

# RAMOTSHERE MOILOA LOCAL MUNICIPALITY



## 2023/24 Draft Annual Report

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## Abbreviations

Abbreviation	Description
AFS	Annual Financial Statements
AGSA	Auditor General South Africa
AIP	Audit Improvement Plan
AO	Accounting Officer
AR	Annual Report
ARCR	Audit & Risk Committee Resolution
ARCOM	Audit and Risk Committee
BTO	Budget and Treasury Office
CAE	Chief Audit Executive
CBD	Central Business District
CFO	Chief Financial Officer
CLLR	Councillor
DBSA	Development Bank of Southern Africa
HR	Human Resources
IA	Internal Audit
ICT	Information and Communication Technology
IDP	Integrated Development Plan
KPI	Key Performance Indicator
LED	Local Economic Development

Abbreviation	Description
MANCO	Management Committee
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MSCOA	Municipal Standards of Account
PA	Personal Assistant
PAAP	Post Audit Action Plan
PMS	Performance Management System
POE	Portfolio of Evidence
QAR	Quality Assurance Review
RFI	Request for Information
RMLM	Ramotshere Moiloa Local Municipality
SALGA	South African Local Government Association
SDBIP	Service Delivery and Budget Implementation Plan
UIF+W	Unauthorized, Irregular, Fruitless and Wasteful



## CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

### COMPONENT A: MAYOR’S FOREWORD



Cllr DM Pitso: Mayor RMLM

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Cllr DM Pitso: Mayor RMLM

Ramotshere Moiloa Local Municipality managed to retain qualified audit opinion with reduced paragraphs for 2023/24 financial year. It is an indication that there is a continuous improvement in terms of putting people first, service delivery, governance, sound financial management, building capable institution and local economic development within the municipality.

The municipality is still placed under mandatory financial recovery plan by the provincial treasury with the aim of improving the financial performance of the municipality.

Service delivery remains the primary mandate of the municipality. The municipality has managed to purchase 5 bakkies, Chery Picker, two TLB's and two refuse trucks to assist with community service delivery. Thuntsha lerole program has been a success, assisting in reaching communities and identifying their needs. We struggled to maintain municipal facilities due to budget and we have ensured that budget is set aside for operation and maintenance. We hope that we will improve. The municipality relies on different grants that are injected for intended process and capital projects. We have seen improvement in revenue collection as compared to last financial year with 93%. Every year when the municipality reviews

the IDP and the SDBIP, the aim is to achieve those targets and not derail in any way. The communities have been very active during the IDP consultative processes.

One cannot shy away from community outcry relating to the water challenges and Youth unemployment. The municipality together with Ngaka Modiri Molema District Municipality are working tirelessly to address the issue. Employment opportunities in a form of EPWP helps to temporarily address huge unemployment rate. We admit that it is not enough and we commit to working together with our communities to improve lives of our people. Working together we can do more.

The administration and political spheres have been strengthened through the appointment of senior managers that were vacant. Community Services and Technical services directors have been appointed.

I convey my sincerest appreciation to the Municipal Council, members of the finance steering committee, members of the mayoral committee, our Municipal Manager, CFO, PER, internal and external auditors, ARCOM and all other staff members who are committed to making sure that we bring the better audit outcome.



Cllr DM Pitso  
Mayor: RMLM

## COMPONENT B: EXECUTIVE SUMMARY

### 1.1. MUNICIPAL MANAGER'S OVERVIEW

This report records the performance and progress made by Ramotshere Moiloa Local Municipality in fulfilling its strategic objectives contained in the Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) approved by Council for the year under review.

Ramotshere Moiloa Local Municipality received a qualified audit opinion, having a number of issues being identified and emphasized by the Auditor General South Africa (AGSA). Recommendations were done by the AGSA and subsequent to that, the municipality came up with a Post Audit Action Plan (PAAP) which is being utilized to remedy the identified issues.

The established council committees are functional and have been meeting regularly to play an oversight role into the administration of the municipality which assists in ensuring accountability. Vital committees amongst the council committees are the Audit and Risk Committee (ARCOM) and Municipal Public Accounts Committee (MPAC) and the administration has a good relationship with these committees to ensure their effective and efficient running.

The council is striving towards providing the community of Ramotshere with effective and efficient service delivery. In addition to service delivery, the municipality prioritises in improving the overall annual performance whereby the following resources have been procured: two (2) TLBs; one (1) Grader; and one (1) pedestrian roller, under the Technical Services department. In addition, the Community Services Department two (2) refuse trucks have been acquired.

The mandate of our local municipality aligns with the broader mandate outlined in Chapter 7 of the South African Constitution, which is applicable to Local Government. We recognize the significance of community involvement and thus continue to prioritize it. This is realized through community consultative meetings, mayoral imbizos, the municipal open policy door to the community to hear of any complaints or discontentment with the level of service delivery. The municipality always tries to the best of its ability to address the complaints and or improve on the services that are offered.

The municipality had vacant positions in senior management whereby two were filled, which is the Director of Technical Services and the Director of Community Services. Lower-level positions have been advertised and the municipality is in the process of filling them out, with some appointments already being made and interviews being held to complete the process. Filling of vacant post is a priority to the municipality as it has an impact on our performance and of services being delivered to the community.

The municipality survives on equitable share from the National Treasury; conditional grants from the Municipal Infrastructure Grant (MIG); INEP; FMG and water and sanitation grant from the District Municipality. Another source of funding is the revenue collection which is to be collected from residents and businesses where the municipality is providing services. The revenue collection could have a great impact on the finances of the municipality, but it is hampered by the non-payment of services. However, the revenue collection rate of the municipality has improved

which is a great impact on the financial position of the municipality. Our aim is to always encourage a culture of payment of services in order to assist the municipality grow.

Subsequent to the National and Provincial Treasury identifying 43 municipalities which were under financial crisis and our municipality being one of the identified municipalities, a Provincial Executive Representative (PER) was assigned to the municipality. One of the functions of the PER was to assist the municipality to draft a financial recovery plan which would be implemented with the purpose of relieving the financial distress of the municipality. The municipality is following the recovery plan and the finances of the municipality are looking better than there were prior to the intervention of Treasury. The municipality is able to honour its debts and obligations.

The Annual Report for the 2023/2024 financial year has been compiled in accordance with Section 46 of the Local Government Municipal Systems Act, No. 32 of 2000 (as amended), Section 127 (2) of the Local Government Municipal Finance Management Act, No. 56 of 2003, as well as accompanying circulars, templates, and guidelines. In particular, MFMA Circular No. 63, issued in September 2012, added guidance to the preparation of this annual report, requiring all municipalities to report within the established framework and for such reports to be submitted to the Auditor General at the same time as the Annual Financial Statements in August each year.



Lekgetho Mokgatle  
Municipal Manager



## 1.2. MUNICIPAL FUNCTIONS, POPULATIONS AND ENVIRONMENTAL OVERVIEW

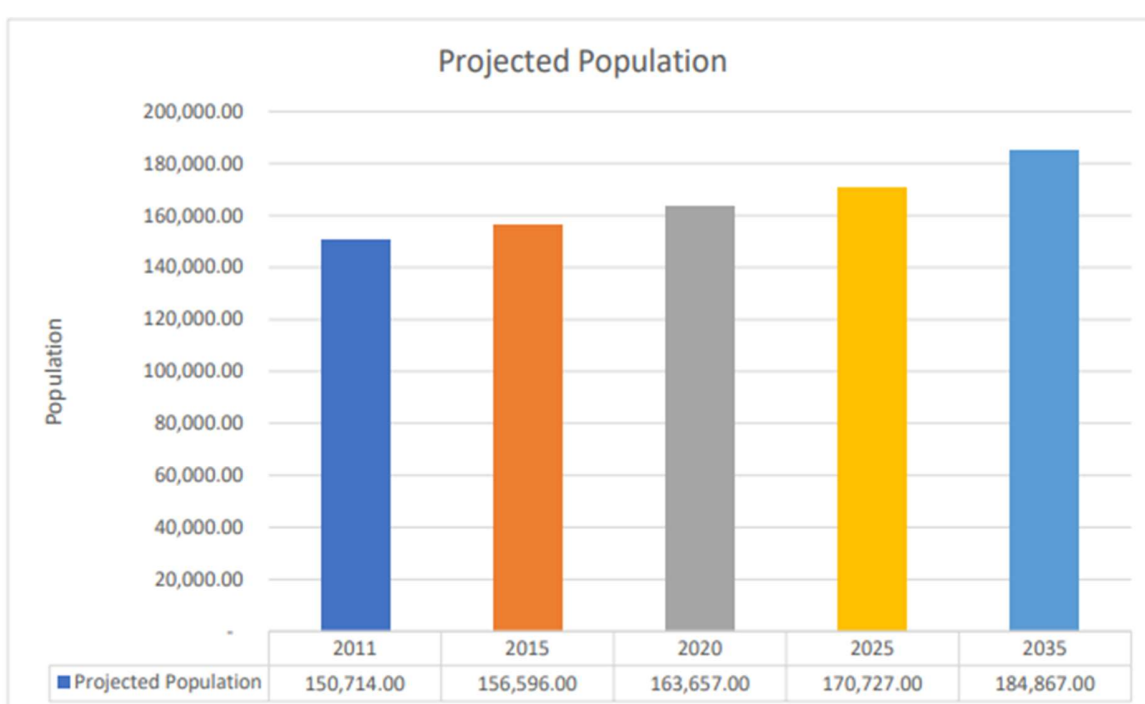
### INTRODUCTION TO BACKGROUND DATA

The data provided herein is obtained from the Census 2011 report conducted by Statistics South Africa. Ramotshere Moiloa Local Municipality (RMLM) strives to ensure the backlogs in the delivery of Basic Services like Water, Electricity and Housing are reduced on an annual basis.

RMLM has 19 wards, and the total population is depicted below:

#### T 1.2.1

Population Details									
Age	2021/22			2022/23			2023/24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age: 0 - 4	9482	8972	18454	9482	8972	18454	9482	8972	18454
Age: 5 - 9	8100	7824	15924	8100	7824	15924	8100	7824	15924
Age: 10 - 19	15192	14324	29516	15192	14324	29516	15192	14324	29516
Age: 20 - 29	12207	12235	24442	12207	12235	24442	12207	12235	24442
Age: 30 - 39	9051	9633	18684	9051	9633	18684	9051	9633	18684
Age: 40 - 49	6780	8276	15056	6780	8276	15056	6780	8276	15056
Age: 50 - 59	5782	6762	12544	5782	6762	12544	5782	6762	12544
Age: 60 - 69	3870	4879	8749	3870	4879	8749	3870	4879	8749
Age: 70+	2755	4588	7343	2755	4588	7343	2755	4588	7343
Source: Statistics SA					T 1.2.2				



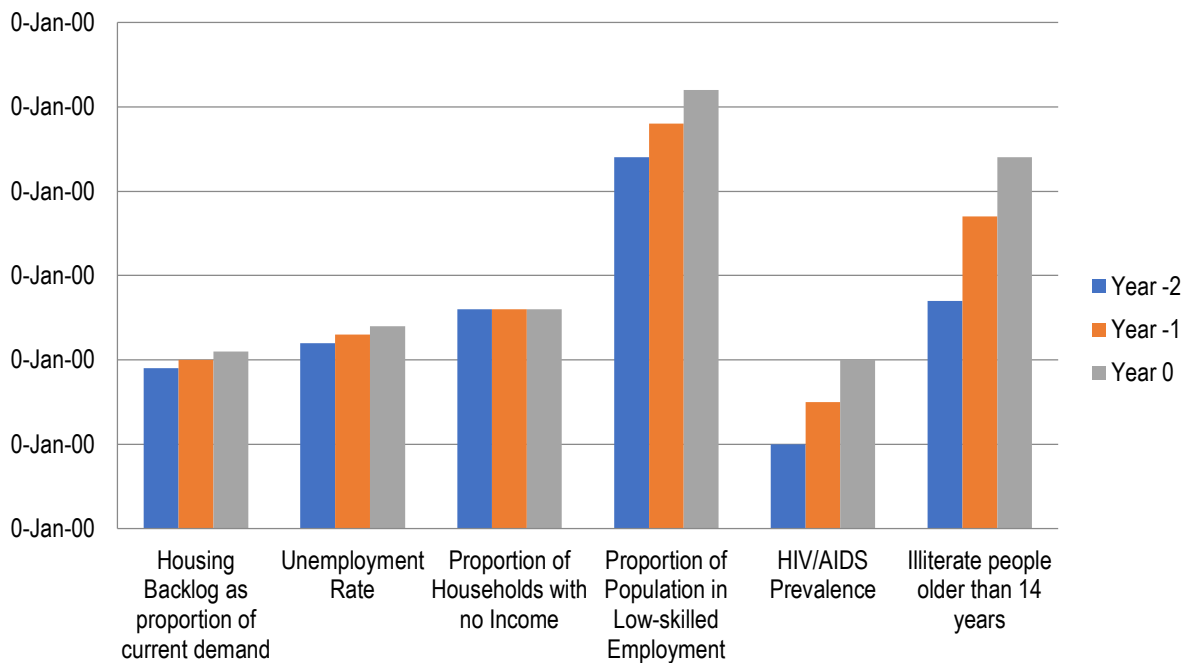
T1.2.3

Socio Economic Status						
Year	Housing Backlog as proportion of current demand	Unemployment Rate	Proportion of Households with no Income	Proportion of Population in Low-skilled Employment	HIV/AIDS Prevalence	Illiterate people older than 14 years
2021/22	19%	22%	26%	44%	10%	27%
2022/23	20%	23%	26%	48%	15%	37%
2023/24	21%	24%	26%	52%	20%	44%

T 1.2.4



## Socio Economic Status



Overview of Neighbourhoods within 'Ramotshere Moiloa Local Municipality		
Settlement Type	Households	Population
Towns		
Zeerust	2800	12000
Sub-Total	2800	12000
Townships	5669	21638
Sub-Total	5669	21638
Rural settlements	31822	114840
Sub-Total	31822	114840
Informal settlements	3300	15580
Sub-Total	3300	15580
Total	40291	148478
T 1.2.6		

Natural Resources	
Major Natural Resource	Relevance to Community
Manganese (Swartkop Mine)	Mining-job creation
Chrome (Mmasebudule Chrome Mine and Marico Chrome mine)	Mining-job creation
Slate quarry	Mining-job creation
Lime (Floor Spar)	Mining-job creation
Dam (Klein Marico, Riekerts Dam)	Fishing and water supply
T 1.2.7	

#### COMMENT ON BACKGROUND DATA:

Above is a diagram reflecting performance on Access to Basic Services from 2021 to 2024 financial years. Please refer to Chapter 3 – Service Delivery Performance for further information pertaining to shortfalls, reasons for deviation and support needed in terms of unblocking.

T 1.2.8

### 1.3. SERVICE DELIVERY OVERVIEW

#### SERVICE DELIVERY INTRODUCTION

One of the objects of Local Government is to ensure the provision of basic services to all communities in an effective and sustainable manner.

Basic services rendered to the community of Ramotshere Moiloa Local Municipality are Water and Sanitation services, Electricity, Roads and stormwater and waste management services.

#### BASIC SERVICE DELIVERY ACHIEVEMENTS (PERFORMANCE HIGHLIGHTS)

Sanitation services: There were no capital projects implemented during the 2022/2023 financial year.

Electrical Services: 8 High Mast Lights have been installed through the MIG Grant, 4 at Lekubu Ward 8 and 4 at Reagile Ward 4.

Roads and Storm water:

1.5 Km of road constructed in Kruisrevier ward16 Completed

1.4 Km of Road under construction in Dinokana Ward 09 Construction

2 Km of Road under construction in Dinokana Ward 10, 700m completed the project is ongoing.

1.9 Km of Road constructed in Mokgola Ward 7 Completed

2.1 Km of Road Constructed in Welbedacht Ward 18 Completed

Construction of Borakalalo Bridge is completed

**Waste Management:** The continued maintenance and operation of Zeerust landfill site to at least meet 65% of the permit conditions.

#### BASIC SERVICE DELIVERY CHALLENGES

**Water Services: Ageing and inadequate bulk infrastructure**

**Electricity: Ageing infrastructure**

**Roads and Storm water: Potholes and blocked storm water inlets.**

**Waste Management:** The Rehabilitation Closure Permit for Groot Marico landfill site has expired, application for its extension for another five years has been made to Department of Environmental Affairs. The remaining useful lifespan for Zeerust landfill site is reaching its maximum capacity. An application to increase its lifespan has since submitted to Department of Environmental Affairs for approval. This will extend the lifespan of the facility by 5 to 7 years.

Construction of Borakalalo Bridge is completed. The purpose for the construction of these bridges is to manage the Storm water on roads linking public facilities (Clinics and Schools)

T 1.3.2

## 1.4. FINANCIAL HEALTH OVERVIEW

### FINANCIAL OVERVIEW

The overview sets out highlights of the municipality's financial performance in the past year. Full details appear in the Annual Financial Statements.

