	21,778	215,460
OL Magogodi	118,216	75,466	21,778	215,460
TD Phungu	118,216	75,466	21,778	215,460
ME Msimanga	118,216	75,466	21,778	215,460
B Mbiza	118,216	75,466	21,778	215,460
KI Mbana	263,027	128,333	47,530	438,890
OC Kgonare	118,216	75,466	21,778	215,460
I Malakaje	118,216	75,466	21,778	215,460

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand			2023	2022
46. Related parties (continued)				
MJ Morubane	118,216	75,466	21,778	215,460
KD Seketema	118,216	75,466	21,778	215,460
MD Jabanyane	263,027	132,578	47,590	443,195
MG Billiot	118,216	75,466	21,778	215,460
BS Strorais	118,216	75,466	21,778	215,460
M Mopako	118,216	75,466	21,778	215,460
JC Daniels	263,027	128,333	47,590	438,950
PI Phantsi	118,216	75,466	21,778	215,460
KD Sega	118,216	75,466	21,778	215,460
LR Motlhabane	118,216	75,466	21,778	215,460
MP Senokwane	263,027	128,333	47,590	438,950
GD Maruping	118,216	75,466	21,778	215,460
KA Monchusi	118,216	75,466	21,778	215,460
OE Mphehlo	118,216	75,466	21,778	215,460
PF Nko	263,027	128,333	47,590	438,950
PP Molale	118,216	75,466	21,778	215,460
RG Molosioa	118,216	75,466	21,778	215,460
MA Setshedi	118,216	75,466	21,778	215,460
LJ Motjale	118,216	75,466	21,778	215,460
C Mohelekete	118,216	75,466	21,778	215,460
LMO Mokgosi	118,216	78,154	21,778	218,148
ME Khathazo	118,216	75,466	14,245	207,927
GU Legalatladi	263,027	136,564	47,590	447,181
LA Kgengwe	118,216	75,466	21,778	215,460
AE Rakwena	118,216	75,466	21,778	215,460
KC Sechogo	263,027	128,333	47,590	438,950
MD Ramatae	118,216	75,466	21,778	215,460
TC Maibi	118,216	75,466	21,778	215,460
HP Kgasi	118,216	75,466	21,778	215,460
DK Molema	263,152	128,333	44,190	435,675
NJ Manganyi	118,216	75,466	21,778	215,460
OGB Mathe	290,340	142,076	52,674	485,090
TC Matsheka	118,216	75,466	21,778	215,460
MC Segoe	118,216	75,466	21,778	215,460
KL Phetha	118,216	27,500	7,936	153,652
WN Bohmer	118,216	75,166	21,778	215,160
ME Moeti	273,008	138,279	49,541	460,828
MJ Monere	118,216	77,377	21,778	217,371
T Selepe	118,216	75,466	21,778	215,460
BC Mathe	263,027	128,633	47,558	439,218
T Mphehlo	379,582	151,364	54,015	584,961
LS Mogotlha	180,330	115,118	39,215	334,663
	16,375,107	9,435,202	2,931,326	28,741,635

47. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Statement of financial position

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

47. Prior-year adjustments (continued)

2022

	Note	As previously reported	Correction of error	Restated
Property, plant and equipment		1,732,900,439	8,096,504	1,740,996,943
Inventories		15,716,534	(1,444,800)	14,271,734
Prepayments		2,631,900	984,367	3,616,267
Inter-governmental debtor		-	887,570	887,570
Trade payables		292,008,014	6,408,272	298,416,286
Retentions		14,797,923	(1,290,335)	13,507,588
Advance payments		43,717,526	(5,948,285)	37,769,241
VAT		34,282,077	(29,141)	34,252,936
Accumulated surplus		1,351,128,501	9,374,487	1,360,502,988
		3,487,182,914	17,038,639	3,504,221,553

