

GREATER TAUNG

LOCAL MUNICIPALITY



DRAFT ANNUAL REPORT 2023/2024

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REVISED ANNUAL REPORT TEMPLATE

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

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

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

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

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

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

- Year -1: The previous financial year (2022/23).
- Year 0: The financial year of reporting (2023/24).
- Year 1: The following year, mostly requires future targets (2024/25); and
- The other financial years will follow a similar sequence as explained above.

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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

MAYOR’S FOREWORD

On behalf of Greater Taung Local Municipality, it is my privilege to present the 2023/2024 Greater Taung Local Municipality’s Annual Report. This report reviews the municipality’s performance and achievements for the past financial year

This report builds on the municipality’s reporting in previous years and aligns as far as possible with the recommendations of the 2016 King Report on Corporate Governance for South Africa (or King IV) as well as internationally accepted standards for integrated reporting.

According to Section 46 of the Municipal Systems Act, all municipalities are required to prepare an annual report for each financial year. This includes a performance report, which details the municipality’s and any service provider’s performance during the year in question. This provides an opportunity for performance comparatives to be drawn against the objectives and targets in relation to the previous financial year. The 2023/24 Annual report, which in many ways reflects our service delivery and developmental achievements and challenges, is presented in recognition of our legislative obligation to be an accountable and transparent organisation.

The report also describes how these goals were implemented and accomplished in accordance with several pieces of legislation, including sections 121 and 127(2) of the Local Government: Municipal Finance Management Act No.56 of 2003 and section 46 of the Local Government: Municipal Systems Act No.32 of 2000. The Municipality has progressed significantly in achieving objectives within each of the five major performance categories that apply to local government, which is outlined in this Annual Report:

1. Basic Service delivery and infrastructure development
2. Municipal transformation and development
3. Local Economic Development
4. Municipal Financial viability and management
5. Good Governance and Public Participation

Most importantly the report will outline the performance successes and challenges we have experienced in the delivery of services to all our people as guided by the 2023/2024 Integrated Development Plan (IDP) and the Service Delivery and Budget Implementation Plans (SDBIP) for the year under review

The maintenance, upgrade, and development of our infrastructure remain key priorities for the Council. During the period under review, special attention was given to new critical infrastructure development such as internal access roads, Stormwater channel, highmast lights and maintenance of electrical lines in Reivilo to ensure that service delivery can continue on a sustainable basis.

We need to improve the delivery of core municipal services through the application of efficient and effective service delivery mechanisms, and the application of sound financial management principles. It is essential and critical to ensure that the Municipality remains financially viable and that sustainable municipal services are provided economically and equitably to all communities. In achieving this, greater collaboration is required with National and Provincial government to ensure that adequate resources are allocated to enable the municipality to genuinely meet its constitutional mandate.

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During the 2022/2023 financial year the municipality had provided 11 300 households with access to free basic electricity, and a very small number of households in Reivilo and Pudumoe with basic sanitation and water. The municipality completed the construction of three or more community halls, highmast lights and internal access roads and that will improve the access to public facilities for the community of Taung. The Local Economic Development Unit within the municipality trained 100 Small Medium and Micro-sized Enterprises (SMME's) from Taung.

In the year under review as a council of Greater Taung local municipality we found ourselves not been able to tolerate each other in council meetings because of our political difference/ ideas and eventually there was political instability. The political instability we experienced for a few affected the performance of the administration and also had a negative impact on service delivery we ought to render to our communities.

In an endeavour to address the political instability that culminated at the time, the North West Executive Council and the MEC responsible for COGTA had to intervene by bringing Section 139(1)(a) of the Constitution to effect. The directives as a plan to address all the issues of concern was developed by and implemented and eventually, we were able to emerge from the situation. We are very proud to see the municipality back on its feet again and doing what is known for (stable and better performing municipality)



CILLR TUMISANG GAORAELEWE
MAYOR

T 1.0.1

Chapter 1

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW

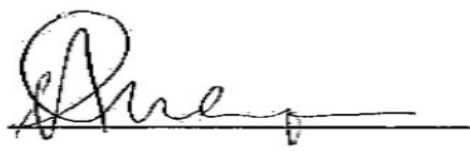
Management worked hard to entrench the principles of good governance and dedication within our organization. GTLM is reporting on the financial and key performance indicators knowing that the standard of the previous qualified audit with less findings will create huge expectations on the governance structures of GTLM. We are proud to say that we have achieved exceptional performance under very difficult circumstances. Annual reports must be aligned with the planning documents and municipal budget for the year reported on. This means that the IDP, budget, service delivery and budget implementation plan (SDBIP), in-year reports and annual report should have similar and consistent structures to facilitate understanding and to enable the linkage between plans and actual performance.

As an administration that is expected to perform its duties in an increasingly volatile environment, the municipality had to take tough decisions that still have an impact on the lives of the people we serve. I am, however, thankful for the employees and management for their commitment, passion and hard work during the year under review. We still managed to deliver on a number of service delivery improvements of which I would like to highlight a few.

- Provided communities with disaster shelters
- Constructed community halls
- Constructed paved internal roads in Pudumoe and Reivilo with own funding
- Constructed highmast lights in various wards

There are several interventions that the municipality is continuing to employ to address challenges such as overspending, use of consultants, poor revenue collection, high employee cost as well as maintenance of municipal fleet in general. The Municipality has also requested the Provincial Intervention (Treasury) to assist with Unauthorized, Irregular, Fruitless and Wasteful Expenditure (UIFWE). The intervention of experts is to reduce the Irregular expenditure and many other in relation to UIF. We table this report in the spirit of Batho Pele, putting our people and communities first, and this report bears testimony to our commitment for setting platforms to achieving more desired outcomes for the years ahead.

In conclusion, all council structures are functioning and meeting regularly, the municipality is actively participating in all DDM structures, COGTA one on one meetings which have yielded positive results as GTLM is no longer regarded as dysfunctional. Extensive management of the Creditors payment is still an ongoing matter, The Municipality still has a lot of work to do in order to ensure that creditors are paid within 30 days. All these interventions strengthen the municipality's ability to achieve its vision of creating a safe, vibrant, sustainable. The report highlights our key accomplishments for the 2022/23 financial year, whilst acknowledging that challenges also exist.



Mr Andrew Makuapane
Municipal Manager

T 1.1.1

Chapter 1

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

For the purpose of this report GTLM wants to indicate from the on-set that it does not have any entities and is also not the Water and Sanitation Authority, this competency vests with the Dr Ruth S Mompoti District Municipality, but it does not mean that GTLM did not play a facilitation role to ensure that these services are coordinated in GTLM.

Greater Taung Local Municipality (NW 394) is situated in the western part of North West in the area of jurisdiction of Dr Ruth S Mompoti District Municipality. The municipality is one of the five local municipalities in Dr Ruth S Mompoti District Municipality. The municipality covers an area of 5 639 Km², which accounts for 11,8 % of the total area of Dr Ruth S Mompoti District Municipality. The main rural towns/townships in the municipal areas are Reivilo, Pudimoe and Taung Central. About 95% of the municipal area is predominantly rural. There are about 107 widely scattered villages in the municipal area. There are Northern Cape areas that one passes when going from one village to the other within the municipality, namely Pampierstad township and Northern Cape farms. These areas previously formed part of the municipality but were later moved to the Northern Cape during the last demarcation process. The municipality is divided into 24 administration wards and has a total of 48 councillors (both ward and PR councillors).

As the municipality is predominantly rural, villages have been divided under the three tribal authorities under three paramount chiefs, namely Mankuroane, Mothibi and Motlhabane. The agricultural sector, both commercial and subsistence, is the major employer and contributor to the municipal economy.

The municipal population stands at 202 009 (the largest in the district), with a total of 53 551 households. When compared to the 2011 population statistics, the population size has increased from a total of 177 642 to 202 009 in 2022. The average population density stands at 31,5km².

Living conditions

48,3% of the population is not economically active, and among those who are, 50% are unemployed. Although about 88% of the dwelling units/structures are built from bricks/concrete blocks, and the average household size is only about four people per household, the municipality is faced with challenges such as absence of mail delivery services.

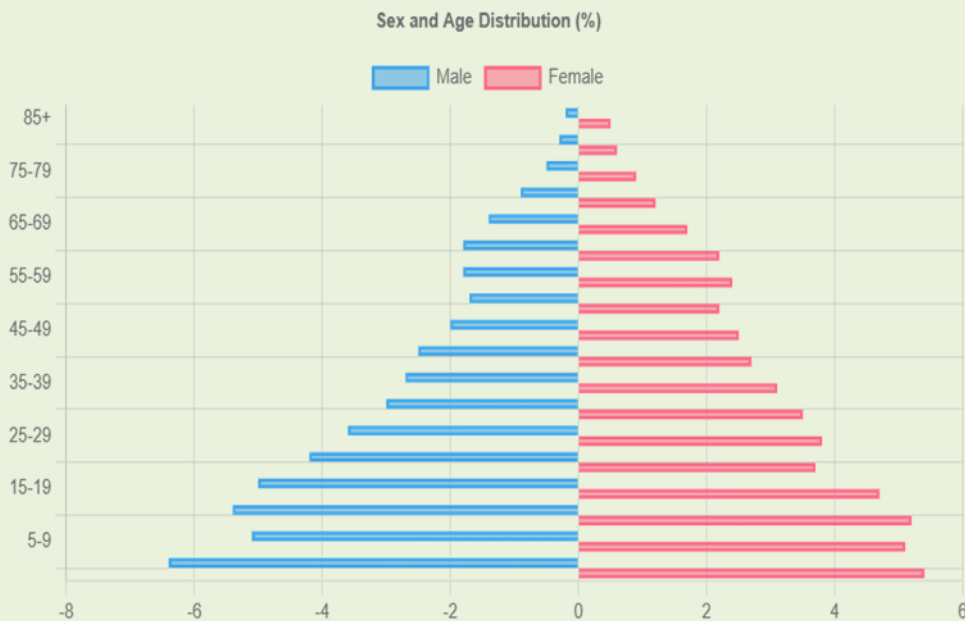
It should be noted that, even though the unemployment rate in 2022 stood at 50%, there has been a significant improvement when compared to 2011, when the municipal unemployment rate stood at 65%. As far as other major services are concerned, the municipality household access to electricity is 96.8%, compared to 88.5% in 2011. All of those with access to electricity use it for lighting, 40,3% use it for heating and about 73% for cooking.

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Chapter 1

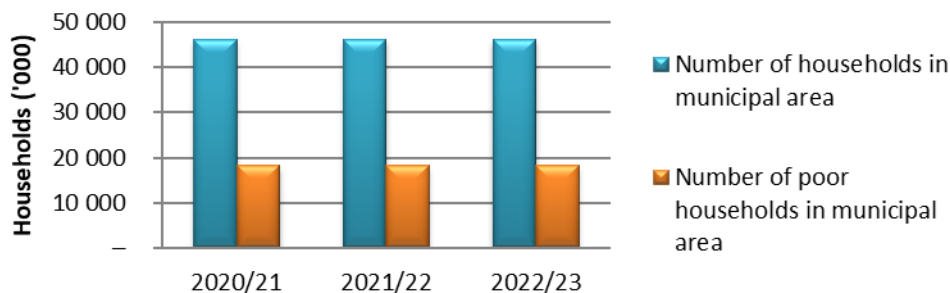
| Population Details | | | |
|--------------------|---------------|----------------|----------------|
| Age Group | Male | Female | Total |
| 0 - 4 | 12,153 | 11,968 | 25,121 |
| 5 - 9 | 11,432 | 11,339 | 22,771 |
| 10 - 14 | 10,870 | 10,042 | 20,912 |
| 15 - 19 | 10,931 | 10,321 | 21,252 |
| 20 - 24 | 7,965 | 8,353 | 16,318 |
| 25 - 29 | 5,858 | 7,167 | 13,025 |
| 30 - 34 | 4,970 | 6,154 | 11,124 |
| 35 - 39 | 4,397 | 5,853 | 10,250 |
| 40 - 44 | 4,091 | 5,197 | 9,288 |
| 45 - 49 | 3,978 | 5,016 | 8,994 |
| 50 - 54 | 3,907 | 4,593 | 8,500 |
| 55 - 59 | 3,442 | 4,276 | 7,718 |
| 60 - 64 | 3,195 | 3,871 | 7,066 |
| 65 - 69 | 2,752 | 3,485 | 6,237 |
| 70 - 74 | 2,126 | 2,841 | 4,967 |
| 75 - 79 | 1,644 | 2,285 | 3,929 |
| 80 - 84 | 1,210 | 1,655 | 2,865 |
| 85+ | 1,106 | 1,656 | 2,762 |
| Total | 95,936 | 106,074 | 202,009 |

Source: Statistics SA - September 2022 T.1.2.2



Chapter 1

Households

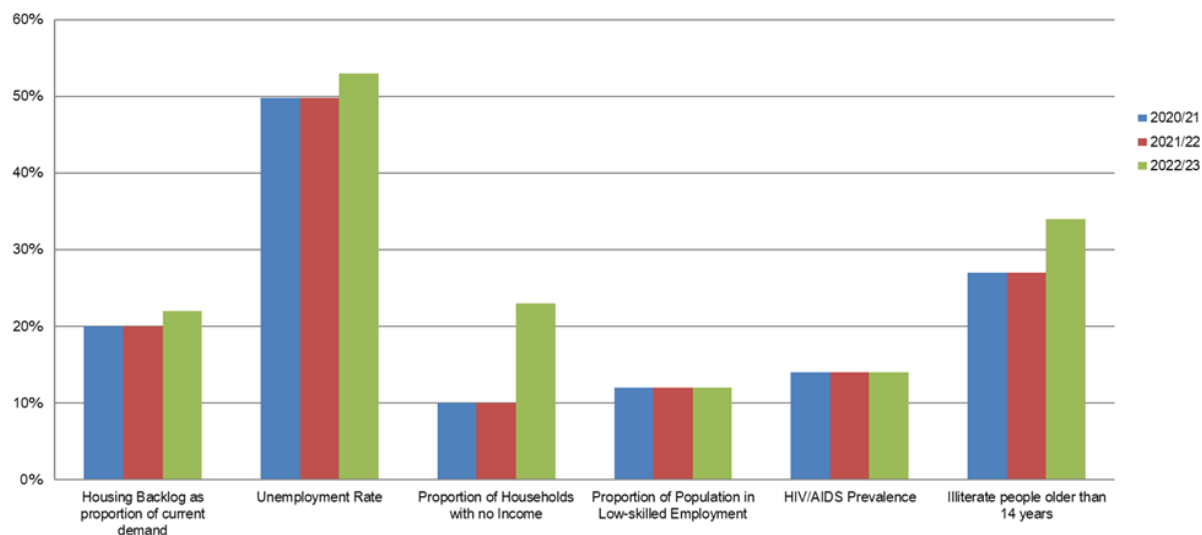


T1.2.3

Socio Economic Status

| Year | Housing Backlog (Informal Units %) | Unemployment Rate | Proportion of Households with no Income | Proportion of Population in Low-skilled Employment | HIV/AIDS Prevalence | Illiterate People Older than 19 Years |
|---------|------------------------------------|-------------------|---|--|---------------------|---------------------------------------|
| 2021/22 | 21% | 52% | 20% | 12% | 14% | 27% |
| 2022/23 | 22% | 50% | 23% | 11% | 14% | 34% |
| 2023/24 | 23% | 50% | 25% | 11% | 15% | % |
| T 1.2.4 | | | | | | |

Socio Economic Status



T 1.2.5

Chapter 1

| Natural Resources | |
|---------------------------|--|
| Major Natural Resource | Relevance to Community |
| Taung Skull Heritage Site | Close to Buxton were the world famous Taung Child Skull was discovered |
| Small Heaven | Place of Spiritual Value |
| Taung Dam | The dam is in the Manthe area and falls within the catchment of the Dryharts River |
| Spitskop Dam | The dam is in the Kgomotso area and falls within the catchment of the Dryharts River |
| T 1.2.7 | |

COMMENT ON BACKGROUND DATA:

The latest Census Statistics shows that the total population of GTLM stands at about total 202 009 people, which is the highest in the entire district. GTLM is rural in nature and was established in 2000 during the introduction of the new local government dispensation with dire socio-economic conditions that need to be attended to. The challenge derived from the data that was gathered through the Spatial Development Framework that was compiled in May 2005 which indicated that GTLM does have 80,009 housing units. This figure is a variance of almost 100% to that of STATSSA who indicated that GTLM does have 53,551 households according to the Statistics SA Data of September 2022.

Key Challenges and Opportunities arising from the demographic data:

The large difference between these two figures always complicates the baseline and backlog data of GTLM. The challenge is to rely on the STATSSA demographic data to determine the baseline data which should be used for future planning and budgeting purposes. If one should consider the Housing Survey or Spatial Development Framework Data to be accurate it means that the backlog with regard to basic service delivery is greater than it appears. The lower STATSSA figures also impact negatively on the Equitable Share that is allocated to GTLM.

T 1.2.8

Chapter 1

1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

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

One of the sectors in which GTLM, Department of Minerals and Energy (DME) and Eskom did perform exceptionally well was in the sector of energy or electricity provision. More than 30,000 connections were made since December 2000 meaning that less than 10% of the residents do not have acceptable access to electricity. The sector which does cause the biggest reason for concern is sanitation if one should consider the impact that informal sanitation practices does have on the environment especially in the areas where dolomite formations is found like the informal settlement in Boipelo where the lack of proper sanitation facilities can cause a big health risk through contamination of underground water resources.

The sector which is the biggest challenge for GTLM to deliver on is Roads and Storm Water. An analysis of the Community Based Planning input clearly demonstrates that roads has now over-taken all basic services as the highest priority issue that need to be addressed because of the economic impact that this sector does have on the residents of GTLM, on the other hand lack of proper roads prevent residents to be mobile enough to transport their products economically and on the other hand bad roads is causing damage to property, plant and equipment.

Water provision remains the biggest challenge ever as communities in Taung do not have access to adequate clean water. During the year under review taung townships and villages experienced serious water shortage as dry weeks became the new normality. It is our hope that Dr Ruth S Mompati DM and Magalies Water in the year to come improve in providing this basic service. Waste collection is rendered in the formal towns and at businesses and GTLM is doing well with regard to household refuse collection, but it is recognized that we still have an enormous task facing us to try and keep our towns and CBDs clean. This can only be achieved if GTLM can educate residents and also convince them to become part of the solution on waste management and play their part to ensure refuse is dumped at the proclaimed dumping sites and littering is not socially acceptable.

The following need to be considered to ensure a turn-around regarding cleaner towns:

- Register all street traders and develop bylaws for street trading.

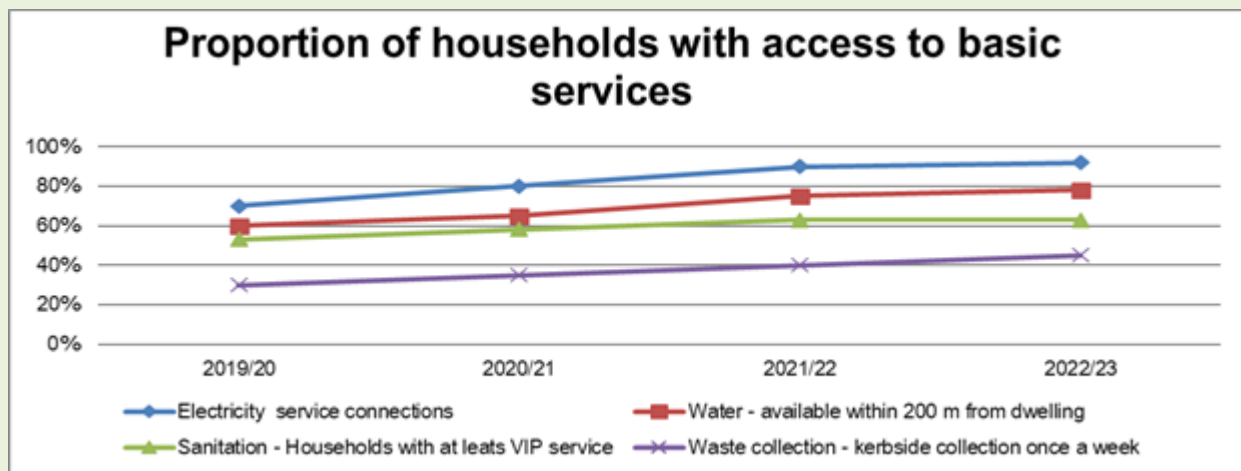
- Effective and well managed Waste Transfer Stations and Recycling Methods.

- Licensed Solid Waste Management Sites

Service delivery to indigent is rendered through a subsidy scheme that is funded from the Equitable Shares. District Integrated Plans were developed at Provincial level to ensure improvement of services in all sectors.

T 1.3.1

Chapter 1



T 1.3.2

COMMENT ON ACCESS TO BASIC SERVICES:

Access to Electricity

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

Free Basic Electricity (FBE) is provided to all registered indigents at 50kWh per month. FBE is provided to approximately 9034 consumers on a monthly basis (894 consumers supplied by the municipality and 7240 consumers supplied by Eskom)

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

Access to Refuse Removal

Solid Waste management in Greater Taung Local Municipality is categorized according to the following categories: households, illegal dumps, businesses refuse collection, CBD cleansing, and landfill sites operations and management. As the municipality is 95% rural, only 7,6% of the municipal households have their refuse disposal removed by the municipality, whereas over 82% use their own refuse dump

Access to Water

Greater Taung Local Municipality supplies potable water in Reivilo township in accordance with the National Water Act, 1998 (Act No. 36 of 1998) and Sedibeng for all other areas. The purpose of the

Chapter 1

National Water Act is to ensure that South Africa's water resources are protected, used, developed, conserved, managed and controlled in ways which take into account factors such as:

- Meeting the basic human needs of present and future generations;
- Promoting equitable access to water
- Promoting the efficient, sustainable and beneficial use of water in the public interest, and
- Providing for growing demand for water use.

Access to Sanitation

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

There has been a dramatic improvement in the number of households with a flush toilet during the past decade, from 10.1% in 2011 of households to 27.9% in 2012. Only 20,1% of the households within the municipality have access to a flush toilet, of which 9% is a flush toilet connected to a sewage system and 1,7% is a flush toilet with a septic tank. A total of 65,6% of households use pit toilets, with 21% using a pit toilet with ventilation and 39% using a pit toilet without ventilation. This result is still evident 10 years later.

T 1.3.3

1.4. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The ability of the Municipality to continue as a going concern is dependent on a number of factors.

Even though the municipality has a bit of cash coverage by having reserves, investments. On the financial health indicators, it shows that the municipality is in financial distress as we rely heavily on National and Provincial government transfers and without those grants the municipality will have inadequate cash available to meet its operating expenditure requirements.

T 1.4.1

Chapter 1

Financial Viability highlights

| Highlights | Description |
|---|--|
| Timeous Payment of Service Providers | Suppliers were paid well within 30 days after receipt of valid tax invoice |
| Production of Valuation Roll | |
| Timeous submission of Annual Financial statement and the Improvement of audit opinion | The compliance of the submission of Annual Financial statements together with the Draft Annual Report testifies the municipality 's vision to achieve clean audit status |
| Improved Cash and Cash equivalents management | The overall management of available cash and cash equivalents has improved |

National Key Performance Indicators – Municipal Financial Viability and Management (Ratios)

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

| National Key Performance Indicator | 2022/23 | 2023/24 |
|---|---------|---------|
| Debt Coverage ((Total operating revenue- operating grant received) debt service payment due within the year | 0.0 | 0:0 |
| Service Debtors to Revenue – (Total outstanding service debtors: revenue received for services) | 0.30:1 | |
| Cost Coverage ((Available cash + Investment) : Monthly fixed operating expenditure | 1: 0.04 | 1:3 |

| Financial Overview: 2023/2024 | | | |
|-------------------------------------|-----------------|-------------------|--------------|
| | | | R' 000 |
| Details | Original budget | Adjustment Budget | Actual |
| Income: | | | |
| Rental of Facilities and Equipment | 350 000 | 350 000 | 412 000 |
| Interest Earned-External Investment | 10 000 000 | 10 000 000 | 4 958 433 |
| Interest Earned-Outstanding Debtors | 5 499 205 | 5 499 205 | 4 511 580 |
| Government Grants & Subsidies | 254 670 025 | 254 670 025 | 248 635 718 |
| Other | 60 276 719 | 59 796 719 | 43 016 541 |
| Sub Total | 330 795 949 | 330 315 949 | 301 534 272 |
| Less: Expenditure | 362 261 107 | 351 037 028 | 319 820 111 |
| Net Total* | (31 465 158) | (20 721 079) | (18 285 839) |
| * Note: surplus/(deficit) | | | T 1.4.2 |

| Operating Ratios | |
|------------------------------|-------|
| Detail | % |
| Employee Cost | 38 |
| Repairs & Maintenance | 8 |
| Finance Charges & Impairment | 19 |
| | 1.4.3 |

Chapter 1

COMMENT ON OPERATING RATIOS:

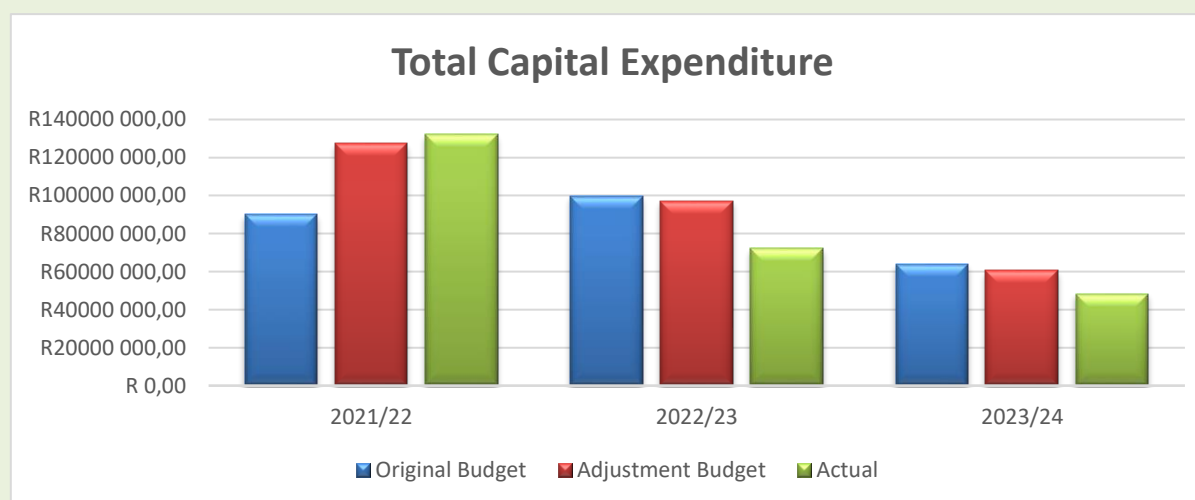
The Employee cost and repair and maintenance were within the expected norm. Whereas Finance charges and Impairment was above the norm due **interest paid** targets not being met and the actuals for depreciation being double compared to budgeted amount

Employee Cost- measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employees cost by the difference between total revenue and capital revenue. The ratio of personnel expenditure to operating expenditure is widely used as an indicator of the sustainability of municipal budget and expenditures. According to MFMA budget circular No. 59 there is no prescribed or recommended benchmark for the ratio personnel expenditure to operating expenditure.

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

T 1.4.3

| Total Capital Expenditure: 2021/22-2023/24 | | | |
|--|---------|------------|------------|
| | | | R'000 |
| Detail | 2021/22 | 2022/23 | 2023/24 |
| Original Budget | 99 666 | 68 932 896 | 63 856 150 |
| Adjustment Budget | 97 186 | 67 084 701 | 60 376 149 |
| Actual | 72 020 | 94 216 563 | 48 264 917 |
| | | | T 1.4.4 |



T 1.4.5

Chapter 1

COMMENT ON CAPITAL EXPENDITURE:

No adjustments were made on capital expenditure except for the Municipal Infrastructure Grant (MIG) projects, this downward adjustment is as a result of the adjusted Division of Revenue Act (DoRA) allocation. The net adjustment on the MIG capital projects is a downward adjustment of R3 480 000. Four projects were brought back from previous year to settle the balances, there were: Gasebusho Community Hall, Mogopela B Storm water, Mokassa 2 Community Hall and Rietfontein Storm water Channel. There were no adjustments on own funding assets and capital projects

T 1.4.5.1

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

Every Municipality, in terms of the Constitution and the Municipal Systems Act, Act 32 of 2000, has to have a staff establishment reflecting the organizational design of the Municipality. The Organizational Design needs to be in line with the IDP and an updated organizational development overview for the Greater Taung Local Municipality was conducted in May 2024 to align the structure with the IDP and to provide a structure to enable the Municipality to deliver in its mandate and service delivery.

The reviewed Organizational Structure was noted by Council at its meeting held in May 2024, consisting of 5 Directorates and the Office of the Municipal Manager on the Macro Structure and was immediately submitted to provincial COGTA to assess and make inputs before final approval.

T 1.5.1

Chapter 1

1.6. AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT: 2023/2024 (CURRENT YEAR)

The Auditor-General of South Africa has a constitutional mandate and, as the Supreme Audit Institution (SAI) of South Africa, exists to strengthen the country's democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence. In short, the Auditor-General checks the spending of public money by looking at whether it has been used ideally and for the purposes intended. This process is concluded by annually checking all government spending. In turn, this can be described as an audit.

The Auditor-General's annual audit examines 3 areas:

- Fair presentation and absence of significant misstatements in financial statements
- Reliable and credible performance information for predetermined objectives
- Compliance with all laws and regulations governing financial matters

There can be 5 different outcomes to an audit, once the Municipality has submitted their financial statements to the Auditor-General, which can be simply defined as follow:

- **A clean audit:** The financial statements are free from material misstatements and there are no material findings on reporting on predetermined objectives or non-compliance with legislation.

- **Unqualified audit with findings:** The financial statements contain material misstatements.

Unless we express a clean audit come, findings have been raised on either reporting on predetermined objectives or non-compliance with legislation, or both these aspects.

- **Qualified audit opinion:** The financial statements contain material misstatements in specific amounts, or these insufficient evidence for us to conclude that specific amounts included in the financial statements are not materially misstated.

- **Adverse Audit Opinion:** The financial statements contain material misstatements that are not confined to specific amounts, or the misstatements represent a substantial portion of the financial statements

- **Disclaimer of Audit opinion:** The auditee provided insufficient evidence in the form of documentation on which to base an audit opinion. The lack of sufficient evidence is not confined to specific amounts, or represents a substantial portion of the information contained in the financial statements

T 1.6.1

Chapter 1

STATUTORY ANNUAL REPORT PROCESS

| No. | Activity | Timeframe |
|---------|--|---------------------------|
| 1 | Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period | July 2023 |
| 2 | Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting). | |
| 3 | Finalise the 4th quarter Report for previous financial year | |
| 4 | Submit draft 2021/2022 Annual Report to Internal Audit | |
| 5 | Audit/Performance committee considers draft Annual Report of municipality | August 2023 |
| 6 | Mayor tables the unaudited draft Annual Report | |
| 7 | Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General | |
| 8 | Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase | |
| 9 | Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data | September – November 2023 |
| 10 | Municipalities receive and start to address the Auditor General's comments | December 2023 |
| 11 | Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report | January 2024 |
| 12 | Audited Annual Report is made public and representation is invited | |
| 13 | Oversight Committee assesses Annual Report | February – March 2024 |
| 14 | Council adopts Oversight report | |
| 15 | Oversight report is made public | |
| 16 | Oversight report is submitted to relevant provincial councils | April 2024 |
| 17 | Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input | |
| T 1.7.1 | | |

Chapter 1

COMMENT ON THE ANNUAL REPORT PROCESS:

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

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

The annual report of a municipality and every municipal entity must be tabled in the municipal council on or before 31 January each year (MFMA S127). In order to enhance oversight functions of the council, this must be interpreted as an outer deadline; hence the municipality must submit the annual report as soon as possible after year end. The annual report must be aligned with the planning documents and municipal budget for the year reported on. This means that the IDP, budget, SDBIP, in-year reports, annual performance report and annual report should have similar and consistent information to facilitate understanding and to enable the linkage between plans and actual performance.

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

The annual report content will assist municipal councillors, municipalities, residents, oversight institutions and other users of annual reports with information and progress made on service delivery. It must align with the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP), and in year reports. The contents will also assist with the annual audits. Another key aspect of the reform in combining the relevant information into the new annual report format will assist the municipality to streamline operations and processes through combined committees, reduce costs, time and effort.