The municipality has performed relatively well over the past year despite the prevailing market and economic conditions. There has been a monitoring by the municipality of the economic conditions over the finances of the municipality and despite lack of complete verification of its debtors, the municipality is aware of the existence of indigent communities within its jurisdiction and the impact it has on the revenue collection rate which in turn put pressure on the cash flows.

The municipality faced serious cash flows constraints during the year due to the following reasons:

Low collection rate

Valuations roll which validity was extended by one year

Other legal disputes

Excessive costs drivers – CPI used for tariff setting -services are provided at a loss and will result in departmental deficits

Unspent grants vs. anticipated roll overs

Unauthorised expenditures incurred in terms of overtime expenditure, depreciation, and debtors' impairment etc.

T 1.4.1

Financial Overview: 2023/24			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	295 195	294 307	280 195
Taxes, Levies and tariffs	150 033	238 699	173 132

Other	8 360	39 168	15 165
<b>Sub Total</b>	<b>453 588</b>	<b>572 174</b>	<b>468 492</b>
Less: Expenditure	515 907	385 972	429 677
<b>Net Total*</b>	<b>(62 319)</b>	<b>186 202</b>	<b>38 815</b>
<i>* Note: surplus/(defecit)</i>			<i>T 1.4.2</i>

Operating Ratios	
Detail	%
Employee Cost	37%
Repairs & Maintenance	1%
Finance Charges & Impairment	9%
<i>T 1.4.3</i>	

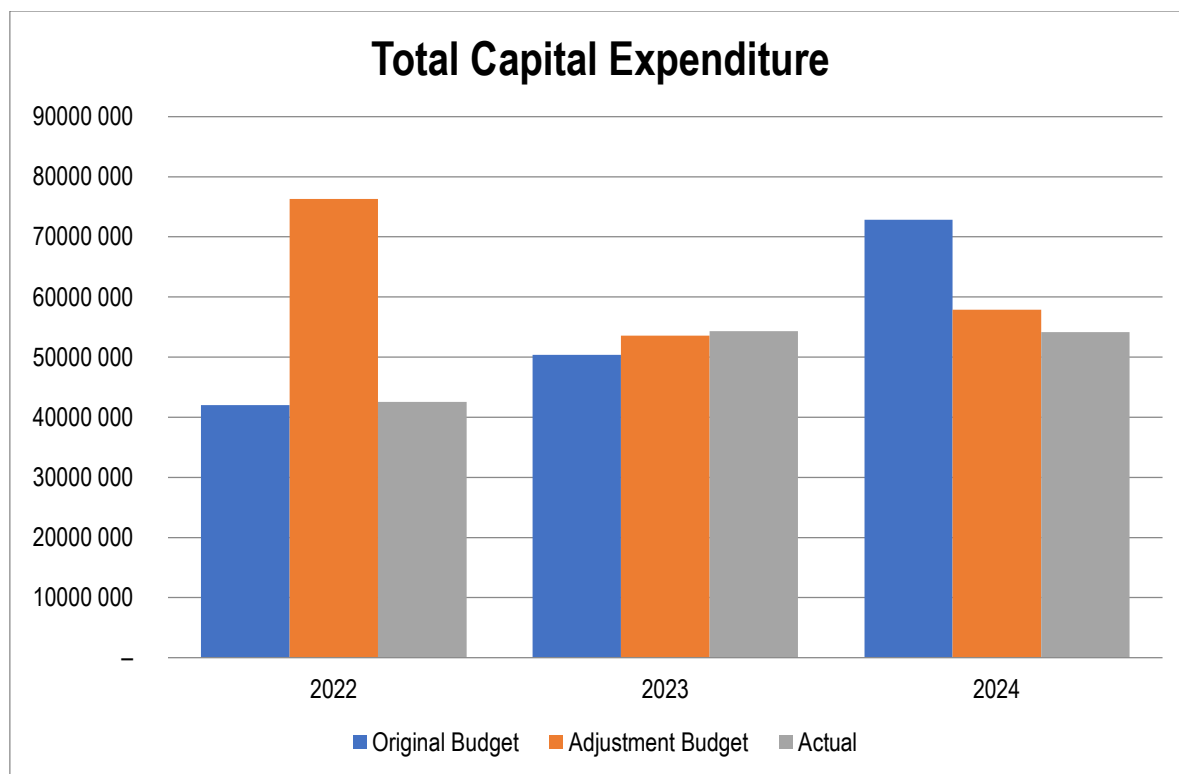
#### COMMENT ON OPERATING RATIOS:

The National Treasury considers 25-40% of operating expenditure to be the norm for human capital. The Municipality's Employee cost ratio to operating expenditure is at 38% for the year under review. This is within the norm.

This municipality provides services to the entire municipal area but only generates revenue from the four wards of which three of them are highly indigent. The municipality is basically sustained by revenue generated from the CBD (Zeerust Town) and Grants. The repairs and maintenance expenditure are at 4% and the norm is 8% as recommended by National Treasury (NT). Revenue enhancement strategy and, measures must be put in place to provide for adequate spending on repairs and maintenance.

*T 1.4.3*

Total Capital Expenditure: Year 2022 to 2024			
	R'000		
Detail	2022	2023	2024
Original Budget	42 051	50 380	72 870
Adjustment Budget	76 275	53 600	57 872
Actual	42 545	54 340	54 143
<i>T 1.4.4</i>			



## 1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

Ramotshere Moiloa Local Municipality comprises of six directorates, namely:

- Office of the Municipal Manager (Risk Management, PMS management, Communications, Integrated Development Plan Management, Office of the Speaker, Office of the Mayor & MPAC)
- Budget & Treasury Office (Supply Chain Management, Budget & Report, Expenditure Management, Revenue Management and Asset Management)
- Community Services (Parks & environmental services, Public Safety, Security Services)
- Corporate Services (Human Resource Management, Records Management, Labor Relations, Facilities, Information Technology & Communication, Skills Development)
- Technical Services (Water and Sanitation, Electricity, Project Management Unit and Roads & Storm water)
- Municipal Planning and Development (Local Economic Development, Town Planning & Housing)

The municipality has embarked on a review of organizational structure to be adopted by council. The review of the structure has been done in line with the Municipal Staff Regulations and consultations with the Head of the departments. The staff compliment of the municipality stands at **288 permanent** employees and 19 contract employees. Vacancy rate for the entire municipal workforce stands at **18%**. Remuneration and benefits of staff is in line with South African Local Government Bargaining Council Guidelines. Personnel expenditure for the financial year 2023/24 is at **43%**.

The municipality has also adopted the Employment Equity Plan and Recruitment Policy and filling of positions is done in line with both policies. In order to address salary disparities, the municipality is engaged in a Job Evaluation process.

Training Committee is in place and has developed Work Skills Plan as a guiding tool to undertake training and development in the municipality.

## 1.6. AUDITOR GENERAL REPORT

### AUDITOR GENERAL REPORT: 2023/24

The Auditor General has performed their Audit on the 2023/24 AFS as well as on Performance Information for the same Financial Year. The Municipality received a qualified audit opinion on the 2021/22 and 2022/23 audits respectively. **The municipality received a opinion during the 2023/24 audit.** The AG Audit Report forms an attachment of the 2022/23 Annual Report and is included is on page along with the Audit Recovery Plan on pages

*T 1.5.1*

## 1.7. STATUTORY ANNUAL REPORT PROCESS

N006F.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	December 2023
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize the 4th quarter Report for previous financial year	
4	Submit draft year 2023/24 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM (Not Applicable)	
6	Audit/Performance committee considers draft Annual Report of municipality	August 2024
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated Annual Financial Statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	August 2024 – November 2024
12	Municipalities receive and start to address the Auditor General's comments	January 2024
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report	
14	Audited Annual Report is made public, and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	May 2024
17	Oversight report is made public	
18	Oversight report is submitted to relevant Provincial Councils	
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input	30 August 2024
T 1.6.1		

## CHAPTER 2 – GOVERNANCE

### INTRODUCTION TO GOVERNANCE

Governance in the municipality is made up of Political and Administrative Governance. The Political Structure is led by the Mayor and Speaker who are full time. The Council has the following Section 79 and 80 Committees in place.

- Executive Committee.
- Corporate Services Committee.
- Finance Portfolio Committee
- Technical Services Portfolio Committee.
- Community Services and Municipal Planning and Development Portfolio Committee; and
- Municipal Public Accounts Committee (MPAC)
- Assets and Disposal Committee

The Audit and Risk Committee ARCOM) has been established in line with MFMA Sec 166 and the committee reports quarterly to council.

*T 2.0.1*

## 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 *T 2.1.0* (Refer to Appendix B on Council Committees)

## 2.1. POLITICAL GOVERNANCE

### INTRODUCTION TO POLITICAL GOVERNANCE

MFMA section 52(a): The Mayor must provide general political guidance over the fiscal and financial affairs of the municipality. The municipality had 37 Councillors (CLLR) of which 19 were Ward Councillors and 18 Proportional Representative (PR) Councillors.

*T 2.1.1*





**MAYOR**  
**CLLR DM Pitso**



**SPEAKER**  
**CLLR LP Letshufi**

**EXECUTIVE COMMITTEE**



**CLLR TV Kena**



**CLLR TG Katametsi**



**CLLR AN Thale**



**CLLR KJ Ledikwa**



**CLLR Cllr JK Mokgatlhe**



**CLLR VO Mogale**

## Councillors



**Cllr BT Monamodi**



**Cllr P Mokgathe**



**Cllr DA Seakentoe**



**Cllr E Lof**



**Cllr I S Suliman**



**Cllr KB Kenosi**



**Cllr E Motlogelwa**



**Cllr I Malatsi**



**Cllr KD Molefe**



**Cllr KE Pitso**



**Cllr KG Mosiane**



**Cllr B Maleka**



**Cllr TS Tlhame**



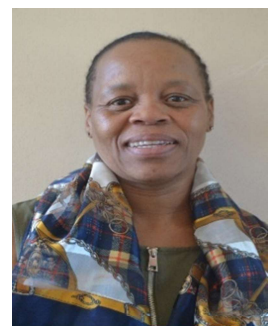
**Cllr KP Lekwape**



**Cllr KP Tsile**



**Cllr K venter**



**Cllr MA Makgokgowa**



**Cllr TJ Morebantwa**



**Cllr MIE Moarabi**



**Cllr Mounakwa**



**Cllr MP Odiseng**



**Cllr OG Moseki**



**Cllr OO Diale**



**Cllr PM Keebine**



**Cllr PR Mogorosi**



**Cllr RA Kgakatsi**



**Cllr RA Moiloanyane**



**Cllr TJ Keebine**



**Cllr TP Gaealashwe**

## 2.2 ADMINISTRATIVE GOVERNANCE

### INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

***Note: MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.***

The Municipal Manager is the head of the municipal administration. Subject to the policy directions of the municipal council, the Municipal Manager is responsible and accountable for the formation and development of an economical, effective, efficient and accountable administration. The Municipal Manager must make sure the administration is equipped to implement the municipality's integrated development plan, that it operates in accordance with the municipality's performance management system, and that it is responsive to the needs of the local community.

The roles and responsibilities of the Municipal Manager are comprehensively set out in Section 55 of the Municipal Systems Act and responsibilities of the Municipal Manager as Accounting Officer is set out in Chapter 8 of the Municipal Finance Management Act, 56 of 2003.

The Municipal Manager's office has assumed direct responsibility for Communications and Corporate Strategy as well as the drafting, management, and implementation of Council's Integrated Development Plan [IDP]. The Internal Audit unit is also located in the Municipal Manager's office to give assurance and consulting services on Risk Management, Governance, Performance Management, and Internal Controls to ensure compliance with municipal legislation.

In addition, there are five Directorates that account to the Municipal Manager. These Directorates, each headed by a director, ensure that services are delivered to the people of the Municipality. They are as follows:

- Technical Services.
- Community Services.
- Municipal Planning and Development.
- Budget and Treasury Office; and
- Corporate Services.
- The Municipal Manager and his team of Directors hold regular meetings to discuss key strategic service deliverables, and to offer guidance on achieving IDP goals. The administrative component is aligned with the five National Key Performance Areas, namely:
  - Good Governance.
  - Basic service delivery and Infrastructure development
  - Financial Viability and Management.
  - Local Economic Development, and
  - Public Participation, Planning and Social Services.

T 2.2.1



## TOP ADMINISTRATIVE STRUCTURE



**Municipal Manager  
Mr Lekgetho Mokgatlhe**



**Chief Financial Officer  
Mr Kagiso Noke**



**Director Corporate Services  
Mrs Karabo Masuku**

**Director: Technical Services  
Mr Puiso Lepedi**

**Director: Municipal Planning  
& Development  
Vacant**

**Director Community Services  
Mrs Boitshoko Madumo**

**Chief Audit Executive  
Vacant**

## COMPONENT B: INTERGOVERNMENTAL RELATIONS

### 2.3 INTERGOVERNMENTAL RELATIONS

#### NATIONAL INTERGOVERNMENTAL STRUCTURES

The following IGR structures are in existence:

- Mayor – Council of Mayors (Provincial and National), and Municipality's with MEC, Political IGR, RHR fora,
- Speaker – Speaker's Forum, SALGA Working Groups
- Municipal Manager – Broader EXTECH highly functional, Technical IGR, National MM's Forum functional,
- Provincial MM's Forum partly functional, District MM's Forum partly functional, PMS Forum, Communicators •
- Forum, SDF Forum, Records Manager's Forum, ICT Forum, CFO's Forum, Internal Audit Forum
- IDP - IDP representative Forum, District IDP Representative Forum, Provincial Planning Commission
- Water and Sanitation- Department of Water and Sanitation and Ngaka Modiri Molema District Municipality and
- Sedibeng Water Coordinating Forum.
- Department of Public Works, Roads and Transport, Ngaka Modiri Molema District Municipality (RAMS)
- Coordination Forum
- Electricity - Department of Energy and Eskom, NERSA
- Housing - Department of Local Government and Human Settlements - IDP representative Forum, District IDP
- Representative Forum, Provincial Planning Commission

T 2.3.1

#### PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The municipality has received support for the implementation of Organisational Performance Management from the Provincial Department of Local Government and Human Settlements. The Municipal Manager participates in the Premier's Coordinating Council (PCC), Provincial PMS Forum, Provincial Municipal Managers Forum, Shared Services Forums and Technical forum. PPAC

T 2.3.2

#### DISTRICT INTERGOVERNMENTAL STRUCTURES

At a District level, the municipality has participated in the District Municipal and Technical Forum which are chaired by the District Mayor. The municipality is also participating in different forums such as IGR, Municipal Managers Forum, CFOs Forum, IDP Forum, Technical Forum, and PMU Forum.

T 2.3.4

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

### OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

During the 2023/24 financial year, the municipality had 19 functional ward committees which serve as a conduit between the municipality and the community.

In addition, the Service Delivery and Budget Implementation Plan (SDBIP) are made public and available at the Local Libraries and the website. This contains projected financial and service delivery indicators and deliverables. Members of the public are also invited to participate in the oversight process related to the Annual Report.

Further to promote public accountability and participation members of the public are invited to attend meetings of the Council.

Another mechanism of public participation is conducted through Mayoral Imbizos and Integrated Development Plan (IDP) community consultative meetings. These are held prior to developing the draft budget to provide feedback to the community the implementation of projects in the current financial year and to solicit the needs of the community to provide input for the new financial year. Follow-up imbizos are held once the draft budget has been developed to inform the public of key elements in the proposed budget and solicit responses thereto.

*T 2.4.0*

## 2.4 PUBLIC MEETINGS

### COMMUNICATION, PARTICIPATION AND FORUMS

The Municipality has implemented the Communication Strategy and the Public Participation Policy has been adopted by the Council.

The policy categorized the stakeholders as follows:

- Internal Stakeholders
- Citizens
- Public Sector Stakeholders:
  - Provincial and National Departments, District and Local Municipalities, Councillors,
  - Executive and Portfolio Committees, Ward Committees, State owned Entities e.g., Eskom, Telkom
  - Traditional Leaders
  - Public Sector Forums
  - Police Forums, IDP Forums, Local Implementation Forums
- External Stakeholders
  - Organized Business (Chamber of Business and Industry) and Labour Formations, Service Providers



- Civil Society Organisations:
- NGOs, CBOs, Faith Based Organisations, Youth Organisations; Lobby Groups - (Environmental Groups), Unorganized Groupings – (the poor and other Vulnerable Groups), Sports Organisations, Civic or Resident Associations,

The IDP Representative Forum becomes a very central forum to finalize the prioritization process, it is also envisaged that the Budget and PMS stakeholders' engagement structures as reflected in the IDP Guides, must be the same or integrated structures.

Every year before the end of August, the municipality finalizes a Process Plan which is approved by Council, once approved a public notice is posted on various newspapers inviting members of public as well as various stakeholders to make submissions with regards to developmental priority needs.