Statement of financial performance

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022			
47. Prior-year adjustments (continued)					
2022					
	Note	As previously reported	Correction of error	Re-classification	Restated
Contracted services - Consultants and professional services - From Professional fees		-	582,206	32,400,288	32,982,494
Contracted services - Consultants and professional services - From Legal Litigation		-	4,782,541	18,693,758	23,476,299
Contracted services - Outsourced services		34,234,864	(440,000)	12,464,986	46,259,850
Contracted services - Contractors		-	-	984,537	984,537
Repairs and maintenance		40,866,376	12,218,698	-	53,085,074
Refuse removal		1,972,500	-	(1,972,500)	-
Meter reading		2,127,616	-	(2,127,616)	-
Legal advice and litigation		19,616,634	-	(19,616,634)	-
Animal care		1,176,000	-	(1,176,000)	-
Interest Income		100,616,216	-	(44,804,961)	55,811,255
Interest income - property rates		-	-	44,804,961	44,804,961
Employee cost - basic		196,016,532	-	(8,741,809)	187,274,723
Remuneration of ward committee members		-	-	3,143,500	3,143,500
Remuneration of EPWP		-	-	2,794,221	2,794,221
Employee cost - Other		15,822,345	-	2,485,360	18,307,705
Lease rentals on operating lease		-	-	3,073,205	3,073,205
Other expenses		318,961	(6,700)	1,901,910	2,214,171
Professional fees		54,199,249	-	(54,199,249)	-
Drivers' licence cards		-	189,126	481,347	670,473
Licence and permits		481,347	-	(481,347)	-
Transport and freight		-	44,500	171,600	216,100
Travel and subsistence		2,575,758	(844,456)	(171,600)	1,559,702
UIF		1,478,179	-	(25,138)	1,453,041
SDL		2,840,878	-	(178,993)	2,661,885
Debt Impairment		194,950,703	(7,099,998)	-	187,850,705
Catering services		898,507	963,725	-	1,862,232
Hire		3,050,841	(133,389)	-	2,917,452
Other Income		15,984,525	(5,948,352)	-	10,036,173
Bonus		16,746,535	-	(743,649)	16,002,886
13th cheque accrual		-	-	743,649	743,649
Post retirement benefit		(10,446,000)	17,300,000	-	6,854,000
Pension fund contributions		49,053,282	-	(2,097)	49,051,185
Remuneration of councillors		28,414,955	175,081	151,597	28,741,633
Depreciation and ammortisation		74,894,923	4,021,139	-	78,916,062
Finance cost		907,713	30,456	-	938,169
Advertising		2,508,093	46,948	-	2,555,041
Assets less than capitalisation		2,460,236	(424,138)	-	2,036,098
Computer services		5,397,974	58,289	-	5,456,263
Electricity		15,373,373	4,792,455	-	20,165,828
Insurance		2,769,415	(855,972)	-	1,913,443
Inventory expenditure		34,534,149	(21,682,396)	-	12,851,753
Learnerships and internships		-	-	373,360	373,360
Motor vehicle expenses		483,808	900	-	484,708
Memberships and subscriptions		3,181,056	4,097,966	-	7,279,022
Workmen's compensation'		-	1,370,210	-	1,370,210
Fair value adjustments		38,784,940	(1,414,900)	-	37,370,040
Acturial gains/losses		-	14,302,000	-	14,302,000
Deficit for the year		954,292,483	26,125,939	(9,573,314)	970,845,108

Errors

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

47. Prior-year adjustments (continued)

Management omitted the reporting on Segment reporting in the prior year Annual Financial Statements. The omission has been corrected by including restated Segment Reporting figures as per Note 53.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

47. Prior-year adjustments (continued)

Reclassifications

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

47. Prior-year adjustments (continued)

The following prior year adjustments occurred:

STATEMENT OF FINANCIAL PERFORMANCE

Contracted services

1. Outsourced services

An amount of R7 188 869.56 for Valuers was incorrectly mapped to professional fees and has been remapped to contracted services: outsourced services as per MSCOA guideline. The following amounts were restated from professional fees.

An amount of R1 176 000 for Animal care was incorrectly mapped to general expenditure and has been remapped to contracted services: outsourced services as per MSCOA guideline.

An amount of R2 127 616 for Meter reading was incorrectly mapped to general expenditure and has been remapped to contracted services: outsourced services as per MSCOA guideline.

An amount of R1 972 500 for Refuse removal was incorrectly mapped to general expenditure and has been remapped to contracted services: outsourced services as per MSCOA guideline.