There will be a limited need for the municipality to have different committees to deal with financial and non-financial related matters

T 1.7.1.1

Chapter 2

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

Local government function in a highly sophisticated environment. To be successful in its endeavours to render quality, affordable and sustainable municipal services, it needs to be structured in the best possible way to facilitate effective governance as well as to ensure proper oversight and to measure performance.

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

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

The political and administrative components of the council maintain a sound working relationship by ensuring respect of procedures and protocols. The Greater Taung Local Municipality (GTLM) as Legal entity relates to the other spheres of Government and Organized Local Government Bodies through the Intergovernmental Policy Framework. Communities as an Interest Group in Municipal Affairs participates through Public Participation Mechanisms and processes in the decision-making systems of council. This includes interaction with the stakeholders in shaping the performance of the municipality in order to enhance a healthy relationship and minimizing conflict.

T 2.0.1

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Executive Committee of Greater Taung Local Municipality is the political governance structure that is established in terms of Section 45 of Local Government: Municipal Structures Act 117 of 1998. Cllr Hon Tumisang Gaoraelwe is the Mayor of Greater Taung Local Municipality and the public face of the municipality and should be used in big public meetings, municipal stakeholder forums and media. He is the chair of the Executive Committee comprising of eight (8) Councillors accountable to him. The Executive Committee meets regularly to co-ordinate the work of municipality and makes recommendations to Council. The Mayor steers the development and implementation of Integrated Development Plan (IDP) which encapsulates service delivery and performance.

Cllr Grace Moipolai is the Speaker of Greater Taung Local Municipality. The Speaker also carries out the duties of chairperson of the municipal council under the Municipal Structures and Systems Act. She enforces the code of conduct and exercises delegated authority in terms of the Municipal Systems Act.

Chapter 2

Cllr Masego Makua is the Chief Whip of the municipality. The role of the Chief Whip is to strengthen and maintain healthy relations between all the parties in Council. The Chief Whip is also responsible for ensuring that portfolio committees are functional and that councillors are allocated appropriately.

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

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

T 2.1.0

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

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

Audit and Performance Committee has been established in terms of Section 166 subsection 6(a) of the MFMA. The committee comprises of three (3) and a chairperson. The purpose of the committee is to advice council and management on matters relating to internal financial control, performance management and comment on the Annual Report.

The Mayor is appointed by council and has executive powers and duties. He provides general political guidance over the fiscal and financial affairs of the municipality and in doing so monitor and oversee the exercise of responsibilities assigned to the accounting officer in terms of MFMA; Act 56 of 2003 without interference. The council appoints members of the Executive committee (EXCO) to chair the portfolio committees indicated below:




- Finance
- ICT
- Corporate Governance and Communication
- Planning and Development
- Infrastructure
- Community Service
- Spatial Planning and Human Settlement
- Local Economic Development

Municipal Public Accounts Committee (MPAC) has been established in terms of section 79 of the Municipal Structures Act, No. 117 of 1998. The main purpose of the committee is to exercise oversight over the executive functionaries of council and to ensure good governance in the municipality and to consider annual report and submit oversight report on the annual report to council. The committee consists of Eight (08) non - executive councillors. The Oversight Report will be published separately in accordance with MFMA guidance.

T 2.1.1

Chapter 2

TROIKA

| POLITICAL STRUCTURE | FUNCTIONS |
|--|---|
|  <p>Hon Mayor Cllr. T. Gaoralwe</p> | <ul style="list-style-type: none"> - Provide political guidance over the fiscal and financial affairs of the municipality. - To oversee the preparation of the annual budget. - Submit quarterly reports to Council on the implementation of the budget and the financial status of the municipality. - Coordinate the annual review of the IDP. - To ensure that the Mayoral Committee perform its functions properly. - Promotion of intergovernmental relations. - Convene public hearings and meetings. - Identifies the needs of the community in terms of the IDP processes. - Reviews those needs in order of priority. - Recommend to the municipal council strategies, programmes and services to address priority needs through the IDP, estimates revenues and expenditure, taking into account any applicable National and Provincial Plans. - Recommend and determine the best way, including partnership and other approaches, to deliver those strategies, programmes and services to the maximum benefit of the community. |
|  <p>Speaker of Council Cllr. G. Moipolai</p> | <ul style="list-style-type: none"> - The Speaker presides over the council meetings and maintains order during council meetings. - Ensure that the council meets at least quarterly. - Ensure that the rules of order are complied with during the proceedings of council meetings. - Execute any other duties as delegated to the speaker in terms of the council delegation systems. - Maintains order during Council meetings. - Ensure that Councillors adhere to the Code of Conduct. - Support to Councillors. - Facilitate public participation coordinate the establishment and functionality of ward committees. |
|  <p>GTLM Council Whip: Cllr M. Makua</p> | <ul style="list-style-type: none"> - The role of Chief Whip is to ensure that Councillors are accountable to the communities, that code of conduct is respected and adhered to by all councillors. - The Chief Whip ensures discipline during Council and Committee Meetings. - She facilitates political debates, workshop for all Councillors. |

T 2.1.1

Chapter 2

COUNCILLORS

Councillors provide a vital link between communities they serve. They are responsible for representing the needs and interests of the people they represent, regardless of whether they voted for them. Although councillors are not usually full time professionals, they are bound by a code of conduct. The Councillors serves for five years. The Greater Taung Local Municipality comprises of 24 Ward Councillors and 24 PR Councillors. See Appendix A where a full list of Councillors can be found (including committee allocations and attendance at council meetings).

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

T 2.1.2

POLITICAL DECISION-TAKING

The Greater Taung is a collective executive type and has established nine portfolio committees each chaired by a member of the Executive Committee. Section 33 of Local Government: Municipal Structures Act, 1998 which provides for the establishment of committees in terms of Section 79 and 80 of the act. All the committees are chaired by Councillors who are full time and coordinated by relevant senior managers and officials who also serve as technical resource persons. Those are:-

The committees meet monthly to consider items which need to be forwarded to the Executive Committee. Recommendations of the Committees are submitted on quarterly basis to Council's Statutory Sitings for Resolutions and implementation.

Section 80 Committees

Each member of the Executive Committee heads a Portfolio Committee in terms of Section 80 of the Municipal Structures Act of 1998. The Section 80 Committees are set up to deal with oversight roles, support and perform the advisory role to the Mayor and Council.

The Executive Committee of the municipality has the following portfolios:

- Local Economic Development
- Corporate Services
- Infrastructure
- Human Settlement
- Community Service
- Communication
- Information Technology
- Planning and Development
- Finance

Chapter 2

Section 79 Committees

(a) The Audit Committee

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

The committee is chaired by Mr Nchoe, It is an independent advisory body that advise Council, the political office-bearers, the accounting officer and the management of the municipality on matters relating to:

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

T 2.1.3

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

In terms of part 7 section 82 of the Municipal Structures Act 117 of 1998 as amended the Municipality must appoint the Municipal Manager who is the head of administration and therefore the Accounting Officer. In terms of section 55 of the Municipal Systems Act, 32 of 2000 as amended the Municipal Manager as head of administration is subject to policy directives of the municipal council responsible for the formation and development of an efficient, economical, effective and accountable administration and must manage the municipality in accordance with all legislation and policies pertaining to Local Government.

In terms of section 50 of the Municipal Systems Act 32 of 2000 as amended, the Council in consultation with the Municipal Manager must appoint managers who are directly responsible to the Municipal Manager who must have relevant and requisite skills and expertise to perform the duties associated with the posts they each occupy.

The Municipal Manager is the Head of the administration and Accounting Officer as defined in the Municipal Systems Act 32 of 2000. The responsibilities of the Municipal Manager include managing the administrative and financial affairs of the municipality and to ensure that municipal services are delivered in an efficient, effective and economical manner. With his complement of directors appointed in terms of Section 56 of the MSA, the Municipal Manager determines the pace of development within the municipal area as per Council directives. Each director is responsible for their area of expertise. From time to time, Management meeting is held where the Municipal Manager engages the directors on various matters that affect service delivery.

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

T 2.2.1

Chapter 2

| TOP ADMINISTRATIVE STRUCTURE | FUNCTIONS |
|---|---|
| Municipal Manager MR. M.A. Makuapane  | <ul style="list-style-type: none"> - Forming and developing an economic, efficient and accountable administration. - Implementing and managing the GTLM's performance management system. Coordinating and implementing the GTLM's IDP. - Managing the Municipality's administration in accordance with the Constitution, the Local Government Structures Act, the Municipal Systems Act, the Municipal Finance; Management Act and all other national and provincial legislation applicable to GTLM. - Managing provision of services to the local community in a sustainable and equitable Manner. - Developing and maintaining a system to access community satisfaction with Municipal Services. - Appointing, managing, effectively utilizing, and training staff and maintaining staff discipline. - Advising political structures and political office bearers of the GTLM, managing communications between them, administering, implementing council resolutions, and carrying out their decisions. - Being responsible for all income and expenditure of the GTLM all assets, the discharge of all liabilities of the GTLM and proper and diligent compliance with applicable Municipal Finance Management legislation. |
| CFO | <ul style="list-style-type: none"> - Reporting directly to the Municipal Manager on key departmental activities. - Implement departmental Service Delivery Budget Implementation Plan (SDBIP). - Develop and implement key strategic / business plans including Supply Chain Management, Revenue Management, Expenditure Management and Budget & Reporting. - Prepare and implement municipal budget. - Prepare Annual Financial Statements and other mandatory financial management reports. - Manage Departmental budget, human resources & other resources in accordance with local government legislation. - Management and monitoring of all income, expenditure, assets and Liabilities; Cash-flow management. - Develop and implement Supply Chain Management Policy, specific procedures, systems and controls. - Ensure timely preparation of Budget and Financial Statements; - Implement all financial policies and ensure they comply with applicable legislation |
| Director: Technical Services | <ul style="list-style-type: none"> • Management of the entire Technical Services department. • Compile and manage the Directorate's annual Capital and Operational Budget. • Management of Technical Services including Civil Engineering Services, electrical distribution and maintenance of roads and storm-water drainage. • Planning and maintenance of water reticulation system and sewerage treatment infrastructure. • Developmental strategic planning of infrastructure expansion and co-ordination. • Ensure the sustainable provisioning of engineering services including infrastructure development and maintenance in line with the IDP. • Management of civil engineering, projects and capital construction development |

Chapter 2

| | |
|---|---|
|  | <ul style="list-style-type: none"> • Managing and controlling various line functions within the Directorate which include general administration, Human Resources, Council Support, Corporate strategy. • Leading, directing and managing staff within the Department so that they are able to meet their objectives. • Rendering Support by advising and overseeing all matters of procedures relating to minutes and resolutions of the Council Committees. • Managing and controlling the compilation and execution of the departmental capital and operating budget. • Executing any function delegated by the municipal Manager in terms of powers and delegations in the relevant legislation and related to the functions of this post. • Administering records/archives registry, skills development, legal matters and employment Equity. • Overseeing the execution of the IDP Programmes attached to the Department and monitoring individual performance management. • Developing, implementing Collective Agreements and managing strategic goals, policies, procedures and plans; • Ensuring proper administration of Council delegation System; |
| <p>Director: Corporate Service</p> | <ul style="list-style-type: none"> • Management of the entire Social Services department. • Compile and manage the Directorate's annual Capital and Operational Budget. • Responsible for coordination of disaster management services. • Strategically direct and manage services related to solid waste management. • Provision of sports, recreation, cultural, arts and library information services. • Responsible for setting standards for the maintenance of cemeteries, parks, halls and other community services. • Management of refuse services of the entire Greater Taung area. • Management of Traffic Management and Law enforcement |
| <p>Acting Director: Community Service</p> | <ul style="list-style-type: none"> • Management of the entire Development Land Use and Planning department. • Compile and manage the Directorate's annual Capital and Operational Budget. • Provision of GIS support and analysis and the undertaking of specific GIS related projects and initiatives. • Management, maintenance and implementation of the municipal multi-disciplinary sustainable human settlement policy and framework • Co-ordinate the integration of the multi-sectorial and inter-sphere processes and demands relating to the delivery of sustainable human settlements. |

Chapter 2

Director: Spatial Planning & Human Settlement

- Co-ordination of housing functions in line with the Provincial and National policies, on behalf of the Provincial Department of Developmental Local Government and Housing.
- Developing and implementing strategies to meet investment challenges.
- Establishing and managing contractual and other relationships with government departments, service providers, organised business and other stakeholder bodies, to ensure sustainability of projects.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Chapter 3 of the Constitution (1996) describes the three spheres of government (National, Provincial and Local) as being 'distinctive, interdependent and interrelated' and enjoins them to 'cooperate with one another in mutual trust and good faith'. An important element of this cooperative relationship is that there needs to be a clear understanding of each sphere of government's powers and functions to ensure that a sphere of government or organ of state 'does not encroach on the geographical, functional or institutional integrity of government in another sphere'. In addition to the Constitution, various pieces of legislation govern or organises the system of intergovernmental relations. Among other things, the legislation formalises the different spheres' roles and responsibilities with regard to various functions and provides for a range of consultative structures.

The South African system of intergovernmental relations is complex and continues to evolve as better modes of cooperation and coordination emerge and as functions are shifted between the spheres. The following key elements and principles underpin the intergovernmental system:

- **Accountability:** Each sphere has specific constitutionally defined powers and responsibilities, is accountable to its legislature or council and is empowered to set its own priorities. The power of national government to intervene in provincial and local government matters, and provincial governments to intervene in local government matters, depends on whether the relevant sphere fails to carry out an executive obligation.
- **Transparency and good governance:** Accountability of political representatives to the electorate and transparent reporting arrangements within and between spheres is at the heart of the intergovernmental system. While political executives are responsible for policy and outcomes, the officers are responsible for implementation and outputs.
- **Mutual support:** National and provincial governments have a duty to strengthen the capacity of municipalities. Spheres of government must also act cooperatively towards each other, for instance through avoiding legal action until all other mechanisms have been exhausted.
- **Redistribution:** The three spheres all have important roles to play in redistribution, but because inequalities exist across the country, the redistribution of resources is primarily a national function. Where provinces and municipalities undertake redistribution, the challenge is to do this in line with their fiscal capacity and not to undermine economic activity and their financial viability. Redistribution among the three spheres is achieved through the vertical division of revenue. Redistribution among provinces and municipalities is effected through their

Chapter 2

respective equitable share formulae.

- **Vertical division:** Determining the allocation to each sphere of government inevitably involves trade-offs that are made in the course of a comprehensive budget process driven by political priorities, and which covers all aspects of governance and service delivery. Separate and ad hoc requests for funds fragment the coherence of the budget and undermine the political process of prioritization.
- **Revenue-sharing:** The fiscal system takes into account the fiscal capacity and functions assigned to each sphere. Provinces and municipalities are funded from own revenues, equitable share allocations, and conditional and unconditional grants. The grant system must be simple and comprehensive and not compensate provinces and municipalities that fail to collect own revenues.
- **Broadened access to services:** The Constitution and current government policy prioritises broadening access to services. The responsible spheres are expected to design appropriate levels of service to meet customer needs in an affordable manner, explore innovative and efficient modes of delivery, and leverage public and private resources to fund infrastructure.
- **Responsibility over budgets:** Each sphere of government has the right to determine its budget and the responsibility to comply with it. To reduce moral hazard and ensure fairness, national government will not bail out provinces or municipalities that mismanage their funds, nor provide guarantees for loans.

The model consists of a process by which joint and collaborative planning is undertaken at local, district and metropolitan by all three spheres of governance resulting in a single strategically focused One Plan for each of the district geographic spaces in the country, where in the district is seen as the landing strip. Therefore, the model is practical Intergovernmental relations (IGR) mechanism to enable all three spheres of government to work together, with communities and stakeholders, to plan, budget and implement in unison. The DRRSMDM established the structure, developed One Plan, meetings with stakeholders are held on a quarterly basis to reflect on the implementation of the plan.

T 2.3.0

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

Currently the Greater Taung Local Municipality (GTLM) is not involved in any National Forum Structures.

T 2.3.1

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Mayor and the Municipal Manager represents and participate in the North West Premiers Coordinating Committee, where issues affecting the Province and the Municipalities are discussed. The Speaker and Officials in the Office of the Speaker attends and participate in the Provincial Speakers Forum. GTLM did attend Mayoral Forum, Municipal Manager's and the CFO Forum during the course of the year where information of mutual interest was shared.

T 2.3.2

Chapter 2

RELATIONSHIPS WITH MUNICIPAL ENTITIES

GTLM does not have any entities in place.

T 2.3.3

DISTRICT INTERGOVERNMENTAL STRUCTURES

The District does have the following structures in place that seeks to coordinate development in the district:

Mayor's Forum
Municipal Manager's Forum
CFO's Forum
IDP Steering Committee
IDP Rep Forum
Inter-Governmental Relations Forum
District Development Model

T 2.3.4

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

Community and stakeholder participation in matters of local government is a cornerstone of democracy. Section 152 of the South African Constitution (Act 108 of 1996) puts it succinctly that: "the objects of local government include, amongst others, the encouragement of involvement of community and community organisations in matters of local government". Furthermore, the Local Government: Municipal Systems Act (Act 32 of 2000) states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose encourage, and create conditions for the local community to participate in the affairs of the municipality, including in the preparation, implementation and review of its integrated development plan.

Furthermore, community participation, through appropriate structures, is a fundamental requirement of the Constitution (1996), the Municipal Systems Act (2006), the Municipal Finance Management Act (2003) and all other legislation that is applicable to Local Government in South Africa. GTLM council has institutionalised community participation mechanisms in its affairs to allow communities an opportunity to participate in the decision-making processes of council.

Section 16 of the MSA requires municipalities to complement formal representative government with a system of participatory governance, and must for this purpose, inter alia, encourage, and create conditions for the local community to participate in the affairs of the municipality, including in the preparation, implementation and review of its integrated development plan, the establishment, implementation and review of its performance management, the monitoring and review of its performance, including the outcomes and impact of such performance and the preparation of its budget. Therefore, in line with this requirement, the centerpiece of the public participation ethos of the Greater Taung Local Municipality is anchored on the processes related to the preparation and reporting on the implementation of the municipality's Integrated Development Plan (IDP) and Budget each year.

Chapter 2

Greater Taung actively pursues meaningful public participation and has structured its activities relevant to the IDP, Budget and Ward issues accordingly. It also engages on feedback sessions and not only information gathering. This enhances transparency and accountability. In summary, on the overview of public accountability and participation, Greater Taung embarks extensively on ensuring public participation at ward committee meetings, IDP and Budget public ward meetings, IDP Representative Forum, and other stakeholder engagements. The oversight report is also widely publicised. The Municipal Public Accounts Committee (MPAC) is operational and measures are in place to protect personal information. The municipality has established Ward Committees in all 24 wards to assist the municipality to consult with its communities.

The Mayor engages in Imbizo's which provided a platform for further interaction and engagement with the communities on regular intervals

T 2.4.0

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

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

Residents, Communities and Stakeholders (Civil Society)

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

Participating in the IDP Representative Forum to:

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

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

COMMUNITY BASED PLANNING

During the current IDP Review Process GTLM once again ensured that communities were consulted to inform the Amended IDP and in so doing allow communities to own the development priorities in their respective wards and villages.

This was done through the Community Based Planning Methodology that runs parallel with the IDP Processes.

A total of 114 CBP meetings were held, and 4 954 residents attended these meetings.

Communities were once again informed to clearly understand the purpose of and the difference between the **CBP Priority Register** and **The Project Register**.

Chapter 2

GTLM makes a clear difference between the two registers, and it is there for important to note that administration needs to gather information and record the needs to ensure effective forward planning.

The priorities of the current CBP were confirmed by the Ward Councillors to ensure that Sector Planning and Programmes are based on the priorities as determined by the communities and in order to focus budget and resource allocations towards the most important priorities.

Communities were advised to review their priorities but not to “re-invent the wheel”. This approach is important to ensure consistency in planning that will address identified priority issues in the short and long term. In instances where a Ward did not submit new priorities the priorities of the previous financial year were used for planning purposes.

T 2.4.1

WARD COMMITTEES

The purpose of a ward committee is:

- To solicit improved participation from the community to inform Council decisions;
- To ensure effective communication between the Council and the community; and
- To assist the Ward Councillor with consultation and report-backs to the community.

Ward committees are elected by the community they serve. A ward committee may not have more than ten members and women and youth should be well represented. The Ward Councillor acts as the chairperson of the ward committee. Although ward committees have no formal powers, they advise the Ward Councillor who makes specific submissions directly to the Council.

The ward committees support the ward councillor who receives reports on development, participate in development planning processes, and facilitate wider community participation. To this end, the Municipality constantly strives to ensure that all ward committees function optimally with community information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities.

T 2.4.2

| Public Meetings | | | | | | |
|-------------------------------|----------------|---|--|---------------------------------------|--------------------------|---|
| Nature and purpose of meeting | Date of events | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Issue addressed (Yes/No) | Dates and manner of feedback given to community |
| | | | | | | |
| | | | | | | |
| T 2.4.3 | | | | | | |

Chapter 2

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

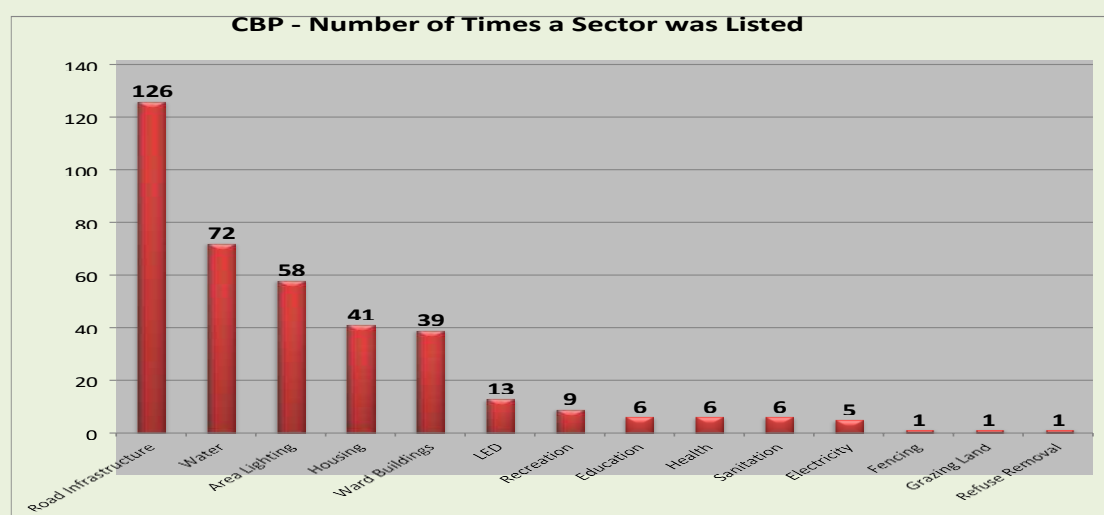
The GTLM established Ward Committees in all the 24 Wards to enhance public participation and accountability. These structures are a mechanism that the municipality uses to disseminate information and address the challenges of the communities in an effective manner. The Ward Mass Meetings held as well as Imbizo's also provides a platform for effective interaction and accountability for Council and the community. Council benefits positively as a result of the above systems, in that consultation is done with the broader community of GTLM on matters of service delivery.

IDP Public Meetings are held annually in all twenty four (24) wards of the municipal jurisdiction in order to engage the public on the integrated planning. Meetings are effective because the needs that are collated from those meetings inform the project section of the IDP and assist in prioritisation, planning and integration with the municipal budgeting process. In the previous year, in order to strengthen community engagements, EXCO members and Councillors were encouraged to hold area specific public engagements across the entire municipality.

CBP - analysis of priority needs identified per sector

The Table and Graph below reflects the number of times that a sector was listed under the top three priorities. This gives an indication of the most important sectors or issues that need to be addressed in the IDP and SDBIPs and for which resources must be allocated to ensure that the most important priorities of the communities are addressed.

The information as reflected on the consolidated CBP Analysis is crucial to inform the Project Phase and the planning of the Project Task Teams of GTLM, The Dr Ruth S Mompoti District Municipality, Parastatals and The Provincial Sector Departments to ensure resources are focused on the needs as identified by the communities on the following table:



T 2.4.3.1

Chapter 2

2.5 IDP PARTICIPATION AND ALIGNMENT

The Amended Fifth generation IDP (2021-2025) provide an opportunity to strengthen integrated planning, budgeting and implementation across all spheres of government and the private sector in a meaningful way in pursuit of sustainable development. The objects as set out in Sections 152 and 153 of the Constitution, aims to create synergy between different municipal planning instruments and National / Provincial policy directives.

Greater Taung Municipal Council remained focused on how best to respond to its constitutional and developmental mandate through its overarching strategic development focus areas. The Municipal Key Performance Areas (KPA's) and Strategic Objectives directs future development, potential investment and possible public/private partnership interventions. The Key Performance Areas and Strategic Objectives, guide service delivery as per municipality developed annual Service Delivery Budget Implementation Plan (SDBIP) and development. Section 28 (i) of the Municipal Systems Act, No 32 of 2000 requires that a Municipal Council adopts a schedule of activities to guide the drafting and review of its Integrated Development Plan. The IDP process plan/time schedule articulates the progressive activities and processes which the Municipality will embark upon during the annual review of its 6th (Sixth) Generation Integrated Development Plan and implementation during the 2022/2023 period. The IDP process plan for the 2023/2024 IDP review was unanimously adopted by Council in August 2024.

The development of the IDP is undertaken inclusive of non-statutory specific sector plans; i.e. the Municipal Spatial Development Framework, the Municipal Disaster Plan, the Municipal Economic Development Strategy and lastly the Municipal Financial Plan/Budget for a specific term or financial and outer years. The alignment of the IDP with the Spatial Development Framework (SDF), relates the spatial planning and development foreseen for the financial year in planning. The alignment of the IDP relates to aligning the IDP with the Provincial Growth and Development Strategy, the National Development Plan, and more importantly the Five National Key Performance Areas; Good Governance, Basic Services, Municipal Financial Viability, Municipal Transformation and Organizational Development and Local Economic Development.

| 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? | No |
| 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 56 Managers | Yes |
| Do the IDP KPIs lead to functional area KPIs as per the SDBIP? | Yes |
| Were the indicators communicated to the public? | Yes |
| Were the four quarter aligned reports submitted within stipulated time frames? | No |
| T 2.5.1 | |

Chapter 2

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

In GTLM the principles of good corporate governance as expounded in the King IV report are embraced and applied within the organisation. To the extent that these King IV principles are not directed by legislation (e.g. the Municipal Finance Management Act (MFMA) and Municipal Systems Act (MSA), it is applied as far as possible in the context that these principles indicate the “right way to do things”. These principles relate to, amongst others, to ethical governance, implementation of controls to prevent fraud, corruption, and management of risk.

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

In the instance of GTLM it requires cooperation between the political and administrative structures as well as the buy-in and involvement of Traditional Leaders.

The past year was a very challenging year for GTLM regarding Corporate Governance due to the institutional challenges that were experienced at high level management and relationships.

T 2.6.0

2.6 RISK MANAGEMENT

The realisation of the institutional strategic plans depends on the ability to take calculated risks in a way that does not jeopardise the direct interests of stakeholders. Sound management of risk will enable the institution to anticipate and respond to changes in the service delivery environment, as well as to take informed decisions under conditions of uncertainty.

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

The management of risk is the process by which the Accounting Officer, the CFO and the other senior management of a Municipality will pro-actively, purposefully and regularly, but at least annually, identify and define current as well as emerging business, financial and operational risks and identify appropriate, business and cost effective methods of managing these risks within the Municipality, as well as the risk to the stakeholders.

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

Chapter 2

is achieved through various methods including employee training on the principles and practices of risk management, coordinating efforts in determining the municipality's risk exposure and in the development of mitigating actions by management for addressing the identified risks. The municipality's Risk Management, Anti-fraud and Anti-corruption Committee (RMAAC) is functional.

Before the beginning of the financial year the district shared risk unit conduct the risk assessment and on quarterly basis conduct the risk update to check mitigation progress on all identified risks.

T 2.6.1

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the MFMA, section 112(1)(m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favoritism and unfair and irregular practices, section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud. Greater Taung Local Municipality contributes to the principles of good governance which requires the conduct of business in an honest and transparent manner. GTLM confirms commitment in fighting fraudulent behavior at all levels within the organisation. In 2023/2024 financial year Greater Taung Local Municipality submitted the reviewed Local Government Fraud and Anti-corruption strategy and policy to Council which include:

- Whistle Blowing Policy
- Ethics policy
- Fraud and anti-corruption policy
- Fraud Prevention Plan

Internal Audit Unit

Greater Taung Local Municipality has the internal audit unit responsible to advise the Accounting Officer and report to the Audit Committee on the implementation of the internal audit plan and matters as stipulated in section 165 of the MFMA.

Audit Committee

Greater Taung Local Municipality has established its own audit committee to advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, or the board of directors, the accounting officer and the management staff of the municipal entity, on matters as stipulated in section 166 of the MFMA. In the year under review the audit committee was very functional as they regularly held their meetings in line with the approved audit committee meeting.

Human Resources Management

Screening procedures are performed prior to the employment of officials. All employees signed the code of conduct on appointment. New employees are inducted to introduce them to the culture of the municipality. In the process the employees are provided with the policies and procedures of the municipality to encourage good business conduct in performing the duties.

Chapter 2

Financial Control

Greater Taung Local Municipality only incurs expenditure in terms of the approved budget and within limits of the amounts appropriated in votes. A delegation framework was reviewed and approved by council for adoption to maximize administrative and operational efficiency to provide adequate checks and balances in the municipality financial administration.

T 2.7.1

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

Sections 110 – 119 of the Municipal Finance Management Act, Act 56 of 2003, Supply Chain Management (SCM) Regulations 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.

Greater Taung Local Municipality approved a supply chain management policy that is fair, equitable, transparent, competitive and cost effective. In case of an abuse of supply chain management system the accounting officer implement the procedures according to the supply chain management policy to combat fraud. The supply chain management policy is aimed primarily at promoting uniformity in SCM processes and also in the interpretation of government's preferential procurement legislation and policies, which should themselves be seen in the context of other related legislative and policy requirements.

SCM Processes are being updated on an ongoing basis to ensure full compliance with the Municipal Finance Management Act (MFMA) and the Regulations issued under the MFMA. The SCM Manager complies with the MFMA minimum competency levels. Approximately 90% of the officials in the SCM Unit are competent with the regulations on minimum competency levels.

Councillors after being elected or appointed declare in writing to the municipal manager the financial interest held by that councillor.

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

The procurement processes covers:

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

SCM is centralised with all bid committees being fully functional. The Bid Adjudication Committee meetings are held regularly, and no councillors are allowed to serve on any SCM committees. Contract management is being adhered to, as stipulated in Section 116 of the MFMA.

The MFMA expects all municipalities to ensure that they develop and maintain a well-documented, operational procurement system, within a system which is fair equitable, competitive, cost effective and transparent. This process is and will always remain one of the highest exposures to fraud and corruption

Chapter 2

in any organization in the government. The process is, by necessity, highly regulated and very complex including a wide array of legislative and procedural requirements and prescripts.

Deviation from the Supply Chain Management Regulations

Paragraph 12(1)(d)(i) of Government Gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process. Regulation 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that the relevant reasons are recorded for any deviations and reported to the next meeting of the Accounting Officer and includes a note to the Financial Statements

T 2.8.1

2.9 BY-LAWS

| By-laws Introduced during 2023/2024 | | | | | |
|-------------------------------------|---------|--|-------------------------------|----------------------------|---------------------|
| 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 |
| Stray animal bylaw | None | N/a | N/a | N/a | N/a |
| *Note: See MSA section 13. | | | | | |

T 2.9.1

COMMENT ON BY-LAWS:

Section 11 of the MSA gives municipal council the executive and legislative authority to pass and implement by - laws and policies. Once the by-laws are gazetted, people who are in contravention will be criminally prosecuted in a court of law and could be sentenced to pay a fine or even to direct imprisonment.

T 2.9.1.1

2.10 WEBSITES

Municipalities are required to develop and maintain a functional website that displays relevant information as per the requirements of Section 75 of the MFMA and Section 21A and B of the MSA as amended. The website should serve as a mechanism to promote accountability and transparency to communities and therefore information posted should be accurate and timeously updated.

The municipal website is a key communication mechanism in terms of service offering, information sharing and public participation. It is a communication tool that should allow easy and convenient access to relevant information.

Section 75 of the MFMA requires that municipalities place key documents and information on their website, including the IDP, annual budget, adjustment budget and budget related documents and policies.