The public participation is an on-going engagement process, and the following are forms of citizenry participation that are utilized by the Municipality to ensure the citizen and stakeholders voice are accommodated in the planning, execution, and review of the IDP,

- Budget processes
- Ward Committee Monthly Meetings
- Stakeholders Quarterly Meeting (Reporting on SDBIP and IDP)
- Monthly Community Meetings by Councillors
- Project Based Meetings
- Sector Plan Based Engagements
- Council Meetings
- Integrated Development Planning Meetings:
- Izimbizo: Public Meetings for Budget, IDP etc.
- Complaints Register: Customer Care and Batho Pele Engagements
- Attendance to invitations by Interest groups

Some of the above various forms of public participation engagements are conducted throughout the year specifically at an operational level and then some of them are organized on a fortnightly, monthly, and quarterly and annually as reflected in our Process Plan.

*T 2.4.1*

## WARD COMMITTEES

Section 74 of the Municipal Structures Act, and Regulation 5 of the Government Gazette No. 27699 Ward Committee, state that Ward Committees may have powers and functions delegated to them (which are essentially advisory in nature) in terms of S59 of the Municipal Systems Act, these are:

1. To serve as an official specialized participatory structure in the municipality.
2. To create formal unbiased communication channels as well as a co-operative partnership between the community and the Council.
3. Advise and make recommendations to the Ward Councillors on matters of policy affecting the Ward.
4. Assisting the Ward Councillors in identifying the challenges and needs of residents.
5. Dissemination of information in the Ward concerning municipal affairs such as the budget, integrated development planning, performance management systems, service delivery options and municipal properties.
6. Receive queries and complaints from residents concerning municipal service delivery, communication with Council and provide feedback to the community on Council's response.
7. Ensure constructive and harmonious interaction between the municipality and community through the use and co-ordination of ward residents' meetings and other community development fora, and
8. Interact with other organisations and forum on matters affecting the ward.
9. A Ward Committee may also make recommendations on any matter affecting its ward to the ward Councillors or through the ward Councillors to the local council.

T 2.4.2

### COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

The municipality and communities alike benefited from the meetings mentioned above as through the consultative processes, brainstorming occurred, and ward committees imparted their advice to the Councillor who in turn did so to council. Council then took these recommendations forward by using certain aspects in terms of the Municipal Turnaround Strategy. Communities are beginning to see their requests being dealt with in a systematic manner with council having taken a decision to open a fully functional Speaker's office to take complaints from community members where there are issues of service delivery.

T 2.4.3.1

Public Meetings						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Municipal demarcation board	13/05/2023	05	5	250	Ward delimitations and boundaries	13/05/2023 Manner of feedback : done through the MBD
MUNICIPAL ENGAGEMENTS WITH	19/07/2024	10	7	190	WARD DELIMITATIONS AND BOUDRIES	19/07/2023 MANNER OF FEEDBACK : DONE THROUGH MBD

COMMUNITIES ON DERMACATION						
CONTINUE DISCUSSIONS ON WARD DELIMITATIONS AND BOUNDRIES	04/10/2023	19	4	300	WARD DELIMITATIONS AND BOUNDRIES	04/10/2024 MANNER OF FEEDBACK : ADDRESSED BY THE CHAIRPERSON AGRICULTURE PORTFOLIO COMMITTEE HON K. MAGAGANE
ENGAGING COMMUNITIES ON FREE BASIC SERVICES	31/08/2023	15	6	300	INDIGENT REGISTERS	31/08/2023 MANNER OF FEEDBACK : OFFICIALS RESPONSIBLE FOR INDIGENT REGISTER
PUBLIC PARTICIPATION ON INTERGRATED DEVELOPMENT PLAN	08/06/2023	19	8	450	IDP	08/06/2023 MANNER OF FEEDBACK : SPEAKER AND MAYOR ENGAGING COMMUNITIES
T 2.4.3						

## 2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	No
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	T 2.5.1

## COMPONENT D: CORPORATE GOVERNANCE

### OVERVIEW OF CORPORATE GOVERNANCE

Corporate Governance at the Municipality entails Risk Management, Anti-corruption, and Fraud, as well as Internal Audit which is unpacked below:

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Internal Audit operates in accordance with Section 165(1) of Municipal Finance Management Act no 56 of 2003. Internal Audit is required to carry out an audit free of any restrictions in accordance with the standards set by the Institute of Internal Auditors; and section 165(2) of the MFMA Act 56 of 2003.

The Internal Audit Unit has a dual reporting lines i.e., reports functionally to the Audit & Risk Committee and Administratively to the Accounting Officer.

In terms of the Internal Audit Charter the Internal Audit unit shall be accountable to Council through the Audit & Risk Committee (MFMA 166) to:

- Provide annually an assessment on the adequacy and effectiveness of the organisation's processes for controlling its activities and managing its risks.

- Report significant issues related to the processes for controlling the activities of the organisation, including potential improvements to those processes, and provide information concerning such issues through active and constructive resolution.
- Periodically provide information on the status and results of the annual audit plan and the sufficiency of function resources; and
- Co-ordinate, and provide oversight on, other control and monitoring functions (risk management, compliance, security, legal, ethics, environmental, external audit).

T 2.6.0

## 2.6 RISK MANAGEMENT

### RISK MANAGEMENT

Sections 62(1)(c)(i) and 95(c)(i) of the MFMA, which require the Accounting Officers to ensure that their municipalities and municipal entities have and maintain effective, efficient and transparent systems of risk management. The risk management system must provide for mitigating strategies and control activities against the risks within the municipality from unacceptable likelihood and impact.

The Municipality has established the Risk Management Unit and it is based in the Office of the Municipal Manager, reports to the Municipal Manager.

The implementation of Risk Management assists the municipality to achieve, among others, the following outcomes needed to underpin and enhance performance:

- More sustainable and reliable delivery of service.
- Informed decisions underpinned by appropriate investigation and analysis.
- Innovation.
- Reduce waste.
- Prevention of fraud and corruption.
- Better value for money through more efficient use of resources.
- Better outputs and outcomes through improved project and programme management.

T 2.6.1

## 2.7 ANTI-CORRUPTION AND FRAUD

### FRAUD AND ANTI-CORRUPTION STRATEGY

The Municipality has got an approved Anti-Fraud and Corruption Policy. The policy serves as a protection to the municipality against any acts of fraud, corruption, and theft. It is mainly aimed at creating a proactive corruption free and intolerant culture within the municipality.

The implementation of this policy is intended to reduce the losses that the municipality may incur due to the occurrence of fraud, corruption, and theft. It also commits the municipality to detect, investigate and prosecute individuals who are allegedly involved in acts of fraud, corruption, and theft within the municipality.

The policy which has been approved to address some of the following matters:

- Fraud, corruption, theft, and mal administration.
- Bribery
- Embezzlement
- Extortion
- Abuse of power
- Abuse of privileged information
- Actions constituting fraud, corruption, and theft.
- Responsibility to conduct investigations
- Reporting procedures and resolution of reported incidents
- Protected disclosure
- Application of prevention controls and detection mechanisms
- Conflict of interest

2.7.1

## 2.8 SUPPLY CHAIN MANAGEMENT

### OVERVIEW SUPPLY CHAIN MANAGEMENT

The MFMA section 110 - 119; Supply Chain Management (SCM) Regulations 27636 of 2005 and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money, and minimize the opportunities for fraud and corruption.

The Municipality's Supply Chain Management Unit is a support function for all business units within the Municipality to ensure provision of efficient, transparent, fair, equitable and cost-effective procurement services hence assisting them to implement their service delivery priorities.

It operates under the direct supervision of the Chief Financial Officer or an official to whom this duty has been delegated in terms of section 82 of the Act and its core functions are:

Demand Management.

Acquisition Management.

Logistics Management.

Disposal Management.

The supply chain management policy for the year 2023/24 was adopted by Council in May 2024 in term of SCM Regulation 3 (1) (a). The main change made to the policy was to bring it in line with the structure of the SCM regulations. The aim was to establish a credible base from which the business processes can be developed.

The policy is aligned to Preferential Procurement Regulations 2017, issued in terms of the section 5 of the preferential Procurement Policy Framework Act, Number 5 of 2000 (PPPFA). The regulations were published in the Government Gazette on March 2017. The new regulations aim to align the Preferential Procurement Policy Framework Act, 2000 and the Broad – Based Black Economic Empowerment Amendment Act, 2013 effective from 24 October 2014, issued by National treasury.

## **PERFORMANCE OF SUPPLY CHAIN MANAGEMENT**

In terms of the MFMA SCM regulations, the SCM policy of the municipality must provide for a system of demand, acquisition, logistics, disposal, risk and performance management, and the current policy has been aligned to provide for that.

### **Demand management**

The preferential policy objectives were identified at a global level hence during the 2023/24 financial year a procurement plan was established, and the procurement preferential preference points were set on how these objectives will be met for each contract for the new financial year was developed.

### **Acquisition Management**

The thresholds as per section 12 of the SCM regulations has been set and complied with throughout the year. A thorough review of the bid documentation was done to ensure full compliance with circular 25 and the latest SCM regulations and to ensure full compliance with circular 25 for the 2022/23 financial year. A procurement plan has been developed which will guide all the procurement processes during the year.

### **Logistics management**

An effective system of logistics management has been established. The continuous interrogation of inventories and improvements on systems and processes has yielded positive results in that there is a progressive reduction of stock holdings. There is a marked improvement on utilizing cable stock that has been held for a long period, which had a positive impact on purchases and has contributed to the reduction in purchases.

### **Risk Management**

The contracts are being monitored on monthly basis, though there is a human capital challenge as there is one individual involved in the process. Also, measures are now being put in place to ensure identification, consideration, and avoidance of potential risks in the supply chain management system in accordance with section 41 of the SCM regulations. The supply chain management operational risk register was established and is in place.

### Performance Management

The Municipality has SCM policy that ensures compliance and monitoring of compliance with the SCM regulations and processes has been developed and implemented. The policy enforces the accountability to all individuals involved in SCM and to ensure that SCM processes are independently monitored to ensure that the SCM policy is followed, and desired objectives are achieved.

### Training of SCM Practitioners and Bid Committees

SCM Management, SCM practitioners and Bid Committee members were trained during 2023/24 as per SCM Regulation 8 in accordance with Treasury guidelines on supply chain training to meet the competency level required for supply chain practitioners and bid committee members. Further training is to be provided.

T 2.8.1

## 2.9 BY-LAWS

By-laws Introduced during 2023/24					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
None, there were no new by-laws introduced during the year	None, there no were new by-laws revised during the year				
*Note: See MSA section 13.					

T 2.9.1

### COMMENT ON BY-LAWS:

There were no new by-laws during the 2023/24 financial year.

T 2.9.1.1



## 2.10 WEBSITES

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	YES	2024/06/07
All current budget-related policies	NO	
The previous annual report (Year -1)	YES	2022/05/30
The annual report (Year 0) published/t	YES	2023/04/10
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	YES	2023/08/15
All service delivery agreements (Year 0)	NO	
All long-term borrowing contracts (Year 0)	NO	
All supply chain management contracts above a prescribed value (give value) for Year 0	NO	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	NO	
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	NO	
Public-private partnership agreements referred to in section 120 made in Year 0	NO	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	NO	
<i>Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i>		T 2.10.1

### COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

The municipal website is currently not accessible.

T 2.10.1.1

## 2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

### PUBLIC SATISFACTION LEVELS

The municipality is currently conducting a satisfaction survey by means of suggestion boxes/complaints register amongst others to ensure optimal satisfaction in terms of services offered to local communities. The suggestion box is located at the Municipal offices for public inputs and or comments

Satisfaction Surveys Undertaken during: Year 2021 and 2023				
Subject matter of survey	Survey method	Survey date	No. of people included in survey	Survey results indicating satisfaction or better (%)*
<b>Overall satisfaction with:</b>				
(a) Municipality				
(b) Municipal Service Delivery	COMMUNITY MEETING AND MAYORAL IMBIZOS	COMMUNITY MEETING ARE DONE MONTHLY	+_ 120 COMMUNITY MEMBERS IN	10%

			DIFFERENT WARD	
(c) Mayor				
<b>Satisfaction with:</b>				
(a) Refuse Collection				10%
(b) Road Maintenance				10%
(c) Electricity Supply				10%
(d) Water Supply				10%
(e) Information supplied by municipality to the public				5%
(f) Opportunities for consultation on municipal affairs				5%
* The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory				T 2.11.2

functionality

T 2.11.1

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

### SERVICE DELIVERY INTRODUCTION

One of the objects of Local Government is to ensure the provision of basic services to all communities in an effective and sustainable manner.

Basic services rendered to the community of Ramotshere Moiloa Local Municipality are Water and Sanitation services, Electricity, Roads and stormwater and waste management services.

### BASIC SERVICE DELIVERY ACHIEVEMENTS (PERFORMANCE HIGHLIGHTS)

**Water Services:** Upgrading of Driefontein Water Supply is ongoing implemented by RMLM through the PIG grant.

**Sanitation services:** There were not capital projects implemented during the 2023/2024 financial year.

**Electrical Services:** Electrification of 250 House Holds at Kruisreveyer was completed with the INEP grant.

#### Roads and Storm water:

1.5 Km of road constructed in Groot Marico ward19 Completed

1.5 Km of Road constructed in Mosweu Ward 18 Completed

1.3 km of Road Constructed in Morulakop Ward 17 Completed

1.2 Km of Road Constructed in Dinokana Ward 11 Completed

1.2 Km of Road Constructed in Gopane ward 6 Completed

Construction of Borakalalo Bridge is ongoing

Construction of Gopane Bridges is ongoing

**Waste Management:** The continued maintenance and operation of Zeerust landfill site to at least meet 65% of the permit conditions.

### BASIC SERVICE DELIVERY CHALLENGES

**Water Services:** Ageing and inadequate bulk infrastructure

**Electricity:** Ageing and inadequate Fleet and equipment

**Roads and Storm water:** Potholes and blocked storm water inlets.

**Waste Management:** The Rehabilitation Closure Permit for Groot Marico landfill site has expired, application for its extension for another five years has been made to Department of Environmental Affairs. The remaining useful lifespan for Zeerust landfill site is

reaching its maximum capacity. An application to increase its lifespan has since submitted to Department of Environmental Affairs for approval. This will extend the lifespan of the facility by 5 to 7 years.

Construction of Borakalalo Bridge is ongoing, Designs for Gopane bridges were finalised. The purpose for the construction of these bridges is to manage the Storm water on roads linking public facilities (Clinics and Schools)

### **3.1. WATER PROVISION**

#### **INTRODUCTION TO WATER PROVISION**

The District Municipality performed the functions and exercise the powers referred to in Section 84(1) (b) of the Municipal Structures Act (117 of 1998) which provides for the provision of potable water supply and sanitation systems. In terms of Section 11 of the Water Services Act (108 of 1997), every Water Services Authority has a duty to ensure the adequate sustainable access to water and sanitation to all consumers within the area of jurisdiction.

The RMLM only provides water services into the following areas: Zeerust, Ikageleng, Sandvlakte, Hendrysville and Groot Marico. The municipality has acquired an abstraction permit from Department of Water and Sanitation in this regard. The municipality serves as a Water Service Provider, thus signed Service Level Agreement with Ngaka Modiri Molema District Municipality (NMMDM).

The rural parts and semi urban areas of the municipality are serviced by NMMDM (Water Service Authority) (WSA) in conjunction with Sedibeng Water (Water Service Provider) (WSP).

The response rate to water and sanitation interruptions were achieved at 80% and 90% respectively. Various factors contributing to this poor performance include the rapid deterioration of infrastructure and inadequate infrastructure, human resource constraints, theft of water meters and ageing fleet.

The completion waste water treatment plant in Groot Marico has contributed much to reduction of waste water spillages.

Water Service Delivery Levels				
Description	Households			
	2021	2022	2023	2024
	Actual No.	Actual No.	Actual No.	Actual No.
<b><u>Water: (above min level)</u></b>				
Piped water inside dwelling	546	655	846	
Piped water inside yard (but not in dwelling)	865	456	486	
Using public tap (within 200m from dwelling )	486	465	546	
Other water supply (within 200m)				
	1	1	1	
Minimum Service Level and Above sub-total	898	576	879	–
Minimum Service Level and Above Percentage	80%	76%	79%	#DIV/0!
<b><u>Water: (below min level)</u></b>				
Using public tap (more than 200m from dwelling)				
Other water supply (more than 200m from dwelling)	486	486	486	
No water supply				
Below Minimum Service Level sub-total	486	486	486	–
Below Minimum Service Level Percentage	20%	24%	21%	#DIV/0!
	2	2	2	
<b>Total number of households*</b>	<b>384</b>	<b>062</b>	<b>365</b>	<b>–</b>
* - To include informal settlements				T 3.1.3

Employees: Water Services					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	1	1	1	0	0%
7 - 9	2	6	2	4	67%
10 - 12	5	11	5	6	55%
13 - 15	19	34	17	17	50%
Total	28	53	26	27	51%
<p>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.</p> <p>*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</p> <p>T3.1.7</p>					

## 3.2 WASTE WATER (SANITATION) PROVISION

### INTRODUCTION TO SANITATION PROVISION

NMMDM is responsible for the provision of sanitation in the municipal area. All Wastewater Treatment Plants are managed by District Municipality. The RMLM is responsible for maintenance of sewer reticulation systems in Zeerust, Welbedacht and Groot Marico.