2. Contractors

Contractors: Traffic and Street Lights - R984 536.61

3. Consultants and Professional Services

The following amounts were restated from professional fees:

Consultants and Professional Services: Business and Advisory: Accounting and Auditing: R8 068 217.20

Contracted Services: Consultants and Professional Services: Business and Advisory: Audit Committee - R186 720.28

Consultants and Professional Services: Business and Advisory: Business and Financial Management - R14 053 360.07

Consultants and Professional Services: Infrastructure and Planning: Town Planner - R10 091 990.52

An amount of R18 603 386.29 was remapped from general expenditure: Legal litigation to contracted services.

An amount of R90 372.50 was incorrectly mapped to professional fees. The amount has been remapped to contracted services legal.

Repairs and maintenance

An amount of R8 560 066 was incorrectly classified to professional fees. The amount has been reclassified to repairs and maintenance.

Refuse removal

Refuse removal expenditure of R1 972 500 was incorrectly mapped to general expenditure, the amount has been remapped to contracted services: Outsourced services inline with MSCOA data strings.

Meter management

Meter management expenditure of R2 127 616 was incorrectly mapped to general expenditure, the amount has been remapped to contracted services: outsourced services inline with MSCOA data strings.

Legal advice and litigation

An amount of R18 603 386.29 paid for contracted legal lawyers was incorrectly mapped to Legal advice and litigation. The amount has been reclassified to contracted services: consultants and professional services to be inline with MSCOA reporting strings.

Legal litigation was overstated by an amount of R1 013 247.71 on Caseware, system TB has been used for accuracy.

Animal care

Animal care expenditure of R1 176 000 was incorrectly mapped to general expenditure, the amount has been remapped to contracted services: outsourced services inline with MSCOA data strings.

Interest Income

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

47. Prior-year adjustments (continued)

Interest of R44 804 961 was charged on property rates and disclosed under revenue from exchange transactions. This interest amount has been remapped to revenue from non-exchange to match the nature of property rates.

Interest income - property rates

Interest of R44 804 961 was charged on property rates and disclosed under revenue from exchange transactions. This interest amount has been remapped to revenue from non-exchange to match the nature of property rates.

Employee cost - Basic

Ward committee members remuneration of R3 143 500 was disclosed to employee cost basic and this has been reclassified to the face of the statement of financial performance.

Learnerships and internships payment of R2 794 221 was disclosed to employee cost basic and this has been reclassified to general expenses as a sub line item.

Standby allowance payment of R2 503 200 was mapped to employee cost basic and this has been reclassified to other costs under employee cost.

Employee cost - Other

Standby allowance payment of R2 503 200 was mapped to employee cost basic and this has been reclassified to other costs under employee cost.

Remuneration of ward committee members

Ward committee members remuneration of R3 143 500 was disclosed to employee cost basic and this has been reclassified to the face of the statement of financial performance.

Remuneration of EPWP

Remuneration of EPWP payment of R2 794 221 was disclosed to employee cost basic and this has been reclassified to general expenses as a sub line item.

Lease rentals on operating lease

Leased printers payment of R3 073 205.13 was incorrectly mapped to professional fees and this has been corrected.

Other expenses

An amount of R1 980 paid for car washes was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

Training for employees expenditure to the amount of R52 130 was incorrectly classified as professional fees, the amount has been remapped to other expenses.

Transport for community members expenditure to the amount R29 700 was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

Employee studies and study reimbursements expenditure to the amount R616 421 was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

Employee injured on duty expenditure to the amount R16 926 was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

Conferencing and seminar expenditure to the amount R472 238 was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

Burial and funeral claims expenditure to the amount R400 000 was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

Reimbursement expenditure to the amount of R317.60 was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

Professional fees

An amount R984 536.61 for Contractors:Traffic and Street Lights was incorrectly mapped to professional fees, the amount has been remapped.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

47. Prior-year adjustments (continued)

An amount of R8 560 066 was incorrectly classified to professional fees. The amount has been reclassified to repairs and maintenance.

An amount of R1 980 paid for car washes was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

Gardening tools and materials to the amount of R188 344 was incorrectly mapped as professional fees, amount has been transferred to Transfers and subsidies.

