CITY OF MATLOSANA

ANNUAL REPORT

2021-2022

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Chapter 1



CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

EXECUTIVE MAYOR'S FOREWORD



It is my singular honour to present the 2021/22 Annual Report of the City of Matlosana.

This Annual Report complies with Section 121 of the Municipal Finance Management Act (MFMA) No. 56 of 2003 which stipulates that: "Every municipality and municipal entity must for each year prepare an annual report in accordance with its guidelines as provided for in Chapter 12 of the MFMA."

I release this annual report under unprecedented conditions.

Statistics show a welcome decline in both the infection rate and mortality rate in Matlosana and nationally. However, we need not let our guard down but continue with the non-pharmaceutical interventions of wearing masks, sanitizing our hands, and social distancing.

This annual report reflects on the efforts to implement our Service Delivery and Budget Implementation Plan (SDBIP) for the year under review. The report serves as a record and accounting mechanism to communities on the municipality's achievements, challenges, mitigation, and remedial measures implemented to address the latter.

While it reflects that progress has been made in service delivery, there are undeniable challenges that are still confronting us.

.

During the year under review, Council worked tirelessly to build on the achievements of our predecessors to accelerate the provision of the much-needed services focusing on the five developmental local government key performance areas:

i) Basic Service Delivery and Infrastructure Development
ii) Municipal Transformation and Organizational Development
iii) Local Economic Development
iv) Financial Management and Viability, and
v) Good Governance and Public Participation

Notwithstanding the improvement in terms of access to basic services, there are still communities without access to services in various wards, and therefore there is a need to refocus and redirect the budget towards investing in new infrastructure and maintenance of existing infrastructure where backlogs exist.

For the 2021/22 financial year, the municipality received an unqualified audit outcome on the finances and clean audit opinion on the performance.

However, as leaders, we are resolute in our commitment to turning the situation around. All our efforts during this period were made possible by our collective resolve working together with the Mayoral Committee, Councillors, the entire management team, staff members, and all our stakeholders. Positive and constructive criticism remains a pillar of public participation and a solid foundation for good governance and improved service delivery.

To enhance governance, structures are in place to improve operational efficiencies, accountability, and responsiveness and to strengthen oversight for the municipality's administration to become more responsive, resilient, and efficient.

The governance structures include:

- Council
- Executive Committee (MAYCO)
- Audit Committee
- Municipal Public Accounts Committee (MPAC)
- Risk Management Committee

I would like to thank all Councillors, MPAC, and MayCo members for their effective oversight of the municipality's operations. My sincere thanks to the Municipal Manager, the directors, and all officials for your contribution to our success rate and diligence to serve this municipality. I also wish to express my gratitude to the external Audit Committee for their guidance and oversight role.



NJ TSOLELA
EXECUTIVE MAYOR

COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW



As the incoming Municipal Manager of the City of Matlosana, I am privileged to have this opportunity of presenting the 2021/22 Annual Report of the City. The term of office of the of the previous Municipal Manager came to an end on the 30 April 2022, which was two months before the end of the period under review.

The City of Matlosana Local Municipality prepared its Annual Report for the 2021/22 Financial Year in terms of section 121, Chapter 12 of the Municipal Finance Management Act (MFMA) Act 56 of 2003 which must, in terms of Section 127(2), be tabled at the Municipal Council meeting by the Executive Mayor.

The Municipal Manager must thereafter, make the report public and invite the local community to submit their representations with regard to issues raised in the report

This report will endeavour to cover the broad view of the City of Matlosana municipal area with information such as socio-economic profile of the area, the achievements gained in delivering services to the community as well as developmental and institutional aspects, including financial performance. The report also covers governance and public participation undertaken by the municipality to ensure involvement of the communities of the city in planning as well as in delivery of service that meet their needs in the period under review.

Furthermore, the report will reflect on the work carried out in 2021/22 period and to provide feedback on performance against targets to various stakeholders including community, government departments and other interested parties. This report also ensures that accountability is upheld and the clients of the municipality.

Despite all efforts taken to improve the financial state of the municipality one cannot overlook the devastating effects of the atrocious COVID -19 pandemic. We still reeling and trying hard to recover albeit with huge difficulties. Many of our community lost their jobs while others took a serious nose dive in household income. All these impacted negatively on our collection rate. As a result, we struggled to honour our payment plan for ESKOM and MIDVAAL who are our major creditors as agreed.

The municipality had established the Audit Committee, Risk Committee and the Disciplinary Board in order to ensure that there is proper governance. The position of the Chief Audit Executive was filled, which was vacant for a considerable period.

The following are some of the critical achievements:

- Provided 99% of households with access to basic water
- Provided 92.7% of urban household with access to basic sanitation
- Provided 92% of urban household with access to basic electricity
- Provided 92 % of household with access to basic refuse removal

The municipality never looked back to participate in the District Development Model since its advent in the Dr Kenneth Kaunda district municipality as well as the Intergovernmental Relations (IGR) within the district. We are also participating in the Municipal Manager Forum and the other forums under SALGA.

Lastly, it is also necessary to mention that we have tried our best to adhere to the principles of good governance as we believe that food governance is integral to economic growth, the eradication of poverty and for the sustainable development of the community we serve. 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.

The Audit Opinion outcome is proof of our commitment.

I would like to thank the Executive Mayor, Members of the Executive Committee, all Councillors and the staff for their contributions in making 2021/22 a success



L SEAMETSO
MUNICIPAL MANAGER

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

FUNCTIONS AND OBJECTIVES OF A MUNICIPAL COUNCIL

The primary role of the municipal Council is that of political oversight of the municipality's functions, programmes and the management of the administration. All the powers of local government are vested in the municipal Council. It has the power to make by-laws (legislative authority) and the powers to put those laws into effect (executive authority). The municipal Council has executive and legislative authority over the matters set out in Part B of schedule 4 and Schedule 5 of the Constitution. The municipality may also administer any other matter assigned to it by national or provincial legislation. See **Appendix D** for list of functions performed by the municipality.

In administering the matters assigned to local government, the municipal Council must strive within its capacity to achieve the constitutional objects of local government.

Roles and Responsibilities within Local Government

These constitutional objectives are:

- to provide democratic and accountable government for local communities;
- to ensure the provision of services to communities in a sustainable manner;
- to promote social and economic development;
- to promote a safe and healthy environment; and
- to encourage the involvement of communities and community organisations in the matters of local government.

In terms of the Local Government: Municipal Structures Act, No. 117 of 1998, the municipal Council must meet at least quarterly. The Act also requires the Council to annually review:

- the needs of the community;
- its priorities in meeting those needs;
- its processes aimed at involving the community;
- its organisational and delivery mechanisms for meeting the needs of the community; and
- its overall performance in achieving the constitutional objectives outlined above.

The municipal Council makes decisions concerning the exercising of all the powers and the performance of all the functions of the municipality. The Constitution confines the performance of certain functions to the municipal Council alone. The Council under any circumstances may not delegate these functions.

Functions which may not be delegated by the municipal Council are:

- Passing of by-laws;
- Approval of budgets;
- Imposition of rates and other taxes, levies and duties; and.
- Raising of loans.



Chapter 1

ABOUT THE CITY OF MATLOSANA

The Klerksdorp area was originally established and developed as a regional service centre between the gold mining areas in the Rand and the diamond mining fields in the Cape in the late 1800s. The first inhabitant of Klerksdorp was Hendrik Grobler (probably a hunter) who settled next to Skoonspruit on what was later to become the farm Elandsheuwel. In 1837, a group of 12 Voortrekker families settled on the banks of the Skoonspruit, today known as Oudorp. They established a town and later started calling it "Clercqsdorp" (later to be changed to "Klerksdorp") after the first magistrate north of the Vaal River, Jacob De Clercq.

James A. Taylor opened the first shop in Klerksdorp in 1865. In 1870, he took on a partner, Tomas Leask. Tomas Leask was to become one of the big business persons of Klerksdorp.





In 1886, M.G. Janse van Vuuren discovered gold in the Klerksdorp District. Due to the rapid development after the discovery of gold, State President S.P.J. Kruger issued a proclamation on 21 August 1886, according to which Klerksdorp was declared as a town as of 12 September 1888. As a consequence, thousands of fortune-seekers descended on the small village, turning it into a town with 70 taverns and even a stock exchange of its own. Klerksdorp was connected by rail to Krugersdorp on 3 August 1897 and to Kimberley in 1906.

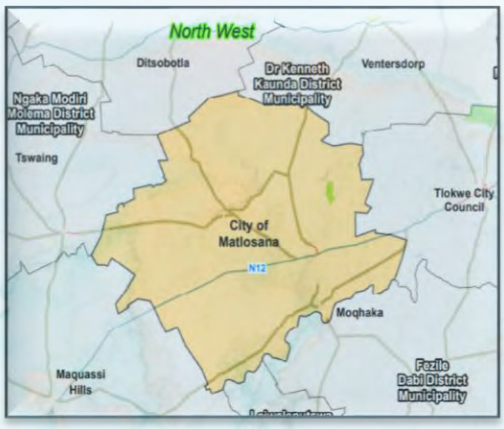
The Klerksdorp Record has been published since August 1899. The newspaper was originally named *"The Klerksdorp Mining Record"* with one paper per month. The Klerksdorp Record is still in existence and is flourishing as part of the North West Newspaper Group that has 10 different distribution areas in 3 cities and 4 towns. Klerksdorp Record is distributed in the Dr Kenneth Kaunda District with a print order of 20 000 newspapers. The newspaper group publishes newspapers (160 000 printed copies and digital access) over all four districts in the North West Province (Dr Kenneth Kaunda; Ruth Segomotso Mompati; Bojanala Platinum and Ngaka Modiri Molema) and papers are distributed as far as the Siyanda District Municipality (Upington area) in the Northern Cape and Pretoria West from the Madibeng area.

Klerksdorp is also the home of the largest agricultural company in the southern hemisphere. Senwes was borne in May 1909 when group of 24 farmers meet to discuss the idea of establishing a cooperative in the then-Western Transvaal. A preliminary foundation agreement was set up and it marks the birth of what would become the largest agricultural cooperative (until 1996) in South Africa and now southern hemisphere. Senwes is a leading agricultural company and boasts a rich and proud history that spans a period of 113 years. It's also the home of the largest maize silo in South Africa.

Today Klerksdorp is celebrated as the birthplace of Anglican Archbishop Emeritus Desmond Mpilo Tutu on 7 October 1931. He received the Nobel Peace Prize in 1984 for his work towards "a democratic and just society without racial divisions".

Chapter 1

The City of Matlosana was previously known as Klerksdorp (Matlosana area) and today tends to refer to itself as the "*City of People on the Move*".



The Municipal Demarcation Board, in terms of section 4 of the Local Government Municipal Structures Act, 1998 classifies the City of Matlosana Local Municipality (previously City Council of Klerksdorp) as a category B1 municipality. The municipality situated within the Dr Kenneth Kaunda District in the North West Province. It is bordered by the Ngaka Modiri Molema District in the north, the Free State Province in the south, JB Marks in the east and Maquassi Hills in the west.

It is the smallest of the three municipalities that make up the district, accounting for a quarter of its geographical area, but Klerksdorp is one of the biggest cities in the North West Province of South Africa.

Key investment opportunities include airport developments, retail shopping complexes, central business development revitalisation, neighbourhood development and rural economic development.

Places worth mentioning include the following:

- Faan Meintjes Nature Reserve;
- Johan Neser Dam;
- Klerksdorp Museum;
- Goudkoppie Heritage Site;
- Old Cemetery.

The municipality as a flagship project for excellent opportunities in the housing, business, industrial, heritage, mining, tourism and sports and recreation sectors identified the N12 development route.

A CITY WITH A VISION

As an organisation with the primary responsibility of ensuring that, the Matlosana area is able to realise its full potential in every aspect, the mission and core values of the City of Matlosana are as follows:

VISION

A proficient and prosperous municipality that delivers high quality services to citizens

MISSION

To render equitable, sustainable and high quality basic services to the citizens of Matlosana

CORE VALUES

The core values are expressed by the acronym "**RAPIT",** striving towards positive "change" which is:

VALUES	OPERATING PRINCIPLE(S)
RESPECT	☞ We engage with others in a humane way with politeness and care. ☞ We will listen to the communities we serve. ☞ We are focused on our stakeholders
ACCOUNTABILITY	☞ We will take full responsibility for the actions we take and give citizens full value for money. ☞ We conduct our tasks in a responsible manner and continuously communicate with our beneficiaries and partners. ☞ We owe our accountability to each other, the community we serve and our stakeholders who collaborate with us. ☞ We are transparent in all our activities and subject ourselves to any form of scrutiny.
PROFESSIONALISM	☞ We execute our roles to the highest standards according to applicable norms and standards. ☞ We execute our tasks with unselfish regard for or devotion to the benefit of communities. ☞ We ensure that our initiatives have direct impact on communities
INTEGRITY	☞ We hold our offices with ethical integrity to the benefit of those we serve. ☞ We aim to have congruence between our actions and our pronouncements.
TRANSPARENCY	☞ We hold our offices with ethical integrity to the benefit of those we serve. ☞ We aim to have congruence between our actions and our pronouncements.

GEOGRAPHIC PROFILE

The municipal area of the City of Matlosana covers an area of 3 602km². The main economic sectors are mining, agriculture manufacturing, services, construction and transport.

Klerksdorp has a semi-arid climate (*BSh/BSk*, according to the Köppen climate classification), with warm to hot summers and cool, dry winters. The average annual precipitation is 482 mm (19 in), with most rainfall occurring during the summer.

The city co-ordinates are 26°52'S 26°40'E / 26.867°S 26.667°E / -26.867; 26.667

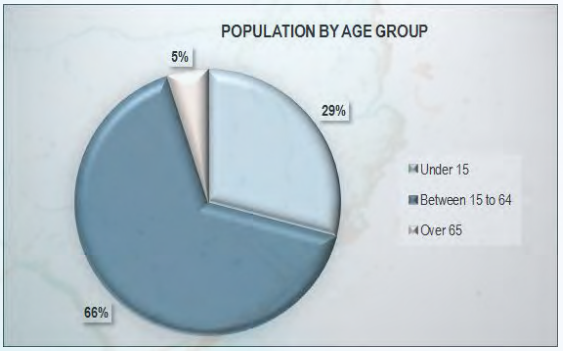
DEMOGRAPHIC PROFILE

According to estimates based on the population growth rate of SA Statistics (1.04%), the governmental municipalities website (https://municipalities.co.za/dempgraphics) and the municipality's household count, the City of Matlosana has a total population of 464 443 people, of whom 414 283 (89.2%) are urbanised and 50 160 (10.8%) are rural (mining villages and farming areas form part of the rural areas).

The largest population concentrations are in the Jouberton area (35%). The City of Matlosana has a population density of 129 persons per km².

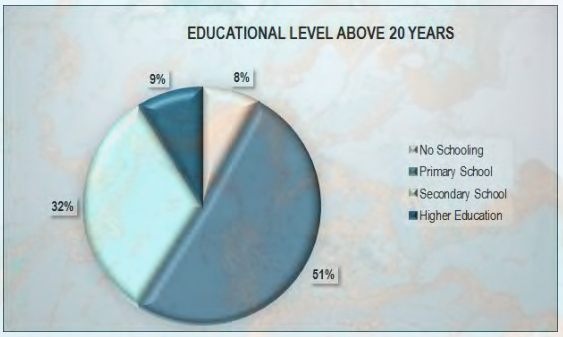
Distribution of Population by Age Group

DISTRIBUTION OF POPULATION GROUP	
Age Structure	**Population**
Under 15	135 153
Between 15 to 64	306 532
Over 65	22758
TOTAL	**464 443**



Highest level of Education for Population aged 20 Years and Older

DISTRIBUTION OF POPULATION	
Age Structure	**Population**
No Schooling	36 691
Primary School	237 330
Secondary School	149 086
Higher Education	41 336
TOTAL	**464 443**



Households with the basic level of service delivery

PROPORTION OF HOUSEHOLDS WITH BASIC SERVICE DELIVERY – 2021/22			
Basic Service Delivery	**Hh with the minimum service level and above**	**Hh below minimum service level**	**Hh with no access**
Refuse Removal	170 798	14 056	0
Water	183 834	1 020	0
Sanitation	171 328	13 526	0
Electricity	170 537	14 317	0

Natural Resources within the City of Matlosana jurisdiction

NATURAL RESOURCES	
Major natural resource	**Relevance to community**
Vaal River	Supplies Matlosana with water
Dry land, cultivated and land under irrigation	Agriculture potential
Dolomite aquifers	Surface mining

1.3 SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

PROPORTION OF HOUSEHOLDS WITH MINIMUM LEVEL OF BASIC SERVICES				
Basic Service	**2018/19**	**2019/20**	**2020/21**	**2021/22**
Electricity service connections	168 335	168 442	169 257	170 537
Water - available within 200 m from dwelling	172 647	176 179	180 483	183 834
Sanitation - households with at least VIP service	169 729	170 695	170 545	171 328
Waste collection - kerbside collection once a week	166 685	170 047	170 181	170 798

COMMENTS ON THE ACCESS TO BASIC SERVICES

1.4 FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

FINANCIAL OVERVIEW: 2021/22			
			R' 000
Details	**Original budget**	**Adjustment budget**	**Actual**
Income:			
Grants	662 474	660 767	668 042
Taxes, levies and tariffs	2 489 765	2 518 536	2 266 662
Other	546 749	572 522	917 221
Sub-total	3 698 988	3 751 825	3 851 925
Less: Expenditure	3 692 555	3 947 702	4 462 567
Net total*	6 433	-195 877	-610 642
** Note: surplus/(deficit)*			

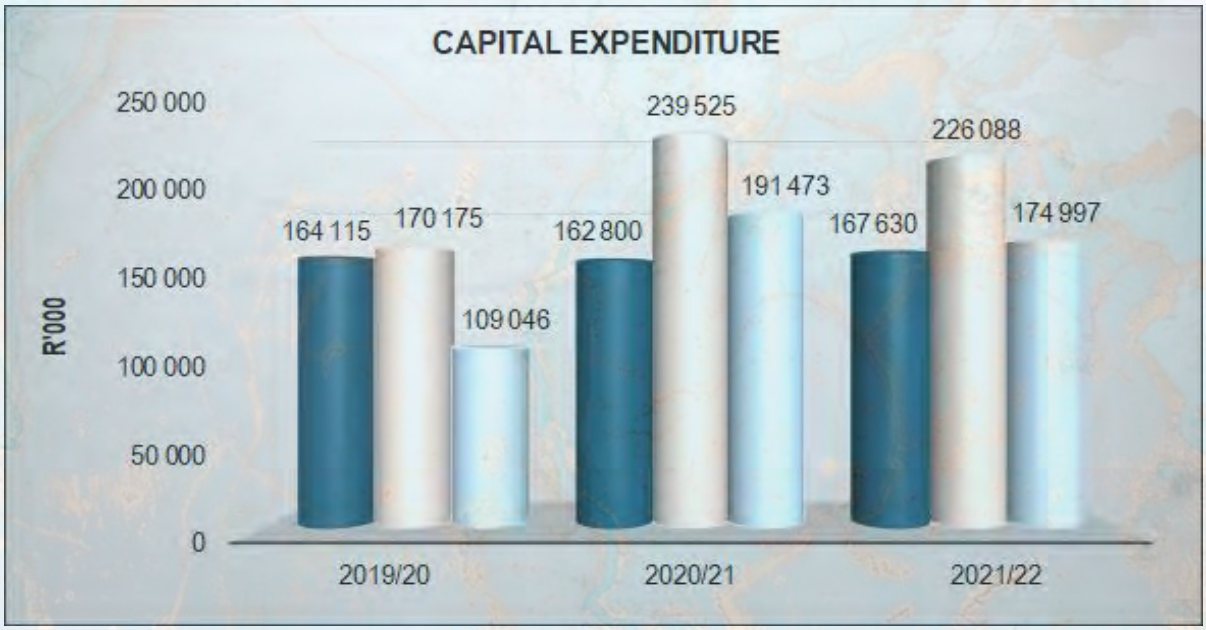
OPERATING RATIOS: 2021/22	
Detail	**%**
Employee cost	17.14
Repairs and maintenance	5.2%
Finance charges and impairments	14%

COMMENTS ON OPERATING RATIOS

Municipal employee cost amount to 17.14%, which is lower as per the norm of 35%. The vacancy rate in the various departments is a major concern, and this is attributed to the organisational structure that still needs to be reviewed and adjusted, in line with the municipality's current operational imperatives, which have changed over a period of time due to considerable developments of growth within the municipality's KOSH areas. The municipality's Strategic Planning sessions held in May 2022 came out with resolutions to review and adjust the current organisational structure. This process would consider of the new Staff Establishment Regulations that are effective as from July 2022

The municipal repairs and maintenance costs are all time low given the old and dilapidated infrastructure that requires frequent refurbishment. The municipality has the challenge of aged infrastructure and fleet, which contribute towards high repairs and maintenance, and the hiring of contracted services on refuse removal and plant equipment. The replacements thereof require huge capital investments, which are not provided for in the annual DoRA allocations of Municipal Infrastructure Grants (MIG). The municipality is currently using its own revenue generated funds to acquire new fleet. Vat recovery funds are a major contributor towards the replacement of old vehicles that have become uneconomical to repair.

TOTAL CAPITAL EXPENDITURE: 2019/20 TO 2021/22			
			R'000
Detail	**2019/20**	**2020/21**	**2021/22**
Original budget	164 115	162 800	167 630
Adjustment budget	170 175	239 525	226 088
Actual	109 046	191 473	174 997



COMMENTS ON CAPITAL EXPENDITURE

No grants were received from any other sources than the Division of Revenue Act (DORA). No provision was made for any Council funded projects.

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

Senior Manager Positions

The Minister of CoGTA on 17 January 2014 promulgated the Local Government Regulation on the Appointment and Conditions of Service of employment of Senior Managers (Government Notice 21 in the Government Gazette No 37245).

The Regulation on Appointment and Conditions of Services of employment of Senior Managers (as published under Government Notice No. 21 in the Government Gazette No 37245 of 17 January 2014) and read in conjunction with:

- Any regulations or guidelines issued in terms of Section 120 of the Act, concerning matters listed in Sections 54A, 56, 57A and 72;
- Local Government: Municipal Regulations on Minimum Competency Level, 2007, issued in terms of the Municipal Finance Management Act, as published under Government Notice No. 493 in the Government Gazette No. 29967 of 15 June 2007; and
- Municipal Amendment Regulations on Minimum Competency Levels, 2018 as published in Government Notice No. 1146 of 26 October 2018.

The status in terms of filling senior managers' positions

POST DESIGNATIONS	STATUS
Municipal Manager	Vacant
Chief Financial Officer	Vacant
Director Corporate Support	Filled
Director Community Development	Filled
Director Public Safety	Filled
Director Technical and Infrastructure	Filled
Director Local Economic Development	Filled
Director Planning and Human Settlements	Filled

Council's overhead structure consists of the Office of the Municipal Manager with the following seven (7) directorates:

- Directorate Corporate Support
- Directorate Budget and Treasury
- Directorate Local Economic Development
- Directorate Public Safety
- Directorate Community Development
- Directorate Technical and Infrastructure
- Directorate Planning and Human Settlements.

Progress on the filling of the Chief Financial Officer:

Council has in terms of CC 15/2022 dated 31 January 2022 resolved that the vacant position of Director Budget and Treasury (CFO) be re-advertised nationally.

Council has further in terms of CC 15/2022 dated 31 January 2022 appointed a selection panel as per Regulations on Appointment and Conditions of employment of Senior Managers, section 12 - Selection panel, to deal with the selection process of the vacant position.

The vacant position of Director Budget and Treasury (CFO) was advertised in Careers / Loopbane 24 (City Press and Rapport) of 27 March 2022, with the closing date 10 May 2022.

A total of 27 applications were received for the vacant position. On 20 June 2022 the selection panel scrutinised the 27 applications and 7 candidates were shortlisted for vetting / screening.

The SCM process for the vetting /screening commenced on 13 June 2022 and on 1 July 2022 the CV's of the 7 applicants were submitted to the company iFacts for the required screening process in terms of the regulations.

Progress on the filling of the Municipal Manager:

The 5-year fixed term employment contract of the Municipal Manager ended on 30 April 2022.

Council has in terms of CC 39/2022 dated 18 March 2022 resolved that the soon to be vacant position of Municipal Manager be advertised nationally.

The vacant position of Municipal Manager was advertised in Careers / Loopbane 24 (City Press and Rapport) of 27 March 2022, with the closing date 10 May 2022.

Council has further in terms of CC 39/2022 dated 18 March 2022 appointed a selection panel as per Regulations on Appointment and Conditions of employment of Senior Managers, section 12 - Selection panel , to deal with the selection process of the vacant position.

A total of 64 applications were received for the vacant position. On 9 June 2022 the selection panel scrutinised the 64 applications and 7 candidates were shortlisted for vetting / screening.

The SCM process for the vetting /screening commenced on 13 June 2022 and on 1 July 2022 the CV's of the 7 applicants were submitted to the company iFacts for the required screening process in terms of the regulations.

The Performance Management section provides secretarial or advisory services during the selection process, but do not form part of the selection panel.

The remainder of the process for the filling of the position for the 2021/22 financial year are envisage to unfold as follows:

SELECTION PROCESS	PLANNING DATE FOR COMPLETION
Results received back from iFacts	12 August 2022
Selection Panel meeting after results	17 August 2022
Interviews after results	To be held between 01 - 12 September 2022
Competency tests (3 Candidates for 2 days) after interviews	To be completed by 30 October 2022
Competency process	To be completed by 10 November 2022
Selection Panel to meet after competency results received	To be completed by at least 15 December 2022
Item to Council	To be completed by at least 31 December 2022
Letter to MEC (Council resolution attached)	To be completed by 31 December 2022
Appointment of MM after approval from MEC	To be completed by 19 January 2023
Letters to ALL applicants after approval from MEC	To be completed by 19 January 2023
Municipal Manager position to be filled	01 January 2023

1.6 AUDITOR-GENERAL'S REPORT

AUDITOR-GENERAL'S REPORT: 2021/22

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

For the 2021/22 financial year the City of Matlosana again received an "*Unqualified audit opinion*" for the financial statements and an "*Unqualified audit opinion with compliance finding. No material findings were identified on the reported performance information".*

A report from the Auditor-General for the financial year under review is contained in Chapter 6 of this report.

1.7 STATUTORY ANNUAL REPORT PROCESS

NO	ACTIVITY	TIMEFRAME
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should conform to in-year reporting formats to ensure that reporting and monitoring feed seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	August 2022
2	Implementation and monitoring of approved Budget and IDP commences (in-year financial reporting).	August 2022
3	Finalise the 4th quarter Report for previous financial year.	August 2022
4	Submit draft 2021/22 Annual Performance Report to Internal Audit	August 2022
6	Audit Committee considers draft Annual Report of municipality	August 2022
7	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to the Auditor-General.	August 2022
8	Annual Performance Report as submitted to the Auditor-General to be provided as input to the IDP Analysis Phase.	August 2022
9	Mayor tables the unaudited Annual Report	Nov / Dec 2022
10	Auditor-General audits Annual Report including consolidated Annual Financial Statements and Performance data.	September to November 2022
11	Municipality receive and start to address the Auditor-General's comments.	
12	Municipality receive Auditor-General's opinion	December 2022
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report.	January 2023
14	Audited Annual Report is made public and representations are invited.	Feb 2023
15	Oversight Committee assesses Annual Report.	Feb / Mar 2023
16	Council adopts Oversight Report.	March 2023
17	Oversight Report is made public.	April 2023
18	Oversight Report is submitted to relevant provincial Councils.	April 2023
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input.	March 2023

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. Timeous submissions of the process flow and reports is recommended. If the process flow is followed, the municipality should be able to provide an unaudited annual report in August of each year, which is consistent with the requirements of the MFMA.

One of the advantages of compiling an unaudited annual report in August is that it can be used to influence the strategic objectives indicated in the IDP for the next financial year as well as the budgetary requirements related to each vote.

An unaudited annual report submitted in August will further provide the municipality with an opportunity to review the functional areas that received attention during the current financial year and take the necessary corrective actions to align the IDP and budget with other priority areas requiring attention.

The annual report of a municipality must be tabled in the municipal Council as soon as possible after financial year-end, namely end of January. The entire process is concluded in the first or second week of December for all municipalities, the same year in which the financial year ends and not a year later, as is currently the case. It is expected that effective performance management will also result from this change.

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 contain similar and consistent information to facilitate understanding and to enable linkage between plans and actual performance.

The above can only occur if the municipality were to set appropriate key performance indicators and performance targets with regard 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 assists the municipal Council with information and progress made on service delivery.

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

Chapter 2



CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

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

The political and administrative components of Council maintain a sound working relationship by ensuring respect for procedures and protocols. The City Council as a legal entity relates to the other spheres of government and organised local government bodies through the Intergovernmental Policy Framework.

Communities as an interest group in municipal affairs participate through public participation mechanisms and processes in the decision-making systems of Council.

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

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Political governance ensures regular communication with the community at large by means of Imbizos and the IDP and budget consultations. This ensures that the community participates in identifying needs and in making inputs on the performance of the municipality. This process ensures healthy relations with the community and minimises conflict.

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

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

The City of Matlosana consisted of 77 Councillors since 6 August 2016 until after the election on 1 November 2021. On 8 November 2021, a new 77 Councillors were declared elected and were deployed in the current various council committees, namely:

COUNCIL COMMITTEES	
☞ Finance and Debt Normalisation	☞ Planning and Human Settlements
☞ Corporate Services	☞ Community and Health Services
☞ Sport, Arts and Culture	☞ Transversal Issues
☞ Public Safety	☞ Infrastructure
☞ Electrical Engineering	☞ Local Economic Development

The City Council of Matlosana has established an Audit Committee and merged the Audit and Performance Audit Committees, a Municipal Public Accounts Committee (MPAC), comprising of non-executive councillors with the purpose of commenting on and making recommendations on the Annual Report and the Auditor-General's Report.

The Oversight Report of the Municipal Public Accounts Committee was published separately in accordance with the requirements of the Municipal Finance Management Act, No.56 of 2003.

The Executive Mayor, Cllr NJ Tsolela appointed his Mayoral Committee Members (MMCs) from amongst the ranks of elected councillors, who advise him on municipal affairs, as well as other councillors to serve in Section 80 committees for a specific purpose.

POLITICAL STRUCTURE		
EXECUTIVE MAYOR Cllr NJ Tsolela	**SPEAKER** Cllr SL Mondlane	**SINGLE WHIP** Cllr K Ndincede
		
The Executive Mayor identifies the needs of the municipality, reviews and evaluates those needs in order of priority. He recommends to the municipal council strategies, programmes and services intended to address priority needs through the IDP and expenditure, considering any applicable national and provincial development plans and recommends. He further determines the best way to deliver strategies, programmes, and services to the maximum benefit of the community. The Executive Mayor also performs a ceremonial role.	The Speaker presides at meetings of the Council, maintains order during meetings and ensures that meetings are conducted in accordance with the Rules of Order of the Council.	The Single Whip must ensure that councillors are accountable to the community and that the code of conduct is respected and adhered to by all councillors. The Single Whip ensures discipline during meetings of Council and committees. He facilitates political debates and workshops for all councillors.

MAYORAL COMMITTEE MEMBERS				
				
MMC Finance and Debt Normalisation Cllr AM Ramphele	**MMC Electrical Engineering** Cllr FC Mahlophe	**MMC Community Services** Cllr TO Chabalala	**MMC Transversal Issues** Cllr KE Mabebe	**MMC Planning and Human Settlements** Cllr JM Mosupa
				
MMC Public Safety Cllr TG Khoza	**MMC Sport, Arts and Culture** Cllr ML Mahumapelo	**MMC Corporate Services** Cllr NM Maseko	**MMC Infrastructure** Cllr SOC Barrends	**MMC Local Economic Development** Cllr ML Kodisang

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) MEMBERS			
MPAC develop its work programme (which must be approved by Council) annually and link such programmes to the overall planning cycle of Council and conclude with the evaluation of the annual report and the recommendations to Council when adopting the Oversight Report on the Annual Report			
			
CHAIRPERSON Cllr MM Mosiako	Cllr FI Tagaree	Cllr SP Sesana	Cllr PY Mtshawaulana
			
Cllr MN Mbele	Cllr T Pheto	Cllr SL Majiji	Cllr MS Pelele
			
Cllr FD Oortman	Cllr MI Mangesi	Cllr SP Kloppers	Cllr W Wallhorn

COUNCILLORS

Councillors serve a term of five years and provide a vital link between communities they serve and the City Council. Councillors are elected to represent local communities on municipal Councils, to ensure that municipalities have structured mechanisms of accountability to local communities and to meet the priority needs of communities by providing services equitably, effectively, and sustainably within the means of the municipality.

In fulfilling this role, Councillors must be accountable to local communities and report back at least quarterly to constituencies on Council matters, including the performance of the municipality in terms of established indicators.

Councillors fulfil their obligations to the community and support the achievements of the municipality in its objectives as set out in Chapter 3 of section 19 of the Local Government: Municipal Structures Amendment Act (3 of 2021), and Schedule 1 of the Code of Conduct of the Local Government: Municipal Systems Act (32 of 2000) as amended.

The City of Matlosana comprises 39 Ward Councillors and 38 PR (proportional representation) Councillors.

Ward Councillors should be fully involved in all community activities in which the ward committee is established and communicate the activities and meeting schedules to the PR Councillors. PR means “proportional representation”, where voters vote for a political party and not an individual candidate within a party. The party gets the same share of the number of Councillors as the ballot paper just shows the political parties.

The party gets the same share of the number of Councillors as the share of total PR votes it received. The party decides which members should fill those Councillor positions.

A PR Councillor is allocated to a ward and provides support to the ward or the ward committee. He or she handles queries and complaints in consultation with the ward Councillor, assists in the resolving of disputes and in making referrals, helps with implementation of projects, supports the ward Councillors without replacing the ward Councillor and attends ward committee meetings, constituency meetings and special meetings.

POLITICAL DECISION-MAKING

As a municipality with a Mayoral Executive system, all matters for consideration by Council in terms of Section 160 (2) of the Constitution are considered by the Mayoral Committee and recommended to Council.

Matters delegated by Council are finalised at the Mayoral Committee and submitted to Council for cognisance, while matters excluded from delegation by law or not delegated by Council, are submitted via the Mayoral Committee to Council for finalisation.

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

In terms of Part 7 Section 82 of the Local Government: Municipal Structures Act 117 of 1998, as amended, the municipality appointed the Municipal Manager, Mr TSR Nkhumise with effect from 01 May 2017, who is the head of administration and therefore the Accounting Officer. The contract period of Mr. TSR Nkhumise came to an end on 30 April 2022 and the Council appointed the Director: Corporate Support, Ms. Lesego Seametso as the acting Municipal Manager in terms of Section 54A of the Local Government: Municipal Systems Act, 2000 as amended for a period of three (3) months.

In terms of Section 55 of the Local Government: Municipal Systems Act 32 of 2000, as amended, the Municipal Manager as head of administration is subject to policy directives of the Municipal Council and is responsible for the formation and development of an efficient, economic, effective, and accountable administration.

The Municipal Manager must further manage the municipality in accordance with all legislation and policies pertaining to local government. In terms of Section 50 of the Local Government: 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 and who must have relevant and requisite skills, expertise, and competencies to perform the duties associated with the posts they occupy.

The Municipal Manager is also accountable for all the income, expenditure, assets, and the discharge of liabilities of the municipality, including proper and diligent compliance with the Municipal Finance Management Act, 53 of 2003, as amended.

Senior managers or directors who report directly to the Municipal Manager are delegated such functions as the Municipal Manager may deem appropriate and are responsible for all those duties delegated to them. This includes financial management as well as discipline and capacitating of officials within their areas of responsibility, together with compliance with all legislation governing local government, its policies, and by-laws.

The Municipal Manager and Directors are responsible for strategic management and oversight of their directorates. All budget expenditure in each directorate is managed by the relevant director to ensure that service delivery matters are handled speedily.

The table below indicates the top administrative structure as approved by Council on 21 April 2017, which is in line with its strategic direction:

TOP STRUCTURE	
☞ Office of the Municipal Manager	☞ Budget and Treasury
☞ Corporate Support	☞ Technical and Infrastructure
☞ Local Economic Development	☞ Public Safety
☞ Planning and Human Settlements	☞ Community Development

TOP ADMINISTRATIVE STRUCTURE	
DIRECTORATE	**FUNCTIONS**
MUNICIPAL MANAGER	As Head of Administration and Accounting Officer of the municipality, the Municipal Manager is subject to the policy directions of the Municipal Council and is responsible and accountable for duties and responsibilities outlined under Section 55 of the Local Government: Municipal Systems Act 32 of 2000, as amended. He is also responsible for any other relevant duties as may be delegated from time to time to the Municipal Manager by the Executive Mayor and Council. The Municipal Manager is also responsible for duties outlined under Sections 60 to 75 of the Municipal Finance Management Act, as amended. The Municipal Manager is further responsible for implementing a monitoring and evaluation methodology in line with legislative requirements and for providing leadership and direction in the operation of the performance management system, IDP, risk management, MPAC and internal audit, its monitoring and evaluation, development of the SDBIP, quarterly performance reports and the annual report.
DIRECTOR: BUDGET AND TREASURY (CFO)	The director is responsible for ensuring effective and efficient strategic management of the finance portfolio, which includes budgetary management, financial accounting management, credit control management, investments and banking, treasury management and supply chain management.
DIRECTOR: TECHNICAL AND INFRASTRUCTURE	The director is responsible for providing water, roads, storm-water drainage and sanitation through well-established and well-maintained infrastructure that will stimulate growth, resulting in a broader income base and that will encourage taxpayers to sustain payments because of well-established and well-maintained infrastructure. The director is further responsible for providing an electricity supply service in an effective and efficient manner as well as for providing a cost-effective distribution network and a sustainable electricity supply to all consumers. The director is also responsible for fleet maintenance and mechanical works.
DIRECTOR: CORPORATE SUPPORT	The director is responsible for establishing and maintaining structures, within the parameters of legality and good governance that will provide administration that is appropriately relevant, timeous and effective for the execution of tasks and that will be transparent as well as to provide an environment that is conducive to stimulating public participation within co-operative governance.
DIRECTOR: PLANNING AND HUMAN SETTLEMENTS	The director aims to accelerate housing delivery through efficient and effective human settlement management and quality service delivery as well as through integrated and collective sustainable human settlements programmes. As well as to eradicate the remaining informal settlements and introduces a rental strategy as an alternative to address housing backlogs.

DIRECTOR: COMMUNITY DEVELOPMENT	The director's mandate is to provide support and maintain community services in the following functional areas: Cleansing (Refuse removal, street cleansing, night soil and vacuum services); Parks & Recreation; Sports Arts and Culture; Libraries; Museums; Health and Environmental & Integrated Waste Management. The director therefore oversees the development and maintenance of a clean and green city. The development and maintenance of cultural heritage and the rendering of a uniform cleansing service to all residents.
DIRECTOR: PUBLIC SAFETY	The director ensures effective traffic flow and road safety, minimising the risk of fire and disaster incidents and the provision of motor vehicle licensing, registration and testing to residents.
DIRECTOR: LOCAL ECONOMIC DEVELOPMENT	The director is responsible for creating a prosperous city and developing economic strategies that will alleviate poverty and the related socio-economic impacts by stimulating economic growth and development. His responsibilities further include the operation of the fresh produce market that is effective, efficient and economical and which satisfies consumer needs through effective distribution channels, facility provision and operational services.

The third tier of posts / positions can be seen in **Appendix C**.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Promoting Intergovernmental Relations (IGR) helps to make everyone aware that there is one seamless government working together to serve the people. It builds teamwork within the various spheres of government and between government and its agencies as well as other partners in development.

Intergovernmental relations activities include:

- Planning and budgeting.
- Consultations and meetings as well as information sharing sessions;
- Dispute resolutions.
- Reporting; and
- Performance Management: Monitoring and evaluation
- IDP

2.3 INTERGOVERNMENTAL RELATIONS

The primary purpose of the intergovernmental relations is to position the municipality to enhance intergovernmental relations by mobilising resources and strategic partnerships, which will ensure co-ordination of service delivery by all departments to the citizens of the city, thus ensuring a better quality of life for all.

Intergovernmental relations focus on the following priority programme areas:

- Co-ordinating and managing all municipal relationships with other spheres of government, including the district municipality.
- To ensure that there is a strong link between departments internally and the two spheres of government (National and Provincial).
- To facilitate information and knowledge sharing through inter-municipal cooperation.
- To build managerial and technical capacity (through study tours, exchange programmes, seminars and conferences).
- To develop project partnerships with other government departments for mutual benefit.
- To create employment through the public works programmes (EPWP).
- To focus on supporting the successful implementation of the strategic priorities of the municipality by mobilising on-going support from other spheres of government.
- To ensure a consistently positive image of the municipality to all other spheres of government.
- To ensure that there are monitoring and alignment of municipal budgets and IDP implementation with provincial and national government departments.
- To coordinate and align all events that involve other spheres of government – e.g. national days, Imbizos, etc.
- To promote effective lines of communication between the municipality and other spheres of government.
- To ensure effective relations and share models of good practice with other municipalities

NATIONAL INTERGOVERNMENTAL STRUCTURES

The Municipality participates in various intergovernmental relations activities at national, provincial and district levels. Municipal officials and Councillors are delegated to serve on the various forums.
Service delivery is the core function of the municipality. Cooperative governance is an arrangement entered into by the spheres of government to fast-track service delivery within the constitutional mandate.
Forums have been established to share best practices among municipalities and to ensure compliance. These forums focus mainly on issues of progressive governance and unblocking bottlenecks in certain spheres. Such forums must be attended to check and report on service delivery.

Examples of such forums are:

- Municipal Managers' Forum
- Mayors' Forum
- Chief Financial Officers' Forum

The City of Matlosana is a member of and does participate in these forums, including SALGA (South African Local Government Association), both at the national and provincial levels.

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The City of Matlosana strives to uphold its legislative authority and cooperative governance as required by the Constitution and other relevant legislation. In doing so, the municipality maintains good co-operative and intergovernmental relations with its provincial authority.

Forums attended to include:

- Municipal Managers' Forum
- SALGA Working Groups, NCOP, FFC

- Performance Management / Monitoring and Evaluation Forum
- IDP Forum
- Planning and Development Forum
- Disaster Management Forum
- Local Economic Development Forum
- MPAC Forum
- Speakers' Forum
- Records Management Forum

DISTRICT INTERGOVERNMENTAL STRUCTURES

The Dr Kenneth Kaunda District Municipality established various IGR structures such as:

- District Economic Development Forum.
- Mining Forum.
- Rural Economic Development Forum.
- District IDP Forum.
- Performance Management Forum.
- District IGR Forum
- Community Safety Forum
- Social Cluster War Room

These forums meet quarterly to discuss planning in consultation with one another to solicit financial assistance from the District Municipality in funding projects of mutual benefit to municipalities within the district.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The Municipal Public Accounts Committee (MPAC) may engage directly with the public and respond to public comments and concerns that fall within its ambit of responsibility.

The Council interacts with its stakeholders by means of ward committees, budget and Integrated Development Planning (IDP) meetings. Public and stakeholder engagements are on-going processes throughout the year. Public meetings include Council meetings, ward committee meetings, budget and IDP/PMS meetings as well as whistle blowers.

The Municipality ensures that these meetings are well attended by informing the public and stakeholders on time and considering local languages. Public meeting schedules are made public through being advertised in local newspapers and loud hailing. The Chairperson also engage with the public on the unfolding processes of public participation through local radio stations.

MPAC consults with public members to provide importance of participation on the annual report and encourage them to submit questions and comments based on the Auditor-General findings.

MPAC conducts public hearings as an oversight mechanism through which officials are called before the committee to give testimony on the key issues, which are specific problem areas. In order to facilitate meaningful public engagement in the procedures, the MPAC may request documents or evidence from the Accounting Officer of the municipality.

When conducting in-field inspections or project site visits, MPAC has the right to invite interested parties / specialists from the community and to seek their insights and advice.

Public involvement and media coverage play a key role where MPAC holds enquiries in a manner, which allows public participation on the annual report. MPAC encourage submissions, receive inputs from various role players, and prepare Oversight Report for consideration of its findings and recommendations to Council.

When the annual report is tabled in Council, the Chairperson of MPAC is afforded the opportunity to make a presentation on the Oversight Report, deliberation then takes place and questions from the public.

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

The Integrated Development Plan of the City of Matlosana is a product of broad consultation amongst key community stakeholders with a view to turning ours into a municipality that addresses the developmental needs and mandate of our residents. It is testimony to our commitment to ensuring a sustainable city for our future generations based on service delivery, infrastructure-led growth, unlocking investment and creating an enabling environment for business to flourish and job creation to occur. This will earn us the reputation of being one of the best run municipalities in the North West Province and the country at large.

The IDP is the strategic driver for our budget and performance management system to ensure the acceleration of service delivery to the communities we serve. The community participation in the drafting of this IDP will go a long way in ensuring that it is a living document owned by the people. In this way, civil society can measure Matlosana against targets that are based on agreed strategic IDP programmes. The IDP is aligned to National and Provincial strategic action plans and policies, including the District Development Model initiated by the Department of Co-operative Government and Traditional Affairs. This programme focuses on ensuring better service delivery, prudent management of public funds, economic use of financial and nonfinancial resources and good governance.

The City of Matlosana values the participation of its community in governance. To this end, the municipality has established ward committees in all 39 wards. Ward committees provide an important vehicle for the municipality to consult with its communities. One of the main features of the IDP is the involvement of community and stakeholder organisations in the process of developing the IDP. Participation of affected and interested parties is very important to ensure that the IDP addresses the real issues that are experienced by the community.

For purposes of compliance with this legislative requirement, the City of Matlosana has established formal structures for effective participation in the IDP processes. The following is a description of the participatory function of each of the various structures established for the IDP process. IDP Representative Forum – constituted of formal representatives of various civic and community organisations as well as other formal structures affected by the developmental efforts of the municipality.

The role of the IDP Forum is to:

- verify and make additions to data collected through non-formal participatory methods;
- inform interest groups, communities and organisations of relevant planning activities and their outcomes;
- analyse issues, determine priorities, negotiate and effect consensus;
- participate in the designing of project proposals and / or in assessing of projects;
- discuss and comment on the draft IDP;
- ensure that annual business plans and budgets are based on and linked to the IDP; and
- monitor performance in the implementation of the IDP.

In addition to the formal process of representation through the IDP Representative Forum engagement and other Council processes, the City of Matlosana consults its communities on an ongoing basis to solicit inputs in as far as the development challenges they face are concerned.

WARD COMMITTEES

The main objective of a ward committee is to enhance participatory democracy in local government. Ward committees are one way in which one can have a say in government decisions. The key purpose of ward committees is to increase the participation of local residents in municipal decision-making as they are the direct link with the relevant Council, they are representative of the local ward and they should be involved in matters such as the integrated development plan, the annual municipal budget, Council projects and key policies as all these activities impact on local people (see **Appendix E).**

Ward committees can identify and initiate projects to improve the lives of the people in the ward. They can support the Councillor in dispute resolutions, providing information about municipal operations. They can monitor the performance of the municipality and raise issues of concern to the local ward, they can assist with community awareness campaigns on issues such as solid waste, water and sanitation, payment of fees, and charges as members know their local communities and what Council needs.

No policy in terms of Sections 72 – 78 of the Local Government: Municipal Structures Act, Act 117 of 1998 has been accepted on ward committees by Council.

PUBLIC MEETINGS

Budget and IDP Consultations:

As per the COGTA guidelines, Circular 6 of 2020: COVID-19 Meetings, municipalities were encouraged to get comments on the draft budget and IDP using social media, as movement and meetings were restricted.

Meetings were held with Councillors and ward committees to obtain the inputs from the community. Comment boxes were made available at pay-points for community inputs and written comments were also received from the public. The documents were placed on the municipal website for inspection and comments and a summary of the Budget and IDP on Facebook and Twitter.

TOWN	DATE	TIME	VENUE
BUDGET AND IDP CONSULTATIONS			
Khuma	12 April 2022	14h00	Khuma Community Hall
Stilfontein	12 April 2022	16hoo	Stilfontein Library Hall
Orkney	13 April 2022	14h00	Orkney Library Hall
Vaal Reefs	13 April 2022	16hoo	O.R. Tambo Hall
Jouberton	19 April 2022	16h00	Jouberton Hall
Dominionville	20 April 2022	14h00	Dominionville open space
Alabama	20 April 2022	16h00	Alabama community hall
Tigane	21 April 2022	14h00	Tigane community hall
Brakspruit	21 April 2022	16h00	Brakspruit C.P.A.
Klerksdorp	22 April 2022	14h00	Auditorium
Kanana	25 April 2022	16h00	Kanana Community hall
IDP AND SDBIP REPRESENTATIVE FORUM MEETING			
Klerksdorp	22 April 2022	10h00	Council Chamber

COMMENT ON THE EFFECTIVENESS OF PUBLIC MEETINGS HELD

In its preamble, the Freedom Charter (1955) cautions us "no government can justly claim authority unless it is based on the will of the people". The Charter is the blueprint according to which our democratic future is built, and our municipality ensures that public participation remains the hallmark of all government work.

The City of Matlosana established ward committees in all 39 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 meeting held as well as Imbizos also provide a platform for effective interaction and accountability for Council and the community.

Due to COVID-19 regulations only a few in-person community meetings and IDP representative forum meeting could be conducted, but communities were consulted via social media e.g. Council's Facebook page and website, newspaper articles, radio interviews, notices placed on all Council's notice boards and emails to stakeholders. All inputs received from the above-mentioned platforms were considered whilst amending the IDP for the next financial year.

The municipality has not lost the connection with communities in relation to projects it implements in their name. Council benefits positively from the above system, in that, consultation is done with the broader community of Matlosana on matters of service delivery.

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP PARTICIPATION AND ALIGNMENT CRITERIA*	YES/NO
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the section 54A and 56 Managers?	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes?	Yes
Were the indicators communicated to the public?	Yes
Were the four-quarter aligned reports submitted within stipulated periods?	Yes
* *Section 26 of the Local Government: Municipal Systems Act 2000, as amended*	

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

The scope of corporate governance includes political, administrative, inter-governmental governance and public accountability and participation to ensure that the municipality is managed to the desired requirements of the community and within the rules, processes, and laws by which the municipality operates and is regulated and controlled.

The national and provincial outcomes for local government can be seen in **Appendix N.**

2.6 RISK MANAGEMENT

The City of Matlosana has committed to a process of Risk Management. The municipality recognizes that risk management and internal controls are key elements of good corporate governance and legislation. Section 62(1)(c)(i) of the MFMA requires the Accounting Officer (Municipal Manager) to take all reasonable steps to ensure that the municipality has and maintains effective, efficient, and transparent systems of financial and risk management and internal control.