Financial Performance 2024: Water Services					
R'000					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>10 628</b>	<b>24 373</b>	<b>24 393</b>	<b>16 497</b>	<b>-48%</b>
Expenditure:					
Employees	8 956	9 673	9 537	9 588	-1%
Repairs and Maintenance	711	1 000	1 506	829	-21%
Other	2 171	9 550	345	612	-1460%
<b>Total Operational Expenditure</b>	<b>11 839</b>	<b>20 223</b>	<b>11 388</b>	<b>11 029</b>	<b>-83%</b>
<b>Net Operational Expenditure</b>	<b>1 212</b>	<b>(4 151)</b>	<b>(13 005)</b>	<b>(5 468)</b>	<b>24%</b>
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.1.8					

Employees: Water Services					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	1	1	1	0	0%
7 - 9	2	6	2	4	67%
10 - 12	5	11	5	6	55%
13 - 15	19	34	17	17	50%
Total	28	53	26	27	51%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
T3.1.7					

Sanitation Service Delivery Levels				
Description	*Households			
	2020/21	2021/22	2022/23	2023/24
	Outcome No.	Outcome No.	Outcome No.	Actual No.
<b><u>Sanitation/sewerage: (above minimum level)</u></b>				
Flush toilet (connected to sewerage)	600	720	930	
Flush toilet (with septic tank)	952	502	535	
Chemical toilet	535	511	601	
Pit toilet (ventilated)	135	103	100	
Other toilet provisions (above min.service level)	13	15	11	
<i>Minimum Service Level and Above sub-total</i>	2 236	1 851	2 178	–
<i>Minimum Service Level and Above Percentage</i>	59,9%	55,5%	63,1%	#DIV/0!
<b><u>Sanitation/sewerage: (below minimum level)</u></b>				
Bucket toilet	952	938	720	
Other toilet provisions (below min.service level)	535	535	535	
No toilet provisions	11	12	15	
<i>Below Minimum Service Level sub-total</i>	1 498	1 485	1 271	–
<i>Below Minimum Service Level Percentage</i>	40,1%	44,5%	36,9%	#DIV/0!
<b>Total households</b>	<b>3 734</b>	<b>3 336</b>	<b>3 449</b>	<b>–</b>
<b>*Total number of households including informal settlements</b>				<b>T 3.2.3</b>

Employees: Sanitation Services					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
7 - 9	2	6	2	4	67%
10 - 12	6	11	6	5	45%
13 - 15	3	34	3	31	91%
Total	12	52	12	40	77%
<p>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</p> <p style="text-align: right;">T 3.2.7</p>					

### 3.3 ELECTRICITY

#### INTRODUCTION TO ELECTRICITY

The Municipal Electricity Unit is licensed by the National Electricity Regulator of South Africa (NERSA) to supply electricity to 15% of the total customers in the Municipality's area of jurisdiction and the remainder which is comprised of the rural areas is supplied by Eskom. The Electricity Unit operates under the Electricity Regulator Act of (2006).

The Electricity Unit generates approximately 67% of the total revenue of the Municipality

The municipality purchases electricity in bulk on the Mega flex tariff from Eskom. We have two Eskom in-comer points (Zeerust Municipal Substation) and five feeders for our customers. We have a notified maximum demand of 20 MVA and we are operating from our new switching station

Our area of supply is experiencing continuous outages due to the numerous faults on the existing ageing 11kV overhead lines infrastructure; we have no budget for upgrade of 11kv infrastructure for 2023/24 financial year.

Electricity Service Delivery Levels				
Description	2020/21	2021/22	2022/23	Households 2023/24
	Actual No.	Actual No.	Actual No.	Actual No.
<b><u>Energy: (above minimum level)</u></b>				
Electricity (at least min.service level)	655	547	565	
Electricity - prepaid (min.service level)	565	587	846	
<i>Minimum Service Level and Above sub-total</i>	1 220	1 134	1 411	–
<i>Minimum Service Level and Above Percentage</i>	52,8%	52,8%	66,3%	#DIV/0!
<b><u>Energy: (below minimum level)</u></b>				
Electricity (< min.service level)	112	123	124	
Electricity - prepaid (< min. service level)	955	865	565	
Other energy sources	24	26	28	
<i>Below Minimum Service Level sub-total</i>	1 091	1 014	717	–
<i>Below Minimum Service Level Percentage</i>	47,2%	47,2%	33,7%	#DIV/0!
<b>Total number of households</b>	2 310	2 147	2 127	–
T 3.3.3				



Employees: Electricity Services					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	7	7	7	0	0%
7 - 9	0	0	0	0	#DIV/0!
10 - 12	6	9	6	3	33%
Total	14	17	14	3	18%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

T 3.3.6

Financial Performance 2023/24: Electricity Services					
R'000					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	71 934	77 100	77 100	56 828	-36%
Expenditure:					
Employees	7 623	9 812	10 332	8 724	-12%
Repairs and Maintenance	1 605	14 020	6 000	2 915	-381%
Other	60 511	7 900	94 073	97 056	92%
Total Operational Expenditure	69 740	31 732	110 405	108 694	71%
Net Operational Expenditure	(2 194)	(45 368)	33 305	51 866	187%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

T 3.3.7

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

#### INTRODUCTION TO WASTE MANAGEMENT

Section 21 of the Constitution states that everyone has the constitutional right to have an environment that is not harmful to his or her health and to have an environment protected for the benefit of the present and future generations through reasonable legislative and other measures that (a) prevent pollution and ecological degradation (b) promote conservation and secure ecological sustainable development and use of natural resources while promoting justifiable economic and social development.

Taking cue from the above and in terms of Section 10(3) National Waste Management: Waste Act, 2008 (Act No. 59 of 2008) the municipality has designated, Ma006 Eager Parks & Environment as the Waste Management Officer (WMO) and air quality management officer (AQMO) to advance and advocate issues of waste and environment

The municipality has, furthermore, compiled an integrated waste management plan (IWMP) in the effort of complying with section 11(4)(a)(i)(ii) of NEMWA. The plan is still at the draft stage, and it awaits public participation for it to be submitted to MEC.

The waste service delivery of the Municipality is co-ordinated from Zeerust. A regular waste removal service is provided to all households and businesses within the major towns of the Municipal area, except to the households in rural areas.

The percentage of households with access to regular (once a week) refuse removal in Ramotshere Moiloa is currently 21%. Most of the population in rural areas either bury or burn their waste. There are also no private waste contractors active within the municipal area. The Municipality provides a weekly (1 day per week) waste collection service to all the households in Zeerust, Lehurutshe and Groot Marico.

The businesses, hospitals and schools in the Municipal area receive a waste collection service up to three times a week depending on the collection requirements. Industries are serviced once per week. Street cleaning (litter picking, sweeping, and cleaning of ablution facilities) is done in all the Major towns of the Municipality. The Ramotshere Moiloa Municipality utilises a black refuse bag system for all the households in the municipal area. Businesses utilise a black refuse bag system and 3m<sup>3</sup> bins. Residents and businesses must buy their own black bags. The 3m<sup>3</sup> bins are supplied by the municipality and then the businesses pay the Municipality off over time. The Municipality accepts any number of bags or bins per household or business, so there is no specific limit. The bags and bins are placed on the kerbside outside the house or business and collected from there.

The Municipality has a set of by-laws pertaining to cleansing services. The landfill sites in the Municipal area except Zeerust do not have weighbridges and therefore the quantities of waste disposed of are not exactly known. The daily tonnages of waste generated were obtained by applying per capita waste generation rates to the figures for the population served. These rates vary with the socio-economic standing of the population, from 1.5 kg per capita per day in the poor areas, to 3 kg per capita per day in the affluent areas.

The Municipality is experiencing shortages of labour for waste collection, environmental cleaners, as well as for the proper management of the waste disposal facilities.

The Municipality has a few vehicles that are old and are due for replacement. The landfill site at **Zeerust** is permitted by the Department of Water Affairs and Forestry on 9 January 1996 as a Class G: S: B- waste disposal site in terms of Section 20 of the Environment Conservation Act (Act 73 of 1989). The landfill site at **Lehurutshe** is permitted by the Department of Environmental Affairs and Tourism in terms of Section 20(1) of the Environment Conservation Amendment Act (Act 50 of 2003). The site is located

approximately 6.4 kilometres south-east of the centre of the town, Lehurutshe. The landfill site is operated following a cell method of operation and landfilling of a quarry. The site is approximately 3 Ha in size.

The expected lifetime of the site is approximately 19 years. Waste is covered regularly even though the municipality does not have permanent equipment on site. The Komatsu Bulldozer from Zeerust is from time to time used to compact and cover waste at the Lehurutshe site.

The landfill site at **Groot Marico** is permitted by the Department of Environmental Affairs and Tourism in terms of Section 20(1) of the Environment Conservation Amendment Act (Act 50 of 2003). The site is located approximately 3 kilometres south-east of the town, Groot Marico. The landfill site is approximately 2 Ha in size. The expected lifetime of the current disposal area is approximately 20 years. The waste is disposed of by using a trench method. Waste is not properly compacted but is covered when needed.

Medical waste from the medical health facilities is taken away by a Medical Waste Company for incineration. The Municipality is not experiencing problems with the disposal of medical waste at their landfills.

T 3.4.1

Financial Performance 2023/24: Solid Waste Management Services					
R'000					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>15 101</b>	<b>15 972</b>	<b>16 002</b>		#DIV/0!
Expenditure:					
Employees	5 888		6 279	6 224	100%
Repairs and Maintenance	764		680	78	100%
Other	215		467	255	100%
<b>Total Operational Expenditure</b>	<b>6 867</b>	<b>–</b>	<b>7 426</b>	<b>6 557</b>	<b>100%</b>
<b>Net Operational Expenditure</b>	<b>(8 234)</b>	<b>(15 972)</b>	<b>(8 576)</b>	<b>6 557</b>	<b>344%</b>
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					

T 3.4.7

## 3.5 HOUSING

### INTRODUCTION TO HOUSING

In terms of section 26 of the Constitution of the Republic of South Africa, 1996, everyone has the right to have access to adequate housing, and the State must take reasonable legislative and other measures within its available resources to achieve the progressive realization of this right. The provision of adequate housing is therefore a national priority and is legislated through the Constitution and the Housing Act. The delivery thereof is the responsibility of all three spheres of government, however local government sphere even the municipality must take a lead role in initiating the housing development in its area of jurisdiction for the other two spheres of government to fund their housing development plans.

Hence section 9(1) (f) of the Housing Act states that “Every municipality must as part of the municipality’s process of integrated development planning, take all reasonable and necessary steps within the framework of national and provincial housing legislation and policy to –

1. To initiate plan, coordinate, facilitate, promote and enable appropriate housing development in its area of jurisdiction
  - (a) Ensure that the inhabitants of its area of jurisdiction have access to adequate housing on a progressive basis
  - (b) Set housing delivery goals in respect of its area of jurisdiction amongst other imperatives.

It is in this context that the municipality has a chapter in the IDP- Human Settlement Sector Plan which is basically a summary of the housing planning undertaken by the municipality to address its housing needs, an analysis of the housing demand and a strategy for the supply of such demand. The feedback and analysis of ward meetings in various wards in relation to housing needs indicates that the need is huge and currently the two ideal housing programmes for the municipality are integrated residential development and rural subsidy programmes

We are constantly in engaging with the Provincial Department of Local Government and Human Settlements communicating planned housing projects and requesting funding of such. This definitely assists in reducing the backlog we have in our locality if our plans are incorporated in the Department’s Business Plan, and appointment of developers are done

*T 3.5.1*

Employees: Housing Services					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	1	0	1	100%
10 - 12	1	1	1	0	0%
Total	1	2	1	1	50%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

T 3.5.4

Financial Performance 2022/23: Housing Services					
					R'000
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	405	405	651	651	38%
Expenditure:					
Employees	405	651	546	419	-55%
Repairs and Maintenance	–	–			0%
Other	–	0			0%
<b>Total Operational Expenditure</b>	405	651	546	419	-55%
<b>Net Operational Expenditure</b>	–	245	(104)	(231)	0%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

T 3.5.5

### 3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

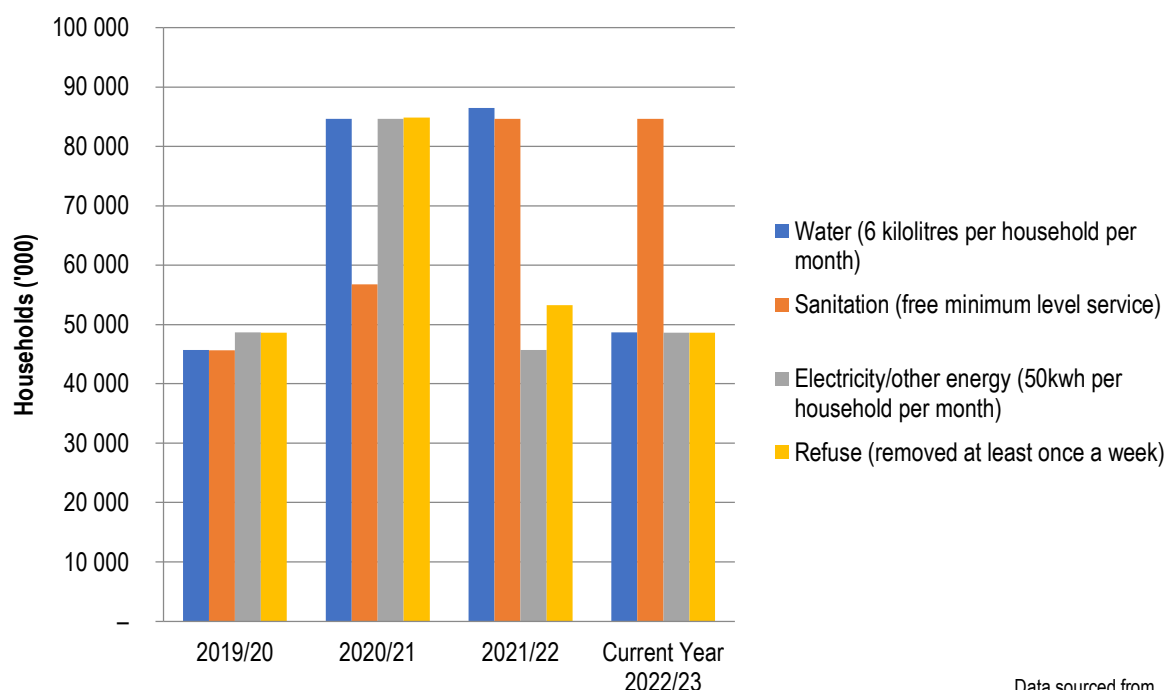
#### INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

During the 2010/11 financial year, the Provincial Intervention Team reviewed the Indigent Policy to address identified risks. This resulted in a change in the basis of the policy. The policy approved for the 2023/24 financial year provided indigent support based on consumptions and was therefore not application driven. The benefits were granted on the following basis:

Although the policy remained consumption driven in the 2023/24 financial year, for financial reporting purposes, the rebates were identified separately to fully reflect the value of the free basic benefit. The total in the table below is since Council has a consolidated bill, and the number of households would therefore overlap from one service to the other.

T 3.6.1

## Free Basic Household Services



Data sourced from  
MRRR A10

Free Basic Services to Low Income Households										
	Number of households									
	Total	Households earning less than R1,100 per month								
		Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse		
		Total	Access	%	Access	%	Access	%	Access	%
2021/22	100,000	18,000	12,000	67%	10,000	56%	13,000	72%	7,000	39%
2022/23	103,000	18,500	13,000	70%	11,000	59%	14,500	78%	8,000	43%
2023/24	105,000	19,000	15,000	79%	12,000	63%	16,100	85%	9,000	47%

T 3.6.3

Financial Performance 2023/24: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2022/23	2023/24			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	–				#DIV/0!
Waste Water (Sanitation)	–				#DIV/0!
Electricity	2 315	1 095	1 095	2 268	52%
Waste Management (Solid Waste)	–				#DIV/0!

<b>Total</b>	<b>2 315</b>	<b>1 095</b>	<b>1 095</b>	<b>2 268</b>	<b>52%</b>
<b>T 3.6.4</b>					

## COMPONENT B: ROAD TRANSPORT

This component includes roads; transport; and wastewater (storm water drainage).

### 3.7 ROADS

#### INTRODUCTION TO ROADS

For the year under review the municipality managed to upgrade 5,65km of Roads and Storm water through the MIG grant and 2.9km is still under construction. The Construction of Borakalalo to manage storm water drainage system is completed and it was also funded by MIG.