Training for employees expenditure to the amount of R52 130 was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

Transport for community members expenditure to the amount R29 700 was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

Employee studies and study reimbursements expenditure to the amount R616 421 was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

Employee injured on duty expenditure to the amount R16 926 was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

Conferencing and seminar expenditure to the amount R472 238 was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

Burial and funeral claims expenditure to the amount R400 000 was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

Reimbursement expenditure to the amount of R317.60 was incorrectly mapped as professional fees, the amount has been remapped to other expenses.

An amount of R7 188 869.56 for Valuers was incorrectly mapped to professional fees and has been remapped to contracted services: outsourced services as per MSCOA guideline. The following amounts were restated from professional fees.

The following amounts were remapped from professional fees to contracted services:

Consultants and Professional Services:Business and Advisory:Accounting and Auditing: R8 068 217.20

Contracted Services:Consultants and Professional Services:Business and Advisory:Audit Committee - R186 720.28

Consultants and Professional Services:Business and Advisory:Business and Financial Management - R14 053 360.07

Consultants and Professional Services:Infrastructure and Planning:Town Planner - R10 091 990.52

Drivers' licence cards

Driver's licence cards expenditure to the amount R481 347 was incorrectly named as licence and permits, the line item has been changed to Driver's licence cards.

Travel and subsistence

Transport and freight expenditure to the amount of R171 600 was incorrectly mapped as travel and subsistence, the amount has been remapped to transport and freight.

An amount of R710 700 was incorrectly classified as travel and subsistence. The amount has been reclassified to catering services.

Transport and freight

Transport and freight expenditure to the amount of R171 600 was incorrectly mapped as travel and subsistence, the amount has been remapped to transport and freight.

An amount of R14 800 was incorrectly classified as travel and subsistence. The amount has been reclassified to transport and freight.

UIF

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

47. Prior-year adjustments (continued)

UIF expenditure restated due to amount being remapped to Remuneration of EPWP expenditure.

SDL

SDL expenditure restated due to amount being remapped to Remuneration of EPWP expenditure.

Debt impairment

Debt impairment was overstated by an amount of R7 099 980.57 as per the prior year listing. The misstatement also affected the impairment balance as per the statement of financial position.

Catering Services

An amount of R710 700 was incorrectly classified as travel and subsistence. The amount has been reclassified to catering services.

An amount of R253 025 was incorrectly classified as hire. The amount has been reclassified to catering services.

Hire

Amount of R109 630 incorrectly classified as travel and subsistence.

An amount of R253 025 was incorrectly classified as hire. The amount has been reclassified to catering services.

Amount of R9 326 incorrectly classified as travel and subsistence.

48. Comparative figures

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

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated.

The nature and reason of reclassification is disclosed. Where material prior period errors have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

See note 43 for reasons of reclassifications and the effect thereof in the comparative figures.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

49. Risk management

Financial risk management

The municipality's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

Financial Risk Management Objectives

The Accounting Officer has overall responsibility for the establishment and oversight of the municipality's risk management framework. The municipality's risk management policies are established to identify and analyse the risks faced by the municipality, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

The municipality's Finance department provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the municipality through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Due to the largely non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of financial risk faced by business entities. Financial Instruments play a much more limited role in creating or changing risks that would be typical of listed companies to which the IAS's mainly apply. Generally, Financial Assets and Liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the municipality in undertaking its activities.

The Department of Finance monitors and manages the financial risks relating to the operations through internal policies and procedures. These risks include interest rate risk, credit risk and liquidity risk. Risk management policies and systems are reviewed regularly to reflect changes to market conditions and the municipality's activities, and compliance with policies and procedures is reviewed by the internal auditors on a continuous basis, and annually by external auditors. The municipality does not enter into or trade financial instruments for speculative purposes.

Internal audit, responsible for initiating a control framework and monitoring and responding to potential risk, reports periodically to the municipality's audit committee, an independent body that monitors the effectiveness of the internal audit function.

Significant Risks

It is the policy of the municipality to disclose information that enables the user of its Annual Financial Statements to evaluate the nature and extent of risks arising from Financial Instruments to which the municipality is exposed on the reporting date.