Chapter 2

| Municipal Website: Content and Currency of Material | | |
|--|----------|-----------------|
| Documents published on the Municipality's Website | Yes / No | Publishing Date |
| Current annual and adjustments budgets and all budget-related documents | No | N/a |
| All current budget-related policies | No | N/a |
| The previous annual report (2022/23) | No | N/a |
| The Annual Report (2023/24) published/to be published | No | N/a |
| All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2023/24) and resulting scorecards | No | |
| All service delivery agreements (2023/24) | No | N/a |
| All supply chain management contracts above a prescribed value (give value) for 2023/24 | No | N/a |
| An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2023/24 | No | N/a |
| Contracts agreed in 2023/24 to which subsection (1) of section 33 apply, subject to subsection (3) of that section | No | N/a |
| All quarterly reports tabled in the council in terms of section 52 (d) during 2023/24 | No | N/a |
| T 2.10.1 | | |

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

In 2023/2024 financial year around June GTLM website was upgraded and became live, the process of upgrading took long time than it was expected and it is for this reason that table above mostly indicates no uploading of documents. Officials in IT and Communication Unit attended training on updating and uploading of the website and respective department are required to submit information and documents

T 2.10.1.1

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFCATION LEVELS

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

T 2.11.1

| Satisfaction Surveys Undertaken during 2023/24 | | | | |
|--|---------------|-------------|----------------------------------|---|
| Subject matter of survey | Survey method | Survey date | No. of people included in survey | Survey results indicating satisfaction or better (%)* |
| Overall satisfaction with: | Not conducted | N/a | 0 | N/a |
| (a) Municipality | None | N/a | 0 | N/a |
| (b) Municipal Service Delivery | None | N/a | | N/a |
| (c) Mayor | None | N/a | | N/a |
| Satisfaction with: | Not conducted | N/a | 0 | N/a |
| (a) Refuse Collection | None | 0 | 0 | N/a |
| (b) Road Maintenance | None | 0 | 0 | N/a |
| (c) Electricity Supply | None | 0 | 0 | N/a |
| (d) Water Supply | None | 0 | 0 | N/a |
| (e) Information supplied by municipality to the public | None | 0 | 0 | N/a |

Chapter 2

| | | | | |
|---|------|---|---|----------|
| (f) Opportunities for consultation on municipal affairs | None | 0 | 0 | N/a |
| * The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory | | | | T 2.11.2 |

Concerning T 2.11.2:

In order for the municipality to conduct community satisfaction survey budget must be made available and in 2023-2024 financial year budget was not made available for the survey due to financial constraints
T 2.11.2.1

COMMENT ON SATISFACTION LEVELS:

The municipality could not determine the satisfaction levels as the community satisfaction survey was not conducted during the year under review. In the new financial year budget inputs to conduct community satisfaction will be submitted by office of the municipal manager to Budget and Treasury Office to make provision
T 2.11.2.2

Chapter 3

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

INTRODUCTION

Performance management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review individual performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the Municipality.

At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

Some of the legislative prescripts include: Section 152 of the Constitution of the Republic (1996), section 152 local government to be “democratic and accountable government”. Section 195 (1) of the Constitution requires the following from local government, inter alia:

- the promotion of efficient, economic and effective use of resources,
- accountable public administration,
- to be transparent by providing information,
- to be responsive to the needs of the community, and
- to facilitate a culture of public service and accountability amongst staff.

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In terms of section 46(1)(a) of the Municipal Systems Act a Municipality must prepare for each financial year a performance report reflecting the Municipality's and any service provider's performance during the financial year, including comparison with targets of and with performance in the previous financial year. The report must, furthermore, indicate the development and service delivery priorities and the performance targets set by the Municipality for the following financial year and measures that were or are to be taken to improve performance.

T 3.0.1

Chapter 3

COMPONENT A: BASIC SERVICES

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

INTRODUCTION TO BASIC SERVICES

The South African Constitution states that municipalities have the responsibility to make sure that all citizens are provided with services to satisfy their basic needs. Local government (municipality) is the sphere of government closest to the people, they are elected by citizens to represent them and are responsible to ensure that services are delivered to the community. One way in which municipalities can do this is to provide the service themselves through the use of their own resources - finance, equipment and employees. A municipality may also outsource the provision of a service. In other words, it may choose to hire someone else to deliver the service but it remains the responsibility of the municipality to choose the service provider and to make sure that they deliver the service properly.

Many municipalities, however, are unable to deliver services to residents. This might be because of lack of finances or lack of capacity to provide a good service at an affordable price.

GTLM is responsible for water and sanitation provision at Reivilo town and Boipelo township, and electricity at Reivilo town and for the remainder of the area the Dr Ruth S Mompati is the service authority for water and sanitation. Eskom is providing electricity in all areas in GTLM except Reivilo town where GTLM is licensed as Electricity Service Provider. GTLM still need to address basic services backlogs in all sectors. Good progress was made with regard to electricity and water provision, but sanitation provision still needs to be addressed in many areas which are using pit latrine toilets which pose a negative environmental impact. Roads also need to be addressed based on the CBP input that was gathered. This sector was prioritized as the most critical sector that needs attention.

Refuse removal is rendered by GTLM in the three towns, Taung CBD, Pudimoe and Reivilo. GTLM still need to address basic services backlogs in all sectors. Good progress was made with regard to electricity and water provision but sanitation provision still needs to be addressed in many areas which are using pit latrines which pose a negative environmental impact.

Roads also need to be addressed based on the CBP input that was gathered. This sector was prioritized as the most critical sector that needs attention.

T 3.1.0

3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

One of the major goals of the South African Government is to ensure access to safe and reliable water services to all the communities. Notwithstanding the best possible raw water sources, adequate treatment infrastructure and optimal treatment process can achieve safe and reliable drinking water services to consumers and unexpected incidents can disrupt water supplies. Natural disasters such as floods and manmade incidents can significantly disrupt and impact on the quality of water services thus posing a significant health risk to consumers.

Chapter 3

The Water Services Act (No.108 of 1997, section 5(4)) states that in emergency situations, a Water Service Authority (WSA) must take reasonable steps to provide basic water supply to any person within its area of jurisdiction and may do so at the cost of the authority.

Recent legislation includes the Water Services Act 1997 and the General Enabling Act 2005

To provide for the rights of access to basic water supply and basic sanitation; to provide for the setting of national standards and of norms and standards for tariffs; to provide for water services development plans; to provide a regulatory framework for water services institutions and water services intermediaries; to provide for the establishment and disestablishment of water boards and water services committees and their powers and duties; to provide for the monitoring of water services and intervention by the Minister or by the relevant Province; to provide for financial assistance to water services institutions; to provide for certain general powers of the Minister; to provide for the gathering of information in a national information system and the distribution of that information; to repeal certain laws; and to provide for matters connected therewith.

the district is responsible for the implementation of capital projects and the maintenance responsibility falls within the functions of Sedibeng. It should be noted that in certain instances the municipality has been providing water using its own tankers.

The GTLM Water unit has made significant progress in the provision of water services, but some critical challenges remain, i.e. extensions and internal reticulation. Institutional arrangements and strategies have been put in place to overcome the challenges and to meet key policy as well as legislative requirements. Progress on the objectives as set out in DWA's critical policy document, the National Strategic Framework for Water Services. Through indigents register and policies, the municipality is able to provide basic services to the needy community.

GTLM water unit is operating with two water trucks (one new truck allocated by DRRSM and the other is old and unreliable). Institutional arrangements and strategies have been put in place to overcome the challenges and to meet key policy as well as legislative requirements. Progress on the objectives as set out in DWA's critical policy document, the National Strategic Framework for Water Services. Through indigents register and policies, the municipality is able to provide basic services to the needy community.

T 3.1.1

COMMENT ON WATER USE BY SECTOR:

The above refer to only Reivilo Town where GTLM has the authority

Reliable, clean supply of drinking water to sustain our health is a high priority in Greater Taung Local Municipality. The municipality also needs water for agriculture, recreation, and manufacturing purposes. Many of these uses put pressure on water resources, stresses that are likely to be exacerbated by climate change. In many areas, climate change is likely to increase water demand despite shrinking water supplies. This shifting balance would challenge water managers to simultaneously meet the needs of growing communities, sensitive ecosystems, farmers, and manufacturers.

In some areas, water shortages will be less of a problem than increases in runoff, flooding, etc. These effects can reduce the quality of water and can damage the infrastructure that we use to transport and deliver.

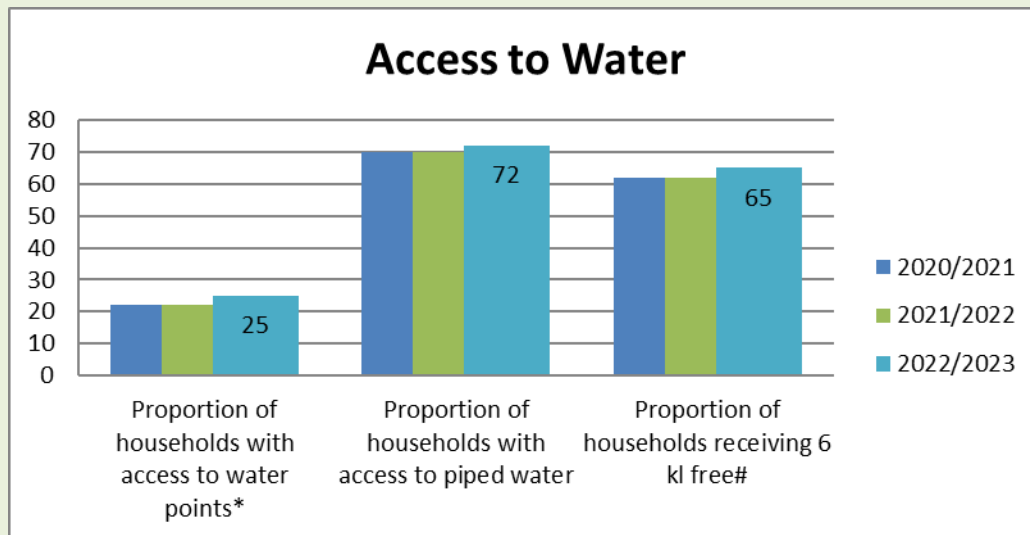
T 3.1.2

Chapter 3

| Water Service Delivery Levels | | | | |
|---|---------------|---------------|---------------|-------------------------|
| Description | 2020/21 | 2021/22 | 2022/23 | Households 2023/2024 |
| | Actual No. | Actual No. | Actual No. | Actual No. |
| Water: (above min level) | | | | |
| Piped water inside dwelling | 2111 | 2111 | 2111 | 2111 |
| Piped water inside yard (but not in dwelling) | 5662 | 5662 | 5662 | 5662 |
| Using public tap (within 200m from dwelling) | 20952 | 20952 | 20952 | 20952 |
| Other water supply (within 200m) | 15265 | 15265 | 15265 | 15265 |
| <i>Minimum Service Level and Above sub-total</i> | 43990 | 43990 | 43990 | 43990 |
| <i>Minimum Service Level and Above Percentage</i> | 89% | 89% | 89% | 89% |
| Water: (below min level) | | | | |
| Using public tap (more than 200m from dwelling) | 2873 | 2873 | 2873 | 2873 |
| Other water supply (more than 200m from dwelling) | 1178 | 1178 | 1178 | 1178 |
| No water supply | 1169 | 1169 | 1169 | 1169 |
| <i>Below Minimum Service Level sub-total</i> | 5220 | 5220 | 5220 | 5220 |
| <i>Below Minimum Service Level Percentage</i> | 11% | 11% | 11% | 11% |
| Total number of households* | 49210 | 49210 | 49210 | 49210 |
| * - To include informal settlements | | | | T 3.1.3 |

| Households - Water Service Delivery Levels below the minimum | | | | | | |
|--|---------------|---------------|---------------|---------------------------|---------------------------|---------------|
| Description | Households | | | | | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/2024 | | |
| | Actual No. | Actual No. | Actual No. | Original Budget No. | Adjusted Budget No. | Actual No. |
| Formal Settlements | | | | | | |
| Total households | 43 990 | 43 990 | 43 990 | 0 | 0 | 0 |
| Households below minimum service level | 5 220 | 5 220 | 5 220 | 0 | 0 | 0 |
| Proportion of households below minimum service level | 11% | 11% | 11% | | % | 0% |
| Informal Settlements | | | | | | |
| Total households | 0 | 0 | 0 | 0 | - | 0% |
| Households ts below minimum service level | 0 | 0 | 0 | 0 | - | 0% |
| Proportion of households ts below minimum service level | 0% | 0% | 0% | 0% | - | 100% |
| | | | | | | T 3.1.4 |

Chapter 3



* Means access to 25 liters of potable water per day supplied within 200m of a household and with a minimum flow of 10 liters per minute

6,000 liters of potable water supplied per formal connection per month

T 3.1.5

| 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 | 17 | 19 | 17 | 2 | 11% |
| 4 - 6 | 3 | 6 | 3 | 3 | 50% |
| 7 - 9 | 3 | 3 | 3 | 0 | 0% |
| 10 - 12 | 0 | 2 | 0 | 2 | 100% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0% |
| 19 - 20 | 1 | 1 | 1 | 1 | 100% |
| Total | 25 | 32 | 25 | 8 | 19% |

T3.1.7

| Financial Performance: Water and Sanitation Services | | | | | |
|--|---|-----------------|-------------------|--------|--------------------|
| R'000 | | | | | |
| Details | 2022/23 | 2023/24 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | Financial Information covered in the Annual Financial Statement | | | | |
| Expenditure: | | | | | |
| Employees | | | | | |
| Repairs and Maintenance | | | | | |
| Other | | | | | |
| Total Operational Expenditure | | | | | |
| Net Operational Expenditure | | | | | |

Chapter 3

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 3.1.7

| Capital Expenditure 2023/2024: Water Services | | | | | |
|--|-----------|----------------------|-----------------------|----------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2023/2024 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | | | | | |
| Project A | N/a | N/a | N/a | N/a | N/a |

T 3.1.9

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

The budget of R3 010 000.00 million was spent on the maintenance of water and sewer network and about 100 % was spent against the budget. It should be noted that the unit went over its budget by approximately 10%.

The Municipality incurred no cost in relation to the capital expenditure for water services as the function largely lay with the District Municipality as Water Service Authority.

T 3.1.10

3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

Sanitation is the hygienic means of promoting health through prevention of human contact with the hazards of wastes as well as the treatment and proper disposal of sewage wastewater. Hazards can be physical, microbiological, biological or chemical agents of disease. Wastes that can cause health problems include human and animal feces, solid wastes, domestic wastewater (sewage, sullage, and grey water), industrial wastes and agricultural wastes. Hygienic means of prevention can be by using engineering solutions (e.g. sewerage and wastewater treatment), simple technologies (e.g. latrines, septic tanks), or even by personal hygiene practices (e.g. simple hand washing with soap).

The strategy for the provision of basic sanitation:

A basic sanitation facility is a sanitation facility which is safe, reliable, private, protected from the weather, ventilated, keeps smells to the minimum, is easy to keep clean and minimizes the risk of the spread of sanitation related diseases by facilitating the appropriate control of disease carrying flies and pests, and enables safe appropriate treatment and/or removal of human waste and black or grey water in a sound environmentally sound manner.

The Free Basic Sanitation strategy is aimed at ensuring that the sanitation backlog is eradicated and ensuring the government provide all people to have access to a functional sanitation facility.

T 3.2.1

Chapter 3

The information populated in Table 3.2.3 does not make any changes to the graph that was supposed to be in table 3.2.2.

T 3.2.2

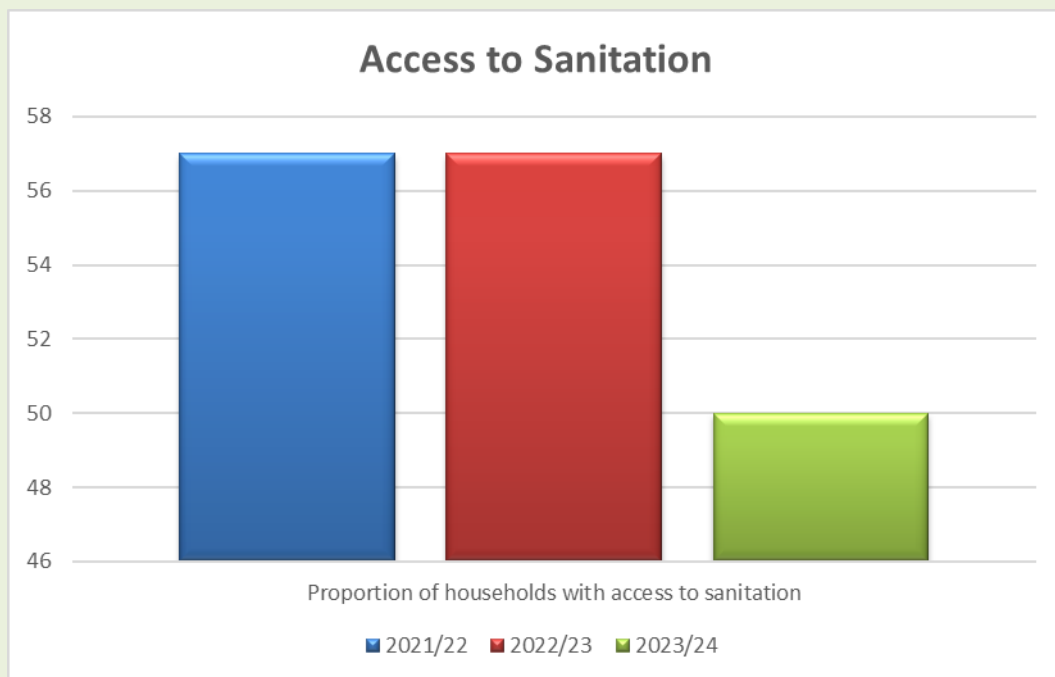
| Sanitation Service Delivery Levels | | | | |
|---|--------------|--------------|--------------|--------------|
| Description | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
| | Outcome No. | Outcome No. | Actual No. | Actual No. |
| *Households | | | | |
| <u>Sanitation/sewerage: (above minimum level)</u> | | | | |
| Flush toilet (connected to sewerage) | 14941 | 14941 | 14941 | 14941 |
| Flush toilet (with septic tank) | 452 | 452 | 452 | 452 |
| Chemical toilet | 910 | 910 | 910 | 910 |
| Pit toilet (ventilated) | 35130 | 35130 | 35130 | 35130 |
| Other toilet provisions (above min.service level) | 0 | 0 | 0 | 0 |
| Minimum Service Level and Above sub-total | 51433 | 51433 | 51433 | 51433 |
| Minimum Service Level and Above Percentage | 96.0% | 96.0% | 96.0% | 96.0% |
| <u>Sanitation/sewerage: (below minimum level)</u> | | | | |
| Bucket toilet | 1178 | 1178 | 1178 | 1178 |
| Other toilet provisions (below min.service level) | 589 | 589 | 589 | 589 |
| No toilet provisions | 803 | 803 | 803 | 803 |
| Below Minimum Service Level sub-total | 2570 | 2570 | 2570 | 2570 |
| Below Minimum Service Level Percentage | 4.7% | 4.7% | 4.7% | 4.7% |
| Total households | 54003 | 54003 | 54003 | 54003 |
| *Total number of households including informal settlements | | | | |

T 3.2.3

| Households - Sanitation Service Delivery Levels below the minimum | | | | | | |
|---|------------|------------|------------|---------------------|---------------------|------------|
| Description | 2021/2022 | 2022/23 | 2023/24 | 2023/24 | | |
| | Actual No. | Actual No. | Actual No. | Original Budget No. | Adjusted Budget No. | Actual No. |
| Households | | | | | | |
| Formal Settlements | | | | | | |
| Total households | 41297 | 41297 | 41297 | – | – | – |
| Households below minimum service level | 20235 | 20235 | 20235 | – | – | – |
| Proportion of households below minimum service level | 49% | 49% | 49% | 0% | 0% | 0% |
| Informal Settlements | | | | | | |
| Total households | 4270 | 4270 | 4270 | – | – | – |
| Households ts below minimum service level | 328 | 328 | 328 | – | – | – |
| Proportion of households ts below minimum service level | 8% | 8% | 8% | 0% | 0% | 0% |

T 3.2.4

Chapter 3



T 3.2.5

| Employees: Sanitation Services | | | | |
|--------------------------------|---------------------------------|-----------|----------------------------------|-----------------------------------|
| Job Level | 2023/2024 | | | |
| | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | % |
| 0 - 3 | Combined with Water Section 3.1 | | | |

T 3.2.6

| Financial Performance 2023/2024: Sanitation Services | | | | | |
|--|-------------|-----------------|-------------------|--------|--------------------|
| R'000 | | | | | |
| Details | 2022/2023 | 2023/2024 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | | | | | |
| Expenditure: | | | | | |
| Employees | | | | | |
| Repairs and Maintenance | R 2 243 827 | | | | |
| Total Operational Expenditure | R 2 243 827 | | | | |
| Net Operational Expenditure | | | | | |

T 3.2.7

Chapter 3

| Capital Expenditure 2023/2024 : Sanitation Services | | | | | |
|---|-----------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2023/2024 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | N/a | . | | | |
| Project A | N/a | N/a | N/a | N/a | N/a |
| T 3.2.8 | | | | | |

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

There is a need to improve systems for operations and maintenance that can ensure sustainable, reliable services and turn around time to consumers. Currently the municipal capacity to reliable service is overburdened due to the resources that are overstretched. On average the unit can only service fifty-five septic tanks with two honey suckers while the third one is on repairs. A schedule of routine check up inspections of ponds in Reivilio, Taung central and Matlapaneng to avoid being reactive on the maintenance. All the mentioned ponds need to be rehabilitated and the matter be taken up with the Water Service Authority being the district municipality.

GTLM is rendering full sanitation services at Reivilo town and Boipelo township. There is a sewer network at Boipelo township. Most of the households in Reivilo town are not connected to sewer network and utilizing septic tanks and the establishment of sewer network at Reivilo town is needed. Capital expenditure in relation to sanitation services had not been incurred by the municipality. A large part of the budget was directed to the maintenance of the sewer network.

T 3.2.9

ELECTRICITY

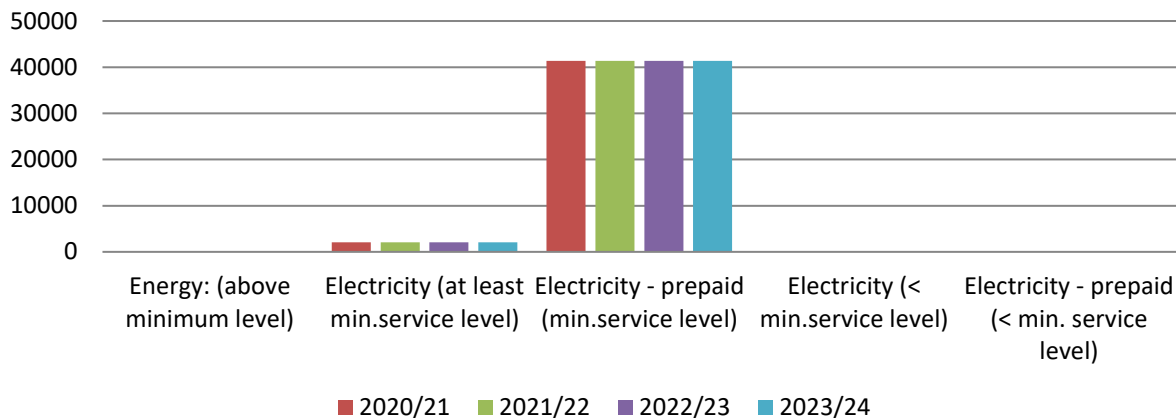
INTRODUCTION TO ELECTRICITY

Electricity is one of the most sought after basic services. Local government plays a very important role in the provision of electricity, as an agent for Eskom. Section 153 of the Constitution places the responsibility on municipalities to ensure the provision of services to communities in a sustainable manner for economic and social manner. GTLM provides electricity under licence only in Reivilo and is also responsible for the maintenance of the sub-station, transformers and the reticulation network. At present there is no backlog in the provision of electricity to household. The amendments to the regulations clarify the regime applicable to municipalities when requesting determinations under Section 34 of the Electricity Amendment Act, this will ensure an orderly development that is in line with the applicable Integrated Resource Plan (IRP) and municipal Integrated Development Plans (IDPs). The amendments will ensure that requests are from municipalities in good financial standing, with feasible project proposals.

T 3.3.1

Chapter 3

Electricity



T 3.3.2

| Electricity Service Delivery Levels | | | | |
|---|---------|---------|---------|-----------------------|
| Description | 2020/21 | 2021/22 | 2022/23 | Households 2023/24 |
| | Actual | Actual | Actual | Actual |
| | No. | No. | No. | No. |
| Energy: (above minimum level) | | | | |
| Electricity (at least min.service level) | 2035 | 2035 | 2035 | 2035 |
| Electricity - prepaid (min.service level) | 41330 | 41330 | 41330 | 41330 |
| <i>Minimum Service Level and Above sub-total</i> | 43365 | 43365 | 43365 | 43365 |
| <i>Minimum Service Level and Above Percentage</i> | 99.9% | 99.9% | 99.9% | 99.9% |
| Energy: (below minimum level) | | | | |
| Electricity (< min.service level) | – | – | – | – |
| Electricity - prepaid (< min. service level) | – | – | – | – |
| Other energy sources | 65 | 65 | 65 | 65 |
| <i>Below Minimum Service Level sub-total</i> | 0 | 0 | 0 | 0 |
| <i>Below Minimum Service Level Percentage</i> | 0.1% | 0.1% | 0.1% | 0.1% |
| Total number of households | 43430 | 43430 | 43430 | 43430 |
| | | | | T 3.3.3 |

Electrification Projects

| | |
|---|--------|
| Number of households in the municipality | 48612 |
| Number of households connected to grid | 43132 |
| Number of households not connected to grid | 1764 |
| Number of households provided with electricity by Eskom | 42,151 |
| Number of households in Reivilo provided by GTLM | 317 |

Chapter 3

Proposed, Approved and Implementation of electrification for 2023/2024

| Village Name | Proposed no. of Houses. | Approved No. of Houses | Status |
|------------------------------|--|------------------------|----------------|
| Infills | 1 000 | 500 | 100% Complete. |
| Lokgabeng Extension Phase3 | 100 | 130 | 100% Complete. |
| Choseng Phase2 | 80 | 24 | 100% Complete. |
| Manthe | 200 | 40 | 100% Complete. |
| Modimong | 70 | 168 | 100% Complete. |
| Myra Phase 3 | - | 125 | 100% Complete. |
| Pudimoe Extension | - | 23 | 100% Complete. |
| Mokgareng Extension 2 | | 446 | 98% complete. |
| Qale | 25 | 12 | 100% complete. |
| Lykso | 180 | 0 | 0% |
| Maphoitsile | 470 | 0 | 0% |
| Dikhuting | 35 | 0 | 0% |
| Kokomeng Farm (Koppie Enkel) | 1 (± 3km MV line and 16 KVA transformer) | 0 | 0% |

This service is rendered by a Service Provider and there for this table is not relevant to GTLM

| Employees: Electricity Services | | | | |
|---------------------------------|-----------|-----------|----------------------------------|-----------------------------------|
| Job Level | 2023/2024 | | | |
| | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 |
| 4 - 6 | 1 | 1 | 0 | 0% |
| 7 - 9 | 0 | 0 | 0 | 0 |
| 10 - 12 | 2 | 2 | 0 | 0 |
| 13 - 15 | 0 | 0 | 0 | 0 |
| 16 - 18 | 0 | 0 | 0 | 0 |
| 19 - 20 | 1 | 1 | 0 | 0 |
| Total | 4 | 4 | 0 | 0% |

T 3.3.6

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

GTLM is rendering electricity services at Reivilo town only. Infrastructure at Reivilo is dilapidated and need to be upgraded. Municipality is changing from conventional system to prepaid system at Reivilo town. GTLM budgeted R5 800 000.00 for the maintenance of electrical network in Reivilo township. The municipality appointed service provider for a period of two years to deal with electrical maintenance in the said area.

T 3.3.7

Chapter 3

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

INTRODUCTION TO WASTE MANAGEMENT

Solid waste- and landfill site management:

The Municipality provides a weekly scheduled refuse collection service to residents and businesses. A key responsibility of the municipality is to safely dispose of waste, and to ensure the general cleanliness in the town's streets including public spaces. The Municipality is also mandated to ensure and enable the prevention of waste and pollution, as well as the minimisation of waste, but this is the combined responsibility of all of us, including the private sector and residents.

The Municipality has an Integrated Waste Management Plan (IWMP) and was taken to Council for approval prior to it being adopted and implemented. The plan was also submitted, as required by the National Environmental Management: Waste Act (59 of 2008) as amended, to be endorsed in terms of section 11(a) (ii) by the current MEC for the North-West Province's Department of Economic Development, Environment, Conservation and Tourism (DEDECT).

The Unit has ensured that the waste landfill sites comply with the license conditions and other legislative requirements (including the Minimum Requirements for waste Disposal by Landfill). Landfill sites are serviced on a daily basis by clearing of waste and by compacting it to avoid the wind-blown litter. Due to lack of fund the sites cannot be rehabilitated and continually monitored (in terms of Sections 20 and 45 of the NEMWA).

The municipality conducts campaigns to raise awareness about the current state of the environment and community is encouraged to separate waste from the source within their households. It is more efficient for waste collection trucks to collect waste that has already been sorted rather than waste that has not been separated. There were programmes for waste minimisation and recycling and these were implemented by municipality.

All the measures to treat, process and dispose of waste as provided in the NEMWA are addressed and implemented through local waste management plans and aligned by-laws. The Municipality do its utmost to inform and educate residents regarding littering using available waste information pamphlets. Street cleaning crews are operating in and around the CBD and entrance roads to the CBD at selected hours, in a week.

The Unit top 4 service delivery priorities are as follows:

Refuse removal: Entails domestic and business refuse removal and clearing of drop off points/ hotspots as per refuse collection schedule.

Illegal dumping: Clearing of illegal hotspots which consists mainly of general waste and builder's rubble. Illegal dumping can be reduced through improved enforcement of waste management by-laws, provision of communal skip facilities and public awareness campaigns. There is a lack of capacity to monitor and prevent illegal dumping in the GTLM.

Chapter 3

Litter picking: Littering occurs in all towns and villages in the GTLM, but mainly in Taung and Pudimoe. There are sufficient waste collection facilities such as skips, refuse bins in public areas and awareness campaigns. Enforcement is required within areas where littering is common.

Community Waste Awareness Campaigns: Awareness campaigns need to continue on a regular basis to encourage the community to make use of available bins and waste removal services; to stop littering and illegal dumping.

The Environmental Services Unit is understaffed. The organogram should be reviewed and new positions created to ensure an adequate waste collection service and management of the landfill sites. There is a lack of Environmental Management Inspector (EMI) or Waste Peace Officers to prevent illegal dumping, littering and to deal with environmental compliance and enforcement. Resource needs (vehicles, equipment and manpower) addressed to ascertain effective and continual waste collection and disposal within the entire jurisdiction area. The Municipality is appealing to the communities to not dump illegal waste, which can be hazardous to their health. Municipality will need to intensify recycling initiatives to minimize the amount of waste being transported

LIST OF SERVICES PROVIDED BY ENVIRONMENTAL SERVICES UNIT:

- basic waste management services to all residents.
- clearing illegally disposed waste.
- conserving resources and the environment.
- reducing landfill waste.
- ad hoc removal of garden refuse.
- provision of refuse removal services at events.
- reducing the impacts of waste on the health, well-being and environment.
- Grass cutting, parks, cemeteries and open spaces, beautification.
- Environmental Conservation: Bush Cutting and Tree Removal

The Waste Management Unit is understaffed. The organogram should be reviewed and new positions created to ensure an adequate waste collection service and management of the landfill sites. There is a lack of Environmental Management Inspector (EMI) or Waste Peace Officers to prevent illegal dumping, littering and to deal with environmental compliance and enforcement.