Gravel Road Infrastructure					Kilometers
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained	
2021/22	4 000	0	5,5	256	
2022/23	3 995	0	6,70	0	
2023/24	3 993	0,00	5,65	0,00	
					<b>T 3.7.2</b>

Tarred Road Infrastructure						Kilometers
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained	
2021/22	641	5	0	0	6 143	
2022/23	0	5,8	0	0	0	
2022/24						
						<b>T 3.7.3</b>

Cost of Construction/Maintenance							R' 000
	Gravel			Tar			
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained	
2021/22	0	0	0	35 300,00	0	0	
2022/23	0	0	0	3 000 000,00	0	0	
2023/24	0	0	0		0	0	
							<b>T 3.7.4</b>

Employees: Road Services					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	1	1	1	0	0%
4 – 6	1	1	1	1	100%
7 – 9	2	2	2	2	100%
10 – 12	4	4	4	4	100%
13 – 15	13	14	8	6	43%
Total	21	22	16	13	59%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T3.7.7					

Financial Performance 2023/24: Road Services					
					R'000
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>18 525</b>	<b>56 868</b>	<b>56 868</b>	<b>18</b>	<b>-207%</b>
Expenditure:					
Employees	18 627	16 962	16 042	16 529	9%
Repairs and Maintenance	3 600	10 000	4 000	1 022	0%
Other	23 137	34 287	–	23 658	-48%
<b>Total Operational Expenditure</b>	<b>45 364</b>	<b>61 249</b>	<b>20 042</b>	<b>45 364</b>	<b>-35%</b>
<b>Net Operational Expenditure</b>	<b>(26 839)</b>	<b>4 381</b>	<b>(36 826)</b>	<b>26 839</b>	<b>84%</b>
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.7.8



### 3.8 TRANSPORT

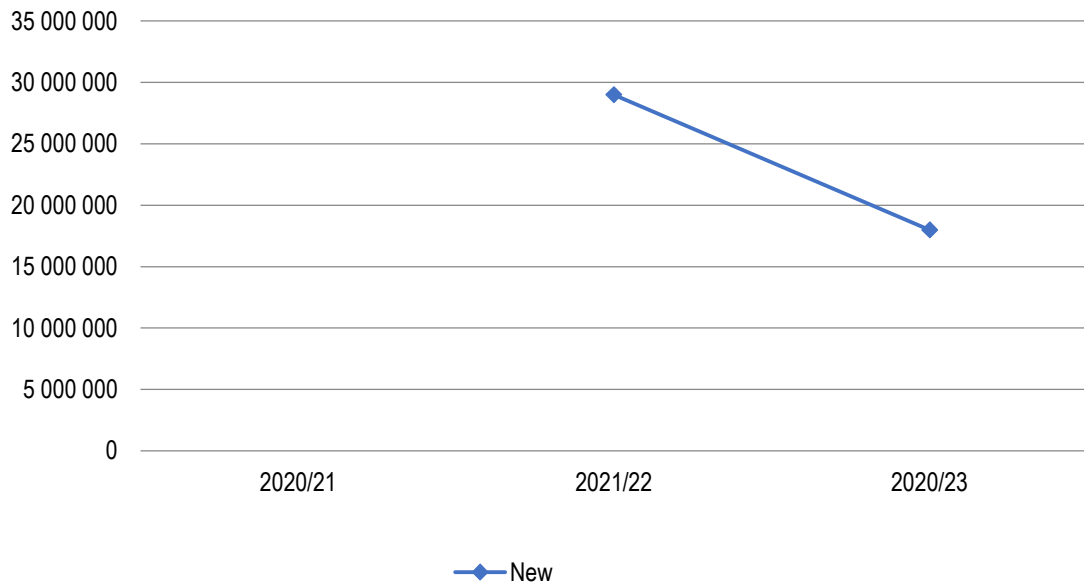
Financial Performance 2023/24: Transport Services					
R'000					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>11 841</b>	<b>19 369</b>	<b>19 869</b>	<b>19 369</b>	<b>0%</b>
Expenditure:					
Employees	2 672	2 999	3 199	3 035	1%
Repairs and Maintenance	2 048	7 755	2 762	1 772	-338%
Other	1 863	4 497	4 468	4 044	-11%
<b>Total Operational Expenditure</b>	<b>6 582</b>	<b>15 250</b>	<b>10 430</b>	<b>8 851</b>	<b>-72%</b>
<b>Net Operational Expenditure</b>	<b>(5 259)</b>	<b>(4 119)</b>	<b>(9 439)</b>	<b>(10 518)</b>	<b>61%</b>
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.8.5					

### 3.9 WASTE WATER (STORMWATER DRAINAGE)

Stormwater Infrastructure				
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2020/21	6	6	0	10 000
2021/22	6	1	0	7 500
2022/23		4		0
T 3.9.2				

Cost of Construction/Maintenance			
R' 000			
	Stormwater Measures		
	New	Upgraded	Maintained
2020/21			
2021/22	29 000 000		
2020/23	18 000 000		
T 3.9.3			

## Stormwater infrastructure costs



Employees: Stormwater Services					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	2	3	1	2	67%
7 - 9	2	2	2	0	0%
10 - 12	1	4	1	3	75%
Total	6	10	5	5	50%
<p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> <p style="text-align: center;">T 3.9.6</p>					

### **COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:**

For the year under review the municipality Failed to implement MIG allocations as awarded to the municipality for upgrading of streets from gravel to tar or paving. Delay in procurement process impacted negatively for implementation of the 2022/23 MIG Projects. Procurement processes are affected by non-approval of IDP.

The implementation of storm water is not possible due to the costs as per MIG standards; thus, the roads also serve as the storm water channels. See municipal overview for detailed information.

T3.9.9

## **COMPONENT C: PLANNING AND DEVELOPMENT**

This component includes planning, and local economic development.

### **INTRODUCTION TO PLANNING AND DEVELOPMENT**

- The Department of Municipal Planning and Development comprises of the following units:

- Town Planning Unit.
- Local Economic Development (LED); and
- Housing Unit

The Department aims at working hand in hand with the communities in their attempts to achieve service delivery and make their lives successful within their environment.

T 3.10

### **3.10 PLANNING**

#### **INTRODUCTION TO PLANNING**

The Town Planning Unit is a strategic Division within the municipality mandated to manage the spatial planning and land use management. The Town Planning Division is responsible for the following:

- Town Planning services: Implementation of Spatial Development Framework; provision of zoning information; and processing of various land use applications i.e., rezoning, subdivision, special consent applications etc.
- Building Control: Plan submission, inspection and (dis) approval thereof
- Development Enforcement: Enforcement of land use scheme and bylaws Town Planning is central to developing and promoting an integrated town committed to addressing spatial injustices and guides development towards vibrant, resilient, and sustainable urban and rural areas.

### **SUCCESS IN 2021/22 FINANCIAL YEAR**

The following were successes for the financial under review:

- The reviewed Spatial Development Framework of the Municipality has been adopted by Council with financial assistance from the Department of Agriculture, Rural Development and Land Reform
- The Land Use Scheme is under review as resolved by Council
- Process of appointment of new term of Municipal Planning tribunal is underway as per resolution of Council

## CHALLENGES IN 2021/22 FINANCIAL YEAR

The Municipality is faced with the following challenges:

- Lack of appointment of service provider to conduct land audit
- Continued increase in illegal occupation of municipal land
- Contravention of Ramotshere Moiloa Land Use Scheme
- Absence of Geographic Information System (GIS)
- Encroachments on Municipal Land in terms of boundary lines
- Building without approved Building Plans

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23
Planning application received	3,00	2,00	30,00	25,00	70,00	43,00
Determination made in year of receipt	1,00	0,00	28,00	24,00	70,00	43,00
Determination made in following year	2,00	0,00	0,00	0,00	0,00	0,00
Applications withdrawn	0,00	0,00	0,00	0,00	0,00	0,00
Applications outstanding at year end	0,00	2,00	0,00	1,00	0,00	0,00
T 3.10.2						

Employees: Planning Services					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	5	5	3	2	40%
7 - 9	6	6	5	1	17%
Total	12	12	9	3	25%
<p>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</p> <p>T 3.10.4</p>					

Financial Performance 2023/24: Planning Services					
R'000					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>320</b>	<b>16 267</b>	<b>1 367</b>	<b>838</b>	<b>-1841%</b>
Expenditure:					
Employees	59	769	1 744	1 801	57%
Repairs and Maintenance	–				0%
Other	–		470	1 744	0%
<b>Total Operational Expenditure</b>	<b>59</b>	<b>769</b>	<b>2 214</b>	<b>3 545</b>	<b>78%</b>
<b>Net Operational Expenditure</b>	<b>(261)</b>	<b>(15 498)</b>	<b>847</b>	<b>2 707</b>	<b>672%</b>
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.10.5					

### 3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

#### INTRODUCTION TO ECONOMIC DEVELOPMENT

The development of the local economy within the municipality is in line with the National Development Plan (NDP). The Local Development Unit is committed to the provision of the environment through which business will prosper with emphasis put on equality, redress, and empowerment.

The effect of inequality requires a deliberate and decisive action by Municipal policies to address inequality, alleviated poverty and unemployment through job creation, entrepreneur development and support, enabling business development and social reforms within Ramotshere Moiloa Local municipality.

Economic Activity by Sector			
R '000			
Sector	2020/21	2021/22	2022/23
Agric, forestry and fishing	1,5	1,5	1,5
Mining and quarrying	5	2	2
Manufacturing	58	63	63
Wholesale and retail trade	51	52	52
Finance, property, etc.	48	52	52
Govt, community and social services	25	25	25
Infrastructure services	38	41	41
Total	226,5	236,5	236,5
T 3.11.2			

Economic Employment by Sector			
Jobs			
Sector	Year 1 No.	Year -1 No.	Year 0 No.
Agric, forestry and fishing	20 000	25 000	30 000
Mining and quarrying	400 000	435 000	372 000
Manufacturing	320 000	300 000	270 000
Wholesale and retail trade	190 000	200 000	210 000
Finance, property, etc.	275 000	255 000	235 000
Govt, community and social services	300 000	310 000	320 000
Infrastructure services	400 000	430 000	450 000
Total	1905000	1955000	1887000
T 3.11.3			

Jobs Created during 2022/23 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created  No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created/lost
Total (all initiatives)				
2020/21	248			Stats from the companies within the Municipality including Quarterly reports from STATS SA
2021/22	180			Stats from the companies within the Municipality including Quarterly reports from STATS SA
2022/23	580			Stats from the companies within the Municipality including Quarterly reports from STATS SA,
T 3.11.5				

#### COMMENT ON LOCAL JOB OPPORTUNITIES:

The impact of COVID 19 during the previous financial years is still felt on all economic sectors including tourism, agriculture and mining in our region. The devastating effects of this pandemic left many businesses closed and resulting in the shedding of many jobs from mining and retail being the most affected. The construction of solar plant and Autumn Leaf Mall has brought about economic employment opportunities within the regional economy. This opportunity shaped the outlook of SMMEs within the municipality

The completion of the mall will contribute towards the improvement of the ailing tourism economy and also will provide range of tourism and non-tourism products to be consumed. It will also provide the anticipated number of job injection to boost the economy.

Through the MIG Projects the Municipality has managed to create

Financial Performance 2023/24: Local Economic Development Services					
R'000					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>917</b>	<b>6 275</b>	<b>3 915</b>	<b>3 592</b>	<b>-75%</b>
Expenditure:					
Employees	692	5 372	5 255	8 034	33%
Repairs and Maintenance	–				0%
Other	–	2 100	877	1 499	0%
<b>Total Operational Expenditure</b>	<b>692</b>	<b>7 472</b>	<b>6 132</b>	<b>9 532</b>	<b>22%</b>
<b>Net Operational Expenditure</b>	<b>(224)</b>	<b>1 197</b>	<b>2 217</b>	<b>5 941</b>	<b>80%</b>
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.11.9					

## COMPONENT D: COMMUNITY & SOCIAL SERVICES

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

### INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

This component includes library services, waste management, environmental services, public safety, cemeteries, parks, security services, sports and recreation and other social programmes. T 3.12

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

#### INTRODUCTION TO LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES

The municipality provides accessible community facilities to an acceptable standard for all the people of Ramotshere Moiloa Local Municipality. It provides access library materials for the purposes of education, information, recreation and aesthetic appreciation for all residing within municipal area of jurisdiction. The main objectives of this function are to:

- ensure that the residents have access to up-to-date information through libraries
- ensure that there are libraries in needy areas
- provide acceptable standard of service for all

The municipality rendered these services in partnership with the Department of Sports, Arts and Culture (DSAC). There was a signed Service Level Agreement for same.

There are library forums that the municipality participated on such as Provincial ICT Stakeholder and District Library forum. The services at Lehurutshe were poor in the beginning of the year but have since improved after making minor renovations. The mini library has been established at Motswedi and is functioning well. Dinokana library is still under construction and the project is progressing well. The challenge experienced at almost all libraries is the internet connections. The Municipality is still awaiting the Department to conclude the appointment of the service provider for the provision of internet services. Groot Marico library needed minor renovations for it to attract people. The roof is leaking, and these might affect reading materials. There is water shortage at Supingstad library and this impact on the number of people utilising the library. The municipality will in the next financial year repair and equip the existing borehole.

T 3.12.1



Financial Performance 2023/24: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
R'000					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>625</b>	<b>2 389</b>	<b>1 501</b>	<b>1 500</b>	<b>-59%</b>
Expenditure:					
Employees	170	2 132	1 604	2 161	1%
Repairs and Maintenance	–	244	14	5	0%
Other	–	152	160	78	0%
<b>Total Operational Expenditure</b>	<b>170</b>	<b>2 528</b>	<b>1 779</b>	<b>2 244</b>	<b>-13%</b>
<b>Net Operational Expenditure</b>	<b>(455)</b>	<b>138</b>	<b>278</b>	<b>744</b>	<b>81%</b>
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					<i>T 3.12.5</i>

### 3.13 CEMETORIES AND CREMATORIALS

#### INTRODUCTION TO CEMETORIES & CREMATORIALS

The identification of new cemeteries is vital because of the lack of burial space in the existing cemeteries. There are four cemeteries in the urban areas such as Zeerust, Groot Marico, Ikageleng and Lehurutshe.

The function includes continuous monitoring of burials, management of burial registers, mowing of vegetation at gravesides. There were numerous requests from rural areas on fencing of cemeteries to prevent damages to tombstones. Only three cemeteries were fenced.

#### CHALLENGES

- Acquisition of land for new cemeteries at Groot Marico, Zeerust and Ikageleng
- Theft of artefacts and metal railings
- Vandalism of tombstones
- Lack of adequate budget to maintain cemeteries
- Lack of cemetery management system
- Lack of equipment i.e., TLBs for digging of graves at various cemeteries.

#### HIGHLIGHTS

- Continuous mowing of vegetation at cemeteries

Financial Performance 2023/24: Cemeteries and Crematoriums					
R'000					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>3 917</b>	<b>9 534</b>	<b>9 590</b>	<b>9 400</b>	<b>-1%</b>
Expenditure:					
Employees	30	214	211	211	-1%
Repairs and Maintenance	–	2 000	47	3	0%
Other	–	4 650	400	23	0%
<b>Total Operational Expenditure</b>	<b>30</b>	<b>6 864</b>	<b>658</b>	<b>237</b>	<b>-2801%</b>
<b>Net Operational Expenditure</b>	<b>(3 887)</b>	<b>(2 670)</b>	<b>(8 932)</b>	<b>(9 163)</b>	<b>71%</b>
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.13.5					

## TRAFFIC CONTROL SERVICES

### INTRODUCTION TO TRAFFIC SERVICES

Municipality has currently 6 traffic officers out of 13 approved in the structure. This has put lot of pressure on the traffic control management services. The municipality had a roadblock trailer which was used for collection of outstanding traffic fines. This function is one of revenue generation and needed to be scaled up. The municipality intends appointing additional 6 traffic officers to supplement the current cohort of traffic officers.

There were no capital projects implemented in this function in the current financial year.

Financial Performance 2023/24: Security					
0-Jan-00					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>6 632</b>	<b>15 917</b>	<b>15 917</b>	<b>15 917</b>	<b>0%</b>
Expenditure:					
Police Officers					
Other employees	263	2 587	20 188	15 843	84%
Repairs and Maintenance	–	280	330	178	-57%
Other	1 219	1 600			#DIV/0!
<b>Total Operational Expenditure</b>	<b>1 482</b>	<b>1 600</b>			<b>#DIV/0!</b>
<b>Net Operational Expenditure</b>	<b>(5 150)</b>	<b>(14 317)</b>	<b>(15 917)</b>	<b>(15 917)</b>	<b>10%</b>
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.20.5					

### 3.14 Sport and Recreation Policy Objectives Taken From IDP

## COMPONENT H: SPORT AND RECREATION

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

### INTRODUCTION TO PARKS AND SPORTS-FIELDS SERVICES

The municipality manage and operates Ikageleng sport-field. The Borakalalo and Ntsoeletsoku sport-fields had not been formally handed-over. However, the municipalities are maintaining the facilities on an ad hoc basis. The municipality had also assisted in gravelling other playing grounds for use by football clubs affiliated to South African Football Association (SAFA).