The municipality has exposure to the following risks from its operations in Financial Instruments:

Credit Risk;
Liquidity Risk; and
Market Risk

Liquidity risk

Liquidity Risk is the risk that the municipality will encounter difficulty in meeting the obligations associated with its Financial Liabilities that are settled by delivering cash or another financial asset. The municipality's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the municipality's reputation.

Liquidity Risk is managed by ensuring that all assets are reinvested at maturity at competitive interest rates in relation to cash flow requirements. Liabilities are managed by ensuring that all contractual payments are met on a timely basis and, if required, additional new arrangements are established at competitive rates to ensure that cash flow requirements are met.

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

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

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

49. Risk management (continued)

Credit risk

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

49. Risk management (continued)

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty.

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the municipality. The municipality has a sound credit control and debt collection policy. The municipality uses its own trading records to assess its major customers. The municipality's exposure of its counterparties are monitored regularly.

Trade receivables

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

Individual risk limits are set based on internal or external ratings in accordance with limits set by management.

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty

Investments/Bank, Cash and Cash Equivalents

The municipality limits its counterparty exposures from its short-term investments (financial assets that are neither past due nor impaired) by only dealing with well-established financial institutions short term credit rating of BBB and long-term credit rating of

AA- and higher at an International accredited credit rating agency. The municipality's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst different types of approved investments and institutions, in accordance with its investment policy. Consequently, the municipality is not exposure to any significant credit risk.

The municipality limits its counterparty exposures from its money market investment operations (financial assets that are neither past due nor impaired) by only dealing with well-established financial institutions of high credit standing. The credit exposure to any single counterparty is managed by setting transaction / exposure limits, which are included in the municipality's Investment Policy. These limits are reviewed annually by the Chief Financial Officer and authorised by the Council.

The municipality limits its counterparty exposures from its money market investment operations (financial assets that are neither past due nor impaired) by only dealing with Absa Bank, Nedbank and Standard Bank. No investments with a tenure exceeding twelve months are made.

Trade and Other Receivables

Trade and Other Receivables are amounts owed by consumers and are presented net of impairment losses. The municipality has a credit risk policy in place and the exposure to credit risk is monitored on an on-going basis. The municipality is compelled in terms of its constitutional mandate to provide all its residents with basic minimum services without recourse to an assessment of creditworthiness. Subsequently, the municipality has no control over the approval of new customers who acquire properties in the designated municipal area and consequently incur debt for rates, water services rendered to them.

Trade Receivables consist of a large number of customers. Periodic credit evaluation is performed on the financial condition of accounts receivable. Consumer debtors are presented net of a provision for impairment.

In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy. At this stage the municipality only partially implement its credit control policy as there is no hand over of debtors.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
-----------------	------	------

49. Risk management (continued)

There were no material changes in the exposure to credit risk and its objectives, policies and processes for managing and measuring the risk during the year under review. The municipality's maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statement of Financial Position, without taking into account the value of any collateral obtained.

The municipality establishes an allowance for impairment that represents its estimate of anticipated losses in respect of trade and other receivables.

The municipality does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The municipality defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Financial assets exposed to credit risk at year end were as follows:

	2023	2022
Financial instrument	-	78,054,461
Receivables from exchange transactions	11,813,411	70,945,819
Receivables from non-exchange transactions	13,729,709	102,562,253

Market risk

Interest rate risk

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest charges.

Financial Assets and Liabilities that are sensitive to interest risk are cash and cash equivalents, investments, and loan payables. The municipality is not exposed to interest rate risk on these financial instruments as the rates applicable are fixed interest rate.

Potential concentration of interest rate risk consist mainly of variable rate deposit investments, long-term receivables, other debtors, bank and cash balances.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with well established financial institutions of high credit standing. No investment with a tenure exceeding twelve months are made.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with ABSA Bank, First National Bank, Nedbank and Standard Bank. No investments with a tenure exceeding twelve months are made. Receivables comprise a widespread customer base. Consumer debtors are presented net of a provision for impairment.

In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by "demand for payment", "restriction of services", and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy at this stage the municipality only partially implement its credit control policy as there is no hand over of debtors.