Institutional Arrangements for Risk Management

The Risk Management Unit is headed by the Chief Risk Officer who is responsible for overseeing, guiding, facilitating, and monitoring various systems of governance and risk management. Strategic oversight of risk management processes is tasked to the Risk Management Committee. The Risk Management Committee is a structure, comprising of independent external chairperson and top management established to:

- Advise and assist the Accounting Officer to execute risk management responsibilities as required by section 62 of the MFMA;
- Assist the Audit Committee to exercise its oversight responsibilities over, amongst others, systems of governance and risk management.

During the financial year 2021/22, the committee was functional and held four ordinary meetings as well as one special meeting. The special meeting held on the 10th of June 2022 focused on reviewing the risk management strategic documents including the Annual Risk assessment report, Operational risk registers, Strategic risk register, Risk management implementation plan, and risk management committee charter.

Key Strategic Risks among the key responsibilities for risk management is the development, monitoring and reporting on the Strategic Risk Profile of the municipality. For the financial year under review, the Strategic Risk Profile of the municipality underwent the annual review to ensure that the strategic risks remain relevant and are aligned to the strategic priorities of the municipality. Through an assessment of performance by the Risk Management Committee, it is evident that management has fairly implemented risk mitigation strategies to bring the risks to an acceptable level.

Compliance Management

The municipality is committed to compliance with laws and regulation as a minimum requirement. In line with corporate governance principles, Council has ensured that systems and processes are in place to govern compliance with laws and adopt non-binding rules. The responsibility of compliance management has been delegated to the risk management unit in the municipality.

Internal Audit unit further enhances the municipal compliance by assessing the effectiveness of existing internal controls and further recommending improvement of internal controls when conducting internal audit activities.

2.7 Anti-Corruption and Fraud

The City of Matlosana strives to be a municipality where leadership is unquestionably committed to high ethical standards, service delivery and good governance.

The municipality commits to serve its communities and all stakeholders with respect, dignity and integrity, and in a manner that is consistent with the values and principles it upholds i.e. respect, integrity, performance excellence and transparency. The municipality commits to uphold the Constitution and the Local Government Integrity Framework by ensuring effective leadership of the highest ethical standard and cultivating an ethical culture within the City.

The City of Matlosana has developed an anti-corruption strategy to give effect to the expressed commitment of the municipality to fight corruption in the institution. This strategy is aligned with the anti-corruption strategy of 2016, which was developed by the Department of Public Service Administration (DPSA).

This strategy therefore serves as a guide with regards to how the municipality must deal with cases of fraud, corruption theft and other financial misconduct. This strategy has been reviewed and workshopped to both officials as well as councillors and the reviewed strategy was adopted by council in 2021/22 financial year.

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW OF SUPPLY CHAIN MANAGEMENT

Supply Chain Management aims to uphold efficient and cost-effective managed procurement plan, through intelligent strategic procurement strategies to accelerate quality delivery of services and at the same time contribute to economic growth.

The Municipality is accelerating measures to centralise the SCM Unit and at the same time ensure that it procures what is needed at the right time, the right price, in the correct quantities and delivery to the right location. Central to this objective are the following pertinent themes:

- Optimising procurement strategies;
- Supplier relationship management;
- Performance optimisation inclusive of contract management.

The municipality is currently busy with the restructuring of the SCM Unit's organisational structure, to address the human resource capacity challenges, and the Auditor General's recurring audit findings on SCM compliance issues, which are major contributing factors towards increased Irregular Expenditure. The interventions are in line with resolutions taken at the municipality's strategic planning held in May 2022.

2.9 BY-LAWS

BY-LAWS INTRODUCED DURING 2021/22

BY-LAWS INTRODUCED DURING 2021/22				
BY-LAW	PUBLIC PARTICIPATION CONDUCTED PRIOR TO ADOPTION OF BY-LAWS (YES/NO)	DATES OF PUBLIC PARTICIPATION	BY-LAWS GAZETTED* (YES/NO)	DATE OF PUBLICATION
Electricity By-Law for Small Scale Imbedded Generation (SSEG) Installation	Yes	5 April 2022	Yes	5 April 2022

COMMENT ON BY-LAWS

Public participation about a new or amended By-Law is dealt with in accordance with Section 12(3) (b) of the Local Government: Municipal Systems Act 32 of 2000, as amended and are to be published for public comment in a manner that allows the public an opportunity to make representations with regard to the proposed By-Law.

A By-Law takes effect when published, or at a future date determined by or in terms of the By-Law when published promptly in the Provincial Gazette and, when feasible, also in a local newspaper or in any other practical way to bring the contents of the By-Law to the attention of the local community, in terms of Section 13 of the Local Government: Municipal Systems Act 32 of 2000, as amended.

The following list indicates all Council's By-laws with date of promulgation:

BY-LAWS OF THE CITY OF MATLOSANA			
BY-LAW	**PROVINCIAL GAZETTE NUMBER**	**COUNCIL RESOLUTION (ADOPTED)**	**STATUS**
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE			
Drainage and Plumbing By-Law	Nr. 5957 Notice 396	CC 56/2003 dated 30 September 2003	Finalised
Water Supply By-Law	Nr. 5957 Notice 396	CC 56/2003 dated 30 September 2003	Finalised
Electricity By-Law	Nr. 7749 Notice 32	CC25/2017 dated 31 January 2017	Finalised
DIRECTORATE: BUDGET AND TREASURY			
Customer Care, Credit Control and Debt Collection By-Law	Nr. 8050 20/08/2019	CC 59/2019 dated 27 June 2019	Review in process
Rates By-Law	Nr. 8002 30/4/2019	CC 19/2019 dated 28 February 2019	Finalised
Tariff By-Law	Nr. 8002 30/4/2019	CC 19/2019 dated 28 February 2019	Finalised
DIRECTORATE: COMMUNITY DEVELOPMENT			
Cemetery By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
Faan Meintjes Nature Reserve By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
Livestock Market By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
PC Pelser Airport: Control and Management By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
Parks and Gardens By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
Public Amenities By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
Solid Waste and Sanitary By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
Library By-Law	Nr. 5957 Notice 398	CC 56/2003 dated 30 September 2003	Finalised
Waste Management By-Law	Nr. 7160 30/8/2013	CC30/2013 dated 26 March 2013.	Finalised
Keeping of Animals, Birds and Poultry and Businesses involved in the Keeping of Animals, Birds, Poultry and Pets By-Law	Nr. 5957 Notice 402	CC 56/2003 dated 30 September 2003	Finalised
Public Health By-Law	Nr. 5957 Notice 402	CC 56/2003 dated 30 September 2003	Finalised
Milk By-Law	Nr. 5957 Notice 402	CC 56/2003 dated 30 September 2003	Finalised

BY-LAWS OF THE CITY OF MATLOSANA			
BY-LAW	**PROVINCIAL GAZETTE NUMBER**	**COUNCIL RESOLUTION (ADOPTED)**	**STATUS**
DIRECTORATE: LOCAL ECONOMIC DEVELOPMENT			
Preferential Procurement By-law	Nr. 5957 Notice 403	CC 56/2003 dated 30 September 2003	Finalised
Fresh Produce Market By-Law	Nr. 5957 Notice 397	CC 56/2003 dated 30 September 2003	Finalised
Billboard and Outdoor Advertising By-Law	Nr. 7974 Notice 28	CC 1372018 dated 27 November 2018	Finalised
DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS			
Building and Outdoor Advertising By-Law	Nr. 5957 Notice 396	CC 56/2003 dated 30 September 2003	Finalised
SPLUMA	Nr. 7622 Notice 31	ADMIN 365/2015	Finalised
DIRECTORATE: PUBLIC SAFETY			
Fire Services By-Law	Nr. 5957 Notice 401	CC 56/2003 dated 30 September 2003	Finalised
Licensing of Public Vehicles By-Law	Nr. 5957 Notice 401	CC 56/2003 dated 30 September 2003	Finalised
Parking Ground By-Law	Nr. 8168 Notice 152	CC 112/2019 dated 21 October 2019	Finalised
Parking Meter By-Law	Nr. 5957 Notice 401	CC 56/2003 dated 30 September 2003	Review in process
By-Law Relating to Dogs	Nr. 5957 Notice 401	CC 56/2003 dated 30 September 2003	Finalised
Street and Miscellaneous By-Law	Nr. 5957 Notice 401	CC 56/2003 dated 30 September 2003	Finalised
Traffic By-Law	Nr. 5957 Notice 401	CC 56/2003 dated 30 September 2003	Finalised
Regulating, Control and Supervision of Hawkers By-Law	Nr. 5957 Notice 401	CC 56/2003 dated 30 September 2003	Finalised
DIRECTORATE: CORPORATE SUPPORT			
Bursary By-Law	Nr. 5957 Notice 400	CC 56/2003 dated 30 September 2003	Finalised
Rules of Order	Nr. 8240 Notice 78	CC41/2020 dated 30 June 2020	Finalised

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 Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA), as amended.

The website must contain the following documents of the municipality as referred to in Section 21A of the Local Government Municipal Systems Act 32 of 2000, as amended.

Municipal Website Compliance

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. The municipal website should serve as an integral part of the municipality's communication infrastructure and strategy.

If managed effectively, it allows easy access to relevant information, serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance.

DOCUMENTS PUBLISHED ON THE MUNICIPALITY'S WEBSITE	YES / NO
Current Annual and Adjustment Budgets and all Budget-Related Documents	Yes
All current Budget-Related Policies	Yes
The previous Annual Report (2020/21)	Yes
The Annual Report (2021/22)	N/A
All current Performance Agreements required in terms of Section 57(1)(b) of the Municipal Systems Act (2021/22) and resulting scorecards, as well as 2021/22 Performance Agreements	Yes
All Service Delivery Agreements (2021/22)	No
All Long-Term Borrowing Contracts (2021/22)	N/A
All Supply Chain Management Contracts above a prescribed value (give value) for (2021/22)	No
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of Section 14 (2) or (4) during (2021/22)	N/A
Contracts agreed in (2021/22) to which Subsection (1) of Section 33 applies, subject to Subsection (3) of that Section	N/A
Public-Private Partnership Agreements referred to in Section 120 entered into (2021/22)	N/A
All quarterly reports tabled in the Council in terms of Section 52 (d) during (2021/22)	Yes

Relevant Legislation

The role of the City of Matlosana's website, as platform for information dissemination, participation and disclosure has been significantly catered for in various pieces of legislation, including:

- The Local Government Municipal Systems Act, 32 of 2000, as amended (the Systems Act);
- The Local Government Municipal Financial Management Act, 56 of 2003, as amended (the MFMA); and
- The Municipal Property Rates Act, 6 of 2004 (the MPRA).

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS

Easy online access to municipal information is obtained through the official website of the City of Matlosana Local Municipality at www.matlosana.gov.za. A wide range of information that is useful to all the stakeholders are published on this official website.

The MFMA has specific requirements on the publishing of information and the City of Matlosana is attempting to comply. However, the submission of information by user departments to ICT for publishing still needs to improve to ensure full legislative compliance, due to the unavailability of a dedicated web developer

All stakeholders and communities can access information on the official website 24 hours a day. The information can be viewed or downloaded as PDF Documents (Readable with Acrobat Reader).

The wide range of information that is published on the website are the following:

- Notices, articles and stories by the Communications Section;
- Bid Documents (Tenders), Quotations Adverts, Regulation 32 Awards, Regulation 36 Awards and Contracts as given by the Supply Chain Management Section;
- Annual and Adjustment Budgets, all Budget-Related Documents, Budget-Related Policies and Tariffs, Monthly Budget Reports and Quarterly Budget Reports by the Budget Section;
- Service Delivery and Budget Implementation Plan, Annual Report, Performance Agreements and Contract of Employments for Section 56 Managers, Budget and Performance Assessment Report by the Performance Management Section;
- External advertisements of vacant positions that need to be filled by qualified, skilled and competent applicants by the Human Resource Section,
- Oversight Report by the MPAC; and
- Other documents such as policies and by-laws by the Corporate Administration Section.

These documents are published on the official website to reach one of the objects of Local Government, which is to provide a democratic and accountable government for local communities.

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

In order to give effect to the provisions of the Local Government: Municipal System Act, 32 of 2000 as amended, Chapter 6 Section 42 and Chapter 8 Section 73(2)(e), questionnaires are given to public to evaluate and comment on the services rendered by the municipality.

Due to COVID-19, no public satisfaction survey forms were issued during the 2021/22 financial year.

Chapter 3



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

INTRODUCTION

Service delivery in terms of the Constitution of the Republic of South Africa, Schedule 4, Part B determines the functions of the municipality and therefore its responsibility towards the community. In terms of the IDP and the strategic objectives of the City of Matlosana, certain issues are set out to be achieved during the financial year.

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 Constitution requires the Local Government to provide basic services to the local community. The Directorates Technical and Infrastructure; Planning and Human Settlements; Community Development and Budget and Treasury are central to the realisation of this legislative imperative.

To progress effectively in the provision of essential basic services, the following sections within the various Directorates need to focus on their strategic role such as water, sanitation, electricity, refuse removal, housing and free basic services provision.

3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

The Water Services Act, 108 of 1997, Section 5(4) states that in emergency situations, a Water Services Authority (WSA) must take reasonable steps to provide basic water supplies to any person within its area of jurisdiction and may do so at the cost of the authority and to contribute to the enhanced quality of life and prosperity of all the people by providing better quality water services through a well-established and maintained infrastructure to comply with the Constitutional obligations of the Republic of South Africa.

Overview

Midvaal Water Company is responsible for the treatment of bulk water and the distribution into the bulk infrastructure of the municipality at a measured unit cost and to ensure water quality compliance up to the bulk infrastructure of the municipality while the City of Matlosana is responsible for distribution through its network.

The City of Matlosana has been supplied with an average of 102 Mℓ/day during 2021/22 financial year compared to 96 Mℓ/day in 2020/21.

Description of the activity

City of Matlosana is responsible for the following:

- monitoring the units of water supplied by the bulk service provider;
- distribution of water to the consumer through its water infrastructural network, which includes piping systems, pump-stations and reservoirs;
- testing and replacement of water meters;
- planning of new infrastructure;
- water quality testing and post water treatment quality maintenance;
- on-going assistance to ensure that new developments are expedited and water infrastructure installed in accordance with standards and specifications of the municipality;
- analysis of all aspects of the existing water supply system to pro-actively identify worn-out infrastructure and problematic areas;
- continuous management and control to ensure the optimum ability of the water supply infrastructure;
- support the finance department in ensuring revenue collection is sustainable and consistent; and
- reduce water losses within the water infrastructure system.

The strategic objectives

- Rendering sustainable bulk water service by supplying adequate water of good quality on a continuous basis and at a reasonable cost to the consumer;
- Providing, operating and maintaining the distribution system to meet the needs of all customers;
- To reduce water losses from 51% to 15% in the next 5 years (2020 – 2024);
- To maintain 98% Compliance on the Blue Drop status; and
- To improve Revenue collection.

Challenges

- Inadequate resources (including vehicles, equipment and human) within the Section;
- Delays in reviewing the out-dated organogram;
- Inadequate budgeting for maintenance;
- High levels of vandalism impede a sustainable water supply to the communities;
- Aging infrastructure;
- Increasing water losses
- Lack of funding for new infrastructure.

TOTAL USE OF WATER BY SECTOR (KILOLITRE)					
Year	Commercial	Other	Industrial	Domestic	Unaccountable Water Losses
2018/19	1 404 612	2 024 358	385 064	16 568 072	15 592 650
2019/20	2 111 072	1 920 929	472 244	17 056 920	11 746 655
2020/21	1 565 783	1 646 019	465 392	15 418 976	14 722 634
2021/22	**1 477 863**	**1 379 859**	**407 692**	**14 574 858**	**18 655 013**

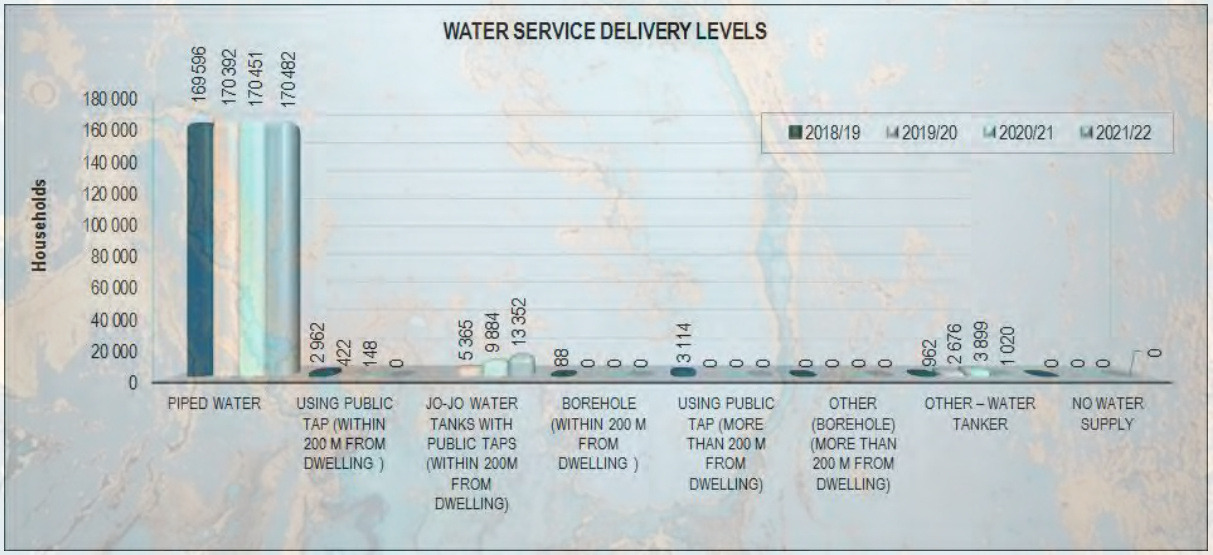
COMMENT ON WATER USE BY SECTOR

It can be noted that there is no established trend from 2018/19 to date on the water consumption per sector.

This points to serious problems in the billing process hence the section is putting additional effort in ensuring that the number of non-working meters are reduced to the minimum. In the replacement of these stuck meters, the domestic sector has been targeted and the amount accounted for should improve with full implementation of the programme.

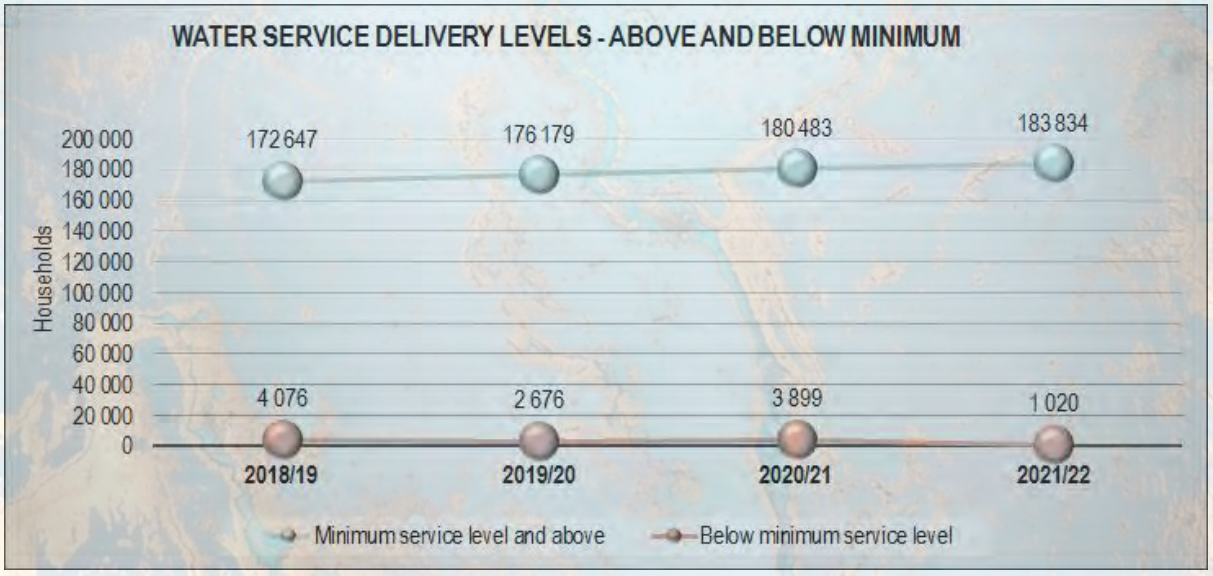
Annually the municipality project future water demand by implementing infrastructure upgrade plans and thereby ensures that sufficient capacity is available for the increased demand arising from the growth of the community.

WATER SERVICE DELIVERY LEVELS				
				Households
Description	2018/19	2019/20	2020/21	2021/22
	Actual	Actual	Actual	Actual
***Water:* (above minimum level)**				
Piped water	169 596	170 392	170 451	170 482
Using public tap (within 200m from dwelling)	2 962	422	148	0
Jo-Jo water tanks with public taps (within 200m from dwelling)		5 365	9 884	13 352
Borehole (within 200m from dwelling)	88	0	0	0
Minimum service level and above – sub-total	***172 647***	***176 179***	***180 483***	***183 834***
Minimum service level and above – percentage	***98%***	***98.5%***	***98%***	***99%***
***Water:* (minimum and below minimum level)**				
Using public tap (more than 200m from dwelling)	3 114	0	0	0
Other (Borehole) (more than 200m from dwelling)	0	0	0	0
Other – Water tanker	962	2 676	3 899	1 020
No water supply	0			0
Below minimum service level – sub-total	***4 076***	***2 676***	***3 899***	***1 020***
Below minimum service level – percentage	***2%***	***1.5%***	***2%***	***1%***
TOTAL HOUSEHOLDS*	**176 723**	**178 855**	**184 382**	**184 854**
** - Total include informal settlements*				



ACCESS TO WATER			
Year	Proportion of households with access to water points	Proportion of households with access to piped water	Proportion of households receiving 6 kℓ free
2018/19	176 723	172 647	172 647
2019/20	178 855	176 179	176 179
2020/21	184 382	180 483	180 483
2021/22	**184 854**	**183 834**	**183 834**

WATER SERVICE DELIVERY LEVELS BELOW THE MINIMUM					
					Households
Description	2019/20	2020/21	2021/22		
	Actual	Actual	Original	Adjusted	Actual
Formal settlements					
Total households	171 207	171 341	171 341	171 350	171 372
Households below minimum service level	0	0	0	0	0
Proportion of households below minimum service level	***0%***	***0%***	***0%***	***0%***	***0%***
Informal settlements					
Total households	7 648	13 041	13 041	13 400	13 482
Households below minimum service level	2 676	3 899	3 899	1 500	1 020
Proportion of households below minimum service level	***35%***	***30%***	***30%***	***11%***	***7.56%***



NATIONAL KEY PERFORMANCE INDICATOR

See page 250 for details.

EMPLOYEE INFORMATION

EMPLOYEES: WATER SERVICES					
Job level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	1	1	1	0	0
4 - 6	3	3	3	0	0
7 - 9	6	7	4	3	43
10 - 12	14	16	13	3	19
13 - 15	16	18	16	2	11
16 - 18	6	18	5	13	72
19 - 20	62	62	59	3	5
Total	**108**	**125**	**101**	**24**	**19**

FINANCIAL PERFORMANCE 2021/22: WATER SERVICES					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**851 987**	**889 466**	**922 766**	**879 796**	**-1.1%**
Expenditure					
Employees	41 918	37 608	43 070	40 856	8%
Repairs and maintenance	4 355	17 368	23 464	38 532	55%
Other	906 464	623 817	660 162	961 451	35%
Total Operational Expenditure	**952 737**	**678 793**	**726 696**	**1 040 839**	**35%**
Net Operational Expenditure	***-100 750***	***210 673***	***196 070***	***-161 043***	

COMMENTS ON THE PERFORMANCE OF WATER SECTION

The municipality is still experiencing high losses due the aged infrastructure, a low maintenance budget, shortage of vehicles to attend to complaints speedily and implement action of preventative maintenance.

The section has developed a maintenance plan that includes the refurbishment of the pressure reducing valves and gland packing of valves in both the reticulation system as well as pump-stations. Reporting on IWA Water Balance to DWS has assisted the reporting of correct water losses within the system.

Responding to burst pipes within a short period has had an impact in reducing water losses. The municipality is currently refurbishing and replacing malfunctioning pressure reducing valves during 2019/20 and into 2020/21 together with other activities to reduce to water losses. A huge outbreak of water meter being stolen around the Matlosana area has negatively impacted on the water losses increasing to 12.7% for the financial year from 41% (2019/20) to 51% (2020/21).

Reservoirs are cleaned annually to ensure that the water quality remain at 98% compliance as all times.

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on pages 170- 171; 174 - 175)

WATER SERVICES OBJECTIVES TAKEN FROM THE IDP							
Service Objective	Service Indicators	2019/20	2020/21	2021/22			2022/23
		Actual	Actual	Target			Budget
				Original	Adjusted	Actual	
To refurbish Jouberton reservoir to maintain the existing infrastructure	Refurbishment of Jouberton reservoir (Ward13)	New project	New project	Refurbishing of Jouberton reservoir (ward 13) by - appointing a contractor - establishing the site; - refurbishing of the Jouberton reservoir by 31 June 2022 R6 000 000	Refurbishing of Jouberton reservoir (ward 13) by appointing a contractor - establishing the site; - constructing a super structure for dosing building; - constructing a 150m drainage channel; - replacing 100m of 400Ø steel pipes; - constructing of 3 chambers; and - replacing 5 valves by 31 June 2022 R3 677 814	Contractor appointed on 9 December 2021. Site establishment completed. Dosing building constructed. R1 908 190	R3 500 000
To improve and construct water supply from Midvaal end point to Jouberton and Alabama (Phase 1B) (Wards 4,5,6) to increase the water supply capacity to the community	Final payment for the improvement and construction of water supply from Midvaal end point to Jouberton and Alabama (Phase 1B) (Wards 4,5,6) settled	The water supply from Midvaal endpoint to Jouberton and Alabama (Phase 1B) (Wards 4, 5 & 6) was improved R15 739 130	Final payment 95% settled. R1 646 053	-	Settling the final payment for the improvement of the water supply from Midvaal end point to Jouberton and Alabama (Phase 1B) (Wards 4, 5, 6) by 31 June 2022. R627 593	Final payment settled. R545 733	N/A

3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

The main objective of the Sanitation section is to:

- provide sanitation services to all the households in the Matlosana area and enforce the relevant By-laws to the residents, businesses and the industries;
- maintain a sewer network system and to plan for future upgrades and assist all Project Management Units at Provincial, National and local in giving in-house sewer services expertise on standards used, planning, designing and monitoring compliance to standards of the construction of new sewerage system services, on refurbishments or new sewerage upgrade projects in the area;
- ensure a clean and a compliant sewage effluent from all the four-(4) waste water treatment plants and compliance of the plants in terms of legislated requirements in the Matlosana area, therefore curbing the outbreak of waterborne diseases such as Cholera and Typhoid etc.; and
- ensure a proper housekeeping by operation and maintenance of all the sewage pump-stations and waste water treatment plants facilities and components in the jurisdiction of the municipality.

Objectives

The following are the section's objectives:

- to be the best municipality in the North West in terms of IRIS system on Waste Water Status achievement which is awarded by the National Department of Water and Sanitation and the rendering of uninterrupted service delivery to the community and future developments;
- to be the best municipality in the North West Province in rendering a reduced interruption of services in terms of sanitation infrastructural service delivery; and
- to render sanitation services proactively, without having community service delivery protests prompting our reactions.

Challenges:

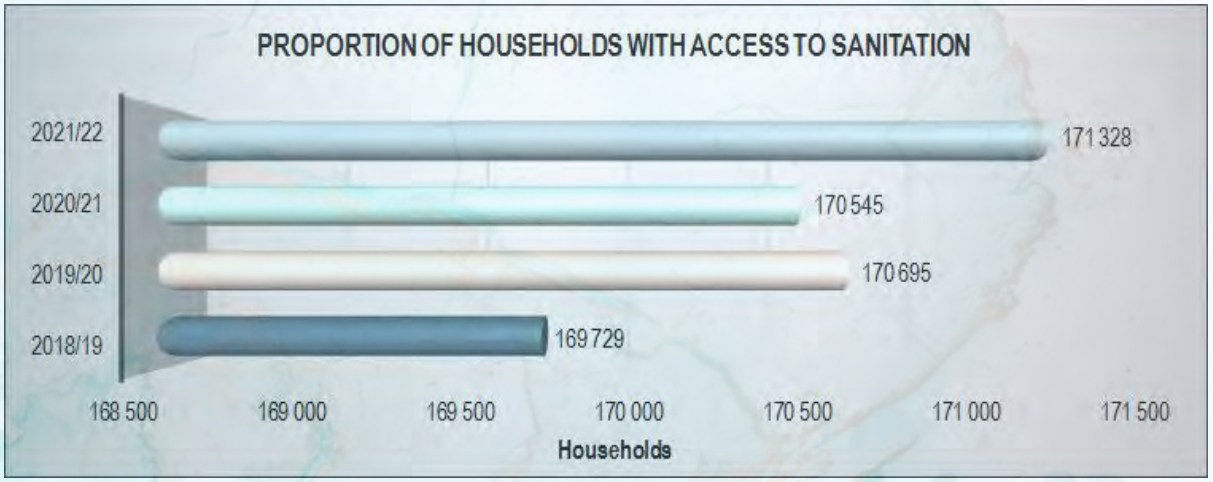
The section is always faced with numerous challenges including but not limited to the following:

- Lack of skilled and certified plumbers in the locality.
- Lack of resources (vehicles, equipment and human)
- Aged infrastructure, which needs urgent refurbishment and upgrade.
- High level of cable, pumps & motors at wastewater treatment plants 's & pump station and cast-iron manhole lids theft gives rise to emergency break down at the sewage pumping stations, waste water treatment plants and the sewer network, at some instance stones are found as cause of blockages on the latter and this at times result into having to replace the section of the sewer line affected.
- Challenges at the guarding of infrastructure service delivery facilities affect the smooth operations of those facilities
- High level of unemployment and lack of localised economic development of emerging entrepreneurship
- Insufficient new township establishments give rise to overload on the current system, hence more sanitation backlogs, which last for longer period without eradicating and therefore leading to more attempted land grabs and more backyard dwellers adding high load to the sewerage system, therefore adding to sewer spillages.
- Misuse of sewer system by the public especially in new township extensions as well as no maintenance on private plumbing installations belonging to the majority of indigents households remain a challenge.

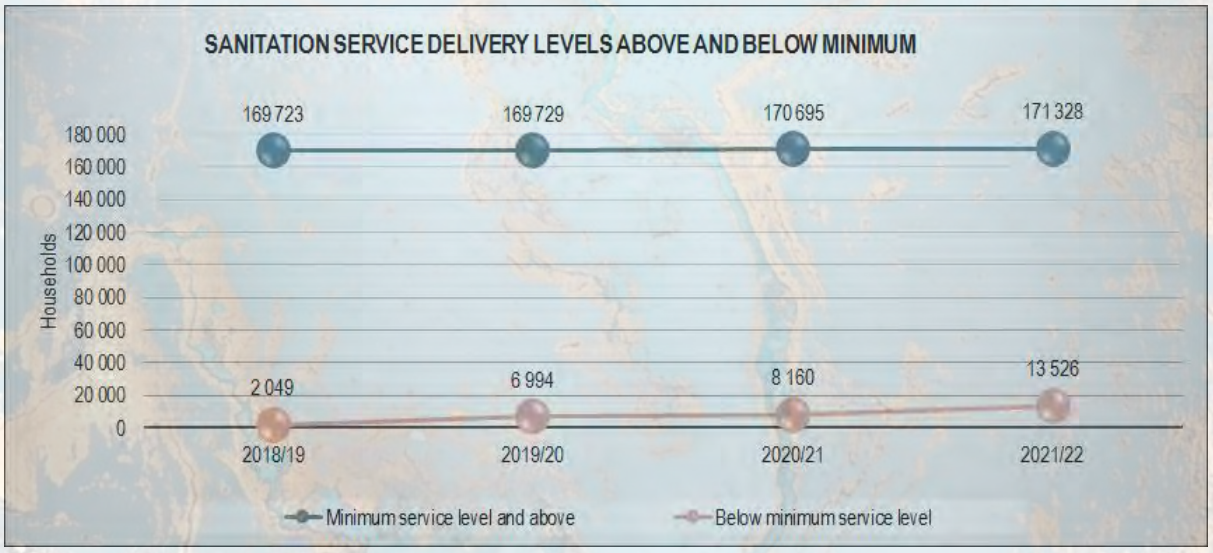
SANITATION SERVICE DELIVERY LEVELS				
				Households
Description	2018/19	2019/20	2020/21	2021/22
	Actual	Actual	Actual	Actual
***Sanitation/Sewerage:* (above minimum level)**				
Flush toilet (connected to sewerage)	165 535	166 486	166 506	166 512
Flush toilet (with septic tank)	1 619	1 619	1 619	1 619
Pit toilet (ventilated)	2 575	2 575	2 420	3 197
Other toilet provisions (above minimum service level)	0	0	0	0
Minimum service level and above – sub-total	***169 729***	***170 695***	***170 545***	***171 328***
Minimum service level and above – percentage	***96.4%***	***95%***	***92%***	***92.7%***
***Sanitation/Sewerage:* (below minimum level)**				
Bucket toilet	22	19	19	34
Pit toilet (below minimum service level)	6 972	8 141	13 818	13 492
No toilet provisions	0	0	0	0
Below minimum service level – sub-total	***6 994***	***8 160***	***13 837***	***13 526***
Below minimum service level – percentage	***3.6%***	***5%***	***8%***	***7.3%***
TOTAL HOUSEHOLDS*	**176 723**	**178 855**	**184 382**	**184 854**
** - Total include informal settlements*				



ACCESS TO SANITATION	
Year	Proportion of households with access to sanitation
2018/19	169 729
2019/20	170 695
2020/21	170 545
2021/22	171 328



SANITATION SERVICE DELIVERY LEVELS BELOW THE MINIMUM					
					Households
Description	2019/20	2020/21	2021/22		
	Actual	Actual	Original	Actual	Actual
Formal settlements					
Total households	169 677	169 663	169 663	169 750	169 767
Households below minimum service level	1 557	1 538	1 538	1 538	1 531
Proportion of households below minimum service level	***1%***	***1%***	***1%***	***1%***	***1%***
Informal settlements					
Total households	9 178	14 719	14 719	15 000	15 087
Households below minimum service level	6 603	12 299	12 299	12 000	11 995
Proportion of households below minimum service level	***72%***	***84%***	***84%***	***80%***	***80%***



EMPLOYEE INFORMATION

EMPLOYEES: SANITATION SERVICES					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	1	1	1	0	0
4 - 6	2	3	2	1	33
7 - 9	5	7	5	2	29
10 - 12	17	21	17	4	19
13 - 15	7	11	6	5	45
16 - 18	40	46	41	5	11
19 - 20	114	153	107	46	30
Total	**186**	**242**	**179**	**63**	**26**

FINANCIAL PERFORMANCE: SANITATION SERVICES					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**157 705**	**144 720**	**149 071**	**143 840**	**-0.61%**
Employees	48 315	4 ,256	50 427	48 801	7%
Repairs and maintenance	2 551	3 475	21 571	17 380	-93%
Other	119 651	118 263	140 211	147 284	20%
Total Operational Expenditure	**170 517**	**196 994**	**212 209**	**213 465**	**8%**
Net Operational Expenditure	***-12 812***	***-52 274***	***-63 138***	***-69 625***	

COMMENTS ON THE PERFORMANCE OF SANITATION SERVICES OVERALL

The following achievements were noted within the financial year to improve service delivery:

- Refurbishment of Hartbeesfontein Wastewater Treatment plant
- Construction of VIP Toilets in KOSH
- Bulk Sewer Services Installations NDPG

NATIONAL KEY PERFORMANCE INDICATOR

See page 250 for details.

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on pages 165; 170-171; 173-174)

WASTE WATER (SANITATION) SERVICES OBJECTIVES TAKEN FROM THE IDP							
Service Objective	Service Indicators	2019/20	2020/21	2021/22			2022/23
		Actual	Actual	Target			Budget
				Original	Adjusted	Actual	
To refurbish electrical and mechanical equipment in the Matlosana area (Wards 1 - 39) sewer pump-stations to maintain the existing infrastructure	Number of sewer pump-stations refurbished with electrical and mechanical equipment at the Matlosana area (Wards 1 - 39)	The tender was advertised on the 29 May 2020 and closed on 23 June 2020 R888 524	The refurbishing of the electrical and mechanical equipment at 5 sewer pump-stations (Khuma Main, Khuma ext. 6 and Republic, Swart Street and Lerato in the Matlosana area (Ward 1 – 39) are in process with the replacement of 5 pumps, 5 motors, 5 electrical control panels and 12 soft starters. Only installed 0.334km electrical fence for 2 pump stations, 0.584km barbed wire for 5 pump stations and 0.584km razor wire for 5 pump stations. The valves are not replaced and the installation of 30 CCTV cameras not completed. R16 476 990	Refurbishing electrical and mechanical equipment at 3 sewer pump-stations (Swart Street, Khuma main and Khuma ext. 6) with - 3 mechanical screens; - installing 21 valves and pipework; - installing 2.150 km electrical cables; by 31 March 2022 R13 034 584	Refurbishing electrical and mechanical equipment at 5 sewer pump-stations (Swart Street (3), Khuma main (3) and Khuma ext. 6)(2)), Lerato (1) and Republic Park(1)) in the Matlosana area (Wards 1 - 39) by installing - 5 mechanical screens, - 4 screw presses and 2 waste bins; - installing 23 valves and pipework; - installing 1,622km electrical cables; - 10 pumps and motors; - 5 generators; - 5 CCTV cameras installed - 1 electrical control panel - 0.330 km of electric fence, - 0.080km barbed wire; and - .080km razor wire installed. by 30 June 2022	The refurbishing of electrical and mechanical equipment at 4 sewer pump-stations (Khuma main, Khuma ext. 6, Lerato and Republic Park) in the Matlosana area (Wards 1 - 39) completed and partially completed at 1 sewer pump-station (Swart Street) R7 500 945	R5 569 200

3.3 ELECTRICITY PROVISION

ELECTRICITY PROVISION

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

Background

Service delivery in terms of the Constitution of the Republic of South Africa determines the functions of the municipality and in this case specifically electricity supply to the City of Matlosana Municipality community.

The City of Matlosana has two licensed distributors of electricity providing electricity within its jurisdiction, namely Eskom and the City of Matlosana municipality.

Eskom provides electricity to township households in Kanana, Khuma, Tigane and private farms, whilst the City of Matlosana provides electricity to the towns of Klerksdorp, Orkney, Stilfontein and Hartbeesfontein, as well as the townships of Jouberton, Alabama and Manzilpark. The Regulator, NERSA recently had a meeting with both electricity distributors whereby the demarcation of the supply areas was finalised. The electricity management within the City of Matlosana electricity distribution license NW 403, has a responsibility to ensure that it is managed in accordance with the *recent legislation which includes the Electricity Amendment Acts 1989; 1994; 1995; and the Electricity Regulation Act 2006.*

Currently the provision of basic electricity at household level stands at 92%, with a backlog within rural and recently established urban low-income areas. To reduce the outstanding service backlog in both distribution areas, the municipality relies on an annual basis for funding from the Department of Mineral Resources and Energy (DMRE) through the Integrated National Electrification Programme (INEP). Areas with backlogs identified during IDP consultation process are formulated into projects that are incorporated into municipal IDP.

Households in the advantaged areas are connected as and when applications are received from individuals or developers. The percentage of households in urban areas provided with electricity in formal and informal stands at 92% whereas percentage of households in rural areas provided with electricity stands at 8%, the remaining percentage of the households not provided with electricity in both rural and urban areas are provided with free basic alternative energy in a form of liquefied paraffin.

The Sub-Directorate has the following structure components to ensure quality electricity provision, public lighting and safe electricity installations and perform maintenance of electrical equipment at water and sanitation facilities as a support service to the Water and Sanitation sections:

- electricity distribution & public lighting network maintenance section;
- electricity distribution & public lighting projects management and network planning section;
- electricity installation inspectorate section; and
- electricity quality of supply and metering section.

The Sub-Directorate faces the following challenges to provide electricity to the community of City of Matlosana within its distribution license areas:

- ageing infrastructure that cause high number of unplanned electricity interruptions;
- limited funding to maintain and improve the existing infrastructure;

- high electricity technical losses due to ageing and saturated infrastructure;
- high electricity non-technical losses due to illegal connections and tampering of metering units;
- high level of vandalism and theft of copper-containing electricity and public lighting systems at substations, public lighting, water and sanitation facilities;
- increased demand due to mushrooming of informal settlements and settlement on private land;
- non-availability of repair materials; and
- ageing fleet to respond to network failures within minimum standard.

Objectives

The main objectives Electrical, Fleet & Mechanical Section are to:

- provide electricity services to all household in the Matlosana in line with the Electricity Regulations Act, 2006;
- enforce the relevant By-laws to the Residents, Business and the Industries;
- maintain, refurbish and upgrade electricity distribution network system to ensure continuous quality electricity supply;
- ensure compliance to NRS Standards through planning, designing and monitoring;
- ensure proper operation and maintenance of all mechanical equipment water and waste water treatment plants facilities and components in the jurisdiction of the municipality; and
- ensure proper operation and maintenance of all motorised and non-motorised fleet and equipment water of the municipality.

Measures put in place to address the challenges

Ageing infrastructure

The municipality has developed and adopted the electricity master plan, which has identified critical electrical infrastructure that need to be replaced. The municipality has appointed service providers who are tasked to source funding to address this infrastructure challenge. However, no funding has been realised in the last 3 years.

Limited funding to maintain and improve the existing infrastructure

The municipality, National Treasury and Provincial Treasury have been made aware that funds allocated for repair and maintenance is below the 6% required due to municipal financial constraints. However, the municipality has committed to increase budget allocation for repair and maintenance as soon as the collection rate have improved.

It is therefore critical for the community to pay for municipal services in order to have funding for both preventative and corrective maintenance in line with recently developed electricity infrastructure maintenance policy and plan. The municipality has appointed a debt collector with the objective to increase the municipality debt collection rate.

High electricity technical losses due to ageing and saturated infrastructure

The municipality have developed the Electricity Loss Reduction Strategy (ELRS), which contain strategies to address the high electricity technical losses. The municipality has completed the appointment of the service provider for the servicing of transformers and ring main units which is one of the activities contained in the ELRS. The service is aimed at improving the efficiency of these equipment, thereby decreasing technical losses. A total of 232 units has been serviced in the 2021/22 financial year.

High electricity non-technical due to illegal connections and tampering of metering units

The municipality have developed the Electricity Loss Reduction Strategy, which contain strategies to address the high electricity non-technical losses due to illegal connections, non-functional meters and tampering of metering units.

During the 2021/22 financial year, inspectors employed by the municipality, conducted 314 inspections on illegal connection and tampering. The municipality have also allocated two senior electricians who are tasked to deal with replacement of non-functional meters and consumer changeover of conventional meters to pre-paid meters for approved indigent's consumers.

Also, during the 2021/22 financial year, the municipality replaced 454 non-functional meters, the municipality is continuously performing sealing of meters on as when the meter is found to have been tampered, as well as sealing new meters with a specific seal which contains numbers so that the number of meters sealed can be tracked.

High level of vandalism and theft of copper-containing electricity systems such as substations, water and sanitation facilities

The municipality, in consultation with the Directorate Public Safety have appointed private security to guard strategic electricity points with priority on bulk electricity sub-stations and water and sanitation facilities. The municipality have engaged the SAPS on the issue of increasing theft of cable and vandalism of copper containing electricity systems and this issue has been included as a standing item on the SAPS Forum meetings however this challenge still remains the most concerning as it is increasing at an alarming rate. The municipality has also opted to replace copper cables with aluminium cables where is practically possible. Community awareness is required to deter and report acts of vandalism to police and to actively form and participate in community police forums.

Electricity demand due to "mushrooming" of informal settlements and settlement on private land

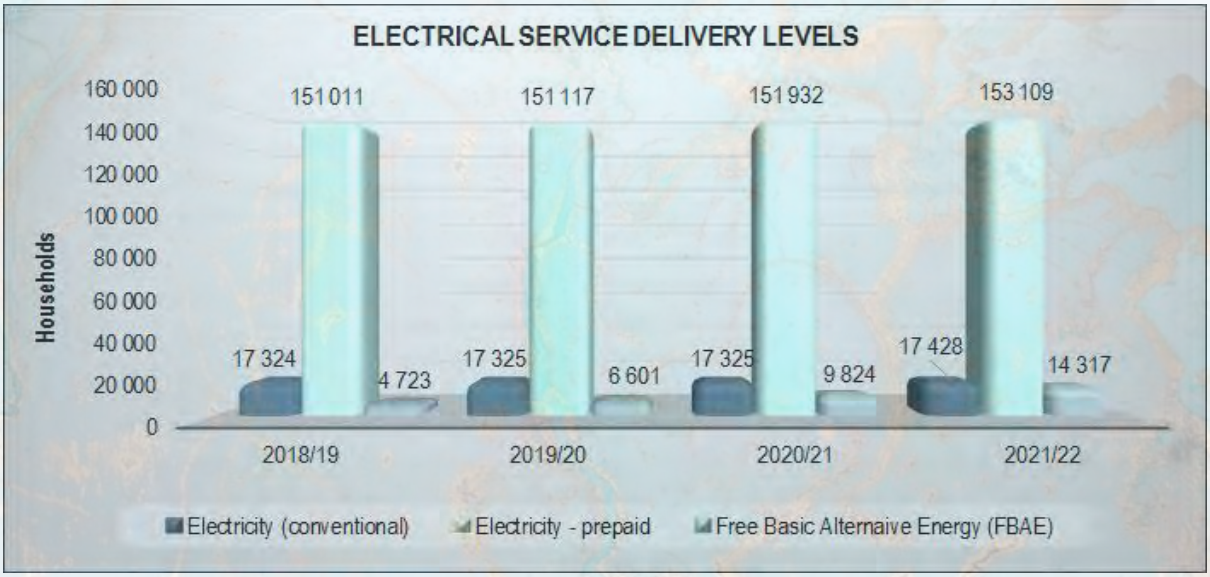
The Electrical and Mechanical Engineering section have engaged the Directorate Planning and Human Settlements in dealing with this challenge where electricity cannot be installed. The effect of the non-provision of electricity to the informal settlement has led to increased illegal connections, which contribute to electricity system losses. The Directorate Planning and Human Settlements is in the process of proclaiming of some of these informal settlements so that electricity be provided to those where proclaiming has been finalised.

Proclamation that has been completed includes Alabama extensions 4 & 5 and Kanana extension 15. Electricity is already provided to Alabama extension 4 and in process of providing electricity to Alabama extension 5 and Kanana extension 15.

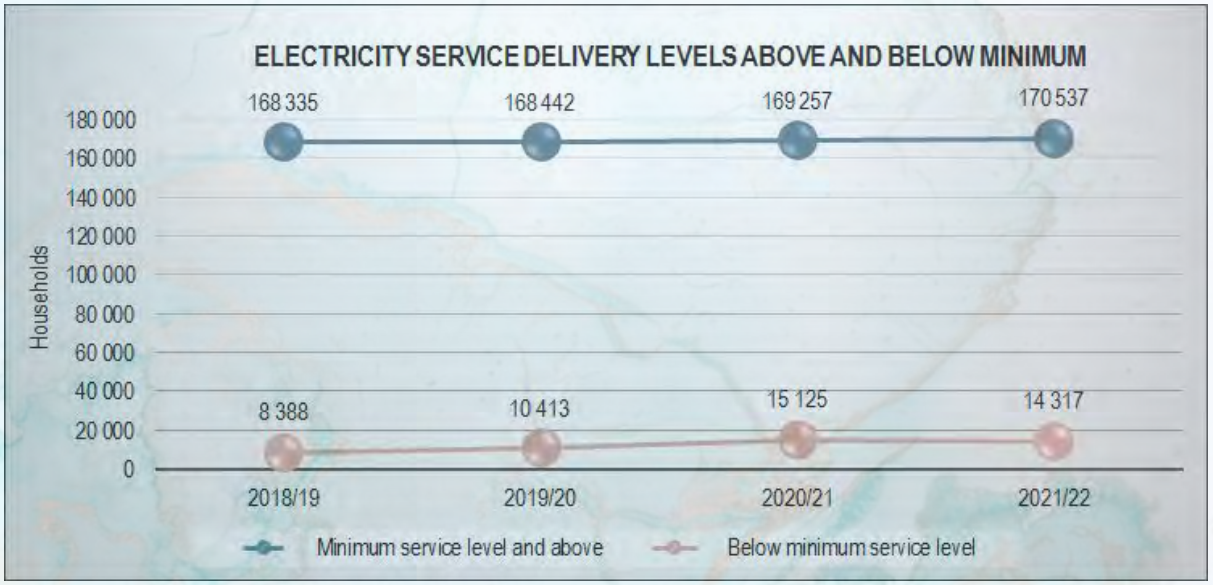
Non-availability of repair and maintenance materials

The Electrical and Mechanical Engineering section have developed a Demand Management Plan, which was approved by the Municipal Manager and submitted to Supply Chain Management for the procurement of the required materials. The section has also developed specifications for the required materials to expedite the process of procurement. The tender for procurement of materials was finalised however, the capacity of the appointed service providers has not alleviated the challenge of non-availability of repair and maintenance materials. The section is constantly engaging finance Directorate to speed up the availability of repair and maintenance material at the store.

ELECTRICAL AND MECHANICAL ENGINEERING SERVICE DELIVERY LEVELS				
				Households
Description	2018/19	2019/20	2020/21	2021/22
	Actual	Actual	Actual	Actual
***Energy:* (above minimum level)**				
Electricity (at least minimum service level) (conventional)	17 324	17 325	17 325	17 428
Electricity - prepaid (minimum service level)	151 011	151 117	151 932	153 109
Minimum service level and above subtotal	***168 335***	***168 442***	***169 257***	***170 537***
Minimum service level and above percentage	***95.25%***	***94%***	***92%***	***92%***
***Energy:* (below minimum level)**				
Electricity (< minimum service level)	8 388	10 413	15 125	14 317
Below minimum service level sub-total	**8 388**	***10 413***	***15 125***	***14 317***
Below minimum service level percentage	***4.75%***	***6%***	***8%***	***8%***
TOTAL HOUSEHOLDS*	**176 723**	**178 855**	**184 382**	**184 854**
** - Total include informal settlements*				



ELECTRICAL AND MECHANICAL ENGINEERING LEVELS BELOW THE MINIMUM					
					Households
Description	2019/20	2020/21	2021/22		
	Actual	Actual	Original	Adjusted	Actual
Formal settlements					
Total households	171 290	171 622	171 290	171 500	171 492
Households below minimum service level	3 812	3 329	**3 812**	**2 000**	**1 931**
Proportion of households below minimum service level	**2%**	**2%**	**2%**	**2%**	**1.1%**
Informal settlements					
Total households	7 565	12 760	7 565	13 000	13 362
Households below minimum service level	6 601	11 796	**6 601**	**11 796**	**12 386**
Proportion of households below minimum service level	***87%***	***92%***	***87%***	***92%***	***92%***



FLEET SERVICES

Introduction to Fleet Services Provision

The Electrical and Mechanical Engineering section is responsible for the repairs, maintenance, and management of fleet. The management of fleet involve registration and annual licensing of municipal fleet, management of accidents, logbooks, trip authorisation outside the boundary of the municipality and branding of municipal vehicles. Fleet maintenance involves repairs and servicing of municipal fleet and equipment. Currently the municipality have 584 items on its fleet, of which 445 are over 10 years old.