T 3.4.1

Chapter 3

| Solid Waste Service Delivery Levels | | | | |
|--|--------------|--------------|--------------|-----------------------|
| Description | 2020/21 | 2021/22 | 2022/23 | Households 2023/24 |
| | Actual | Actual | Actual | Actual |
| | No. | No. | No. | No. |
| <u>Solid Waste Removal: (Minimum level)</u> | | | | |
| Removed at least once a week | 3596 | 3596 | 3596 | 3596 |
| <i>Minimum Service Level and Above sub-total</i> | 3596 | 3596 | 3596 | 3596 |
| <i>Minimum Service Level and Above percentage</i> | 7.4% | 7.4% | 7.4% | 7.4% |
| <u>Solid Waste Removal: (Below minimum level)</u> | | | | |
| Removed less frequently than once a week | 108 | 108 | 108 | 108 |
| Using communal refuse dump | 372 | 372 | 372 | 372 |
| Using own refuse dump | 40072 | 40072 | 40072 | 40072 |
| Other rubbish disposal | 305 | 305 | 305 | 305 |
| No rubbish disposal | 4159 | 4159 | 4159 | 4159 |
| <i>Below Minimum Service Level sub-total</i> | 45016 | 45016 | 45016 | 45016 |
| <i>Below Minimum Service Level percentage</i> | 92.6% | 92.6% | 92.6% | 92.6% |
| Total number of households | 48612 | 48612 | 48612 | 48612 |
| | | | | T 3.4.2 |

| Households - Solid Waste Service Delivery Levels below the minimum | | | | | | |
|--|---------|---------|-----------|-----------------------|-----------------|---------|
| Description | 2020/21 | 2021/22 | 2022/2023 | Households 2023/24 | | |
| | Actual | Actual | Actual | Original Budget | Adjusted Budget | Actual |
| | No. | No. | No. | No. | No. | No. |
| Total households | 48 612 | 48 612 | 48 612 | - | - | - |
| Households below minimum service level | 3 596 | 3 596 | 3 596 | - | - | - |
| Proportion of households below minimum service level | 7% | 7% | 7% | 0% | 0% | 0% |
| | | | | | | T 3.4.3 |

| Employees: Waste Disposal Services | | | | |
|------------------------------------|-----------|-----------|----------------------------------|-----------------------------------|
| Job Level | 2023/24 | | | |
| | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | % |
| 0 - 3 | 42 | 40 | 2 | 4% |
| 4 - 6 | 17 | 14 | 3 | 17% |
| 7 - 9 | 2 | 2 | 0 | 0% |
| 10 - 12 | 3 | 3 | 0 | 0% |
| 13 - 15 | 1 | 1 | 0 | 0% |
| 16 - 18 | 0 | 0 | 0 | 0% |
| 19 - 20 | 1 | 1 | 0 | 0% |
| Total | 66 | 61 | 5 | 7% |
| | | | | T3.4.4 |

Chapter 3

Information regarding Financial performance of Waste disposal and other service which is under the Community Services is clearly covered in the Annual Financial Statement

T3.4.7

Information regarding Financial performance of Waste disposal and other service which is under the Community Services is clearly covered in the Annual Financial Statement

T3.4.8

Information regarding Expenditure of Waste Management Service which is under the Community Services department is clearly covered in the annual financial statement

T3.4.9

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

Illegal dumping and littering are an environmental crime and still an ongoing problem within our municipality. The municipality do its utmost to inform and educate residents regarding illegal dumping and using available waste removal services, The cost involved in the removing and cleaning of illegal dumping is exorbitant and could be better utilised in delivering other desperately required services in the communities. Illegal waste dumping hotspots are continuously managed and serviced regularly to prevent nuisances from escalating. Apart, from opens spaces, there are specific areas within the municipal boundary where illegal dumping happens more often than others. People have the tendency of dumping on every corner although a collection service is being provided.

The waste fleet was ageing, there had been budget cuts and there was a backlog in the replacement programme. As part of alternative waste management, separation of waste at source was currently being rolled out. There was large-scale illegal dumping from the private sector and there was no law enforcement to prevent this. SAPS needed to be more proactive in not only investigating this issue but actively trying to prevent this from happening.

The Status of Waste Management: Landfill sites. Waste Management Licenses (WMLs) are issued for:

- Taung landfill site licensed for closure and rehabilitation.
- Reivilo landfill site licensed for closure and rehabilitation.
- Pudimoe (Interim operation and illegal dumping (Abandoned) site licensed for closure and rehabilitation.
- Operational: Pudimoe communal landfill site - (Vandalised and waste never disposed on site). Landfill site is licensed for further operation and development. The community has invaded the boundaries of the landfill site.

T 3.4.10

Chapter 3

3.5 HOUSING

INTRODUCTION TO HOUSING

The GTLM's vision for BNG Housing development within its jurisdiction is the establishment of social and economically integrated in areas allowing convenient access to economic opportunities as well as to Health, education and social amenities in which communities will, on a progressive basis have access to:

Permanent residential with secure Tenure

Ensure internal and external privacy providing protection against the elements and provide portable water, adequate, sanitary facilities, and domestic energy

STRATEGIES

Eradication of mud houses

Provision of housing to poverty-stricken households

Provision of houses to woman headed households

Provision for Rental housing stock/ social housing

The delivery of Low-cost Housing within GTLM is still the competence of Provincial Department of Human Settlements and National Department of Housing. The Role and the Responsibility of the Municipality on housing Delivery is, identification of Beneficiaries, Identification of Land for Housing Development, Allocation of Completed Houses to qualified and approved Beneficiaries, Identification, and processing of applications for Emergency Housing, Prepare and submission of Housing Business Plans for Annual allocations and negotiations with Traditional Authorities and Land Affairs for Land availability.

ACHIEVEMENTS

The municipality is in apposition to apply for level 1&2 Housing Accreditation, based on the capacity of the municipality to carry out additional programme responsibilities and to implement the municipality's Accreditation Business Plan.

The two documents, Housing Sector Plan and Accreditation Business Plan still under review. The Municipality is ready for pre assessment. Workshop on the Municipal Accreditation Business Plan has been taken place to familiarize all senior officials, and Council members on the approved documents. The Municipality in conjunction with the Provincial Department of Human Settlements has established a Steering Committee that will work on ensuring the successful roll out of the accreditation programme

The Department of Human settlement appointed G5 Contractor to construct 1000 Units on various villages, namely: Lokaleng-200, Dipitshing-200, Pompong-200, Leshobo-200 & Ditompong -200. The project is On-Going at Lokaleng Village.

The other Contractor is appointed for Ditshilong 2, for 216 Villages. The contractor has done site Establishment and the project is On-Going.

National Department of Human Settlement appointed two contractors to construct 79 TRU's for the following wards, 3,10,19 & 22.

PLANNED

The Municipality has planned for the following:

200 Units at Manokwane Village

100 Units Dry-hards Village

300 Units CRU's Taung Extension 6

Chapter 3

CHALLENGES

- None payments of contractors delays progress on site.
- Blocked projects is still a challenge
- Encountering political interference in the housing subsidy Administration process and implementation
- Inadequate of land availability in the municipality for the implementation of other National Housing Programmes e.g FILSP.

T 3.5.1

| Percentage of households with access to basic housing | | | |
|---|--|-------------------------------------|--|
| Year end | Total households (formal and informal settlements) | Households in formal settlements | Percentage of HHs in formal settlements |
| 2020/21 | 42,953 | 39,516 | 92% |
| 2021/22 | 42,953 | 39,516 | 92% |
| 2022/23 | 48,454 | 44,577 | 92% |
| 2023/24 | 48,454 | 44,577 | 92% |

T 3.5.2

| Employees: Housing Services | | | | |
|-----------------------------|----------|-----------|-------------------------------------|---|
| Job Level | 2023/24 | | | |
| | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0% |
| 4 - 6 | 0 | 0 | 0 | 0% |
| 7 - 9 | 1 | 1 | 0 | 0% |
| 10 - 12 | 2 | 2 | 0 | 0% |
| 13 - 15 | 1 | 1 | 0 | 0% |
| 16 - 18 | 1 | 1 | 0 | 0% |
| 19 - 20 | 1 | 0 | 1 | 100% |
| Total | 6 | 5 | 1 | 16% |

T 3.5.3

| Financial Performance 2023/24: Housing Services | | | | | |
|---|---|--------------------|----------------------|--------|-----------------------|
| R'000 | | | | | |
| Details | 2022/23 | 2023/24 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | | | | | |
| Expenditure: | This Portion forms part of the Annual Financial Statement | | | | |
| Employees | | | | | |
| Repairs and Maintenance | | | | | |
| Other | | | | | |
| Total Operational Expenditure | | | | | |
| Net Operational Expenditure | | | | | |

NB: Subject to changes once AFS are completed

T 3.5.4

Chapter 3

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

It must be noted that housing project procurement process is currently the competency of the Provincial Department of Human Settlements and as a result issues like budgets are centred at Provincial level. Due to housing backlog the municipal council took a resolution to apply for housing accreditation with the goal of providing housing to the people of Taung. The process has been unfolding very well as housing accreditation business plan was developed.

T 3.5.5

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Main sources of income consist of transfers from other spheres of government of which intergovernmental transfers are the most important. A portion of this income (equitable share) is earmarked for indigent relief which is used to alleviate and address poverty.

Greater Taung Local Municipality (GTLM) being predominately rural, widely and sparsely scattered, historically disadvantaged and having high unemployment is still behind with basic services. This situation of GTLM also contributes to high installation of new services and exhausting the limited funding. Also qualifying the majority of the needy community to afford installing services themselves or paying for rendering of those services, therefore necessitating the Free Basic Services' assistance and to ensure social benefit for indigents is provided to deserving household through indigent support programmes and free basic services and to improve debt collection and implement credit control measures.

GTLM is only facilitating the provision of water, sanitation and electricity of which ESKOM is implementing the electricity projects and Dr R. S. M District Municipality is an authoritarian of the rest.

T 3.6.1

Information provided does not effect any changes to the graph

T 3.6.2

| Free Basic Services To Low Income Households | | | | | | | | | | | | | |
|--|--------|---|----------------------|-------|-----------------------|----------------------|------------------------|-----------------|----------------------|-------------------|-----------------|----------------------|-------|
| | Total | Number of households | | | | | | | | | | | |
| | | Households earning less than R4,100 per month | | | | | | | | | | | |
| | | Free Basic Water | | | Free Basic Sanitation | | Free Basic Electricity | | | Free Basic Refuse | | | |
| | | Total no. of HH | Access to free basic | % | Total no. of HH | Access to free basic | % | Total no. of HH | Access to free basic | % | Total no. of HH | Access to free basic | % |
| 2022/23 | 3571 | 203 | 10 | 5% | 203 | 203 | 100% | 203 | 32 | 15% | 203 | 203 | 100% |
| 2021/22 | 20 851 | 392 | 005 | 1.27% | 2 289 | 143 | 6.24% | 13 721 | 11 619 | 84% | 2 501 | 143 | 5.71% |
| 2020/21 | 18 621 | 557 | 376 | 67.5% | 2 277 | 120 | 5.27% | 11 324 | 11 258 | 99.4% | 2 498 | 127 | 5.08% |
| T 3.6.3 | | | | | | | | | | | | | |

Chapter 3

| Services Delivered | 2022-2023 | 2023-2024 | | | |
|--------------------------------|-----------|--|-------------------|--------|--------------------|
| | Actual | Budget | Adjustment Budget | Actual | Variance to Budget |
| Water | | Financial Information covered in the Financial Statement | | | |
| Waste Water (Sanitation) | | | | | |
| Electricity | | | | | |
| Waste Management (Solid Waste) | | | | | |
| Total | | | | | |

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

Greater Taung Local Municipality has a large number of indigent households. This gives an indication of the challenges that is faced by GTLM with regard to social services as well as generation to boost income and Socio Economic Investment, therefore remedial actions must be taken to improve livelihood for the poor.

Revenue Unit held meetings with Councillors, relevant Directors and Stakeholders arranging the road shows and campaigns to improve indigent registration process. Awareness campaigns were conducted across most of the municipality wards with different stakeholders, to give people the basket and increase access of free basic services to the poor of the poorest. In 2021 we managed to register 10 000 people to our indigents register, though all of them are not benefiting due to different challenges but most do benefit. The challenges may be some of indigents do not collect their monthly electricity token and they submit incorrect and incomplete information.

Funds are available to subsidise indigents, the support given to them: they receive 50kw of electricity, 6kl of water, 50% subsidy on property rates, 100% refuse and 100% sanitation on a monthly basis.

GTLM Indigent policy states that in order to qualify as an Indigent, the household income should be R4100.00/ less (determined by Council from time to time) or unemployed and/or a pensioner, the more Indigents registered, the more equitable we acquire, the person whose name a property is registered on, the applicant may not be the owner of more than one immovable property and must be a full-time occupant of the residential property and must not own a business.

Registered indigents and the members of the indigent household headed by that registered indigent must be prepared to participate in exit programme verified by Councillors, approved by Revenue Manager and co-ordinated by municipality collaboration with other government departments and private sectors. The FBS on electricity is budget for the Reivilo area as well as the residents serviced by Eskom.

T 3.6.5

Chapter 3

COMPONENT B: ROAD TRANSPORT

3.7 ROADS

INTRODUCTION TO ROADS

Greater Taung Local Municipality (GTLM) comprises of twenty-four (24) wards, two (2) small dorpias, three townships and 107 rural villages. Streets within villages are in bad conditions and been prioritised as most needed in most wards. GTLM is augmenting the development of roads infrastructure by constructing 2.89km of block paved streets at Pudumong and Reivilo using Own Funding and EPWP IG. GTLM is blading streets to cemetery, tribal authorities, schools and community halls as and when required to make streets rideable for ease access.

GTLM has consistently been gaining backlogs with regards to road and stormwater infrastructure development and maintenance. GTLM can only cater for 6km of paved road and 2km of stormwater infrastructure through Municipal Infrastructure Grant. The Department of Public Works also assist in some instances however, the backlogs are immense. Municipality has appointed Service Providers to source funding on its behalf to alleviate the infrastructure backlogs.

T 3.7.1

| Gravel Road Infrastructure | | | | |
|----------------------------|--------------------|------------------------------|------------------------------|--|
| | Total gravel roads | New gravel roads constructed | Gravel roads upgraded to tar | Kilometres Gravel roads graded/maintained |
| 2021/22 | 2155 | 0 | 6.35 | 400 |
| 2022/23 | 2148.65 | 0 | 7.4 | 400 |
| 2023/24 | 2141.25 | 0 | 8.89 | 200 |
| | | | | T 3.7.2 |

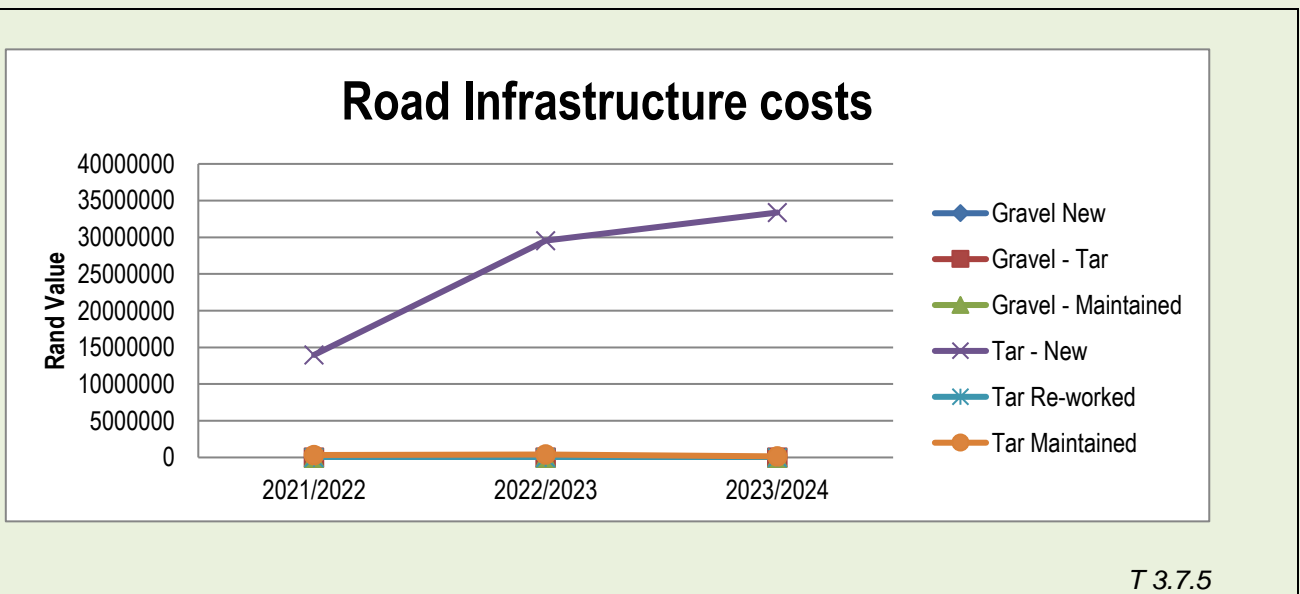
| Paved Road Infrastructure | | | | | |
|---------------------------|-------------------------|-----------------------|---------------------------------|-------------------------------|---|
| | Total block paved roads | New block paved roads | Existing tarred roads re-tarred | Existing tar roads re-sheeted | Kilometres Surfaced roads maintained |
| 2021/22 | 79.8 | 3km | 0 | 0 | 25km |
| 2022/23 | 82.8 | 7.4km | 0 | 0 | 25km |
| 2023/24 | 90.2 | 8.89km | 0 | 0 | 25km |
| | | | | | T 3.7.3 |

Chapter 3

| Cost of Construction/Maintenance (graph excel 3.7.4) | | | | | | |
|--|--------|--------------|------------|----------------|-----------|-------------|
| R' 000 | | | | | | |
| | Gravel | | | Tar | | |
| | New | Gravel - Tar | Maintained | New | Re-worked | Maintained |
| 2021/22 | R0.00 | R0.00 | R0.00 | R13,970,292.03 | R0.00 | R316 500.00 |
| 2022/23 | R0.00 | R0.00 | R0.00 | R29,561,831.77 | R0.00 | R400 000.00 |
| 2023/24 | R0.00 | R0.00 | R0.00 | R33,374 812.87 | R0.00 | R150 000.00 |
| T 3.7.4 | | | | | | |



Buxton village Access Road completed in 2022/2023. The road was satisfactorily completed



Chapter 3

| Employees: Roads and Storm Water Services | | | | |
|---|-----------|-----------|----------------------------------|-----------------------------------|
| Job Level | 2022/23 | | | |
| | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | % |
| 0 - 3 | 27 | 22 | 5 | 18.5% |
| 4 - 6 | 4 | 3 | 1 | 25% |
| 7 - 9 | 4 | 4 | 0 | 0 |
| 10 - 12 | 2 | 2 | 0 | 0 |
| 13 - 15 | 1 | 1 | 0 | 0 |
| Total | 38 | 32 | 6 | 16% |
| T3.7.6 | | | | |

Employee Road Services

In terms of the municipal organogram the municipality has roads and stormwater unit responsible for both functions as results above template will address employee information for roads and stormwater.

T3.7.7

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The four largest capital projects form part of the municipal IDP and have been in strategy positions e.g. access to government institutions, cemetery streets, tribal authorities, trading centres. The capital expenditure is catered for development of new infrastructure, operating expenditure is for maintenance of the existing infrastructure to extend its life span. The municipality has a backlog in terms of road construction, MIG, EPWP IG and Own Funding are alleviating the situation however it is insufficient. Municipality appointed a panel of consultants to source fund on its behalf to alleviate infrastructure backlogs.

T 3.7.8

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

GTLM only renders a service for the renewal of vehicle licenses in Reivilo and does not operate any public transport facility and therefore no project is relevant to this section meaning that this section is not relevant to GTLM and there for it will apply to all the sub-sections that follow.

T 3.8.1

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

This section and all the sub-sections were merged with Section 3.7 that deals with Road Infrastructure.

PERFORMANCE HIGHLIGHTS 2022/23

KPA 1: Basic Service Delivery and Infrastructure Development

- Constructed 24 high mast lights (Phase 7) in various wards and villages
- Constructed 4 community halls in Gasebusho, Loselong, mothanthanyaneng and Mokassa villages.
- Constructed Mogopela B Stormwater Channel
- Constructed Kgetleng Stormwater Channel
- Constructed 2 access road in Managaneng and Buxton
- Constructed 2 Paved roads in Reivilo and Pudumoe

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

3.10 PLANNING

INTRODUCTION TO PLANNING

The Municipalities' planning strategies are always guided by the IDP and the SDF as an IDP component. The municipal SDF has for the past 5 years (2017 - 2022) envisioned efficient spatial restructuring supported by the following objectives: guiding land allocation and settlement development; promoting optimal spatial allocation of resources in development planning; sustainable development of the municipality's economic resources in pursuit of economic vitality and independence and providing a spatial basis for stakeholder cooperation as an important key to addressing spatial challenges.

As part of achievements, the Town Planning has managed to reinforce its relations with the Mokgopela Traditional Council by way of collaborating and engaging on the Mogopela/ Pudimoe Priority Human Settlements and Housing Development Area (PHSHDA). Our challenges are still centred around minimal implementation of spatial tools that gives rise to the following - upspring of development not informed by the SDF; service delivery projects not properly coordinated spatially; minimal and/or lack of enforcement (COB area and areas allocated by Traditional Councils).

Our top three (3) service delivery priorities for the 2022/2023 year are:

1. Pudimoe Township Establishment (extension) - this would expand the municipalities revenue base as the municipality depends on only 3 townships for revenue collection. All the necessary planning requirements close to completion (township register and EIA in their final stages); however the issue of infrastructure services is still being resolved.
2. Title Deed registration in Boipelo - the process of transferring/ correcting title registration/ registrattgrion of 78 properties in Boipelo township.
3. Administration/ receiving of land development applications - deciding on land use development application submitted to the Municipality as per the Spatial Planning and Land Use Management Act (16

Chapter 3

of 2013). The establishment of the Municipal Planning Tribunal and the process and procedures in place have greatly impacted on the deciding of applications submitted.

The implementation of the Spatial Planning and Land Use Management Act (Act 16 of 2013) has played a major role in improving performance and major efficiencies. As difficult as it is to enforce the municipal Land Use Scheme - we have collaborated with relevant stakeholders (e.g. Department of Public Works and Infrastructure) in addressing land use inconsistencies. However, improved management and/or administration of the CBD area is required in order to create a favourable central business area for businesses and community members

Our planning strategies are set in the Municipal Spatial Development Framework (SDF) with the following main element – efficient spatial restructuring; supported by the following objectives: guiding land allocation and settlement development; promoting the optimal spatial allocation of resources in development planning; sustainable development of the municipality's economic resources in pursuit of economic vitality and independence; and providing a spatial basis for stakeholder cooperation.

The major challenge encountered would be resistance/ lack of cooperation from Traditional Authorities when addressing spatial issues (misinformed land allocations practices) and also lack of cooperation from Sector Departments (particularly Public Works) when it comes to coming up with a way forward on their properties in the municipal area. The main achievement (despite the challenges addressed) was the signing of MOU's/ Partnership Agreements between all 3 Traditional Authorities.

Planning and Development in the municipality is limited to three proclaimed areas (Reivilo and Boipelo; Pudimoe and Taung). The rest of the municipality is characterised by dispersed villages covering the Northern, Eastern and Southern parts of the municipality; and private farms covering the Western side of the municipality. Although, developments do take place in villages, there are planning processes that are overlooked. The biggest challenge therefore, is the municipality not administering the entire municipal area as required by the Spatial Planning and Land Use Management Act, 2013.

The Spatial Planning and Land Use Management Act, 2013 has presented to the municipality the opportunity of administering the entire municipal area with tools such as the Spatial Development Framework; Environmental Development Framework and Land Use Scheme. However, this should be done in partnership with the three Traditional Councils (Ba-Ga Phuduhucwane, Ba-Ga Mothibi and Ba-Ga Maidi).

Each of the tools mentioned play an important role in planning and development of the municipality. The Spatial Development Framework is developed to provide a representation of land development policies, strategies and objectives of the municipality. Whereas, the Land Use Scheme is developed to guide and regulate land uses within the municipality.

- Township Establishment
- Township Regeneration
- Deeds Registration
- Implimentation of SPLUMA
- Development Applications
- Disposal of Immovable Assets

T 3.10.1

Chapter 3

| Applications for Land Use Development | | | | | | |
|---------------------------------------|----------------------------|---------|--|---------|-------------------|---------|
| Detail | Formalisation of Townships | | Rezoning, Sub-Division & Consolidation | | Built Environment | |
| | 2022/23 | 2022/23 | 2022/23 | 2022/23 | 2022/23 | 2022/23 |
| Planning application received | 0 | 0 | 0 | 2 | 10 | 16 |
| Determination made in year of receipt | 0 | 0 | 0 | 0 | 10 | 2 |
| Determination made in following year | 0 | 0 | 0 | 0 | 0 | 0 |
| Applications withdrawn | 0 | 0 | 0 | 0 | 0 | 0 |
| Applications outstanding at year end | 0 | 0 | 0 | 2 | 0 | 14 |
| T 3.10.2 | | | | | | |

| Employees: Land Use & Human Settlement Services | | | | | |
|---|-----------|-----------|-----------|----------------------------------|-----------------------------------|
| Job Level | 2021/22 | 2022/23 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 | 0% |
| 4 - 6 | 0 | 0 | 0 | 0 | 0% |
| 7 - 9 | 1 | 2 | 1 | 1 | 50% |
| 10 - 12 | 4 | 4 | 4 | 0 | 0% |
| 13 - 15 | 2 | 2 | 2 | 0 | 0% |
| 16 - 18 | 2 | 2 | 2 | 0 | 0% |
| 19 - 20 | 1 | 1 | 1 | 0 | 0% |
| Total | 10 | 11 | 10 | 1 | 50% |
| T 3.10.3 | | | | | |

| Financial Performance Year: Land Use & Human Settlement | | | | | |
|---|----------------------------|-----------------|-------------------|--------|--------------------|
| R'000 | | | | | |
| Details | 2021/22 | 2022/23 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | All figures are in the AFS | | | | |
| Expenditure: | | | | | |
| Employees | | | | | |
| Repairs and Maintenance | | | | | |
| Other | | | | | |
| Total Operational Expenditure | | | | | |
| Net Operational Expenditure | | | | | |
| Nb: Figures provided will be verified once compilation of the AFS is complete | | | | | T 3.10.4 |

Table not relevant as the municipality did not have projects

T3.10.5

Chapter 3

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

ACHIEVEMENTS

The unit receives land use applications which shows that there is compliance with our By-laws and Land Use scheme although most of them are in our proclaimed township (Pudimoe and Taung Ext 6) a few still comes from our communal land(villages) which are mainly consent for Telecommunication masts.

CHALLENGES

The municipality does not own a lot of land therefore Land use development is limited although there is a lot of physical changes in traditionally owned land, they're not in compliance with our Wall-to-Wall Land Use Scheme.

FUTURE PLAN

Request land from our traditional authorities to develop more township and assist in meeting up with the demand of municipal residential stands and contributes to generating revenue for our municipality through rates and taxes.

T 3.10.6

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO LOCAL ECONOMIC DEVELOPMENT

The Greater Taung Local Economic Development (LED) Strategy aims to provide a platform for economic development and collaboration between government, business and the community. It is aligned to the National Local Economic Development Framework 2018- 2028 and the subsequent draft National LED Implementation plan. The strategy demonstrates a firm commitment to alleviate poverty, attract investment, and create new jobs while taking advantage of local development opportunities.

The main focal areas of the GTLM economic environment are depicted in the LED strategy as follows



The municipality currently has a limited budget and will therefore not be in a position to implement

Chapter 3

programs for all the focal areas. Given the current financial state of the municipality, the LED unit has identified three of the five focus areas, that is, agriculture, Small Business Development and Tourism for implementation in the financial year 2023/2024.

The municipality has contributed to Small Business Development through the allocation of equipment relevant to their respective line of business. As at the end of June, twenty (20) small businesses have benefited from the grant. In addition, we have ensured that small businesses are capacitated through information sharing workshops and trainings leading to access to funding from various stakeholders.

Local economic Development is implemented through a multi-stakeholders approach, which requires the municipality to facilitate the process of creating a platform for participation. This has been done by hosting a functional LED Forum on a quarterly basis.

Tourism is public sector led or supported, and private sector driven. As a way of supporting the development of the tourism sector in our municipality, the municipality embarked on an awareness campaign on the Tourism attractions available within the boundaries of Greater Taung.

T 3.11.1

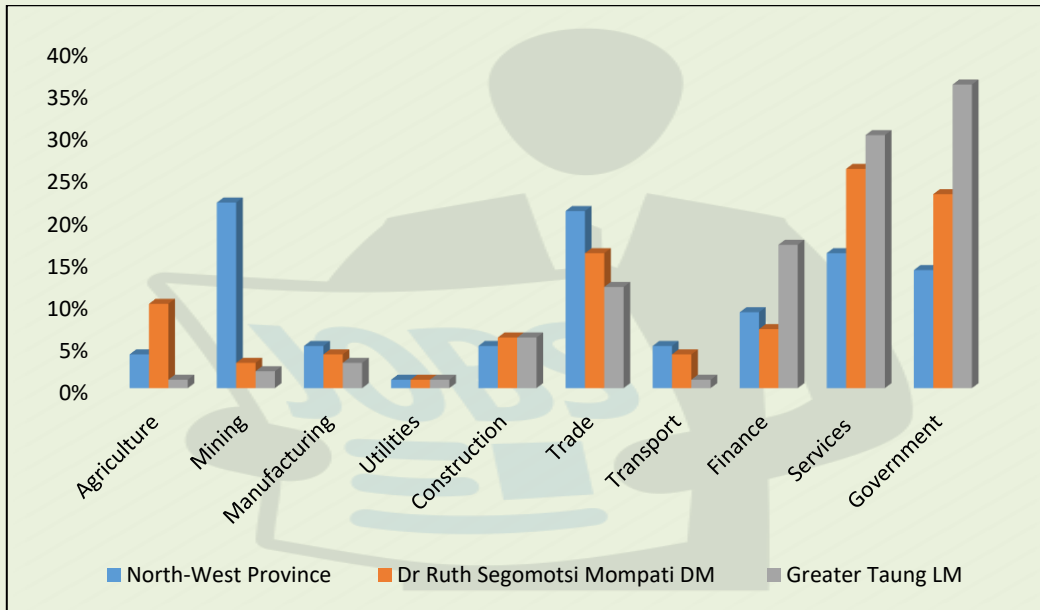
| Economic Activity by Sector | | | |
|-------------------------------------|---------------|---------------|---------------|
| Sector | 2021/22 | 2022/2023 | 2023/24 |
| Agric, forestry and fishing | 1.0% | 1.0% | 1.0% |
| Mining & quarrying | 0.9% | 0.9% | 0.9% |
| Manufacturing | 4.6% | 4.6% | 4.6% |
| Wholesale and retail trade | 11.1% | 11.1% | 11.1% |
| Finance | 10.0% | 10.0% | 10.0% |
| Govt, community and social services | 70.9% | 71.0% | 71.0% |
| Infrastructure services | 1.5% | 1.4% | 1.4% |
| Total | 100.0% | 100.0% | 100.0% |

T3.11.2

| Economic Employment by Sector | | | |
|-------------------------------------|--------------|--------------|--------------|
| Sector | 2021/22 | 2022/23 | 2023/24 |
| Agric, forestry and fishing | 671 | 666 | 662 |
| Mining & quarrying | 604 | 600 | 596 |
| Manufacturing | 3086 | 3064 | 3047 |
| Wholesale and retail trade | 7446 | 7394 | 7353 |
| Finance | 6708 | 6661 | 6624 |
| Govt, community and social services | 47561 | 47228 | 47030 |
| Infrastructure services | 1006 | 999 | 927 |
| Total | 67082 | 66612 | 66240 |

T3.11.3

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COMMENT ON LOCAL JOB OPPORTUNITIES:

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

Economic growth in GTLM is basically stagnant with the exception of building of residential houses which is moderately active. Government, Community and Social Services is still the biggest employer and are there for also responsible for the biggest turnover. The Taung Skull Site at Buxton is currently drawing the most attention relevant to tourism opportunities in the area. Other tourism opportunities like for eg the Taung Dam still need a lot of groundwork to be done with the relevant Traditional and other Government Institutions.

GTLM need to give valuable support to the local SMMEs, especially the existing businesses, because they will create collectively the most jobs in the economy with the increasing number of the street traders, it is critical that we manage this sector efficiently through our monitoring and business support programmes. In the medium to long term it is critical that we complete the integrated sustainable development plans so that we can budget adequately to support the various economic opportunity nodal developments.

The employment distribution in an economy refers to the proportional level of unemployment in each economic sector. This information allows for the identification of key sectors and labour absorptive industries as well as determining the need for employment diversification. illustrates the distribution of employment in the Greater Taung LM compared to the Dr Ruth Segomotsi Mompati DM and the North West Province.