Long-term Receivables and Other Debtors are individually evaluated annually at Balance Sheet date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The municipality is not exposed to interest rate risk as the municipality borrows funds at fixed interest rates.

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
49. Risk management (continued)		
Price risk		
The municipality is not exposed to equity price risks arising from equity investments as the municipality does not trade these investments.		
Post-tax surplus for the year would increase/decrease as a result of gains or losses on equity securities classified as at fair value through surplus or deficit. Other components of equity would increase/decrease as a result of gains or losses on equity securities classified as available-for-sale.		
50. Going concern		
We draw attention to the fact that at June 30, 2023, the municipality had an accumulated surplus of R 1,372,911,168 and that the municipality's total assets exceed its liabilities by R 1,372,911,168.		
The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.		
51. Events after the reporting date		
Disclose for each material category of non-adjusting events after the reporting date:		
<ul style="list-style-type: none">nature of the event.estimation of its financial effect or a statement that such an estimation cannot be made.		
52. Additional disclosure in terms of Municipal Finance Management Act		
Skills Development Levy		
Current year subscription / fee	3,053,500	2,848,820
Amount paid - current year	(3,053,500)	(2,848,820)
	-	-
Water losses		
Opening balance as previously reported	(2,294,608)	-
Add: Losses identified - current period	7,845,164	7,417,014
Add: Losses identified - prior period	(9,160,418)	(9,711,622)
	(3,609,862)	(2,294,608)
Audit fees		
Opening balance	11,743	3,939,681
Current year subscription / fee	6,121,397	7,070,536
Amount paid - current year	(6,133,140)	(10,998,474)
	-	11,743
PAYE and UIF		
Current year subscription / fee	57,697,628	56,097,359
Amount paid - current year	(57,697,628)	(56,097,359)
	-	-

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand 2023 2022

52. Additional disclosure in terms of Municipal Finance Management Act (continued)

Pension and Medical Aid Deductions

Current year subscription / fee	100,780,640	90,402,741
Amount paid - current year	(100,780,640)	(90,402,741)
	<u>-</u>	<u>-</u>

VAT

VAT receivable	(50,253,952)	(34,252,936)
----------------	--------------	--------------

VAT 201 is submitted monthly on a cash basis.

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at June 30, 2023:

June 30, 2023	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Councillor Daniels JC	8,749	316,716	325,465
Councillor Kgasi HP	5,127	66,342	71,469
Councillor Motshabi T	4,730	65,905	70,635
Councillor Storrais BS	1,481	22,462	23,943
Councillor Van Rooyen SJ	4,443	60,253	64,696
	24,530	531,678	556,208

June 30, 2022	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Councillor Van Rooye SJ	3,279	51,811	55,090
Councillor Diakanyo KB	(1,998)	(3,349)	(5,347)
Councillor Seheri KC	212	139	351
Councillor Motshabi T	4,064	47,679	51,743
Councillor Motau NJ	4,294	-	4,294
	9,851	96,280	106,131

During the year the following Councillors' had arrear accounts outstanding for more than 90 days.

Supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the accounting officer and includes a note to the annual financial statements.

Procurement transactions

Emergency procurement	-	3,094,187
Impractical or impossible to follow official process	10,704,256	10,611,868
	10,704,256	13,706,055

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
52. Additional disclosure in terms of Municipal Finance Management Act (continued)		
SALGA subscription		
Current year subscription/fee	4,212,918	3,163,440
Amount paid - current year	(4,212,918)	(3,163,440)
	-	-

53. Segment information

General information

Identification of segments

The municipality is organised and reports to management on the basis of two major functional areas: primary, and secondary services. Management uses these same segments for determining strategic objectives. The municipality has 16 segments that were aggregated to nine segments for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Aggregated segments

Segments were aggregated on the basis of services delivered as management considered that the economic characteristics of the segments were sufficiently similar to warrant aggregation.