Fleet Maintenance

For maintenance of fleet, the municipality have appointed four service providers to assist the internal capacity of mechanics to repair and service its fleet.

The following challenge is experienced:

- Aging Fleet

  Due to ageing fleet, the challenge of obtaining repair and service parts for the old vehicles make the turnaround time for the repair of vehicles very slow, as these parts are obsolete. The performance of the repair of vehicles due to the above-mentioned challenges, stood at 50% at the end of the financial year.

  The section has developed a cost benefit analysis on the current fleet and a detail report with recommendations were submitted to Council for approval. Council has adopted the report and resolved to explore the option of procurement as a solution to address the ageing fleet.

Fleet Management

The management of fleet is de-centralised. This means every section of the municipality is responsible for the management of its own fleet. The fleet management section is only responsible for licence registrations, outside the City of Matlosana trips authorisations, certificate of fitness registration and receiving of log sheets at the end of the month.

The following challenge is experienced:

- Decentralisation of fleet management

  The de-centralisation of the fleet management has resulted in the abuse and unauthorised use of municipal vehicles. The positions of Fleet Manager and Fleet Inspector has been abolished and they are no longer on the organogram. The municipality has a draft Fleet Management Policy which awaits Council Policy Workshop and approval.

  The municipality management has resolved to transfer the Fleet Management Service from the Electrical and Mechanical Engineering section to the Directorate Corporate Support, however this awaits Council approval.

The Electrical and Mechanical Engineering section has developed a proposed Fleet Management structure, which has been submitted to the Directorate Corporate Support as part of municipal structure review and is awaiting Council approval. The structure was presented during the municipal strategic session. The municipality has drafted the Fleet Management Policy which will be submitted to Council for approval.

MECHANICAL SERVICES

Introduction to Mechanical Services Provision

The Electrical and Mechanical Engineering section is responsible for the repair and maintenance of mechanical equipment at water and sanitation facilities as a support service to the Water and Sanitation sections.

- The maintenance performance of mechanical services section

  Maintenance conducted at the mechanical workshops include repairs on pumps, motors, mechanical screens, aerators, clarifiers, gearboxes, fitting and welding. The municipality has 22 sanitation pump-stations and 4 waste treatment plants, as well as 5 bulk water points and 3 water pump-station to maintain. Two of the waste treatment plants at Hartbeesfontein and Klerksdorp respectively are performing at 70% efficient whereas the other 2 plants in Stilfontein and Orkney are performing at 50%. The water facilities are being performing at an overall 60% as for the 2021/22 financial year. The municipality is currently able to perform corrective maintenance hence the performance is steadily declining annually.

The optimum performance of mechanical equipment at water and sanitation facilities are affected by the following challenges:

- Ageing Infrastructure

  The municipality has ageing mechanical and electrical equipment still installed at water and sanitation facilities. These equipment's are inefficient resulting in high consumption of electricity to operate and also the result in non-repair tarn around time due to obsolete repair parts

  The municipality have developed projects to address the challenge of ageing infrastructure at water and sanitation facilities. Business plans have been submitted for MIG for funding.

  The municipality have received funding to address infrastructure challenge through MIG and NDPG to implement upgrading of the mechanical and electrical infrastructure at identified water and sewer pump-station which include Jagspruit pump-station.

☞ Foreign objects in the sewer system

This result in damage to motors, pumps and mechanical screens resulting in non-operation of sanitation pump-stations

The municipality is busy developing programmes to educate the community; ward Councillors have also been requested to address issues at their respective meetings.

☞ Lack of preventative maintenance due to resource constraints

This reduces the life span of equipment hence the need of frequent recapitalising projects.

The Electrical and Mechanical Engineering section has developed and submitted the proposal to increase the number of fitters and to propose a position of Millwright in order to perform this type of maintenance. The proposal was discussed at the municipal strategic session, which was scheduled from 17-19 June 2019 and is awaiting Council approval.

EMPLOYEE INFORMATION

EMPLOYEES: ELECTRICAL AND MECHANICAL ENGINEERING					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 – 3	7	4	3	1	25
4 – 6	10	11	10	1	9
7 – 9	44	47	43	4	9
10 - 12	9	12	9	3	25
13 - 15	6	9	5	4	44
16 - 18	17	32	16	16	50
19 - 20	33	36	31	5	14
Total	**126**	**151**	**117**	**34**	**23**

FINANCIAL PERFORMANCE 2020/21: ELECTRICAL AND MECHANICAL ENGINEERING					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**953 143**	**1 057 233**	**1 088 047**	**1 017 620**	**-4%**
Expenditure					
Employees	53 253	9 301	58 952	55 273	11%
Repairs and maintenance	5 952	31 830	65 591	57 219	44%
Other	1 252 274	1 422 976	1 411 154	1 060 704	-34%
Total Operational Expenditure	**1 311 479**	**1 504 107**	**1 535 697**	**1 173 196**	**-28%**
Net Operational Expenditure	***-358 336***	***-446 874***	***-447 650***	***-155 576***	

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on pages 164; 170; 176 – 1775)

ELECTRICAL AND MECHANICAL ENGINEERING OBJECTIVES TAKEN FROM THE IDP							
Service Objective	Service Indicators	2019/20	2020/21	2021/22			2022/23
		Target	Actual	Target			Budget
				Original	Adjusted	Actual	
To provide electrification for the new development in Alabama ext. 5 (Phase 2) (Ward 4)	Kilometres of line constructed in Alabama Ext 5 (Ward 4)(Phase 2)	New project	The construction of 7.414km power lines for the electrification of Alabama extension 5 (Ward 4) completed. R10 707 153	Constructing 4.9 km of MV and 16.4 LV power lines for the electrification of Alabama extension 5 (Ward 4)(Phase 2) by - installing 12 transformers and - connecting 1 527 RDP houses by 30 June 2022 R627 593 requested	Removed	The project was withdrawn due to the withholding of funds by Department of Mineral and Energy (DMRE)	R29 064 000
To reduce electricity losses associated with municipal own consumption in Klerksdorp (Phase 1)(Wards 16, 17 and 19)	Number of street lighting with LED lights retrofitted in Klerksdorp (Phase 1)(Wards 16, 17 and 19)	456 Conventional street lights retrofitted with LED lights in Klerksdorp (Phase 2) (Wards 16, 17 and 19) R1 649 369	1 094 Conventional street lights replaced (retrofitted) with LED lights and 1 complete Energy Management System at Mayibuye Building installed. R5 161 860	Retrofitting 1094 conventional street lights with LED lights in Klerksdorp (Phase 1)(Wards 16, 17 and 19) by 31 March 2022 R4 000 000 requested	Removed	The project was withdrawn due to the roll-over application rejected by National Treasury and no funding was made available	R5 000 000
To replace and refurbish obsolete high mast lights in Kanana (Phase 2)(Wards 23 - 27) to enhance a safe social economic environment	Number of obsolete and existing high mast lights in Kanana (Phase 2)(Wards 23 - 27) replaced and refurbished	2 Obsolete high mast lights replaced and 6 existing high mast lights in Kanana (Phase 2) (Wards 23 – 27) refurbished R1 186 070	The 2 obsolete high mast lights in Kanana (Phase 2) (Wards 23 - 27) not completed. The tender was advertised on the 26/03/2021 and closed on 28/04/2021. Project at Bid Evaluation stage. R129 708	Replacing 2 obsolete high mast lights high in Kanana (Phase 2)(Wards 23 - 27) by 31 March 2022 R526 697 requested	Removed	The project was withdrawn due to the roll-over application rejected by National Treasury and no funding was made available	N/A

COMMENTS ON THE PERFORMANCE OF ELECTRICAL, FLEET AND MECHANICAL SERVICES OVERALL

The Electrical and Mechanical Engineering section has been able to:

- Monthly monitoring of check meters at all bulk points to verify the bulk accounts received from Eskom;
- Developed key policies relating to small scale embedded generation, electricity infrastructure maintenance, electricity distribution loss management and regulation of electricity resellers to regulate solar systems, provide guideline to network maintenance, manage electricity system losses and to protect consumers that are not buying electricity directly from the municipality;

NATIONAL KEY PERFORMANCE INDICATOR

See page 251 for details.

3.4 WASTE MANAGEMENT

INTRODUCTION TO WASTE MANAGEMENT

The Cleansing section's function is to provide an acceptable, affordable and sustainable cleaning service to all the residents of the Matlosana area.

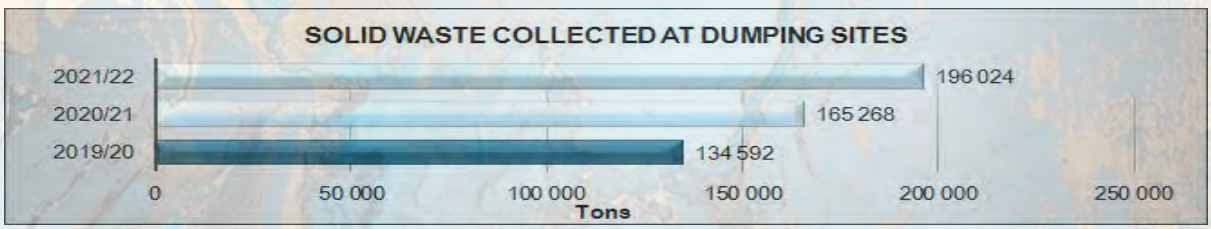
The refuse removal service is rendered once a week in residential areas and daily at businesses and hospitals to keep the environment clean. This service is rendered with refuse compaction trucks in both townships and towns.

The Cleansing section services includes the cleaning of illegal dumping, the rendering of a street cleansing services in all CBD's and all main roads within the Matlosana area and the management and operations of the Klerksdorp and Hartbeesfontein Landfill Sites and the Orkney Transfer Station.

Strategic objectives are to:

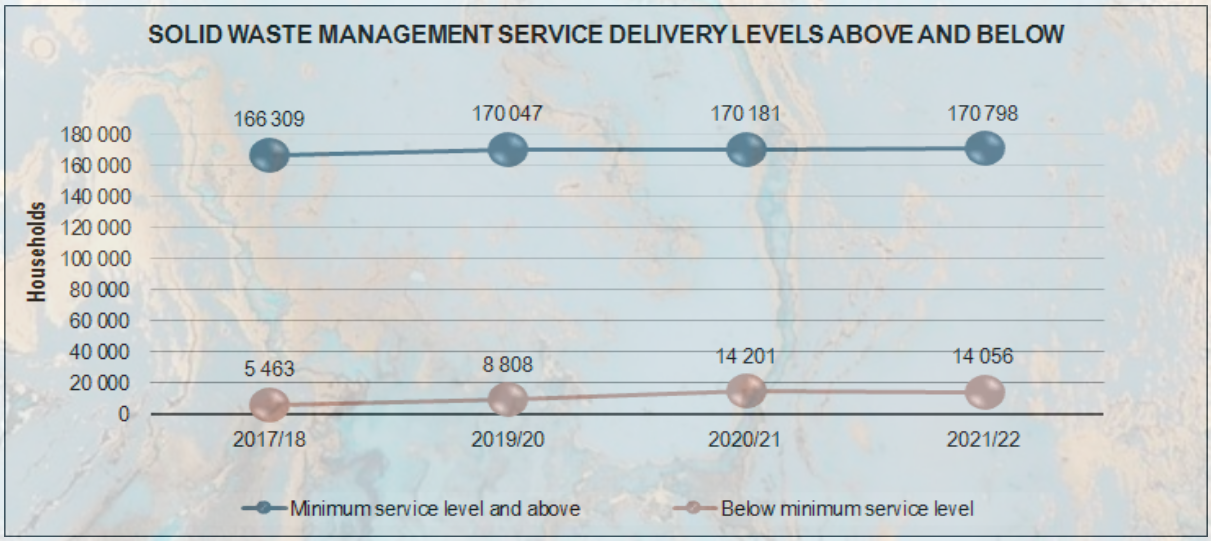
- render a uniform cleansing service to all communities in the Matlosana area;
- ten refuse trucks are leased, two refuse trucks were purchase with council funds and two refuse trucks were purchase with MIG funding, to render an effective and efficient refuse removal service in the Matlosana area;
- conduct awareness and clean-up campaigns to eliminate illegal dumping in the Matlosana area; and
- dustbins have been purchase and will be distributed for newly developed and existing areas within Matlosana.
- adhere to the minimum license conditions of the two landfill sites and transfer station.

SOLID WASTE COLLECTED AT DUMPING SITES		
2019/20	**2020/21**	**2021/22**
134 592 tons	165 268 tons	196 024 tons



SOLID WASTE MANAGEMENT SERVICE DELIVERY LEVELS				
				Households
Description	**2018/19**	**2019/20**	**2020/21**	**2021/22**
	Actual	**Actual**	**Actual**	**Actual**
***Solid Waste Removal:* (minimum level)**				
Removed at least once a week	166 685	170 047	170 181	170 798
Minimum service level and above sub-total	*166 685*	*170 047*	*170 181*	***170 798***
Minimum service level and above percentage	*94.32%*	*95%*	*92%*	***92.%***
***Solid Waste Removal*: (below minimum level)**				
Removed less frequently than once a week	-	-	-	-
Using communal refuse dump	5 491	5 244	7 216	8 518
Using own refuse dump	4 547	3 564	6 985	5 538
No rubbish disposal	0	0	0	0
Below minimum service level – sub-total	*10 038*	*8 808*	*14 201*	***14 056***
Below minimum service level – percentage	*5.68%*	*5%*	*8%*	***8%***
TOTAL HOUSEHOLDS*	**176 723**	**178 855**	**184 382**	**184 854**
* - *Total includes informal settlements*				





SOLID WASTE MANAGEMENT SERVICE DELIVERY LEVELS BELOW THE MINIMUM					
					Households
Description	2019/20	2020/21	2021/22		
	Actual	Actual	Original	Adjusted	Actual
Formal settlements					
Total households	171 163	171 297	171 297	171 297	171 914
Households below minimum service level	1 116	1 116	1 116	1 116	1 116
Proportion of households below minimum service level	***0.65%***	***0.65%***	***0.65%***	***0.65%***	***0.64%***
Informal settlements					
Total households	7 692	13 085	13 085	13 085	12 940
Households below minimum service level	7 692	13 085	13 085	13 085	12 940
Proportion of households below minimum service level	***100%***	***100%***	***100%***	***100%***	***100%***

EMPLOYEE INFORMATION

EMPLOYEES: SOLID WASTE MANAGEMENT SERVICES (REFUSE REMOVAL AND STREET CLEANING)					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 – 3	2	2	2	0	0
4 – 6	3	3	3	0	0
7 – 9	8	8	7	1	13
10 - 12	24	32	26	6	19
13 - 15	16	20	11	9	45
16 - 18	8	11	8	3	27
19 - 20	176	260	163	97	37
Total	**237**	**336**	**220**	**116**	**35**

FINANCIAL PERFORMANCE 2021/22: SOLID WASTE MANAGEMENT SERVICES (REFUSE REMOVAL AND STREET CLEANING)					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**225 646**	**255 105**	**280 564**	**274 565**	**7%**
Expenditure					
Employees	68 070	65 799	72 999	70 722	7%
Repairs and maintenance	2 278	22 244	63 136	45 472	51%
Other	118 906	101 585	96 453	157 279	35%
Total Operational Expenditure	**189 254**	**189 628**	**232 588**	**273 473**	**31%**

Net Operational Expenditure	*36 392*	*65 477*	*47 976*	*1 092*	

COMMENTS ON THE PERFORMANCE OF WASTE MANAGEMENT OVERALL

- Refuse removal: Provides a uniform refuse removal service to all residential sites, business premises and industrial sites. Different types of systems are in use namely black plastic bags, 85ℓ containers, 240ℓ and 1 100ℓ containers.
- Street cleaning: Rendering a service in the CBD areas, small CBD areas within residential areas, taxi ranks and all main roads by means of litter picking. The service is being rendered during normal working hours and Flexi workers are working after hour and also over weekends, to keep our CBD's clean.
- All Landfill Sites and Transfer Station to adhere to the minimum landfill site requirements.
- Additional refuse: Rendering a service by removing additional refuse that is dumped illegally in open spaces, corners etc. and it is disposed at the landfill site.
- The Integrated Waste Management plan for the City of Matlosana was approved by Council and it will be endorsed by the MEC of Economic Development, Environment, Conservation and Tourism, on the 4th July 2022.

NATIONAL KEY PERFORMANCE INDICATOR

See page 251 for details.

3.5 HOUSING PROVISION

INTRODUCTION OF HOUSING PROVISION

In terms of Schedule 4: part A of the constitution of the Republic of South Africa, Housing is the concurrent function of national and provincial departments.

The Housing unit is limited to a facilitation role to ensure that the state subsidised houses (RDP) are built through various housing programmes as outlined in the National Housing Policy.

The mission of the Housing unit within the Directorate Planning and Human Settlements is to facilitate the delivery of sustainable human settlements, affordable, adequately serviced land, security of tenure and a well-located housing opportunity through:

- partnership with the provincial department of human settlements in conducting consumer education;
- mobilisation of well-located land for low income and affordable housing with increased densities;
- ensuring higher built densities, appropriate housing forms with a variety of tenure types, and the densification of existing residential areas;
- introduction of rental strategy as an alternative to the existing housing backlogs; and
- facilitates eradication of informal settlements through the various housing programmes.

The Housing unit will further strive to ensure the achievement of the following:

- management of informal settlements;
- compilation of a credible National Housing Needs Register; and
- ensure that the City of Matlosana receives Municipal Accreditation level 1 and 2, to perform human settlements functions.

Challenges

- the proliferation of informal settlements and urban sprawl;
- shortage of well-located land for human settlements.

MATLOSANA INFORMAL SETTLEMENTS:

The upgrading of informal settlements is invariably a phased process, the ultimate objective of which is to provide everyone with acceptable housing opportunity. Therefore, the responsibility for the upgrading of informal settlements is initiated and led by the municipality.

Here below are the informal settlements as identified and assessed by the municipality.

MATLOSANA INFORMAL SETTLEMENTS						
NAMES OF INFORMAL SETTLEMENTS	**DESCRIPTION OF LAND AFFECTED**	**OWNERSHIP**	**ZONING OF LAND**	**CATEGORY IN TERMS OF RAC**	**TYPE OF INTERVENTION REQUIRED FROM PROVINCE**	**SUITABILITY OF LAND IN TERMS OF IDP(SDF)**
Sloja	PTN 306 Hartbeesfontein 297 IP	Municipal	Agriculture	B1	Socio-economic survey, enumeration, NHNR & Relocation plan	Yes
Sunny Side	PTN 392 Town lands of Klerksdorp 424-IP	Municipal	Agriculture	B1	In-situ upgrading and Township establishment	Yes
Waterfall	PTN 5 Nooitgedacht 429- IP	Government of RSA	Government	B1	Socio-economic survey, enumeration, NHNR & In-situ upgrading	No
Jacaranda	PTN 1 Town lands of Klerksdorp 424-IP	Municipal	Municipal	A	Socio-economic survey, enumeration, NHNR & In-situ upgrading	Yes
Jouberton Ext 25	5 Nooitgedacht 429- IP	Municipal	Agricultural	A	Socio-economic survey, enumeration, NHNR & In-situ upgrading	Yes

MATLOSANA INFORMAL SETTLEMENTS						
NAMES OF INFORMAL SETTLEMENTS	DESCRIPTION OF LAND AFFECTED	OWNERSHIP	ZONING OF LAND	CATEGORY IN TERMS OF RAC	TYPE OF INTERVENTION REQUIRED FROM PROVINCE	SUITABILITY OF LAND IN TERMS OF IDP(SDF)
Kanana Ext 16	PTN 5 Nooitgedacht 429- IP	Municipal	Agricultural	B1	Socio-economic survey, enumeration, NHNR & Relocation plan	Yes
Mphebatho	PTN Wildebeespan 442- IP	Municipal	Agricultural	B2	Socio-economic survey, enumeration, NHNR & Relocation plan	No
Ext 9 (Tony Shaft)	PTN 3 Hartbeesfontein	Municipal	Agricultural	B2	Socio-economic survey, enumeration, NHNR & Relocation plan	No
Zandpan	PTN 4 of Zandpan 423 IP	Government of RSA	Government	B2	Socio-economic survey, enumeration, NHNR & Relocation plan	No

In order to deal with informal settlements, the municipality has embarked on informal settlements upgrading programme and new housing development projects.

Below are the informal settlements that needs upgrading and new housing developments.

INFORMAL SETTLEMENT UPGRADING AND NEW HOUSING DEVELOPMENTS			
NAME OF AREA	NR OF STANDS	PROJECT DESCRIPTION	COMMENTS
Matlosana Estate Ext. 10	1 667	Construction of 1667 RDP houses	Project is construction
Jouberton Ext. 31	3 000	Township establishment & pegging	Project is underway
Sunnyside Informal	2 500	Township establishment & pegging	Project is underway

National Department of Human Settlements funded the following housing developments housing developments for the 2021/22 financial year:

NDHS: TOWNSHIP ESTABLISHMENTS AND OTHER SERVICES (N12 CATALYTIC PROJECT) – 2021/22			
NAME OF AREA	**NR OF STANDS**	**COMMENTS**	**PROGRESS**
Matlosana Estate Ext 1 & 2	843	Installation of Engineering Service	510 completed – 60%
Matlosana Estate Ext 9	281	Installation of Engineering Service	100% Completed
Matlosana Estate Ext 10	1 667	Installation of Engineering Services	1 171 Completed - 70%
Matlosana Estate Ext 11	1 143	Installation of Engineering Services	100% Completed
Matlosana Estate Ext 12	1 289	Township register and Design	100% Completed
Tigane Ext 7	1 584	Installation of Engineering Services	100% Completed
Tigane Ext 8	1 494	Installation of Engineering Services	100% Completed
Kanana Ext 16	2 271	Layout, surveying and pegged	100% Completed

Below is the breaking new ground "RDP's" project undertaken in 2021/22 financial year

DEPARTMENT OF HUMAN SETTLEMENTS - BREAKING NEW GROUNDS "RDP's"– 2021/22			
PROJECT NAME	**PLANNED STANDS**	**ACHIEVEMENTS**	**PERFORMANCE SHORTFALL**
Alabama Ext 4 – Tigane Developers	951	☞ 100% Complete	None
Alabama Ext 5 – Amandla Construction	700	☞ 100% Complete	None
Alabama Ext 5 – Drop Dot	755	☞ 502 Foundation ☞ 393 Wall plate ☞ 152 Completions	➢ Material price escalation ➢ Request for increase on subs quantum
Alabama Ext 5 – Lekgatliso Construction	800	☞ 705 Foundations ☞ 521 Wall Plate ☞ 360 Completions	➢ Material price escalation ➢ COVID-19 regulations
Jouberton Infill 2,3&7 – Shumosky	300	☞ 89 Foundation ☞ 20 Wall Plate ☞ 0 Completion	➢ Material price escalation ➢ Delay for approval of subsidy top-up
Kanana Ext 13 – Sechoaro Supply	➢ 125 New ➢ 253 Incomplete	☞ 125 Complete ☞ 253 Wall Plates ☞ 40 Completed	➢ Delays on approvals of variation orders ➢ Material price escalation
Matlosana Estate Ext 10	1 667	☞ 368 Foundation ☞ 211 Wall Plate ☞ 1 Completion	➢ Commenced on 4 August 2021 ➢ Clay soil condition

EMPLOYEE INFORMATION

EMPLOYEES: HOUSING SERVICES					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 – 3	1	1	1	0	0
4 – 6	5	6	5	1	17
7 – 9	3	4	2	2	50
10 - 12	3	3	3	0	0
13 - 15	7	7	7	0	0
16 - 18	0	0	0	0	0
19 - 20	0	2	0	2	100
Total	**19**	**23**	**18**	**5**	**22**

FINANCIAL PERFORMANCE 2021/22: HOUSING SERVICES					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**3 164**	**-**	**2 000**	**7 778**	**100%**
Expenditure					
Employees	10 407	10 415	10 247	10 110	-3%
Repairs and maintenance	0	125	124	49	0%
Other	4 903	2 257	2 285	253	-792%
Total Operational Expenditure	**15 310**	**12 797**	**12 656**	**10 412**	**-23%**
Net Operational Expenditure	***-7 168***	***-12 797***	***-10 656***	***-2 634***	

COMMENT ON THE PERFORMANCE OF HOUSING SERVICES OVERALL

The Directorate Planning and Human Settlements operates within the Outcome 8 expressed in the National Development Plan which deals with the sustainable human settlement and the improved quality of human settlements and that covers the upgrading of human settlements, the delivery of affordable rental units, serviced land as well as land acquisition.

Noting the disparities that are occasioned by the past legacy spatial patterns, the NDP Plan 2030 suggest a new approach to the provisioning of human settlements and basic services. The National Planning Commission diagnostic report proposes that spatial planning must consider the principle of spatial quality where housing and built environment needs to be improved to create liveable, vibrant and sustainable places.

According to National Planning Commission diagnostic report, informal settlements present a particular challenge with most job-seeking migrants moving to cities, first live in informal settlements, which are an affordable entry to the city.

Many migrants cannot break into the urban labour market and find it difficult to move out of shacks in to accommodation that is more formal.

Matlosana municipality is no exception to the aforementioned challenges. Nonetheless, with the advent of a new Directorate Planning and Human Settlements which its functions have a bearing in human settlements environment, the directorate must consider the constraints posed by the socio-political imperatives under review. The directorate therefor requires retooling in order to remain relevant with its planning capacities, its leadership in ensuring compliance with building standards and housing and meeting the ever-growing levels of the city's densification population patterns.

To remain relevant in this discourse the directorate requires strategies that will bring it closer to the implementing institutions by enhancing its stakeholder relationships and strategic partnership that adds value to the planning and human settlements challenges.

In this context, the directorate will ensure the facilitation of the delivery of some additional subsidized houses through human settlement programmes, which offers adequate shelter to poor people, and help contribute to an unprecedented productive increase in addressing the housing backlog in the municipality, strengthen the area of spatial planning and enhanced quality on houses built.

3.6 Free Basic Services and Indigent Support

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The Council accepts that they are responsible for the rendering of services in terms of Schedules 4 and 5 of the Constitution, as well as other services, which may be delegated by National and Provincial Government.

The Council will endeavour to render a basic standard and level of services necessary to ensure an acceptable and reasonable quality of life, which considers health and environmental considerations.

The basic point of departure is that Council will assist, through funds received from National Government; to provide basic services to "poorer" households within the Council's service provision area, and in this regard, no discrimination on any grounds will be allowed.

Only households where the total household income is less than R3 820 per month (which is the maximum old age grant equal to two old-age pensions) may apply for indigent support.

NUMBER OF HOUSEHOLDS									
HOUSEHOLDS EARNING LESS THAN R3 820 PER MONTH									
Year end	Total	Free basic water		Free basic sanitation		Free basic electricity		Free basic refuse removal	
		Access	%	Access	%	Access	%	Access	%
2018/19	15 200	15 200	100%	15 200	100%	15 200	100%	15 200	100%
2019/20	20 650	20 650	100%	20 650	100%	20 650	100%	20 650	100%
2020/21	21 779	21 779	100%	21 779	100%	21 779	100%	21 779	100%
2021/22	22 886	22 886	100%	22 886	100%	22 886	100%	22 886	100%

NATIONAL KEY PERFORMANCE INDICATOR

See page 252 for details.

COMMENTS ON FREE BASIC SERVICES AND INDIGENT SUPPORT

One of the main objectives of the Council is to ensure the provision of basic services to the community in a sustainable manner. This objective will, however, only be attainable within the financial and administrative capacity of the Council. The Council recognizes the fact that the community has a right of access to basic services, but the community also has an obligation to settle their monthly services accounts.

The Council also recognizes the fact that many of the residents can simply not afford the cost of full-service provision and for this reason, the Council will endeavour to ensure affordability through:

- setting tariffs in terms of the Council's Tariff Policy, which will balance the economic viability of, continued service delivery; and
- determining appropriate service levels.

The Council will endeavour to render a basic standard and level of services necessary to ensure an acceptable and reasonable quality of life, which considers health and environmental considerations.
None of the residents should fall below the minimum standard of services as is contemplated in the Council's financial policies.

The Council realizes that in certain circumstances and because of past policies, certain services are available to communities, the costs of which are beyond the financial means of such communities, and will through this policy assist those communities within the financial capability of the Council. In each instance, the economic cost to render the services shall be calculated in accordance with the Council's tariff policy.

Those indigent consumers who do not have access to electricity qualify for alternative energy sources. According to the National Policy for Indigents, paraffin is being utilized by Council as a source for alternative energy. These consumers will qualify for a once-off annual supply of two single plate paraffin stove, as well as two paraffin lamps. Simultaneously, they qualify for 20ℓ of paraffin per month in order to utilize the supplied items and thereby have access to alternative energy.

FINANCIAL PERFORMANCE 2021/22: COST TO MUNICIPALITY OF FREE BASIC SERVICES DELIVERED

R'000

Services delivered	2020/21	2021/22			
	Actual	Budget	Adjustment	Actual	Variance to Budget
Water	54 223	64 070	90 625	70 555	-28%
Waste-water (sanitation)	20 908	21 897	23 428	23 605	1%
Electricity	10 976	41 377	34 618	32 859	-5%
Waste management (solid waste)	37 570	44 950	44 950	47 511	5%
Total	**123 676**	**172 294**	**193 621**	**174 530**	

CRITERIA FOR INDIGENT SUPPORT

The basic point of departure is that Council will assist, through funds received from National Government to provide basic services to "poorer" households within the Council's service provision area in this regard no discrimination on any grounds will be allowed.

In order to qualify for financial assistance, the following will apply:

(i) Only registered residential/farm occupied consumers of services delivered by the Council will qualify;

(ii) No residential consumer conducting a business from the residential property, with or without special consent obtained from the Council or with or without existing usage rights, shall qualify for assistance;

(iii) Occupants/residents who own more than one property and occupying a house where application is sought will render such application of the owner/occupier invalid;

(iv) Where a tenant is renting a property, fully motivated applications and proof, together with a sworn affidavit from the owner and verification from the ward Councillor must be submitted;

(v) Where the registered owner or occupant is deceased and underage children of the deceased are residing in the house, the relevant documentation to this effect must be produced;

(vi) The account holder must apply in person and must present the following documents upon application:

- ☞ The latest municipal account in his/her possession;
- ☞ Account holder's identity document;
- ☞ Pension certificates and/or card /or affidavit;
- ☞ Proof of income (if any);
- ☞ Information of other individuals residing with the applicant.

(vii) Only households where the total household income is less or equal to R3 820 (Three thousand eight hundred and twenty rand) per month may apply for indigent support;

(viii) An application agreement must be completed by every applicant. This agreement must include an affidavit and a customer profile of the household;

(ix) An approved indigent subsidy is valid for a period of two years or until Council decides to cancel all previous applications and indigents will have to renew their applications, or as soon as the circumstances have changed of an indigent debtor, or on an annual basis based from the approval date of the application;

(x) No pensioner indigents, whose indigent subsidy has been approved from the preceding financial year, need to reapply for the subsidy, as it is automatically approved. Pensioners only need to verify that they are still alive;

(xi) All indigent applicants must give permission that an ITC check may be done on them to verify their claimed indigent status if needed. Failure thereof will cause the application not to be considered and approved;

(xii) No debt collection or credit control measures will be instituted against the indigent household for as long as consumption over and above the free use is paid in full.

LEVEL OF INDIGENT SUPPORT

The level of indigent support will be as follows:

Water: Usage: An indigent subsidy amount equal to the value of 6kℓ water and thereafter normal tariffs will apply which is payable by the indigent consumer.
Basic Fees: A subsidy amount equal to the value of the basic fees as determined by the water tariffs

Refuse removal: Removal once (1) a week of 85ℓ or 240ℓ container: Free of charge per month

Sewerage: Cost of drainage basic charge plus additional sewerage charge per dwelling house: Free of charge per month.

Electricity: Usage: A maximum indigent subsidy of 50 kWh free of charge and thereafter-normal tariffs will apply which the Indigent consumer must pay
Basic fees: An indigent subsidy amount equal to the value of the basic fees as determined by the electricity tariffs

Property Rates: 100% of the rates as subsidized by the Property Rates Policy will be subsidized for indigent residents

COMPONENT B: ROAD TRANSPORT

This component includes Roads and Storm-Water Drainage and Licensing Services.

INTRODUCTION TO ROAD TRANSPORT

The City of Matlosana's primary responsibility is to provide road infrastructure that is of an acceptable level of service. The roads transport infrastructure networks and storm-water systems must be reliable, accessible and affordable. They should be able to facilitate seamless mobility of goods and people and promote socio-economic development within the City of Matlosana. Furthermore, the roads should be a priority in the promotion of vehicular and pedestrian safety.

3.7 ROADS AND STORM-WATER DRAINAGE

INTRODUCTION TO ROADS AND STORM-WATER DRAINAGE

The Roads and Storm-Water section add value to accessibility in Matlosana through the provision of sustainable roads and storm-water service of high quality.

The section's goals are to:
- ensure effective storm-water and drainage management;
- provide roads and storm-water infrastructure development and maintenance;
- provide safe roads with good quality riding characteristics; and
- determine a road inventory and create a road referencing system.

The Roads and Storm-Water section is responsible for planning, providing and maintaining the roads and storm-water infrastructure of City of Matlosana and to facilitate economic growth and socio-development, promote traffic safety, improve traffic flow and alleviate traffic congestion.

GRAVEL ROAD INFRASTRUCTURE				
				Kilometres
Year	**Total gravel roads**	**New gravel roads constructed**	**Gravel roads upgraded to tar**	**Gravel roads graded/maintained**
2018/19	836	0	4	179.03
2019/20	836	0	5	145.00
2020/21	831	0	9	79.00
2021/22	822	0	9	100

TARRED ROAD INFRASTRUCTURE				
				Kilometres
Year	Total surfaced roads	New surfaced roads	Existing surfaced roads re-surfaced	Surfaced roads maintained
2018/19	1 087.45	0	0	250
2019/20	1 092.45	2	3	300
2020/21	1 101.45	9	1	300
2021/22	1 103.83	11.3	0	300

ROADS COST OF CONSTRUCTION / MAINTENANCE						
						R' 000
Year	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2018/19	0	38 000	7 000	1	7 000	0
2019/20	0	21 000	4 000	21 000	8 000	9 000
2020/21	0	47 000	5 000	47 000	0	10 000
2021/22	0	65 000	10 000	65 000	0	10 000

STORM-WATER INFRASTRUCTURE			
			Kilometres
Year	New storm-water measures	Storm-water measures upgraded	Storm-water measures maintained
2018/19	5*	0	27
2019/20	3*	2	30
2020/21	3*	0	46
2021/22	5.9*	0	45

** Awaiting finalisation of the Roads Master Plan of the City of Matlosana*

STORM-WATER COST OF CONSTRUCTION / MAINTENANCE			
			R' 000
Year	Storm-Water Measures		
	New	Upgraded	Maintained
2018/19	11	0	3
2019/20	0	0	4
2020/21	47	0	3
2021/22	81	0	9

EMPLOYEE INFORMATION

EMPLOYEES: ROAD AND STORM-WATER DRAINAGE					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	0	1	0	1	100
4 - 6	1	2	1	1	50
7 - 9	11	14	10	4	29
10 - 12	20	29	23	6	21
13 - 15	3	4	2	2	50
16 - 18	21	26	19	7	27
19 - 20	86	107	77	30	28
Total	**142**	**183**	**132**	**51**	**28**

FINANCIAL PERFORMANCE: ROAD AND STORM-WATER DRAINAGE					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**132 709**	**138 721**	**66 577**	**68 268**	**-103%**
Expenditure					
Employees	50 455	68 557	66 512	62 318	-10%
Repairs and maintenance	8 750	39 883	43 117	28 153	-42%
Other	76 902	178 091	97 896	126 323	-41%
Total Operational Expenditure	**136 107**	**286 531**	**207 525**	**216 794**	**-32%**
Net Operational Expenditure	***-72 652***	***-147 810***	***-140 948***	***-148 526***	

COMMENTS ON THE PERFORMANCE OF ROADS AND STORM-WATER DRAINAGE OVERALL

The Roads and Storm-Water section is performing fairly well with the limited resource. The municipality is working on a maintenance budget to ensure effective maintenance and rehabilitation of the existing roads, as well as capital budget to upgrade the gravel roads to tar. Most of the road infrastructure has aged and is deteriorating, therefore there is need to increase the maintenance budget for rehabilitation of those assets and to keep them alive for the next 10 years to 20 years' life cycle.

The challenging reality of limited financial resources leads to the need for roads investment optimization and prioritization. Rehabilitation and resealing of surfaced roads are the major factor that keeps the roads intact against major defects such as potholes, crocodile cracks, rutting and rejuvenating of the life span of roads. The City has to make sure that all these roads are properly maintained. There is huge challenge with regard to maintenance of these roads because of shortage of funds and shortage of equipment for internal capacity for carrying out required level of road maintenance to maintain high quality drivability.

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on pages 166 - 167; 171 – 172; and 176)

ROADS AND STORM-WATER DRAINAGE OBJECTIVES TAKEN FROM THE IDP							
Service Objective	Service Indicators	2019/20	2020/21	2021/22 Target			2022/23
		Actual	Actual	Original	Adjusted	Actual	Budget
To provide internal infrastructure services for the proposed Jouberton / Alabama precinct (Ward 37) development to improve the social and economic environment	Jouberton / Alabama precinct development (Ward 37) internal infrastructure services (road network, water and sewer) provided	Internal infrastructure services for the proposed Jouberton / Alabama precinct development (Ward 37) provided with the clearing and grubbing of 1.53 km road servitude and construction of 0.67 km of roadbed. Designs for the 500mm Ø pipeline approved and Design Report for 200mm Ø pipeline submitted. The 0.5 km road network layer works not constructed yet R397 716	Internal infrastructure services (road network, water and sewer) at the proposed Jouberton / Alabama precinct development (Ward 37) not yet completed, but - 1.1 km of existing water pipelines relocated; - 1.337 km of water pipeline reticulations constructed; - 0.08 km of 160 mm Ø sewer reticulation constructed; - 1.272 km of roadbed constructed; -1.942 km road network layer works constructed; - 1,72 km sub-base and 1.22 km base constructed; - installed 3.12 km of kerbing and 2 770 m² of sidewalks paving completed. R11 192 482	Providing internal infrastructure services (road network, water and sewer) at the proposed Jouberton / Alabama precinct development (Ward 37) by - constructing 0.458km of roadbed and selected layers; - constructing 0.65 km sub-base, 1.18 km of base and 2.4 km roads surface; - installing 2.5 km kerbing; and - laying 4 030m² paving by 31 March 2022	Providing internal infrastructure services (road network, water and sewer) at the proposed Jouberton / Alabama precinct development (Ward 37) by - constructing 0.208 km of roadbed and selected layers; - constructing 0.43 km sub-base, 0.93 km of base and 2.150 km roads surface; - installing 3,896 km kerbing; and - laying 3,690m² paving by 30 June 2022. R10 577 992	Internal infrastructure services (road network, water and sewer) at the proposed Jouberton / Alabama precinct development (Ward 37) provided with the construction of 0.208 km of roadbed and selected layers; construction of 0.43 km sub-base, 0.93 km of base and 2.150 km roads surface; the installation of 3,896 km kerbing and 3 690m² paving R9 244 142	N/A

The process for the determination of the state of road network which was done through the Dr Kenneth Kaunda District Municipality through the RRMMS programme report clearly indicate that City of Matlosana's road network need proper and urgent rehabilitation and reseal to sustain the durability of roads.

The report also noted that the network improvement programmes should be implemented as a matter of urgency given the bad state of the roads and priority and importance of the infrastructure for economic development and it also states that this require a special type of skill and equipment to carry out the work properly.

3.8 LICENSING SERVICES

INTRODUCTION TO LICENSING SERVICES

The Licensing section has a connection with the NW Provincial Department in terms of the grading of the local examiners operating within the jurisdiction of City of Matlosana.

Acts and Regulations that govern the Licensing Section:

- National Road Traffic Act and Regulations, 1996 (Act 93 of 1996);
- Road Traffic Management Corporation (Act 20 of 1999);
- Administrative Adjudication of Road Traffic Offences (Act 46 of 1998);
- North West Business (Act 6 of 1997);
- Public Safety Traffic and Security By-Laws – approved 5/12/2003; and
- South African National Standards for the Motor Vehicle Testing Centre (SANS).

Description of the activity

- Administrative personnel at the Licensing section assist members of public with information and perform transactions for the registration of vehicles, licensing / deregistration of vehicles, issuing of permits, application and issuing of motor trade plates. They also assist with change of particulars of vehicle / owner, renewal of driver licenses, application and issuing of business, hawkers' licences and rental of stands and payment on notices/summonses on penalties issued on businesses operating without a business license.
- Application of vehicle roadworthiness and issuing of roadworthy certificates, weighbridge certificates for motor vehicles, application and issuing of learner licenses, application and issuing of driver licenses, application for professional driving permits, application for temporary driving license, collection of transaction fees for Road Traffic Management Corporation (RTMC).
- Senior administration personnel reconcile the daily takings, banking and votes, request payment of money due to DLCA (Driving License Card Account), administer activities on all functions. Reconcile the monthly ledgers with receipts captures reflecting on the Solar GO40 and compile statistics on activities and revenue of the four Licensing Divisions.
- Inspectors of Business Licences perform inspections on businesses, hawkers, motor dealers and issue notices and fines when needed.
- Examiners for Driver's Licences perform eye tests for renewal of drivers' licences, professional driving permits and for applications of learners' licences and driving licences. Examiners for Driver's Licences test members of the public for learners and drivers' licences.
- Examiners of motor vehicles inspect the vehicles for roadworthiness and weigh vehicles on the weighbridge scale.

Challenges

- Revenue Collection
  - The motor vehicle license renewal counter that is operating at the Post Office has made a commission of R2 005 362 during 2021/22 financial year. This is loss of income for City of Matlosana.
  - There are online services and about 11 organizations nationwide that are doing motor vehicle license renewals since after the National lockdown in March 2020. These organizations take a portion of our revenue on motor vehicle licenses.
  - Since December 2021 the MEC of Transport opened the local authority borders in the Northwest allowing motor vehicle owners to renew vehicle licenses anywhere in the province while previously they were renewed only where the owner resided. As a result, our commission is shared with other municipalities thus boosting the income of smaller authorities.
  - The Department of Community Safety and Transport Management must be approached with a request to open a pay point counter for motor vehicle license renewals in one of the municipal offices at Klerksdorp CBD for easy access to the public.
  - Licensing offices require installation of generators for back up when load shedding is implemented. When there is load shedding, service delivery is stopped for hours and the public goes to the Post Office or use online services. Klerksdorp CBD is often not affected by load shedding.
  - There is shortage of vehicles for license inspectors to do daily business inspections. Currently we have 8 License inspectors and only two new Nissan pick –ups. The other vehicles are old and are in a bad condition. They require regular maintenance and replacement of parts from time to time. This has a negative impact on revenue collection for business licenses.
  - The equipment at the vehicle testing stations in Klerksdorp and Orkney need replacement. The equipment is old and require regular repairs and maintenance at a high cost. Some of the equipment and lines used for vehicle testing broke years ago and have not been used for years. This delays service delivery as the testing stations are not fully functional, they are operating with limited resources.
  - Suspension of officials (cashiers) by NWP Department of Community Safety and Transport from E-Natis usage due to misconduct affect the performance of the division and needs to be attended to as a matter of urgency. There were three cashiers that have been suspended on eNatis system for over two years. These cashiers have been reporting for duty and doing nothing for the rest on the day but get a full month's salary each month. A request was sent to the Human resources department requesting placement of the two officials but to date only one was transferred in May 2022 and the two still remain. This affects service delivery as there is a need for cashiers to perform functions on the eNatis system to assists members of public.
- Security Risk on collected revenue
  - The security at the Licensing section is a big challenge. Installation of security revolving doors (Rota doors) at the main entrance doors, burglar bars on windows, physical security guards and CCTV cameras are needed to secure premises, money, equipment and prevent unauthorised entries.
  - There is no alarm system to secure premises and revenue overnight, usage of panic buttons in cases of emergency is not working.
  - Licensing had two major break-ins in previous years where money that was placed in locked strong rooms inside a drop box container was stolen. Using debit/credit cards as the only method of payment will reduce the risk of robberies.

SERVICE STATISTICS FOR LICENSING SERVICES				
DESCRIPTION	2019/20	2020/21	2021/22	COSTS (R)
Registration of vehicles	29 002	31 671	29 872	3 965 360
Licensing / renewal of vehicle licences	68 783	76 935	88 785	74 007 792
Issue of permits	4 851	5 106	5 849	561 504
Application and renewal of motor trade plates	201	223	221	143 653
Application and issuing of business licences, hawkers' licences and stands	211	231	92	177 420
Application and issuing of certification of roadworthiness certificates of motor vehicles	2 119	4 008	5 003	1 057 458
Weigh bridge certificates of vehicles	954	1 050	904	81 360
Application and issue of learners' licences	13 067	16 437	18 665	2 351 790
Application and issue of drivers' licences	9 190	12 812	15 029	3 336 438
Application for professional driving permits	2 953	2 962	3 659	461 538
Renewal of drivers' licences	12 399	12 457	16 005	3 550 668
Issuing of temporary drivers' licences	8 931	10 116	15 091	723 996
Road Traffic Management Corporation	61 041	64 931	77 407	5 573 304

EMPLOYEE INFORMATION

EMPLOYEES: LICENSING SERVICES					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	1	1	1	0	0
4 - 6	0	1	0	1	100
7 - 9	31	43	30	13	30
10 - 12	34	53	36	17	32
13 - 15	16	18	15	3	17
16 - 18	3	3	3	0	0
19 - 20	5	6	5	1	17
Total	**90**	**125**	**90**	**35**	**28**

FINANCIAL PERFORMANCE: LICENSING SERVICES					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**25 044**	**23 276**	**26 879**	**22 584**	**-3%**
Expenditure					
Employees	33 379	33 808	33 746	33 013	-2%
Repairs and maintenance	122	322	6 722	6 644	95%
Other	1 563	1 157	3 078	2 856	59%
Total Operational Expenditure	**35 064**	**35 287**	**43 546**	**42 513**	**17%**
Net Operational Expenditure	***-10 022***	***-12 011***	***-16 667***	***-19 929***	

COMMENTS ON THE PERFORMANCE OF LICENSING SERVICES OVERALL

In general, the activities at Licensing Division, are performed effectively. However, services and revenue collection can improve if challenges are addressed.

Officials declared ineligible for E-Natis access need to be moved to other departments within the municipality where E-Natis is not a requirement so that they can be replaced with people that will be useful in serving the public.

At the start of the financial year revenue collection at the driver's license testing centres on applications for driver's and learner's licenses increased due to backlog at other testing centres across the country due to the national lockdown and COVID-19 regulations but it dropped slightly towards the end of the year because the backlog has been dealt with, things are going back to normality.

Revenue collection at the vehicle testing stations improved due to tariff increase at private testing. If the challenge with replacement of equipment is addressed, more revenue could be collected as Licensing would be able to cater for more applications.

Council took a resolution that the vehicle testing station at Hartbeesfontein be converted to a driver license section as the space in the current building is too small to accommodate all the personnel and the public and the budget is allocated to renovate the building on the 2022/23 financial year.

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes Town-Planning, Building Control, Estate Administration and Land Sales.

3.9 PLANNING

TOWN-PLANNING

INTRODUCTION TO TOWN-PLANNING

The enactment of the Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013) "SPLUMA" has ushered in a new era for planning in City of Matlosana, and the country at large. The Act is intended to achieve uniformity in planning processes and systems at all three (3) Spheres of Government.

The Act is intended to achieve redress by ensuring that all areas which were previously not included in Spatial Planning processes and instruments, were now incorporated through what has widely been recognised and accepted as wall-to-wall planning. SPLUMA was officially operationalised with effect from 01 July 2015.

All municipalities were required to have put in place transitional measures, by developing By-Laws for the regulation of land use activities in their Areas of Jurisdiction. To this end, the municipality has adopted a By-Law whilst the process for the review of the Land Use Management System (LUMS) has been commenced with.

This By-Law has designated land use applications into two main categories, namely: Category A and B. Category A applications are processed by the Authorised Official, and Category B applications are processed by the

Municipal Planning Tribunal. It is worth noting that the municipality has a functional Municipal Planning Tribunal and an Appeals Authority.

The municipality is required to formulate and adopt a SPLUMA compliant LUMS within five (5) years of the operationalisation of the Act. The Spatial Development Framework (SDF) is adopted by Council, by virtue of Gazette No.8233 dated 29 June 2021, to ensure that the broad development objectives for each land parcel in the municipal area is expressly set out.

Land Use Management

Land Use Management activities in the municipality are regulated by the By-Law and the Scheme Regulations. The municipality has been actively considering development applications for rezoning, subdivision, consent use, consolidation and removal of restrictive title conditions. Efforts have also been made by the placement of newspaper adverts, calling on land owners to submit applications in instances where they were found to have been transgressing provisions of the By-Law and the Scheme Regulations.

Achievements

- Implementation of SPLUMA (Spatial Planning Land Use Management Act, 2013 (Act No. 16 of 2013) - Ensure compliance and mitigation of risks emanating from illegal land use activities;
- Land use applications: subdivision, consolidations, change in land use rights (Rezoning's), consent use, special consents, township establishments (Table below provides a breakdown);
- Approval of medium to large scale development initiatives i.e. ISAGO N12 Development, Matlosana Estates (Catalytic) – Thereby enhancing municipal revenue base;
- The subsequent proclamation of various townships, namely Matlosana Estates, Alabama Extension 4 and 5;
- The adoption of the City of Matlosana Spatial Development framework, SDF by Council;
- Approval of Agri-Hub, Strategy for Legacy Assets for Distressed Mining towns;
- The control of land in alignment with Land Use Management Scheme as well as land development applications;
- Whereas the Spatial Planning deals with strategic and forward planning, in reference to SDF and future vision of the municipality;
- Issuing of contraventions notices;
- Appointment of a Town Planning Assistant;
- Interdepartmental engagement;
- Approval of Jouberton Extension 31 and 34 and Kanana Extension 16; and
- The identification and categorisation of 8 (eight) informal settlements with preliminary desktop studies. Funded by HDA (Pfukani Kusile).