In terms of parks and open spaces, regular maintenance of these facilities was taking place in terms of maintenance of equipment and cutting of overgrown grass. There were no capital projects made for the year in question

Financial Performance 2023/24: Parks					
R'000					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>3 314</b>	<b>7 953</b>	<b>7 953</b>	<b>7 953</b>	<b>0%</b>
Expenditure:					
Employees	689	7 043	7 391	7 792	10%
Repairs and Maintenance	–	1 800	50	73	0%
Other	176	910	225	175	-420%
<b>Total Operational Expenditure</b>	<b>865</b>	<b>9 753</b>	<b>7 666</b>	<b>8 040</b>	<b>-21%</b>
<b>Net Operational Expenditure</b>	<b>(2 449)</b>	<b>1 800</b>	<b>(287)</b>	<b>87</b>	<b>-1974%</b>
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					<b>T 3.23.4</b>

There was no capital expenditure on sports and recreation

## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

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

### 3.15 EXECUTIVE AND COUNCIL

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

### INTRODUCTION TO EXECUTIVE AND COUNCIL

The Council support as a sub-unit includes all administrative support that is provided to the offices of the Mayor, Speaker, and Municipal Manager. This includes, inter alia, meetings of Council and its Council Support: The main purpose for the existence of this sub-unit is to give administrative support, primarily to Council and its committees and to ensure smoothness of Council's decision-making process.

The sub-unit commits itself to providing efficient printing service to Council & business units; quality minutes and efficient record keeping of all minutes of Council and its committees.

This sub-unit ensures that Council agendas are delivered on time to councillors on time.

T 3.24.1

Employees: The Executive and Council					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0%
4 - 6	2	0	0	0	#DIV/0!
Total	4	2	2	0	0%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

T 3.24.4

Financial Performance 2023/24 The Executive and Council					
R'000					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>33 653</b>	<b>53 264</b>	<b>53 264</b>	<b>34 971</b>	<b>-52%</b>
Expenditure:					
Employees	30 385	35 975	35 788	37 397	4%
Repairs and Maintenance	0				0%
Other	8 763	21 763	9 166	6 952	-213%
<b>Total Operational Expenditure</b>	<b>39 149</b>	<b>57 738</b>	<b>44 955</b>	<b>44 349</b>	<b>-30%</b>
<b>Net Operational Expenditure</b>	<b>5 496</b>	<b>4 473</b>	<b>(8 309)</b>	<b>9 377</b>	<b>52%</b>
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

T 3.24.5

There was no capital expenditure for Executive and Council.

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### 3.16 FINANCIAL SERVICES

#### INTRODUCTION FINANCIAL SERVICES

The overview sets out highlights of the municipality's financial performance in the past year. Full details appear in the Annual Financial Statements.

The municipality has performed relatively well over the past year despite the prevailing market and economic conditions. There has been a monitoring by the municipality of the economic conditions over the finances of the municipality and despite lack of complete verification of its debtors, the municipality is aware of the existence of indigent communities within its jurisdiction and the impact it has on the revenue collection rate which in turn put pressure on the cash flows. The collection rate for the 2021/22 as depicted in the table below indicates that the recoverability of debts is below the norm of 95%

T 3.25.1

Debt Recovery							
R' 000							
Details of the types of account raised and recovered	2020/21		2022/23			2021/22	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates	112668,00			11904	33%	11853	43%
Electricity - B	60374,00			4386	100%	4388	100%
Electricity - C	7288,00			571	21%	568	19%
Water - B	0,00			0	-	0	-
Water - C	48172,00			4307	71%	4292	92%
Sanitation	102457,00			6963	100%	6949	100%
Refuse	82440,00			7477	74%	7473	99%
Other	89239,00			8537	100%	8544	100%
B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.							
T 3.25.2							

Employees: Financial Services					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	6	5	5	0	0%
4 - 6	8	14	11	3	21%
7 - 9	19	20	20	0	0%

Total	33	39	36	3	8%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
T 3.25.4					

Financial Performance 2023/24: Financial Services					
R'000					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>63 537</b>	<b>111 236</b>	<b>117 219</b>	<b>65 318</b>	<b>-70%</b>
Expenditure:					
Employees	24 405	28 582	26 576	26 047	-10%
Repairs and Maintenance	–		53 687	40 345	0%
Other	27 477	63807749,04			#DIV/0!
<b>Total Operational Expenditure</b>	<b>51 881</b>	<b>92 390</b>	<b>80 263</b>	<b>66 392</b>	<b>(0)</b>
<b>Net Operational Expenditure</b>	<b>(11 656)</b>	<b>(18 845)</b>	<b>(36 955)</b>	<b>1 074</b>	<b>0</b>
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.25.5					

### 3.17 HUMAN RESOURCE SERVICES

#### INTRODUCTION TO HUMAN RESOURCE SERVICES

Human Resources Management encompasses Personnel, Job Evaluation, Employee Relations, and occupational Safety. Human Resources Management is responsible for recruitment, selection, placement, remuneration of staff, employee benefits wellness. The Municipality's Human Resources function is aimed at ensuring enhanced service delivery with efficient institutional arrangements by increasing levels of employee morale.

T 3.26.1

Employees: Human Resource Services					
Job Level	2022/23	2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	4	4	2	2	50%
7 - 9	1	2	1	1	50%
10 - 12	8	10	2	2	20%
Total	14	17	6	5	29%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost					

by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.26.4

Financial Performance 2023/24: Human Resource Services					
R'000					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>9 605</b>	<b>13 561</b>	<b>13 561</b>	<b>13 444</b>	<b>-1%</b>
Expenditure:					
Employees	1 035	10 996	1 047	10 148	-8%
Repairs and Maintenance	–		–	27	0%
Other	1 516	5 633	2 477	2 331	-142%
<b>Total Operational Expenditure</b>	<b>2 551</b>	<b>16 629</b>	<b>3 523</b>	<b>12 506</b>	<b>-33%</b>
<b>Net Operational Expenditure</b>	<b>(7 053)</b>	<b>3 068</b>	<b>(10 038)</b>	<b>(938)</b>	<b>427%</b>
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.26.5					

### 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

Our mission is to be a respected internal service provider to all stakeholders of the Municipality in order to enable efficient administration and service delivery using technologies that are proven and cost-effective. We will provide a portfolio of ICT related services to the Municipality and promote ICT as an enabler of technical service delivery. We will further strive to provide citizen-centric ICT offerings to the Community. It is our intentions to reach ensure that we develop an ICT Strategy that is aligned to IDP over a period of 3 years.

T 3.27.1

Financial Performance 2023/24: ICT Services					
R'000					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>6 944</b>	<b>16 665</b>	<b>16 665</b>	<b>16 665</b>	<b>0%</b>
Expenditure:					
Employees	202	5 324	2 494	2 336	-128%
Repairs and Maintenance	–	250	2 384	1 425	0%
Other	–	24 394	6 222	6 373	0%
<b>Total Operational Expenditure</b>	<b>202</b>	<b>29 968</b>	<b>11 101</b>	<b>10 134</b>	<b>-196%</b>
<b>Net Operational Expenditure</b>	<b>(6 741)</b>	<b>13 303</b>	<b>(5 563)</b>	<b>(6 531)</b>	<b>304%</b>



*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

*T 3.27.5*

DRAFT

### 3.19 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

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

#### INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

Constitutional and other legal imperatives require local government to participate in and develop extensive legal relationships. As social change agents' local government interacts with individuals, interest groups, the private sector and other organs of state in a number of ways. Needless to say, Legal Services play a crucial role in such interaction.

Our essential and top priority has always been to minimize legal risk to the Municipality, whether it is on a proactive or reactive basis. This is done in relation to a number of activities, including civil court matters, the supply of sound legal advice and negotiating agreements.

T3.28.1

Financial Performance 2023/24: Property; Legal; Risk Management and Procurement Services					
R'000					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>628</b>	<b>1 508</b>	<b>1 508</b>	<b>1 508</b>	<b>0%</b>
Expenditure:					
Employees	94	1 208	2 080	1 248	3%
Repairs and Maintenance	–		125	125	100%
Other	–	1 200	186	186	-546%
<b>Total Operational Expenditure</b>	<b>94</b>	<b>2 408</b>	<b>2 391</b>	<b>1 559</b>	<b>-54%</b>
<b>Net Operational Expenditure</b>	<b>(534)</b>	<b>900</b>	<b>883</b>	<b>51</b>	<b>-1662%</b>
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.28.5					

#### COMPONENT J: MISCELLANEOUS

This component is not applicable

#### COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

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

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

### INTRODUCTION

The Corporate and Human Resources functions and responsibilities address many of the IDP requirements to ensure effective service delivery and community development, these include:

1. To Contribute Towards Employability & Self Employability of Youth and Community.
2. To ensure a competent workforce to achieve organizational objectives.
3. Improve Quality and Management Control Processes.
4. To align the organizational culture to the business objectives to improve organizational efficacy and measure.
5. Recruitment, selection, and employment.
6. Labor relations management.
7. Pay and leave administration.
8. Staff administration.
9. Grading and remuneration.
10. Sick leave management.
11. Employee wellness
12. Job Evaluation; Employee Relations; Organizational Development; Occupational Health and Safety; and HR Management Services.

T 4.0.1

### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

#### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	2022/23	2023/24			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water	29,00	34,00	26,00	8,00	%
Waste Water (Sanitation)	32,00	52,00	12,00	40,00	%
Electricity	12,00	17,00	14,00	3,00	%
Waste Management	10,00	19,00	10,00	9,00	%
Housing	1,00	2,00	1,00	1,00	%
Waste Water (Stormwater Drainage)	10,00	10,00	5,00	5,00	%
Roads	18,00	23,00	16,00	7,00	%
Transport	2,00	4,00	2,00	2,00	%
Planning	6,00	6,00	6,00	0,00	%
Local Economic Development	9,00	11,00	10,00	1,00	%
Planning (Strategic & Regulatory)	5,00	6,00	6,00	0,00	%
Local Economic Development	3,00	3,00	3,00	0,00	%
Community & Social Services	56,00	68,00	68,00	0,00	%
Environmental Protection	20,00	30,00	30,00	0,00	%

Health	80,00	92,00	92,00	0,00	%
Security and Safety	13,00	19,00	13,00	6,00	%
Sport and Recreation	3,00	8,00	3,00	5,00	%
Corporate Policy Offices and Other	0,00	10,00	0,00	0,00	%
<b>Totals</b>	<b>309,00</b>	<b>414,00</b>	<b>317,00</b>	<b>87,00</b>	<b>–</b>
Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June, as per the approved organogram.					
T 4.1.1					

Vacancy Rate: 2022/23			
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.	%
Municipal Manager	1	0	0,00
CFO	1	0	0,00
Other S57 Managers (excluding Finance Posts)	5	0	0,00
Senior management: Levels 13-15 (excluding Finance Posts)	28	8	28,57
Senior management: Levels 13-15 (Finance posts)	7	1	14,29
Highly skilled supervision: levels 9-12 (excluding Finance posts)	134	31	23,13
Highly skilled supervision: levels 9-12 (Finance posts)	53	14	26,42
<b>Total</b>	<b>229</b>	<b>54</b>	<b>23,58</b>
Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.			
T 4.1.2			

Turn-over Rate 2023/24			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2021/22	9	22	244%
2022/23	7	17	243%
2023/24	11	21	191%
* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year			
T 4.1.3			

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Municipal Service Act 2000, S68 (1) required municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their power in an economical, effective, efficient, and accountable way.

The Municipality through Human Resources Development Unit under the Corporate Services Department is the custodian or champion for skills development on behalf of the Municipality. Various training interventions are conducted through different levels in the organization. There are training programs that are attended to equip the employee in order to improve the quality and standard of service delivery. The Workplace Skills Plan is developed along the LGSETA guideline.

Almost what is due to the municipality in terms of the training rebates is collected on an annual basis in full. Whilst the Human Resources Development Unit is tasked to improve the competency of our employees the unit is also responsible to work in partnership with various departments and training providers and communities to improve the level of skills, knowledge, and behaviour of our employees and citizens to be active participants in the municipality and the economic development and growth of the municipality.

T 4.2.0

#### 4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action			
2	Attraction and Retention	100%	100%	2014/2015
3	Code of Conduct for employees	100%	100%	Main Collective Agreement
4	Delegations, Authorisation & Responsibility	100%	100%	
5	Disciplinary Code and Procedures	100%	100%	Main Collective Agreement
6	Essential Services	100%	100%	Main Collective Agreement
7	Employee Assistance / Wellness	100%	100%	2014/2015
8	Employment Equity	100%	100%	2014/2015
9	Exit Management	100%	100%	2014/2015
10	Grievance Procedures	100%	100%	Main Collective Agreement
11	HIV/Aids	100%	100%	
12	Human Resource and Development	100%	100%	
13	Information Technology	100%	100%	
14	Job Evaluation	100%	100%	2014/2015
15	Leave	100%	100%	2014/2015
16	Occupational Health and Safety	100%	100%	2014/2015
17	Official Housing	100%	100%	Main Collective Agreement
18	Official Journeys	100%	100%	
19	Official transport to attend Funerals	100%	100%	

20	Official Working Hours and Overtime	100%	100%	2014/2015
21	Organisational Rights	100%	100%	Main Collective Agreement
22	Payroll Deductions	100%	100%	
23	Performance Management and Development	100%	100%	2014/2015
24	Recruitment, Selection and Appointments	100%	100%	2014/2015
25	Remuneration Scales and Allowances	100%	100%	
26	Resettlement	100%	100%	
27	Sexual Harassment	100%	100%	
28	Skills Development	100%	100%	2014/2015
29	Smoking	100%	100%	
30	Special Skills	100%	100%	
31	Work Organisation	100%	100%	
32	Uniforms and Protective Clothing	100%	100%	2014/2015
33	Risk Management Policy Framework	100%	100%	2014/2015
34	Risk Management Implementation Plan	100%	100%	2014/2015
35	Risk Management Assurance Plan	100%	100%	2014/2015
36	Risk Management Categories	100%	100%	2014/2015
37	Risk Management Fraud and Anti-Corruption Policy	100%	100%	2014/2015
38	Risk Management Rating Table	100%	100%	2014/2015
39	Risk Management Steering Committee	100%	100%	2014/2015
40	Risk Tolerance	100%	100%	2014/2015
41	Risk Whistle Blowing	100%	100%	
42	Risk Management Policy	100%	100%	2014/2015
43	Communication Policy	100%	100%	2014/2015
44	Consultants Monitoring and Management Policy	100%	100%	2014/2015
45	Demotion, Promotion and Transfer Policy	100%	100%	2014/2015
47	Credit Control and Debt Collection Policy	100%	100%	2020/2021
48	Supply Chain Management Policy (2020-2021)	100%	100%	2020/2021
49	Indigent Policy (2016-2017)	100%	100%	2020/2021
50	Policy on Borrowing ANNEXURE PB1_Municipal Regulations on Debt Disclosure - Gazette No 29966, 15 June 2007	100%	100%	2020/2021
51	Cash Management Investment Policy (23 05 2013)	100%	100%	2020/2021
52	Credit Control By-Law (23.05.2013)	100%	100%	2020/2021
53	Electricity By-Law (23.05.2013)	100%	100%	2013/2014
54	Funding and Reserves Policy (23 05 2013)	100%	100%	2020/2021
55	Policy on Borrowing (23.05.2013)	100%	100%	2020/2021
56	Rates By-Law (23.05.13)	100%	100%	2020/2021
57	Tariff By-Law (23.05.2013)	100%	100%	2020/2021
58	Water Supply Wastewater By-Law (23.05.2013)	100%	100%	2013/2014
59	Rates Policy (2016-2017) (3)	100%	100%	2020/2021

60	Tariff Policy (2016-2017)	100%	100%	2020/2021
61	Assets Management Policy	100%	100%	2020/2021
62	Car and Travel Allowance	100%	100%	2014/2015
63	Conflict of Interest	100%	100%	2014/2015
65	Student Assistance Policy	100%	100%	2014/2015
66	Telephone Usage Policy	100%	100%	2014/2015
67	Termination Policy	100%	100%	2014/2015
Use name of local policies if different from above and at any other HR policies not listed.				
T 4.2.1				

### 4.3 INJURIES, SICKNESS AND SUSPENSIONS

There were no work-related injuries

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	60	5	8%	12	60
Temporary total disablement					
Permanent disablement					
Fatal					
Total	60	5	8%	12	60
T 4.3.1					

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	301	-	24	24	-	-
Skilled (Levels 3-5)	96	-	23	23	-	-
Highly skilled production (levels 6-8)	109	-	16	16	-	-
Highly skilled supervision (levels 9-12)	111	-	20	20	-	-
Senior management (Levels 13-15)	198	-	19	19	-	-
MM and S57	149	-	2	2	-	-
Total	964	-	102	102	-	0
* - Number of employees in post at the beginning of the year						
*Average is calculated by taking sick leave in column 2 divided by total employees in column 5						
T 4.3.2						

#### COMMENT ON INJURY AND SICK LEAVE:

The following steps were taken during the year to reduce injuries on duty, sick leave management and follow-up action.