Employment in the Greater Taung LM is relatively concentrated, compared to the distribution of output. The key employment industries in the Greater Taung LM are Government (36%); Services (30%), Finance (17%) and Trade (12%). The high level of employment in these industries is consistent with other rural economies across South Africa. These opportunities are identified as having the potential to absorb local labour and thus will be emphasised throughout the Greater Taung LM LED Strategy.

T 3.11.4

Chapter 3

| Jobs Created during 2021/22 – 2023/24 by LED Initiatives (Excluding EPWP projects) | | | | |
|--|--------------|--|--------------------------------|--|
| Total Jobs created / Top 3 initiatives | Jobs created | Jobs lost/displaced by other initiatives | Net total jobs created in year | Method of validating jobs created/lost |
| | No. | No. | No. | |
| Total (all initiatives) | | | | |
| 2021/22 | 20 | 0 | 20 | Municipal Projects |
| 2022/23 | 25 | 0 | 25 | Municipal Projects |
| 2023/24 | 8 | 0 | 8 | |
| T 3.11.5 | | | | |

| Job creation through EPWP* projects | | |
|-------------------------------------|---------------|------------------------------------|
| Details | EPWP Projects | Jobs created through EPWP projects |
| | No. | No. |
| 2021/22 | 16 | 167 |
| 2022/23 | 23 | 360 |
| 2023/24 | 10 | 10 |
| * - Extended Public Works Programme | | T 3.11.6 |

| Employees: Local Economic Development Services | | | | |
|--|---------|-----------|----------------------------------|-----------------------------------|
| Job Level | 2023/24 | | | |
| | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0% |
| 4 - 6 | 0 | 0 | 0 | 0% |
| 7 - 9 | 0 | 0 | 0 | 0% |
| 10 - 12 | 0 | 0 | 0 | 0% |
| 13 - 15 | 3 | 3 | 3 | 0% |
| 16 - 18 | 1 | 0 | 0 | 0% |
| Total | 4 | 3 | 1 | 25% |
| T 3.11.7 | | | | |

| Financial Performance 2023/24 : Local Economic Development Services | | | | | |
|---|---------|--|-------------------|--------|--------------------|
| R'000 | | | | | |
| Details | 2022/23 | 2023/24 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | | No Specific information for this table, however it is covered in the Financial Statement | | | |
| Expenditure: | | | | | |
| Employees | | | | | |
| Repairs and Maintenance | | | | | |
| Other | | | | | |
| Total Operational Exp | | | | | |
| Net Operational Exp | | | | | |
| T 3.11.8 | | | | | |

Chapter 3

| Capital Expenditure 2023/2024: LED Services | | | | | |
|---|--|-------------------|--------------------|-------------------------------|---------------------|
| | | | | | R000 |
| Capital Projects | 2022/2023 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | No Projects for this Unit in the year under review | | | | |
| | | | | | |
| | | | | | T 3.11.9 |

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

The strength of the Greater Taung local economy is mainly concentrated in the Services, Agriculture, and Trade and Transport sectors. From a development perspective the Transport and Services sectors are regarded as demand driven. This means that growth in these sectors are a reaction to growth in the other sectors (i.e. demand driven) of the economy and will thus expand if the other sectors in the economy grows

According to the LED strategy, the sectoral data revealed a competitive advantage in the Mining sector during 2004. Since then, the Pering mine has closed down. Other operational mining activities in the area are marble, gravel and diamonds. According to the Council for Geosciences (2006) a variety of mineral deposits can be found in the Municipality. Mining in Greater Taung is thus currently classified as small- scale but developing. The local Mining sector revealed good potential for expansion and the creation of more employment opportunities for local people.

The Trade and Agricultural sectors are also regarded as key sectors for development intervention. These sectors indicated strong development potential and are currently the main provider of formal employment opportunities in Greater Taung (excl. government services). It is however of concern that these sectors experienced slow or even negative production growth rates since 2011.

The potential analysis furthermore revealed the importance of the Tourism sector. This sector is currently regarded as a very small with very little development taking place (apart from a few guest houses). The area does however have growth potential in this sector especially around the Taung Dam and the Skull Fossil site. The importance of growth in the Tourism sector is not only limited to employment creation but also regarded as a central player in the marketing of Greater Taung as an attractive investment environment.

T 3.11.10

PERFORMANCE HIGHLIGHTS 2023/24

KPA3: Local Economic Development

- ..Jobs created through local procurement
- ...Jobs created through EPWP
- .. Cooperatives supported with Business Equipment
- .. LED forum meetings held
- .. tourism event held.
- .. SMME supported through skills development

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COMPONENT D: COMMUNITY & SOCIAL SERVICES

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

3.12 LIBRARIES; COMMUNITY FACILITIES; (ETC)

INTRODUCTION TO LIBRARIES.

Community libraries possess a unique value in a community in that they are free to all citizens of the municipality regardless of age, race, religion, gender or social standing. They provide a gateway to knowledge, access to information for life long- learning, independent decision making and recreational activities for the whole community. The overarching goals of the library service are to assist the nation with its goal of eliminating illiteracy and to narrow the digital divide that accentuates disparities in development by providing access to information and knowledge.

The purpose of the library services is to advance service delivery in all community libraries, to improve existing libraries within the municipality and to transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives. Municipality receives conditional grant allocation every year from the Provincial Department of Culture, Art and Traditional Affairs for library infrastructure improvement.

Greater Taung Library and Information Service is preserving the past and securing the future through providing free access and guidance to information which fulfil the intellectual, educational, social and recreational needs of the people of Greater Taung in order to improve their quality of life.

Community Libraries' intent is to act as development agents providing dynamic Library and Information Services to all the people of Greater Taung in their quest for lifelong learning, literacy, cultural expression, recreation, and economic development. Libraries in GTLM is managed and controlled under various legislation guides of whom the following two is the most important. The Constitution of the Republic of South Africa: According to schedule 5A Public Libraries are the competency of Provincial Government and for the fact that this is an unfunded mandate. This situation is addressed by receiving conditional grants and equitable share transfers from Provincial Government. South African Public Library and Information Services Bill (Draft). The draft bill will set uniform minimum norms and standards, principles for Library and Information Services, Institutional arrangements, Inter Governmental arrangements and Assignment of functions

T3.12.1

Chapter 3

COMMENT ON THE PERFORMANCE OF LIBRARIES

Objective 1. Access to library facilities: During the year under review, the municipality submitted two Capital Library project proposals to ACSR for Manthe and Sekhing villages. The aim of the submission was to accomplish the mission of extending library services to far remote areas of GTLM.

Objective 2. Facilitating the development of literacy skills: 120 school going children from two primary schools and two high schools in Pudimoe cluster participated in our literacy programs which includes reading and spelling competitions. Prizes such as trophies, medals and smartphones were awarded to winners.

Library Grant Received

The municipality received R716 000 (national grant) which was spent on salaries of three library assistants and R335 000 (provincial grant) which was spent on library operations.

T 3.12.2

3.13 CEMETORIES AND CREMATORIUMS

INTRODUCTION TO CEMETORIES & CREMATORIUMS

The municipality only provide services at the three Townships graveyards which are: Reivilo, Taung and Pudimoe. the municipality is also assisting with the cleaning of graveyards as and when requested in all communal graveyards within the jurisdiction of the municipality. The municipality is offering cemeteries services such as digging of graves, self-dug, issuing of grave numbers and cleaning of graveyards. All these services are administered for purposes of internal control through the administration process of bookings and payments.

With regard to crematorium, Greater Taung Municipality has never conducted any cremation services in its entirety and if such services are required, Dr Ruth Mompati District Municipality will be approached for assistance.

T 3.13.1

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

The municipality provide administrative services and excavation of graves to communities for burials at municipal cemeteries which are: Pudimoe Township, Boipelo Township, Reivilo Town and Taung depot also maintenance as and when at the sites. The municipality gives service in the rural villages as may be requested from time to time with reference to fencing of graveyards.

T 3.13.2

Chapter 3

3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The municipality through MIG provides community facilities and through its operational budget undertakes maintenance, renovations and repairs to all municipal facilities.

During the period under review the municipality carried out routine maintenance function in Community Halls, Parks, Sports facilities, and municipal offices. The Municipality has 106 facilities (inclusive of municipal offices, community halls, sports facilities, and libraries).

The Municipal Buildings maintenance plan has been developed for Municipal offices, including community and sports facilities, however the structural assessment for Community halls and facilities has been conducted on annual basis.

The childcare function is the responsibility of the Department of Social Development. However, the Municipality assists annually with school uniforms and food parcels for vulnerable children.

COMPONENT E: ENVIRONMENTAL PROTECTION

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

3.15 POLLUTION CONTROL

The Municipality has a constitutional mandate to ensure that it guarantees everyone the right to an environment that is not harmful to their health or wellbeing and to have the environment protected for the benefit of present and future generation through reasonable legislative and other measures that prevent pollution, ecological degradation, promote conservation and secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

The Municipality achieves this through:

- Waste Management:
- Biodiversity Management:
- Environmental Education and Awareness
- Enforcement and compliance

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

This function is not relevant to GTLM.

Chapter 3

COMPONENT F: HEALTH

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

3.17 CLINICS

In terms of schedule 4b of the constitution of the republic of South Africa, the health function is allocated to department of health in the province and Greater Taung Local Municipality does not account for this function.

3.18 AMBULANCE SERVICES

In terms of schedule 4b of the constitution of the republic of South Africa, the health function is allocated to department of health in the province and Greater Taung Local Municipality does not account for it.

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

In terms of the allocation of powers and function as allocated by the MEC in the province, the Dr Ruth Segomotsi Mompati District Municipality is performing the function of behalf of the municipality and few officials of the district are seconded to the municipality to execute the function.

COMPONENT G: SECURITY AND SAFETY

3.20 POLICE

This function is not relevant to GTLM.

3.21 FIRE

INTRODUCTION TO FIRE SERVICES

Fire Fighting Service - it is not Local Municipality Function

The District Municipality is also responsible for provision of firefighting service to Kagisano/Molopo, Mamusa and Greater Taung local Municipalities in terms of Section 84 (1) j of the Municipal Systems Act

Act 32 of 2002. The Act further describes the local function as:

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

T 3.21.1

Chapter 3

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

This function is a shared service between GTLM and The Dr Ruth S Mompoti DM.

COMPONENT H: SPORT AND RECREATION

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

3.23 SPORT AND RECREATION

INTRODUCTION TO SPORT AND RECREATION

Municipality has several Municipal Amenities. These amenities are used for various events and activities ranging from sport, music, meetings/conference, burial activities, community activities and needs like church or wedding council activities.

The municipality has developed the following Municipal Amenities:

- Community Halls - 26
- Sports Fields - 10
- Parks and Recreation - 2
- Municipal Offices - 4
- Houses - 42
- Thusong Centers - 5
- Libraries - 5
- Municipal Toilets at Reivilo town - 1
- Reivilo Golf Club - 1
- Swimming Pool - 1
- Taxi Rank – Maintenance only - 1
- Municipal open spaces - all municipal sites
- Cemeteries - 3

T 3.23.1

| Employee: Parks and Amenities | | | | |
|-------------------------------|-----------|--------------|-------------------------------------|-----------------------------------|
| Job level | 2022/23 | | | |
| | Posts No | Employees No | Vacancies (fulltime Equivalents) No | Vacancies (as a % of total posts) |
| 0 - 3 | 17 | 16 | 1 | 5% |
| 4 - 6 | 7 | 5 | 2 | 28% |
| 7 - 9 | 2 | 1 | 1 | 50% |
| 10 - 12 | 3 | 3 | 0 | 0% |
| 13 - 15 | 2 | 2 | 0 | 0% |
| 16 - 18 | 0 | 0 | 0 | 0% |
| 19 - 20 | 1 | 1 | 0 | 0% |
| Total | 32 | 28 | 4 | 12% |

T 3.23.2

Chapter 3

COMMENT ON THE PERFORMANCE OF PARKS AND RECREATION OVERALL:

Parks and Recreation Division are dedicated to enhancing the quality of life of Greater Taung residence by providing recreational and leisure time opportunities. The division is also responsible for the planning, development and maintenance of the municipal parks, landscape maintenance and other public properties owned by the municipality.

Our Park division preserves and maintains the municipal investment in the community park, sport facilities and amenities. A key element in the Parks and amenities Division is periodic and preventive maintenance of these assets. The workforce is assigned regularly scheduled maintenance activities, in addition to managing the inevitable unforeseen or emergency repair.

These assignments ensure that all parks, sport field and amenities are inspected, maintained, repaired and in operable condition for the community to utilized. The parks and recreation Division is furthermore accountable for the design and construction of the parks and the restoration and renovation of some of the municipal mature parks and amenities. Additional, the division works with PMU, Spatial Planning and Development staff on forecasting, comprehensive planning and for implementation of large scale projects.

- A. The Division is divided into six phases :
1. Nursery
 2. Recreational facilities (Sport/close Grounds
 3. Municipal Gardens
 4. Parks
 5. Landscape and horticulture learner-ship.
 6. New landscape and Garden design at 4 Thusong Services Center

T 3.23.3

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

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

INTRODUCTION TO CORPORATE POLICY OFFICES

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

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

In order for the municipality to be able to address the service delivery matters the municipality must within limitation approve a budget that will be commensurate with the needs/projects identified for the particular year. This budget must also address matters of staff and this can only be achieved through the costed organogram that must be cost effective but also providing sufficient management and other position in order to be able to render effective and satisfactory delivery of services

T 3.23.4

Chapter 3

3.24 EXECUTIVE AND COUNCIL

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

INTRODUCTION TO EXECUTIVE AND COUNCIL

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

The Municipality is an EXCO type and comprises 24 Wards. It is led by a Council made up of 48 members, the Speaker, Mayor and the Executive Committee. The Mayor is the Head of Executive Committee (EXCO) which comprises of 8 Councillors who head various departments and serve in portfolio committees. Section 152 of the Constitution spells out categorically clear, the objectives of Local Government and the powers and functions of municipalities are determined in section 156 of the Constitution.

The executive authority of the Council is vested with the Mayor who must however report to Council and is assisted by the members of the Executive Committee established by the Mayor and can take decision. However there are certain matters on which the Mayor as the Head of the municipality cannot take decisions i.e. the approval of the Budget, IDP and By-Laws, as these matters cannot be delegated and must be approved by Council.

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

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

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

T 3.24.1

3.25 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

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

Collection of moneys owed to Council as revenue must also be covered in terms of the approved policy.

T 3.25.1

Chapter 3

| Debt Recovery | | | | | | | |
|---|------------------------------------|---|----------------|------------------------------------|---|---|---|
| | | | | | | | R' 000 |
| Details of the types of account raised and recovered | 2020/21 | | 2021/22 | | | 2022/23 | |
| | 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 | 26 005 437 | 60% | | 26 213 810 | 83% | R32 693 372 | 76% |
| Electricity - B (Con | N/a | N/a | | N/a | N/a | 0 | 0 |
| Electricity - C (Prepaid) | 3 591 701 | 65% | | 3 591 701 | 68% | R4 489 761 | 75% |
| Water - B | N/a | N/a | | N/a | N/a | 0 | 0 |
| Water - C | 1 198 520 | 23% | | 1 198 520 | 38% | R1 964 993 | 35% |
| Sanitation | 2 861 916 | 33% | | 2 861 916 | 64% | R4 311 109 | 54% |
| Refuse | 4 117 811 | 48% | | 4 117 811 | | R6 189 610 | 66% |
| <i>B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts.</i> | | | | | | | T 3.25.2 |

Concerning T 3.25.2

The low collection rate that is above 40% on property rates is due to the fact that the municipality is rural and majority of people are unemployed and are indigent.

T

3.25.2.1

| Employees: Financial Services | | | | | |
|-------------------------------|-----------|---------|-----------|----------------------------------|-----------------------------------|
| Job Level | 2021/22 | 2022/23 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 0 | 0 | 0 | 0% |
| 4 - 6 | 3 | 5 | 0 | 0 | 0% |
| 7 - 9 | 19 | 18 | 17 | 1 | 6% |
| 10 - 12 | 6 | 8 | 7 | 1 | 13% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0% |
| 16 - 18 | 4 | 4 | 4 | 0 | 0% |
| 19 - 20 | 1 | 1 | 1 | 0 | 0% |
| Total | 35 | 37 | 29 | 3 | 8% |
| | | | | | T 3.25.3 |

Chapter 3

| Financial Performance 2023/2024: Financial Services | | | | | |
|--|-------------|-----------------|-------------------|-------------|--------------------|
| R'000 | | | | | |
| Details | 2023/2024 | 2023/2024 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | 301 534 272 | 330 795 949 | 330 315 949 | 301 534 272 | 91% |
| Expenditure: | | | | | |
| Employees | 115 032 617 | 134 368 451 | 133 143 661 | 115 032 617 | 86% |
| Repairs and Maintenance | 22 696 387 | 21 264 550 | 21 264 550 | 22 696 387 | 103% |
| Other | 182 091 107 | 206 628 106 | 196 628 817 | 182 091 107 | 88% |
| Total Operational Expenditure | 319 820 111 | 362 261 107 | 351 037 028 | 319 820 111 | 91% |
| Net Operational Expenditure | 319 820 111 | 362 261 107 | 351 037 028 | 319 820 111 | 91% |
| <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 3.25.5 | | | | | |

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:

The overall financial performance of the municipality has been a healthy one coupled with savings from various votes (low priorities) as opposed to poor expenditure. That is catering, S&T, etc. The municipality's overall budget has been funded for the past five years.

The municipality has been able to abide by the cost containment controls implemented by the National Treasury. The centralisation of SCM processes has also yielded positive results in ensuring that irregular expenditure is curbed and all SCM processes are followed when procuring goods and services. Employee costs are well within the budget. The municipality has been able to settle its creditors in time which is a positive.

The municipality is grant dependent and this has remained a pivotal hindrance to achieving our goal which is 100% implementation of all IDP projects. The low grant allocation coupled with low collection remains a thorny issue. However, the municipality is in a process of developing a revenue enhancement strategy that would seek to attract more funding and create a new revenue base. Government debt has reduced as some of the departments have been able to pay their debts in 2023/2024. The magnitude of "the culture of non-payment" of services by the community is also an issue which should be addressed if indeed the municipality is to reduce reliance on grants and improve in rendering services. There has been a great improvement in the reconciliation of the valuation roll through data cleansing. Our debtors' book credibility has also improved through the process of data cleansing.

All priorities have been budgeted for and are part of the IDP. The municipality needs to improve on the budget for maintenance, especially on electricity. Unfunded mandates like the repairs and maintenance on water infrastructure is a burden to the municipality and comes at a very high cost. Water infrastructure within the municipal jurisdiction is the property of the district municipality and yet is maintained by us.

T 3.25.6

3.26 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

Achievement in

Since the beginning of the year, there has been tremendous achievement in terms of Human Resources operations. All relevant human resource policies are in place. There is a fully functional Local Labour Forum and There is a bursary scheme in the form of “Study Assistance” which has helped employees to achieve their academic dreams, including utilisation of training resources which assisted immensely in developing employees.

Recruitment

Human Resource played a vital role in ensuring that the Municipality achieves its IDP goals by employing new employees to ensure that services are provided to our communities as part of our commitments.

Employee wellness interventions

Employee wellness programme was provided to Municipal employees who suffered physical, emotional and financial disorders. Authorisation has been provided for all employees who requested assistant for employees Clinical Psychologist sessions.

Occupational Health and safety

In terms of the OHS Act, the employer is obliged to ensure that health and safety measures are observed at all times and further that its activities are performed in a diligent manner that will not any one's health at risk. OHS Committee members were enrolled on First Aid Training.

Challenge

No challenges were encountered in terms of Labour relations in the Municipality. However one disciplinary hearing was initiated against one of the employees and the sanction was then made, the employee is still in employment.

Occupational Health and Safety

Covid 19 was the challenge which affected the regulated working conditions whereby the working hours had to be flexible in order adhere to the introduced Disaster regulations.

Future plans

A continuous workshop on labour matters is intended to be conducted for the employees in that they become aware or reminded of the code of conduct in the Municipality to minimise acts of misconduct

HR Policies

The following policies were reviewed by Council

- Recruitment and selection policy
- Training Policy
- Transfer Policy
- Vehicle allowance Policy
- Subsistence and travelling allowance Policy

Chapter 3

- Cellphone policy
- Leave policy
- Employee Assistance policy

Organisational Organogram

In terms of Section 66 (1) of Municipal Systems Act, A Municipal Manager, within a policy framework determined by the policy framework determined by the Municipal Council and subject to any applicable legislation must develop a staff establishment to the Municipal Council for approval.

The structure was therefore submitted to Council together with the IDP for approval on the 31 May 2022. There are five directorates established which are:

1. Office of Municipal Manager comprised of the following Units:

- 1.1 Performance Management Unit
- 1.2 Information technology Unit
- 1.3 Communications and Marketing Unit
- 1.4 Internal Audit Unit

2. Community Services, the Department has just introduced the Traffic Services Unit.

- 2.1 Municipal Amenities
- 2.2 Libraries
- 2.3 Environmental and waste Management

3. Infrastructure which is comprised of the following Units:

- 3.1 Roads and storm water Unit
- 3.2 Project Management Unit
- 3.3 Water and Sanitation Unit
- 3.4 Electricity Unit

4. Corporate Services comprised of the following Units:

- 4.1 Human Resources Management
- 4.2 Legal Unit
- 4.3 Administration and Council Support Unit

5. Spatial planning and Human Settlements which is comprised of the following Units:

- 5.1 Human Settlement Unit
- 5.2 Town planning Unit
- 4.3 IDP Unit

The above mentioned Directorates are headed by the Section 56 Managers and all positions are filled. The salary bill of the Municipality is currently standing at 49% of the equitable share allocated.

Recruitment:

The HR Unit has a responsibility of filling all vacant positions with a target of 10 per annum.

- 10 positions were therefore filled during the financial year:
- 3 resignations
- 2 retirements and 2 death

T 3.26.1

Chapter 3

| Employees: Human Resource Services | | | | | |
|------------------------------------|-----------|-----------|-----------|----------------------------------|-----------------------------------|
| Job Level | 2022/2023 | 2023/2024 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 | 0 |
| 4 - 6 | 0 | 0 | 0 | 0 | 0 |
| 7 - 9 | 2 | 2 | 2 | 0 | 0 |
| 10 - 12 | 3 | 3 | 3 | 0 | 0 |
| 13 - 15 | 0 | 0 | 0 | 0 | 0 |
| 16 - 18 | 0 | 1 | 1 | 0 | 0 |
| Total | 5 | 6 | 5 | 0 | 0 |
| | | | | | T3.26.2 |

| Financial Performance 2023/2024: Corporate Services | | | | | |
|---|-----------|-------------------------------------|-------------------|--------|--------------------|
| | | | | | R'000 |
| Details | 2022/2023 | 2023/2024 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | | | | | |
| Expenditure: | | Information incorporated in the AFS | | | |
| Employees | | | | | |
| Repairs and Maintenance | | | | | |
| Other | | | | | |
| Total Operational Expenditure | | | | | |
| Net Operational Expenditure | | | | | |
| | | | | | T 3.26.3 |

| Capital Expenditure 2023/2024: Human Resource Services | | | | | |
|--|------------|-------------------|--------------------|-------------------------------|---------------------|
| | | | | | R' 000 |
| Capital Projects | 2023/2024 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | | | | % | |
| Physical Security guards Services | 48 000 000 | | 48 000 000 | 100% | 48 000 000 |
| | | | | | T 3.26.4 |

COMMENT ON THE PERFORMANCE OF CORPORATE SERVICES OVERALL:

The Human Resource Management has done well, we managed to fill all vacant positions except that of Fleet Manager, Assets Manager and LED Manager, which their recruitment is underway

T 3.26.5

Chapter 3

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

ICT Unit is the backbone of communication in this institution but without proper resources it is difficult to reach maximum performance on in-house service delivery also externally. Efforts have been made to upgrade and update the ICT systems and so far the municipality managed to make minor changes. The ICT services in GTLM are mainly to ensure that new technology is introduced to the municipality and that the current systems are maintained and updated.

The overall ICT functions are as follows:

1. Internal LAN/WAN monitoring and management
2. Maintenance of ICT Hardware
3. Procurement of Hardware/Software
4. Systems administration and operations on servers (daily back-ups, replication to DRP server etc.);
5. Access control of users to systems; 6. Managing of the general ICT operations.

IT Infrastructure State

All relevant ICT Infrastructures are in place which can accommodate the systems that need to be in place at local government level.

IT Risks/Security

ICT Risks do form part of the GTLM Institutional Risk Assessment Process and Register which is being updated quarterly. The physical risks are limited to end-user level. The servers are kept in a secure room and Enviro Rack which at the time of procurement complied with ISO Standards.

Outsourced ICT Services

Inzalo (Sebata) was appointed to roll out the MSCOA compliance project and only essential services still relevant to that project and the Exchange Server were kept.

Equipment and ICT related services are rendered by Agapet Technologies.

Telkom is responsible for telecommunications.

Vodacom provides data on contract.

Challenges

The Unit also had to support all officials within the entire area of GTLM which is a challenge due to the vastness and rural nature of the area.

The mobility of the Unit due to available transport is a challenge also taking into account the minimal amount for refund of expenses on the use of own vehicles.

Dependency on external networks and the reliability thereof does have an impact on connectivity in some areas.

Chapter 3

Future Plans

To improve connectivity and telecommunications equipment.
Assist Corporate Services to roll out a document management system.

The rural nature of the municipality requires GTLM to explore opportunities with regard to the latest satellite technology to improve communications as well as utilizing the internet “cloud” to improve service delivery:

The following are challenges that impedes maximum performance of IT unit

- ICT Portfolio Committee
- Internet Service Provider
- Network monitoring tool
- Dedicated budget for ICT purposes
- Upgrade to current physical and logical network infrastructure
- Availability of transport to junior IT staff

T 3.27.1

| Employees: ICT and Communications Services | | | | |
|--|----------|-----------|--------------------------------------|--------------------------------------|
| Job Level | 2022/23 | | | |
| | Posts | Employees | Vacancies/ (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | % |
| 7 - 9 | 0 | 0 | 0 | 0% |
| 10 - 12 | 3 | 3 | 0 | 0% |
| 13 - 15 | 1 | 1 | 0 | 0% |
| 16 - 18 | 1 | 1 | 0 | 0% |
| 19 - 20 | 0 | 0 | 0 | 0% |
| Total | 5 | 5 | 0 | 0% |

T3.27.2

3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

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

INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

Panel of Legal Advisors

-

Litigations

As of now there is about 70% success rate, 25% of matters pending and beyond our control as well as 5% of matters that were unsuccessful.

Disciplinary Matters

Chapter 3

This very important function is resident in the Labour Relations Section but the Legal Unit cannot completely divorce itself from it since it has legal connotations. Cases of misconduct are as far as possible investigated and concluded within a reasonable period in accordance with the Disciplinary Procedure and Collective Agreement. For the current year, two disciplinary cases were concluded and one is pending.

Contract Management

The contract register that the Legal Unit keeps reflects on the contracts that Greater Taung Local Municipality has entered into with various service providers. The unit strives to keep as much as they possibly can to keep an authentic contract register that would as well be auditable. This, the unit does by way of vetting contracts before they are signed as well as witnessing the signing thereof. Only when satisfied that the contract is legally compliant, will the unit help such find its way to the contract register.

Risk Management

The Dr Ruth Segomotsi Mompati District Municipality (DRRSMDM) is responsible for the function and PMS Manager is the risk champion and responsible for the coordination and facilitation of risk management in the municipality.

Procurement Service

Supply Chain Management Unit is responsible for the procurement of goods and services in the municipality.

T3.28.1

COMPONENT J: MISCELLANEOUS

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

INTRODUCTION TO MISCELLANEOUS

None. GTLM does account to provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises.