Challenges:

- Sprawling development outside of the approved urban edge, and land invasions i.e. Jagspruit (Sunnyside), onto public open spaces and institutional stands, Tigane, Stilfontein, Khuma and Kanana;
- Slow progress in the formalisation of informal settlements. Political interference;
- Aging infrastructure with little to no maintenance;
- Land invasion and mushrooming of informal settlements;
- Illegal buildings and construction;
- Planning in silos: No alignment with other departments;
- Contraventions of Land Use Management Scheme, lacking the capacity and resources to enforce (specifically legal enforcement);

- Outdated equipment, specifically software (GIS) and old redundant computers;
- Limited office space;
- Financial constraints: training, equipment, professional board affiliation fees, internal application costs, as well as appointment of new staff;
- Urban decay in CBD;
- Lack of performance-based incentives; and
- Geological constraints.

Service delivery priorities and impact

- Township establishment – to enhance access to serviced residential stands, thereby broadening the tax base of the municipality;
- To ensure compliance with By-Law and Scheme Regulations – for the enhancement of revenue collection from property rates and taxes.
- Alignment of Sector Plans with the City of Matlosana Spatial Development Framework (Tourism and hospitality prospects, Proposed Agri-hub and Urban agriculture on subsistence level, Innovation belt, Car Sales specialisation, Medical Hub, Logistics and Transportation Hub, Green economy, Smart City vision, High potential agricultural land).

PLANNING AND BUILDING CONTROL

DETAIL	2018/19	2019/20	2020/21	2021/22
Detail of building plans				
☞ Number of building plans approved (excluding low cost housing)	507	492	722	708
☞ Value of building plans approved	R 315 952 200	R306 620 200	R532 227 300	R515 198 300
Number of applications received for				
☞ Township establishment	9	3	0	3
☞ Rezoning	74	52	49	39
☞ Special consent	2	10	19	10

APPLICATIONS FOR LAND USE DEVELOPMENT						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22
Planning application received	0	3	49	39	117	125
Determination made in year of receipt	0	0	39	34	103	115
Determination made in following year	0	3	2	0	2	0
Applications withdrawn	0	0	5	2	8	2
Applications outstanding at year end	0	0	3	3	4	8

COMMENT ON THE PERFORMANCE OF TOWN-PLANNING, BUILDING CONSTRUCTION, ESTATE ADMINISTRATION AND LAND SALES OVERALL

The following achievement can be highlighted:

- The adopted City of Matlosana Spatial Development Framework, 2021 is SPLUMA compliant;
- Township establishments that have been approved by the City of Matlosana MPT, Kanana Extension 16 and Jouberton Extensions 31 & 34;
- Training of young graduates in GIS & Town Planning environment; and
- Improvement of circulation of building plans within 30 days.

ESTATE ADMINISTRATION AND LAND SALES

The section is placed in the Directorate Planning and Human Settlements. The main objective of this section is to manage Municipal Land through consideration of applications of acquisition and leasing of Municipal immovable properties, excluding Municipal Rental Stock.

The section contributes immensely to local economic development endeavours through the leasing of grazing land and promotion of access to land for various uses. reconciliation of all land parcels contained in the immovable property register and disclosure of Municipal assets. It also plays a vital role in the attraction of investment to the Municipality in terms of the SDF.

The section is continuously engaged in the compilation of a credible land audit of all existing Municipal land, including the identification of dormant land parcels not owned by the Municipality, which may be acquired for development or human settlement purposes.

Land Assembly and Property Management section is steadily improving in the area of revenue enhancement due to improved turnaround time for processing of applications and the cash sale of land as compared to instalments sales that were done in the past.

REGISTERED PROPERTIES 2021/22				
No.	**Property Description**	**Location**	**Date of Registration**	**Purchase Price**
1	Stand 834	Doringkruin	20/07/2021	R175 000
2	Stand 809	Ellaton	23/09/2021	R60 000
3	Stand 2544	Orkney	17/11/2021	R320 000
4	Stand 73	Doringkruin	07/01/2022	R30 700
5	Stand 3998	Tigane Ext 5	31/01/2022	R5 700
6	Stand 979	Ellaton	10/02/2022	R18 000
7	Stand 14967	Kanana Ext 5	25/03/2022	R300 000
8	Stand 2908	Orkney	19/05/2022	R66 600
9	Stand 2925	Orkney	27/05/2022	R90 000
10	Stands 1466 & 1467	Klerksdorp Ext 3	22/06/2022	R360 000
TOTAL				**R1 425 400**

LEASE REGISTER 2021/22*					
NO.	LESSEE	PROPERTY DESCRIPTION	DATE STARTED	EXPIRY DATE	RENTAL AMOUNT
1	Potlane Mpongo Holdings (Pty) Ltd	Erf 2997, Tigane Ext 6	14/07/2021	13/07/2024	R209 p/a
2	BJ Monare	A portion of Remaining Extent of Portion 1 of the Farm Townlands of Klerksdorp 424-IP 93 ha)	25/07/2021	24/07/2024	R1 800 p/a
3	Van Kgoks Holdings(Pty)Ltd	A portion of erf 25269, Jouberton Ext 23 11 October 2024	12/10/2021	11/10/2024	R250 p/m
4	P Mosweu	A portion of Remainder Extent of Portion 1 of the Farm Townlands of Klerksdorp 424-IP(Camp F)	28/10/2021	27/10/2024	R500 p/a
5	BM Lentswe	A portion of Portion 10 of Nooitgedacht 429-IP(Camp A)	28/10/2021	27/10/2024	R1 100 p/m
6	LG Ntaopane (3 ha) – (Camp A	A portion of Remainder Extent of Portion 1 of the Farm Townlands of Klerksdorp 424-IP(Camp A)	28/10/2021	27/10/2024	R3 000 p/a
7	Namolaleuba Agricultural Primary Co-operative Ltd	A portion of Remainder Extent of Portion 1 of the Farm Townlands of Klerksdorp 424-IP(camp D)	05/11/2021	04/11/2021	R750 p/a
8	Chris Sek Trading and Projects	A portion of erf 503, Neserhof Ext 1	02/12/2021	01/12/2024	R3 600 p/a
9	Kathoma Construction Pty Ltd	Portion of erf 25269, Jouberton Ext 23	02/12/2021	01/12/2024	R170 p/m
10	Bommamo Trading and Projects (Pty) Ltd	A portion of Kopanong Road, Jouberton Ext 2	03/12/2021	02/12/2024	R120 p/m
11	Madikana Inspirations	A portion of Remainder of Portion 1 of the Farm Townlands of Klerksdorp 424-IP	08/12/2021	07/12/2024	R200 p/m
12	DT Teledimo	A portion of erf 20657, Kanana Ext 13	25/03/2022	24/03/2025	R200 p/m
13	PW Phatsoane	Undivided portion of Remainder of Portion 15 of the Wildebeestpan 442-IP	31/03/2022	30/03/2025	R1 500 p/m
14	SN Mafa	A portion of Remainder of Portion 1 of the Farm Townlands of Klerksdorp 424-IP	11/04/2022	10/04/2025	R5 000 p/a
15	MT Sekete	A portion of erf 5480, Khuma Ext 6	22/05/2022	21/05/2025	R450 p/m
16	VSL General Trading	Erf 8016, Khuma Ext 11	26/05/2022	25/05/2025	R150 p/m
17	Fuelcorp Africa (Pty) Ltd	A portion of Road Reserve, c/o Leemhuis, Couzyn and Oosthuizen Street, adj. to erf 127, Songloed	23/06/2022	22/06/2025	R1 500 p/m

**Signed copies of all lease agreements are available*

INSPECTION PROGRAMME FOR AGRICULTURAL LEASED LAND OWNED BY THE CITY OF MATLOSANA 2021/22					
Date of Inspection	Lease Agreement		Lessee	Locality	Official Comments / Outcome
	Start Date	End Date			
27/08/2021	21/01/2021	20/01/2024	Siphumelele ilefa Lethu Co-operative	Undivided portion of the Remainder Portion 21 of the farm Hartebeesfontein 422 IP(105 Ha)	The lessee has occupied and is farming with different livestock.
27/08/2021	The application is still in process, but resolved. Awaiting drafting of the agreement		Namola Leuba Co-operative	A portion of the Remaining Extent of Portion 1 of Farm Townlands of Klerksdorp 424 IP –Camp D(3 Ha)	The lessee has already occupied and is farming with pigs
29/09/2021	25/06/2021	24/06/2021	Thoro's Business Enterprise	A portion of erf 22604 Jouberton Ext 22	The lessee has occupied and is utilising the land for a vegetable garden
12/11/2021	01/06/2021	31/05/2024	Khuwait Holdings Pty Ltd	A portion of the Remaining Extent of Portion 1 of Farm Townlands of Klerksdorp 424 IP93 Ha)	The lessee has occupied and is farming with cattle and sheep
02/12/2021	25/07/2021	24/07/2024	BJ Monare	A portion of the Remaining Extent of Portion 1 of Farm Townlands of Klerksdorp 424-IP (3Ha)	The lessee has occupied and is farming with chickens, but also intends to do a vegetable garden, but water is a challenge
13/12/2021	28/01/2019	27/01/2022	DJ Mogale	Undivided Portion of Portion 1 of the Farm Townlands 424-IP(60 Ha)	The lessee has occupied and is farming with cattle, sheep and goat.
28/01/2022	28/01/2019	27/01/2022	PWSL Matsheka Company	A Portion of Portion 22 of the Farm Roodepoort 435- IP-(I HA)	The lessee has not fully occupied. He is currently busy with fencing and electricity connection. The lease expired on 27/01/2022, but the lessee has submitted a request for a new lease. The application is being processed

INSPECTION PROGRAMME FOR AGRICULTURAL LEASED LAND OWNED BY THE CITY OF MATLOSANA 2021/22					
Date of Inspection	Lease Agreement		Lessee	Locality	Official Comments / Outcome
	Start Date	End Date			
14/02/2022	30/09/2022	29/09/2022	Plot One Trading	Undivided Portion of Remainder of Portion 21 of the Farm Wildebeespan 442-IP-(1 HA)	The lessee has occupied and is farming with poultry, piggery and vegetable garden
14/02/2022	28/10/2022	27/10/2024	PP Mosweu	Portion of Remaining Extent Portion 1 of the Farm Townlands 424-IP(Camp F, 2 HA)	The lessee has started with preparation for occupation. Currently busy erecting fence
17/05/2022	11/03/2022	10/03/2025	SN Mafa	Portion of Remaining Extent Portion 1 of the Farm Townlands 424 IP-IP(100 HA)	The lessee has fully occupied and is farming with cattle and vegetable garden
27/05/2022	02/12/2021	01/12/2024	Chris Sek Trading and Projects	A portion of erf 503, Neserhof Extension 1(1.2 HA)	The lessee has occupied and is farming with cattle
22/06/2022	08/12/2021	07/12/2024	Madikana Inspirations	Portion of Remaining Extent Portion 1 of the Farm TownLands 424-IP(I,5 HA)	The lessee has started with occupation, currently putting up the structure for the chickens.

EMPLOYEE INFORMATION

EMPLOYEES: ADMINISTRATION, PMU, TOWN PLANNING, BUILDING CONSTRUCTION, ESTATE ADMINISTRATION & LAND SALES					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	2	2	2	0	0
4 - 6	11	17	12	5	29
7 - 9	13	19	17	2	11
10 - 12	11	15	10	5	33
13 - 15	4	10	4	6	60
16 - 18	12	14	11	3	21
19 - 20	1	1	1	0	0
Total	**54**	**78**	**57**	**21**	**27**

FINANCIAL PERFORMANCE: ADMINISTRATION; TOWN-PLANNING; BUILDING CONSTRUCTION AND ESTATE ADMINISTRATION AND LAND SALES					
					R'000
Details	**2020/21**	**2021/22**			
	Actual Expenditure	**Original Budget**	**Adjustment Budget**	**Actual Expenditure**	**Variance to Budget**
Total Operational Revenue	**201**	**990**	**1 695**	**1 232**	**20%**
Expenditure					
Employees	14 409	3 999	4 953	4 460	10%
Repairs and maintenance	554	0	0	0	0%
Other	4 251	**2 117**	**9 877**	**742**	-185%
Total Operational Expenditure	**15 447**	**6 116**	**14 830**	**5 202**	**-18%**
Net Operational Expenditure	***-15 246***	***-5 126***	***-13 135***	***-3 970***	

COMMENT ON THE PERFORMANCE OF TOWN-PLANNING; BUILDING CONSTRUCTION and ESTATE ADMINISTRATION & LAND SALES OVERALL

The following achievement can be highlighted:

- review of the Spatial Development Framework, 2021 to be SPLUMA compliant;
- township Establishments Tigane extensions 7 & 8, Kanana extension 16 and Jouberton extensions 31 & 34;
- training of young graduates in GIS & Town Planning environment; and
- improvement of circulation of building plans within 30 days.

3.10 Local Economic Development (Including Communications And Marketing)

INTRODUCTION TO LOCAL ECONOMIC DEVELOPMENT

Local Economic Development is an adaptive and responsive process by which public, business and non-governmental sector partners work collectively to create better conditions for innovation-driven inclusive economic development that is characterized by skills development and knowledge transfer, employment generation in a local area in order to improve its economic futures and the quality of life for all.

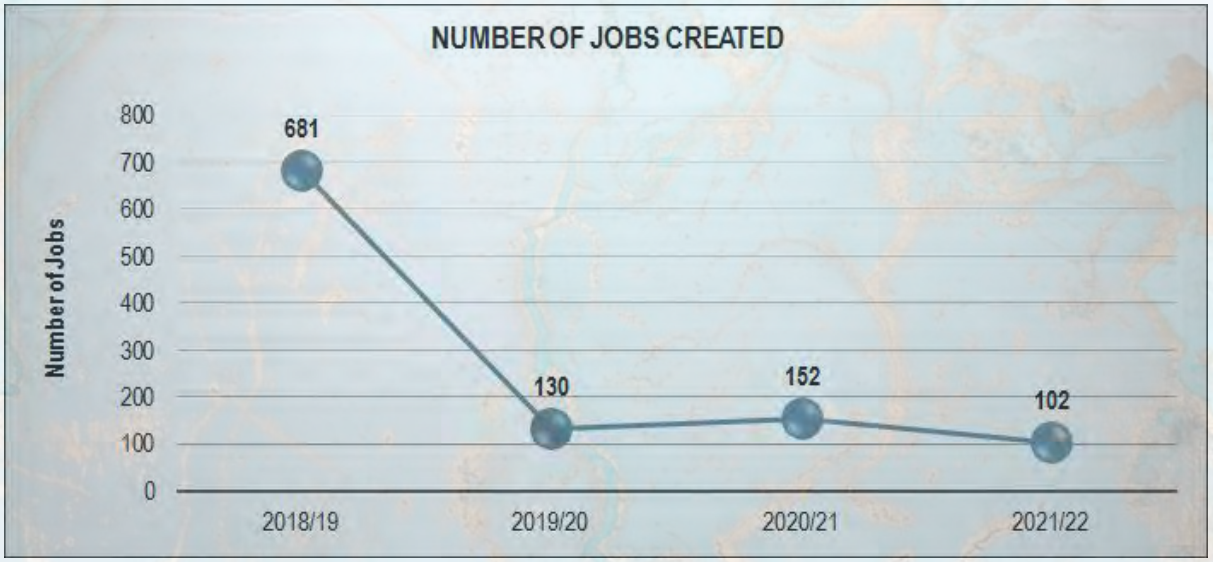
Local Economic Development seeks to create competitive, sustainable, diverse, innovation driven inclusive local economies that are vibrant places in which to live, invest and work, which maximize local opportunities, address local needs and contribute to South Africa's national development objectives, including sustainable ways of utilizing local resources and expand learning capabilities.

Job creation:

- EPWP- The continual implementation of the National Government programme on EPWP is generating work opportunities on a short-term basis.

- CWP-The Community Works Programme's purpose is to provide an employment safety net, recognising that sustainable employment solutions will take time, and will reach the most marginalised last. It also contributes to the development of public assets and services in poor communities; it strengthens the economic climate for people in poor areas, providing work experience, enhancing dignity, and promoting social and economic inclusion.
- SMMEs - Emerging and Small-scale Farmers - The Matlosana Fresh Produce Market currently has a programme of assisting small-scale farmers within the Matlosana area. They are provided with transport to enable them to deliver their produce to the market.

LOCAL ECONOMIC ACTIVITY BY SECTOR				
				No of Jobs
Sector	**2018/19**	**2019/20**	**2020/21**	**2021/22**
Agriculture, forestry and fisheries	17	0	0	0
Wholesale and retail trade	67	0	0	0
Infrastructure services	603	130	152	102
TOTAL	**687**	**130**	**152**	**102**



COMMENTS ON LOCAL JOB OPPORTUNITIES

JOB CREATION THROUGH EPWP* PROJECTS		
Year	**EPWP Projects**	**Jobs created through EPWP projects**
	No	**No**
2018/19	10	611
2019/20	1	61
2020/21	6	152
2021/22	15	102
**- Extended Public Works Programme*		

JOBS CREATED DURING 2021/22 BY LED INITIATIVES				
Year	No of jobs created	No odd jobs lost / displaced by other initiatives	No of net total jobs created in year	Method of validating jobs created/lost
2018/19	687	0	687	In loco inspection
2019/20	130	0	130	In loco inspection
2020/21	152	15	152	In loco inspection
2021/22	102	0	102	In loco inspection

It is envisaged that the following LED anchor projects will create sustainable long-term employment once they are implemented and completed:

- Extension of Fresh Produce Market
- Meat Processing Plant
- Neighbourhood Development Partnership Grant (Township Renewal Project)
- Airport Development
- Goudkoppie Heritage Site
- Upgrading of shelters for Hawkers.
- Rural development
- Township economy –revitalization of Township economy
- Catalytic Projects N12 West

NATIONAL KEY PERFORMANCE INDICATOR

See page 253 for details.

EMPLOYEE INFORMATION

EMPLOYEES: LOCAL ECONOMIC DEVELOPMENT					
Job level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	1	2	1	1	50
4 - 6	5	7	5	2	29
7 - 9	4	4	4	0	0
10 - 12	5	5	4	1	20
13 - 15	0	0	0	0	0
16 - 18	0	1	0	1	100
19 - 20	1	1	1	0	0
Total	**16**	**20**	**15**	**5**	**25**

FINANCIAL PERFORMANCE: LOCAL ECONOMIC DEVELOPMENT and FRESH PRODUCE MARKET					
					R'000
Details	**2020/21**	**2021/22**			
	Actual Expenditure	**Original Budget**	**Adjustment Budget**	**Actual Expenditure**	**Variance to Budget**
Total Operational Revenue	**29 516**	**16 150**	**37 330**	**3 864**	**-56%**
Expenditure					
Employees	18 229	21 195	20 845	16 374	29%
Repairs and maintenance	2 744	2 308	2 999	1 477	56%
Other	11 852	1 021	1 828	8 416	-88%
Total Operational Expenditure	**32 825**	**24 524**	**25 672**	**26 267**	**-7%**
Net Operational Expenditure	***-3 309***	***-8 374***	***11 658***	***10 597***	

COMMENTS ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL

LED facilitated funding for the following developments:

- The establishment of Business hubs for SMME's and cooperatives in Townships.
- The implementation of the Neighbourhood Development Partnership Grant (Township Renewal Project) in Jouberton.
- Small Town Regeneration in Stilfontein

LED facilitated the following workshops and training for SMME's and Cooperatives

- Absa 4 Day Training Workshop for SMME's and Cooperatives
- SAB 3-day Training Workshop for the start-up entrepreneurs.
- Tourism Networking Session (Breakfast)
- Mahala Week at Faan Meintjes Nature Reserve for Tourism promotion

COMMUNICATION AND MARKETING

INTRODUCTION TO COMMUNICATION AND MARKETING

Communications and Marketing promotes democracy and encourages citizens to play a more effective role in how they are governed. The roles and functions of Communications and Marketing support and promote the Municipality's Vision and Mission.

Guided by the Municipal Systems Act 32 of 2000, the Communication and Marketing section seeks to address the communication needs of the municipality by ensuring that information dissemination is encouraged and promoted. Highlight the significance of communicating and promoting government programmes to communities in and around Matlosana, District, Province, National and international stakeholders.

Strategic Objectives

- Develop a coherent and coordinated approach of communication and Marketing
- Enhance and promote the image of the municipality

- Promote Customer care and Batho Pele principle
- Promote transparency within the municipality.
- To have a proactive and responsive communication approach.
- Maintain good relations with the media
- Promote programmes and projects of Council
- Empower Communities with Information
- Plan and Coordinate Council Events
- Build Good Relations with stakeholders
- Ensure Compliance to Communication and Marketing Policies

Description of Communication and Marketing structure

- Media Relations
- Communication Research
- Marketing and branding
- Outdoor advertising
- Outreach and event co-ordination

Communication and Marketing mechanisms

- Outreach programmes
- Stakeholders meetings
- Electronic and print Media
- Posters, broachers, banners and fliers
- Media information sessions
- Outdoor advertising
- Loud hailing
- Municipal meetings
- Municipal website
- Newsletters
- Local Communicators Forum

Service Statistics

NEWSLETTERS	DISTRIBUTION
Internal newsletters	6 electronic newsletters
External newsletters	6 external newsletters

Adopted Policy

- Communication strategy
- Media relation policy
- Corporate identity/branding policy
- Outdoor Advertising policy and bylaws

3.11 FRESH PRODUCE MARKET

INTRODUCTION TO THE FRESH PRODUCE MARKET

The Matlosana Fresh Produce Market (MFPM) is the property of the City of Matlosana and was established in 1980. There are 16 fresh produce markets and MFPM is ranked 8th according to turnover. Located conveniently close to the N12, this market has excellent potential for future growth.

The Matlosana Fresh Produce Market has several stakeholders namely:

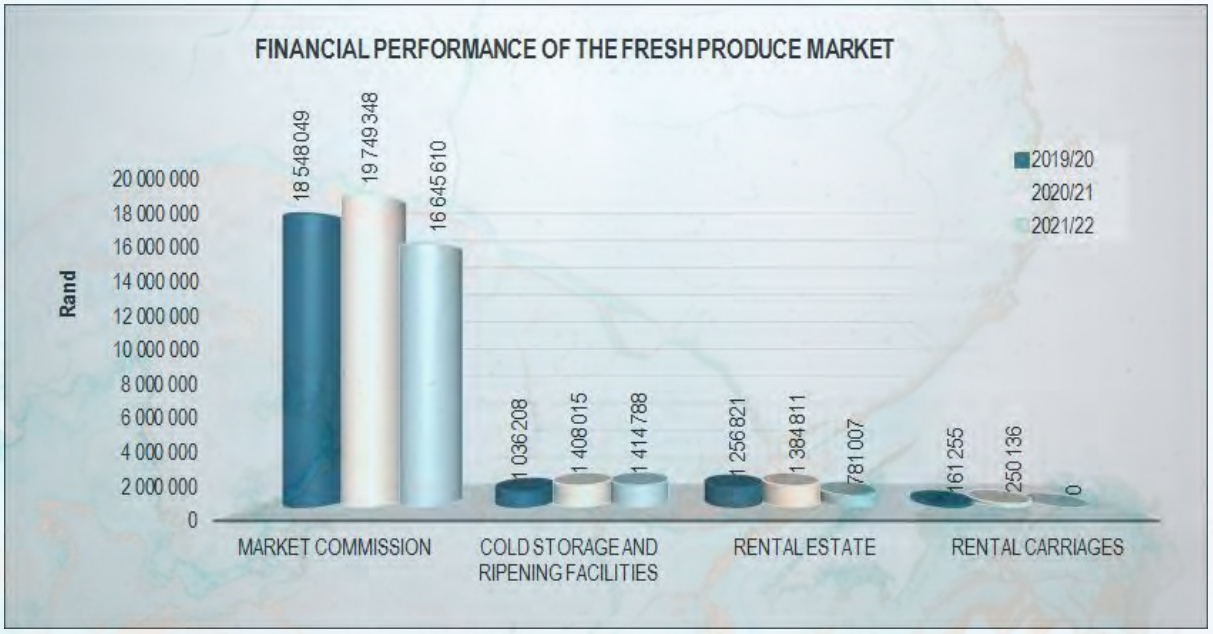
- Customers - buyers of Matlosana and surrounding towns, as well as customers from as far away as Botswana, Kimberley and Vryburg
- Market agents - who sell products on behalf of farmers on the market floor;
- Farmers - including emerging farmers
- Council employees - they provide a management and administrative function to the market.

Job creation:

- Market Agents - The MFPM has five (5) market agents trading from the floor with a staff complement of 120 permanent employees among them;
- Porters - 60 porters operate on the floor. They represent informal / indirect employment as a spin-off from the market activities; and
- SMMEs - Emerging and Small-scale Farmers - The MFPM currently has a programme of assisting small-scale farmers within the Matlosana area. They are provided with transport to enable them to deliver their produce to the market.

SERVICE STATISTICS OF THE FRESH PRODUCE MARKET

INANCIAL PERFORMANCE OF THE FRESH PRODUCE MARKET			
INDICATOR	2019/20	2020/21	2021/22
	R	R	R
Market commission	18 548 049	19 749 348	R16 645 610
Cold storage and ripening facilities	1 036 208	1 408 015	R 1 414 788
Rental estate	1 256 821	1 384 811	R781 007
Rental carriages	161 255	250 136	R86 313



EMPLOYEE INFORMATION

EMPLOYEES: FRESH PRODUCE MARKET					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	0	1	0	1	100
4 - 6	4	5	2	3	60
7 - 9	0	1	1	0	0
10 - 12	10	11	9	2	18
13 - 15	8	9	4	5	56
16 - 18	3	4	2	2	50
19 - 20	10	14	9	5	36
Total	**35**	**45**	**27**	**18**	**40**

COMMENT ON PERFORMANCE OF FRESH PRODUCE MARKET OVERALL

The South African Police Service is investigating alleged irregularities at the fresh produce market, prompted by the accounting officer.

The investigation was still on-going at the date of this report.

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on page 169)

FRESH PRODUCE MARKET SERVICES OBJECTIVES TAKEN FROM THE IDP							
Service objective	Service indicators	2019/20	2020/21	2021/22			2022/23
		Actual	Actual	Target			Budget
				Original	Adjusted	Actual	
To upgrade the existing Fresh Produce Market (Phase 2) (Ward 9) to cater for the increasing customer needs	Existing Fresh Produce Market (Phase 2) (Ward 9) upgraded	The project was re-advertised on 14 February 2020 and closed on the 12 March 2020 R2 888 423 (The project was deferred to the 2021/22 financial year due to the reprioritization of the project due to COVID-19- MFMA Circular No. 99 dated 09 March 2020 read with CC28/2020 dated 27/05/2020)	Upgrading the existing Fresh Produce Market (Phase 2) (Ward 9) by - installing 2 shutter doors; - replacing the roof sheeting; - connecting of water (0.739 km ranging from 20mm Ø to 75 mm Ø pipeline); - constructing 0.517 km of 525 mm Ø storm-water drainage: - constructing sewer pipeline (0,058 km of 110 mm Ø pipeline); - completing the concrete floor (according to the technical scoping report); and - construction of the earthworks for the parking area by 30 June 2021 R7 053 676	Upgrading the existing Fresh Produce Market (Phase 2)(Ward 9) by - surfacing the parking area with 10.28 m² of Asphalt and constructing ablution facilities; - replacing of 4 152m² of the existing roof; - constructing of a 110 m² mezzanine floor; - constructing 1 storage unit; - installing 1 cold room; - installing electricity of 4 core to 7 core 600/100V PVCSWAPVC Cu cable ranging from 6 mm² to 185 mm² by 30 June 2022 R12 729 779	Upgrading the existing Fresh Produce Market (Phase 2)(Ward 9) by - surfacing the parking area with 10 250 m² of Asphalt and constructing ablution facilities; - replacing of 4 152m² of the existing roof; - constructing of a 110 m² mezzanine floor; - constructing 1 storage unit; - installing 1 cold room; - installing electricity of 4 core to 7 core 600/100V PVCSWAPVC Cu cable ranging from 6 mm² to 185 mm² ; - installing 1 x 400KVA generator; and - installing an 830m² of new roof by 30 June 2022. R15 729 779	4 152m² of roof replaced. 10 250 m² of Asphalt layer in the parking area surfaced. 830m² of roof is installed. Ablution facilities 93% constructed. 110 m² Mezzanine floor 65% constructed R13 678 068	R8 064 140

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes libraries, museums, arts & culture and cemeteries.

3.12 LIBRARIES, MUSEUMS, ARTS AND CULTURE

INTRODUCTION TO LIBRARIES

The Library Service strives to provide informational and educational support for those who want to better their quality of life. We strive through enhancing their qualifications and skills, to provide a quality library service to those who seek the companionship of books and literature and to cultivate a culture of reading and learning amongst the children of our communities with the ultimate view to establish a vehicle for sustaining lifelong education and enhancing of reading skills.

The libraries provide educational programmes and library awareness programmes for adults and children, book lending services, educational toys lending services and skills development sessions, study facilities, photocopy services, typing and printing facilities and free public internet access at most of the libraries.

Library users are assisted to find information they need for assignments, to do research and assimilate general knowledge, type and print documents and do internet researches as part of our reference services.

The Library Service strives to provide services to our communities to improve the quality of life for those that are living in poverty.

Core functions of libraries are to:

- provide opportunity to access information and knowledge through libraries;
- promote the culture of reading, to increase literacy rates and life-long learning;
- promote and create conditions for the development of a multicultural society and to ensure that previously marginalized communities are given opportunities; and
- promote social cohesion, moral regeneration and nation building, the deepening of democracy and healthy lifestyles.

SERVICE STATISTICS FOR THE LIBRARIES			
INDICATOR	**2019/20**	**2020/21**	**2021/22**
Educational programmes			
Library awareness programmes and events	177	75	183
Photocopies made	325 470	239 226	296 238
Books and items circulated	75 850	54 872	61 765
Enquiries	9 800	5 764	7 084

The following libraries with the contact details are available in the City of Matlosana municipal area:

NAME OF LIBRARY	CONTACT DETAIL	NAME OF LIBRARY	CONTACT DETAIL
Alabama Library	018 4878681	Matlosana Library	018 465 3030
Hartbeesfontein Library	018 4878694	Tigane Library	018 487 8891
Kanana Library	018 487 8970	Orkney Library	018 487 8210
Khuma Library	018 487 8652	Stilfontein Library	018 487 8292
Klerksdorp Library	018 487 8399	Rebecca NkhaeThulo Library (Ext. 8 Khuma)	018 487 8660
Manzilpark Library	018 487 8685	Umuzimuhle Library (Vaal Reefs)	018 487 8237

COMMENT ON THE PERFORMANCE OF LIBRARIES

An amount of R634 986,21 was spent on the conditional grant projects: water proofing of roof dome (Klerksdorp Library), Installation of Razor Wire Fence (Rebecca Nkae Thulo and Tigane Libraries), Installation of Carports (Kanana, Khuma and Rebecca Nkae Thulo Libraries), Replacing worn-out old pipes with new HDPE pipes (Klerksdorp library), repair and servicing of air conditioners (Klerksdorp Library), Maintenance of Manzilpark library,

Removing old carpets and installation of tiles at MMC (SAC) office (Klerksdorp Library), and Purchase of Fridge and two Microwaves (Klerksdorp and Orkney Libraries).

An amount of R207 199,10 was spent on the equitable share grant projects comprises of repair to furniture and equipment, awareness projects and training.

R534 364 of conditional and equitable share funds rolled-over from 2020/21 to 2021/22 was spent on Installation of Fence at Stillfontein library.

183 programmes were presented by library services, which were in a form of library awareness programmes, library interest events, educational toy sessions, arts and craft, puppet shows and computer literacy sessions.

There was a slight improvement in all library services delivery indicators in the financial year under review.

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on pages 179 - 180)

LIBRARY SERVICES OBJECTIVES TAKEN FROM THE IDP							
Service objective	Service indicators	2019/20	2020/21	2021/22			2022/23
		Actual	Actual	Target			Budget
				Original	Adjusted	Actual	
To address shortcomings by improving library services and maintenance	Shortcomings at various libraries improved according to the approved project business plan	Catering for 190 people during meetings at Umuzimuhle; Klerksdorp and Tigane libraries. 43 Sets of promotional material; Personal Protective Equipment (16 Digital Thermometers; 100 Face Shield; 10 X 35 Respiratory Masks) and training for 7 Snr Library Assistant and 7 Library Assistants at all 12 libraries. Upholstery of 22 couches at the Klerksdorp library R209 332	Shortcomings and maintenance at 12 libraries improved with 20 x Memory sticks; 12 x Kettles, 15 x Suggestion Boxes, 9 Digi Laptops; 3 Digi Tablets; 5 x Hand held Scanners, 14 x Water Coolers with bottles, 2 x Pull-up banners; 2 x Wallpaper with installation; 1 Door sticker with installation. R131 635	Improving library services and maintenance at all 12 libraries according to the operational activities on the approved project business plan by 30 June 2022. R216 000	-	Improving library services and maintenance at all 12 libraries by repairing 7 vacuum cleaners (1 x Orkney, 1 x Rebecca Nkae Thulo, 1 x Kanana, 1 x Khuma, 2 x Klerksdorp and 1 x Jouberton libraries); purchasing 8 office chairs for Klerksdorp library; repairing 1 laminating machine at Klerksdorp library; purchasing promotional material for all libraries; and training all senior staff members R 207 199	R216 000

MUSEUM

INTRODUCTION TO MUSEUMS AND HERITAGE

The vision of the Museums and Heritage Section is to further nation building through the management, conservation and communication of heritage-related activities in the City Matlosana. We protect, preserve and promote the heritage Resources of the City to depict the heritage of our people and provide destination of heritage tourism.

Core functions of Museums and Heritage

- To implement sustainable arts, culture and recreation programmes contributing to safe and healthy communities in the City of Matlosana.
- To ensure that arts and culture are accessible to all communities, to promote talent in the City of Matlosana.
- To manage and preserve our heritage resources and collections to benefit all communities.
- To manage information about intangible heritage, assert and provide access to information.
- To create an environment that encourages innovation and creativity and to grow a generation of museum and Heritage supporters with an embedded understanding of the importance of culture as the lifeblood of our nation and essential part of humanity.
- To promote social cohesion, moral regeneration and nation building, the deepening of democracy and healthy lifestyle.

The key performance areas are

- Collection management
- Documentation
- Conservation
- Research
- Education and communication
- Heritage resource management

Areas of business

- Klerksdorp Museum with 15 permanent exhibitions, founded in 1975 and housed in the old Klerksdorp Jail building completed in 1891.
- Periodic style House Museum depicting six (6) cultural history exhibitions from the previous century.
- Four Freedom Squares.
- Goudkoppie Heritage Hill, a Grade II Provincial Heritage Site.
- The Old Cemetery Complex, a Grade II Provincial Heritage Site.
- Offender Art Gallery of North West in partnership with Department of Correctional Services.
- Museum shop.

Goudkoppie Heritage Hill

Goudkoppie Heritage Hill situated next to the eastern entrance of the N12 is a Grade II Provincial Heritage Site with the following features of significance: (Please take note due to the illegal mining activities most of the historical significance are destroyed or vandalised.)

Pre-historical heritage assets on Goudkoppie Heritage Hill

- Khoesan petroglyphs (rock engravings)
- Remains of Khoesan stone tools and fire pits dating from the Late Stone Age are evidence of Khoesan utilisation of the site

Historical heritage assets on Goudkoppie Heritage Hill

- Original foundations of two Second South African Independence War (1899-1902) British Army blockhouses.
- War Graffiti from Second South African Independence War
- British Army Regimental Emblem dating from the same War era
- Exploratory mine shafts bearing evidence of late 19th and early 20th Century gold mining activities
- Graffiti applied by local inhabitants on some of the rocks. All of these examples are older than 60 years as they contain the dates on which the inscriptions were made

Historical Replicas erected on Goudkoppie Heritage Hill

- Replica of an Iron Age village represent dwellings that had actually been on several sites in and around Matlosana in historical times
- Replica of Second South African Independence War British Army blockhouse, erected on the original foundation

Comments on Goudkoppie Heritage Hill

- In 2016, a number of Zama-Zama's moved onto the site and started destroying the whole site in their quest for gold. Several attempts over the course of a number of months were made to report this to SAPS but sadly the Museum never even received a case number. Theft of the perimeter fence also led to vagrants moving through the site and stealing almost all of the infrastructure (water pipes, firefighting equipment, ablution facilities, electrical fittings etc.)
- In 2021 a local NGO (Leano La Bophelo) who had entered into a MOU with ACSR and City of Matlosana, cleaned and maintained the site from September 2021 – 31 March 2022. This has significantly contributed to the protection of remaining Heritage assets on-site although criminal elements in the area still make it unsafe for the general public to visit the site.
  - Going forward: A new MOU with the above NGO is already in place for 2022/2023

Old Klerksdorp Cemetery Complex

The Old Klerksdorp Cemetery Complex, also a Grade II Provincial Heritage Site consists of the following features of significance:

- British War Graves dating from the Second South African Independence War.
- Graves of victims of Concentration Camp for Whites dating from Second South African Independence War
- Grave site of victims of Concentration Camp for Blacks dating from Second South African Independence War
- Monument for Women and Children who died in the Concentration Camps during the Second South African Independence War and Wall of Remembrance with the names of some of the victims of the Klerksdorp White Concentration Camp
- Graves of the 12 Voortrekker families who founded Klerksdorp
- Grave of M.G. Jansen Van Vuuren who discovered gold at Klerksdorp and thus father of the gold mining industry of North West Province.
- Graves of Boers who were found guilty of high treason against the Z.A.R. and executed by Boer firing squad during the Second South African Independence War.

- Makweteng Cemetery, where initially the victims of the African Concentration camp during the Second South African Independence War and later the deceased from Makweteng Township were buried up to 1954 when the Makweteng residents were forcibly evicted and the township levelled to make room for new white neighbourhoods

Comments on the Old Cemetery

- There no security staff on duty
- The Museum does do site inspections to site
- Maintenance of the cemetery is the responsibility of Parks/ Cemeteries Section
- British War Graves dating from the Second South African Independence War, being maintained by the British and Commonwealth War Graves Commission – (maintenance is done upon request by Klerksdorp Museum – last done on the 28 March 2022)
- Vandalism of some tombstones do occur
- Vagrants are spotted sleeping there occasionally

COMMENTS ON THE FOUR FREEDOM SQUARES:

Mfana Majova Freedom Square (Khuma):

The steel palisade fence has been damaged and vandalised many times. As far as was practicable loss and damage was recuperated through Insurance claims, although in recent times the Museum has been informed by Insurance Desk that the Insurers are no longer willing to entertain claims regarding this Square because of the frequent incidences of theft and vandalism at the site. During National Lockdown the bronze statue of Mfana Majova was stolen. A claim has been lodged with Insurance Desk. Statue will be replaced during 2022/23.

- **Going Forward:** To renovate the whole site during 2022/23 Fiscal Year.

Tulelo Lekoto Freedom Square (Kanana):

This Square is currently in a good condition and well maintained by the Parks Section. Both the bronze statue and the surrounding steel palisade fence remain intact.

- **Going Forward**: As part of the Museum's Heritage Site Maintenance Plan: palisade fence as scheduled to be painted during the 2023/24 Fiscal Year.

Delekile Khosa Freedom Square (Tigane):

This Square is currently in a fairly good condition. Both the bronze statue and the surrounding steel palisade fence remains intact.

- **Going Forward:** As part of the Museum's Heritage Site Maintenance Plan: palisade fence as scheduled to be painted during the 2022/23 Fiscal Year.

Casey Sindi Freedom Square (Jouberton):

The steel palisade fence has been damaged and vandalised many times. As far as was practicable loss and damage was recuperated through Insurance claims although in recent times the Museum has been informed by Insurance Desk that the Insurers are no longer willing to entertain claims regarding this Square because of the frequent incidences of theft and vandalism at the site. During National Lockdown the bronze bust of Casey Sindi was stolen but later recovered and currently being kept in storage by Museum.

- **Going Forward:** To renovate the whole site during 2023/24 Fiscal Year

SERVICE STATISTICS FOR THE MUSEUM			
INDICATOR	**2019/20**	**2020/21**	**2021/22**
MUSEUM EDUCATION			
☞ Education programmes presented	79	10	27
☞ Lifelong learning classes presented	12	6	8
MUSEUM COLLECTIONS			
☞ Maintenance and care of objects	2 000	750	700
☞ Digitised collection documentation	500	155	152
MUSEUM EXHIBITIONS			
☞ Temporary exhibitions presented	6	0	6
☞ Existing exhibitions maintained	20	20	20
COMMUNITY PARTICIPATION			
☞ Consultation sessions	100	52	55
HERITAGE AWARENESS			
☞ Heritage awareness events	6	4	5
EXPENDITURE	**R89 698**	**R52 900**	**R 0**

EMPLOYEE INFORMATION

EMPLOYEES: LIBRARIES AND MUSEUM					
Job Level	**2020/21**	**2021/22**			
	Employees	**Posts**	**Employees**	**Vacancies (full-time equivalents)**	**Vacancies (as a % of total posts)**
0 - 3	1	1	1	0	0
4 - 6	2	3	2	1	33
7 - 9	9	9	8	1	11
10 - 12	12	16	14	2	13
13 - 15	38	41	39	2	5
16 - 18	15	15	14	1	7
19 - 20	2	1	1	0	0
Total	**79**	**86**	**79**	**7**	**8**

FINANCIAL PERFORMANCE: LIBRARIES AND MUSEUM					
					R'000
Details	**2020/21**	**2021/22**			
	Actual Expenditure	**Original Budget**	**Adjustment Budget**	**Actual Expenditure**	**Variance to Budget**
Total Operational Revenue	**358 902**	**1 324**	**1 407**	**24 776**	**95%**
Expenditure					
Employees	22 299	23 171	23 224	21 770	-6%
Repairs and maintenance	379	1 305	1 895	682	-91%
Other	33 200	26 406	26 272	2 680	-885%
Total Operational Expenditure	**55 878**	**50 882**	**51 391**	**25 132**	**-102%**
Net Operational Expenditure	***303 024***	***-49 558***	***-49 984***	***-356***	

COMMENT ON THE PERFORMANCE OF THE MUSEUMS OVERALL

Museum's and Heritage Section have been reaching key performance indicators annually for the last several years. Apart of this achievement the museum was in the position to upgrade two exhibitions in the last two financial years due to Provincial Conditional Grant the museum received. This year it was the Transformation of Voortrekker Exhibition to inclusively reflect all pioneering cultures of City of Matlosana and Dr Kenneth Kaunda District to the value of R152 250

The Honourable Minister of Justice and Correctional Services, Mr. R Lamola (MP) Launched the Klerksdorp Arts and Crafts Centre at Klerksdorp Museum on the 19 November 2021

The Museum was a host for an Enterprise and Product development training to capacitate Crafters and Designer enterprises to improve their business operation as well as improving their production techniques in order to grow their businesses. It took place from 7 – 10 March 2022 forming part of the Museum's lifelong skills development programs.

The Museum hosted a still life quilt exhibition during 25 – 29 April 2022 to promote cultural awareness regarding the age-old tradition of quilt making.

A Heritage Awareness Workshop for Heritage Professionals was hosted at the Museum in 26 -27 May 2022. The aim of this Workshop was to encourage Heritage Awareness throughout the North West Province regarding our diverse South African Cultural Heritage.

3.13 CEMETERIES

INTRODUCTION TO CEMETERIES

The City of Matlosana is responsible to manage and maintain 26 cemeteries with a surface footprint of ± 545 hectares. The management includes the administration of burials, as well as the operational aspects dealing with the preparation of graves and cemetery maintenance.

The top three priorities for the section are:

- Rendering affordable quality burial services;
- Providing for future burial needs of the community by planning and developing new cemeteries; and
- Cemetery maintenance.

SERVICE STATISTICS FOR CEMETERIES AND AREODROME				
INDICATOR	**2018/19**	**2019/20**	**2020/21**	**2021/22**
Burials	**2 701**	**2 634**	**4 137**	**4 491**
Adults	*1 980*	*1 955*	3 394	2 432
Children	*285*	*281*	256	262
Re-openings	*436*	*389*	487	485
Memorials	**554**	**491**	**658**	**838**
Expenditure	**R11 500 070**	**R17 064 406**	**R1 999 992**	**R16 095 482**
Income	**R1 570 401**	**R1 541 372**	**R3 107 776**	**R175 980**

CHALLENGES	MEASURES TAKEN TO ADDRESS CHALLENGES
Aging of Tlb's to dig the graves	Still utilizing plant hire tender to hire the Tlb's to dig graves
Lack of funding for the development of taxi roads within the cemeteries and fencing of new cemeteries Kanana, Jouberton, Alabama and Tigane.	Application for MIG Fund will be done on the new financial year of MIG
Non-reopening of second internment and erection of tombstone at Jouberton, Alabama, Kanana and Khuma township due to lost data during riots	No reopening and erection of tombstone on unidentified grave
COVID-19 pandemic related deaths	Utilization of TLB's to fill the graves

EMPLOYEE INFORMATION

EMPLOYEES: CEMETERIES AND AREODROME					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	0	0	0	0	0
4 - 6	1	1	1	0	0
7 - 9	1	2	2	0	0
10 - 12	12	13	11	2	15
13 - 15	4	5	3	2	40
16 - 18	3	5	4	1	20
19 - 20	28	37	34	3	8
Total	**49**	**63**	**55**	**8**	**13**

FINANCIAL PERFORMANCE: CEMETERIES AND AERODROME					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**2 742**	**2 830**	**2 801**	**2 233**	**-27%**
Expenditure					
Employees	11 843	12 264	13 470	13 117	7%
Repairs and maintenance	443	3 255	3 784	4 106	21%
Other	2 361	522	604	664	21%
Total Operational Expenditure	**14 647**	**16 041**	**17 858**	**17 887**	**10%**
Net Operational Expenditure	***-11 905***	***-13 211***	***-15 057***	***-15 654***	

COMMENTS ON THE PERFORMANCE OF CEMETERIES OVERALL

The section continues to maintain cemeteries through grass cutting and pruning of trees.

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes Parks, Faan Meintjes Nature Reserve and Aerodrome.

3.14 PARKS, FAAN MEINTJES NATURE RESERVE AND AERODROME

INTRODUCTION TO BIODIVERSITY AND LANDSCAPE

Parks

The Parks and Development section aims to manage and develop a pleasing, aesthetic and effective environment to aid in the well-being of the residents in our community.

There was no formal Annual Arbour Event Celebration, due to COVID-19 Regulations. Thereof the Department of Environment Forest and Fisheries (DEFF) donated the 1 400 indigenous trees that were given to the Learners as "One Child One Tree Campaign".

- The indigenous trees were distributed to the following Schools:
  - Khuma: Kediemetse Primary School - total number of trees - 711
  - Kanana Primary School - total number of trees - 780
- Other indigenous trees were planted at the following areas:
  - Klerksdorp/ Stilfontein Cemeteries - 198
  - Orkney Cemetery - 100
  - Faan Meintjes nature reserve - 15
- Go Big Media donated (6) six fruit trees.
  - Fruit trees were distributed to the community - 200
  - vegetable seedlings were distributed to the community - 3 000
- Grass cutting and bush clearing done around the parks, pavements and open spaces around Matlosana;
- The three top priority delivery areas are:
  - to improve the surrounding environment within the community and urban spaces with regard to greening;
  - beautification of Matlosana open spaces, conservation and protection of bio-diversity areas; and
  - promotion of greening and conservation awareness and preservation of biodiversity to create a sustainable environment.

Challenges

- Lack of resources to render a better service to the community.
- Budget constrains – no capital budget for fleet and equipment e.g. bush cutters and chainsaws.
- Rapid expansion of City of Matlosana area
- Lack of funding to develop mega parks in Matlosana township.
- Deforestation of biodiversity

Faan Meintjes

The objective of the nature reserve is to render an environmental education service to the community, protect the fauna and flora and to promote local tourism in the region.

Faan Meintjes Nature Reserve with its Environmental Education Centre offers a great opportunity for the youth and learners of Matlosana for exposure to nature conservation, empowerment on taking care of environment.

The Education Environmental Programmes (EEP) aligned to the current school curriculum can be offered to learners and career guidance in environment and conservation and specific EE Programmes to the youth of Matlosana.

Challenges

Non-functionality of the Environmental Education Centre structure at Faan Meintjes Nature Reserve for almost four years.

SERVICE STATISTICS FOR PARKS AND FAAN MEINTJES NATURE RESERVE				
INDICATOR		**2019/20**	**2020/21**	**2021/22**
AERODROME –				
PC Pelser Annual License	1	1	1	1
Expenditure	**R4 870**	**R5 170**	**R4 880**	**R5 130**
NATURE RESERVE				
➢ Day visitors	2 158	1 890	2 933	3 041
➢ Vehicles / Buses	687	459	766	530
➢ Accommodation and functions	45	70	50	48
Expenditure	**R1 134 386**	**R1 226 034**	**R58 828 458**	**R1 448 547**
Income	**R140 233**	**R290 097**	**R227 603**	**R138 522**
Income : Selling of Game	N/A	N/A	**R440 795**	**R528 770**
TREES - Trimmed	3 242	3 168	2 391	2 186
AUCTION KRAALS - Total auctions	51	39	49	49

EMPLOYEE INFORMATION

EMPLOYEES: PARKS, FAAN MEINTJES NATURE RESERVE AND ORKNEY VAAL					
Job Level	**2020/21**	**2021/22**			
	Employees	**Posts**	**Employees**	**Vacancies (full-time equivalents)**	**Vacancies (as a % of total posts)**
0 – 3	0	1	0	1	100
4 – 6	1	2	1	1	50
7 – 9	8	10	9	1	10
10 - 12	6	11	11	0	0
13 - 15	29	40	36	4	10
16 - 18	15	30	23	7	23
19 - 20	92	125	86	39	31
Total	**151**	**219**	**166**	**53**	**24**

FINANCIAL PERFORMANCE: PARKS, FAAN MEINTJES NATURE RESERVE AND ORKNEY VAAL					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**395**	**319**	**525**	**353**	**10%**
Expenditure					
Employees	46 593	39 789	45 699	36 208	-10%
Repairs and maintenance	2 743	4 829	9 354	7 143	32%
Other	60 768	75 034	85 022	9 202	-715%
Total Operational Expenditure	**110 104**	**79 863**	**94 376**	**39 076**	**-104%**
Net Operational Expenditure	***-109 709***	***-79 544***	***-93 851***	***-38 723***	

COMMENTS ON THE PERFORMANCE OF BIODIVERSITY AND LANDSCAPE OVERALL.

The municipality manage to maintain open spaces, parks and pavements through grass cutting. However, ageing of fleet is making it difficult to render services to the community. The municipality have been encouraging the community to green their yard through distribution of indigenous and fruits trees.