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Finance and Administration	Secondary services
Waste and Waste Water management	Primary services
Housing, Planning and Development	Secondary services
Public Safety and Road Transport	Primary services
Water Management	Primary services
Health, Community and Social Services	Primary services
Energy Sources	Primary services
Environmental protection, Sports and Recreation	Secondary services
Executive and council, Internal Audit and Other	Secondary services

Segment surplus or deficit, assets and liabilities

Segment surplus or deficit

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

53. Segment information (continued)

2023

	Revenue from non-exchange transactions	Revenue from exchange transactions	Interest revenue	Total Segment revenue	Salaries and wages	Depreciation and amortisation	Other expenses	Total Segment expenditure	Total segment (deficit) surplus
Revenue									
Finance and Administration	720,740,844	2,225,880	157,382,628	880,349,352	71,557,644	12,144,001	601,825,483	685,527,128	194,822,224
Public Safety and Road Transport	1,378,086	6,355,982	-	7,734,068	1,019,559	41,536,464	4,564,324	47,120,347	(39,386,279)
Environmental protection, Sports and Recreation	-	-	-	-	332,804	-	89,000	421,804	(421,804)
Executive and council, Internal Audit and Other	-	1,591,856	-	1,591,856	266,060,830	-	43,672,997	309,733,827	(308,141,971)
Housing, Planning and Development	122,425,000	18,098,384	-	140,523,384	18,862,083	-	38,295,094	57,157,177	83,366,207
Waste and Waste Water management	-	89,080,663	-	89,080,663	3,703,919	1,996,916	13,214,849	18,915,684	70,164,979
Water Management	-	166,263,652	-	166,263,652	-	-	82,330,928	82,330,928	83,932,724
Health, Community and Social Services	2,246,987	1,316,826	-	3,563,813	28,574,886	3,936,434	8,594,673	41,105,993	(37,542,180)
Energy Sources	5,000,000	-	-	5,000,000	-	3,814,308	35,583,873	39,398,181	(34,398,181)
Total	851,790,917	284,933,243	157,382,628	1,294,106,788	390,111,725	63,428,123	828,171,221	1,281,711,069	12,395,719
Entity's revenue				1,294,106,788					
Entity's Surplus (deficit) for the period									12,395,719

Mahikeng Local Municipality

Annual Financial Statements for the year ended June 30, 2023

Notes to the Annual Financial Statements

Figures in Rand

53. Segment information (continued)

2022

	Revenue from non- exchange transactions	Revenue from exchange transactions	Interest revenue	Total Segment revenue	Salaries and wages	Depreciation and amortisation	Other expenses	Total Segment expenditure	Total segment (deficit) surplus
Revenue									
Finance and Administration	638,731,910	2,616,772	105,204,712	746,553,394	62,859,622	10,373,300	310,676,214	383,909,136	362,644,258
Public Safety and Road Transport	729,517	2,027,983	-	2,757,500	1,112,525	58,587,882	3,485,214	63,185,621	(60,428,121)
Environmental protection, Sports and Recreation	-	-	-	-	1,852,322	-	-	1,852,322	(1,852,322)
Executive and council, Internal Audit and Other	-	1,989,247	-	1,989,247	239,552,565	-	37,753,276	277,305,841	(275,316,594)
Housing, Planning and Development	86,274,000	19,246,418	-	105,520,418	16,705,804	-	74,615,962	91,321,766	14,198,652
Waste and Waste Water management	-	93,441,167	-	93,441,167	2,485,360	1,535,764	10,072,816	14,093,940	79,347,227
Water Management	-	152,723,049	-	152,723,049	-	-	73,362,413	73,362,413	79,360,636
Health, Community and Social Services	1,622,000	662,310	-	2,284,310	23,467,014	4,604,807	9,928,513	38,000,334	(35,716,024)
Energy Sources	-	-	-	-	-	3,814,308	23,831,160	27,645,468	(27,645,468)
Total	727,357,427	272,706,946	105,204,712	1,105,269,085	348,035,212	78,916,061	543,725,568	970,676,841	134,592,244
Entity's revenue				1,105,269,085					
Entity's Surplus (deficit) for the period									134,592,244

GRAP 18 requires that assets and liabilities also be disclosed for purpose of segment reporting if it is practical to do so. It is impractical at the moment to disclose assets and liabilities as a segment due to assets and liabilities not being constantly monitored by management as with revenue and expenditure.

54. Budget differences

Material differences between budget and actual amounts

The excess of actual expenditure over the final budget of 10%. There were no other material differences between the final budget and the actual amounts.