T 3.29.0

Chapter 3

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD 2023/2024

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

| Ref No. | Key Performance Indicator/ Unit of Measurement | Previous Financial Years 2022-2023 | | Wards | Revised Annual Budget 2023/24 | Financial Year Under Review 2023- 2024 | | Expenditure | Performance comments | Reason for under-performance/ deviation | Measures Taken/ to be taken to improve performance | Means of Verification /P.o.E |
|---|---|---------------------------------------|--------------------|----------------------------|----------------------------------|---|--------------------|----------------|---|---|---|------------------------------|
| | | Target | Actual performance | | | Revised Annual Target | Actual performance | | | | | |
| National KPA 1: Basic Service Delivery and Infrastructure Development: Technical Service Department | | | | | | | | | | | | |
| Strategic Objectives : Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance | | | | | | | | | | | | |
| TL 01 | Number of households in Reivilo provided with access to electricity by end June 2024 | 0 | 0 | 1 | Opex | 250 | 299 | Opex | Achieved | None | None | Billing Report |
| TL 02 | Number of high mast lights (Phase 7) constructed in various villages by end March 2024 | 24 | 24 | 1,2,10, 24,17, 20,19,8 ,18 | R 9 982 416 | 24 | 24 | R 9 981 490,14 | Achieved | None | None | Completion Certificate |
| TL 03 | Number of construction projects of Mothanthanyaneng Community Hall completed by end June 2024 | 1 | 85% | 16 | R 1 655 042 | 1 | 1 | R1 557 234,96 | Achieved | None | None | Completion certificate |
| TL 04 | Number of kilometers of access road constructions completed in Kgomoitso by end June 2024 | 0 | 0 | 20 | R 7 624 529 | 1.2km | 0km | R 7 900 318,64 | Target not achieved however progress was at 88% end June 2024 | The original budget for the project was reduced during the year | The target was reduced and revised, and it is included in the new financial year Plan | Completion certificate |

Chapter 3

| Ref No. | Key Performance Indicator/ Unit of Measurement | Previous Financial Years 2022-2023 | | Wards | Revised Annual Budget 2023/24 | Financial Year Under Review 2023- 2024 | | Expenditure | Performance comments | Reason for under-performance/ deviation | Measures Taken/ to be taken to improve performance | Means of Verification /P.o.E |
|---------|---|------------------------------------|--------------------|-------|-------------------------------|--|--------------------|-------------|----------------------|---|---|------------------------------|
| | | Target | Actual performance | | | Revised Annual Target | Actual performance | | | | | |
| TL 05 | Complete construction of 2km access road in Molelema by end June 2024 | 0 | 0 | 15 | R8 500 000 | 1.5km | 0km | R9 016 858 | Progress is at 90%. | The original budget for the project was reduced during the year | The target was reduced and revised, and it is included in the new financial year Plan | Completion certificate |
| TL 06 | Number of kilometres of access road constructions completed in Extension 7 by end June 2024 | 0 | 0 | 8 | R10 774 712 | 1.2km | 1.2km | R9 668 943 | Achieved | None | None | Completion certificate |
| TL 07 | Number of kilometres of access road constructions completed in Maganeng by end June 2024 | 3km | 67% | 24 | R4 953 899 | 3km | 3km | R 4 953 899 | Achieved | None | None | Completion certificate |
| TL 08 | Number of kilometres of access road constructions completed in Buxton by end June 2024 | 3km | 87% | 9 | R1 591 155 | 3km | 3km | R1 488 896 | Achieved | None | None | Completion certificate |
| TL 09 | Number of kilometres of paved roads constructed in Pudimoe by end June 2024 | 0 | 0 | 5 | R3 000 000 | 1km | 1.29km | R3 000 000 | Achieved | None | None | Completion certificate |

Chapter 3

| Ref No. | Key Performance Indicator/ Unit of Measurement | Previous Financial Years 2022-2023 | | Wards | Revised Annual Budget 2023/24 | Financial Year Under Review 2023- 2024 | | Expenditure | Performance comments | Reason for under-performance/ deviation | Measures Taken/ to be taken to improve performance | Means of Verification /P.o.E |
|---------|--|------------------------------------|--------------------|-------|-------------------------------|--|--------------------|-------------|---|---|--|------------------------------|
| | | Target | Actual performance | | | Revised Annual Target | Actual performance | | | | | |
| TL10 | Number of kilometres of paved roads constructed in Reivilo by end June 2024 | 0 | 0 | 1 | Opex | 1.6km | 1.6km | Opex | Achieved | None | None | Completion certificate |
| TL11 | Number of kilometres of storm water constructions completed in Kgatleng by end June 2024 | 3km | 67% | 13 | R1 621 612 | 2.6km | 2.6km | R1 623 977 | Achieved | None | None | Completion certificate |
| TL12 | Number of kilometres storm water channel constructed in Picong by end June 2024 | 0 | 0 | 16 | R3 415 587 | 1km | 0 | R2 758 780 | Target not achieved as planned however only 43% was completed | None | None | Completion certificate |
| TL13 | Number of households in Reivilo and Boipelo provided with access to water by end June 2024 | 0 | 0 | 1 | Opex | 497 | 677 | Opex | Achieved | None | None | Billing Report |
| TL14 | Number of households in the proclaimed areas provided with access to sanitation by end June 2024 | 0 | 0 | 1 | Opex | 2 434 | 2 434 | Opex | Achieved | None | None | Billing Report |
| TL15 | Number of households in proclaimed areas provided with access to weekly refuse | 0 | 0 | N/a | Opex | 2 507 | 2 598 | Opex | Achieved | None | None | Billing Report |

Chapter 3

| Ref No. | Key Performance Indicator/ Unit of Measurement | Previous Financial Years 2022-2023 | | Wards | Revised Annual Budget 2023/24 | Financial Year Under Review 2023- 2024 | | Expenditure | Performance comments | Reason for under-performance/ deviation | Measures Taken/ to be taken to improve performance | Means of Verification /P.o.E |
|---|---|------------------------------------|--------------------|-------|-------------------------------|--|--------------------|-------------|----------------------|---|--|---|
| | | Target | Actual performance | | | Revised Annual Target | Actual performance | | | | | |
| | removal by end June 2024 | | | | | | | | | | | |
| National Key Performance Area 1: Basic Service Delivery and Infrastructure Development – Spatial Planning and Human Settlement | | | | | | | | | | | | |
| Strategic Objectives: To coordinate all disaster related incidents within the jurisdiction of the municipality | | | | | | | | | | | | |
| TL16 | Number of temporary shelters provided in various wards by end March 2024 | 120 | 140 | All | R3 000 000 | 150 | 50 | Opex | Not achieved | Inadequate budget | Increase budget in the following financial year | Payment Certificate / Completion Certificate |
| National key Performance Area 2: Municipal Institutional Development and Transformation | | | | | | | | | | | | |
| Strategic Objectives: Improve organisational cohesion and effectiveness | | | | | | | | | | | | |
| TL 17 | Number of training programmes implemented for Municipal officials by end April 2024 | 10 | 17 | N/a | R720 000 | 10 | 11 | R 685 266 | Achieved | None | None | Proof of Registration / Attendance Register / Results |
| TL 18 | Number of training programmes implemented for Municipal Councillors by end April 2024 | 10 | 9 | N/a | | 5 | 4 | | Not achieved | Inadequate budget | Increase budget in the new financial year | Proof of Registration / Attendance Register / Results |
| TL19 | Percentage of the municipal budget actually spent on implementing its workplace skills plan measured as (Total Actual Training Expenditure/ Total | 90% | 87% | N/a | | 90% | 89% | | Achieved | None | None | Expenditure Report |

Chapter 3

| Ref No. | Key Performance Indicator/ Unit of Measurement | Previous Financial Years 2022-2023 | | Wards | Revised Annual Budget 2023/24 | Financial Year Under Review 2023- 2024 | | Expenditure | Performance comments | Reason for under-performance/ deviation | Measures Taken/ to be taken to improve performance | Means of Verification /P.o.E |
|---|--|------------------------------------|--------------------|-------|-------------------------------|--|--------------------|-------------|---|---|--|--------------------------------|
| | | Target | Actual performance | | | Revised Annual Target | Actual performance | | | | | |
| | Operational Budget) x100) by end June 2024 | | | | | | | | | | | |
| TL 20 | Number of students financially supported by end March 2024 | 40 | 80 | N/a | R109 000 | 40 | 51 | R109 000 | Achieved | None | None | Bursary letters |
| TL 21 | Number of people from EE target groups employed in the three highest levels of management in accordance with approved Municipal Employment Equity Plan by end March 2024 | 3 | 2 | N/a | Opex | 3 | 5 | Opex | Achieved | None | None | Appointment letters |
| National KPA 3: Local Economic Development | | | | | | | | | | | | |
| Strategic Objectives: Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance | | | | | | | | | | | | |
| TL 22 | Number of temporary jobs created through local procurement projects by end June 2024 | 100 | 238 | N/a | Opex | 100 | 123 | Opex | Achieved | None | None | Quarterly MIG report |
| TL 23 | Number of Full Time Equivalents (calculated as (days worked by participants x number | 56 | 66 | N/a | R 3 229 000 | 51 | 99 | R 3 229 000 | Target overachieved due to additional funds from own funding and more | None | None | Temporary Employment Contracts |

Chapter 3

| Ref No. | Key Performance Indicator/ Unit of Measurement | Previous Financial Years 2022-2023 | | Wards | Revised Annual Budget 2023/24 | Financial Year Under Review 2023- 2024 | | Expenditure | Performance comments | Reason for under-performance/ deviation | Measures Taken/ to be taken to improve performance | Means of Verification /P.o.E |
|--|--|------------------------------------|--------------------|-------|-------------------------------|--|--------------------|-------------|----------------------|---|--|--------------------------------|
| | | Target | Actual performance | | | Revised Annual Target | Actual performance | | | | | |
| | of participants / 230 working days per annum) created through EPWP by end June 2024 | | | | | | | | EPWP were employed | | | |
| TL 24 | Number of Full Time Equivalents (calculated as (days worked by participants x number of participants / 230 working days per annum) created through MLIP by end June 2024 | 50 | 103 | N/a | R 1 598 508 | 40 | 78 | R 1 598 508 | Achieved | None | None | Temporary Employment Contracts |
| National KPA 4: Municipal Financial Viability and Management | | | | | | | | | | | | |
| Strategic Objectives: To improve overall financial management in the municipality by developing and implementing appropriate Financial Management | | | | | | | | | | | | |
| TL 25 | Number of 2022/23 Annual Financial Statements submitted to AGSA by 31 August 2023 | 1 | 1 | N/a | Opex | 1 | 1 | Opex | Achieved | None | None | Acknowledgement of Receipt |
| TL 26 | Financial viability measured in terms of the available cash to cover fixed operating expenditure (Available cash + investments / Monthly fixed operating | 1.5 | 3.4 | N/a | Opex | 1.5 | 3 | Opex | Achieved | None | None | Annual Financial Statement |

Chapter 3

| Ref No. | Key Performance Indicator/ Unit of Measurement | Previous Financial Years 2022-2023 | | Wards | Revised Annual Budget 2023/24 | Financial Year Under Review 2023- 2024 | | Expenditure | Performance comments | Reason for under-performance/ deviation | Measures Taken/ to be taken to improve performance | Means of Verification /P.o.E |
|---------|---|------------------------------------|--------------------|-------|-------------------------------|--|--------------------|-------------|----------------------|--|---|------------------------------|
| | | Target | Actual performance | | | Revised Annual Target | Actual performance | | | | | |
| | expenditure) by end December 2023 | | | | | | | | | | | |
| TL 27 | Debt to Revenue Short Term Lease + Long Term Lease / Total Operating Revenue - Operating Conditional Grant by end December 2023 | 0 | 0 | N/a | Opex | 2.1 | 0:0 | Opex | Achieved | None | None | Annual Financial Statement |
| TL 28 | Number of 2023/24 Adjustment Budgets submitted to Council for approval by end February 2024 | 1 | 1 | N/a | Opex | 1 | 1 | Opex | Achieved | None | None | Council Minutes |
| TL 29 | Number of final 2024/25 Budgets submitted to Council by 31 May 2024 | 1 | 1 | N/a | Opex | 1 | 1 | Opex | Achieved | None | None | Council minutes |
| TL 30 | Number of indigent households that received free basic electricity in GTLM by end June 2024 | 11 000 | 3 526 | N/a | R10 500 000 | 4000 | 3841 | Opex | Not achieved | Indigents must re apply every 3 years. All older than 3 years was terminated from the Register | Councillors to encourage the poor to apply for Indigent | Report |
| TL 31 | Number of indigent households that received free basic water in GTLM by end June 2024 | 10 | 13 | N/a | R5 865 | 10 | 13 | R5 865 | Achieved | None | None | Report |

Chapter 3

| Ref No. | Key Performance Indicator/ Unit of Measurement | Previous Financial Years 2022-2023 | | Wards | Revised Annual Budget 2023/24 | Financial Year Under Review 2023- 2024 | | Expenditure | Performance comments | Reason for under-performance/ deviation | Measures Taken/ to be taken to improve performance | Means of Verification /P.o.E |
|---|--|------------------------------------|--------------------|-------|-------------------------------|--|--------------------|-------------|----------------------|--|---|------------------------------|
| | | Target | Actual performance | | | Revised Annual Target | Actual performance | | | | | |
| TL 32 | Number of indigent households that received free basic sanitation in GTLM by end June 2024 | 220 | 195 | N/a | R 177 183 | 220 | 163 | R123 692 | Not achieved | Indigents must re apply every 3 years. All older than 3 years was terminated from the Register | Councillors to encourage the poor to apply for Indigent | Report |
| TL 33 | Number of indigent households that received free basic refuse removal in GTLM by end June 2024 | 220 | 207 | N/a | R 475 565 | 220 | 192 | R152 411 | Not achieved | Indigents must re apply every 3 years. All older than 3 years was terminated from the Register | Councillors to encourage the poor to apply for Indigent | Report |
| TL 34 | Number of indigent households that received monthly rebates on property rates in GTLM by end June 2024 | 220 | 220 | N/a | 0 | 220 | 192 | R111 904 | Not achieved | Indigents must re apply every 3 years. All older than 3 years was terminated from the Register | Councillors to encourage the poor to apply for Indigent | Report |
| National KPA 5: Good Governance and Public Participation | | | | | | | | | | | | |
| Strategic Objectives: Promote a culture of participatory and good governance | | | | | | | | | | | | |
| TL 35 | Number of Final IDP Documents for (y+1) tabled to Council by the end May (y0) 2024 | 1 | 1 | N/a | Opex | 1 | 1 | R0 | Achieved | None | None | Council Minutes |
| TL 36 | Number of 2022/23 Annual Reports submitted to Council by end January 2024 | 1 | 1 | N/a | Opex | 1 | 1 | R0 | Achieved | None | None | Council minutes |

Chapter 3

| Ref No. | Key Performance Indicator/ Unit of Measurement | Previous Financial Years 2022-2023 | | Wards | Revised Annual Budget 2023/24 | Financial Year Under Review 2023- 2024 | | Expenditure | Performance comments | Reason for under-performance/ deviation | Measures Taken/ to be taken to improve performance | Means of Verification /P.o.E |
|---------|--|------------------------------------|--------------------|-------|-------------------------------|--|--------------------|-------------|----------------------|---|--|------------------------------|
| | | Target | Actual performance | | | Revised Annual Target | Actual performance | | | | | |
| TL 37 | Number of 2023/24 mid-term budget and performance assessment reports submitted to the Mayor by 25 January 2024 | 1 | 1 | N/a | Opex | 1 | 1 | R0 | Achieved | None | None | Acknowledgement of Receipt |

Chapter 3

Service Providers Strategic Performance

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

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

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

| 9. ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS 2023/24 FINANCIAL YEAR | | | | | | | | | | | |
|--|---------------------------|--------------------|--------------|-----------------|------------------|--------------------------------------|--|-----------|-----------|-----------|---------------------|
| Project name | Name of Service provider | Source of funding | start date | Completion date | Progress to date | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 - Excellent | | | | Assessment comments |
| | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| Provision of Legal Services for 3 Years | Modiboa Attorneys | Operational budget | 30 July 2021 | 2024/07/30 | None | Case only in 2 nd quarter | N/a | 3 | 4 | 3 | |
| Provision of Legal Services for 3 Years | Leepile Attorneys | Operational budget | 2021/07/30 | 2024/07/30 | None | No cases yet | N/a | N/a | N/a | N/a | |
| Valuation Roll | Activa Valuation Services | Own Funds | 2020 | 2025 | Good | None | 4 | 4 | 4 | 4 | |
| Debt Collection | Du Plessis & Viviers | Own Funds | 2007 | Ongoing | Good | None | 4 | 4 | 4 | 4 | |

Chapter 3

| 9. ANNUAL PERFORMANCE ASSESMENT OF SERVICE PROVIDERS 2023/24 FINANCIAL YEAR | | | | | | | | | | | |
|--|--|-------------------|--------------|-----------------|---|--|--|-----------|-----------|-----------|---|
| Project name | Name of Service provider | Source of funding | start date | Completion date | Progress to date | Challenges and interventions | Assessment of service provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 - Excellent | | | | Assessment comments |
| | | | | | | | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | |
| Debt Collection | Upsurge Construction and Projects | Own Funds | 2021 | 2024 | Good | None | 4 | 4 | 4 | 4 | |
| Reviewing the Municipal Spatial Development Framework (SDF) | Emendo Project Managers & Planner (PTY) LTD & TECHNIPLAN | Unit Budget | 1 March 2022 | 30 June 2023 | Spatial Proposal to be outlined at the PSC meeting to be held in February | Service provider being slow and PSC unavailability to attend meetings | 4 | 2 | 2 | 2 | Service provider started off on a higher note and slacked |
| Buxton Access Road | Mopani Civils (Contractor) | MIG | 01-09-2022 | 20-10-2023 | Complete | Poor cash-flow management by the Contractor. Fair workmanship due to lack of supervision to subcontractors and general workers by the site agent. Inadequate communication between main and subcontractor. | 3 | 4 | 2 | 2 | The performance of the Contractor was fair as he showed lack of committed during the duration of the project. |
| Physical Security Service | Diphetogo Security | Own funding | 01/07/2023 | 30/06/2024 | Complete | None | 3 | 3 | 3 | 3 | Security Guards of Diphetogo not having tools of trade |

Chapter 4

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

INTRODUCTION

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

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

T 4.0.1

Chapter 4

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

| Employees | | | | | |
|-----------------------------------|------------|----------------|-----------|-----------|------------|
| Description | 2022/2023 | 2023/2024 | | | |
| | Employees | Approved Posts | Employees | Vacancies | Vacancies |
| | No. | No. | No. | No. | % |
| Waste Water (Sanitation) | 33 | | | | 14 % |
| Electricity | 3 | | | | % |
| Housing | 6 | | | | % |
| Waste Water (Stormwater Drainage) | 31 | | | | 22 % |
| Roads | 3 | | | | 0 % |
| Technical | 9 | | | | 30% |
| PMU | 5 | | | | 0% |
| Local Economic Development | 4 | | | | 25 % |
| Planning (Strategic & Regulatory) | 2 | | | | 0 % |
| Community & Social Services | 85 | | | | 13 % |
| Office of Municipal Manager | 13 | | | | 31 % |
| Corporate Services | 41 | | | | 13 % |
| Political Office | 16 | | | | 0% |
| Finance | 36 | | | | 25% |
| Totals | 284 | | | | 15% |
| | | | | | T 4.1.1 |

| Vacancy Rate: 2022/2023 | | | |
|---|-----------------------|---|--|
| Designations | *Total Approved Posts | *Vacancies (Total time that vacancies exist using fulltime equivalents) | *Vacancies (as a proportion of total posts in each category) |
| | No. | No. | % |
| Municipal Manager | 1 | 1 | 100% |
| CFO | 1 | 1 | 0 |
| Other S56 Managers (excluding Finance Posts) | 4 | 2 | 50% |
| Other S56 Managers (Finance posts) | 0 | 0 | |
| Senior management: Levels 13-16 (excluding Finance Posts) | 14 | 3 | 21% |
| Senior management: Levels 13-16 (Finance posts) | 4 | 1 | 25% |
| Highly skilled supervision: levels 9-12 (excluding Finance posts) | 53 | 3 | 6% |
| Highly skilled supervision: levels 9-12 (Finance posts) | 14 | 1 | 7% |
| Total | | | |
| | | | T 4.1.2 |

Chapter 4

| Turn- over Rate | | | |
|-----------------|--|--|------------------------|
| Details | Total Appointment as of beginning of financial year No. | Termination during the financial year No. | Turn- over Rate No. |
| 2021/2022 | 30 | 5 | 0.16 |
| 2022/2023 | 16 | 17 | 1.06 |
| 2023/2024 | | | |

COMMENT ON VACANCIES AND TURNOVER:

The position of the municipal manager became vacant on the 09th of November 2022 and immediately council appointed the Senior Manager responsible for Planning and Human Settlement as the acting Municipal Manager until the position was filled in November 2024. Furthermore, on the 01 February the position of the Senior Manager Community and Social Services became vacant, and the council of the municipality took resolution to appoint the Manager responsible for Performance Management System to act in the position until the position is filled. The position of senior manager community service was filled from the 01st December 2024

T 4.1.4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Workforce management is achieved through proper human resources processes and procedures, aligned to Section 67 of the Municipal Systems Act, 32 of 2000, which ensures compliance with the development and adoption of appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration. This is achieved through the Human Resource Policies contained in the municipality's Integrated Development Plan (IDP). Adherence and compliance with applicable legislation and reviewing policies, procedures and processes aimed at regulating the workplace also further assists in workforce management.

Policy Review and Development

GTLM as an evolving and developmental Local Government Institution, regularly reviews its policies, processes and procedures to ensure all processes followed, implemented and executed are open, transparent and aligned to legislative requirements, not to unfairly discriminate against employees. Policy Review is part of Management's Performance Indicators and monitored through the Performance Management System.

Greater Taung has a functional Local Labour Forum which is utilised for the discussion of work-related matters, how to improve the working relationship between employment parties.

Training and Employment equity Committee also exists to address the issues of training and equity matters. Health and Safety Committee also addresses safety issues, risk assessment is conducted bi-annually to minimise risks, employees are being taken for medical surveillance, and protective clothing is provided to the employees.

All these committees convene once in a quarter and make their reports to the portfolio Committee which further escalates them to Council for noting.

T 4.2.0

Chapter 4

| OCCUPATIONAL LEVELS | Male | | | | | Female | | | | |
|--|---------|--------|--------|-------|-------|---------|--------|--------|-------|-------|
| | African | Colour | Indian | White | Total | African | Colour | Indian | White | Total |
| Senior Management | 1 | 0 | 0 | 1 | 2 | 0 | 0 | 0 | 0 | 0 |
| Professionally qualified and experienced specialists and mid-management | 10 | 0 | 0 | 3 | 13 | 4 | 1 | 0 | 2 | 7 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents | 19 | 1 | 0 | 0 | 20 | 15 | 0 | 0 | 1 | 16 |
| Semi-skilled and discretionary decision making | 48 | 1 | 0 | 0 | 49 | 43 | 0 | 0 | 0 | 40 |
| Unskilled and defined decision making | 81 | 3 | 0 | 0 | 84 | 32 | 2 | 0 | 0 | 34 |
| Total Employees/Posts | 159 | 5 | 0 | 4 | 167 | 94 | 3 | 0 | 3 | 100 |
| As % of the total Number of employees/posts | 56.9% | 1.8% | 0.0% | 2.1% | | 36.4% | 1.1% | 0.0% | 1.1% | |
| Current Male to female ratio | Male | | | | | Female | | | | |
| Total Number of Male & Female Employees | 172 | | | | | 109 | | | | |
| Current % Male to Female Ratio | 63% | | | | | 37% | | | | |

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 | | | 03 December 2019 |
| 2 | Cellphone Allowance Policy | | | 26 August 2022 |
| 3 | Code of Conduct for employees | | | Regulated, not to be adopted |
| 4 | Delegations, Authorisation & Responsibility | | | |
| 5 | Disciplinary Code and Procedures | | | Bargaining Council Collective agreement |
| 6 | Employee Assistance / Wellness | | | 26 August 2022 |
| 7 | Employment Equity | | | 03 December 2019 |
| 8 | Grievance Procedures | | | Bargaining Council Collective agreement |
| 9 | Job Evaluation | | | Bargaining Council Policy |
| 10 | Leave | | | 03 December 2019 |
| 11 | Recruitment, Selection and Appointments | | | 26 August 2022 |
| 12 | Remuneration Scales and Allowances | | | Collective agreement |
| 13 | Sexual Harassment | | | To be reviewed |
| 14 | Skills Development | | | 26 August 2022 |
| 15 | Vehicle Allowance Policy | | | 26 August 2022 |
| 16. | Subsistence and travelling Allowance Policy | | | 26 August 2022 |
| 17. | Transfer Policy | | | 26 August 2022 |
| 18. | Acting Policy | | | 26 August 2022 |
| Use name of local policies if different from above and at any other HR policies not listed. | | | | T 4.2.1 |

Chapter 4

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

The above policies on table are adopted by Council and more policies will be reviewed and also adopted by council. The supply chain policy and tariff policy are reviewed annually and adopted by Council. All Human Resource policies have been workshopped with all staff and the Local Labour forum has also approved the new draft policies for Council adoption.

T 4.2.1.

4.3 INJURIES, SICKNESS AND SUSPENSIONS

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

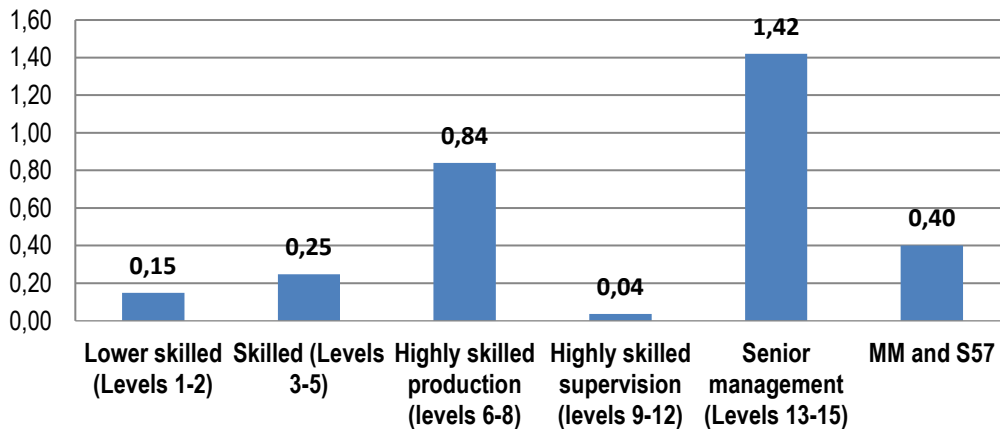
T 4.3.1

| 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 |
| | Days | % | No. | No. | Days |
| Lower skilled (Levels 1-2) | 24 | 90% | 10 | 30 | 0,15 |
| Skilled (Levels 3-5) | 40 | 42% | 98 | 22 | 0,25 |
| Highly skilled production (levels 6-8) | 136 | 58% | 44 | 58 | 0,84 |
| Highly skilled supervision (levels 9-12) | 6 | 95% | 2 | 26 | 0,04 |
| Senior management (Levels 13-15) | 230 | 66% | 17 | 18 | 1,42 |
| MM and S57 | 65 | 60% | 6 | 8 | 0,40 |
| Total | 501 | 69% | 177 | 162 | 3,09 |

T 4.3.2

Chapter 4

Average Number of Days Sick Leave (excluding IOD)



T 4.3.3

COMMENT ON INJURY AND SICK LEAVE:

Injuries have been reduced to a bare minimum in the Municipality and when an employee gets injured, they are sending to a doctor paid by the Municipality. When an employee is on long instances of sick leave the Municipality takes that person to its own doctor to get an opinion on that person health and that information is kept on the file of the employee.

T 4.3.4

Number and Period of Suspensions

| Position | Nature of Alleged Misconduct | Date of Suspension | Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised | Date Finalised |
|-------------|------------------------------|--------------------|--|----------------|
| Electrician | Gross insubordination | 06/10/2022 | The employee is back in office | finalised |
| | | | | |

T 4.3.5

Disciplinary Action Taken on Cases of Financial Misconduct

| Position | Nature of Alleged Misconduct and Rand value of any loss to the municipality | Disciplinary action taken | Date Finalised |
|----------|---|---------------------------|----------------|
| None | N/a | N/a | N/a |
| | | | |
| | | | |

T 4.3.6

Chapter 4

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

The rand value of the cases could not be verified as it was an internal process which in most cases does not bear costs.

T 4.3.7

4.4 PERFORMANCE REWARDS

COMMENT ON PERFORMANCE REWARDS:

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

T 4.4.1.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

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

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

The Workplace Skills Plan (WSP) for 2023/24 financial year with its attended Training Plan was submitted to the Sector Education and Training Authority for Local Government (LGSETA) by 30 April 2024 as per requirement.

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

T 4.5.0

Chapter 4

4.5 SKILLS DEVELOPMENT AND TRAINING

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

| Skills Matrix | | | | | | | | | | | | | | |
|--|--------|---|---|--------------------------|------------------|---|--------------------------|------------------|--------------------------|--------------------------|------------------|--------------------------|--------------------------|------------------|
| Management level | Gender | Employees in post as at 30 June Year 2024 | Number of skilled employees required and actual as at 30 June Year 2024 | | | | | | | | | | | |
| | | | Learnerships | | | Skills programmes & other short courses | | | Other forms of training | | | Total | | |
| | | No. | Actual: End of 2022/2023 | Actual: End of 2023/2024 | 2023/2024 Target | Actual: End of 2022/2023 | Actual: End of 2023/2024 | 2023/2024 Target | Actual: End of 2022/2023 | Actual: End of 2023/2024 | 2023/2024 Target | Actual: End of 2022/2023 | Actual: End of 2023/2024 | 2023/2024 Target |
| MM and s57 | Female | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 1 | 1 | 1 | 1 |
| | Male | 2 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 |
| Councillors, senior officials and managers | Female | 19 | 0 | 0 | 0 | 0 | 1 | 2 | 10 | 7 | 19 | 10 | 8 | 21 |
| | Male | 29 | 0 | 0 | 0 | 0 | 0 | 0 | 15 | 10 | 29 | 15 | 10 | 29 |
| Technicians and associate professionals* | Female | 9 | 0 | 0 | 0 | 0 | 1 | 2 | 0 | 2 | 5 | 0 | 3 | 7 |
| | Male | 9 | 0 | 0 | 1 | 1 | 0 | 2 | 0 | 0 | 2 | 1 | 0 | 4 |
| Professionals | Female | 41 | 0 | 0 | 2 | 9 | 5 | 10 | 3 | 11 | 10 | 12 | 15 | 20 |
| | Male | 26 | 0 | 0 | 2 | 10 | 3 | 5 | 0 | 8 | 10 | 10 | 11 | 15 |
| Sub total | Female | 69 | 0 | 0 | 2 | 10 | 7 | 14 | 13 | 19 | 35 | 23 | 26 | 49 |
| | Male | 66 | 0 | 0 | 3 | 12 | 4 | 7 | 15 | 18 | 41 | 28 | 22 | 48 |
| Total | | 135 | 0 | 0 | 5 | 22 | 11 | 21 | 28 | 37 | 76 | 51 | 48 | 97 |
| *Registered with professional Associate Body e.g CA (SA) | | | | | | | | | | | | | | |
| T 4.5.1 | | | | | | | | | | | | | | |

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

T 4.5.1

Chapter 4

4.5.2 MFMA Competencies

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

To assist the above-mentioned officials to acquire the prescribed financial competencies, NT, with the collaboration of various stakeholders and role players in the Local Government sphere, developed an outcome based NQF level 6 qualifications in municipal finance management. In terms of the Government Notice 493 of 15 June 2017, "(1) No Municipality or municipal entity may, with effect 1 January employ a person as a financial official if that person does not meet the competency level prescribed for the relevant position in terms of these Regulation".

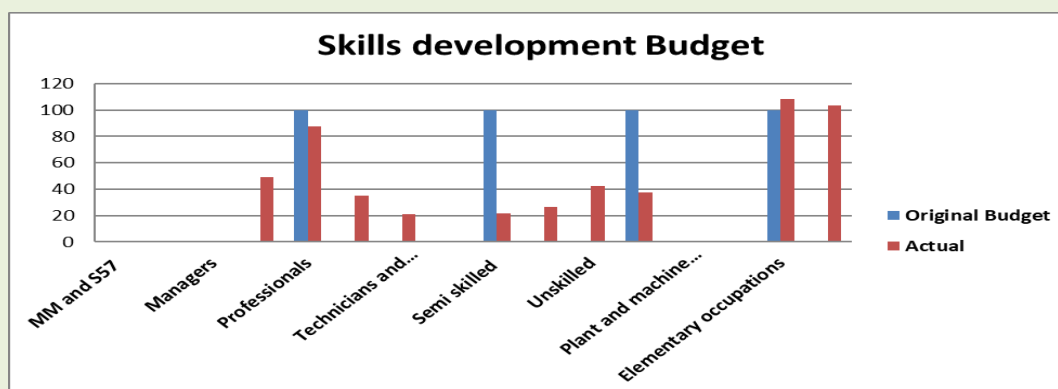
The table below provides details of the financial competency development progress as required by the regulation:

| Financial Competency Development: Progress Report* | | | | | | |
|---|--|---|---------------------------------------|---|--|--|
| Description | A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c)) | B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c)) | Consolidate d: Total of A and B | Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d)) | Consolidate d: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f)) | Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e)) |
| Financial Officials | | | | | | |
| Accounting officer | 1 | 0 | 1 | 1 | 1 | 1 |
| Chief financial officer | 1 | 0 | 1 | 1 | 1 | 1 |
| Senior managers | 3 | 0 | 3 | 3 | 3 | 3 |
| Any other financial officials | 31 | 0 | 31 | 0 | 0 | 14 |
| Supply Chain Management Officials | | | | | | |
| Heads of supply chain management units | | | | | | |
| Supply chain management senior managers | 1 | 0 | 1 | 1 | 0 | 1 |
| TOTAL | 37 | 0 | 37 | 6 | 5 | 20 |
| * This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007) | | | | | | |

T 4.5.2

Chapter 4

| Skills Development Expenditure | | | | | | | | | | |
|--|--------|---|--|--------|---|--------|-------------------------|----------|-----------------|-----------|
| | | | | | | | | | | R'000 |
| Management level | Gender | Employees as at the beginning of the financial year | Original Budget and Actual Expenditure on skills development 2023/24 | | | | | | | |
| | | | Learnerships | | Skills programmes & other short courses | | Other forms of training | | Total | |
| | | No. | Original Budget | Actual | Original Budget | Actual | Original Budget | Actual | Original Budget | Actual |
| MM and S57 | Female | 1 | R0 | R0 | R0 | R0 | R10 600 | R10 600 | R10 600 | R10600 |
| | Male | 3 | R0 | R0 | R0 | R0 | R0 | R0 | R0 | R0 |
| Legislators, senior officials and managers | Female | 19 | R0 | R0 | R0 | R 0 | R110 000 | R93 970 | R110 000 | R93 970 |
| | Male | 29 | R0 | R0 | R 0 | R0 | R110 000 | R34 270 | R110 000 | R34 270 |
| Professionals | Female | 41 | R0 | R0 | R25 000 | R25000 | R25 000 | R20000 | R50 000 | R45 000 |
| | Male | 26 | R0 | R0 | R25 000 | R25000 | R25 000 | R180 090 | R50 000 | R205 090 |
| Technicians and associate professionals | Female | 9 | R0 | R0 | R 0 | R 0 | R50 000 | R50000 | R50 000 | R50 000 |
| | Male | 9 | R0 | R0 | R0 | R0 | R50 000 | R50000 | R50 000 | R50 000 |
| Clerks | Female | 9 | R0 | R0 | R0 | R0 | R25 000 | R24 260 | R25 000 | R24 260 |
| | Male | 1 | R0 | R0 | R0 | R0 | R14 400 | R00 | R14 400 | R0 |
| Service and sales workers | Female | 7 | R0 | R0 | R0 | R0 | R50000 | R00 | R50 000 | R0 |
| | Male | 3 | R0 | R0 | R0 | R0 | R50000 | R00 | R50 000 | R0 |
| Plant and machine operators and assemblers | Female | 0 | R0 | R0 | R0 | R0 | R25000 | R8 580 | R25 000 | R8 580 |
| | Male | 14 | R0 | R0 | R 0 | R0 | R25 000 | R34 340 | R25 000 | R34 340 |
| Elementary occupations | Female | 103 | R0 | R0 | R0 | R0 | R50 000 | R19 780 | R50 000 | R19 780 |
| | Male | 90 | R0 | R0 | R0 | R0 | R50 000 | R19 996 | R50 000 | R19 996 |
| Sub total | Female | 189 | R0 | R0 | R25000 | R25000 | R345 600 | R227190 | R370600 | R252 190 |
| | Male | 175 | R0 | R0 | R25000 | R25000 | R324 400 | R318 696 | R349 400 | 343 696 |
| Total | | 364 | R0 | R0 | R50000 | R50000 | R670 000 | R545 886 | R720 000 | R595 886 |
| *% and *R value of municipal salaries (original budget) allocated for workplace skills plan. | | | | | | | | | % | *R720 000 |
| T4.5.3 | | | | | | | | | | |



Chapter 4

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

Training and skills development interventions are mainly aimed at increasing the knowledge, proficiency, ability and skills of GTLM Human Capital to improve bottom line performance. GTLM Training Plan is informed by key strategic documents such as IDP and internal Skills Audit Results as well as the National Treasury Minimum Competency Regulations of 2007.