The municipality collaborates with Provincial Department of Environment, Forest and Fishers on the protection of protected trees around Matlosana.

COMPONENT F: OCCUPATIONAL HEALTH CENTRE

3.15 Occupational Health Centre

INTRODUCTION TO OCCUPATIONAL HEALTH CENTRE

Occupational Health Nursing (OHN) is a specialised field that provides for and delivers health and safety programmes and services to workers and worker populations in their places of employment. It focuses on the promotion and restoration of health, the prevention of illness and injury and the protection from work related and environmental hazards. OHN has to look at how the disease causation may be related to work exposure and how its management may necessitate an intervention like job relocation.

Indigent burial administration is part the function of the management and processing of indigents' relief for local municipalities as per Regulation 636 Sections 11, 30, 32, 34 and 35 of the National Health Act 61 of 1993.

- With the eruption of the COVID-19 pandemic the unit was tasked with the function of managing of all COVID-19 related matters which amongst others include:
  - oversee the implementation of the Strategic Work Plan;
  - address worker or workplace representative concerns, keep them informed and consult the Health and Safety Committee;

- ensure that the measures required by the directive and its Risk Assessment Plan and strictly complied with thorough monitoring and supervision;
- notify workers that if they are sick or have symptoms associated with the COVID-19 they must stay at home in terms of Section 22 of the BCEA and leave policy of the employer; and
- undertake any function that may be allocated from time to time by the employer in line with the directive by the Minister of Employment and Labour.

- Aims of Occupational Health Services as formulated by the World Health Organisation are to:
  - protect workers from hazards at work (protection and prevention principle);
  - adapt work and the work environment to the capabilities of workers (adaptation principle);
  - enhance the physical, mental and social well-being of workers (health-promotion principle) as well as their ability to conduct a socially and economically productive life;
  - minimise the consequences of occupational hazards, accidents and injuries and occupational and work-related diseases (the cure and rehabilitation principle); and
  - provide general health-care services for workers and their families, both curative and preventive, at the workplace (the primary health-care principle).

- KPA' s of Occupational Health Services are as follows:
  - health promotion;
  - injury on duty administration;
  - medical surveillance of employees;
  - pre-employment, periodical and exit medical examinations;
  - fitness for work / duty assessments;
  - primary medical care of employees and injuries on duty;
  - HIV care / disease management;
  - medical evaluation of employees;
  - work incapacity or disability;
  - recurrent sick leave investigation;
  - re-integration and rehabilitation of sick employees;
  - on-the-shop floor occupational health monitoring;
  - vaccinations of risk exposed employees;
  - processing of Compensation Fund Annual Assessment; and
  - administration / management of indigent burials.

Challenges

- The department has a vehicle which is old, having more breakdowns, hindering the health promotions and home visits.
- The COIDA sick leave days are calculated separately from the normal sick leave, thus making it difficult for the unit to capture, as the PAYDAY does not cater for such days, which is still not effective due to logistical problems identified.
- One of the professional nurses was booked for a long sick leave which left the unit with one professional nurse making it very cumbersome to mend the clinic and still do health promotions.
- One professional nurse went on retirement
- The number of Family planning was reduced due to the shortage of stock form the Department of Health

SERVICE STATISTICS: OCCUPATIONAL HEALTH CENTRE			
Service data statistics	**2019/20**	**2020/21**	**2021/22**
Head count to the centre	738	987	1 597
Head count at the clinics	3 438	3 462	1 644
Hepatitis vaccinations	300	103	297
Tetanus vaccinations	325	0	166
Health promotions	104	85	92
COVID-19 Screening and education	897	1 448	0
HIV/AIDS statistics	**2019/20**	**2020/21**	**2021/22**
Screened	58	69	32
Counselled	58	69	32
Tested	58	69	32
Non-reactive	58	69	32
Reactive	0	0	0
TB statistics	**2019/20**	**2020/21**	**2021/22**
Screened	8	3	1
Sputum collected	0	3	1
Negative	5	1	0
Positive	3	2	1
Referred to clinic	8	2	13
Family planning	**2019/20**	**2020/21**	**2021/22**
Injectable	141	135	152
Oral contraceptives	63	51	27
Male condoms (departments)	12 980	24 000	0
CHRONIC DISEASES			
HBP / Diabetes	**2019/20**	**2020/21**	**2021/22**
Total patients seen	2 558	1 400	1 549
New diagnosis	6	5	12
Referred to hospital	206	216	215
Uncontrolled	221	216	215
On treatment	228	211	242
Defaulter	62	3	12
MINOR AILMENTS	**2019/20**	**2020/21**	**2021/22**
Total patients seen	37	44	43
New diagnosis	32	44	43
Referred to hospital	19	40	5
On treatment	0	0	0
INJURY ON DUTY	**2019/20**	**2020/21**	**2021/22**
Total patients seen	83	70	0
New diagnosis	83	70	80
Referred for treatment	83	70	80
Referred to hospital	80	70	80
Fatalities	1	0	0
Request for file re-opening	2	0	2

REPORT ON INDIGENT / PAUPER BURIALS			
INDICATOR	**2019/20**	**2020/21**	**2021/22**
Indigents			
☞ Adults	86	68	133
☞ Children	3	2	5
☞ Babies	24	33	44
Expenditure	**R508 496**	**R499 736**	**R906 019**

COVID-19 INFECTED EMPLOYEES		
TESTED POSITIVE	**RECOVERED**	**DEATHS**
278	267	11

EMPLOYEE INFORMATION

EMPLOYEES: OCCUPATIONAL HEALTH CENTRE					
Job Level	**2020/21**	**2021/22**			
	Employees	**Posts**	**Employees**	**Vacancies (full-time equivalents)**	**Vacancies (as a % of total posts)**
0 - 3	1	1	1	0	0
4 - 6	1	4	1	3	75
7 - 9	2	2	1	1	50
10 - 12	0	2	0	2	100
13 - 15	4	5	4	1	20
16 - 18	0	0	0	0	0
19 - 20	1	1	1	0	0
Total	**9**	**15**	**8**	**7**	**47**

FINANCIAL PERFORMANCE: OCCUPATIONAL HEALTH CENTRE					
					R'000
Details	**2020/21**	**2021/22**			
	Actual Expenditure	**Original Budget**	**Adjustment Budget**	**Actual Expenditure**	**Variance to Budget**
Total Operational Revenue	**0**	**0**	**0**	**0**	**0%**
Expenditure					
Employees	13 766	4 504	4 514	4 372	-3%
Repairs and maintenance	1 217	21	21	0	100%
Other	17 360	5 071	8 053	3 987	-27%
Total Operational Expenditure	**22 714**	**9 596**	**12 588**	**8 359**	-15%
Net Operational Expenditure	***-22 714***	***-9 596***	***-12 588***	***-8 359***	

COMMENTS ON THE PERFORMANCE OF OCCUPATIONAL HEALTH CENTRE OVERALL

The health promotions are done as per the health calendar as recommended by the National Health Department, much as there were challenges, but the department always achieve the set targets. The following successes are worth mentioning:

- The impact of the health promotions bore positive results as employees are more vigilant about their health and come more to the clinic if not feeling well or to seek medical advice;
- The department has created a positive and harmonious relationship with Anncron Private Clinic for the treatment of injury on duty, which helps with the timeous submission to the Compensation Fund.
- All the (IOD) cases now have the claim numbers which makes submission to be easy.
- Employees was successfully treated for allergic reaction after a bee sting;
- Three employees diagnosed of diabetes type 2 during the health promotions, they are well controlled as monitoring is regularly done;
- Managed to capture employees infected by COVID-19; and
- A rotation system was implemented for the indigent burial service which equally benefits all the undertakers and communities.

COMPONENT G: SECURITY AND SAFETY

This component includes Traffic, Security, Municipal Court, Fire Services and Disaster Management.

3.16 TRAFFIC, SECURITY AND MUNICIPAL COURT

INTRODUCTION TO TRAFFIC, SECURITY AND MUNICIPAL COURT

The Traffic section is responsible for the following:

- creation of safe road environment by reducing road accidents and fatalities;
- promotion of safer road traffic environment;
- reduction of road traffic violations;
- ensuring maximum collection of outstanding fines from offenders;
- ensuring traffic information management;
- ensuring road safety education campaigns;
- investigate all road traffic related matters; and
- enforcing of the Road Traffic Act and Municipal By-Laws.

Security section

- To safeguard and protect Council property and assets, personnel and to ensure community safety in the City of Matlosana municipal area.
- Technical section
- The technical section is responsible for the maintenance of road marking and road signs within the City of Matlosana municipal area.

Traffic Court

- The core function of this section is the processing of traffic offences issued by Traffic Officers. This court will soon become the Municipal Court as it will be adjudicating on Municipal By-Law fines issued by other Inspectors other than Traffic Officers.

Administration section

- This Section is responsible for the administration and maintenance of property and assets of the Traffic and Security Division. Activities include:
- Processing of traffic fines issued and handling of payments thereof;
- Applications for escorts, marches and other public events;
- Procurement of products and services; and
- Conciliation and management of reports, etc.

TRAFFIC SERVICE DATA			
Details	**2019/20**	**2020/21**	**2021/22**
Number of road traffic accidents during the year	2 851	3 119	3 621
Number of by-law infringements attended to	2 144	362	2 855
Number of traffic officers in the field on an average day	29	24	24
Number of traffic officers on duty on an average day	32	24	24

SERVICE STATISTICS FOR TRAFFIC AND SECURITY SERVICES			
STATISTICS	**2019/20**	**2020/21**	**2021/22**
Traffic violations			
Section 56 summonses			
☞ Other	7 662	6 272	5 977
Section 341 Notices			
☞ Other parking offences	2 144	362	2 855
TOTAL	**9 806**	**6 634**	**8 832**
Total income from Traffic Court			
☞ Admission of guilt paid (criminal)	34 400	33 900	55 850
☞ Court fines	175 050	58 850	65 450
☞ Provincial court fines	16 600	7 300	10 600
TOTAL INCOME	**R226 050**	**R100 050**	**R13 900**
Summons issued			
Section 56 summonses issued – traffic officers	7 662	6 272	5 977
TOTAL	**7 662**	**6 272**	**5 977**
Cases withdrawn by senior public prosecutor as a result of representations			
☞ Section 56 summonses	316	285	197
☞ Section 341 Notices	134	41	188
TOTAL	**450**	**326**	**385**
Admission of guilt			
Magistrate's Court	152 100	52 200	79 150
Matlosana Traffic Court			
☞ Contempt of court	141 500	153 600	175 150
☞ Warrants of arrest	1 049 400	807 750	908 000
At Traffic Department			
☞ Section 56 summonses	772 320	362 750	1 040 191
TOTAL	**2 115 320**	**1 376 300**	**2 202 491**

Total income per annum			
Traffic fines	**2 115 320**	**1 376 300**	**220 2491**
☞ Accident reports	12325	20 354	42 529
☞ Escort fees: Abnormal loads	84 490	186 135	164 142
☞ Temporary closing of streets	23 341	5 868	29 400
TOTAL INCOME	**R2 235 476**	**R1 588 657**	**R2 438 602**
Arrests (driving while under the influence of intoxicating liquor)			
☞ Males	197	58	77
☞ Females	6	3	0
TOTAL	**203**	**61**	77
Escorts / special services rendered			
☞ Abnormal loads	71	148	123
☞ Funerals	135	77	115
☞ Fun runs / road races / cycle races	14	0	2
☞ Street braai / street closure	83	36	194
TOTAL	**304**	**258**	**434**

EMPLOYEE INFORMATION

EMPLOYEES: TRAFFIC, SECURITY, MUNICIPAL COURT AND TECHNICAL SERVICES					
Job Level	**2020/21**	**2021/22**			
	Employees	**Posts**	**Employees**	**Vacancies (full-time equivalents)**	**Vacancies (as a % of total posts)**
0 - 3	2	2	2	0	0
4 - 6	2	3	3	0	0
7 - 9	11	16	11	5	31
10 - 12	42	62	41	21	34
13 - 15	10	34	11	23	68
16 - 18	23	27	19	8	30
19 - 20	33	31	30	1	3
Total	**123**	**175**	**117**	**58**	**33**

FINANCIAL PERFORMANCE: TRAFFIC, SECURITY, MUNICIPAL COURT AND TECHNICAL SERVICES					
					R'000
Details	**2020/21**	**2021/22**			
	Actual Expenditure	**Original Budget**	**Adjustment Budget**	**Actual Expenditure**	**Variance to Budget**
Total Operational Revenue	**24 518**	**14 523**	**3 454**	**5 038**	-188%
Expenditure					
Employees	42 963	49 104	46 656	44 690	-10%
Repairs and maintenance	2 808	2 426	6 119	5 614	57%
Other	114 675	38 764	49 762	105 641	63%
Total Operational Expenditure	**160 446**	**90 294**	**102 537**	**155 945**	**42%**
Net Operational Expenditure	***-135 928***	***-75 771***	***-99 083***	***-150 907***	

COMMENTS ON THE PERFORMANCE OF TRAFFIC AND SECURITY SERVICES OVERALL

Law enforcement was done by means of roadblocks and execution of warrants of arrest.

3.17 FIRE AND DISASTER MANAGEMENT

INTRODUCTION TO FIRE AND DISASTER MANAGEMENT

The scope of responsibilities within the fire services in the City of Matlosana has evolved to include rescue, dangerous goods, as well as dealing with emerging threats which includes terrorism and responding to natural and anthropogenic disastrous incidents.

The Fire Brigade Service Act (FBSA) provides for local authorities to establish and maintain a fire brigade service for the following different purposes

- Preventing the outbreak or spread of fire
- Fighting or extinguishing a fire
- Protection of life and property against fire or other threatening danger
- The rescue of life or property from a fire or other danger
- The performance of any other function connected with any of the matters referred to in paragraph (a)

The Disaster management centre, to the extent that it has the capacity, must give guidance to organs of state, private sector, non-governmental organisations, communities and individuals in the municipal area to assess and prevent or reduce the risk of disasters including

- Ways and means of
  - Determining levels of risk
  - Assessing the vulnerability of communities and households to minimise the risk and impact of disasters that may occur and
  - Monitoring the likelihood of, and the state of alertness to disasters that may occur

The Division accommodates all areas of responsibility and work closely with the ward Councillors and the community with regard to fire safety and general fire information.

The section's major efficiencies achieved:

- Appointment of two Disaster Officers
- Appointment of Fire Safety Station Officer

FIRE SERVICES DATA				
Details	2019/20	2020/21	2021/22	
	Actual No	Actual No	Estimate No	Actual No
Total fires attended in the year	624	819	590	659
Total of other incidents attended in the year	728	835	728	772
Average turnout time - urban areas	3 to5 min	3 to 5 min	3 to5 min	3 to 5 min
Average turnout time - rural areas	7 to 10 min	7 to 10 min	7 to 14 min	7 to 14 min
Firefighters in post at year end	72	71	68	66
Total fire appliances at year end	09	09	13	12
Average number of appliances off the road during the year	3	1	4	3

FIRE SERVICES STATISTICS			
DESCRIPTION	2019/20	2020/21	2021/22
Fire suppression	227	295	256
Public education	8	6	1
Building plans	562	552	560
Site inspections – new	7	52	13
Site inspections – re-inspections	0	0	19
Flammable liquid registrations	67	74	106
Fire hydrant maintenance/inspection	316	0	7
Grass fires	397	524	403
Trade licences	42	76	99
Transport permits	122	158	145
Complaints	0	0	2
Pre-burn inspections	0	0	0
Pre-burns	0	0	0
Rescues	104	106	113
Building inspections	699	901	901

Disaster Management Unit

The Disaster Management is a unit within the Fire and Rescue Division. The Department is currently initiating processes to establish a fully equipped and resourced Municipal Disaster Management Centre, as per the provision of the Disaster Management Act (Act 57 of 2002).

Currently there are two officials appointed at the unit as Disaster Officers, but a proposed organogram was submitted to Council for approval, in order to build the required capacity in the unit. The unit focuses on preventative measures in the form of CBDRAs (Community Based Disaster Risk Assessments) and make recommendations to relevant stakeholders and institutions.

The unit also co-ordinates and liaises with the relevant sections in attempt to assist the community in all wards of the Municipality.

The unit assists with response, recovery and relief processes during emergencies of disaster incidents within the municipal area.

Functions of the Disaster Management unit are administered as follows:

- assessing risks in the area and determine the vulnerability of the community of City of Matlosana;
- mitigating these risks and integrating them into the IDP to reduce vulnerability;
- providing public information education and relations;
- writing disaster risk management contingency plans;
- co-ordinating safety at events; and
- providing disaster response and disaster relief operations.

DISASTER MANAGEMENT SERVICE STATISTICS			
DESCRIPTION	2019/20	2020/21	2021/22
Number of events	4	1	12
Social relief (fire)	76	137	161
Sink hole incidents	16	13	11
Public information, education and relation	8	10	19
Blankets	310	502	600
Mattresses	220	407	500
Tents	15	16	3
Social relief (other incidents) sinkholes, windstorms, floods	213	6	291
Total number of households affected (Fire)	1	551	256
Total number of people affected (other incidents) wind storm, floods	146	132	53

EMPLOYEE INFORMATION

EMPLOYEES: FIRE AND DISASTER MANAGEMENT					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	1	1	1	0	0
4 - 6	4	4	3	1	25
7 - 9	20	28	24	4	14
10 - 12	8	23	9	14	61
13 - 15	39	47	42	5	11
16 - 18	0	1	0	1	100
19 - 20	4	5	3	2	40
Total	**76**	**109**	**82**	**27**	**25**

FINANCIAL PERFORMANCE: FIRE AND DISASTER MANAGEMENT					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**47 576**	**1 417**	**657**	**16 367**	**91%**
Expenditure					
Employees	38 333	39 577	40 323	40 463	2%
Repairs and maintenance	4 183	7 208	10 701	8 965	20%
Other	4 447	14 230	14 328	9 408	-51%
Total Operational Expenditure	**46 963**	**61 015**	**65 352**	**58 836**	**-4%**
Net Operational Expenditure	***613***	***-59 598***	***-64 695***	***-42 469***	

COMMENTS ON THE PERFORMANCE OF FIRE SERVICES AND DISASTER MANAGEMENT OVERALL

The reopening of Stilfontein Fire Station is critical due to response time to Khuma and Stilfontein and the procurement of fire engine for the area be prioritised. The overall performance of the Fire & Rescue and Disaster Management relies on the tools of trade (personnel and equipment to render fire and rescue services).

The response of fire engines to incidents in the township is affected by speed humps that are erected for every 100 meters.

The municipality is in the process of developing a proper management system to attend to incidents of sinkholes, especially within the Stilfontein and Khuma areas. During financial year in review, a number of sinkholes were identified in the Stilfontein area, with no budget to assess and rehabilitate them.

COMPONENT H: SPORT AND RECREATION

This component includes sports fields, stadiums and swimming pools.

3.18 SPORT AND RECREATION

INTRODUCTION TO SPORT AND RECREATION

The Sport and Recreation section is responsible for establishing a positive attitude in the community towards sport and recreation. It further tends to encourage greater community involvement and interest in sport and recreation.

The section provides for the control, preservation and maintenance of municipal sport and recreation facilities as well as the use and enjoyment thereof by members of the community.

- The main service delivery priorities are:
  - Maintenance and preparation of all sport facilities (23 Sport facilities and 5 swimming pools)
  - Facilitation of 26 lease contracts;
  - Governance and administration of Sport

- Together with Local Clubs, Federations and the Provincial Department of Sport & Recreation assist in the development and promotion of hosting the following:
  - Water Safety and Swimming Development Splash;
  - Woman in Sport; and
  - Sport Merit Awards
  - June 16 Youth games
  - Easter Sport festivals
  - Wheelchair basketball tournament

SERVICE STATISTICS: SPORT AND RECREATION			
INDICATOR	2019/20	2020/21	2021/22
Swimming pools			
☞ Gala events	4	0	0
Expenditure	**R0**	**R0**	**R0**
Income	**R101 353**	**R0**	**R105 921**
Recreation			
☞ Total Major Events	4	2	0
Expenditure	**R87 525**	**R0**	**R0**
Sports Merit Awards Expenditure	**R58 955**	**R0**	**R0**

EMPLOYEE INFORMATION

EMPLOYEES: SPORT AND RECREATION					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	1	1	1	0	0
4 - 6	1	1	1	0	0
7 - 9	3	4	3	1	25
10 - 12	14	24	13	11	46
13 - 15	12	31	14	17	55
16 - 18	10	12	7	5	42
19 - 20	45	59	43	16	27
Total	**86**	**132**	**82**	**50**	**38**

FINANCIAL PERFORMANCE: SPORT AND RECREATION					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**14 491**	**923**	**35 907**	**249 095**	**100%**
Expenditure					
Employees	20 655	21 779	23 540	23 094	6%
Repairs and maintenance	1690	4 043	9 143	2 836	-43%
Other	1 266	59 744	63 051	30 720	-94%
Total Operational Expenditure	**23 611**	**85 566**	**95 734**	**56 650**	**-51%**
Net Operational Expenditure	***-9 120***	***-84 643***	***-59 827***	***192 445***	

COMMENTS ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL

Most of the community sport activities were cancelled due to COVID-19 National Lockdown.

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available in Chapter 3: Organisational Development Performance (Part II) on page 168)

SPORT AND RECREATION OBJECTIVES TAKEN FROM THE IDP							
Service Objective	Service Indicators	2019/20	2020/21	2021/22			2022/23
		Actual	Actual	Target			Budget
				Original	Adjusted	Actual	
To construct a new sports complex in Khuma Ext 9 (Ward 31) to provide recreational facilities for the community	Number of new Sports Complex in Khuma Ext 9 (Ward 31) constructed	0.483km of water reticulation installed, 0.345km of sewer reticulation (internal services) installed for the new sport complex in Khuma Ext 9. 0.168km of perimeter fence erected and the excavation of 0,220 km of existing 300mm Ø sewer line completed. Construction of foundation and wall for a guardhouse complete. Rip and compaction of the layers for soccer field complete R8 993 801	Constructing of a new sport complex in Khuma Ext 9 (Ward 31) mostly completed, but the basketball court surfacing is not done yet. R12 193 171	Constructing a new sport complex in Khuma Ext 9 (Ward 31) by - constructing of 1 change room; - constructing 1 multi-purpose hall; by 30 June 2022	Constructing a new sport complex in Khuma Ext 9 (Ward 31) by - constructing of 1 change room; - constructing 1 multi-purpose hall; - erecting 1 grand stand; - planting grass in soccer field; - surfacing of the athletic track; - surfacing the basketball court ; and - wiring of electricity for all buildings by 30 June 2022. R29 574 525	A new sport complex in Khuma Ext 9 (Ward 31) constructed. R25 390 299	R10 430 930

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes corporate policy offices; strategic planning and regulatory; financial services; human resource services; ICT services.

3.19 EXECUTIVE AND COUNCIL

This component includes the executive office (Executive Mayor, Councillors and Municipal Manager).

INTRODUCTION TO CORPORATE POLICY OFFICES

Chapter 7 of the Constitution of the Republic of South Africa states that a municipality comprises Councillors, officials, and the community. 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.

For the municipality to be able to address service delivery matters, the municipality must within limits approve a budget that will be commensurate with the needs/projects identified for the particular year. This budget must also address staff matters and this can only be achieved through a costed organogram that must be cost-effective but also provides sufficient management and other positions for the municipality to be able to render effective and satisfactory services. Management must ensure that tools of the trade are made available to staff. This includes ICT services and networks, including the necessary licences.

For the municipality to finance service delivery, it must ensure that the budgetary expenditure will be redeemed through cash collection that will be generated by payment for services. Payment for services will be covered by payment for rates and taxes and will include proper and adequate municipal service delivery networks such as water pipes and reservoirs as well as sewer and electrical networks and plant and equipment.

INTRODUCTION TO EXECUTIVE AND COUNCIL

In terms of Chapter 7 Section 151 (2) of the Constitution of the Republic of South Africa, 108 of 1996, the executive and legislative authority of a municipality is vested in its municipal Council.

The MEC responsible for local government has determined that the City of Matlosana will have a mayoral executive system which is combined with a ward participatory system in terms of section 72 of the Local Government: Municipal Structures Amendment Act, Act 3 of 2021. This determination was made by the MEC in terms of the Notice promulgated (dated 29 September 2005) by him in terms of Section 12 of the Local Government: Municipal Structures Amendment Act, Act 3 of 2021.

The mayoral executive system is a system of municipal government, which allows for the exercise of executive authority through an Executive Mayor in whom the political leadership of the Municipality is vested and who is to be assisted by a Mayoral Committee.

Section 55(1) of the Local Government: Municipal Structures Amendment Act, Act 3 of 2021, provides that a Mayoral Executive type of municipality may have an Executive Mayor if it so chooses.

Section 152 of the Constitution categorically and clearly spells out 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, with the Executive Mayor, who must, however, report to Council and is assisted by the members of the Mayoral Committee established by the Executive Mayor and who may make decisions. However, there are certain matters on which the Executive Mayor, as the head of the municipality cannot make decisions, i.e., the approval of the budget, the 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 by Council to the Executive Mayor, who will in turn sub-delegate to the municipal manager. The Municipal Manager may also sub-delegate to directors, who may in turn further sub-delegate to line officials.

Section 152 of the Constitution sets among others the following objectives for local government to:
(a) Provide democratic and accountable government for local communities.
(b) ensure the provision of services to communities in a sustainable manner; and
(c) promote social and economic development.

To ensure sustainable service delivery to the community, Council sets the top four service delivery priorities as follows in order to achieve good governance levels:
- performance management.
- risk management.
- internal audit; and
- accounting and auditing.

SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

DETAIL	2019/20		2020/21		2021/22	
	Ordinary Meetings	Special Meetings	Ordinary Meetings	Special Meetings	Ordinary Meetings	Special Meetings
Finance and Debt Normalisation	4	1	3	1	4	1
Corporate Services	4	0	3	0	4	0
Transversal Issues	4	0	3	0	3	0
Infrastructure	4	1	3	0	4	0
Public Safety	4	0	3	0	4	0
Community Services	4	0	3	0	4	0
Local Economic Development	4	1	3	1	4	0
Electrical Engineering	4	0	3	0	4	1
Planning and Human Settlements	4	0	3	0	4	1
Sport, Arts and Culture	4	2	3	0	4	0

DETAIL	2019/20	2020/21	2021/22
Section 80 Committee Meetings			
☞ Mandating Committee: Mining houses	5	0	5
☞ Budget Steering	6	5	6
☞ Audit Committee	6	9	8
☞ IDP Steering Committee	3	0	3

EMPLOYEE INFORMATION

EMPLOYEES: EXECUTIVE, MUNICIPAL MANAGER AND DIRECTORS (EXCL COUNCILLORS)					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	7	8	6	2	50
4 - 6	0	0	0	0	0
7 - 9	0	0	0	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	**7**	**8**	**6**	**2**	**25**

EMPLOYEES: GOVERNANCE SUPPORT (POLITICAL OFFICES) (EXCL COUNCILLORS)					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 – 3	2	3	3	0	0
4 – 6	14	16	15	1	6
7 – 9	1	3	3	0	0
10 – 12	12	15	15	0	0
13 – 15	4	4	2	2	50
16 – 18	2	3	3	0	0
19 – 20	0	0	0	0	0
Total	**35**	**44**	**41**	**3**	**7**

FINANCIAL PERFORMANCE: EXECUTIVE, MUNICIPAL MANAGER, DIRECTORS POLITICAL OFFICES (EXCLUDING COUNCILLORS)					
					R'000
Details	2020/21	2021/22			
	Actual Budget	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**1 953**	**1 829**	**3 796**	**645**	0%
Expenditure					
Employees	25 081	22 491	15 042	20 688	-9%
Repairs and maintenance	1 430	153	407	228	33%
Other	134 342	16 758	130 935	110 464	85%
Total Operational Expenditure	**160 853**	**39 402**	**146 384**	**131 380**	**70%**
Net Operational Expenditure	***-158 900***	***146 384***	***-142 588***	***-130 735***	

3.20 Strategic Planning and Regulatory Matters

Strategic performance indicates how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical.

Municipalities must develop strategic plans and allocate resources for the implementation.

The implementation must be monitored on an ongoing basis and the results must be reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

This report highlights the strategic performance in terms of the municipality's Service Delivery and Budget Implementation Plan (SDBIP), performance on the National Key Performance Indicators prescribed in terms of Section 43 of the MSA and an overall summary of performance on municipal services. Performance information is important for effective management, including planning, budgeting, implementation, reporting, monitoring and evaluation.

Strategic plans identify strategically important outcomes-oriented goals and objectives against which the municipality's medium-term results can be measured and evaluated. Annual performance plans identify the performance indicators and targets that the institution will seek to achieve in the upcoming budget year. This performance information is important for effective management, including planning, budgeting, implementation, reporting monitoring and evaluation.

The Office of the Municipal Manager comprises the following units:

- Office of the Municipal Manager – Support;
- Performance Management;
- Integrated Development Planning;
- Risk Management;
- MPAC; and
- Internal Audit.

PERFORMANCE MANAGEMENT

Performance Management System can be defined as a strategic approach to management, which equips Councillors, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organisation in terms of indicators and targets for efficiency, effectiveness and impact.

This system will therefore in turn ensure that all the Councillors, managers and individuals in the municipality are held accountable for their actions which should bring about improved service delivery and value for money.

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.

The Constitution of the RSA, 1996, section 152, dealing with the objectives of local government paves the way for Performance Management with the requirements for an "accountable government". The democratic values and principles in terms of section 195 (1) are also linked with the concept of performance management, with reference to the principles of 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, 32 of 2000 (MSA), as amended requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act, 56 of 2003 (MFMA), as amended 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 SDBIP.

In addition, Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players."

Performance management is not only relevant to the organisation as a whole, but also to the individuals employed in the organization as well as the external service providers and the municipal entities. This framework, *inter alia,* reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

The Service Delivery and Budget Implementation Plan (SDBIP) is an approved detailed one-year operational plan. It details the implementation of service delivery and the budget for the financial year in compliance with the Municipal Finance Management Act (MFMA), 2003, as amended. (Act 56 of 2003).

The SDBIP comprises over objectives, key performance indicators, annual and quarterly service delivery targets and budget information. Service delivery targets relate to the level and standard of service being provided to the community.

The measuring of delivery of services are monitored every quarter and therefore facilitates oversight over financial and non-financial performance of the municipality.

It also facilitates the process of holding management accountable for their performance as the SDBIP forms part of their performance agreements.

In terms of section 46(1)(a) of the Systems Act (Act 32 of 2000) as amended 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 the performance of 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.

Performance Management serves as primary mechanism to monitor, review and improve the implementation of the municipal IDP and eventually the budget.

COMMENT ON THE PERFORMANCE OF PERFORMANCE MANAGEMENT OVERALL

During the 2021/22 financial year, the municipality complied with legislation concerning the development, operation and maintenance of a performance management system.

The following highlights of the Performance Management unit can be reported on:

- Meeting 100% all legislative deadlines in all areas
- Annual Reports tabled on time since 2002
- Approved PMS Policy and Framework – 6 times revised
- Performance give support and advice to other municipalities in the North West province
- Both officials serving on the Provincial Performance Management Core Team
- Province has adopted the City of Matlosana's basic framework of SDBIP and being introduced in province
- Being a pilot unit with regards to the auditing method of the Auditor General for the past 9 financial year – meaning being audit same as Metro Council
- 6 Consecutive unqualified Audit Opinions on Performance Management
- 2 Consecutive Clean Audit Opinions on Performance Management (2020/21 and 2021/22)
- Only municipality in the North West that has appointed competent senior mangers
- All senior managers signed Employment Contracts and Performance Agreements
- A Mid-Year Budget and Performance Assessment in terms of section 72 of the Municipal Finance Management Act, 56 of 2003, as amended which informed the adjustment budget and revised Service Delivery and Budget Implementation Plan, was performed.

INTEGRATED DEVELOPMENT PLANNING

The Constitution of the Republic of South Africa (1996) commits government to take reasonable measures, within its available resources, to ensure that all South Africans have access to adequate housing, health care, education, food, water and social security. The current goal of municipalities is to establish a planning process, which is aimed at the removal of the imbalances created. Developmental local government can only be realised through integrated development planning and the compilation of an Integrated Development Plan (IDP).

Integrated development planning is the process through which the municipality prepares a strategic developmental plan, which is the principal instrument guiding all planning, management, investment, development and implementation decisions, considering inputs from all stakeholders.

The IDP crosses departmental divisions by linking the physical, social, institutional and economic components of planning and development with management and development structures. It also integrates and aligns planning in different spheres of government and therefore enforces and upholds the spirit of co-operative governance in the public sector.

Therefore, the IDP document of the City of Matlosana outlining its strategies is aimed at addressing the key national and provincial priorities. In responding to the skewed economic inequalities, the fifth Administration also came up with the VTSD strategy as the second concrete issue. It seeks to channel resources to the previously ignored communities in the Villages, Townships and Small Dorpies. Aligned to the VTSD strategy is the new planning approach, namely the District Development Model which represents a fundamental shift from the conventional top-down planning approach to a people-centred bottom-up approach.

The purpose of the integrated development planning is to better the quality of life of the people living within the area of the municipality. It provides the guidelines as to how to use the land within the municipality, which resources to use and how to protect the environment. All strategic planning within the municipality must take place within the framework of the IDP. Through integrated development planning, different plans are integrated, co-ordinated and linked to the use of natural, financial, human and physical resources.

We are focused on developing consensus around strategic developmental priorities and are committed to the challenges of poverty alleviation, local economic development and environmental sustainability. The IDP review itself is mandatory in terms of Section 34 of the same legislation referred to above and seeks to infuse life into the IDP such that it considers the changing priorities and planning outcomes of the city.

This document is a product of a broad consultative process, which culminated in a successful IDP Representative Forum, held on 22 April 2022 where stakeholders confirmed and approved projects for the City of Matlosana.

In the period under review, the City of Matlosana ensured that the budget, the IDP and the Service Delivery and Budget Implementation Plans were aligned. Management is focussed on developing consensus around strategic developmental priorities and is committed to the challenges of poverty alleviation, local economic development and environmental sustainability.

COMMENT ON THE PERFORMANCE OF INTEGRATED DEVELOPMENT PLAN OVERALL

Every department has a strategic focus area upon which qualitative and objective performance appraisals and evaluations will be performed. Focused quarterly and annual reviews will conclude the strategic planning process that has been introduced to the municipality.

The strategic process ensured that all departments within municipality had a review of functions, staff establishment, mission aligned to the vision of the city and key strategic objectives analysed.

A new dimension to municipal strategic planning was introduced where all levels within the structure of the municipality were engaged, all political parties and trade unions were engaged and external stakeholders were taken on board.

RISK MANAGEMENT

Risk management process –

During the period under review, the City of Matlosana assessed its risks relative to its operational plans as well as strategic plans. There was an introduction of assessing risks associated with compliance to policies, legislation, laws, and regulations. Both internal and external conditions that may impede the achievement of the goals expressed in the operational plans were identified and evaluated.

Impact on institutional performance –

The municipality reviewed the risk registers on a quarterly basis. At the end of the 2021/22 financial year, the municipality had fully implemented 37% remedial actions and 43% of the total identified risks were partially implemented. The municipality has not managed to implement all remedial actions as planned due to factors such as financial constraints and non-responsive bidders that led to re-advertising of tenders.

The following were identified as the top ten (10) risks of the municipality in terms of the residual risk values:

Top ten risks that were identified and managed throughout 2021/22 financial year are listed below:

- Failure to render basic services that may lead to community unrest, section 139 intervention and may have a reputational damage on the municipality.
- Going concern difficulties that may lead to municipality's inability to fulfil its constitutional obligations.
- Failure to reduce distribution losses which may lead to cash flow challenges.
- Ineffective management of projects which may lead to loss of conditional grants, delayed service delivery and possible community unrest.
- Loss of revenue due to the municipality on property rates and taxes.
- Poor management of contracts leading to increased irregular expenditure and possible litigation.
- Occupational injuries and unsafe working conditions.
- Inadequate safeguarding of assets.
- Non-conclusion of bids within the prescribed time.
- Misuse of council vehicles

In terms of the risk management implementation plan, the municipality has achieved all its planned activities although some of the mitigation strategies were not fully implemented. The Risk Management Committee has evaluated and concluded that although there are challenges in addressing the municipal risks, the municipality is still able to perform its core functions and maintains a positive audit outcome.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The Municipal Public Accounts Committees (MPACs) are partially modelled on the example of the Standing Committee on Public Accounts (SCOPA) used in South Africa by legislatures at the national and provincial government level.

The Municipal Public Accounts Committee (MPAC) scrutinises and evaluates the actions of those entrusted with certain responsibilities or powers to check that they are discharging their responsibilities according to set policies and rules and are delivering expected outputs and outcomes.

The Committee does not relate to any party politics and its responsibilities are delegated in terms of the provisions of Section 59 of the Municipal Systems Act, 32 of 2000 (MSA), as amended.

For this reason, MPAC may request the support of both the Audit Committee, Internal Audit unit and Risk Management Unit. The standard rules for the Council apply to MPAC.

The Committee shall have permanent referral of documents relating to:
(i) In-year reports of the municipality;
(ii) financial statements of the municipality as part of the Committee's oversight process;
(iii) audit opinion, other reports and recommendation from the Audit Committee;
(iv) information relating to compliance in terms of sections 32, 128 and 133 of MFMA;
(v) information in respect of any disciplinary action taken in terms of the MFMA where it relates to an item that is currently serving or has served before the Committee;
(vi) any other audit report from the municipality; and
(vii) performance information of the municipality.

Subsequent to public hearing meetings and *in loco* inspections conducted, MPAC table its findings and recommendations to Council for approval. The MPAC then develop a monitoring and tracking mechanism by recording recommendations and nature of response. Where recommendations are / were not implemented, reasons for non-implementation must be outlined.

MPAC SERVICE STATISTICS		
COMMITTEE	**NR OF MEETINGS**	**UNDERTAKING**
Meetings conducted by the committee	33	To monitor the performance and financial situation of the municipality.
Reports submitted to council	6	To ensure compliance with legislation
In loco inspection conducted	4	To investigate on unfinished PMU projects
Training attended	3	To capacitate new members of the Committee

SECTION 32 COMMITTEE

The Section 32 Committee is a (section 79 Committee elected by Council as per Council resolution) and reports directly to Council via MPAC. The Committee should be seen as the Committee of Council, in its own right, working within the delegation framework of the Council.

The Council refers identified Unauthorised, Irregular, Fruitless and Wasteful Expenditure for verification and recommendation to Council by Section 32 Committee, subsequent to investigation by the Accounting Officer.

Punitive action may be necessary in respect of unauthorized expenditure [32(2) (a)], but is always necessary in terms of irregular or fruitless and wasteful expenditure [32(2) (b)] and it is the responsibility of the Accounting Officer or Council to take punitive steps (as recommended by the committee after investigation) and not the section 32 committee.

The Committee does not write off expenditure and it would not regularise the expenditure.

The expenditure could be regularised only in terms of either the SCM Policy (in line with reg. 36) or section 170 of the MFMA.

The Section 32 Committee have a mandate to interview any relevant person and to obtain all relevant documentation from any official or Councillors that may assist with the investigations.

The Section 32 Committee will submit a report on the findings and recommendations of the committee to Council after completion of its investigation.

The Section 32 Committee will submit its program of action to Council for approval and consideration.

SECTION 32 SERVICE STATISTICS		
COMMITTEE	**NR OF MEETINGS**	**UNDERTAKING**
Meetings conducted by the Committee	2	To peruse the UIF & W register and draft turnaround strategy
In loco inspection conducted by the committee	3	To investigate Irregular Expenditure on PMU projects
Investigation report on UIF & W submitted to council by the committee	1	To request council to recover the irregular expenditure on Khuma Sports Complex as indicated in the AG report
In loco Inspection	1	To investigate misuse of municipal fleet and extensive usage of service providers (outsourcing)

COMMENTS ON THE PERFORMANCE OF MPAC OVERALL

The MPAC is independent and not partially connected to or influenced by anyone else and MPAC is always thinking about the community that MPAC serves by trying to be professional when carrying out tasks. MPAC ensures that we comply with the legislations and maintain high standard of trustworthiness and honesty, respect and empathy as well as integrity. MPAC takes responsibility in terms of accountability for own actions and decisions.

The overall performance of the Municipal Public Accounts Committee:

- ☞ improve compliance with laws and regulations;
- ☞ maintaining an a-political status and averting conflict of interests;
- ☞ carrying a full and comprehensive oversight mandate;
- ☞ interacts and engage with members of the public;
- ☞ promote good governance, transparency and accountability in the use of municipal resources; and
- ☞ does not behave in a manner that allows maladministration, inefficiency, waste or corrupt practices.

INTRODUCTION TO INTERNAL AUDIT

In terms of Section 216(1) (c) of the Constitution of Republic of South Africa (Act 108 of 1996), national legislation must prescribe measures to ensure both transparency and expenditure control in all spheres of government by introducing uniform treasury norms and standards.

Good governance involves how organisation is managed, its organisational culture, policies, strategies and the way it deals with stakeholders. The Internal Audit and Audit Committee provide objective, independent advice to improve oversight, governance and help mitigate risk.

Working with internal audit, the Audit Committee brings different skills and expertise to assist in improving the performance of an institution. The Internal Audit team and audit committee do not assume any management functions nor should management exert any undue influence over the work of the Internal Audit team and Audit Committee.

Mission of internal audit

The mission of internal audit is to provide Accounting Officer and the Audit Committee with independent, objective assurance and consulting services designed to add value and improve the organisation's operations. Furthermore, it helps the organisation accomplish its objective by bringing a systematic disciplined approach to evaluating and improving the effectiveness of risk management, internal control and governance processes.

Risk management

The risk management section conducts a risk assessment, thereafter compiles a risk assessment report that entails the listing of High, Medium and Low risks based on operational risks and strategic risks and thereafter submits it to Internal Audit to prepare a three-year rolling plan and one-year risk-based plan and performance operational plan.

Internal control

Internal Audit reviews the adequacy and effectiveness of internal control that management reported as effective in reducing the impact that inherent risk might have on the operations of municipality, through operational risk-based plan.

Governance Issues

Internal Audit reviews the effectiveness of the following projects as governance issues:

- Risk Management
- Records Management
- IT environment
- Performance Management
- Delegation Processes
- Training Programmes
- Policies and Procedures
- Committees of Council
- Code of Conduct
- Integrated Development Plan
- Strategic Plan
- Organisational Structure
- Public Participation

Audit Committee

Section 166 of the MFMA requires that each municipality and municipal entity must have an Audit Committee.

The Audit Committee must advise the municipal Council, political office bearers, the accounting officer and the management of the municipality of municipal entity on matters relating to:

- internal financial control and internal audits;
- risk management;
- accounting policies;
- the adequacy, reliability and accuracy of financial reporting information;
- performance management;
- effective governance;
- internal audit team and Audit Committee;
- compliance with the Act, the annual Division of Revenue Act and any other applicable legislation;
- performance evaluation; and
- any other issues referred to it by the municipality or municipal entity.

MEMBERS OF AUDIT COMMITTEE	
Member Name	**Capacity**
Ms Mpho Mathye (IAT)(PIA) (2nd term from 01 April 2021)	Chairperson
Mr Jack Ramakgolo (CCSA)(CFI) (2nd term from 01 April 2021)	Member
Ms. P Mangoma (CIA)(CISA)(01 April 2022)	Member
Mr. E Hlungwani (LLB)(01 April 2022)	Member
Mr. S Simelane (CA)(01 April 2022	Member

Matters that served before the Audit Committee in 2021/22

- Audit Strategy – AGSA
- Quarterly Internal Audit Activity reports
- Quarterly Internal Audit report on completed audits
- Quarterly Financial reports
- Quarterly Supply Chain Management reports
- Quarterly Information Technology reports
- Audit readiness plan
- Post Audit Action Plan
- Audit Committee Schedule of meetings
- Internal Audit and Audit Committee Charter
- Internal Audit Three Year Rolling Plan and One Year Plan
- Quarterly Service Delivery and Budget Implementation Plans
- Quarterly Litigation reports
- Quarterly Human Resource reports
- Quarterly SDBIP reports
- Quarterly update on Fraud Cases
- Revenue Enhancement report

Section 165 of the MFMA requires that each municipality and municipal entity must have Internal Audit unit.

The Municipality has an in-house Internal Audit activity that consists of six Internal Auditors with three vacancies. Below are the functions of the Internal Audit unit that were performed during the financial year under review:

2021/22 FIRST QUARTER	
Audits	**Completed / Not Completed**
☞ Audit of performance Information 4th quarter 2020/21 ☞ Review of 2020/21 AFS ☞ Follow-up 1st quarter: ➢ Revenue management Fresh Produce Market ➢ Loss Control ☞ PAAP review ☞ Asset management	Completed
2021/22 SECOND QUARTER	
Audits	**Completed / Not Completed**
☞ Audit of performance Information 1st quarter 2021/22 ☞ Follow-up 2nd quarter: ➢ Risk management ➢ IT Governance and Control ☞ Supply Chain Management 1st and 2nd Quarter	Completed
2021/22 THIRD QUARTER	
Audits	**Completed / Not Completed**
☞ Audit of performance Information 2nd quarter 2021/22 ☞ Local Economic Development	Completed
2021/22 FOURTH QUARTER	
Audits	**Completed / Not Completed**
☞ Audit of performance Information 3rd quarter 2021/22 ☞ Grants Audit	Completed

COMMENTS ON THE PERFORMANCE OF INTERNAL AUDIT OVERALL

- ☞ Completion of approved Internal Audit Plan timeously.
- ☞ Performing and completing Ad-Hoc Audit requested by management.
- ☞ Review of Post Audit Action Plan 2020/21.
- ☞ Reviewed the adequacy and effectiveness of the internal controls relating to annual stock count process.
- ☞ Approval of Internal Audit Plan and Charter
- ☞ Performed consulting work, advice on development of controls, policies and procedure manuals, and further provide advices through attendance of departmental meetings.
- ☞ Performing quarterly audits on Predetermined Objectives.
- ☞ Through the efforts of Internal Audit Activity, the Audit Committee meetings are held as scheduled and legislated.
- ☞ Providing value-adding recommendations.
- ☞ Internal Audit represented in the Financial Disciplinary Board

EMPLOYEE INFORMATION

EMPLOYEES: OFFICE OF THE MUNICIPAL MANAGER					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	3	5	5	0	0
4 - 6	6	10	7	3	30
7 - 9	3	3	2	1	33
10 - 12	2	4	1	3	75
13 - 15	1	1	1	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	**15**	**23**	**16**	**7**	**30**

FINANCIAL PERFORMANCE: OFFICE OF THE MUNICIPAL MANAGER					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**0**	**0**	**0**	**0**	**0%**
Expenditure					
Employees	11 415	10 916	9 709	8 606	-27%
Repairs and maintenance	0	112	19	12	-833%
Other	208	928	1 079	1 222	24%
Total Operational Expenditure	**11 623**	**11 956**	**10 807**	**9 840**	**-22%**
Net Operational Expenditure	***-11 623***	***-11 956***	***-10 807***	***-9 840***	

3.21 Financial Services (Including Supply Chain Management)

Matlosana Local Municipality has been under financial constraints because of the local economic outlook, which has been weaker than anticipated. The mining sector contributes to the local economy and is a substantial employer within Matlosana. Most mines have resorted to retrenching employees because of the current economic situation and this has contributed to our growing debtor's book.

Persistently high unemployment remains one of South Africa's most pressing challenges and many rural people are coming to Matlosana to seek employment. These economic challenges will continue to put pressure on municipal revenue generation and collection.

The Finance directorate deals with the administration of finances of the municipality i.e. own budget as well as the money received from the government fiscus, i.e. allocation by government to the municipality to enhance service delivery as in MIG and equitable shares grants. 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 directorate 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 must also be covered in terms of policy. There have been internal and external audits in order to ensure management of risk and curbing of corruption while encouraging effective customer care service.

DEBT RECOVERY						
						R' 000
Details of the types of account raised and recovered	2019/20		2020/21		2021/22	
	Actual for accounts billed in year	Proportion of accounts value billed that was collected %	Actual for accounts billed in year	Proportion of accounts value billed that was collected %	Actual for accounts billed in year	Proportion of accounts value billed that was collected %
Property rates	350 500	72%	425 503	70%	451 441	72%
Electricity – B						
Electricity – C	717 056	79%	808 903	76%	872 297	82%
Water – B						
Water – C	673 111	39%	653 368	37%	649 775	40%
Sanitation	98 672	34%	118 153	34%	125 338	34%
Refuse	172 867	30%	140 058	29%	167 812	28%
Other	627 215	22%	14 707	23%	15 681	19%

- Property rates billed annually have a collection rate of 72% which has increased by 2% from 70%.
- Electricity billed annually has a collection rate of between 82% considering electricity losses and theft.
- Water billed annually has a collection rate of between 40% with huge water losses in the municipal area.
- Sanitation billed annually has a collection rate of about 34%
- Refuse billed has a collection rate of about 28%
- Other income 19% – other income depends on the nature of the income. Example: sale of stands.
- The collection rates have decreased since credit control still cannot be affected properly due COVID-19 complications and the fact that electricity cannot be terminated in areas where Eskom supplies electricity and water restrictions are not effective.

SUPPLY CHAIN MANAGEMENT

The Supply Chain Management functions have not moved towards complete centralisation. This is mainly due to the municipality's technical Division (garage) which is still performing some purchase ordering functions, because of the SCM unit's capacity challenges within its maintenance section.

The departments are making requests and compiling preliminary specifications and reports to the Bid Committee. The SCM unit, then verify compliance and facilitates the procurement process until the award stage, utilising the Bid Committees for the entire process.

The municipality is also committed towards full implementation of the mSCOA compliant procurement system, in line with the mSCOA Roadmap on the full utilisation of the SCM module of the BCX Solar financial system.

The main objective is to move away from manually generated procurement processes, which are currently open to possible risks of fraud, due to human interventions.

These interventions will ensure that Supply Chain Management conforms to a management philosophy of integrating a network of upstream linkages (sources of supply), and downstream linkages (distribution and ultimate satisfaction to customers), in performing specific processes and activities that will ultimately create and optimise the value for the customer, in the form of products and services which are specifically aimed at satisfying customer demands and the provision of service delivery. This will ensure that outstanding orders and invoices are captured and processed in the financial system creditors sub-ledger, and also assist in the control of each department's budgeted votes against the procurement plan.

All goods and services procured through the procurement process have an impact on service delivery. The BID Committees within the SCM Unit, which consist of members from other departments, ensure that the following are done:

- Procurement is done in compliance with the procurement plan;
- Goods and services are procured at the correct time;
- The right quality and quantity are ensured; and
- The correct service providers or suppliers are used.