- Comprehensive Safety Management programme in place
- Facilitation of incident and accident investigation
- Scheduled safety training, and safe work procedures
- Medical Surveillance
- Pre-placement, periodic, transfer, and scheduled medical examinations based on occupational risk exposure profiles.
- Audiometry and hearing monitoring
- Spirometer and respiratory programme
- Preventative Programmes
- Immunization programmes
- Occupational post exposure prophylaxis for needle sticks injuries
- Trauma de-briefing for workers exposed to traumatic events
- Incapacity and Medical Board Assessment management
- Return to work assessments
- Disability management
- Sick leave Management
- Multidisciplinary approach to sick leave management
- Profiling sick leave frequency and trends
- Home visits, liaison with treating medical practitioner
- Awareness and liaison with medical practitioners found to issue frequent and generous sick leave
- Medical assessment of employees taking frequent and long episodes of sick leave
- Facilitate medical assessments for incapacity

T 4.3.4

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalized
No disciplinary action on cases of financial misconduct			

T 4.3.6

#### 4.4 PERFORMANCE REWARDS

There were no performance rewards during the year



## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Municipal Service Act 2000, S68 (1) required municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their power in an economical, effective, efficient, and accountable way.

The Municipality through Human Resources Development Unit under the Corporate Services Department is the custodian or champion for skills development on behalf of the Municipality. Various training interventions are conducted through different levels in the organization. There are training programs that are attended to equip the employee in order to improve the quality and standard of service delivery. The Workplace Skills Plan is developed along the LGSETA guideline.

Almost what is due to the municipality in terms of the training rebates is collected on an annual basis in full. Whilst the Human Resources Development Unit is tasked to improve the competency of our employees the unit is also responsible to work in partnership with various departments and training providers and communities to improve the level of skills, knowledge and behavior of our employees and citizens to be active participants in the municipality and the economic development and growth of the municipality.

*T 4.5.0*

Skills Matrix														
Management level	Gender	Employees in post as at 30 June Year 0	Number of skilled employees required and actual as at 30 June Year 2022											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End 2022/2023	Year 2022/2023 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 2022/2023	Year 2022/2023 Target
MM and s57	Female						0	0					0	0
	Male						0	0					0	0
Councilors, senior officials and managers	Female						0	0					0	0
	Male						0	0					0	0
Technicians and associate professionals*	Female						3	3					3	3
	Male						2	2					2	2
Professionals	Female						1	1					1	1
	Male						0	0					0	0
Clerical and support Workers	Female						1	1					1	1
	Male						0	0					0	0
Interns	Female						1	1					1	1
	Male						1	1					1	1
Sub total	Female						5	5					5	5
	Male						4	4					4	4
Total		0	0	0	0	0	18	18	0	0	0	0	18	18
*Registered with professional Associate Body e.g., CA (SA)														T 4.5.1

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))
<b>Financial Officials</b>						
<i>Accounting officer</i>	0	0	0	0	0	0
<i>Chief financial officer</i>	0	0	0	0	0	0
<i>Senior managers</i>	0	0	0	0	0	0
<i>Any other financial officials</i>	0	0	0	0	0	0
<b>Supply Chain Management Officials</b>						
<i>Heads of supply chain management units</i>	0	0	0	0	0	0
<i>Supply chain management senior managers</i>	0	0	0	1	1	1
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						

T 4.5.2

## COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

### INTRODUCTION TO WORKFORCE EXPENDITURE

Managing workplace expenditure is governed by Section 66 of the MFMA Act 56 of 2003. The economic challenges faced by the Municipality include, optimizing productivity and rand value, balancing compensation for performance results, the growing dilemma of providing health care and wellness programs for all employees, hiring and retaining professional staff and raising and addressing the skills levels of all employees.

The strategic and economic challenges are managed through the following programs:

1. Affirmative Action and Employment Equity
2. Code of Conduct of employees
3. Grievances and disciplinary Procedures
4. Skills Development and Study Assistance
5. Occupational Health and safety
6. Working Hours and Overtime
7. Remuneration scales and allowances
8. Recruitment and Appointments
9. Sexual harassment and Employee Assistance

10. Sick Leave monitoring and management
11. Wellness programs
12. Injury on duty management
13. Workplace Skills Plans
14. Management and Supervisory development of staff.

Managing a workforce of about 358 permanent employees is a responsibility of Human Resources together with IT Systems Management, through integrated software, VIP System. Financially all vacancies and programs are approved at the budget period, in line with the strategic focus areas identified in the IDP. Any over expenditure is reviewed and regularized.

*T 4.6.0*

#### **4.6 EMPLOYEE EXPENDITURE**

## CHAPTER 5 – FINANCIAL PERFORMANCE

### INTRODUCTION

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

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

T 5.0.1

## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

### INTRODUCTION TO FINANCIAL STATEMENTS

This component provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

T 5.1.0

### 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Financial Performance of Operational Services						
R '000						
Description	2023	2024			2024 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
<b>Operating Cost</b>						
Energy sources	50 798	113 413	126 241	122 423	0	-
Water management	9 642	15 523	13 620	15 991	0	0
Waste water management	15 205	18 319	16 606	19 098	0	0
Streets	3 070	5 055	4 949	4 549	0	0
Housing	278	651	689	319	1	1
Municipal Works	31 048	74 800	28 185	32 765	1	0
Mechanical Workshop	9 457	-	-	-	#DIV/0!	#DIV/0!
PMU	48 637	59 179	2 620	2 834	20	0
Mun_Buildings	2 844	4 686	3 730	1 064	3	3
<b>Component A: sub-total</b>	<b>170 979 479</b>	<b>291 625</b>	<b>196 641</b>	<b>199 044</b>	<b>0</b>	<b>0</b>
Executive and council	40 310	53 264	64 330	43 408	0	0

Finance Services	64 678	82 015	177 115	99 468	0	- 1
Human Resources	10 144	13 829	17 290	9 511	0	- 1
ICT Services	6 031	16 165	12 395	9 407	1	- 0
Legal: Labour Relations	1 826	1 508	1 301	1 458	0	- 0
Records	3 021	4 768	5 237	2 257	1	- 1
<b>Component B: sub-total</b>	<b>126 010 656</b>	<b>171 548</b>	<b>277 668</b>	<b>165 509</b>	<b>0</b>	<b>- 1</b>
Sport and recreation	5 919	7 753	7 794	7 409	0	- 0
Libraries	1 726	2 528	2 283	2 061	0	- 0
Cemeteries	4 762	6 981	958	186	36	- 4
Police: Security and Traffic	29 337	41 256	33 179	30 769	0	- 0
Refuse Removal and other Services	5 983	8 269	8 026	11 600	0	- 0
<b>Component C: sub-total</b>	<b>47 727 191</b>	<b>66 787</b>	<b>52 240</b>	<b>52 026</b>	<b>0</b>	<b>- 0</b>
Planning, Development and Land Use Management	2 752	3 766	1 781	092	2	- 1
Local Economic Development	6 337	6 322	6 323	765	8	- 0
<b>Component D: sub-total</b>	<b>9 089 614</b>	<b>10 087 632</b>	<b>8 103 796</b>	<b>10 856 311</b>	<b>0</b>	<b>- 0</b>
<b>Total Expenditure</b>	<b>353 806 940</b>	<b>540 047 114</b>	<b>534 652 631</b>	<b>427 435 018</b>	<b>- 1</b>	<b>- 0</b>

In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

T 5.1.2

## 5.2 GRANTS

Grant Performance						
R' 000						
Description	2022/23	2023/24			2024 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
<b>Operating Transfers and Grants</b>						
<b>National Government:</b>	<b>219 152</b>	<b>218 906</b>	<b>218 906</b>	<b>218 906</b>	<b>100,00%</b>	<b>100,00%</b>
Equitable share	215 223	215 223	215 223	215 223	100,00%	100,00%
Municipal Systems Improvement	246					

Department of Water Affairs						
Financial Management Grant	2 300	2 300	2 300	2 300	100,00%	100,00%
EPWP	1 383	1 383	1 383	1 383	100,00%	100,00%
<b>Provincial Government:</b>	<b>5 282 820</b>	<b>-</b>	<b>-</b>	<b>-</b>		
Health subsidy	-					
Housing	-					
Ambulance subsidy	-					
Sports and Recreation	-	-				0,00%
NMMDM Water Grant	5 283					
<b>District Municipality:</b>	<b>-</b>	<b>12 000</b>	<b>12 000</b>	<b>5 000</b>		
[insert description]		12 000	12 000	5 000	41,67%	41,67%
					0,00%	0
<b>Other grant providers:</b>	<b>55 742</b>	<b>43 876</b>	<b>40 941</b>	<b>40 941</b>		
INEP						
MIG	55 742	43 876	40 941	40 941	93,31%	100,00%
<b>Total Operating Transfers and Grants</b>	<b>280 177</b>	<b>274 782</b>	<b>271 847</b>	<b>264 847</b>		
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.						
						T 5.2.1

### 5.3 ASSET MANAGEMENT

#### INTRODUCTION TO ASSET MANAGEMENT

The municipality has established asset management unit in line with Section 63 of the MFMA and is responsible for:

Safeguarding of assets and liabilities

- Ensuring that the municipality's assets are valued in accordance with the standards of generally recognised accounting practice
- Ensuring that the municipality has and maintains a system of internal control of assets and liabilities, including as asset and liability register, as may be prescribed.
- Ensure that the municipality has and maintains a management, accounting and information system that accounts for the assets and liabilities of the municipality.

#### CAPACITY OF THE UNIT

The unit has three permanent employees in financial year 2022/23 comprising of:

- Manager Assets and Liabilities
- Senior Clerk movable and immovable assets
- Senior Clerk Insurance and Liabilities.

The support team is mainly assisting on GRAP 17 and GRAP 16.

T 5.3.1

Repair and Maintenance Expenditure: 2024				
				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	17 434	9 969	5 132	71%
				T 5.3.4

## 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

### COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

#### INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and operating expenditures and surpluses. Component B deals with capital spending indicating where the funding comes from and whether Municipalities are able to spend the available funding as planned. In this component it is important to indicate the different sources of funding as well as how these funds are spent. Highlight the 5 largest projects (see T5.7.1) and indicate what portion of the capital budget they use. In the introduction briefly refer to these key aspects of capital expenditure (usually relating to new works and renewal projects) and to **Appendices M** (relating to the new works and renewal program), **N** (relating to the full program) of full capital projects, and **O** (relating to the alignment of projects to wards).

T 5.5.0

## 5.5 CAPITAL EXPENDITURE

## 5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources: 2023/24							
							R' 000
Details		2022/23	2023/24				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	–				#DIV/0!	#DIV/0!
	Public contributions and donations	728	2			#DIV/0!	#REF!
	Grants and subsidies	438	48	876	40	-6,69%	-6,69%
	Other	174	3	–	6	#DIV/0!	#DIV/0!
Total		340	54	876	47	#DIV/0!	#DIV/0!



Percentage of finance							
	External loans	0,0%	0,0%	0,0%	0,0%	#DIV/0!	#DIV/0!
	Public contributions and donations	#REF!	0,0%	0,0%	0,0%	#DIV/0!	#REF!
	Grants and subsidies	89,1%	100,0%	68,3%	86,6%	#DIV/0!	#DIV/0!
	Other	5,8%	0,0%	31,7%	13,4%	#DIV/0!	#DIV/0!
Capital expenditure							
	Water and sanitation	-	-	-	-	#DIV/0!	#DIV/0!
	Electricity		-	-	-	#DIV/0!	#DIV/0!
	Housing		-	-	-	#DIV/0!	#DIV/0!
	Roads and storm water	742 55	876 43	40 941	941 40	-6,69%	-6,69%
	Other	-	-	19 036	344 6	#DIV/0!	#DIV/0!
<b>Total</b>		<b>742 55</b>	<b>876 43</b>	<b>59 977</b>	<b>285 47</b>	<b>#DIV/0!</b>	<b>#DIV/0!</b>
Percentage of expenditure							
	Water and sanitation	0,0%	0,0%	0,0%	0,0%	#DIV/0!	#DIV/0!
	Electricity	0,0%	0,0%	0,0%	0,0%	#DIV/0!	#DIV/0!
	Housing	0,0%	0,0%	0,0%	0,0%	#DIV/0!	#DIV/0!
	Roads and storm water	100,0%	100,0%	68,3%	86,6%	#DIV/0!	#DIV/0!
	Other	0,0%	0,0%	31,7%	13,4%	#DIV/0!	#DIV/0!

T 5.6.1

## 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: 2023			Variance: Current 2023	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A - Name of Project	R 5 400 000.00	R 0.00	R 5 400 000.00	0%	100%
B - Name of Project	R 6 000 000.00	R 0.00	R 6 000 000.00	0%	100%
C - Name of Project	R 4 500 000.00	R 0.00	R 4 500 000.00	0%	100%
D - Name of Project	R 10 000 000.00	R 0.00	R 10 000 000.00	0%	100%
E - Name of Project	R 4 500 000.00	R 0.00	R 4 500 000.00	0%	100%
* Projects with the highest capital expenditure in Year 2023					
<b>Name of Project - A</b>	<b>Upgrading of Mokgola Road</b>				
Objective of Project	The Objective of the project is upgrading a 1.9km gravel road to a paved road.				

Delays	There were challenges in the appointment of subcontractors which delayed the project and there were also adverse weather conditions experienced
Future Challenges	Lack Maintenance by the Municipality due to Limited resources
Anticipated citizen benefits	Job Creation, Empowerment of Local SME's and Skills transfer.
<b>Name of Project - B</b>	<b>Upgrading of Dinokana Ward 9 Roads</b>
Objective of Project	The Objective of the project is upgrading a 1.4km gravel road to a paved road and fixing of the existing 200m paving.
Delays	There were delays on the project due to adverse weather conditions experienced, reallocation of existing services and the identified borrow pit run out of materials and alternative borrow bit had to be sourced.
Future Challenges	Lack Maintenance by the Municipality due to Limited resources.
Anticipated citizen benefits	Job Creation, Empowerment of Local SME's and Skills transfer.
<b>Name of Project - C</b>	<b>Upgrading of Dinokana Ward 10 Roads</b>
Objective of Project	The Objective of the project is upgrading a 2km gravel road to a paved road.
Delays	Reallocation of existing services and negotiations to access the borrow pit
Future Challenges	Lack Maintenance by the Municipality due to Limited resources.
Anticipated citizen benefits	Job Creation, Empowerment of Local SME's and Skills transfer.
<b>Name of Project - D</b>	<b>Upgrading of Lehurutshe Roads</b>
Objective of Project	The Objective of the project is upgrading a 2.1km gravel road to a paved road.
Delays	None
Future Challenges	Lack Maintenance by the Municipality due to Limited resources.
Anticipated citizen benefits	Job Creation, Empowerment of Local SME's, Accredited training and Skills transfer.
<b>Name of Project - E</b>	<b>Upgrading of Kruisrevier Roads</b>
Objective of Project	The Objective of the project is upgrading a 1.5km gravel road to a paved road.
Delays	Adverse weather condition and disputes from the trust
Future Challenges	Lack Maintenance by the Municipality due to Limited resources.
Anticipated citizen benefits	Job Creation, Empowerment of Local SME's and Skills transfer.
T 5.7.1	

## 5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Municipal Infrastructure Grant (MIG)* Expenditure Year 0 on Service backlogs						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust-ments Budget	
<b>Infrastructure - Road transport</b>				%	%	
<i>Roads, Pavements &amp; Bridges</i>	38 200	800 51	55 742	145,92%	107,61%	
<i>Storm water</i>				%	%	
<b>Infrastructure - Electricity</b>				%	%	
<i>Generation</i>				%	%	
<i>Transmission &amp; Reticulation</i>				%	%	
<i>Street Lighting</i>	1 800	800 1	–	0,00%	0,00%	

<b>Infrastructure - Water</b>				%	%	
<i>Dams &amp; Reservoirs</i>				%	%	
<i>Water purification</i>				%	%	
<i>Reticulation</i>				%	%	
<b>Infrastructure - Sanitation</b>				%	%	
<i>Reticulation</i>				%	%	
<i>Sewerage purification</i>				%	%	
<b>Infrastructure - Other</b>				%	%	
<i>Waste Management</i>				%	%	
<i>Transportation</i>				%	%	
<i>Gas</i>				%	%	
<b>Other Specify:</b>				%	%	
				%	%	
				%	%	
				%	%	
<b>Total</b>	40 000	600	53	55 742	%	%

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

T 5.8.3

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

### 5.9 CASH FLOW

Cash Flow Outcomes				
				R'000
Description	2022/23	Current: 2023/24		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Ratepayers and other	52 762	186 142	123 053	151 090
Government - operating	320 540	251 319	251 319	235 431
Government - capital		43 876	40 941	45 937
Interest	2 374		6	3 595
Other receipts	–		11 237	54 032
<b>Payments</b>				
Suppliers and employees	(182 023)	(511 907)	(417 207)	(428 933)
Finance charges	(14 096)	(4 000)	(4 000)	
Transfers and Grants	–			–
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>179 556</b>	<b>(34 570)</b>	<b>5 349</b>	<b>61 152</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				

<b>Receipts</b>				
Proceeds on disposal of PPE	(118 813)			
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables	23		20 000	
Decrease (increase) in non-current investments	736			
<b>Payments</b>				
Capital assets	–	(72 870)	(57 943)	(50 808)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(118 054)</b>	<b>(72 870)</b>	<b>(37 943)</b>	<b>(50 808)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Receipts</b>				
Short term loans	–			–
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits	(70 240)			
<b>Payments</b>				
Repayment of borrowing	(13)			(210)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(70 253)</b>	<b>–</b>	<b>–</b>	<b>(210)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>(8 751)</b>	<b>(107 440)</b>	<b>(32 594)</b>	<b>10 134</b>
Cash/cash equivalents at the year begin:	<b>5 994</b>			<b>16 725</b>
Cash/cash equivalents at the year end:	<b>(2 757)</b>	<b>(107 440)</b>	<b>(32 594)</b>	<b>26 859</b>
Source: MBRR A7				T 5.9.1

## 5.10 BORROWING AND INVESTMENTS

Actual Borrowings: 2021/22 - 2023/24			
	R' 000		
Instrument	2021/22	2022/23	2023/24
<b>Municipality</b>	1939990	1927355	1286115
Long-Term Loans (annuity/reducing balance)	0	0	0
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			

Financial derivatives			
Other Securities			
<b>Municipality Total</b>	<b>1 939 990</b>	<b>1 927 355</b>	<b>1 286 115</b>

#### 5.11 PUBLIC PRIVATE PARTNERSHIPS

Not Applicable

### COMPONENT D: OTHER FINANCIAL MATTERS

#### 5.12 SUPPLY CHAIN MANAGEMENT

The supply chain management policy for the year 2022/23 was adopted by Council in May 2023 in term of SCM Regulation 3 (1) (a). The main change made to the policy was to bring it in line with the structure of the SCM regulations. The aim was to establish a credible base from which the business processes can be developed.