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

According to Section 83(1) of the Municipal Finance Management Act, The accounting officer, Senior managers (Section 56 Managers), The Chief Financial Officer, Financial Managers and Nonfinancial Managers must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. The National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

The expenditure on skills development increases annually due to employees embarking on various skills development interventions, the education at higher institution is becoming more expensive and that more training is legislated. The municipality spend R..... from FMG and other grand.

The Total Budget for the 2023/24 budget is R, The total expenditure is R ...(Rused for Employed and the R..... spent for Non Employed which would be considered as unauthorised expenditure according to the Municipal Finance Management Act.

According to the Skills Development Levies Act the municipality is required to pay the 1% of its monthly remuneration in the form of a levy and it claims back the percentage in a form of a mandatory grand. The mandatory grant is paid quarterly to the municipality and it should be noted that those funds should specifically be spent on capacitating employees as well as Non Employees.

T 4.5.4

Chapter 4

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

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

The Municipality is in a rural area thus it is difficult to attract and retain qualified staff. Moreover, with the small income as most people in the municipal jurisdiction are indigents the salary bill ratio is high.

Thus the Organisational structure must be carefully managed. It is against this that many posts have been frozen as not to put unnecessary financial pressure on the budget.

The Municipality had a high turnover due to stringent consequence management being applied but other than that staff turnover has been consistent.

T 4.6.0

4.6 EMPLOYEE EXPENDITURE

The graph here is not linked to any information in the annual report therefore it is difficult to have credible data that will produce Graph that is correct. However employee expenditure for 2023/2024 financial was at ??? million which is very high and need to be attended to.

Source: MBRR SA22

T 4.6.

COMMENT ON WORKFORCE EXPENDITURE:

Workforce expenditure is a major part of the operational expenditure of the Greater Taung Local Municipality. As it is mostly a fixed cost, proper planning and assessment of post requirements are necessary to make sure that the best available personnel is employed to meet the mandate of the municipality in service delivery to the community as well as obtaining its objectives.

The remuneration part of the employment costs is determined through the bargaining council and therefore out of our hands. Three variables that we have to keep monitoring and control are the vacancy rate, employee performance and overtime paid.

The Municipality has workshoped a new Performance management policy, and will cascade it down after Council approval, thus that will ensure performance assessments and evaluate if value for money is achieved by officials.

T 4.6.1.1

Chapter 4

| Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded | | |
|--|--------|-------|
| Beneficiaries | Gender | Total |
| Lower skilled (Levels 1-2) | Female | 0 |
| | Male | 0 |
| Skilled (Levels 3-5) | Female | 0 |
| | Male | 0 |
| Highly skilled production (Levels 6-8) | Female | 0 |
| | Male | 0 |
| Highly skilled supervision (Levels 9-12) | Female | 0 |
| | Male | 0 |
| Senior management (Levels 13-16) | Female | 0 |
| | Male | 0 |
| MM and S 57 | Female | 0 |
| | Male | 0 |
| Total | | 0 |
| Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above). | | |

T 4.6.2

| Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation | | | | |
|---|---------------------|----------------------|--------------------|---------------------------------------|
| Occupation | Number of employees | Job evaluation level | Remuneration level | Reason for deviation |
| Senior ICT Technician | 1 | 12 | 14 | Personal to holder principle applies. |
| Agricultural rural Dev Coordinator | 1 | 11 | 12 | Personal to holder principle applies |
| Chief Librarian | 1 | 11 | 12 | Personal to holder principle applies |
| Special project coordinator | 1 | 9 | 10 | Personal to holder principle applies |
| Assets Accountant | 1 | 12 | 15 | Personal to holder principle applies |
| Driver messenger | 3 | 5 | 6 | Personal to holder principle applies |
| Receptionist | 4 | 5 | 7 | Personal to holder principle applies |
| Horticulturist | 1 | 10 | 9 | Personal to holder principle applies |
| Foreman | 4 | 9 | 10 | Personal to holder principle applies |

T 4.6.3

Chapter 4

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

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

No posts were upgraded during the year under review.

T 4.6.5

DISCLOSURES OF FINANCIAL INTERESTS

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

T 4.6.6

Chapter 5

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

The purpose of the Statement of Financial Performance is to give an account of the results of GTLM's operations. These transactions result from the operating budget. The result is expressed as being either a surplus or a deficit (being the difference between Revenue and Expenditure). A surplus is indicative of Revenue being more than Expenditure and a deficit of Expenditure being more than Revenue. The purpose of the Statement of Financial Position is to give an account of the assets and liabilities at the end of the financial year. Net assets are shown, which are the difference between the assets and the liabilities. The cash flow statement shows the net cash result. Technically, the statement starts with the accounting surplus as per the Statement of Financial Performance which gets adjusted for all non-cash transactions. All other cash transactions not resulting from the Statement of Financial Performance are recorded. These items can be referenced back to both the capital budget as well as the items reported as part of the quarterly Section 11-withdrawals reports, submitted to Council.

This financial overview presents the brief summary of the financial performance of the municipality for the financial year under review. The detailed financial performance, financial position and cash flow activities of the municipality are presented in the annual financial statements for the year ended 30 June 2024. The municipality has during the financial year, strived to comply with the requirements of the relevant legislative prescripts and the guidelines set by the National Treasury in as far as financial management is concerned.

The municipality managed the budget process effectively and adhered to the timeframes as set out by the Municipal Finance Management Act. The Budget Steering Committee was established, and meetings of the committee were effectively held. Other success factors for the financial year 2022-2023 are amongst others being able to monitor and report effectively on the budgets as well as the submission of the Annual Financial Statements on time.

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

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

The total budget for the 2023/2024 was R..... as per adjustment budget approved by council. A total of R..... was spent on the capital projects that were identified by the municipality with the main aim of enhancing service delivery.

T 5.0.1

Chapter 5

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

The financial statements presented in this report are presented on the basis that the municipality is a going concern. The principles of GRAP have been taken into consideration when preparing these annual financial statements. The annual financial statements have been prepared by both the consultant appointed and finance personnel and later reviewed by the audit committee and a consultant.

Analysing the financial position of the municipality as outlined in the statement of financial position, in the annual financial statements, the municipality is still financially viable. The municipality has maintained a sustainable and sufficient asset base.

The total assets of the municipality are adequate to ensure that the liabilities of the municipality are cared and covered should anything happen to the municipality's continuity. The asset base of the municipality which is above the liabilities of the municipality as well as other factors that are presented in the financial position of the municipality shows that the municipality is still solvent and therefore still financially healthy.

The statement of financial performance as included in the annual financial statements presented a positive net result. This means that the total revenues of the municipality were still more than the total expenditures at the end of the financial year ended 30 June 2024. The detailed statement of financial performance **will** be included in the financial statements. The highest cost driver for the municipality remains to be personnel costs.

T 5.1.0

Chapter 5

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Statement of Financial Performance is part of the Audited Financial Statement

Chapter 5

COMMENT ON FINANCIAL PERFORMANCE:

The municipality's total expenditure was within the approved budget during the year under review but there was over expenditure on bulk purchase of electricity due to distribution losses.

T5.1.3

5.2 GRANTS

COMMENT ON OPERATING TRANSFERS AND GRANTS:

Conditional grant such as MIG is the grants allocated to the municipality to implement the projects to deliver services to the community. GTLM did not receive any grants from other sources such as semi-state, private sector or foreign government.

T 5.2.2

COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

The Greater Taung Local Municipality always ensure that all conditional grant received by it are use for the same purpose. Financial reports also confirm and justify the appropriate use of conditional grant and we doing so to comply with conditions attached to the grants

T 5.2.4

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

The purpose of asset management in the Greater Taung Local Municipality (GTLM) is to ensure the effective and efficient control, utilization, safeguarding and management of the GTLM's property, plant and equipment and to make managers aware of their responsibilities in regard of property, plant and equipment.

It also set out the standards of physical management, recording and internal controls to ensure property, plant and equipment are safeguarded against inappropriate loss or utilisation and to prescribe the accounting treatment for property, plant and equipment in the GTLM include the following the cost of assets and the calculating of depreciation and capitalising of PPE and to the classification if different types of Assets.

The municipality developed an infrastructure asset management plan as required by the GTLM asset management policy and Local Government Capital Asset Management. Four Asset Management Plans were developed, namely:

1. Roads Network Asset Management Plan
2. Stormwater Network Asset Management Plan
3. Community Assets Management Plan
4. Electricity Network Asset Management Plan

Chapter 5

These Asset Management Plans are one component of the municipality's overarching corporate strategy. It was developed to support the municipality's vision for its asset management practice and programs. It provides key asset attribute data, including current composition of the municipality's infrastructure portfolio. It summarizes the physical health of the capital assets, assess the municipality's current capital spending framework, and outlines financial strategies to achieve fiscal sustainability in the long-term while reducing and eventually eliminating funding gaps.

ROADS NETWORK ASSET MANAGEMENT PLAN

This asset management plan details information about infrastructure assets including actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The plan defines the services to be provided, how the services are provided and what funds are required to provide the services generally over a 20-year planning period.

This plan covers the infrastructure assets that provide road network to Greater Taung Local Municipality. The Road network comprises:

- Taung Town-Roads with Stormwater
- Reivilo Town-Roads with Stormwater
- Boipelo-Roads with Stormwater
- Pudimoe-Roads with stormwater
- Villages-Roads only

COMMUNITY ASSETS MANAGEMENT PLAN

This asset management plan details information about community assets including actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The plan defines the services to be provided, how the services are provided and what funds are required to provide the services generally over a 20-year planning period.

This plan covers the community assets that provide recreational services to Greater Taung Local Municipality.

The Community Assets Management Plan comprises:

- Community Halls
- Libraries

The forecast lifecycle costs necessary to provide the services covered by this Asset Management Plan (AM Plan) includes operation, maintenance, renewal, acquisition, and disposal of assets over the 20-year planning period is R315 139 000. The infrastructure reality is that only what is funded in the long term financial plan can be provided. The emphasis of the Asset Management Plan is to communicate the consequences that this will have on the service provided and risks, so that decision making is informed.

The anticipated planned budget leaves a shortfall per year of the forecast lifecycle costs required to provide services in the AM Plan compared with planned budget currently included in the Long Term Financial Plan.

The buildings were said to be 15 Community Halls, 5 cover grounds, 5 libraries, 5 Thusong Centres and other buildings such as rental housing and municipal offices. Such amounts cannot be considered adequate and consequently a more detailed needs requirements for construction, operations, maintenance and eventual community assets renewals is necessary.

Chapter 5

ELECTRICITY NETWORK ASSET MANAGEMENT PLAN

This plan covers the infrastructure assets that provide electricity network to Greater Taung Local Municipality

These assets include:

The Electricity Assets Management Plan network comprises:

- Provision of Standby Generator at Greater Taung Local Municipality Administrative Offices
- Provision of street lights-approximately 8.3 km distance
- Villages as Listed as Priority 1 in the IDP.
- Provision of Street Lights and High Mast for the Pudimoe residential area
- Assessment of the existing medium voltage electricity reticulation system
- Provision of Street Lights and area lighting systems in Reivilo Township.

The infrastructure reality is that only what is funded in the long term financial plan can be provided. The emphasis of the Asset Management Plan is to communicate the consequences that this will have on the service provided and risks, so that decision making is informed.

The anticipated planned budget leaves a shortfall of R 4 850 000 on average per year of the forecast lifecycle costs required to provide services in the AM Plan compared with planned budget currently included in the Long-Term Financial Plan

We plan to provide Electricity Network services for the following:

- Operation, maintenance, renewal and upgrade of CBD, Towns of Taung, Reivilo and Pudimoe and the Villages listed as Priority in the IDP.
- Construction of various Electricity networks in different prioritized villages within the 20-year planning period

STORMWATER NETWORK ASSET MANAGEMENT PLAN

This plan covers the infrastructure assets that provide road network to Greater Taung Local Municipality.

The Stormwater Assets Management Plan network comprises:

- CBD
- Towns(Taung, Reivillo and Pudimoe)
- Villages as Listed as Priority 1 in the IDP.

Estimated available funding for this period is R 226 530 000 or R11 326 500 on average per year as per the long term financial plan or budget forecast. This is 70% of the cost to sustain the current level of service at the lowest lifecycle cost.

The infrastructure reality is that only what is funded in the long term financial plan can be provided. The emphasis of the Asset Management Plan is to communicate the consequences that this will have on the service provided and risks, so that decision making is informed.

The anticipated planned budget leaves a shortfall of R 4 850 000 on average per year of the forecast lifecycle costs required to provide services in the AM Plan compared with planned budget currently included in the Long Term Financial Plan. This is shown in the figure below.

We plan to provide Stormwater Network services for the following:

- Operation, maintenance, renewal and upgrade of CBD, Towns of Taung, Reivilo and Pudimoe and the Villages listed as Priority in the IDP.

T 5.3.1

Chapter 5

| TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2021/2022 – 2023/2024 | | | | |
|--|--|-------------|---------|--|
| Asset 1 | | | | |
| Name | | | | |
| Description | | | | |
| Asset Type | | | | |
| Key Staff Involved | | | | |
| Staff Responsibilities | | | | |
| Asset Value | 2020/21 | 2021/22 | 2022/23 | |
| | | | | |
| Capital Implications | Increases the number of assets in the asset register | | | |
| Policies in Place to Manage Asset | MIG | | | |
| Asset 2 | | | | |
| Name | | | | |
| Description | | | | |
| Asset Type | | | | |
| Key Staff Involved | | | | |
| Staff Responsibilities | | | | |
| Asset Value | 2020/21 | 2021/22 | 2022/23 | |
| | New Project | New Project | | |
| Capital Implications | Increases the number of assets in the asset register | | | |
| Policies in Place to Manage Asset | MIG | | | |
| Asset 3 | | | | |
| Name | | | | |
| Description | | | | |
| Asset Type | | | | |
| Key Staff Involved | | | | |
| Staff Responsibilities | | | | |
| Asset Value | 2020/21 | 2021/22 | 2022/23 | |
| | New Project | New Project | | |
| Capital Implications | Increases the number of assets in the asset register | | | |
| Policies in Place to Manage Asset | MIG | | | |
| T 5.3.2 | | | | |

COMMENT ON ASSET MANAGEMENT:

The development of asset management plans is an interactive process that starts with the identification of service delivery needs and ends with an approved “multiyear” budget linked to the SDBIP based upon the most cost-effective method of delivering that service.

Asset management plans also include asset maintenance plans to ensure provision in the budget for appropriate funding to guarantee that existing assets continue to perform at the required levels and standards of service. The asset management plans, for example, will inform the maintenance budget.

T 5.3.3

Chapter 5

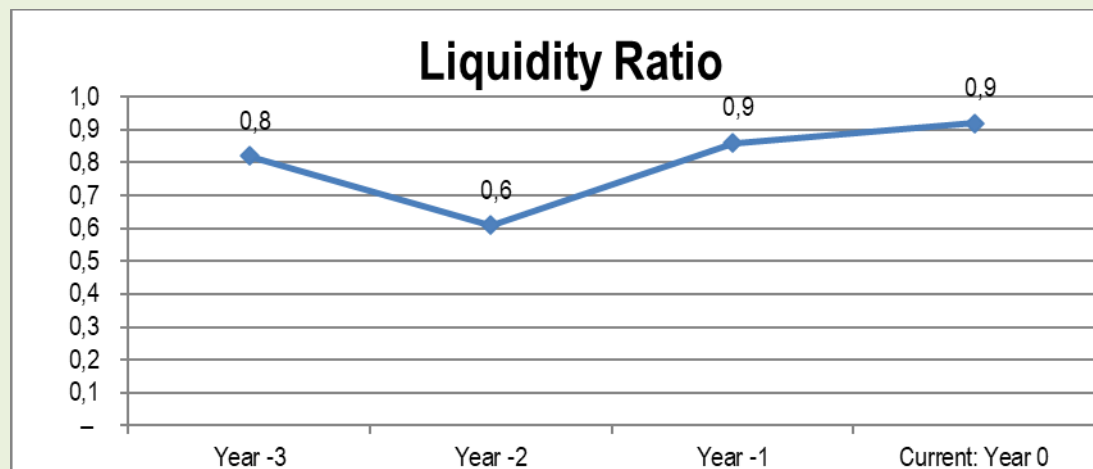
| Repair and Maintenance Expenditure: 2023/2024 | | | | |
|---|-----------------|-------------------|--------|-----------------|
| | | | | R' 000 |
| | Original Budget | Adjustment Budget | Actual | Budget variance |
| Repairs and Maintenance Expenditure | 18 600 | 21 101 | 21 279 | 13% |
| T 5.3.4 | | | | |

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

There is under expenditure on repairs and maintenance.

T 5.3.4.1

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

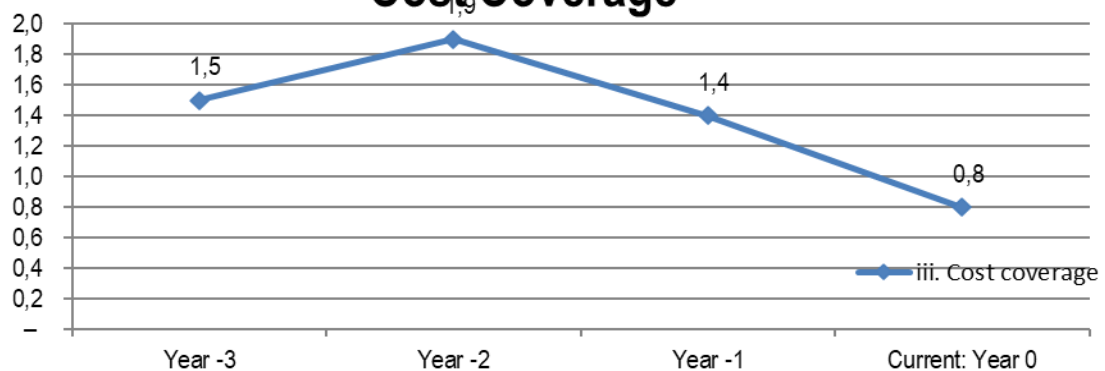


Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year) by the municipality's current liabilities. A higher ratio is better.

T 5.4.1

Chapter 5

Cost Coverage

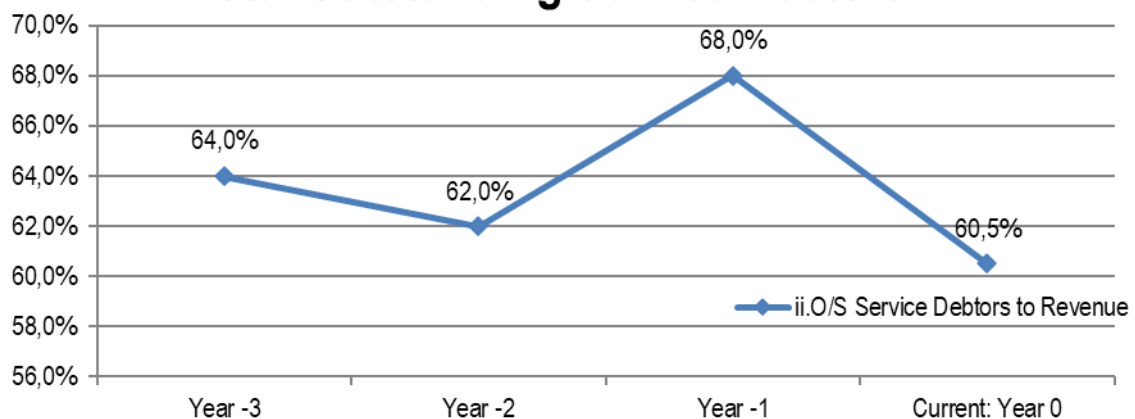


Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

T 5.4.2

Total Outstanding Service Debtors

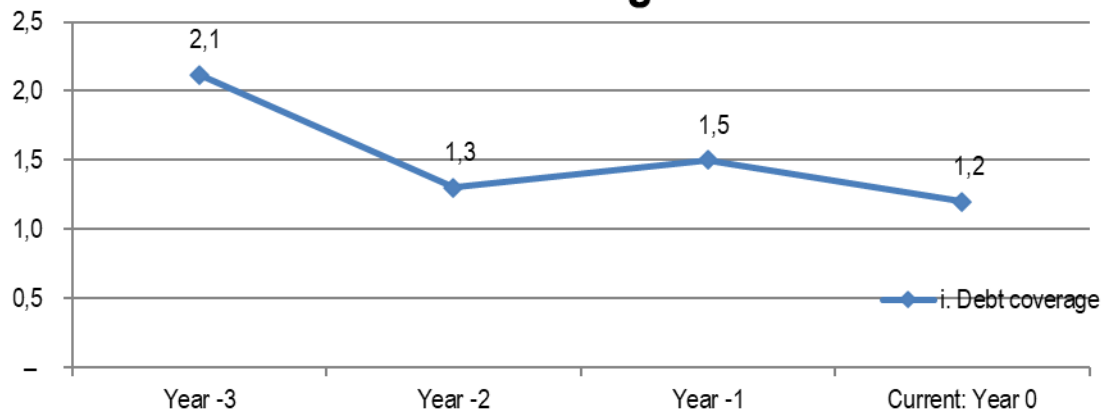


Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

T 5.4.3

Chapter 5

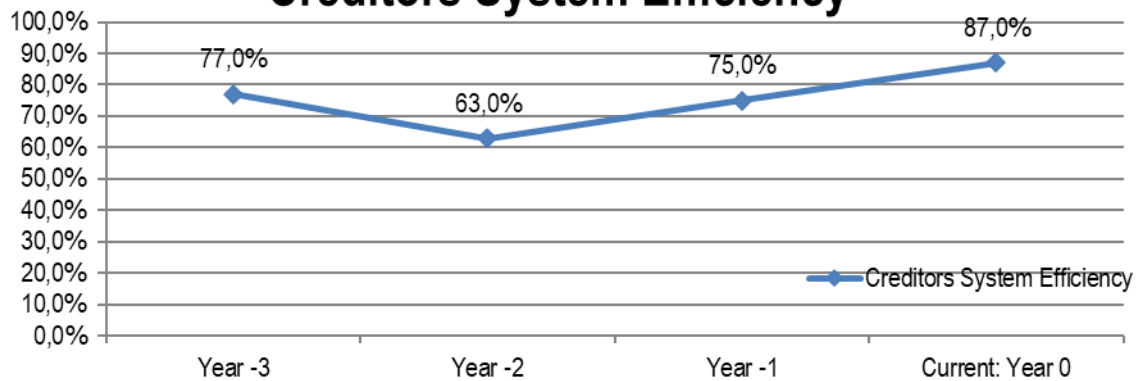
Debt Coverage



Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality
Data used from MBRR SA8

T 5.4.4

Creditors System Efficiency

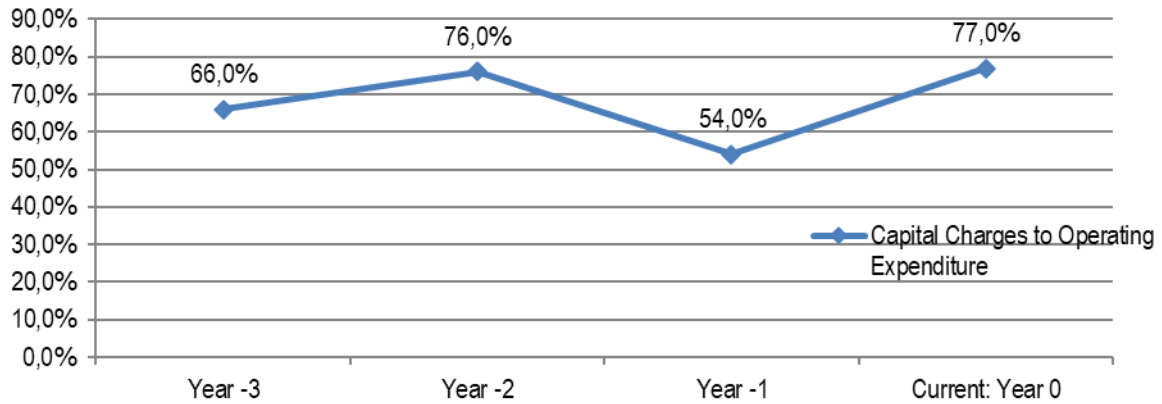


Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases
Data used from MBRR SA8

T 5.4.5

Chapter 5

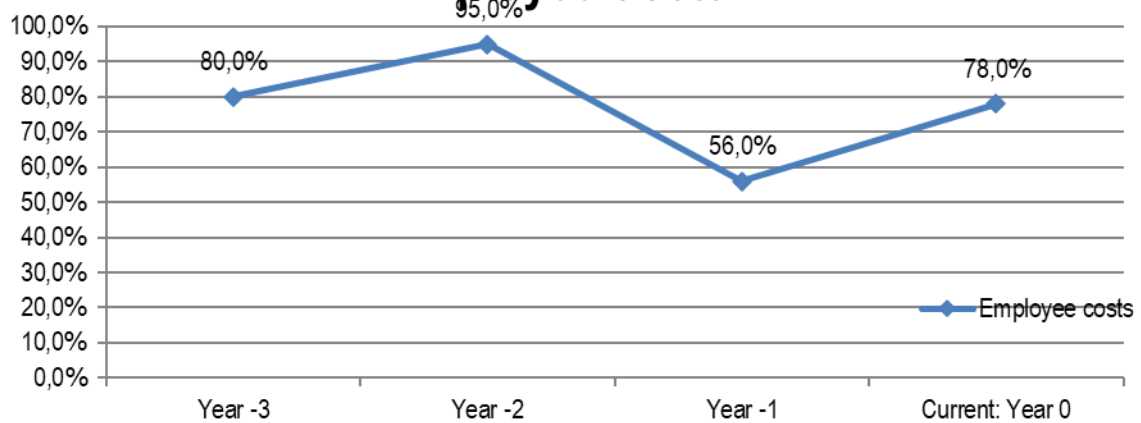
Capital Charges to Operating Expenditure



Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.
Data used from MBRR SA8

T 5.4.6

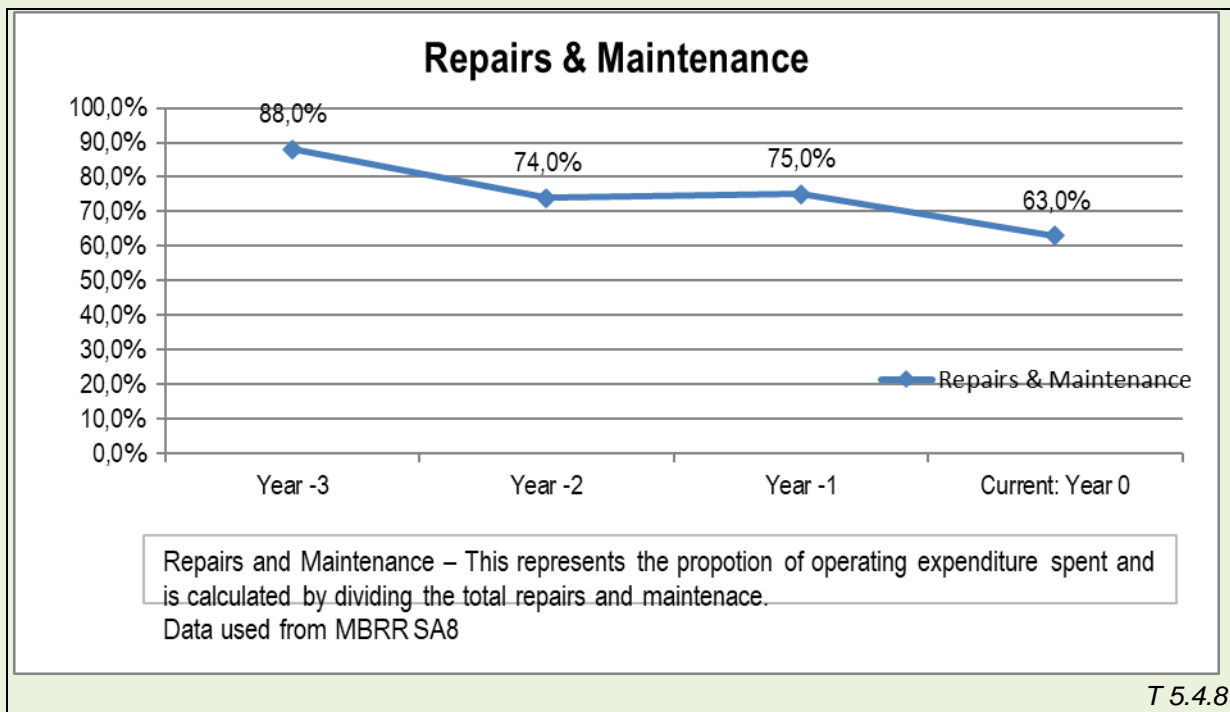
Employee Costs



Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.
Data used from MBRR SA8

T 5.4.7

Chapter 5



COMMENT ON FINANCIAL RATIOS:

Liquidity ratio

This ratio depicts that the municipality's assets are more than the liabilities. However the ratio also includes the amount of money still owed to the municipality by its debtors. Taking into account that most debtors have been owing for more than 12 months the ratio might be a bit overstated. Nonetheless the municipality will still be able to cover its operations even without settlement of those debts. Therefore the ratio is favorable.

Cost Coverage

The municipality's ability to pay for its operations is not questionable. Even though the number of months has reduced in the past three years, this is attributed to the fact that the municipality had to use some of its investments in 2022 to finance the capital projects. The annual budget has been funded for the past 5 years. However care should be given in ensuring that the municipality continue to strengthen the controls in the spending patterns. Only those goods and services that are budgeted for should be prioritised.

The Total Outstanding Service Debtors

Payment of municipal service has always been a crisis for many institutions. The collection rate of the municipality is way below the expected rate which continues to give a burden to the municipality in terms of funding operations. The municipality has continued to hand-over those debtors that are not settling their bills in time. Government debt is also a priority for the municipality and there have been arrangements in place to ensure 100% collection of such funds.

Chapter 5

Creditors System Efficiency

The municipality has been able to service most of its creditors in time.

Employee Costs

This ratio has always been above the treasury norm.

Repairs & Maintenance

Due to the lockdown the expenditure on repairs and maintenance has been rather low. However most of the municipality's properties are fairly new and do not require maintenance hence the budget is lower against CAPEX.

T 5.4.9

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

The municipality's spending on capital projects is in line with IDP which is also aligned to the annual budget. The municipality managed to approve a procurement plan that formed part of the municipal acquisition strategy. The value chain was proper that all projects were appointed in time. The bid committees were in place to ensure appropriate turn-around time w.r.t appointment of tenders. The lockdown was the only issue that led to slow movement in capital expenditure.

T 5.5.0

5.5 CAPITAL EXPENDITURE

T 5.5.1

5.6 SOURCES OF FINANCE

COMMENT ON SOURCES OF FUNDING:

Greater Taung Local Municipality is mostly reliant on government funding.