The SCM unit has the following challenges that need to be addressed, in order for it to function optimally:

- Insufficient capacity in terms of human resource and tools of trade to move towards full implementation of SCM Centralisation.
- Inadequate training for SCM staff and Bid Committee members, to expose both staff and committee members to best practices on supply chain management.
- Lack of motivation, commitment, and low morale shown by some of the SCM staff and committees. The restructuring of the organisational structure, development of the job descriptions, and proper placement of staff will make a huge impact to the optimal functioning of the SCM unit.
- Delays in the SCM processes on the appointment of service providers / suppliers, due to discrepancies in the procurement value chain as a result of inadequate quality assurance by both the SCM unit and user departments. There are current interventions underway to establish a Compliance Section (Team), to ensure that quality assurance is achieved, and the re-advertisement of tenders are reduced to a minimum as a result of non-compliance by service providers.
- Electronic system turn-around time which is still low. This is also aggravated by the current Eskom load-shedding situation.
- Lack of outreach programmes for prospective bidders' / service providers on supply chain management processes, and the completion of the required bid documents. This was aggravated by the outbreak of the COVID-19 pandemic over the past two years.
- Lack of transport for logistical arrangements on the movement of documents from SCM Stilfontein offices to Klerksdorp, and the accompanying security thereof.
- Inadequate security at the SCM Stilfontein offices, and at the Central Stores. There is a need for surveillance cameras at both places.
- Lack of suppliers' performance monitoring and evaluation, and contract management, since the municipality does not have a fully capacitated SCM structure, whereby it is unable to perform its legislative requirements of assessing performance of all service providers acquired.

EMPLOYEE INFORMATION

EMPLOYEES: FINANCIAL SERVICES AND SUPPLY CHAIN MANAGEMENT					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	7	7	6	1	14
4 - 6	19	22	19	3	14
7 - 9	34	23	19	4	17
10 - 12	70	109	90	19	17
13 - 15	34	43	30	13	30
16 - 18	2	4	3	1	25
19 - 20	10	14	9	5	36
Total	**176**	**222**	**176**	**46**	**21**

FINANCIAL PERFORMANCE: FINANCIAL SERVICES AND SUPPLY CHAIN MANAGEMENT					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**1 034 665**	**1 148 125**	**1 125 815**	**1 099 476**	**-4%**
Expenditure					
Employees	103 300	74 697	79 077	87 073	14%
Repairs and maintenance	16 159	382	682	330	-16%
Other	316 637	275 398	298 715	796 851	65%
Total Operational Expenditure	**436 096**	**275 780**	**299 397**	**884 254**	**69%**
Net Operational Expenditure	***598 569***	***872 345***	***826 418***	***215 222***	

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL

The municipality obtained an unqualified audit opinion for the 2021/22 financial year which is the same as the prior financial year.

The cash flow position of the municipality is a challenge due to the outstanding creditors that have to be dealt with in the coming years. The largest factor contributing to this is the collection of outstanding debt and it remains a challenge to the municipality.

As a result, the municipality struggle to keep the cash flow position positive.

NATIONAL KEY PERFORMANCE INDICATORS

See pages 254 - 256 for more detail.

3.22 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

- The Human Resources Services of the City of Matlosana is responsible for:
  - recruitment, selection and appointment of personnel;
  - the administration and management of leave, pension and medical aid funds;
  - ensuring the safety and wellness of officials through the Occupational Health and Safety unit, as well as the Employee Assistance Programme unit;
  - ensuring capacitation of employees through the Training and Development unit; and
  - ensuring the creation of a harmonious relationship between management and officials and the maintenance of disciplined workforce through the Labour Relations unit.
- Setting out priorities for the Human Resource Services and the impact during 2021/22 financial year:
  - in process of filling of all critical positions; and
  - capacitate newly appointed finance officials through the municipal finance related skills programs.
- By reviewing the organogram, Human Resource Services will, among others, be able to meet the following objectives:
  - outline clear municipal functions as set out in the strategic plan of the municipality and right-size human capital accordingly;
  - align the organisational structure with the IDP in order to have municipal posts that support strategic objectives of the municipality as well as respond to changes that emerge from evolutionary developments and proactive initiatives of the municipality;
  - clarify functions per departments, units and positions needed in order to achieve specific municipal goals; and
  - clarify key performance areas and indicators of all positions on the organogram in order to ensure that they are relevant and serve, as much needed support to the main objectives of the municipality in terms of service delivery.

  The organizational structure was reviewed in 2021, but due to financial constraints the structure could not be implemented and as a result management was tasked to prioritize and budget for critical positions for implementation in the 2021/22 financial year.

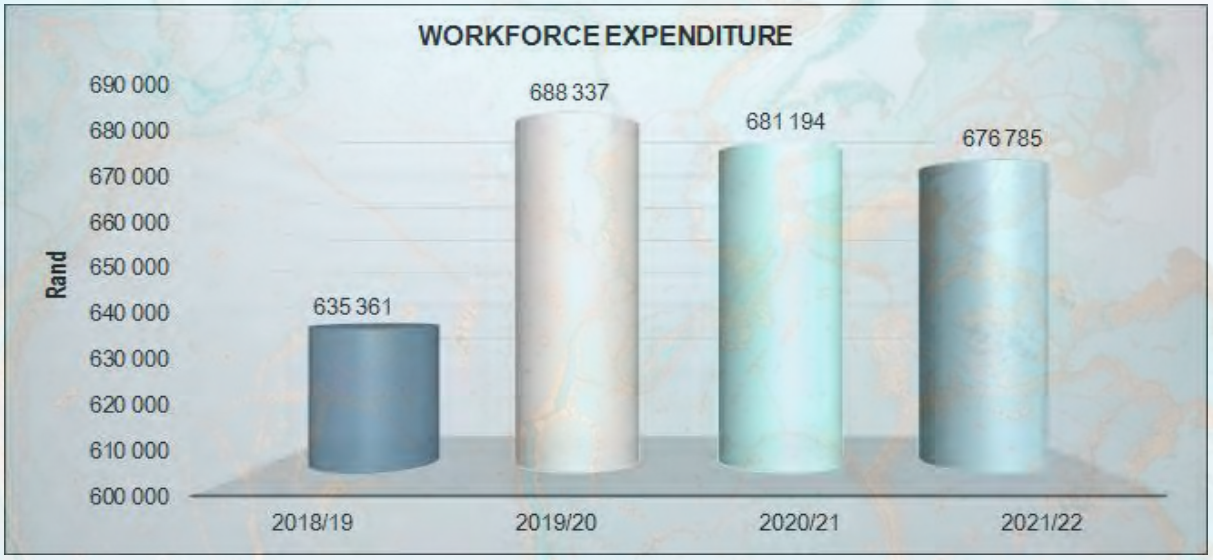
- By developing a Human Resource Plan during 2020, the section will now concentrate on meeting the following objectives:
  - maintain pleasant industrial relations to the optimum level and structure of Human Resources;
  - meet the needs of expansion and diversification programmes;
  - assess surplus or shortage of human capital over a specified period; and
  - identify trends in terms of service, injury on duty, sick leave to be able to plan remedial programmes to address negative trends.
- By capacitation of staff through various training interventions, the Skills Development section will be able to produce a skilled and competent workforce and will comply with the National Treasury's requirements in relation to competency levels as well as related legislation such as MFMA and Skills Development Act.

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

Total personnel expenditure trends in the last four years

The following table reflects the total personnel expenditure trends from 2018/19 to 2021/22:

FINANCIAL YEAR	(R'000)	% OF TOTAL BUDGET
2018/19	635 361	20.00%
2019/20	688 337	20.00%
2020/21	681 194	19.81%
2021/22	676 785	17.14%

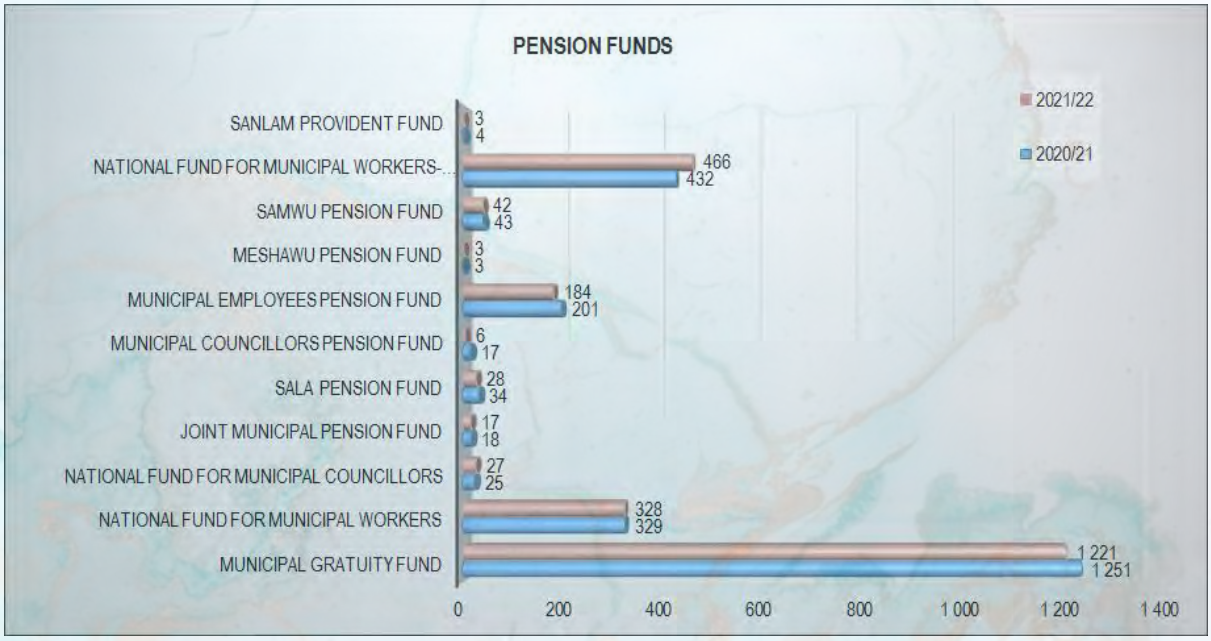


Pension and Medical Aid Funds

Pension Fund

The composition of membership for pension and provident funds was as follows:

PENSION FUND	NUMBER OF MEMBERS		
	2019/20	2020/21	2021/22
Municipal Gratuity Fund	1 302	1 251	1 221
National Fund for Municipal Workers	343	329	328
National Fund for Municipal Councillors	25	25	27
Joint Municipal Pension Fund	21	18	17
Sala Pension Fund	36	34	28
Municipal Councillors Pension Fund	18	17	6
Municipal Employees Pension Fund	220	201	184
Meshawu Pension Fund	3	3	3
Samwu Pension Fund	46	43	42
National Fund for Municipal Workers-Provident Fund	415	432	466
Sanlam Provident Fund	4	4	3
TOTAL	**2 433**	**2 357**	**2 325**



The Council's actual pension fund expenditure towards the employer's contribution for 2021/22 financial year totalled R84 321 641.33.

Medical Aid Funds

The medical aid funds are accredited by the South African Local Government Bargaining Council (SALGBC).

The Council's actual expenditure for the 2021/22 financial year as the employer's contribution to medical aid funds was R38 351 368, while the medical aid for pensioners and provision for 2021/22 are R14 125 855 which brings the total medical aid fund to R52 477 222.

MEDICAL AID FUND		
Details	**Nr of Members**	**Employer's Contribution (R)**
Key Health	52	2 660 721
Hosmed	57	2 301 651
Bonitas	249	9 315 043
LA Health	642	21 361 795
Samwu Med	92	2 703 157
Pensioners and provision for contributions	226	14 125 855
TOTAL	**1 318**	**52 477 222**

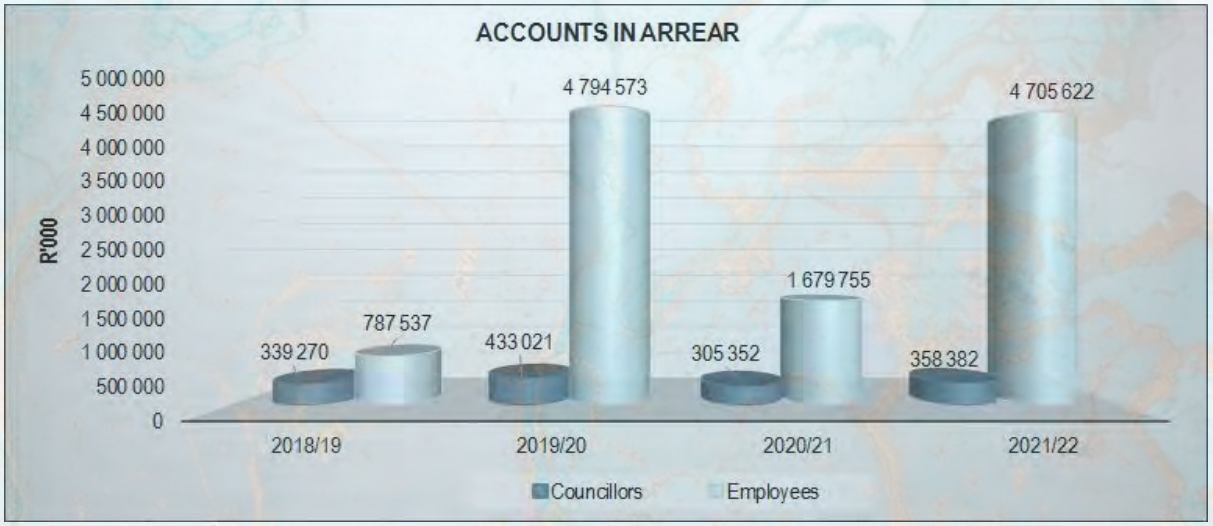
Outstanding Monies

MFMA Circular 11 requires that municipalities disclose arrears (outstanding monies) by Councillors / employees for the financial year.

OUTSTANDING MONIES				
Accounts in Arrear as at	Arrears June 2019	Arrears June 2020	Arrears June 2021	Arrears June 2022
	(R)	(R)	(R)	(R)
Councillors*	339 270	433 021	305 352	1 115 309
Employees	787 537	4 794 573	1 679 755	4 705 622**

** Names of Councillors in arrears for more than 90 days can be seen in Note 50 of the financial statements.*

*** It must be noted that the outstanding amount owing by personnel has increased drastically, due to an ongoing investigation which commenced in December 2019 of personnel who are owing and not paying. These personnel are being included to the salary deduction list on an ongoing basis. Council, through its Finance Portfolio Committee, is monitoring the status of these debts, against the repayment arrangements made, to ensure that monies owed are recovered within the acceptable timeframe, in line with legislative requirements.*



Disclosure concerning Councillors and directors

The following table reflects the remuneration for Councillors and directors:

DESIGNATION	REMUNERATION PACKAGE (R)*			
	2018/19	2019/20	2020/21	2021/22
Executive Mayor	1 048 541	1 051 128	1 127 727	933 295
Speaker	849 523	849 782	913 314	900 724
Mayoral Committee Members (12)	9 541 408	9 593 340	9 748 352	9 644 599
Councillors (63)	23 343 034	22 868 433	23 671 305	23 418 818
Municipal Manager	1 429 656	1 424 447	1 519 593	1 456 932
Director Budget and Treasury (CFO)	812 455	385 421	1 012 222	993 097
Director Corporate Support	1 160 938	1 156 263	1 236 258	1 161 592
Director Technical and Infrastructure	1 380 952	1 376 505	1 468 607	1 432 968
Director Local Economic Development	394 047	1 156 263	1 333 762	1 304 336
Director Community Development	1 166 093	1 156 263	1 340 376	1 319 699
Director Public Safety	1 160 707	1 156 263	1 245 508	1 207 951
Director Planning and Human Settlements	-	1 376 505	1 468 607	1 432 968

* *See note 29 and note 30 of Annual Financial Statements for more information regarding remuneration*

PERSONNEL ADMINISTRATION STATISTICS				
DETAIL	2018/19	2019/20	2020/21	2021/22
Pension	40	32	15	44
Resignations	46	12	34	24
Deaths	19	18	9	17
Other	14	0	5	10
Injuries on duty	59	77	77	80
Medical boarding in process	10	07	06	07
Medical boarding application	21	15	17	10
Death claims	20	30	15	20
Posts in Council	2 530	2 530	2 531	2 540
Posts filled	2 026	1 982	1 904	1 876
Posts vacant	504	548	627	664

Labour relations

Workforce management is almost impossible in the absence of sound discipline within the workplace.

The municipality's Labour Relations section, located in the Human Resources Department, is effective and well recognised.

In essence, the objectives of this particular function are to ensure the following:

- compliance with applicable relevant legislation e.g. Labour Relations, Basic Conditions of Employment Act, Employment Equity, Collective Agreement etc.;
- maintenance of good working relations with recognised labour within the workplace;
- a fully functional Local Labour Forum and its operational systems, and effective functioning of sub-committees dealing with Human Resources Development, Workplace and Services Restructuring and Basic Condition;
- adherence to collective agreements applicable to municipalities as agreed to at the South Africa Local Government Bargaining Council (SALGBC);
- processes and procedures are in place for the internal resolution of grievances which have the potential of litigation against Council in the form of unfair labour practice disputes; and
- processes and procedures are in place for the effective administration of disciplinary proceedings in accordance with the Disciplinary Code.
- effective representation in conciliation and arbitration proceedings on behalf of the municipality.

Employee Assistance Programme

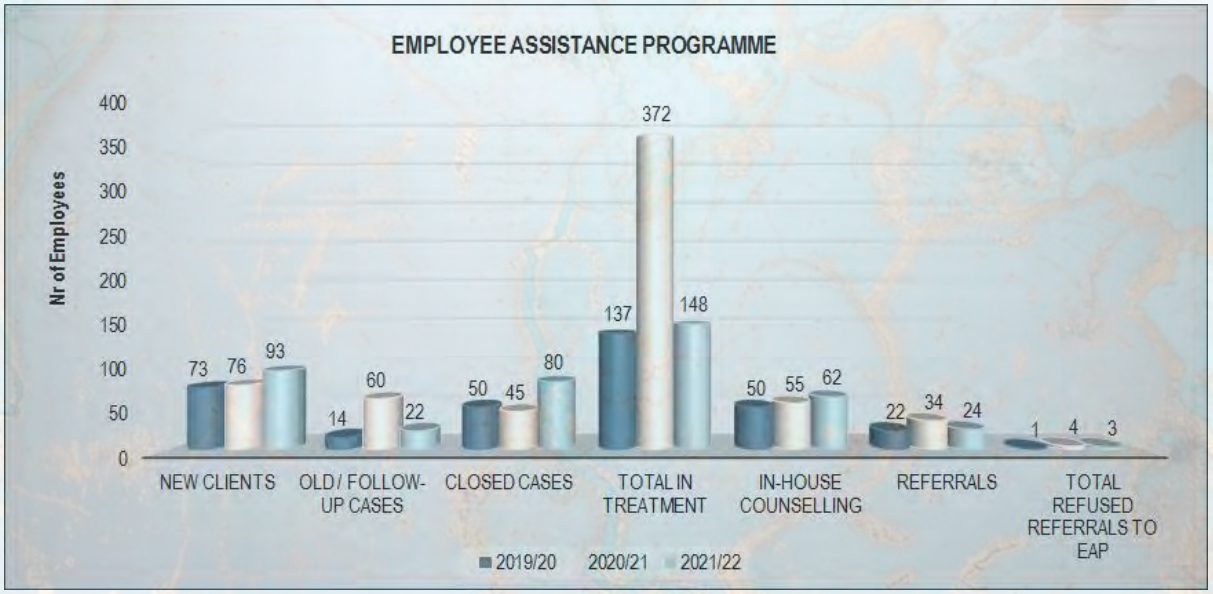
In the striving to sustain a healthy workforce the municipality has, an Employee Assistance Programme, which is a workplace-based programme, designed to assist in the identification and resolution of productivity and psychosocial problems, which may negatively affect the work performance of employees.

Services rendered under are:

- work-related issues such as absenteeism;
- stress management;
- alcohol and substance abuse;
- ill-health management;

- psycho-social problems;
- financial life skills;
- trauma debriefing;
- marital and family distress; and
- HIV/AIDS support and counselling.

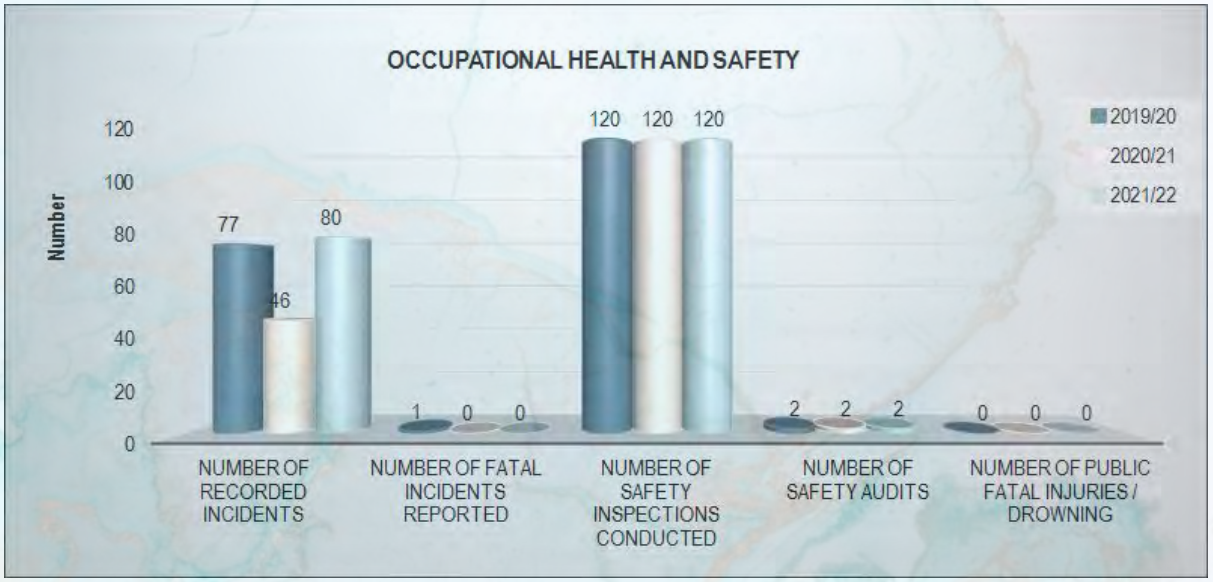
EMPLOYEE ASSISTANCE PROGRAMME STATISTICS				
DETAIL	2018/19	2019/20	2020/21	2021/22
New clients	97	73	76	93
Old / follow-up cases	60	14	60	22
Closed cases	349	50	45	80
Total in treatment	76	137	372	148
In-house counselling	110	50	55	62
Referrals	14	22	34	24
Total refused referrals to EAP	5	1	4	3



OCCUPATIONAL HEALTH AND SAFETY

The aim of this section is to ensure a healthy and safe working environment, the City of Matlosana complies with the Occupational Health and Safety Act and has a fully functional Health and Safety Committee, which meets quarterly to address health and safety issues facing the municipality.

OCCUPATIONAL HEALTH AND SAFETY STATISTICS				
DETAIL	2018/19	2019/20	2020/21	2021/22
Number of recorded incidents	59	77	46	80
Number of fatal incidents reported	0	1	0	0
Number of safety inspections conducted	120	120	120	120
Number of safety audits	2	2	2	2
Number of public fatal injuries / drowning	0	0	0	0



EMPLOYEE INFORMATION

EMPLOYEES: HUMAN RESOURCE SERVICES					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 – 3	2	3	2	1	33
4 – 6	9	11	10	1	9
7 – 9	4	6	6	0	0
10 - 12	7	10	9	1	10
13 - 15	1	1	1	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	**23**	**31**	**28**	**3**	**10**

FINANCIAL PERFORMANCE: HUMAN RESOURCE SERVICES					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**1 983**	**1 812**	**2 212**	**1 125**	**-61%**
Expenditure					
Employees	36 842	9,222	8,546	8,421	-10%
Repairs and maintenance	265	15	-	-	0%
Other	8 395	3 538	3 474	2 062	-72%
Total Operational Expenditure	**45 502**	**12 775**	**12 020**	**10 483**	**-22%**
Net Operational Expenditure	***-43 519***	***-10 963***	***-9 808***	***-9 358***	

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL

In order to meet the ever-growing demand for the provision of quality municipal services, the City of Matlosana places price in the effective management and development of human capital.

Over the financial year under review, the City of Matlosana has prioritized Human Resource Management and Development as one of the key areas of improvement.

The municipality is also committed to promoting effective recruitment and selection, organisational efficiency improvement, occupational health and safety, and human resources development.

The municipality also focused on filling of vacancies with the right talent and promoting fairness in the recruitment and selection process, supporting opportunities to people living with disability and other designated groups. The city made efforts to promote compliance with the relevant local government legislation and Regulations on Staff Establishment. In this regard, amongst others, the city focused on the employment equity, code of conduct and policy reviews. The Employment Equity Report was successfully submitted to Department of Employment and Labour effective from 01st May 2021 to 01st April 2022.

Human Resource Policies were reviewed in line with the Regulations on Staff Establishment including, but not limited, to Performance Management and Development System for staff lower to Senior Managers.

Workshops on employment related legislation were conducted across departments as part of human resource strategic thrust of empowering staff and boosting their morale.

NATIONAL KEY PERFORMANCE INDICATORS

FINANCIAL YEAR	NO. OF APPROVED POSITIONS ON THE THREE HIGHEST LEVELS OF MANAGEMENT	NO. OF MALE POSITIONS FILLED ON THE THREE HIGHEST LEVELS OF MANAGEMENT	NO. OF FEMALE POSITIONS FILLED ON THE THREE HIGHEST LEVELS OF MANAGEMENT
2018/19	45*	31	9
2019/20	46*	31	9
2020/21	46*	27	9
2021/22	46*	29	9

** (Excluding section 54A and 56 employees)*

NATIONAL KEY PERFOMRANCE INDICATOR

See page 257 for detail.

3.23 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The Information and Communication Technology Section provides an advisory, strategic, administration, support and maintenance, developmental and management service in order to maintain and control the Municipal Information Systems, the Communication Network Architecture and the technology resources for the municipality.

The municipality has identified ICT as an enabler of municipal service delivery as ICT ensures compliance, availability, continuity, integrity and security of the municipality's data, hardware, and software and networks architecture.

A strong ICT function is necessary for the realization of the vision and goals of the municipality.

The access, installation, maintenance and support services that are granted to users on a need to use basis range from e-mail, internet, fax-to-email, Voice Over Internet Protocol (VOIP), Solar Financial system, Cash Drawer system, Utilities World Prepaid system, Payday system, Orbit Document Management system, Workflows Library system, etc.

The development of a five-year ICT Strategy Plan and an ICT Disaster Recovery Plan has been initiated and various interviews with employees in the different directorates have been conducted in the 2021/22 financial year. The Strategic Plan is in the final stages of being developed.

For the 2021/22 financial year, there were 1 832 service requests logged by users at the IT Helpdesk and all were successfully resolved. 95% of these calls were resolved within ten working days.

Although the ICT department continues to face funding challenges just like any other business unit in the municipality, this has a direct consequence in dealing with slow network speeds and poor integration between applications.

In April 2022, feasibility tests were conducted on all remote sites for the upgrading of the old DigiNet to Fibre which will result in faster network speeds.

EMPLOYEE INFORMATION

EMPLOYEES: ICT SERVICES					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 - 3	0	1	1	0	0
4 - 6	0	0	0	0	0
7 - 9	1	1	1	0	0
10 - 12	0	0	0	0	0
13 - 15	2	2	2	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	**3**	**4**	**4**	**0**	**0**

FINANCIAL PERFORMANCE: ICT SERVICES					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**254**	**210**	**123**	**99**	**71%**
Expenditure					
Employees	1 996	2 154	2 165	2 143	-1%
Repairs and maintenance	0	1 589	1 589	277	0%
Other	19 383	14 361	14 762	14 079	-3%
Total Operational Expenditure	**21 379**	**18 104**	**18 516**	**16 499**	**-2%**
Net Operational Expenditure	***-21 125***	***-17 894***	***-18 393***	***-16, 400***	

COMMENT ON THE PERFORMANCE OF ICT OVERALL

The following projects were successfully completed during the 2021/22 financial year:

- A total of six network switches were replaced
- Three POE switches were replaced
- 35 Desktop computers were upgraded. This is necessary, as the older technology is not compatible with the latest versions of the Windows Operating System as well as software in use.
- 45 new network points were installed at the –
  - PMU Office;
  - SCM Office in Stilfontein;
  - Revenue Section;
  - LED Offices in Stilfontein;
  - Traffic Offices;
  - Water Office at the Klerksdorp Civil Engineering Offices;
  - Klerksdorp Licence Office; and
  - HR Recruitment Office.
- The initial assessment/feasibility study of upgrading the remote sites from a DigiNet line to a dedicated fibre line commenced in April 2022.
- The Kaspersky Anti-Virus Software was upgraded to the latest Kaspersky Anti-Virus Release and the Licence was renewed. Both the latest software and the licence key were distributed to all PC's and laptops connected to the City of Matlosana's network.

3.24 LEGAL AND ADMINISTRATION SERVICES

INTRODUCTION TO LEGAL SERVICES

Rendering of legal services and support to Council, the municipal manager and to all Council's directorates and ensuring that compliance requirements are adhered to by Council.

Legal Services provides legal comments on items to Council submitted by directorates as well as liaising with attorneys on matters that require referral for litigations, opinions and reports. Receives, responds and distributes legal documents served to Council, consults with departments and prepares litigation documents before referral to attorneys.

Conducting inspection in conjunction with town-planning.

Responsible for drafting service level agreements, memorandum of understanding and lease agreements and to keep and update the contract register.

Description of the activity:

- Ensures that compliance requirements are adhered to by Council
- Provides legal comments on items to Council submitted by directorates.
- Provide support during disciplinary hearings by acting as the employer representative or alternative as a presiding officer.
- Submission of monthly litigation report and updates on cases handled by our panel of attorneys to Council on monthly basis.

Key performance objectives:

- Ensuring effective legal services provision for Council.
- Ensuring re-alignment of constraints to improve contract management.
- Provide legal support in reviewing, revision and development of By-Laws for Council directorates

Strategic objectives:

- Rendering legal advice on matters relating to Council and its staff in a manner that permits timely and appropriate action.
- Advising and representing Council on litigation matters in a complete and timely fashion.
- Reviewing all resolutions, as well as contracts/agreements.
- Endeavouring to cut down on legal costs
- Provide legal support to directorates in revising Council policies and procedures to comply with statutory and legal requirements.
- Providing professional legal advice to the Council and its top management.

Key issues:

- To settle cases and effective outcome of actions with minimal negative impact for Council.
- To effectively protect Council's interest.
- To give effective legal support to all departments.
- To effectively regulate relationships between Council and clients.
- To effectively promote knowledge on legal matters.
- To ensure compliance with the Town Planning Scheme

SERVICE STATISTICS FOR LEGAL SERVICES

INFORMATION	2018/19	2019/20	2020/21	2021/22
Cases against Council	42	50	11	6
Cases for Council	74	31	7	4
Cases won	0	02	0	0
Cases settled	0	01	0	0
Cases outstanding	116	124	18	10
Cases referred to the High Court	21	26	11	10
Town Planning matters	-	43	0	0
TOTAL EXPENDITURE	**R10 236 309**	**R7 372 089**	**R3 296 277**	**R6 000 000**

EMPLOYEE INFORMATION

EMPLOYEES: LEGAL AND ADMINISTRATION SERVICES					
Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
0 – 3	3	4	3	1	25
4 – 6	6	8	6	2	25
7 – 9	3	4	3	1	25
10 – 12	9	12	10	2	17
13 – 15	12	14	12	2	14
16 – 18	4	6	3	3	50
19 – 20	24	33	23	10	30
Total	**61**	**81**	**60**	**21**	**26**

FINANCIAL PERFORMANCE: LEGAL AND ADMINISTRATION SERVICES					
					R'000
Details	2020/21	2021/22			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Total Operational Revenue	**1 983**	**15**	**199**	**165**	**91%**
Expenditure					
Employees	42 138	34 074	36 703	36 726	7%
Repairs and maintenance	281	458	717	488	0%
Other	12 695	9 724	9 443	8 852	-10%
Total Operational Expenditure	**55 114**	**44 256**	**46 863**	**46,066**	**4%**
Net Operational Expenditure	***-53 131***	***-44 241***	***-46 664***	***-45 901***	

COMMENT ON THE PERFORMANCE OF LEGAL SERVICES OVERALL

- Legal Services have managed to draft hundred percent of service level agreements for tenders awarded and documents received from Supply Chain Management unit.
- Legal Services implemented contract register to record, keep information that relates to the awarded projects, updates the register and monitor the register on monthly basis.
- In order to avoid more legal costs, some matters are resolved internally with third parties.
- Legal Services ensure that there is a smooth legal and administration by providing legal support to various departments in the municipality.
- Liaising with attorneys for matters that requires litigations.

COMPONENT J: ORGANISATIONAL PERFORMANCE

2021/22 Annual Performance Report



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1. INTRODUCTION

The 2021/22 Annual Performance report is hereby submitted to Council in terms of section 121 of the Municipal Finance Management Act, (56 of 2003) as amended, read with the Municipal Systems Act, (32 of 2000) as amended, Section 46(1) and (2), as well as the Municipal Finance Management Act, Circular 11 and 63 on annual reporting.

The Municipal Planning and Performance Management Regulations (2001), Chapter 3, Section 7, stipulates that a "municipality's performance management system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players".

The Municipal Systems Act, (Act 32 of 2000) as amended, stipulates the following:

Annual Performance Reports

46. (1) A municipality must prepare for each financial year a performance report reflecting –

(a) the performance of the municipality and of each external service provider during that financial year;

(b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and

(c) measures taken to improve performance.

(2) An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Finance Management Act."

This report covers the performance information from 1 July 2021 to 30 June 2022 and focuses on the implementation of the Service Delivery Budget and Implementation Plan (SDBIP), in relation to the Integrated Development Plan (IDP) and Budget.

The SDBIP and Annual Performance Report 2021/22 is arranged in terms of the five National Key Performance Areas of Local Government, which are:



The Municipality has eight directorates, which includes the Office of the Municipal Manager.

These directorates are:

- Office of the Municipal Manager
- Directorate Technical and Infrastructure
- Directorate Budget and Treasury
- Directorate Corporate Support
- Directorate Public Safety
- Directorate Community Development
- Directorate Planning and Human Settlements
- Directorate Local Economic Development

Vacant position of Director: Budget and Treasury (CFO)

The Director Budget and Treasury (CFO) resigned with effect 31 March 2021 and in terms of Council resolution, SPCC 26/2021 dated 30 April 2021 Council resolved that the Deputy Director: Budget and Treasury: Income and Expenditure, Mr BO Kgoete be appointed as Acting Director Budget and Treasury (CFO) to manage the directorate until the vacant post can be filled, as well as the advertisement of the vacant position.

On 25 May 2021 (CC 34/2021) Council approved a selection panel to deal with the vacant position of the Director: Budget and Treasury (CFO), which the MMC of Finance formed part.

The vacant position of Director Budget and Treasury (CFO) was advertised in Careers / Loopbane 24 (City Press and Rapport) of 6 June 2021.

The Executive Mayor passed away on 16 July 2021 and Mayoral Committee dissolved in terms of Sec.60 (5) of the LG: MSA and portfolio committees were only established on 15 December 2021 (CC136/2021), after the 2021 Elections, Council was inaugurated. A new MMC of Finance was elected.

Council has in terms of CC 15/2022 dated 31 January 2022 resolved that the vacant position of Director Budget and Treasury (CFO) be re-advertised nationally.

The vacant position of Director Budget and Treasury (CFO) was advertised in Careers / Loopbane 24 (City Press and Rapport) of 27 March 2022, with the closing date 10 May 2022.

As a result of the magnitude of time, responsibilities and workload of the Director Budget and Treasury (CFO) position, the responsibilities of the position of Deputy Director: Budget and Treasury: Income and Expenditure suffers.

The City of Matlosana, in terms of CC15/2022 dated 31 January 2022, requested the MEC for Finance to second a suitable person in terms of the Local Government Municipal System Act, no 32 of 2000, Section 56(1)(c), to act in the vacant position of Director Budget and Treasury (CFO), until such time a suitable candidate for the post has been appointed.

Council has in terms of CC 17/2022 dated 15 February 2022 noted that Mr Peter Thelele was seconded by the MEC of Finance to the City of Matlosana to act as Director Budget and Treasury (CFO) for a period not exceeding twelve months, with effect from 7 February 2022.

The filling of the vacant position of Director Budget and Treasury (CFO) is currently in process.

Vacant position of Municipal Manager

The 5-year fixed term employment contract of the then resident Municipal Manager, Mr TSR Nkhumise ended on 30 April 2022 and a vacancy there for exists with effect 1 May 2022.

Council has in terms of CC 39/2022 dated 18 March 2022 resolved that the vacant position of Municipal Manager be advertised nationally.

The vacant position of Municipal Manager was advertised in Careers / Loopbane 24 (City Press and Rapport) of 27 March 2022, with the closing date 10 May 2022.

In terms of Council resolution CC 56/2022 dated 3 May 2022, Ms. Lesego Seametso, Director Corporate Support, was appointment as the acting Municipal Manager for the City of Matlosana for a period not exceeding the period or 3 months unless the period is extended by the MEC responsible for local government in the province, with effect from 1 May 2022.

The filling of the vacant position of Municipal Manager is currently in process.

2. PERFORMANCE MANAGEMENT PROCESS OVERVIEW AND COVID-19

2.1 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT

The Executive Mayor approved the SDBIP, which include the municipality's key performance indicators for 2021/22, in terms of Section 53(1) (c) (ii) of the Local Government: Municipal Finance Management Act (MFMA), on 28 June 2021 (EM 3/2021).

In order to comply with MFMA Section 72, the Municipal Budget and Reporting Regulations, 2008 (Regulation 33-35) and MFMA Circular 13, the Performance Management Unit conducted mid-year SDBIP assessments by conducting workshops with the directorates during January 2022.

Focus during these assessment sessions were placed on the following:

- COVID-19 assessment on approved key performance indicators and targets for the past 6 months as well as the impact there of for the remainder of the financial year
- Submission dates and flow of information
- Adjustment of budgets
- Adjustment of targets
- Well defined indicators and targets
- Vote numbers
- Internal Audit findings
- Auditor-General findings
- C88 indicators

In terms of Section 72(1)(a) and 52(d) of the Local Government: Municipal Finance Management Act (MFMA), Act 56 of 2003 the Accounting Officer must by the 25th of January of each year assess the performance of the municipality during the first half of the financial year. A report on such an assessment must, in terms of Section 72(1)(b) of the MFMA, be submitted to the Mayor, Provincial and National Treasury.

Once the Mayor has considered the report, it must be submitted to Council by 31st January in terms of Section 54 of the MFMA. The Mid-Year Performance Assessment Report and supporting tables of council is prepared in accordance with MFMA Circular 13 and the Municipal Budget and Reporting Regulations.

The requested mid-year adjustments on the 2021/22 SDBIP for the 1st and 2nd quarters were approved by the Municipal Manager on 24 January 2022 (MM 12/2022), submitted to and signed-off by the Executive Mayor on 25 January 2022, as well as Council (CC 9/2021) dated 31 January 2022.

The municipality could only achieve 51% of the applicable key performance indicators for the first six months of the 2021/22 financial year.

2.2 COVID-19 PANDEMIC AND NATIONAL LOCKDOWN

The COVID-19 pandemic continued in the 2021/22 financial year with an Adjusted Alert levels. The results of the pandemic were taken into consideration during the 2021/22 SDBIP planning process and the 1st half of the year already incorporate the challenges with non-compliance of indicators and targets such as school visits, school awareness programmes, increasing unemployment and lower income rate.

Since the start of the 2021/22 financial year and implementation of the SDBIP, the COVID-19 Alert levels in the country moved as follows:

- Adjusted alert level 2 - 31 May to 15 June 2021;
- Adjusted alert level 3 - 16 June 2021 to 27 June 2021;
- Adjusted alert level 4 - 28 June to 25 July 2021;
- Adjusted alert level 3 - 26 July to 12 September 2021;
- Adjusted alert level 2 - 13 to 30 September 2021;
- Adjusted alert level 1 - 1 October 2021 to 4 April 2022; and
- National State of Disaster lifted - 5 April 2022

2.3 ADJUSTMENTS FOR THE 2021/22 FINANCIAL YEAR

Council approved, in terms of CC9/2022 and CC16/2022 dated 31 January 2022, the 2021/22 Mid-Year Budget and Performance Assessment, as well as the rolled-over Unspent Conditional Grants for incorporation in the 2021/22 SDBIP. Four projects were removed from the SDBIP due to non-approval of roll-overs.

On 18 March 2022, Council approved the Adjustment Budget in terms of CC36/2022.

On 25 March 2022, additional funding was received from NDPG and MIG, in terms Government Gazette Vol. 681 of 25 March 2022 No. 46095 for stopped or re-allocated projects, to accelerate progress and expenditure for 2021/22 financial year.

The adjustments to the 2021/22 SDBIP and 2021/22 Performance Agreements were approved by Council in terms of CC68/2022 and CC71/2022 dated 31 May 2022, respectively.

Council further approved a Special Adjustment Budget for 2021/22, (CC87/2022) on 15 June 2022 to incorporate the additional grant funding received from DGNG and MIG.

2.4 PERFORMANCE MANAGEMENT OPERATIONS

Notwithstanding all these challenges, the City of Matlosana continued to maintain effective performance management operations of the following processes:

- A Mid-year Budget and Performance Assessment in terms of section 72 of the Municipal Finance Management Act, which informed the adjustment budget and revised SDBIP was approved by the Executive Mayor on 25 January 2022 and Council on 31 January 2022. (CC09/2022 dated 31/01/2022);
- Quarterly performance reports with supporting evidence were prepared by various directorates;
- Council tabled the 2020/21 Audited Annual Report on 18 March 2022 in terms of CC37/2022;
- The Adjusted 2021/22 SDBIP and Adjusted 2021/22 Performance Agreements were approved by Council in terms of CC68/2022 and CC71/2022 dated 31 May 2022, respectively;
- The Executive Mayor approved the 2022/23 Service Delivery and Budget Implementation Plan on 30 June 2022;
- Annual Performance Agreements with performance plans were developed and signed by the senior managers from 30 June 2022 and approved by the Executive Mayor on 30 June 2022, as required by the Municipal Performance Regulations, 2006;
- All legislated approved documents were timeously submitted to National Treasury, Provincial Treasury and relevant departments in Local Government in the province, as well as to the ICT section for publishing on Council's website; and
- The process on the filling of the vacant positions of Municipal Manager and Director Budget and Treasury (CFO) are currently done in terms of and within the legislated timeframes of the Regulations on Appointment and Conditions of employment of Senior Managers (as published under Government Notice No. 21 in the Government Gazette no 37245 of 17 January 2014).

3. PERFORMANCE ASSESSMENTS

The Municipal Systems Act, 2000 (Act 32 of 2000), as amended prescribes that the municipality must enter into a performance-based agreement with all Section 54A and Section 56 managers and that performance agreements must be formally reviewed twice per annum. The performance agreements therefore establish a performance relationship between the employer and the employee and requires that the performance of the employee needs to be reviewed.

The formal evaluations should focus on the actual work delivered in terms of Annexure A (Performance Plan), leading, and core competencies in terms of Annexure B (Competency Framework) of the performance agreement.

3.1 Annual Performance assessments 2019/20 and 2020/21

Due to the resignation of Cllr NM Mendela, member of the Mayoral Committee and member of the Evaluating Panel on 1 April 2021, and Cllr MME Kgaile, Executive Mayor who passed on, on 16 July 2021, council

resolution CC 15/2020 dated 25/02/2020, which deals with the appointment of the evaluation panel had to be rescinded and the panel be re-constituted.

Council approved, in terms of CC38/2022 dated 18 March 2022 a new Evaluation Panel to deal with the 2021/20 and 2020/21 Annual Performance Assessment.

Evaluations of the senior managers for these periods between the senior managers and municipal manager were completed.

4. AUDITING OF PERFORMANCE INFORMATION

The Municipal Systems Act, 2000 as amended, section 45 requires that the results of performance measurements in terms of section 41 (1)(c), must be audited as part of the internal auditing process and annually by the Auditor-General. All auditing must comply with section 14 of the Municipal Planning and Performance Management Regulations, 2001.

Council's Internal Audit section is responsible to perform this function. As part of their scope, auditing of the Performance Management was performed and reports received for each quarter in terms of the following:

- Identify non-compliance with the relevant laws and regulations in the overall performance management system, processes and procedures.
- Document the understanding obtained of the performance information system, processes and procedures.
- Document the understanding of risks that exists in the detailed performance management process per selected development priority.
- Assess, review, test and verify the consistency, measurability, relevance and presentation of planned and reported performance information.
- Review scorecards on a test basis to supporting evidence on a sample basis.
- Record the system that is used to generate the performance information.
- Ensure compliance with the requirements of the PMS Regulations.
- Ensure the accuracy and validity of the information included in the annual report based on the evidence inspected, on a sample basis.

On 21 October 2014 Council approved the merger of the Audit and the Performance Audit Committees in line with section 166 (b) of the MFMA (CC 122/2014 dated 21 October 2014).

The primary objective of the Audit Committee is to advise the municipal council, political office–bearers and assist the Accounting Officer and management staff of the municipality in the effective discharge of their responsibilities with regard to performance management, risk management, internal control and governance, and the ultimate aim of the achievement of the organization's objectives.

The Audit Committee is an independent advisory body that performs its functions in terms of section 166 of the Municipal Financial Management Act (MFMA) 56 of 2003, as amended and King IV Report on Corporate Governance.

5. ISSUES RAISED IN THE 2020/21 AUDITOR-GENERAL'S REPORT

"Introduction and scope

1. *In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on usefulness and reliability of the reported performance information against predetermined objectives for selected key performance areas (KPA) presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.*

2. *My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.*

3. *I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected key performance area presented in the annual performance report of the municipality for the year ended 30 June 2021:*

Key performance area	***Pages in the annual performance report***
KPA 1 – Basic service delivery and infrastructure development	*167 – 188; 199 – 200; 228; 241; and 252 - 254*

4. *I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.*

5. *I did not identify any material findings on the usefulness and reliability of the reported performance information on the selected key performance area of the municipality.*

Other matter

6. *I draw attention to the matter below.*

Achievement of planned targets

7. *Refer to the annual performance report on pages 167 – 258 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a number of targets."*

6. ANNUAL PERFORMANCE INFORMATION

The Annual Performance Report will there for be presented to the Auditor-General for auditing together with the Annual Financial Statements on 31 August 2022.

The following are reported on:

- IDP and Capital Projects
- Operational and Compliance Indicators
- Outcome 9 Indicators of National Government
- National Key Performance Indicators

The Annual Performance Report for the 2021/22 financial year reflects the performance of the municipality and directorates in a table format, measured on the approved KPI's and targets, as contained the IDP and SDBIP. The respective directorates report the achievements, reasons for deviation and planned remedial action on a quarterly basis.

Data provided on the SDBIP is supported by relevant evidence captured and maintained by the directorate's proof of evidence files – (POE's).

6.1 Organisational Performance Results

The table below encapsulates the summary of the municipality's 2021/22 performance results with regard to each of the development priorities:

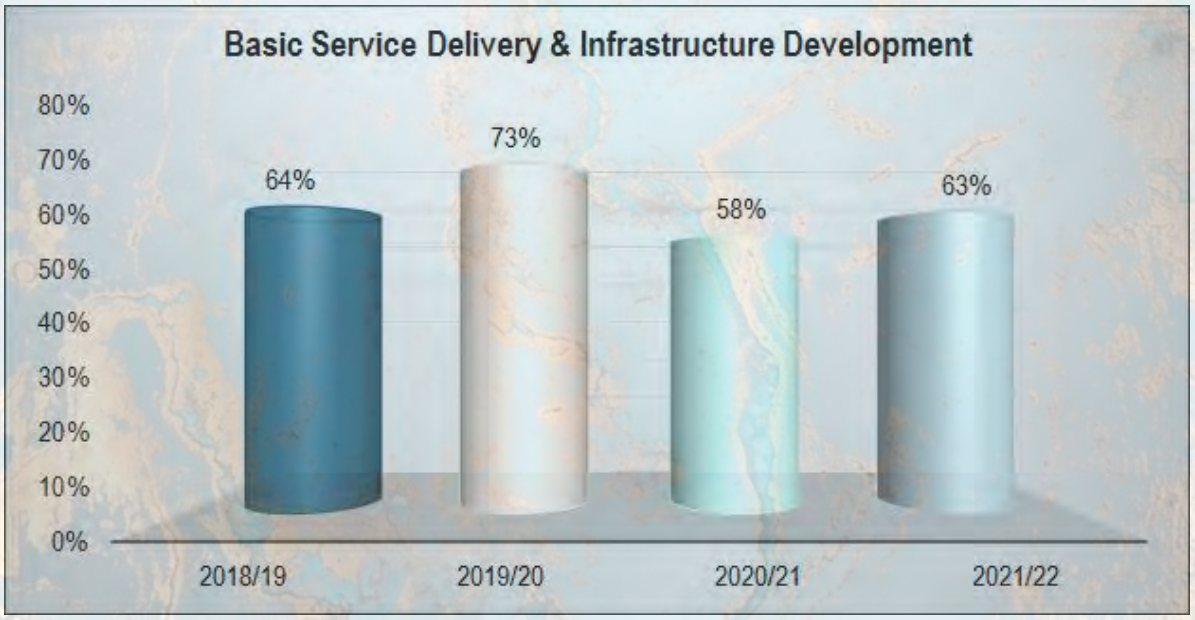
2021/22 ORGANISATIONAL RESULTS				
Key Performance Indicators	Total No of KPI's	Targets		Annual % Met
		Achieved	Not Achieved	
Basic Service Delivery & Infrastructure Development	32	20	12	63%
Municipal Transformation & Organisational Development	33	25	8	76%
Local Economic Development	6	4	2	67%
Municipal Financial Viability & Management	40	25	15	63%
Good Governance and Public Participation	118	86	32	73%
TOTAL	**229**	**160**	**69**	**70%**

2021/22 DIRECTORATE RESULTS				
Key Performance Indicators	Total No of KPI's	Targets		Annual % Met
		Achieved	Not Achieved	
Office of the Municipal Manager	37	25	12	68%
Directorate Technical and Infrastructure	40	28	12	70%
Directorate Budget and Treasury	45	23	22	51%
Directorate Corporate Support	24	20	4	83%
Directorate Community Development	22	21	1	95%
Directorate Public Safety	19	13	6	68%
Directorate Planning and Human Settlements	20	15	5	75%
Directorate Local Economic Development	22	15	7	68%
TOTAL	**229**	**160**	**69**	**70%**

The 2021/22 year's performance results reflect a 70% success rate caused by combined performance results of directorates in implementing the SDBIP.
The 2021/22 SDBIP includes the performance comments and corrective measures indicated for targets not achieved.