The policy is aligned to Preferential Procurement Regulations 2011, issued in terms of the section 5 of the preferential Procurement Policy Framework Act, Number 5 of 2000 (PPPFA). The regulations were published in the Government Gazette on 08 June 2011 the new regulations aim to align the Preferential Procurement Policy Framework Act, 2000 and the Broad – Based Black Economic Empowerment Act, 2003 effective from 7 December 2011, issued by National treasury T 5.12.1

#### 5.13 GRAP COMPLIANCE

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice, and it provides the rules by which municipalities are required to 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.

T 5.13.1

## CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

### INTRODUCTION

Note: 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.

T 6.0.1

### COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS (PREVIOUS YEARS)

#### 6.1 AUDITOR GENERAL REPORTS PREVIOUS YEARS

##### 6.1.1. Year 2021/22

Auditor-General Report on Financial Performance: 2021/22	
Audit Report Status*:	Qualified Opinion

##### 6.1.2. Year 2022/23

Auditor-General Report on Service Delivery Performance: 2022/23	
Audit Report Status:	Qualified Opinion

### COMPONENT B: AUDITOR-GENERAL OPINION (CURRENT YEAR)

#### 6.2 AUDITOR GENERAL REPORT YEAR 2023/24

Auditor-General Report on Financial Performance: 2023/24	
Audit Report Status:	



## GLOSSARY

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
<b>Activities</b>	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”.
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual Report</b>	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.
<b>Approved Budget</b>	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
<b>Baseline</b>	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.
<b>Basic municipal service</b>	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.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	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.
<b>General Key performance indicators</b>	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>	All the resources that contribute to the production and delivery of outputs. Inputs are “what we use to do the work”. They include finances, personnel, equipment and buildings.
<b>Integrated Development Plan (IDP)</b>	Set out municipal goals and development plans.
<b>National Key performance areas</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> <li>• Financial viability and management</li> <li>• Good governance and community participation</li> </ul>
<b>Outcomes</b>	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”.



<b>Outputs</b>	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.
<b>Performance Indicator</b>	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)
<b>Performance Information</b>	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
<b>Performance Targets:</b>	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.
<b>Service Delivery Budget Implementation Plan</b>	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.
<b>Vote:</b>	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

### APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Finance And Corporate Services	Human Resource, Management and Council Support as well as Financial Management
Technical Services	Infrastructural Development and Maintenance
Community Services and Municipal Planning	Environmental Management and Public Safety Poverty Alleviation and Job Creation
Municipal Public Accounts Committee (MPAC)	Oversight Role
Rules Committee	Maintenance of Order and Compliance
Audit And Risk Committee	Oversight and advisory role
T B	

### APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Budget and Treasury Office	Mr Kagiso Noke
Technical Services	Mr Puiso Lepedi
Community Services	Mrs Boitshoko Madumo
Corporate Services	Mrs Karabo Masuku
Municipal Planning and LED	Vacant
Internal Audit	Vacant
Use as a spill-over schedule if top 3 tiers cannot be accommodated in chapter 2 (T2.2.2).	

## APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No) *	Function Applicable to Entity (Yes / No)
<b>Constitution Schedule 4, Part B functions:</b>		
Air pollution	NO	N/A
Building regulations	NO	N/A
Childcare facilities	NO	N/A
Electricity and gas reticulation	NO	N/A
Firefighting services	NO	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	YES	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 wastewater 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
Cemeteries, funeral parlours, and crematoria	YES	N/A
Cleansing	NO	N/A
Control of public nuisances	NO	N/A
Control of undertakings that sell liquor to the public	NO	N/A
Facilities for the accommodation, care and burial of animals	NO	N/A
Fencing and fences	NO	N/A
Licensing of dogs	NO	N/A
Licensing and control of undertakings that sell food to the public	NO	N/A

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No) *	Function Applicable to Entity (Yes / No)
<b>Constitution Schedule 4, Part B functions:</b>		
Local amenities	YES	N/A
Local sport facilities	YES	N/A
Markets	NO	N/A
Municipal abattoirs	YES	N/A
Municipal parks and recreation	YES	N/A
Municipal roads	YES	N/A
Noise pollution	NO	N/A
Pounds	NO	N/A
Public places	NO	N/A
Refuse removal, refuse dumps and solid waste disposal	YES	N/A
Street trading	NO	N/A
Street lighting	YES	N/A
Traffic and parking	YES	N/A
T D		

## APPENDIX E – WARD REPORTING

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
WARD 1	CLLR B.KENOSI 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 02	CLLR E. PITSO 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 03	CLLR B.MONAMODI 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 04	CLLR J.T KEEBINE 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 05	CLLR K. TSILE 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 06	CLLR D. MOABI 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 07	CLLR P. MOKGATLHE 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 08	CLLR O.V MOKGATLHE 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 09	CLLR E .MOTLOGELWA 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 10	CLLR P.R MOGOROSI 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 11	CLLR I MALATSI 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 12	CLLR P. ODISENG 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 13	CLLR T.P GAEALASHWE 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 14	CLLR T.TLHAME 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 15	CLLR O.G MOSEKI 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 16	CLLR A.N THALE 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 17	CLLR D.A SEAKENTOA 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 18	CLLR L.P LETSHUFI 10 WARD COMMITTEE MEMBERS	YES	12	12	3
WARD 19	CLLR J.K MOKGATLHE 10 WARD COMMITTEE MEMBERS	YES	12	12	3

**APPENDIX F – WARD INFORMATION**

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery	0		45264		
Households without minimum service delivery	0		985		
Total Households*			46249		
Houses completed in year					
Shortfall in Housing units					
*Including informal settlements					T F.2

**APPENDIX F1 – Capital Projects: Seven Largest in 2022/23**  
**(Full List at Appendix O)**

**APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 2022/23****AUDIT & RISK COMMITTEE RESOLUTIONS REGISTER 2022/2023 IN PROGRESS**

## APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Term Contracts (20 Largest Contracts Entered into during 2023)					
					R' 000
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
Activa Valuation Services (PTY) LTD	Compilation of a new valuation roll in terms of the provision of the municipal property rates ACT 2004 (ACT No.6) of 2004 and the maintenance of such valuation roll by supplementary valuations in respect of the Ramotshere Moiloa Local Municipality for the period of 1 July 2024 to 30 June 2029	1-Dec-22	1-Dec-27	Manager Revenue	R1 413 333,00
					<i>TH.1</i>

## APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

INFORMATION NOT APPLICABLE FOR MUNICIPALITY

## APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June 2023		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	D. M. Pitso	N/A
Member of MayCo / Exco	T.V. Kena	N/A
	J.K. Mokgatlhe	N/A
	A.N.Thale	N/A
	V.O. Mogale	N/A
	A.N Nyamane	N/A
	K. J. Ledikwa	N/A
	T.G Katametsi	N/A
Councillor	R.A. Kgakatsi	Abrapad Pty Ltd
	K. E. Pitso	Amara General Construction

		Kings Ben Cleaning and catering
		K2020261475 (Pty) Ltd
<b>Municipal Manager</b>	Lekgetho Mokgathe	N/A
<b>Acting MM</b>	Tiro Seleka	N/A
<b>Acting MM</b>	Ramojakgomo Mojapelo	Batlokwa Dinkwe
		Baobaba Tirelo
		The great baubab
		Kaseotlong Consulting
<b>Chief Financial Officer</b>	Kagiso Noke	KayN Projects and Director
<b>Acting CFO</b>		
<b>Acting CFO</b>		
<b>Other S57 Officials</b>		
<b>Acting Director Cooperate services</b>	Ernest Mangope	N/A
Acting Director Cooperate services		
Director Community Services		
Director Municipal Planning and development		
Director Technical Services		
Acting Chief Audit Executive		
* Financial intersests to be disclosed even if they incurred for only part of the year. See MBRR SA34A		
T J		

## APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE



## APPENDIX K (I): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
R' 000						
Vote Description	2021/22	Current: 2022/23			2022/23 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - Executive and Council	33 653	57 466	57 466	41 476	(15 990)	(15 990)
Vote 2 - Finance and Administration	129 216	223 623	223 623	161 399	(62 225)	(62 225)
Vote 3 - Technical Services	168 437	193 375	206 975	149 383	(43 992)	(57 592)
Vote 4 - Community and Social Services	35 760	82 264	82 264	59 374	(22 891)	(22 891)
Vote 5 - Planning and Development	34 343	29 607	15 127	10 918	(18 689)	(4 209)
	–					
<b>Total Revenue by Vote</b>	<b>401 409</b>	<b>586 336</b>	<b>585 456</b>	<b>422 549</b>	<b>(163 787)</b>	<b>(162 907)</b>
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3						
T K.1						

## APPENDIX K (II): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
R '000						
Description	2022/23	2023/24			2024 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	54 043	183 736	73 134	54 301	-238%	-35%
Property rates - penalties & collection charges	–				0%	0%
Service Charges - electricity revenue	54 837	76 515	76 515	56 759	-35%	-35%
Service Charges - water revenue	8 584	8 915	8 915	8 651	-3%	-3%
Service Charges - sanitation revenue	217	791	791	293	-170%	-170%
Service Charges - refuse revenue	11 695	15 255	15 255	12 252	-25%	-25%
Service Charges - other	–				0%	0%
Rentals of facilities and equipment	985	5	5	100	95%	95%
Interest earned - external investments	805	8	8	2 374	100%	100%
Interest earned - outstanding debtors	–				0%	0%
Dividends received	–				0%	0%
Fines	355	532	532	762	30%	30%
Licences and permits	3 476	7 424	7 424	3 592	-107%	-107%
Agency services	–				0%	0%
Transfers recognised - operational	263 461	273 011	286 611	280 462	3%	-2%
Other revenue	2 951	20 145	5 665	3 003	-571%	-89%
Gains on disposal of PPE	–				0%	0%
Environmental Protection	–				0%	0%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>401 409</b>	<b>586 336</b>	<b>474 854</b>	<b>422 549</b>	<b>-38,76%</b>	<b>-12,38%</b>
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.						
T K.2						

## APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighborhood Development Partnership Grant						
Public Transport Infrastructure and Systems Grant						
<b>Other Specify:</b>						
INEP	6,775	6,775	6,775	0.00%	0.00%	
FMG	2,120	2,120	2,120	0.00%	0.00%	
EPWP	1,212	1,212	1,212	0.00%	0.00%	
Library Grant	–	887	887	88700000.00%	0.00%	
<b>Total</b>	<b>10,107</b>	<b>10,994</b>	<b>10,994</b>			
<p>* This includes Neighborhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T 5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Obtain a list of grants from national and provincial government.</p>						TL

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

Capital Expenditure - New Assets Programme*							
R '000							
Description	2021/22	2022/23			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	<b>42 545</b>	<b>50 380</b>	<b>53 600</b>	<b>57 943</b>	<b>64 490</b>	<b>66 817</b>	<b>67 000</b>
<b>Infrastructure: Road transport - Total</b>	<b>42 545</b>	<b>40 000</b>	<b>53 600</b>	<b>53 600</b>	<b>51 688</b>	<b>53 932</b>	<b>54 000</b>
Roads, Pavements & Bridges	42 545	40 000	53 600	53 600	51 688	53 932	54 000
Storm water							
<b>Infrastructure: Electricity - Total</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Generation							
Transmission & Reticulation							
Street Lighting							
<b>Infrastructure: Water - Total</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Dams & Reservoirs							
Water purification							
Reticulation							
<b>Infrastructure: Sanitation - Total</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Reticulation							
Sewerage purification							
<b>Infrastructure: Other - Total</b>	<b>-</b>	<b>10 380</b>		<b>4 343</b>	<b>12 803</b>	<b>12 884</b>	<b>13 000</b>
Waste Management							
Transportation							
Gas							
Other		10 380	4 343	4 343	12 803	12 884	13 000
		-	-	-			
<b>Community - Total</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							

Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							

## APPENDIX M (I): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme*							
R '000							
Description	2021/22	2022/23			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b><u>Heritage assets - Total</u></b>	-	-		-	-	-	-
Buildings							
Other							
<b><u>Investment properties - Total</u></b>	-	-		-	-	-	-
Housing development							
Other							
-							
<b><u>Other assets</u></b>	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
<b><u>Agricultural assets</u></b>	-	-		-	-	-	-
List sub-class							
<b><u>Biological assets</u></b>	-	-		-	-	-	-
List sub-class							
<b><u>Intangibles</u></b>	-	-		-	-	-	-
Computers - software & programming							
Other (list sub-class)							

<b>Total Capital Expenditure on new assets</b>	<b>42 545</b>	<b>50 380</b>	<b>50 380</b>	<b>57 943</b>	<b>64 490</b>	<b>66 817</b>	<b>67 000</b>
<b>Specialised vehicles</b>	<b>–</b>	<b>–</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Refuse							
Fire							
Conservancy							
Ambulances							
<i>* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)</i>							<i>T.M.1</i>

## APPENDIX M (II): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

There were no renewal programmes in the current year.

## APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2022/23

Capital Programme by Project: 2022/23					
					R' 000
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
				8%	11%
Infrastructure: Road transport	40 000	53 600	53 600	0%	25%
Other	10 380	4 343	4 343	0%	-139%
				0%	0%
				0%	0%
				0%	0%
				0%	0%
					T N

## APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2020/21

Capital Programme by Project by Ward: 2022/23		
		R' 000
Capital Project	Ward(s) affected	Works completed (Yes/No)
<b>STORMWATER</b>		
Construction of Borakalalo Bridge and Stormwater	Ward 04	No
Construction of Gopane Bridges	Wards 06 & 09	No
<b>Electricity</b>		
Electrification of Kruisrevier 250 house holds	Ward 16'	No
		T O

## APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

### Water Services

Inconsistent water supply at Motswedi High School

### Remedial Action

The District Municipality to fast track the sustainability of water supply around Motswedi High

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

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
<b>Clinics:</b>		
N/A		
<b>Housing:</b>		
N/A		
<b>Licensing and Testing Centre:</b>		
	No backlogs experienced at Licensing and Testing Centers	None
<b>Reservoirs</b>		
N/A		
<b>Schools (Primary and High):</b>		
None		
<b>Sports Fields:</b>		
	None	None
T Q		

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

There were no loans made

## APPENDIX s – Declaration of Returns not Made in due Time under MFMA s71

All MFMA Sec 71 Returns were made in due time

## APPENDIX t – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

Not Applicable as all information has already been covered in other areas of the Annual Report



## VOLUME II: ANNUAL FINANCIAL STATEMENTS

### 2022/23 ANNUAL PERFORMANCE REPORT