T 5.6.1.1

Chapter 5

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

| Capital Expenditure of 5 largest projects* EXCELL | | | | | |
|---|---|-------------------|--------------------|-----------------------|-------------------------|
| Name of Project | Current: 2023/2024 | | | Variance: 2023/24 | |
| | Original Budget | Adjustment Budget | Actual Expenditure | Original Variance (%) | Adjustment variance (%) |
| A - Name of Project Construction of Molelema Access Road | R9,600,000.00 | R11,212 325.66 | R9,016,858.05 | 94% | 80% |
| B - Name of Project Construction of Kgomoitso Access Road | R9,600,000.00 | R11,387,774.67 | R7,900,318.62 | 82% | 69% |
| C - Name of Project Construction of Taung Extension 7 Access Road | R9,600,000.00 | R10,774,712.54 | R10,774,712.54 | 112% | 100% |
| D - Name of Project Construction of Highmast lights in various wards | R9,892,492.80 | R9,892,492.80 | R9,804,366.92 | 99% | 99% |
| E - Name of Project Construction of Picong Stormwater channel | R7,000,000.00 | R9,298,447.84 | R2,758,780.71 | 39% | 30% |
| * Projects with the highest capital expenditure in 2023/24 | | | | | |
| Name of Project - A | Construction of Molelema Access Road | | | | |
| Objective of Project | Construction of a 2km interlocking paving road with the necessary stormwater, kerbing and main road markings and signs. | | | | |
| Delays | SMME disputes, inclement weather, delayed delivery of material from the supplier. | | | | |
| Future Challenges | Delayed completion of the project. | | | | |
| Anticipated citizen benefits | PLEASE COMPLETE AS PER NWPCC REPORT | | | | |
| Name of Project - B | Construction of Kgomoitso Access Road | | | | |
| Objective of Project | Construction of a 2km interlocking paving road with the necessary stormwater, kerbing and main road markings and signs. | | | | |
| Delays | SMME disputes, inclement weather, poor cashflow management by the Contractor, delayed procurement of material. | | | | |
| Future Challenges | Delayed completion of the project. | | | | |
| Anticipated citizen benefits | PLEASE COMPLETE AS PER NWPCC REPORT | | | | |
| Name of Project - C | Construction of Taung Extension 7 Access Road | | | | |
| Objective of Project | Construction of a 1.2km interlocking paving road with the necessary stormwater, kerbing and main road markings and signs. | | | | |
| Delays | Community interference and inclement weather | | | | |
| Future Challenges | None | | | | |
| Anticipated citizen benefits | PLEASE COMPLETE AS PER NWPCC REPORT | | | | |
| Name of Project - D | Construction of highmast lights in various wards | | | | |
| Objective of Project | Construction and supply of fittings, testing of electrical components of high-mast lights. Please note supply of electricity connection point is done by Eskom. | | | | |
| Delays | Delays in Eskom energizing the lights. | | | | |
| Future Challenges | Community vandalizing the lumens due to prolonged energizing of lights. | | | | |
| Anticipated citizen benefits | 70 063 | | | | |

Chapter 5

| | |
|------------------------------|---|
| Name of Project - E | Construction of Picong Stormwater channel |
| Objective of Project | Construction of a 2km long stormwater management system. It includes interlocking paved A trapezoidal stone-pitched open channel and culverts at crossings. |
| Delays | Community scope dispute, labour disputes and inclement weather |
| Future Challenges | Delayed completion of the project. |
| Anticipated citizen benefits | 1319 |

COMMENT ON CAPITAL PROJECTS:

The municipality was allocated an MIG Budget of R56 510 000.00 for the financial year 2023/24 FY. The national cost containment resulted in the budget being reduced to R52 000 000.00.

T 5.7.1.1

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

Roads are the most prioritise in municipal IDP, it clearly shows that we have a serious road infrastructure backlog. Municipality has a backlog of ±2 880.11km of roads infrastructure and need R2.9b to address this back. Municipality is currently developing roads infrastructure (7km per year) through MIG, Equitable Share and EPWP IG per year, a drop in an ocean when compared with the current backlog.

T 5.8.1

| Service Backlogs as at 30 June 2024 | | | | |
|--|---------------------------------------|-------|--|-------|
| | *Service level above minimum standard | | **Service level below minimum standard | |
| | No. HHs | % HHs | No. HHs | % HHs |
| Water | 42 980 | | | 36% |
| Sanitation | 42 980 | | | 36% |
| Electricity | 5 020 | | | 58% |
| Waste management | 42 980 | % | | % |
| Housing | | % | | % |
| % HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to * formal and ** informal settlements. | | | | |

T 5.8.2

Chapter 5

| Municipal Infrastructure Grant (MIG)* Expenditure 2023/24 on Service backlogs | | | | | | R' 000 |
|---|----------------|--------------------|----------------|----------|--------------------|---|
| Details | Budget | Adjustments Budget | Actual | Variance | | Major conditions applied by donor (continue below if necessary) |
| | | | | Budget | Adjustments Budget | |
| Infrastructure - Road transport | | | | % | % | |
| Roads, Pavements & Bridges | R28,800,000.00 | R33,374,812.87 | R20,581,609.21 | 71% | 62% | |
| Storm water | R7,000,000.00 | R9,298,447.84 | R2,758,780.71 | 39% | 30% | |
| Infrastructure - Electricity | | | | % | % | |
| Generation | | | | % | % | |
| Transmission & Reticulation | | | | % | % | |
| Street Lighting (Highmast Lights) | R9,892,492.80 | R9,892,492.80 | R9,804,366.92 | 99% | 99% | |
| Infrastructure - Water | | | | % | % | |
| Total | | | | % | % | |

T 5.8.3

COMMENT ON BACKLOGS:

The GTLM's annual budget for infrastructure development is unable to address backlogs. MIG, EPWP IG and Own Funding have played a pivotal role in the assistance in addressing backlogs. Key functions that have been addressed were roads, stormwater management and area lighting. The municipality is availing own funds for development of roads infrastructure through EPWP to mitigate the challenge however its coffers are near depletion hence the budget has been reduced and additional own funded projects could not be implemented.

T 5.8.4

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2023/24

| Capital Programme by Project by Ward: 2023/24 | | | R' 000 |
|--|-------------------------|--------------------------|--------|
| Capital Project | Ward(s) affected | Works completed (Yes/No) | |
| Electricity | | | |
| Construction of highmast lights in various wards | 1,2,10,24,17,20,19,8,18 | Yes | |
| | | | |
| Roads | | | |
| Construction of Kgomoiso Access Road | 20 | No | |
| Construction of Molelema Access Road | 15 | No | |

Chapter 5

| | | |
|---|----|-----|
| Construction of Taung Extension 7 Access Road | 8 | Yes |
| Stormwater | | |
| Construction of Picong Stormwater Channel | 16 | No |
| | | |

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

Overall the municipality's financial viability assessment indicates that the municipality is in a healthy financial position. The municipality pays its creditors well within the required 30 days. The municipality is also able to easily cover all its creditors with the cash and cash equivalents available at year end. The cash and cash equivalents are high because of unused money that is invested on which interest is earned. The municipality's liquidity is very healthy as the current assets greatly exceed the current liabilities. The current assets are boosted by the high amount of cash and cash equivalents as mentioned above, while the current liabilities are kept low by the fact that creditors are not long outstanding.

The only negative indication in the financial viability assessment is the debt collection period, which indicates that the municipality waits more than a year to collect money from its debtors. Although the ratio improved from the previous financial year, it is still a risk that the money is not received for services rendered. This risk is, now, mitigated by the fact that the municipality has high amounts of cash and cash equivalents available and the high amount of equitable share received each year, and is therefore not likely to experience cashflow problems now

T 5.9

5.9 CASH FLOW

Cash Flow Statement to be included once the AFS audited

COMMENT ON CASH FLOW OUTCOMES:

No borrowings

T 5.9.1.1

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

Non borrowings

T 5.10.1

COMMENT ON BORROWING AND INVESTMENTS:

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

T 5.10.5

Chapter 5

5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS

GTLM does not have any PPP in place.

T 5.11.1

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

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

Key Findings from previous Auditor General's Report:

Remedial Actions

T 5.12.1

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

The GTLM applies GRAP in the compilation of its financial statements. Although every effort is made to comply fully to the GRAP standards applicable, documented issues exist specifically in applying GRAP 17 in relation to assets due to lack of available resources.

T 5.13.1

Chapter 6

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

The Greater Taung Local Municipality submitted the Annual Financial Statement on the 31st August 2024 in line with section 126 of the Municipal Finance Management Act for auditing by Auditor General. The municipality will be audited from September until end November 2024 and receive the audit report from the auditor general in December.

T 6.0.1

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2022/23

6.1 AUDITOR GENERAL REPORTS 2022/23 (PREVIOUS YEAR)

| Status of audit report: | Qualified |
|---|--|
| Non-Compliance Issues | Remedial Action Taken |
| ISS.3-COMAF 4 UIFW Investigation The Accounting Officer and senior managers did not refer matters of Unauthorized, irregular, fruitless and wasteful expenditure to be investigated by MPAC | A full report in respect of UIFW was submitted to MPAC during the year under review for investigation and evidence to that effect is available and was furnished to the AG, However the accounting officer will again submit the same report to MPAC |
| ISS.31Limitation of Scope: Contracts for general expenditure The following quotations / Bidding documents have not been submitted for the following suppliers for the following transaction | Management have implemented an internal control that no payment will be done without an order. All payments except for personnels an order have to be created before payment. Attached internal memo regarding the process. |
| ISS.41-COMAF 16 Issue: 41 - General Expenditure During the testing of general expenses for 2021/22 financial year, the following transactions were not relating to the year of 2021/22review | Management will ensure that cut off procedures/tests are performed on all expenditure items to confirm that accounting transactions are recorded in the correct accounting period. |
| ISS.15-COMAF 9 Contracted services - Differences between General Ledger and invoice amount During the audit of contracted services, a difference of R75 122,53 was noted , as stated above due to the difference between GL and the invoices. Details are as follows; | Management will ensure that cut off procedures/test are performed on all expenditure items to confirm that accounting transaction are recorded in the correct accounting |
| ISS.46-COF 6AOPO_ SDBIP not having all required components per MFMA circular No13 _ Compliance Reference to the table of contents and the revised SDBIP various annexures, however the related information is not included within the revised SDBIP | Management will ensure that all components in line with circular 13 are included in the Top Layer SDBIP Management will ensure that templates that are user friendly are developed and used internally to comply with other legislation |
| ISS.10-COMAF 12BID information submitted after closing date. During execution phase of the audit, we noted that the tender nr GTLM/INFR12/2022/2023 had a closing date of 27 September 2022. However, we noted the winning bidder's documentations were certified after the closing date of 27 September 2022 1. ID document - certified on 01 October 2022 2. Sworn affidavit for BBBEE - certified on 01 October 2022 This is an indication that the bid file of the supplier was submitted after the closing date. Therefore, the supplier should have been disqualified on bid compliance. | Supply Chain Management Unit have created a checklist for evaluation and adjudication committee to guide what should be submitted. And all payments regarding the tenders will be recorded on irregular expenditure. Also services have been terminated for the specific tender. |

Chapter 6

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|---|---|
| <p>Tshwaro construction</p> <p>During execution phase of the audit, we noted that the tender nr GTLM/INFR14/2022/2023 had a closing date of 29 September 2022. However, we noted the winning bidder's documentation was certified after the closing date of 29 September 2022.</p> <p>1. Proof of residence SAPS affidavit - Certified on 19 October 2022</p> | |
| <p>ISS.2-COMAF 3 Audit committee</p> <p>1. Review of the coverage and scope between external and internal audit to avoid duplication of work and promote possible cost savings from the alignment of the two functions.</p> | Internal Audit to engage with external auditors when developing the 3 year rolling plan to avoid duplication of efforts |
| <p>ISS.7-COMAF 2 Differences on comparatives – High level review of AFS.</p> <p>During the high-level review of AFS submitted for audit on 31 August 2023, we noted the below differences on comparative figures:</p> | No journals will be processed, only disclosure note 40 will be aligned to the balance on the face of the statement of financial performance |
| <p>ISS.19-COMAF 7 Property, plant and equipment - Prior period error</p> <p>1. Difference between comparative amount and the amount as per prior year audited AFS does not agree to amount as per restatement in the prior period error note 40:</p> <p>2. The amounts included in the narration for period error does not agree to the amount in the prior period error note:</p> <p>3. There is no supporting documentation to the journals processed to adjust the comparative amount of 165 198.</p> | Management requests to amend the narration in the AFS under note 40 for PPE |
| <p>ISS.42 COMAF 18 The use of consultants</p> <p>There is no clause in the agreement with Munsoft Consultants that requires them to transfer skills to the entity's employees.</p> | Management will ensure that the transfer of skill clause is included in all consulting services provided to the municipality going forward |
| <p>ISS.6 COMAF 12 No performance assessment</p> <p>Management has not set up a functional structure to implement the process reviewing all managers and section 57 manager's performance contracts.</p> <p>Impact</p> <p>Non-compliance with (Municipal System Act) 32 of 2000</p> | All outstanding Individual Performance Evaluation of section 56 Managers will be finalized by end March 2024. Mid year Performance review for Managers and employees will be done before end March 2024 |
| <p>ISS.21 COMAF 8 Irregular expenditure: Prior year irregular expenditure incorrectly disclosed</p> <p>The following differences on irregular expenditure note 46 were identified between the auditors recalculation of prior year amounts and the comparative amounts as per the current year financial statements:</p> | <p>The irregular expenditure register will be reviewed by CFO on a monthly basis.</p> <p>Management will compare the irregular expenditure register total amount to the amount on the disclosure to the financial statements and ensure they agree.</p> <p>Management have implemented an internal control that no payment will be done without an order. All payments except for personnels an order have to be created before payment. Attached internal memo regarding the process</p> |
| <p>ISS.24 COMAF 9 Differences identified on vat receivable - prior period error [AR]</p> <p>During the testing of vat receivables as disclosed on prior period error note, we identified difference between the auditee calculations and auditors recalculation.</p> | <p>Monthly VAT reconciliations will be performed, and differences will be addressed timeously.</p> <p>Regular reviews of the reconciliations will be performed by management.</p> |
| <p>ISS.8 COMAF 5 PPE - Differences on lead schedule - Unresolved</p> <p>During the testing of property, plant and equipment identified the</p> | Correction on the impairment calculation will be processed as a prior period error. |

Chapter 6

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|---|--|
| following differences between the fixed asset register and the financial statements: | Regular calculations will be done and review performed by management. |
| <p>ISS.43-COMAF 15 - AOPD Relevant service delivery indicators was not included within the SDBIP. Contrary to the above we noticed that the following relevant service delivery indicators was not included within the SDBIP for Greater Taung Local Municipality for 2022/23</p> <p>1. The percentage/ number of households with access to basic level of water, sanitation, electricity and solid waste removal;</p> <p>2. the percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan;</p> <p>Management did not ensure that all relevant indicators for services delivery are included within the SDBIP.</p> <p>Relevant indicators are not planned, managed or reported on to ensure basic services that impacts the ordinary citizens are priorities and the correct level of services are delivered.</p> | All General Key Performance Indicators as stipulated in the regulations will be included in the 2023/2024 revised top and technical SDBIP and will be sent to council for approval in February 2024 |
| <p>ISS.33-COMAF 12 Tender incorrectly awarded - difference in functionality point. a)</p> <p>During the audit of the tender (GTLM/INFR052022/2023) and inspection of the evaluation reports and bid documents submitted by Mgugwana Junior Multi JV, differences were noted between the functionality score awarded to the bidders as per the evaluation reports and the auditors recalculated scores.</p> <p>b) differences identified in the functionality scores has resulted in Mgugwana Junior Multi JV being incorrectly awarded the tender. see report for details Non-compliance with Paragraph 6(8) of the Preferential Procurement Regulations 2017 resulting in irregular expenditure of R9 650 000.00</p> | Supply Chain Management Unit have created a checklist for evaluation and adjudication committee to guide on the evaluation and adjudication of documents. Amount for each year will be added on Irregular Expenditure. |
| <p>ISS.30-COMAF 10 Differences identified - Impairment on Receivables.</p> <p>During testing of impairment for receivable exchange and no exchange transactions, we noted differences between the auditee's and auditor's recalculation. A summary of the difference is below;</p> <p>Please find attached an excel detailed working of the differences.</p> <p>Cause</p> <p>Management did not ensure appropriate review allowance for impairment by ensuring that the provision is calculated correctly.</p> <p>Impact</p> <p>The above-mentioned finding results in misstatements in receivable from exchange and non-exchange transactions.</p> | <p>"Correction on the impairment calculation will be processed as a prior period error.</p> <p>Regular calculations will be done, and review performed by management."</p> |

COMPONENT B: AUDITOR-GENERAL OPINION 2023/24 (CURRENT YEAR)

6.2 AUDITOR GENERAL REPORT 2023/24

| | |
|---|-----------------------|
| Status of audit report: | Audit underway |
| Non-Compliance Issues | Remedial Action Taken |
| | |
| | |
| NB: All findings are well addressed in the Post Audit Action Plan | |

Chapter 6

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: 2022/23



Auditing to build public confidence

AUDITOR - GENERAL
SOUTH AFRICA

Report of the auditor-general to the North West provincial legislature and the council on the Greater Taung Local Municipality

Report on the audit of the financial statements

T 6.2.3

COMMENTS ON AUDITOR-GENERAL'S OPINION 2023/2024

Comments will be provided post audit outcome

T 6.2.5

GLOSSARY

GLOSSARY

| | |
|--|---|
| Accessibility indicators | Explore whether the intended beneficiaries are able to access services or outputs. |
| Accountability documents | Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports. |
| Activities | The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”. |
| Adequacy indicators | The quantity of input or output relative to the need or demand. |
| Annual Report | A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General. |
| Approved Budget | The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive. |
| Baseline | Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period. |
| Basic municipal service | A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment. |
| Budget year | The financial year for which an annual budget is to be approved – means a year ending on 30 June. |
| Cost indicators | The overall cost or expenditure of producing a specified quantity of outputs. |
| Distribution indicators | The distribution of capacity to deliver services. |
| Financial Statements | Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed. |
| General performance indicators | After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally. |
| Impact | The results of achieving specific outcomes, such as reducing poverty and creating jobs. |
| Inputs | All the resources that contribute to the production and delivery of outputs. Inputs are “ <i>what we use to do the work</i> ”. They include finances, personnel, equipment and buildings. |
| Integrated Development Plan (IDP) | Set out municipal goals and development plans. |
| National Key performance areas | <ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development |

GLOSSARY

| | |
|--|--|
| | <ul style="list-style-type: none"> • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation |
| Outcomes | The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve". |
| Outputs | The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area. |
| Performance Indicator | Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered) |
| Performance Information | Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure. |
| Performance Standards: | The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor. |
| Performance Targets: | The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period. |
| Service Delivery Budget Implementation Plan | Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included. |
| Vote: | <p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p>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</p> <p>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</p> |

APPENDICES

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

| Councillors, Committees Allocated and Council Attendance | | | | | |
|--|-----------------------|--------------------------------------|--------------------------------|------------------------------------|---|
| Council Members | Full Time / Part Time | Committees Allocated | *Ward and/or Party Represented | Number Council Meetings Attendance | Percentage Apologies for non-attendance |
| | FT/PT | | | No | % |
| Tumisang Gaoraelwe | FT | Mayor | 11/ANC | | |
| Grace Moipolai | FT | Speaker | ANC | | |
| Masego Mokua | FT | Chiefwhip | ANC | | |
| Itumeleng Maribe | FT | Infrastructure | 20/ANC | | |
| Nontetho Tafane | FT | Corporate Governance & Communication | ANC | | |
| Mosetsanagape Mosinkiemang | FT | Community Service | ANC | | |
| Thandiwe Sebe | FT | LED | ANC | | |
| Mika Moeti | FT | Finances | F4SD | | |
| Amogelang Matuane | FT | Spatial Planning & Human Settlements | EFF | | |
| Linda Mabengwane | FT | ICT | EFF | | |
| Tebogo Monchonyane | FT | Planning & Development | AICM | | |
| Caroline Olifant | PT | Planning & Development | 01/ANC | | |
| Tumo Tabe | PT | ICT | 02/ANC | | |
| Tebogo Gaorengwe | PT | Planning & Development | 03/ANC | | |
| Kagiso Pudule | PT | Planning & Development | 04/ANC | | |
| Onkarabile Tong | PT | Infrastructure | 05/ANC | | |
| Mmokwa Seakgamoriri | FT | MPAC | 06/F4SD | | |
| Mmoloki Mojaki | PT | Community Services | 07/ANC | | |
| Ntesang Montewa | PT | Infrastructure | 08/ANC | | |
| Monene Sekwenyane | PT | Corporate Governance & Communication | 09/ANC | | |
| Olebogeng Ipeleng | PT | Corporate, MPAC & Communication | 10/ANC | | |
| Lerato Babuseng | PT | Community Services | 12/ANC | | |
| Kealeboga Seboko | PT | Finance | 13/ANC | | |
| Mothusiotsele Mojanaga | PT | Spatial Planning & Human Settlement | 14/ANC | | |
| Seepapitso Seepamere | PT | LED | 15/ANC | | |

APPENDICES

| | | | | | |
|------------------------------|----|--------------------------------------|---------|--|--|
| Tefo Moraladi | PT | ICT | 16/ANC | | |
| Bontsi Chubane | PT | Infrastructure | 17/ANC | | |
| Gladys Melamu | PT | ICT | 18/ANC | | |
| Michael Makwati | PT | Corporate Governance & Communication | 19/ANC | | |
| Tebogo Molale | PT | Spatial Planning & Human Settlement | 21/ANC | | |
| Ikgopoleng Lekoma | PT | Finance | 22/ANC | | |
| Boitshwarelo Pusho | PT | LED | 23/ANC | | |
| Kagelelo Moeng | PT | ICT | 24/ANC | | |
| Boniswa Nkewu | PT | LED | PR/EFF | | |
| Loeto Modise | PT | ICT | PR/EFF | | |
| Keitumetse Rooibattjie | PT | Finance | PR/EFF | | |
| Gideon Lephoi | PT | Corporate Governance & Communication | PR/EFF | | |
| Margaret Mmokwa | PT | Infrastructure | PR/EFF | | |
| Oratile Segosapelo | PT | Planning & Development | PR/EFF | | |
| Gladwin Kesemolotse | PT | Spatial Planning & Human Settlement | PR/EFF | | |
| Vuyiseka Zonke | PT | Planning & Development | PR/EFF | | |
| Bakang Mase | PT | Community Services | PR/EFF | | |
| April Sephula | PT | Spatial Planning & Human Settlement | PR/AICM | | |
| Salvation De Koker | PT | Corporate Governance & Communication | PR/AIC | | |
| Mosadiotsile Morapedi-Letele | PT | Infrastructure | PR/PA | | |
| Edward Boemo | PT | LED | PR/NFP | | |
| Sam Nape | PT | Community Services | PR/DA | | |
| Gaolatlhe Tshipo | PT | LED | PR/ACDP | | |

Note: * Councillors appointed on a proportional basis do not have wards allocated to them

T A

| Executive Committee Meetings | | | | |
|---------------------------------|---------------------------|------------|----------------|-----------------|
| Executive Committee Members | Total No of Meetings held | Attendance | Non attendance | |
| | | | With apology | Without apology |
| Cllr Tumisang Gaoraelwe (Mayor) | 15 | | | |
| Cllr Mosetsanagape Mosinkiemang | | | | |
| Cllr Thandiwe Sebe | | | | |
| Cllr Itumeleng Maribe | | | | |
| Cllr Nontetho Tafane | | | | |
| Cllr Tebogo Monchonyane | | | | |
| Cllr Linda Mabengwane | | | | |
| Cllr Mika Moeti | | | | |
| Cllr Amogelang Matuane | | | | |

APPENDICES

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

| Committees (other than Mayoral / Executive Committee) and Purposes of Committees | |
|--|--|
| Municipal Committees | Purpose of Committee |
| 1. Finance Committee | Income, Expenditure, Budget and all other financial matters. |
| 2. Community Services Committee | Deals with all issues relating to community (refuse removal, Land fill sites, cemeteries, Libraries and recreational facilities) and all LED matters |
| 3. Infrastructure , | Roads & Storm water, Sewerage, Sanitation, Electricity |
| 4. Planning & Development Committee | Municipal Council Planning 7& Related matters |
| 5. Corporate Service Committee | All HR matters, by-laws, policies, Council supports. |
| 6. ICT Committee | Responsible for all IT related matters |
| 7. Communication | |
| 8. Human Settlement | To facilitate the development of sustainable and integrated human settlements in GTLM |
| Ta | |

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

| Third Tier Structure | |
|---|---|
| Directorate | Director/Manager (State title and name) |
| Municipal Manager | Mr. Andrew Makuapane |
| Chief Financial Officer | Ms. Neo Dibelane |
| Corporate Services | Mr. Taelo Makgolo |
| Land Use Planning and Human Settlements | Mr. Beauty Tlholagae |
| Community Social Services | Mr. Tebogo Motase |
| Infrastructure | Mr. Keohitlhetse Matenyane |
| TC | |

APPENDICES

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

| New No | Function As Per Government Gazette No 6847 - 24 Dec 2010 | Function Assigned | Done By GTLM |
|--------|--|-------------------|--------------|
| 1 | Air Pollution | LM/DM Function | No |
| 2 | Amusement Facilities | Local Function | No |
| 3 | Billboards & Display of Advertisements in Public Places | Local Function | Yes |
| 4 | Building Regulations | Local Function | Yes |
| 5 | Cemeteries, Funeral Parlours and Crematoria | Local Function | Yes |
| 6 | Child Care Facilities | Local Function | No |
| 7 | Cleansing | Local Function | Yes |
| 8 | Control of Public Nuisances | Local Function | Yes |
| 9 | Control of Undertakings that Sell Liquor to the Public | Local Function | No |
| 10 | Facilities for the Accommodation, Care and Burial of Animals | Local Function | No |
| 11 | Fencing and Fences | Local Function | No |
| 12 | Fire Fighting Service | LM/DM Function | No |
| 13 | Integrated (IDP) Municipal Planning | Local Function | Yes |
| 14 | Levying of fees for Services Provided by LM | Local Function | Yes |
| 15 | Levying of Rates on Property | Local Function | Yes |
| 16 | Levying of Surcharges on Fees for Services Provided for or on behalf of the LM | Local Function | Yes |
| 17 | Licensing and control of undertakings that sell food to the public | Local Function | No |
| 18 | Licensing of Dogs | Local Function | No |
| 19 | Local Amenities | Local Function | Yes |
| 20 | Local Roads and Streets | Local Function | Yes |
| 21 | Local Sport Facilities | Local Function | Yes |
| 22 | Local Markets | Local Function | Yes |
| 23 | Municipal Abattoirs | LM/DM Function | No |
| 24 | Municipal Airports | LM/DM Function | Yes |
| 25 | Municipal Health Service | LM/DM Function | No |
| 26 | Municipal Parks & Recreation | Local Function | Yes |
| 27 | Municipal Planning (Town Planning) | Local Function | Yes |
| 28 | Municipal Public Transport | LM/DM Function | No |
| 29 | Municipal Public Works relating to any Functions of the LM | LM/DM Function | No |
| 30 | Noise Pollution | LM/DM Function | No |
| 31 | Pontoons, Ferries, Jetties, Piers & Harbours | LM/DM Function | NA |
| 32 | Pounds | LM/DM Function | Yes |
| 33 | Promotion of Local Tourism for the Area | Local Function | Yes |
| 34 | Public Places | Local Function | Yes |

APPENDICES

| New No | Function As Per Government Gazette No 6847 - 24 Dec 2010 | Function Assigned | Done By GTLM |
|--------|---|-------------------|--------------|
| 35 | Refuse Removal, Refuse Dumps and Solid Waste Disposal Sites | Local Function | Yes |
| 36 | Retail Potable Water Supply Systems and Domestic Waste-Water and Sewerage Disposal Systems Serving the Area of the Municipality | Local Function | Yes |
| 37 | Retail Supply of Electricity and Gas | Local Function | Yes |
| 38 | Street Lighting | LM/DM Function | Yes |
| 39 | Street Trading | Local Function | Yes |
| 40 | Storm Water Management in Build Areas | Local Function | Yes |
| 41 | Trading Regulations | Local Function | Yes |
| 42 | Traffic and Parking | Local Function | No |
| T D | | | |

APPENDIX E – WARD REPORTING

| No. | Ward Councillor | Committee established (Yes / No) | Number of monthly Committee meetings held during the year | Number of monthly reports submitted to Speakers Office on time | Number of quarterly public ward meetings held during year |
|-----|------------------------|----------------------------------|---|--|---|
| 1 | Caroline Olifant | Yes | 12 | 12 | 0 |
| 2 | Tumo Tabe | Yes | 12 | 12 | 0 |
| 3 | Tebogo Gaorengwe | Yes | 12 | 12 | 0 |
| 4 | Kagiso Pudule | Yes | 12 | 12 | 0 |
| 5 | Onkarabile Tong | Yes | 12 | 12 | 0 |
| 6 | Mmokwa Seakgamoriri | Yes | 12 | 12 | 0 |
| 7 | Mmoloki Mojaki | Yes | 12 | 12 | 0 |
| 8 | Ntesang Montewa | Yes | 12 | 12 | 0 |
| 9 | Monene Sekwenyane | Yes | 12 | 12 | 0 |
| 10 | Olebogeng Ipeleng | Yes | 12 | 12 | 0 |
| 11 | Tumisang Gaoraelwe | Yes | 12 | 12 | 0 |
| 12 | Lerato Babuseng | Yes | 12 | 12 | 0 |
| 13 | Kealeboga Seboko | Yes | 12 | 12 | 0 |
| 14 | Mothusiotsile Mojanaga | Yes | 12 | 12 | 0 |
| 15 | Seepapitso Seepamere | Yes | 12 | 12 | 0 |
| 16 | Tefo moraladi | Yes | 12 | 12 | 0 |
| 17 | Bontsi Chubane | Yes | 12 | 12 | 0 |
| 18 | Gladys Melamu | Yes | 12 | 12 | 0 |
| 19 | Michael Makwati | Yes | 12 | 12 | 0 |
| 20 | Itumeleng Maribe | Yes | 12 | 12 | 0 |
| 21 | Tebogo Molale | Yes | 12 | 12 | 0 |
| 22 | Ikgopoleng Lekoma | Yes | 12 | 12 | 0 |
| 23 | Boitshwarelo Pusho | Yes | 12 | 12 | 0 |
| 24 | Kagelelo moeng | Yes | 12 | 12 | 0 |

APPENDICES

APPENDIX F – WARD INFORMATION

Full information provided in Appendix Q

| Basic Service Provision | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| Detail | Water | Sanitation | Electricity | Refuse | Housing |
| Households with minimum service delivery | 28,861 | 11,699 | 37,066 | 42,593 | 29 819 |
| Households without minimum service delivery | 13,732 | 30,894 | 5,527 | 0 | 12 774 |
| Total Households* | 42 593 | 42 593 | 42 593 | 42 593 | 42 593 |
| <i>*Including informal settlements</i> | | | | | <i>T F.2</i> |

APPENDICES

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2022/23

REPORT OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

APPENDICES

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

None

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

None

APPENDICES

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

| Disclosures of Financial Interests | | |
|---|---------------------|--|
| Period 1 July to 30 June of 2024 (Current Year) | | |
| Position | Name | Description of Financial interests* (Nil / Or details) |
| (Executive) Mayor | T Gaoraelwe | Tumisang Tebogo Trading, Creative Puzzles, LTP Trading |
| Member of / Exco | | |
| | S Seepamere | Bogaletswa Tihapi Services |
| | I Maribe | Khumo Multi Enterprise |
| | L Mabengwane | Problem Solutions Holdings |
| | | |
| | | |
| | | |
| Councillor | | |
| | L Modise | 619 Modise Trading |
| | T Molale | Kwadipane Trading and Projects, |
| | Gladwin Kesemolotse | Sibaco Building, Bacologic Entertainment, |
| | Olebogeng Ipeleng | Desman Enterprise |
| | T Monchonyane | Tau ea Rora, Boduma Tau Enterprise, Ruphas Tebogo Monchonyane |
| | G Tshipo | Believers Victorious World Ministries |
| Municipal Manager | K Gabanakgosi | LA Ptre Café, Bone Lwaabo Properties |
| Chief Financial Officer | MV Chuene | Mpudule Construction, Taung Development Agency, Nonkic Travels, Boledi ba Phake Trading, Nonkic Pharmacy |
| Deputy MM and (Executive) Directors | | |
| | T Baloyi | Dr KK Agency |
| | O Mogapi | D Magcon Consulting |
| | | |
| Other S57 Officials | N Dibelane | Bubbles Investments, Lethabolame Trading, Kgothatso ya Thebe, Melolelo Trading |
| | B Matebele | Orefwa Trading |
| | K Phiritshwane | Mindful Mind Events, OKP |
| | | |
| | | |

* Financial intersests to be disclosed even if they incurred for only part of the year. See MBRR SA34A

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APPENDICES

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

Incorporated in the AFS

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Incorporated in the AFS

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Incorporated in the AFS

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

None

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2023/24

| Capital Programme by Project by Ward: 2023/24 | | | R' 000 |
|---|------------------|--------------------------|--------|
| Capital Project | Ward(s) affected | Works completed (Yes/No) | |
| Roads | | | |
| Construction of Kokomeng Access Road | Ward 23 | Yes | |
| Stormwater | | | |
| Construction of Mase Stormwater Channel | Ward 3 | Yes | |
| Economic development | | | |
| None | N/a | N/a | |
| Community Halls | | | |
| | | | |
| | | | |
| | | | |

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

No information

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

No information

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

No information

APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

No information

VOLUME II: ANNUAL FINANCIAL STATEMENT



Greater Taung Local Municipality
Annual Financial Statements
for the year ended 30 June 2024
Auditor General South Africa