The following achievements contribute to the overall 2021/22 annual performance of the City of Matlosana:

KPA1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

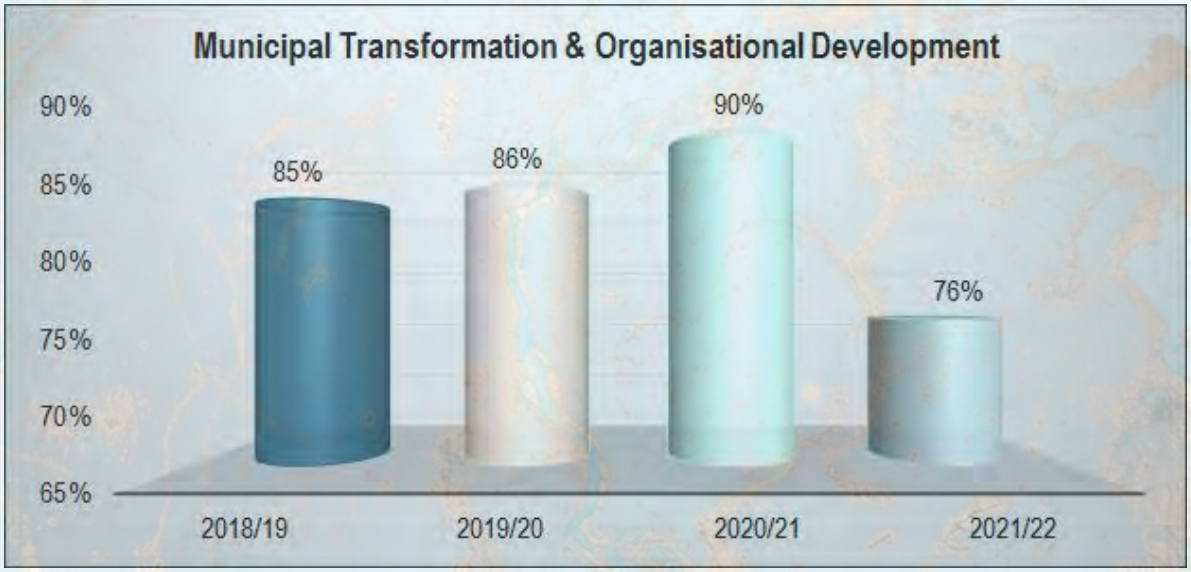


The core function of the municipality is to ensure sustainable services to the community, to improve access and thereby reducing backlogs. This component includes water; sanitation; roads; electricity; waste management; and housing services and free basic services.

Some projects that were completed during the financial year were as follows:

- 2.642 Km taxi routes in Jouberton (Phase 9)(Wards 5, 6, 11, 13 and 14) with additional scope paved;
- A new sport complex in Khuma Ext 9 (Ward 31) constructed;
- Internal infrastructure services (road network, water and sewer) at the proposed Jouberton / Alabama precinct development (Ward 37) provided with the construction of 0.208 km of roadbed and selected layers; construction of 0.43 km sub-base, 0.93 km of base and 2.150 km roads surface; the installation of 3,896 km kerbing and 3 690m² paving;
- Mechanical equipment for waste-water treatment works at Hartbeesfontein (Ward 1) upgraded;
- 100.015 Km roads in the CoM graded as per maintenance programme;
- 25.1 Km open storm-water channels in the CoM cleaned as per maintenance programme;
- 30 Reservoirs according to the programme in the Matlosana area cleaned;
- 43.975 Km of main / outfall sewers as per programme in the CoM municipal area cleaned;
- 22 886 Households with free basic services (indigents) approved;
- 15 329 Households with free basic alternative energy (indigents) approved.

KPA2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT



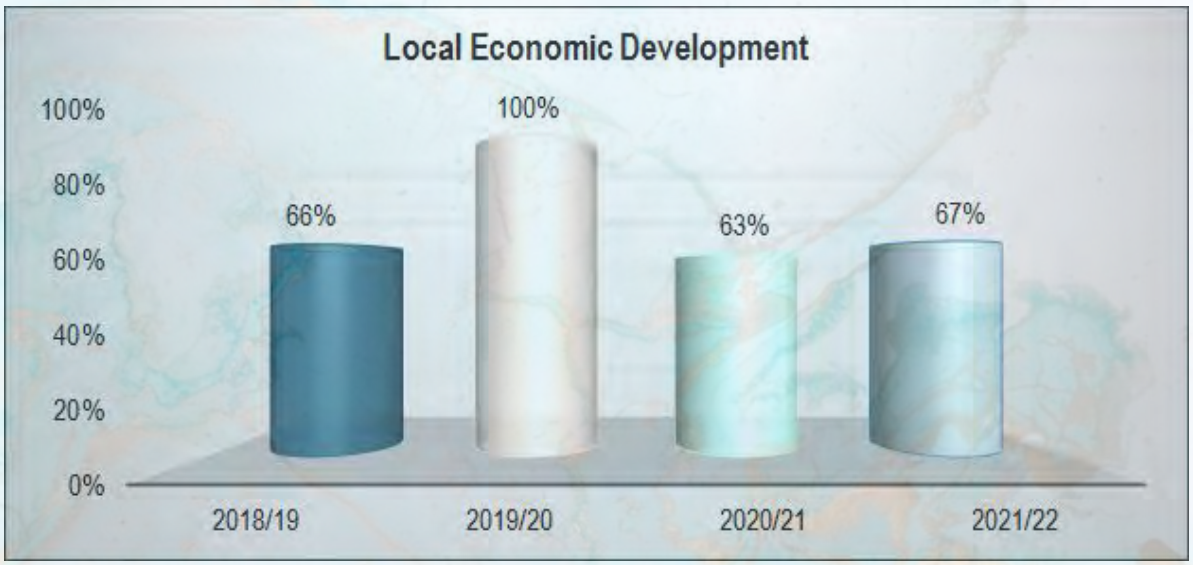
Municipal Transformation and Organisational Development relates on how the institution is capacitated to exercise its duties. Skills development is implemented in accordance with the workplace skills plan, which assists in improving the capacity for staff to deliver services.

The following achievements can be reported:

- 4 Risk Assessments conducted with all departments;
- 120 OHS inspections conducted;
- 2 OHS audits conducted;
- 2022/23 WSP and 2021/22 ATR submitted to LGSETA on 29 April 2022;
- 2022/23 EE report submitted to Department of Labour on 15 January 2022;
- A Skills Gap Audit for 2 directorates (Technical and Infrastructures and Community Development) conducted;
- 4 Workshops conducted / co-ordinated on employment related issues and the Collective Agreement;

- PC Pelser Airport license renewed; and
- 6 Internal newsletters compiled and distributed.

KPA3: LOCAL ECONOMIC DEVELOPMENT

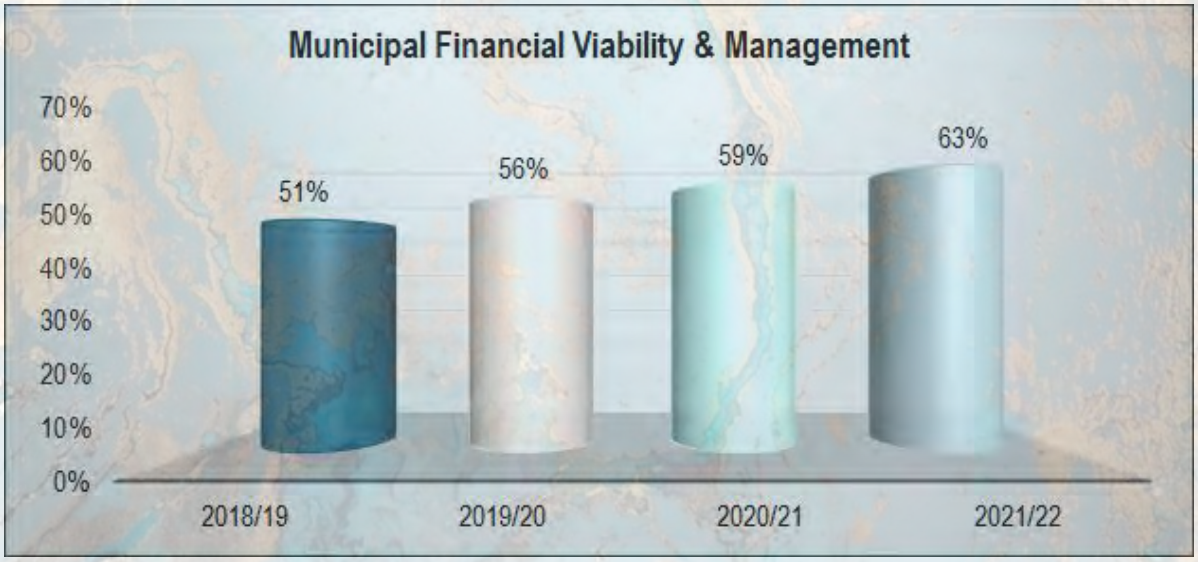


Essentially the municipality aims to identify the competitive advantage of the municipal area and develop strategic initiatives to facilitate the optimisation of investment opportunities to promote sustainable economic growth and employment creation.

The following achievements can be reported:

- 102 Permanent / sustainable jobs which exceed 3 months created;
- 12 LED consultation meetings conducted;
- 43 Street traders registered; and
- 4 SMME workshops conducted.

KPA4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT



Municipal Financial Viability and Management focuses on the internal financial management processes. As such, this would focus on matters relating to budget development, supply chain management issues, asset management as well as income and expenditure management.

The City of Matlosana audit opinion for the 2020/21 financial year was an unqualified opinion.

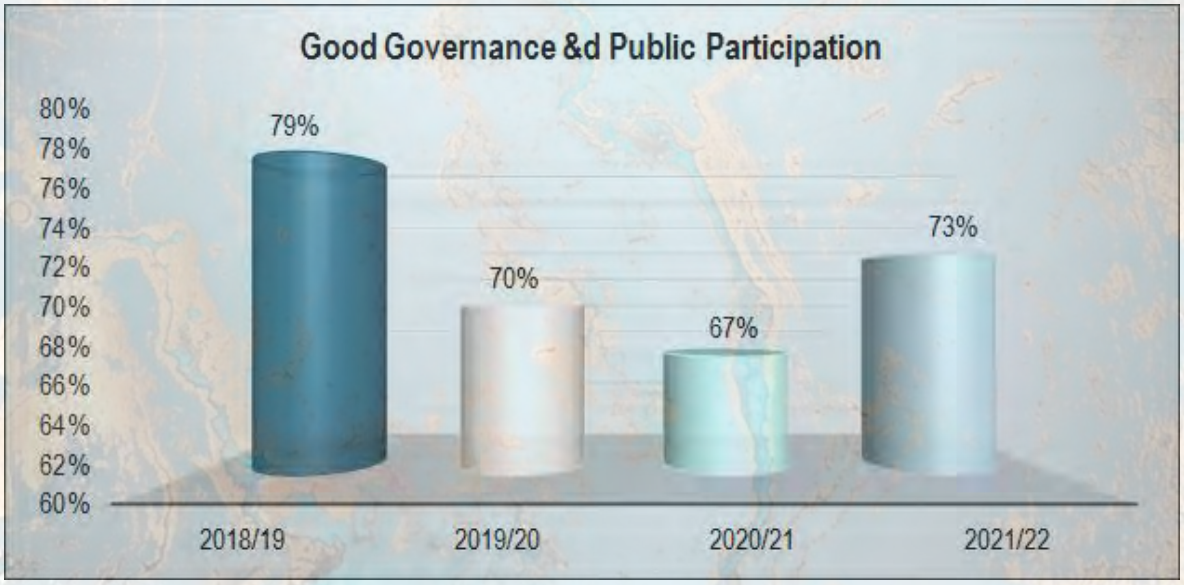
The aftershock of Covid-19 is still visible and further resulted in a decrease in the payment rate of the municipality as consumers felt the negative impact on their disposable income due to several businesses closed down during after the pandemic.

The municipality is facing serious financial constraints, adding to the problems is the fact that the municipality's debtor's book has significantly increased during the last 5 years.

Achievements for the year are as follows:

- A total of R150 025 704 spent or 85% of all MIG grants (NDPG, WMIG, EEDSM; INEP; DME & rollovers included) was spent that was allocated to the municipality for approved projects.
- R1 284 039 spent on Skills Development (Training) for councillors, officials and interns;
- Receiving a mandatory grant of R1 077 582 from SETA Training;
- R8 906 583 collected from driver's licenses (excluding Prodiba fees);
- R1 119 611 collected from traffic fines;
- R175 375 collected from warrant of arrests;
- R975 165 collected from building plan applications;
- R781 007 collected from rental estate at the Fresh Produce Market;
- R1 414 788 collected from ripening & cooling rooms; and
- R16 645 610 collected from market commission (dues).

KPA5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION



Good Governance focuses on the good governance matters such as public participation, performance management, and the effectiveness of oversight structures, internal audit matters, risk management and communications.

Achievements for the year are as follows:

- 2021/22 Mid-Year Assessment Report approved by Executive Mayor on 25 January 2022;
- Final 2022/23 SDBIP approved by Executive Mayor of 30 June 2022;
- 8 x 2022/23 Performance Agreements approved and signed by Municipal Manager and Executive Mayor on 25 January 2022;
- 13 IDP Community consultations meetings conducted;
- 2 IDP Rep Forum meetings conducted;
- 4 Risk management reports submitted to the Risk Management Committee;
- 2021/22 Risk Register revised and 2022/22 Risk Register is approved by the Municipal Manager on 28 June 2022;
- 2021/22 Risk Management Committee Charter and 2022/23 Risk Management Implementation Plan approved Municipal Manager;
- MPAC Public participation meetings conducted;
- Reviewed 2022/23 Internal Audit Charter adopted;
- 96% of all main / outfall sewers blockage complaints resolved;
- 99,9% of low voltage complaints resolved;
- 88% of high mast lights complaints resolved;
- 100% of electricity meter tampering investigations resolved;
- 100% of all identified incorrect billed properties updated;
- 100% supply chain management contracts in terms of Section 75(1)(g) of the MFMA published on the municipal website;
- 100% received tender documents successful within 45 working days evaluated;

6.2 Four Year Comparison on Organisational Performance Results

The annual performance comparison for the last four financial years can be seen in the table below:

ORGANISATIONAL RESULTS				
	2018/19	**2019/20**	**2020/21**	**2021/22**
Annual Overall Performance	**72%**	**71%**	**67%**	**70%**
Key Performance Areas				
Basic Service Delivery & Infrastructure Development	64%	73%	58%	63%
Municipal Transformation & Organisational Development	85%	86%	90%	76%
Local Economic Development	66%	100%	63%	67%
Municipal Financial Viability & Management	51%	56%	59%	63%
Good Governance &d Public Participation	79%	70%	67%	73%

The 2021/22 percentage is 3% higher (70%) compared to 67% achieved during the 2020/21 financial period.

7. CONCLUSION AND APPROVAL OF BY THE MUNICIPAL MANAGER

During the 2021/22 financial year, the overall performance results currently reflect a 70% success rate caused by mixed performance results of departments in implementing the SDBIP. The 2021/22 percentage is 3% higher compared to 2020/21 financial period.

The municipality will continue improving on its performance management system by,

- Setting Key Performance Indicators (KPI's) that are Reliable, Well-defined, Verifiable, Cost-effective, Appropriate and Relevant.
- Developing and setting of targets that comply with the SMART principle by being Specific, Measurable, Achievable, Relevant as well as being Time-bound.
- Ensure a clear linkage between the IDP, Budget, SDBIP and Annual Report.
- Regular reporting on organisational performance, to aid in the monitoring of performance and to identify instances were corrective actions may be needed.

Challenges still exist on accurate and timeously performance information as well as reporting meaningful deviations and remedial actions for all the targets not met on a quarterly basis.

The continuous support rendered by Performance Management to the various directorates quarterly, will improve the organisational culture towards performance management to eliminate the hindrances to proper planning and to enhance accurate and credible monitoring and reporting on performance.

I acknowledge the commitment from Council, Directors and staff of the municipality and like to thank all for their continuous efforts to contribute towards good governance of the municipality.



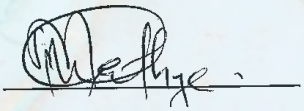
Date: 31 August 2022

L SEAMETSO
ACTING MUNICIPAL MANAGER

8. CONCLUSION AND APPROVAL OF BY THE CHAIRPERSON OF THE AUDIT COMMITTEE

The Audit Committee reports that it has complied with its responsibilities arising from Section 166 of the Municipal Finance Management Act and Circular 65 issued by National Treasury. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter 2021/22 and it has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

AC wishes to acknowledge the commitment from Council, Municipal Manager, Management and Staff of the Municipality. We would also like to thank the Speaker and Executive Mayor for their support, Councillors, Senior Management for their efforts and Internal Audit and Performance Management for their contributions towards good governance of the municipality.



DATE: 31 August 2022

MS M.G.MATHYE (IAT)(PIA)
CHAIRPERSON: AUDIT COMMITTEE

9

IDP and Council Projects

(Grant & Council Funded)

DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT									
SECTION: PROJECT MANAGEMENT UNIT									
IDP, MIG, other Grants and Capital Projects		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :		To refurbish electrical and mechanical equipment in the Matlosana area (Wards 1 - 39) water pump-stations to maintain the existing infrastructure					
PMU 1	Number of water pump-stations refurbished with electrical and mechanical equipment at the Matlosana area (Wards 1 - 39)	New project	The refurbishment of the electrical and mechanical equipment at 3 water pump-stations (Jouberton, Khuma ext. 8 and Kanana ext. 6) in the Matlosana area (Wards 1 - 39) not yet completed. The contractor was appointed on the 23/03/2021. 6 Pumps and 6 motors have been ordered. (4 for Khuma Ext 8 and 2 for Kanana Ext 6). R9 077 397	Refurbishing electrical and mechanical equipment at 7 water pump-stations (Jouberton, Ellaton, Park Street, Khuma ext. 8, Kanana ext. 6, Kanana Booster and Loraine) in the Matlosana area (Wards 1 - 39) by - replacing 3 MCC panels; - refurbishing of 3 MCC panel; - replacing 21 pumps sets; - replacing 17 Soft starters; - refurbishing 4 soft starters; and - replacing 70 valves by 30 June 2022 R16 593 067	The electrical and mechanical equipment at 7 water pump-stations (Jouberton, Ellaton, Park Street, Khuma ext. 8, Kanana ext. 6, Kanana Booster and Loraine) in the Matlosana area (Wards 1 - 39) was refurbished by - replacing 3 MCC panels; - refurbishing 1 MCC panel; - replacing 14 pumps sets, 11 Soft starters and 46 valves R14 427 222		The NUMSA strike from 5 -29 October 2021 affected the delivery and resulted in long lead times of items. Slow progress by the contractor due to incompetent key personnel	The contractor was issued with a notice to correct key personnel on site and advised to increase their resources in order to fast track the works and complete the scope	R12 526 682

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IDP, MIG, other Grants and Capital Projects		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :		To refurbish electrical and mechanical equipment in the Matlosana area (Wards 1 - 39) sewer pump-stations to maintain the existing infrastructure					
PMU 2	Number of sewer pump-stations refurbished with electrical and mechanical equipment at the Matlosana area (Wards 1 - 39)	The tender was advertised on the 29 May 2020 and closed on 23 June 2020 R888 524	The refurbishing of the electrical and mechanical equipment at 5 sewer pump-stations (Khuma Main, Khuma ext. 6 and Republic, Swart Street and Lerato) in the Matlosana area (Ward 1 – 39) are in process with the replacement of 5 pumps, 5 motors, 5 electrical control panels and 12 soft starters. Only installed 0.334km electrical fence for 2 pump stations, 0.584km barbed wire for 5 pump stations and 0.584km razor wire for 5 pump stations. The valves are not replaced and the installation of 30 CCTV cameras not completed. R16 476 990	Refurbishing electrical and mechanical equipment at 5 sewer pump-stations (Swart Street (3), Khuma main (3) and Khuma ext. 6)(2)), Lerato (1) and Republic Park(1)) in the Matlosana area (Wards 1 - 39) by installing - 5 mechanical screens, - 4 screw presses and 2 waste bins; - installing 23 valves and pipework; - installing 1,622km electrical cables; - 10 pumps and motors; - 5 generators; - 5 CCTV cameras installed - 1 electrical control panel - 0.330 km of electric fence, - 0.080km barbed wire; and - .080km razor wire installed by 30 June 2022. R8 616 177	The refurbishing of electrical and mechanical equipment at 4 sewer pump-stations (Khuma main, Khuma ext. 6, Lerato and Republic Park) in the Matlosana area (Wards 1 - 39) completed and partially completed at 1 sewer pump-station (Swart Street) R7 500 945		Delays in procurement of materials (3 vertical pumps and 3 motors for Swart Street) due to materials acquired abroad. 6 Valves and pipework and 0.439km electrical cabling can only be done after installation of the vertical pumps and motors	Contractor requested on 22 June 2022 to submit programme and cash flow projections, as well as to increase resources to expedite progress	R5 569 200

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IDP, MIG, other Grants and Capital Projects		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :		To improve accessibility and mobility and control and direct the flow of storm-water and prevent road erosion in Jouberton (Phase 9)(Wards 5, 6, 11, 13 and 14)					
PMU 3	Km of taxi route constructed (layer) in Jouberton (Phase 9)(Wards 5, 6, 11, 13 and 14)	New project	Paving of 4.453 km of taxi route in Jouberton (Phase 9) (Wards 5, 6, 11, 13 and 14) according to the project plan constructed (laid). R9 135 580	Laying of 2.642 km paved taxi routes in Jouberton (Phase 9)(Wards 5, 6, 11, 13 and 14) by - constructing 0.48 km of layer works in Motswiri Street; - installing 2.082 km of kerbing at 6th, JB Marks, Anthorium and Motswiri Streets - installing 4.933 km of edge beams for 6th, JB Marks, Anthorium, David Webster and Motswiri Streets; - constructing 2.110 km of storm-water channel at Anthorium Street; - installing 28 Speed humps; - backfilling 300m³ dump rocks; - installing 210m pipe culverts; and - installing road signs and markings at all above streets according to the project plan by 30 June 2022. R 15 185 507	Laying of 2.642 km paved taxi routes in Jouberton (Phase 9)(Wards 5, 6, 11, 13 and 14) with additional scope completed R13 779 655		-	-	R5 056 180

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IDP, MIG, other Grants and Capital Projects		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :		To improve accessibility and mobility and control and direct the flow of storm-water and prevent road erosion in Kanana (Phase 9)(Wards 22, 23, 24 and 36)					
PMU 4	Km of taxi route paved and km of storm-water drainage constructed in Kanana (Phase 9)(Wards 22, 23, 24 and 36)	New project	4.27 Km layer works of the paved taxi routes and 1.994 km storm-water drainage in Kanana (Phase 9) (Wards 22, 23, 24 and 36) not completed, but 4,27 km excavation works and road bed completed. 2.22 Km sub base layer and 1.75 km base layer completed. 0.97km storm water drainage completed. Construction works for Agapanthus road completed. R8 606 500	Laying of 3.99 km paved taxi routes and constructing of 2.68 km v-drains and 4.27 km edge beams in Kanana (Phase 9)(Wards 22, 23, 24 and 36) by - constructing 2.05 km of subbase layer (Thandanani (1.35 km), AK Kgatlhane (0.5 km) and J Molefe (0.2 km) roads); - constructing 2.55 km base layer (Thandanani (1.55 km), AK Kgatlhane (0.8 km) and J Molefe (0.2 km) roads) - laying of 3.99 km paving (Thandanani (2.17 km), AK Kgatlhane (0.8 km), J Molefe (0.2 km) and Agapanthus (0.82km) roads); - constructing 2.68 km of v drains (Thandanani (1.65 km), AK Kgatlhane (0.58 km), J Molefe (0.08 km) and Agapanthus (0.37 km) roads); - construction of 4,27km edge beams (Thandanani (2.45 km) AK Kgatlhane (0.8 km), J Molefe (0.2 km) and Agapanthus (0.82km) roads); - installing road signs and markings at all above streets according to the project plan; and - installing 6 speed humps by 30 June 2022. R16 326 641	3.969 Km paved taxi routes laid, 2.66 km v-drains and 4.25 km edge beams constructed and 8 speed humps installed in Kanana (Phase 9) (Wards 22, 23, 24 and 36) R12 649 039		The project has been stopped since 13 April 2022 due to non-payment of workers and sub-contractor by the contractor	Contractor has been instructed on 20 June 2022 to move back to site. Final payment and project to be completed in the 1st quarter in the 2022/23 financial year	R5 203 466

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IDP, MIG, other Grants and Capital Projects		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To construct a new sports complex in Khuma Ext 9 (Ward 31) to provide recreational facilities for the community						
PMU 5	Number of new Sports Complex in Khuma Ext 9 (Ward 31) constructed	0.483km of water reticulation installed, 0.345km of sewer reticulation (internal services) installed for the new sport complex in Khuma Ext 9. 0.168km of perimeter fence erected and the excavation of 0,220 km of existing 300mm Ø sewer line completed. Construction of foundation and wall for a guardhouse complete. Rip and compaction of the layers for soccer field complete R8 993 801	Constructing of a new sport complex in Khuma Ext 9 (Ward 31) mostly completed, but the basketball court surfacing is not done yet. R12 193 171	Constructing a new sport complex in Khuma Ext 9 (Ward 31) by - constructing of 1 change room; - constructing 1 multi-purpose hall; - erecting 1 grand stand; - planting grass in soccer field; - surfacing of the athletic track; - surfacing the basketball court; and - wiring of electricity for all buildings by 30 June 2022. R29 574 525	A new sport complex in Khuma Ext 9 (Ward 31) constructed. R25 390 299		Final payment outstanding	-	R10 430 930

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IDP, MIG, other Grants and Capital Projects		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To upgrade the existing Fresh Produce Market (Phase 2)(Ward 9) to cater for the increasing customer needs						
PMU 6	Existing Fresh Produce Market (Phase 2)(Ward 9) upgraded	The project was re-advertised on 14 February 2020 and closed on the 12 March 2020 R2 888 423 (The project was deferred to the 2020/21 financial year due to the reprioritization of the project due to COVID-19- MFMA Circular No. 99 dated 09 March 2020 read with CC28/2020 dated 27/05/2020)	Upgrading the existing Fresh Produce Market (Phase 2) (Ward 9) nearly completed with the connection of water (0.739 km ranging from 20mm Ø to 75 mm Ø pipeline); construction of 0.517 km of 525 mm Ø storm-water drainage; construction of sewer pipeline (0,06 km of 110 mm Ø pipeline); completing the concrete floor (according to the technical scoping report); and construction of the earthworks for the parking area completed. The 2 shutter doors are not installed and the roof sheeting not replaced. The concrete floor is also not completed. R6 125 943	Upgrading the existing Fresh Produce Market (Phase 2)(Ward 9) by - surfacing the parking area with 10 250 m² of Asphalt and constructing ablution facilities; - replacing of 4 152m² of the existing roof; - constructing of a 110 m² mezzanine floor; - constructing 1 storage unit; - installing 1 cold room; - installing electricity of 4 core to 7 core 600/100V PVCSWAPVC Cu cable ranging from 6 mm² to 185 mm² ; - installing 1 x 400KVA generator; and - installing an 830m² of new roof by 30 June 2022. R15 729 779	4 152m² of roof replaced. 10 250 m² of Asphalt layer in the parking area surfaced. 830m² of roof is installed. Ablution facilities 93% constructed. 110 m² Mezzanine floor 65% constructed R13 678 068		The funds were depleted in Quarter 3 and the Contractor was advised to slow down the progress	The scope will be completed in the 1st quarter of the 2022/23 financial year	R8 064 140

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IDP, MIG, other Grants and Capital Projects		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To providing bulk services for the proposed Jouberton / Alabama precinct development (Wards 3, 4, 12 and 37) to improve the social and economic environment						
PMU 7	Number of Jouberton / Alabama precinct bulk services (Wards 3, 4, 12 and 37) (electrical - cable; pump-station and water - 2Mℓ pressure tower) provided	The installing and construction of bulk services for the proposed Jouberton / Alabama precinct development (Wards 3, 4, 12 and 37) in is progress R29 179 415	The scope for the provision of bulk services at the proposed Jouberton / Alabama precinct development (wards 3, 4, 12 & 37) completed. R17 388 739	Providing bulk services at the proposed Jouberton / Alabama precinct development (wards 3, 4, 12 & 37) by - casting bowl lift 5 - 6 and roof slab; - erecting 4 high mast lights; - installing 2.1 km of 240 mm² aluminium underground cables; - installing 7 switchgear panels for switching sub-station; - installing 6 miniature sub stations; - installing 1 motor control centre panel at Jagspruit pump-station; and - installing 372 m² paving by 30 June 2022. R32 634 029	Casted bowl lift 5 - 6 of the 2 Mℓ pressure tower. Roof slab casted. 4 High mast lights erected. 1.8 Km of 240 mm² underground aluminium cable installed. 7 Switchgear panels installed. 1 Motor control centre panel for Jagspruit pump-station installed. 372 m² paving installed. R24 763 268		Delays by Contractor to implement electrical Works citing high security and vandalism risks. Lack of activities on site from 3 March 2022 to 13 May 2022 due to contractor terminating the contract of employment of local labourers	Contractor issued with instruction on 11 April 2022 to move back to site and notice on 10 May 2022 to correct progress Contractor is on penalties (14 June 2022) and has since reinstated local labourers to expedite progress on site. Scope to be completed in the 1st quarter of the 2022/23 financial year	R977 564

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IDP, MIG, other Grants and Capital Projects		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To provide internal infrastructure services for the proposed Jouberton / Alabama precinct (Ward 37) development to improve the social and economic environment						
PMU 8	Jouberton / Alabama precinct development (Ward 37) internal infrastructure services (road network, water and sewer) provided	Internal infrastructure services for the proposed Jouberton / Alabama precinct development (Ward 37) provided with the clearing and grubbing of 1.53 km road servitude and construction of 0.67 km of roadbed. Designs for the 500mm Ø pipeline approved and Design Report for 200mm Ø pipeline submitted. The 0.5 km road network layer works not constructed yet R397 716	Internal infrastructure services (road network, water and sewer) at the proposed Jouberton / Alabama precinct development (Ward 37) not yet completed, but - 1.1 km of existing water pipelines relocated; - 1.337 km of water pipeline reticulations constructed; - 0.08 km of 160 mm Ø sewer reticulation constructed; - 1.272 km of roadbed constructed; -1.942 km road network layer works constructed; - 1,72 km sub-base and 1.22 km base constructed; - installed 3.12 km of kerbing and 2 770 m² of sidewalks paving completed. R11 192 482	Providing internal infrastructure services (road network, water and sewer) at the proposed Jouberton / Alabama precinct development (Ward 37) by - constructing 0.208 km of roadbed and selected layers; - constructing 0.43 km sub-base, 0.93 km of base and 2.150 km roads surface; - installing 3,896 km kerbing; and - laying 3,690m² paving by 30 June 2022. R10 577 992	Internal infrastructure services (road network, water and sewer) at the proposed Jouberton / Alabama precinct development (Ward 37) provided with the construction of 0.208 km of roadbed and selected layers; construction of 0.43 km sub-base, 0.93 km of base and 2.150 km roads surface; the installation of 3,896 km kerbing and 3 690m² paving R9 244 142		-	-	N/A

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IDP, MIG, other Grants and Capital Projects		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To improve public access to transport in Jouberton Ext 19 (Ward 37) with the construction of a new taxi rank with facilities						
PMU 9	Number of taxi ranks with facilities constructed in Jouberton Ext 19 (Ward 37)	A contractor for the construction of 1 new taxi rank with facilities up to the 2nd layer of the platform in Jouberton Ext 19 (Ward 37) appointed R3 629 641	The construction of a new taxi rank with facilities in Jouberton Ext 19 (Ward 37) not completed, but unsuitable materials were replaced and backfilling of the 150 mm thickness layers and constructing layer of the foundation platform completed. 0.908km water pipeline ranging from 25mm to 110 mm Ø and 0.342km of 160 mm Ø sewage pipeline constructed. 0.492km concrete pipes ranging from 375 to 600 mm Ø and 0.119 km of storm-water channels constructed. Foundations of the building works excavated. Tender document for a new contractor submitted and approved by the Bid Specification Committee on 29/06/2021. R15 298 670	Constructing a new taxi rank with 7 facilities (office, trading facility, ablution block, wash-up area, car wash, tower and, taxi waiting area) in Jouberton Ext 19 (Ward 37) according to the implementation plan by - casting a foundation of 718m³ for 7 facilities; - casting 57m³ columns for the 7 facilities; - casting 1 992m² surface beds for the 7 facilities; - casting 3 108m² brickwork for the 2 facilities; - installing of water and sewer reticulation; and - installing electrical works by 30 June 2022. R19 787 979	Contractor appointed on 25 November 2021. Site establishment completed. Bulk earthworks 78% completed. R14 522 166		The contractor failed to comply with contractual obligations including performance guarantee in time. Poor performance. Delays due to Variation Order approval for additional work required on bulk earthworks	The contractor was advised on 8 April 2022 to appoint competent key personnel in order to improve poor performance and the performance guarantee was corrected on 21 April 2022. The contractor was further advised on 22 June 2022 to expedite the works and recover the additional 30 working days required for additional works	R28 022 436

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		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To upgrade mechanical equipment for waste-water treatment works at Hartbeesfontein (Ward 1) for the better performance of the facility						
PMU 11	Number of waste-water treatment works' mechanical equipment upgraded at Hartbeesfontein (Ward 1)	New project	The upgrading of the mechanical equipment for 1 waste-water treatment works at Hartbeesfontein (Ward 1) according to scope, completed. R16 241 578	Upgrading of mechanical equipment for 1 waste-water treatment works at Hartbeesfontein (Ward 1) by - installing 1 x 75 Kw motor, - installing 1 mixer gearbox, - refurbishing of 1 drying bed unit; - install 1 SCADA system; and - refurbishing 1 belt press by 30 June 2022. R6 322 186	Upgrading of mechanical equipment for 1 waste-water treatment works at Hartbeesfontein (Ward 1) completed. R5 483 309		-	-	N/A
NR	INDICATOR	MEASURABLE OBJECTIVE :	To upgrade electrical and mechanical equipment at the Kanana pump-stations (Phase 1)						
PMU16	Final payment for the upgrading of Kanana pump-stations upgraded with electrical and mechanical equipment (Phase 1)	No contractor appointed R581 747	Upgrading of 2 pump-stations (Kanana Ext 11 and Circle pump-station Kanana Proper) (Phase 1) (Ward 27) completed. Practical completion issued on 22/04/2021. R6 261 107	Settling the final payment of upgrading of the electrical and mechanical equipment at the Kanana pump-stations by 30 June 2022. R 395 287	Payment not settled R0		Municipality is awaiting DWS recommendation for the payment to be processed	Engagement with DWS on 17 June 2022 for recommendation letter to be issued	N/A

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		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To refurbish Jouberton reservoir to maintain the existing infrastructure						
PMU12	Refurbishment of Jouberton reservoir (Ward13)	New project	New project	Refurbishing of Jouberton reservoir (ward 13) by - appointing a contractor - establishing the site; - constructing a super structure for dosing building; - constructing a 150m drainage channel; - replacing 100m of 400Ø steel pipes; - constructing of 3 chambers; and - replacing 5 valves by 31 June 2022. R3 677 814	Contractor appointed on 9 December 2021. Site establishment completed. Dosing building constructed. R1 908 190		The slow progress and the contractor did not comply with health and safety regulation which resulted into the stoppage of the project. Poor performance by both Consultant and Contractor	Notice to correct performance was issued to the Engineer for both Consultant and Contractor. Scope to be completed in the 1st quarter for the 2022/23 financial year	R15 210 276
NR	INDICATOR	MEASURABLE OBJECTIVE :	To construct new VIP toilets in KOSH (Phase 1) (Wards 18, 23, 7, 37, 35, 1, 22) to provide sanitation to the people						
PMU17	Final payment for the improvement and construction of new VIP toilets constructed in KOSH (Phase 1) (Wards 18, 23, 7, 37, 35, 1, 22)	-	-	Settling the final payment of construction of the VIP toilets in KOSH by 30 June 2022. R 2 930 979	Final payment settled. R4 929 026		-	-	N/A

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NR	INDICATOR	MEASURABLE OBJECTIVE :	To improve and construct water supply from Midvaal end point to Jouberton and Alabama (Phase 1B) (Wards 4,5,6) to increase the water supply capacity to the community						
PMU18	Final payment for the improvement and construction of water supply from Midvaal end point to Jouberton and Alabama (Phase 1B) (Wards 4,5,6) settled	The water supply from Midvaal endpoint to Jouberton and Alabama (Phase 1B) (Wards 4, 5 & 6) was improved R15 739 130	Final payment 95% settled. R1 646 053	Settling the final payment for the improvement of the water supply from Midvaal end point to Jouberton and Alabama (Phase 1B) (Wards 4, 5, 6) by 31 June 2022. R627 593	Final payment settled. R545 733		-	-	N/A
NR	INDICATOR	MEASURABLE OBJECTIVE :	To install the pressure reducing valves, bulk meters and ancillary works in the Matlosana area (Wards 1 - 39) in order to provide basic water services and to increase the water supply capacity to the community						
PMU19	Final payment for the installation of bulk meters, pressure reducing valves and ancillary works installed in the Matlosana area (Wards 1 - 39)	New project	Material for the supply and installation of 5 pressure reducing valves, 12 bulk water meters and ancillary works in the Matlosana area (Phase 2) (Wards 1 - 39) procured. R5 694 919	Settling of the final payment for the installation of pressure reducing valves, bulk water meters and ancillary works in the Matlosana area (Phase 2) (Wards 1 - 39) by 30 June 2022. R 1 593 116	Final payment settled. R1 204 639		-	-	N/A

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IDP, MIG, other Grants and Capital Projects		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
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NR	INDICATOR	MEASURABLE OBJECTIVE :	To provide electrification for the new development in Alabama ext. 5 (Phase 2) (Ward 4)						
PMU10	Kilometres of line constructed in Alabama Ext 5 (Ward 4)(Phase 2)	New project	The construction of 7.414km power lines for the electrification of Alabama extension 5 (Ward 4) completed. R10 707 153	Constructing 4.9 km of MV and 16.4 LV power lines for the electrification of Alabama extension 5 (Ward 4)(Phase 2) by - installing 12 transformers and connecting 1 527 RDP houses by 30 June 2022 R627 593 requested	The project was withdrawn due to the withholding of funds by Department of Mineral and Energy (DMRE)		DMRE indicated that funds will be released to the municipality in the 2022/23 financial year. INEP Grant received.		R29 064 000
NR	INDICATOR	MEASURABLE OBJECTIVE :	To construct a loop-in-loop-out new 88 kV medium voltage line, primary and secondary plant at Alabama (Matlosana) substation (20 MVA) (Phase 3)(Wards 3 - 5) to maintain the current infrastructure and to cater for the increased electricity supply demand						
PMU13	Number of loop-in-loop-out new 88 kV medium voltage line, primary and secondary plant at Alabama (Matlosana) substation (20 MVA)(Phase 3)(Wards 3 - 5) constructed	Materials purchased R3 364 735	The construction of 2.255 km loop-in-loop-out new 88 kV medium voltage line, primary and secondary plant at Alabama (Matlosana) substation(20 MVA) (Phase 3) (Wards 3 - 5) in process with the following progress: - 14 HV poles constructed; - 40 stay rods installed; - construction of 12 line hardware for pole dressing completed; and - stringing of 1.809 km by 3 lines cheekadee loop-in-loop-out new 88 kV medium voltage line completed. R4 934 696	Constructing 2km loop-in-loop-out new 88 kV medium voltage line, primary and secondary plant at Alabama (Matlosana) substation (20 MVA) (Phase 3)(Wards 3 - 5) by 31 March 2022 R8 000 000 requested	The project was withdrawn due to the roll-over application rejected by National Treasury and no funding was made available		No allocation was indicated or received from National Treasury		R0

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NR	INDICATOR	MEASURABLE OBJECTIVE :	To reduce electricity losses associated with municipal own consumption in Klerksdorp (Phase 1)(Wards 16, 17 and 19)						
PMU14	Number of street lighting with LED lights retrofitted in Klerksdorp (Phase 1)(Wards 16, 17 and 19)	456 Conventional street lights retrofitted with LED lights in Klerksdorp (Phase 2) (Wards 16, 17 and 19) R1 649 369	1 094 Conventional street lights replaced (retrofitted) with LED lights and 1 complete Energy Management System at Mayibuye Building installed. R5 161 860	Retrofitting 1094 conventional street lights with LED lights in Klerksdorp (Phase 1)(Wards 16, 17 and 19) by 31 March 2022 R4 000 000 requested	The project was withdrawn due to the roll-over application rejected by National Treasury and no funding was made available		National Treasury indicated that funds will be released to the municipality in the 2022/23 financial year. EEDSM Grant received		R5 000 000
NR	INDICATOR	MEASURABLE OBJECTIVE :	To replace and refurbish obsolete high mast lights in Kanana (Phase 2)(Wards 23 - 27) to enhance a safe social economic environment						
PMU15	Number of obsolete and existing high mast lights in Kanana (Phase 2)(Wards 23 - 27) replaced and refurbished	2 Obsolete high mast lights replaced and 6 existing high mast lights in Kanana (Phase 2) (Wards 23 – 27) refurbished R1 186 070	The 2 obsolete high mast lights in Kanana (Phase 2) (Wards 23 - 27) not completed. The tender was advertised on the 26/03/2021 and closed on 28/04/2021. Project at Bid Evaluation stage. R129 708	Replacing 2 obsolete high mast lights high in Kanana (Phase 2)(Wards 23 - 27) by 31 March 2022 R526 697 requested	The project was withdrawn due to the roll-over application rejected by National Treasury and no funding was made available		No allocation was indicated or received from National Treasury		R0

DIRECTORATE PLANNING AND HUMAN SETTLEMENTS									
KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT									
SECTION: HOUSING SERVICES									
IDP, MIG, other Grants and Capital Projects		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	Servicing of residential stands with basic services (excluding electricity) to address the housing backlog						
HOU1	Facilitating the number of residential stands (excluding electricity) at Matlosana Estate extension 10 serviced	New project	521 Residential stands serviced. R10 788 378	Facilitating the services of 469 residential stands (excluding electricity) at Matlosana Estate extension 10 as allocated to the City of Matlosana by the Department of Human Settlements by 31 December 2021. R30 300 000 HSDGrant (Multi-Year project) Catalic project	0 Residential stands serviced. Only internal roads done. R28 843 974		The community objected to the relocation plan presented in order to unlock the project. As a result, the project remains deadlocked up till April 022.Appointed enumerations only commenced in the second week of April, and where completed at the beginning of June 2022. As such, no relocations could take place. Appointed enumerations only commenced in the second week of April, and where completed at the beginning of June 2022. As such, no relocations could take place	An approximate 2 439 households have been confirmed. The relocation framework plan has been drafted, and it is expected that allocations and relocations in the settlement shall commence during August 2022, first quarter of 2022/23	R12 194 000

DIRECTORATE COMMUNITY DEVELOPMENT									
KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT									
SECTION: LIBRARY SERVICES									
IDP, MIG, other Grants and Capital Projects		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To address shortcomings by improving library services and maintenance						
LIB1	Shortcomings at various libraries improved according to the approved project business plan	Catering for 190 people during meetings at Umuzimuhle; Klerksdorp and Tigane libraries. 43 Sets of promotional material; Personal Protective Equipment (16 Digital Thermometers; 100 Face Shield; 10 X 35 Respiratory Masks) and training for 7 Snr Library Assistant and 7 Library Assistants at all 12 libraries. Upholstery of 22 couches at the Klerksdorp library R209 332	Shortcomings and maintenance at 12 libraries improved with 20 x Memory sticks; 12 x Kettles, 15 x Suggestion Boxes, 9 Digi Laptops; 3 Digi Tablets; 5 x Hand held Scanners, 14 x Water Coolers with bottles, 2 x Pull-up banners; 2 x Wallpaper with installation; 1 Door sticker with installation. R131 635	Improving library services and maintenance at all 12 libraries according to the operational activities on the approved project business plan by 30 June 2022. R216 000	Improving library services and maintenance at all 12 libraries by repairing 7 vacuum cleaners (1 x Orkney, 1 x Rebecca Nkae Thulo, 1 x Kanana, 1 x Khuma, 2 x Klerksdorp and 1 x Jouberton libraries); purchasing 8 office chairs for Klerksdorp library; repairing 1 laminating machine at Klerksdorp library; purchasing promotional material for all libraries; and training all senior staff members R 207 199		_	_	R216 000

DIRECTORATE COMMUNITY DEVELOPMENT									
KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT									
SECTION: LIBRARY SERVICES									
IDP, MIG, other Grants and Capital Projects		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To address supplementary improvements (shortcomings) at various libraries						
LIB2	Supplementary improvements at various libraries done	Building signage's for all 12 libraries. 2 Carports for Hartbeesfontein and Jouberton Libraries. 27 Burglar bars for Tigane library. 23 Burglar bars for Kanana library. Upgrading of Hartbeesfontein library hall (replacement of carpets, damaged ceiling and fisher boards) R552 493	Supplementary shortcomings at libraries improved with the painting of the internal columns at Klerksdorp Library and other places at Hartbeesfontein Library. R147 000	Improving supplementary shortcoming at all 12 libraries according to the operational activities on the approved project business plan by 30 June 2022. R 784 000	Shortcomings and maintenance at 12 libraries improved with the waterproofing of roof dome at Klerksdorp Library; replacement of old 110mm asbestos pipes and the installation of razer wired security fence in Tigane and Rebecca Nkae Thulo libraries; installation of carports in Kanana, Khuma and Rebecca Nkae Thulo libraries; purchased one metallic refrigerator and two 30L microwaves and the maintenance of air conditioners in Klerksdorp Library R 634 986		Approval granted from Province to do maintenance on the air conditions at all 12 libraries was received on May 2022. Only the maintenance of air conditioners in Klerksdorp Library could have been done	Maintenance of the air conditioners at the remaining 11 libraries to be done in the 2022/23 FY, when the roll-over request is approved	R694 000

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Operational and Compliance Indicators

OFFICE OF THE MUNICIPAL MANAGER									
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
SECTION: MUNICIPAL MANAGER									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :		To attend to all LLF meetings to ensure industrial harmony					
MM6	Number of LLF meetings attended	4 LLF meetings attended	9 LLF meetings attended	Attending 12 LLF meetings by 30 June 2022	7 LLF meetings attended		Municipal Manager had other unforeseen and unplanned engagements	Municipal Manager to delegate Manager in his Office to represent him and to submit his apology	8 LLF meetings
SECTION: RISK MANAGEMENT									
NR	INDICATOR	MEASURABLE OBJECTIVE :		To conduct risk assessments on strategic and operational risks to ensure good governance and to comply with legislation					
RIS2	Number of Risk Assessment conducted on strategic and operational risks	4 Risk Assessments conducted with all departments	4 Risk Assessments conducted with all departments	Conducting 4 risk assessments with Council departments on emerging risks by 30 June 2022	4 Risk Assessments conducted with all departments		–	–	4 Risk Assessments
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: MUNICIPAL MANAGER									
NR	INDICATOR	MEASURABLE OBJECTIVE :		MIG (NDPG, EEDSM & DME included) funding spent to ensure the upgrading and maintenance of infrastructure in the City of Matlosana					
MM1	Rand value spent on MIG grants (NDPG, EEDSM & DME included) allocated for the City of Matlosana spent	67.% R109 849 811 spent	85% R189 168 641 spent	Spending at least 85% of MIG grants (NDPG, WMIG, EEDSM; INEP; DME & roll-overs included) allocated to the City of Matlosana by 30 June 2022. R176 279 674 (R149 837 723)	85% R150 025 704 spent		–	–	85% of R159 417 650 (R135 505 003)

OFFICE OF THE MUNICIPAL MANAGER									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: MUNICIPAL MANAGER									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To investigate unauthorised, irregular, fruitless and wasteful expenditure of the municipality's performance and financial situation by conducting (s32) meetings						
MM8	Number of (s32) meetings conducted to investigate unauthorised, irregular, fruitless and wasteful expenditure of the municipality's performance and financial situation	7 (s32) Meetings conducted	6 (s32) Meetings conducted	Conducting 6 (s32) meetings to investigate unauthorised, irregular, fruitless and wasteful expenditure of the municipality's performance and financial situation by 30 June 2022	0 Meetings conducted		The committee became dysfunctional due to the fact that the chairperson was appointed as election Manager (ANC) and the deputy chairperson appointed MMC Finance	Ad Hoc committee on UIF & W was established on 07 July 2022. Program of action will be developed and tabled in Council	4 UIF&W Expenditure reports to Council
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: MUNICIPAL MANAGER									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that the all the directorates KPI's are catered for						
MM5	Office of the MM's SDBIP inputs before the draft 2022/23 SDBIP is tabled	Credible 2020/21 SDBIP inputs provided	Credible 2021/22 SDBIP inputs provided	Providing the office's SDBIP inputs before the draft 2022/23 SDBIP is submitted by 31 May 2022	Credible 2022/23 SDBIP inputs provided		–	–	Credible 2023/24 SDBIP inputs

OFFICE OF THE MUNICIPAL MANAGER									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: MUNICIPAL MANAGER									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that the set goals of council are achieved						
MM7	Number of SDBIP meetings between MM and directors (leading to quarterly performance assessments) conducted	2 SDBIP meetings conducted	4 SDBIP meetings conducted	Conducting 4 SDBIP meetings between MM and directors (leading to quarterly performance assessments) by 30 June 2022	1 SDBIP meetings conducted		Too many meetings held to discuss strategic plan & budget	SDBIP to remain a standing Item and that scheduled meetings be honoured	12 SDBIP meetings
SECTION: PERFORMANCE MANAGEMENT									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To approve the 2020/21 Annual Performance Report (Unaudited Annual Report) to comply with section 46 of the MSA						
PMS1	2020/21 Annual Performance Report (Unaudited Annual Report) approved by Municipal Manager	2018/19 Annual Performance Report (Unaudited Annual Report) approved by the Municipal Manager on 13/09/2019	2019/20 Annual Performance Report (Unaudited Annual Report) approved by Municipal Manager on 06/11/2020	Approving the 2020/21 Annual Performance Report (Unaudited Annual Report) by Municipal Manager by 31 August 2021	2020/21 Annual Performance Report (Unaudited Annual Report) approved by MM on 05 October 2021. CC93/2021 dated 06/10/2021 and submitted to the AG on 06/10/2021		Management decided that due to interruptions experienced (Covid) that the submission of the AFS should be delayed to ensure that the set are credible, which had a tremendous impact on the submission of the APR	Management will focus on improving systems and processes. Focus also on an interim AFS and APR planned for 06/10/2021	2021/22 Annual Performance Report (Unaudited Annual Report)

OFFICE OF THE MUNICIPAL MANAGER									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: PERFORMANCE MANAGEMENT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To table the Draft 2020/21 Annual Report (Unaudited) to comply with section 121 and Circular 63 of MFMA						
PMS2	Draft 2020/21 Annual Report (Unaudited) tabled before Council	Draft 2018/19 Annual Performance Report (Unaudited Annual Report) tabled in Council. CC111/2019 dated 21/10/2019	Draft 2019/20 Annual Report (Unaudited) tabled in Council. CC79/2020 dated 30/11/ 2020	Tabling the Draft 2020/21 Annual Report (Unaudited) before Council by 31 December 2021	Draft 2020/21 Annual Report (Unaudited) tabled. CC134/2021 dated 15/12/2021		_	_	Draft 2021/22 Annual Report (Unaudited) tabled in Council
NR	INDICATOR	MEASURABLE OBJECTIVE :	To approve the 2021/22 Mid-Year Assessment Report to comply with section 72 of the MFMA						
PMS4	2021/22 Mid-Year Assessment Report approved by the Executive Mayor	2019/20 Mid-Year Assessment Report approved. MM15/2020 dated 22 January 2020. EM1/2020 dated 23 January 2020. CC6/2020 dated 31/01/ 2020	2020/21 Mid-Year Assessment Report approved. MM16/2021 dated 22/01/2021. EM1/2021 dated 22/01/2021. CC5/2021 dated 09/02/2021	Approving the 2021/22 Mid-Year Assessment Report by the Executive Mayor by 25 January 2022	2021/22 Mid-Year Assessment Report approved by Executive Mayor on 25 January 2022. MM12/2022 dated 24/01/2022. CC09/2022 dated 31/01/2022		_	_	2022/23 Mid-Year Assessment Report approved by the Executive Mayor
NR	INDICATOR	MEASURABLE OBJECTIVE :	To table the draft 2022/23 SDBIP to comply with legislation						
PMS5	Draft 2022/23 SDBIP tabled by Council	Draft 2020/21 SDBIP tabled. C27/2020 dated 27/05/ 2020	Draft 2021/22 SDBIP tabled. CC42/2021 dated 31/05/2021	Tabling the draft 2022/23 SDBIP by Council by 31 May 2022	Draft 2022/23 SDBIP tabled in Council. CC69/2022 dated 31/05/2022		_	_	Draft 2023/24 SDBIP tabled in Council

OFFICE OF THE MUNICIPAL MANAGER									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: INTEGRATED DEVELOPMENT PLAN									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To enhance public participation to comply with legislation and obtain inputs from local community for prioritization of projects						
IDP2	Number of community consultations meetings conducted	2 Community consultations meetings conducted	2 Community consultations meetings conducted	Conducting 2 community consultations meetings by 31 May 2022	13 Community consultations meetings conducted		Additional community consultation was held due to poor attendance in 1st quarter and ward committees not elected		2 Community consultations meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To enhance public participation to comply with legislation and obtain inputs from external sector departments						
IDP3	Number of Rep Forum meetings conducted	2 Rep Forum meetings conducted	2 Rep Forum meetings conducted	Conducting 2 Rep Forum meetings by 30 June 2022	2 Rep Forum meetings conducted		–	–	2 Rep Forum meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To table the draft 2022/23 IDP Amendments to comply with legislation						
IDP4	Number of draft 2022/23 Revised IDP tabled in Council	Draft 2020/21 IDP Amendments tabled CC30/2020 dated 25 May 2020	Draft IDP amendments tabled. CC20/2021 dated 31/04/2021	Tabling the draft 2022/23 Revised IDP in Council by 31 March 2022	Draft 2022/23 IDP tabled on 30/03/2022		–	–	Draft 2023/24 Amended IDP tabled in Council
SECTION: RISK MANAGEMENT									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To submit a Risk management report to the Risk Management Committee to ensure good governance						
RIS1	Number of Risk management report submitted to the Risk Management Committee	4 Risk management reports submitted to the Risk Management Committee	4 Risk management reports submitted to the Risk Management Committee	Submitting 4 Risk management reports to ensure an effective risk management process to the Risk Management Committee by 30 June 2022	4 Risk management reports submitted to the Risk Management Committee		–	–	4 Risk management reports submitted to the Risk Management Committee

OFFICE OF THE MUNICIPAL MANAGER									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: RISK MANAGEMENT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To revise the Risk Register to determine the linkage between departmental objectives and risk activity						
RIS3	Risk Register revised and approved to determine the linkage between departmental objectives and risk activity	2019/20 Risk Register revised and 2020/21 Risk Register approved by Audit Committee	2020/21 Risk Register revised and 2021/22 Risk Register approved by Municipal Manger (MM106/2021 dated 29/06/2021) and at a special Risk Management Committee meeting of the Audit Committee dated 09/06/2021	Revising the 2021/22 Risk Register to determine the linkage between departmental objectives and risk activity and approving one 2022/23 Risk Register by 30 June 2022	2021/22 Risk Register revised and 2022/22 Risk Register is approved by the Municipal Manager (MM175/2022 dated 28/06/2022		–	–	2022/23 Risk Register revised and 2023/24 Risk Register approved
NR	INDICATOR	MEASURABLE OBJECTIVE :	To develop strategic documents to ensure good governance and to comply with legislation						
RIS4	Risk management strategic documents reviewed and approved by the municipal manager and council	Risk Management Strategic documents - 2019/20 Risk Management Charter approved by the RMC and 2020/21 Risk Management Implementation Plan approved by the Municipal Manager	2020/21 Risk Management Committee Charter approved by the Municipal Manager on 02/07/2020. 2021/22 Risk Management Implementation Plan approved by Municipal Manager (MM106/2021 dated 29/06/2021)	Approving the Risk management strategic documents (2021/22 Charter and 2022/23 implementation plan) by the municipal manager and council by 30 June 2022	2021/22 Risk Management Committee Charter approved by the Municipal Manager. MM106/2021 dated 29/06/2021). 2022/23 Risk Management Implementation Plan approved by the Municipal Manager (MM175/2022 dated 28/06/2022		–	–	2022/23 Risk Management Committee Charter and 2023/24 Risk Management Implementation Plan approved by the Municipal Manager

OFFICE OF THE MUNICIPAL MANAGER										
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
SECTION: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE										
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To enhance public participation on the results of the Annual Report to comply with legislation						
MPAC1	Number of public participation meetings conducted on the results of the 2019/20 Annual Report	1 Public participation meeting conducted	1 Public participation meeting not conducted	Conducting 1 public participation meeting on the results of the 2019/20 Annual Report by 31 July 2021	1 Public Participation held on 07/07/ 2021		_	_	1 Public participation meeting not conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To monitor the municipality's performance and financial situation by conducting regular MPAC meetings						
MPAC3	Number of MPAC (s129(4) of the MFMA) meetings to monitor the performance and financial situation in the City of Matlosana conducted	21 Public participation meetings conducted	15 Public participation meetings conducted	Conducting 32 public participation (s129(4) of the MFMA) meetings to monitor the performance and financial situation in the City of Matlosana by 30 June 2022	35 Public participation meetings conducted		Interview sessions were extended due to applications for leave of absence and interviews program re-scheduled		33 Public participation meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To issue MPAC progress reports to ensure compliance with legislation						
MPAC4	Number of MPAC progress reports issued to council which assess the efficiency and effectiveness of performance and finances of council	3 MPAC progress reports issued	1 MPAC progress report issued	Issuing 4 MPAC reports to council which assess the efficiency and effectiveness of performance and finances achieved by Council by 30 June 2022	4 MPAC progress reports issued		_	_	4 MPAC progress reports issued

OFFICE OF THE MUNICIPAL MANAGER									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To enhance public participation on the results of the Annual Report to comply with legislation						
MPAC5	Number of public participation meetings conducted on the results of the 2020/21 Annual Report	1 Public participation meeting conducted	1 Public participation meeting not conducted	Conducting 1 public participation meeting on the results of the 2020/21 Annual Report by 31 March 2022	1 Public Participation held on 05/05/2022		–	–	1 Public Participation held
SECTION: INTERAL AUDIT									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To issue audit of performance information reports to ensure compliance with legislation						
IA1	Number of audits of performance information reports issued to assess the efficiency and effectiveness of performance achieved	3 Audit of performance information reports issued	4 Audit of performance information reports issued	Issuing 4 audit of performance information reports to the Audit Committee to assess the efficiency and effectiveness of performance achieved by Council by 30 June 2022	1 Audit of performance information report issued		A new Audit committee was inaugurated in May 2022 and the meeting held in June was special meeting to approve IA & AC policies	The reports will be presented at the next Audit Committee meeting	4 Audit of performance information reports issued
NR	INDICATOR	MEASURABLE OBJECTIVE :	To adopt the Internal Audit Charter to comply with legislation						
IA4	Number of reviewed Internal Audit Charter adopted in accordance with IIA standards	Reviewed 2020/21 Internal Audit submitted to Audit Committee on 01/07/2020	Reviewed 2021/22 Internal Audit Charter adopted by Audit Committee on 30/06/2021	Adopting the reviewed 2022/23 Internal Audit Charter in accordance with IIA standards by 30 June 2022	Reviewed 2022/23 Internal Audit Charter adopted by the Audit Committee		–	–	Reviewed 2023/24 Internal Audit Charter

OFFICE OF THE MUNICIPAL MANAGER									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: INTERAL AUDIT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To report on recommendations raised by internal audit and AG to ensure sound financial and administrative management						
IA2	Number of action plan register and progress reports on the Auditor-General's report and Internal Auditor's findings submitted to the Audit Committee	2 Progress reports submitted on the updated action plan register to the Audit Committee on findings raised by the Auditor-General and Internal Audit	2 Progress reports submitted on the updated action plan register to the Audit Committee on findings raised by the Auditor-General and Internal Audit	Submitting 2 progress reports on the updated action plan register to the Audit Committee on findings raised by the Internal Audit and Auditor-General by 30 June 2022	2 Progress reports completed on the updated action plan register on findings raised by the Auditor-General and Internal Audit, but not submitted to Audit Committee		A new Audit committee was inaugurated in May 2022 and the meeting held in June was special meeting to approve IA & AC policies	The reports will be presented at the next Audit Committee meeting	2 Progress reports submitted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To issue activity reports to ensure good governance						
IA3	Number of activity reports issued to the Audit Committee on the progress of rolling out the audit plans	4 Activity reports issued	4 Activity reports issued	Issuing 4 activity reports to the Audit Committee on the progress of rolling out the audit plans by 30 June 2022	4 Activity reports issued		–	–	4 Activity reports issued
NR	INDICATOR	MEASURABLE OBJECTIVE :	To submit a Risk Based Audit Plan to comply with legislative requirements						
IA5	Number of 3-Year Risk Based Audit Plan 2022/23 submitted to the Audit Committee for approval	3-Year Risk Based Audit Plan 2020/21 submitted to Audit Committee on 01/07/2020	3-Year Risk Based Audit Plan 2021/22 approved by Audit Committee on 30/06/2021	Submitting a 3-Year Risk Based Audit Plan 2022/23 to the Audit Committee for approval by 30 June 2022	3-Year Risk Based Audit Plan 2022/23 submitted to Audit Committee but not adopted		Not adopted due to lack of approved municipal strategic objectives	The 3-Year Risk Based Audit Plan 2022/23 will be presented in the meeting scheduled for July 2022	3-Year Risk Based Audit Plan 2023/24 approved

DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT									
SECTION: ROADS AND STORM-WATER DRAINAGE SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To address cleaned blockages to ensure reactive maintenance of cleaned throughout the year						
ROA2	Kilometres of open storm-water channels cleaned	23.5 Km open storm-water channels cleaned R19 207 585	25.61 Km open storm-water channels cleaned. R17 070 306	Cleaning 25 km of open storm-water channels as per maintenance programme in the CoM municipal area by 30 June 2022 R8 5000 000	25.1 Km open storm-water channels cleaned. R8 391 386		_	_	30 Km open storm-water channels cleaned. R5 000 000
NR	INDICATOR	MEASURABLE OBJECTIVE :	To address main storm-water blockages to ensure reactive maintenance of main storm- water throughout the year						
ROA3	Kilometres of underground storm-water pipe cleaned	New indicator	20.546 Km underground storm-water pipes cleaned	Cleaning 20km of storm-water pipes as per maintenance programme in the CoM municipal area by 30 June 2022	20.125Km storm-water pipes cleaned		_	_	30 Km storm-water pipes cleaned R5 000 000
SECTION: WATER SERVICES									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To clean reservoirs to comply with legislation						
WAT2	Number of reservoirs cleaned	19 Reservoirs cleaned R1 168 549	29 Reservoirs cleaned R1 696 362	Cleaning 28 reservoirs according to the programme in the Matlosana area by 30 June 2022 R3 334 334	30 Reservoirs cleaned R944 946		_	_	28 Reservoirs cleaned R2 308 381

DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT									
SECTION: SANITATION SERVICES									
Operational and Compliance		**Previous Financial Years Actual Performance**		**2021/22 Financial Year**		**Rating**	**Reason for Deviation**	**Measures Taken to Improve Performance**	**2022/23 Financial Year**
		2019/20	**2020/21**	**Annual Target**	**Actual Performance**				
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To address main / outfall sewer blockages to ensure a healthy environment for the community						
SAN2	Kilometre of main / outfall sewers and blockages cleaned	12.187 Km of main / outfall sewers cleaned R2 096 992	39.959 Km of main / outfall sewers cleaned R2 369 618	Cleaning 40 km of main / outfall sewers as per programme in the CoM municipal area by 30 June 2022 R11 608 000	43.975 Km of main / outfall sewers cleaned R1 784 244		_	_	40 Km of main / outfall sewers cleaned R20 543 944
KEY PERFORMANCE AREA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT									
SECTION: DIRECTOR TECHNICAL AND INFRASTRUCTURE									
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To attend to all LLF meetings to ensure industrial harmony						
DTI5	Number of LLF meetings attended	7 LLF meetings attended	13 LLF meetings attended	Attending 12 LLF meetings by 30 June 2022	12 LLF meetings attended		_	_	8 LLF meetings attended
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: DIRECTOR TECHNICAL AND INFRASTRUCTURE									
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To ensure that the all the directorates KPI's are catered for						
DTI4	Directorate's SDBIP inputs provided before the 2022/23 SDBIP is tabled	Credible 2020/21 SDBIP inputs provided	Credible 2021/22 SDBIP inputs provided	Providing the directorate's SDBIP inputs before the 2022/23 SDBIP is submitted by 25 May 2022	Credible 2022/23 SDBIP inputs provided		_	_	Credible 2023/24 SDBIP inputs provided

DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: DIRECTOR TECHNICAL AND INFRASTRUCTURE									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that the set goals of council are achieved						
DTI6	Number of SDBIP meetings with senior personnel in own directorate conducted	22 SDBIP meetings conducted	32 SDBIP meetings conducted	Conducting 22 SDBIP meetings with senior personnel in own directorate by 30 June 2022	27 SDBIP meetings conducted		Meetings are being held weekly due to monitoring on progress and service delivery within the Directorate		20 SDBIP meetings conducted
SECTION: WATER SERVICES									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To maintain existing infrastructure						
WAT4	Percentage of water losses reduced	6% Reduction in water losses (from 41% to 35%) with the replacement of 2 630 consumer stuck water meters.	0.9 Increase in water losses (from 41% to 41.9%) 6 Service providers appointed and issued with orders in January 2021. 481 consumer meters were installed. 700 Consumer meters related complaints were attended to	Reducing water losses from 41% to 40% by replacing 40 malfunctioning municipal building consumption points and replacing 3 000 consumer stuck / blocked / too deep / unreadable water meters by 30 June 2022	10% increase in water losses (41% to 51%) Replacing 0 malfunctioning municipal building consumption points. 2 052 Consumer stuck water meters replaced. 0 Malfunctioning municipal building consumption points replaced		Inadequate resources to replace water meters. Aging infrastructure	Prioritise vehicles and material availability to specifically deal with water meter issues and fix leakages within 24hours. Replace aging infrastructure	1% Decrease

DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: WATER SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To obtain at least 96% of quality compliance working towards achieving the Blue Drop Award and to comply with the environmental health protection regulation						
WAT3	A minimum score of 96% of quality compliance obtained	96% Obtained on the Department of Water and Sanitation and IRIS water compliance system	Obtained 96.15% on the Department of Water and Sanitation and IRIS water compliance system	Obtaining a minimum score of 96% of quality compliance on the Department of Water and Sanitation and IRIS water compliance system by 30 June 2022	Obtained 98% on the Department of Water and Sanitation and IRIS water compliance system		–	–	Obtaining a minimum score of 96%
NR	INDICATOR	MEASURABLE OBJECTIVE :	To maintain existing infrastructure						
WAT5	Percentage of all water leaks and burst pipe complaints resolved	New indicator	61% (8 521 Complaints received / 4 990 complaints resolved)	Resolving at least 70% of all water leaks and burst pipe complaints in the Matlosana area (telephonic, written and verbal) received by 30 June 2022	49% 10 875 Complaints received / 5 344 complaints resolved		Lack of resources to respond in time to the complaints	Provide minimum stock level list to SCM to procure required materials. Conduct bi-weekly materials meetings with Finance	70%
SECTION: SANITATION SERVICES									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To improve the Green Drop score for improved waste water quality management						
SAN3	A percentage of the minimum score of the IRIS/Green Drop score obtained	Not achieved	Obtained a score of 65.97% of effluent quality compliance on the Department of Water & Sanitation - IRIS/Green Drop compliance system	Obtaining a minimum score of 70% of effluent quality compliance on the Department of Water & Sanitation - IRIS/Green Drop compliance system by 30 June 2022.	Obtained a score of 77% of effluent quality compliance on the Department of Water & Sanitation - IRIS/Green Drop compliance system		–	–	70%

DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: SANITATION SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To maintain existing infrastructure and respond to all complaints related to sewer blockages						
SAN4	A percentage of all main / outfall sewers blockage complaints in the Matlosana area resolved	97% Main / outfall sewers blockage complaints resolved 8 497 Received / 8 246 resolved	99.9% Main / outfall sewers blockage complaints resolved (16 183 Received / 16 174 resolved)	Resolving at least 96% of all main / outfall sewers blockage complaints within 90 days in the Matlosana area (telephonic, written and verbal) received by 30 June 2022	99% Main / outfall sewers blockage complaints resolved 7 389 Received / 7 347 Resolved		Periodically clean the bulk sewer lines		99%
SECTION: ELECTRICAL AND MECHANICAL SERVICES									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To maintain existing infrastructure						
ELE2	Percentage of electricity losses reduced	Electricity losses increased with 3% (from 26% to 29%). 43 faulty conventional meters and 85 faulty prepaid meters replaced and 641 tampering inspections conducted	Electricity losses increased with 5% (from 26% to 34%). 454 faulty meters replaced, 731 tampering inspections conducted and 232 transformers/RMU's serviced	Reducing non-technical electrical losses from 34% to 32% by - replacing at least 480 faulty conventional / pre-paid meters, - carrying out 600 schedule inspection on suspected tempering and illegal connections and technical losses, - servicing of 120 transformers & RMU's in municipal supplied areas by 30 June 2022	Electricity losses increased with 4% (from 34% to 38%). Replaced 456 faulty conventional/pre-paid meters, 841 tampering inspections conducted and serviced 120 Transformers and RMU's in the CoM area		Non-availability of the meters at the stores and a lack of funding to upgrade ageing infrastructure	Stores to keep minimum stock in the next financial year to ensure compliance to approved demand management plan. Install anti-tampering boxes to reduce non-technical losses	Reducing non-technical electrical losses from 34% to 32%

DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: ELECTRICAL AND MECHANICAL SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To maintain existing infrastructure						
ELE3	Percentage of low voltage complaints resolved (Time to resolve customer complaints received in person/telephonic – 24 hours. Time to resolve customer written complaints - 2 weeks)	100% Low voltage complaints resolved (2 736 Received / 2 736 resolved)	100% Low voltage complaints resolved (3 563 Received / 3 563 resolved)	Resolving 100% of all low voltage complaints in the CoM licensed area (telephonic, written and verbal) received in accordance to NRS-047-1 Electricity Supply Quality of Service (Minimum Standard) by 30 June 2022	99.99% Low voltage complaints resolved (Received 6 644 / 6 623 Resolved within NERSA standard 154 Resolved outside NERSA standard		Non-availability of the medium voltage transformer at the stores	Stores to keep minimum stock in the next financial year to ensure compliance to approved demand management plan	100%
NR	INDICATOR	MEASURABLE OBJECTIVE :	To maintain existing infrastructure						
ELE4	Percentage of medium voltage forced interruptions complaints resolved (Time to restore supply after a forced interruption – 24 hours. Time to restore supply after a forced interruption requiring investigative work – 2 weeks)	100% Medium voltage forced interruptions resolved (480 Received / 480 resolved)	100% Medium voltage forced interruptions resolved (516 Received / 516 resolved)	Resolving at least 95% of all medium voltage forced interruptions within industry standard timeframes (8 hours) in the CoM licensed area in accordance to NRS-047-1 Electricity Supply Quality of Service (Minimum Standard) by 30 June 2022	98% Medium voltage forced interruptions resolved Received 655 / 645 Resolved within NERSA standard 10 Resolved outside NERSA standard)		_	_	98%

DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: ELECTRICAL AND MECHANICAL SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To maintain existing infrastructure						
ELE5	Percentage of street lights complaints resolved	90% Street lights complaints resolved (3 329 Received / 3 005 resolved)	82% Street lights complaints resolved (1 666 Received / 1 369 resolved)	Resolving at least 50% of all street lights complaints in the Matlosana licensed area (telephonic, written and verbal) within a month from receival by 30 June 2022	54% Street lights complaints resolved (2 388 Received / 1 303 resolved)		_	_	60%
NR	INDICATOR	MEASURABLE OBJECTIVE :	To maintain existing infrastructure						
ELE6	Percentage of high mast light complaints resolved	80% High mast lights complaints resolved (488 Received / 390 resolved)	80% High mast lights complaints resolved (343 Received / 219 resolved)	Resolving at least 50% of all high mast lights complaints within 30 days in the CoM licensed area (telephonic, written and verbal) within a month from receival by 30 June 2022	88% High mast lights complaints resolved (335 Received / 296 resolved)		_	_	80%
NR	INDICATOR	MEASURABLE OBJECTIVE :	To maintain existing infrastructure						
ELE7	Percentage of traffic control signals complaints resolved	100% Traffic control signal complaints resolved (130 Received / 130 resolved)	99.3% Traffic control signal complaints resolved (145 Received / 144 resolved)	Resolving 95% of all traffic control signals complaints within 7 days in the CoM licensed area (telephonic, written and verbal) received by 30 June 2022	96% Traffic control signal complaints resolved (167 Received / 161 resolved)		_	_	100%

DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: ELECTRICAL AND MECHANICAL SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To reduce possible fraud and illegal tampering to Council's electricity network assets						
ELE8	Percentage of electricity meter tampering investigations complaints conducted	93% Electricity meter tampering investigations resolved (690 Received / 645 resolved)	98% Electricity meter tampering investigations resolved (321 Received / 314 resolved)	Conducting at least 98% of all electricity meter tampering investigations, as received from finance and community tip-offs by 30 June 2022	100% Electricity meter tampering investigations resolved (73 Received / 73 resolved))		_	_	100%

DIRECTORATE: CORPORATE SUPPORT									
KEY PERFORMANCE AREA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT									
SECTION: DIRECTOR CORPORATE SUPPORT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To attend to all LLF meetings to ensure industrial harmony						
DCS5	Number of LLF meetings attended	7 LLF meetings attended	13 LLF meetings attended	Attending 12 LLF meetings by 30 June 2022	12 LLF meetings attended		_	_	8 LLF meetings attended
SECTION: OCCUPATIONAL HEALTH AND SAFETY									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To conduct OHS inspections to ensure legal compliance and a safe working environment						
OHS1	Number of OHS inspections in Council departments conducted	90 OHS inspections conducted	120 OHS inspections conducted	Conducting 120 OHS inspections in Council departments by 30 June 2022	120 OHS inspections conducted		_	_	120 OHS inspections conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To conduct OHS audits to ensure that all deviations be corrected according to the Act						
OHS2	Number OHS audits conducted	2 OHS audits conducted	2 OHS audits conducted	Conducting 2 OHS Audits by 30 June 2022	2 OHS audits conducted		_	_	2 OHS audits conducted
SECTION: SKILLS DEVELOPMENT									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To comply with WSP legislation						
SKIL3	Number of Annual WSP / ATR submitted to LGSETA	2020/21 WSP / 2019/20 ATR submitted in May 2020	2021/22 WSP and 2020/21 ATR submitted to LGSETA on 30/04/2021	Submitting the 2022/23 WSP and 2021/22 ATR to LGSETA by 30 April 2022	2022/23 WSP and 2021/22 ATR submitted to LGSETA on 29/04/2022		_	_	2023/24 WSP and 2022/23 ATR submitted

DIRECTORATE: CORPORATE SUPPORT									
KEY PERFORMANCE AREA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT									
SECTION: SKILLS DEVELOPMENT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To comply with EE legislation						
SKIL4	Number of Employment Equity Reports submitted to the Department of Labour	2020/21 EE Report submitted to DoL on 15 January 2020	2021/21 EE report submitted to the Department of Labour on 15/01/2021	Electronically submitting the 2022/23 Employment Equity Report to Department of Labour by 15 January 2022	2022/23 EE report submitted to Department of Labour on 15 January 2022		_	_	2023/24 EE report submitted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To conduct Employment Equity Consultative Forum meetings to comply with legislation and monitoring of the implementation of EE plan						
SKIL5	Number of EECF meetings conducted	3 EECF consultative meetings conducted	4 EECF consultative meetings conducted	Conducting 4 EECF consultative meetings by 30 June 2022	4 EECF consultative meetings arranged, but only 2 conducted		Due to members not forming a quorum, 2 meetings could not be conducted	Training unit will conduct a meeting during July 2022 to elect new members to serve on EECF meetings	4 EECF consultative meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure effective human resource management						
SKIL6	Number of skills gaps of all personnel identified	Skills gap audit of all level 1 - 6 council employees in 4 directorates conducted (LED, Public Safety, Office of the Municipal Manager and Community Development)	Skills gap audit of all level 1 - 6 council employees in 4 directorates conducted (Finance, Planning and HS, Technical and Infrastructure and Corporate Support	Identifying the skills gaps for all employees in 2 directorates by 30 June 2022	A Skills Gap Audit for 2 directorates (Technical and Infrastructures and Community Development) was conducted		_	_	N/A

DIRECTORATE: CORPORATE SUPPORT									
KEY PERFORMANCE AREA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT									
SECTION: LABOUR RELATIONS									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To convene LLF meetings to ensure industrial harmony						
LR1	Number of LLF meetings convened	8 LLF meetings convened	13 LLF meetings convened	Convening 12 LLF meetings by 30 June 2022	12 LLF meetings convened		–	–	8 LLF meetings convened
NR	INDICATOR	MEASURABLE OBJECTIVE :	To conduct workshops on employment related issues and the Collective Agreement to ensure effective conclusion of labour relations matters						
LR2	Number of workshops on employment related issues and the Collective Agreement conducted	2 Workshops on employment related issues and the Collective Agreement conducted	3 Workshops conducted / co-ordinated on employment related issues and the Collective Agreement conducted	Conducting and / or co-ordinating 2 workshops on employment related issues and the Collective Agreement by 30 June 2022	4 Workshops conducted / co-ordinated on employment related issues and the Collective Agreement conducted		There was a need for 2 more workshops, as identified by Directorates		2 Workshops
SECTION: POLITICAL OFFICES – OFFICE OF THE SPEAKER									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To comply with MSA Act 32 of 2000 Chapter 4 sec 17(3) and Municipal Structures Act 117 of 1998, sec 74(a) to identify and evaluate on service delivery rendered / burning issues by council						
SPE1	Number of Ward Committee reports submitted to council to identify and evaluate the service delivery / burning issues within the CoM municipal area	New indicator	3 Ward Committee reports submitted	Submitting 2 Ward Committee reports to council to identify and evaluate the service delivery / burning issues within the CoM municipal area by 30 June 2022	2 Ward Committee reports submitted		–	–	12 Ward Committee reports submitted

DIRECTORATE: CORPORATE SUPPORT									
KEY PERFORMANCE AREA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT									
SECTION: POLITICAL OFFICES – OFFICE OF THE SPEAKER									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :		Improved municipal responsiveness					
SPE2	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan) within the CoM municipal area	New indicator	New indicator	Submitting 100% functionality of Ward Committee meetings and reports to council to improve municipal responsiveness by 30 June 2022	100% 39 Functional ward committees / 39 ward committee meetings conducted and 2 reports submitted to Council		–	–	100% and 4 reports submitted
NR	INDICATOR	MEASURABLE OBJECTIVE :		Improved municipal responsiveness					
SPE3	Percentage of wards that have held at least one councillor-convened community meeting	New indicator	New indicator	Conducting at least 75% of one councillor-convened community meeting to improve municipal responsiveness by 30 June 2022	64% 39 x 2 Functional ward committees / 24 + 26 of councillor-convened community meeting. 2 Reports submitted to Council		Some Councillors do not submit reports om community meetings convened. Some community meetings were called, disrupted by the community	Ward Councillors to acknowledge the importance of submitting reports on Councillor-convened community meetings	75% and 4 reports submitted
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: DIRECTOR CORPORATE SUPPORT									
NR	INDICATOR	MEASURABLE OBJECTIVE :		To ensure that the all the directorates KPI's are catered for					
DCS4	Directorate's SDBIP inputs provided before the 2022/23 SDBIP is tabled	Credible 2020/21 SDBIP inputs provided	Credible 2021/22 SDBIP inputs provided	Providing the directorate's SDBIP inputs before the 2022/23 SDBIP is submitted by 25 May 2022	Credible 2022/23 SDBIP inputs provided		–	–	Credible 2023/24 SDBIP inputs provided

DIRECTORATE: CORPORATE SUPPORT									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: DIRECTOR CORPORATE SUPPORT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that the set goals of council are achieved						
DCS6	Number of SDBIP meetings with senior personnel in own directorate conducted	9 SDBIP meetings conducted	12 SDBIP meetings conducted	Conducting 12 SDBIP meetings with senior personnel in own directorate by 30 June 2022	12 SDBIP meetings conducted		_	_	12 SDBIP meetings conducted
SECTION: ADMINISTRATION									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To conduct section 80 committee meetings to ensure comply with legislation to take informed decisions						
ADM1	Number of sec.80 committee meetings (portfolio meetings) conducted	45 (sec.80) committee meetings conducted	33 (sec.80) committee meetings conducted	Conducting 40 (sec.80) committee meetings (Portfolio Meetings) by 30 June 2022	41 (sec.80) committee meetings conducted		A LED Inspection meeting was scheduled		90 (sec.80) committee meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To conduct Mayoral Committee meetings to comply with legislation to align with political mandate						
ADM2	Number of Mayoral Committee meetings conducted	17 Mayoral Committee meetings conducted	18 Mayoral Committee meetings conducted	Conducting 15 Mayoral Committee meetings (special meetings included) by 30 June 2022	18 Mayoral Committee meetings conducted		Special Mayoral Committee meetings are held at request of the Executive Mayor and mostly for legislative compliance matters submitted to Council to comply		22 Mayoral Committee meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure effective Council administration and compliance with legislation in order to convey feedback after considering political and community mandate						
ADM3	Number of council meetings conducted	13 Council meetings conducted	17 Council meetings conducted	Conducting 18 Council meetings (special meetings included) by 30 June 2022	20 Council meetings conducted		Special Council meetings are held at request of the Speaker and mostly for legislative compliance matters submitted to Council to comply		22 Council meetings conducted

DIRECTORATE: CORPORATE SUPPORT									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: LEGAL SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To comply with legal requirements (sec 116 of MSA)						
LEG1	Contract management system managed and relevant departments and service departments informed within 3 months of expiry of contracts	106 Notices issued and contract register updated. 4th Quarter report not approved by Council	39 Notices issued and contract register updated. Although contract register was updated monthly, it was only approved twice by Council due to COVID-19	Managing the Contract Register of Council and informing relevant departments and service providers of expiry dates of contracts within 3 months of expiry of the contract by 30 June 2022	41 Notices issued and contract register updated. 3 Progress reports submitted to Council		2 Reports submitted in 1 item		Notices issued. Updated Register. 4 Progress reports to MayCo / Council
NR	INDICATOR	MEASURABLE OBJECTIVE :	To comply with legal requirements (sec 116 of MFMA)						
LEG2	Percentage of SLA are drafted to all allocated tenders, as received from Office of the MM	100% 68 SLA's received / 68 SLA's drafted	100% 77 SLA's received / 77 SLA's drafted	Ensuring 100% SLA are drafted to all allocated tenders / projects as received from Office of the Municipal Manager by 30 June 2022	100% 100 SLA's received / 100 SLA's drafted		_	_	100%
NR	INDICATOR	MEASURABLE OBJECTIVE :	To provide litigation report to Council						
LEG3	Number of litigation reports on cases instituted by and against the municipality	New indicator	New indicator	Submitting 4 litigation reports on cases instituted by and against the municipality to Council by 30 June 2022	4 Litigation reports submitted to Council		_	_	4 Litigation Reports to MayCo / Council

DIRECTORATE BUDGET AND TREASURY									
KEY PERFORMANCE AREA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT									
SECTION: CHIEF FINANCIAL OFFICER									
Operational and Compliance		**Previous Financial Years Actual Performance**		**2021/22 Financial Year**		**Rating**	**Reason for Deviation**	**Measures Taken to Improve Performance**	**2022/23 Financial Year**
		2019/20	**2020/21**	**Annual Target**	**Actual Performance**				
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To attend to all LLF meetings to ensure industrial harmony						
CFO5	Number of LLF meetings attended	7 LLF meetings attended	10 LLF meetings attended	Attending 12 LLF meetings by 30 June 2022	9 LLF meetings attended		CFO was on sick leave and audit steering meetings clashes with LLF meetings	CFO to delegate a deputy to represent him and to submit an apology	8 LLF meetings attended
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: BUDGET AND TREASURY OFFICE									
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	Ensure that all applicable budget related documents are published on the municipal website as required by the MFMA						
BUD11	Number of budget related documents published	7 Approved budget related documents on the municipal website	9 Approved budget related documents published on the municipal website	Publishing 9 approved budget related documents on the municipal website by 30 June 2022	9 Approved budget related documents published on the municipal website		_	_	9 Approved budget related documents published on the municipal website
SECTION: ASSET MANAGEMENT									
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To ensure that all municipal assets are accounted for						
ASS1	2020/21 Asset count completed and reported	2018/19 Asset count completed and report to municipal manager	2019/20 Asset count completed and report to municipal manager	Completing the 2020/21 asset count and submitting report to municipal manager by 30 June 2022	2020/21 Asset count 100% completed and reported to municipal manager		_	_	2021/22 Asset count completed and report to municipal manager

DIRECTORATE BUDGET AND TREASURY									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: ASSET MANAGEMENT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To enhance a clean audit						
ASS2	2020/21 Asset register 100% reconciled	2018/19 Asset Register 100% reconciled on 10/08/2019	2019/20 Asset Register 100% reconciled by 31/08/2020	Reconciling the 2020/21 asset register 100% to the financial statements by 31 August 2021	2020/21 Asset Register 100% reconciled by 31/08/2021		–	–	2021/22 Asset Register 100% reconciled
NR	INDICATOR	MEASURABLE OBJECTIVE :	To comply with GRAP17						
ASS3	Percentage of all identified assets on register	100% Of all assets were registered in the asset register	100% Of all assets were registered in the asset register by 31/08/2020	Ensuring that 100% of all identified assets are registered in the asset register (2020/21) by 31 August 2021	100% Of all 2020/21 assets were registered in the asset register by 31/08/2021		–	–	100%
SECTION: REVENUE MANAGEMENT									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To effectively do revenue collection to ensure sound financial matters						
REV9	Rand value revenue collected from electricity sales	R650 634 822 collected	R552 872 869 collected	Collecting R550 074 315 actual revenue from electricity sales (conventional meters) by 30 June 2022	R482 540 337 collected		The system was closed for too long period. Sales are dependent on the usage by consumer	System to close for shorter periods	R691 341 118 collected
NR	INDICATOR	MEASURABLE OBJECTIVE :	To effectively do revenue collection to ensure sound financial matters						
REV10	Rand value revenue collected from pre-paid electricity sales	R10 755 243 collected	R127 296 442 collected	Collecting R8 192 766 from pre-paid electricity sales by 30 June 2022	R7 852 338 collected		Sales are dependent on the usage by consumers. Electricity tampering remains a problem	Electrical division must implement meter inspections for tampering	R9 723 994 collected

DIRECTORATE: BUDGET AND TREASURY									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: REVENUE MANAGEMENT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To effectively do revenue collection to ensure sound financial matters						
REV11	Rand value revenue collected from water sales	R295 282 150 collected	R259 998 774 collected	Collecting R630 191 998 from water sales (conventional meters) by 30 June 2022	R504 293 223 collected		More consumers are not paying for water usage due to faulty meters	Faulty meters to be sent on a monthly basis to Water section for investigations	R618 733 502
NR	INDICATOR	MEASURABLE OBJECTIVE :	To improve the financial sustainability of the municipality and optimization of revenue						
RM2	Percentage of all identified incorrect billed properties corrected	100% Updated 549 Received / 549 updated	100% 938 Incorrect billed properties identified / 938 accounts corrected	Correcting at least 100% of all identified incorrect billed properties by 30 June 2022	100% 6 279 Incorrect billed properties identified / 6 279 accounts corrected		–	–	100%
NR	INDICATOR	MEASURABLE OBJECTIVE :	To improve the financial sustainability of the municipality and optimization of revenue						
RM3	Percentage of consumer accounts levied before or on 25 of each month	83% of all consumer accounts levied before or on the 25th of each month	92% of all consumer accounts levied before or on the 25th of each month	Levying at least 98% of all consumer accounts before or on 25 of each month by 30 June 2022	58% of all consumer accounts levied before or on the 25th of each month (12 Months / 7 months in which accounts were levied before or on 25 of each month)		Delays occurred during some months with the levying of interims consumption, but all consumer accounts were levied before the end of the month	Working harder to achieve the billing timelines	98%

DIRECTORATE: BUDGET AND TREASURY									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: EXPENDITURE MANAGEMENT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To control credit management to ensure timeous payment of creditors and service providers						
EXP1	Percentage of payments within 30 days from date of invoice / statement	6.63% settled	7.37% settled	Settling at least 25% of all payments (creditors) done within 30 days of receipt of invoice / statement by 30 June 2022	6% settled		Covid-19 affect the collection rate and reduce the speed rate of payment to service providers	Revenue enhancement project will address the current status	25% Settled
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: CHIEF FINANCIAL OFFICER									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that the all the directorates KPI's are catered for						
CFO4	Directorate's SDBIP inputs provided before the 2022/23 SDBIP is tabled	Credible 2020/21 SDBIP inputs provided	Credible 2021/22 SDBIP inputs provided	Providing the directorate's SDBIP inputs before the 2022/23 SDBIP is submitted by 25 May 2022	Credible 2022/23 SDBIP inputs provided		–	–	Credible 2023/24 SDBIP inputs provided
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that the set goals of council are achieved						
CFO6	Number of SDBIP meetings with senior personnel in own directorate conducted	5 SDBIP meetings conducted	7 SDBIP meetings conducted	Conducting 12 SDBIP meetings with senior personnel in own directorate by 30 June 2022	13 SDBIP meetings conducted		Management is ensuring that SDBIP is prioritised		12 SDBIP meetings conducted

DIRECTORATE: BUDGET AND TREASURY										
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
SECTION: BUDGET AND TREASURY OFFICE										
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To approve the budget in order to comply with legislation						
BUD5	Number of 2022/23 Draft budgets approved	2020/21 Draft budget approved. CC19/2020 dated 27/05/2020	2021/22 Draft budget approved CC 18/2021 dated 31/03/2021	Approving the 2022/23 draft budget by 31 March 2022	2022/23 Draft Budget tabled CC44/2022 dated 30/03/2022		–	–	2023/24 Draft budget approved by Council
SECTION: SUPPLY CHAIN MANAGEMENT										
NR	INDICATOR	MEASURABLE OBJECTIVE :	To comply with legal requirements (Section 29 of the SCM Regulation)(SCM Policy of CoM)						
SCM1	Percentage of recommendations on tenders / projects of allocated tenders are approved	100% 27 Recommended / 27 forwarded	94% 35 Recommended / 33 forwarded	Ensuring 98% of all the recommendations on the allocated tenders / projects are forwarded to the Office of the Municipal Manager for approval, appointment letters and resolution by 30 June 2022	100% 25 Recommended / 25 forwarded		–	–	98%
NR	INDICATOR	MEASURABLE OBJECTIVE :	Ensure that all supply chain management awards are published on the municipal website as required by the MFMA						
SCM2	Percentage of supply chain management awarded contracts published on municipal website	0% 25 Forwarded / 0 published	28% 60 Forwarded / 17 published	Forwarding 100% of all supply chain management contracts in terms of Section 75(1)(g) of the MFMA to the ICT section for publishing on the municipal website by 30 June 2022	100% 66 Forwarded / 66 Published		–	–	100%

DIRECTORATE: BUDGET AND TREASURY										
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
SECTION: SUPPLY CHAIN MANAGEMENT										
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To implement internal co-operation and controls to ensure compliance with legislation						
SCM3	Percentage of the bid committee process plan for each advertised specification compiled	80% 41 Request received / 33 successfully completed	100% 44 Specification received / 44 bid committee process plans compiled	Compiling 100% of bid committee process plan for each advertised specification by 30 June 2022	100% 30 Specification Received / 30 Bid committee process plans compiled		_	_	100%
NR	INDICATOR	MEASURABLE OBJECTIVE :	To implement Internal Co-operation and Controls to ensure compliance with legislation (Section 27 of SCM Regulation)						
SCM4	Percentage of all received specifications documents advertised correctly within 14 days	100% 35 Specifications document received / 35 Specifications documents advertised within 14 working days	94% 51 Specifications documents received / 48 received specifications documents advertised within 14 working days	Advertising 100% of all received specifications documents correctly within 14 days by 30 June 2022	81% 33 Specifications documents received / 27 received specifications documents advertised within 14 working days		National Treasury placed the moratorium on procurement since 16 February which was only lifted mid-May. This resulted in the delayed procurement including advertisements	Adverts will be placed in the new year. Chairperson of the BSC to monitor that all recommended specification is advised within 14/ 21/ 30 days	100%
NR	INDICATOR	MEASURABLE OBJECTIVE :	To implement Internal Co-operation and Controls to ensure compliance with legislation (Section 28 of SCM Regulation)						
SCM5	Percentage of received tender documents successful evaluated within 45 working days	90% 48 tender documents received / 43 successfully evaluated within 45 working days	75% 73 Tender documents received / 55 successful evaluated within 45 working days	Evaluating 100% of all received tender documents successful within 45 working days by 30 June 2022	100% 51 Tender documents received / 51 successful evaluated within 45 working days		_	_	100%

DIRECTORATE: BUDGET AND TREASURY									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: SUPPLY CHAIN MANAGEMENT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To implement Internal Co-operation and Controls to ensure compliance with legislation (Section 29 of SCM Regulation)						
SCM6	Percentage of all adjudicated tenders successful adjudicated within 45 working days	96% 49 tender documents received / 47 successful adjudicated within 45 working days	87% 62 Tender documents received / 54 successful adjudicated within 45 working days	Adjudicating 100% of all adjudicated tenders successful within 45 working days by 30 June 2022	97% 40 Tender documents received / 39 successful adjudicated within 45 working day		The tender of 27 June 2022 was referred back to the Bid Evaluation Committee	The tender to be finalized in the 1st quarter of the 2022/23 FY	100%

DIRECTORATE: COMMUNITY DEVELOPMENT									
KEY PERFORMANCE AREA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT									
SECTION: DIRECTOR COMMUNITY DEVELOPMENT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To attend to all LLF meetings to ensure industrial harmony						
DCD5	Number of LLF meetings attended	7 LLF meetings attended	12 LLF meetings attended	Attending 12 LLF meetings by 30 June 2022	12 LLF meetings attended		–	–	8 LLF meetings attended
SECTION: PARKS AND CEMETERIES									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To advance aviation facilities to the community and to comply with legislation						
PAR1	Number of annual PC Pelser Airport licenses renewed	PC Pelser Airport license renewed R5 170	PC Pelser Airport license renewed. R4 880 paid	Renewing the annual PC Pelser Airport license to obtain authority to operate an airport by 30 June 2022	PC Pelser Airport license renewed. R5 130 paid		–	–	PC Pelser Airport license renewed R6 979
SECTION: OCCUPATIONAL HEALTH SERVICES									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To enhance healthy lifestyles and improve health of employees						
OHC1	Number of health promotions programmes conducted	15 Health programmes conducted	76 Health programmes conducted	Conducting 8 health promotions programmes as identified by 30 June 2022	8 Health programmes conducted		–	–	8 Health programmes conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure compliance with Compensation of Occupational and Injuries Deases Act (COIDA) to prevent legal litigations						
OHC2	Annual COIDA assessment process administrated	COIDA payment finalized. COIDA process administrated R2 631 263	Return of Earnings received. COIDA payment finalized. Letter of good standing received. R2 826 453 spent	Administrating the annual COIDA assessment process by 30 June 2022	Return of Earnings received. COIDA payment finalized. Awaiting letter of good standing. R2 766 181 spent		–	–	COIDA payment finalized. R3 300 000

DIRECTORATE: COMMUNITY DEVELOPMENT									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: DIRECTOR COMMUNITY DEVELOPMENT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that the all the directorates KPI's are catered for						
DCD4	Directorate's SDBIP inputs provided before the 2022/23 SDBIP is tabled	Credible 2020/21 SDBIP inputs provided	Credible 2021/22 SDBIP inputs provided	Providing the directorate's SDBIP inputs before the 2022/23 SDBIP is submitted by 25 May 2022	Credible 2022/23 SDBIP inputs provided		–	–	Credible 2023/24 SDBIP inputs provided
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that the set goals of council are achieved						
DCD6	Number of SDBIP meetings with senior personnel in own directorate conducted	10 SDBIP meetings conducted	12 SDBIP meetings conducted	Conducting 12 SDBIP meetings with senior personnel in own directorate by 30 June 2022	12 SDBIP meetings conducted		–	–	12 SDBIP meetings conducted
SECTION: PARKS AND CEMETERIES									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To manage the airport effectively to comply with legislation						
PAR2	Number of inspections conducted at the PC Pelser Airport	12 PC Pelser Airport inspections conducted	12 PC Pelser Airport inspections conducted	Conducting 12 inspections at PC Pelser Airport to ensure aviation safety by 30 June 2022	12 PC Pelser Airport inspections conducted		–	–	12 PC Pelser Airport inspections conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To enhance and conserves the biodiversity in the City of Matlosana area						
PAR3	Percentage of biodiversity priority area within the municipality protected	New indicator	New indicator	Protecting 100% of the biodiversity area in the City of Matlosana area in terms of game counting and grading of fire breaker by 30 June 2022	100% Biodiversity area 100% done (484 Game conserved / 484 Game Counted). Grading of fire breaker done		–	–	100%

DIRECTORATE: COMMUNITY DEVELOPMENT									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: REFUSE REMOVAL SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To distribute mass containers to enhance efficiency in new promulgated areas and replace old / broken containers						
REF2	Number plastic containers (85ℓ) for the Matlosana area distributed	New indicator	New indicator	Distributing 5 000 x 85ℓ dustbins for new promulgated areas and replacement of old / broken containers in the Matlosana area by June 2022	5 000 x 85ℓ Dustbins distributed		–	–	Purchasing 2 547 x 240ℓ dustbins R1 665 250
NR	INDICATOR	MEASURABLE OBJECTIVE :	To purchase and distribute mass containers to enhance efficiency in new promulgated area and replace old / broken containers						
REF3	Number of plastic containers (85ℓ) for the Matlosana area purchased and distributed	New indicator	New indicator	Purchasing and distributing 3 530 x 85ℓ dustbins for new promulgated areas and replacement of old / broken containers in the Matlosana area by June 2022	3 530 x 85ℓ Dustbins purchased and distributed		–	–	N/A
SECTION: LIBRARY SERVICES									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To present awareness programmes by promoting library awareness amongst adults, learners and youth						
LIB3	Number of awareness programmes and events presented at libraries and other venues	177 Programmes / events presented	98 Programmes / events presented	Presenting 110 awareness programmes and events at libraries and other venues in the CoM municipal area by 30 June 2022	111 Awareness Programmes / events presented		–	–	144 Awareness Programmes / events presented

DIRECTORATE: COMMUNITY DEVELOPMENT									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: MUSEUM AND HERITAGE SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To provide an educational service						
MUS1	Number of consultation sessions conducted	100 Consultation sessions conducted	52 Consultation sessions conducted	Conducting at least 55 consultation sessions with educators, students, researchers and general public upon request to promote heritage awareness and disseminate educational content by 30 June 2022	55 Consultation sessions conducted		_	_	75 Consultation sessions conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To provide an educational service						
MUS2	Number of lifelong skills development programs presented	12 Lifelong skills development programs presented / facilitated	6 Lifelong skills development programs presented / facilitated	Presenting / facilitating at least 8 lifelong skills development programs to adults and youth to empower them to develop entrepreneurial and life skills by 30 June 2022	8 Lifelong skills development programs presented / facilitated		_	_	8 Lifelong skills development programs presented / facilitated
NR	INDICATOR	MEASURABLE OBJECTIVE :	To provide an educational service						
MUS3	Number of educational programs presented	127 Educational programs presented	79 Educational programs presented	Presenting at least 19 educational programs to learners and adults to expand their knowledge of SA history and cultural heritage in general and that of CoM municipal area in particular by 30 June 2022	27 Educational programs presented		Additional Programmes were requested by Educators		20 Educational programs presented

DIRECTORATE: COMMUNITY DEVELOPMENT									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: MUSEUM AND HERITAGE SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To manage heritage resources by promoting heritage awareness						
MUS4	Number of heritage awareness projects convened	13 Heritage awareness projects convened	6 Heritage awareness projects convened	Convening 5 heritage awareness projects to disseminate knowledge regarding heritage and promote cultural heritage and national unity by 30 June 2022	5 Heritage awareness projects convened		_	_	5 Heritage awareness projects convened
SECTION: SPORT AND RECREATION									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure sound sport administration						
SPO1	Number of sport council meetings held	6 Sport council meetings conducted	3 Sport council meetings conducted	Conducting 3 sport council meetings to ensure the smooth running of sport clubs by 30 June 2022	3 Sport council meetings conducted		_	_	4 Sport council meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To co-ordinating sport events in collaboration with sport clubs, federations and non-governmental organisations to develop sport in the CoM municipal area						
SPO2	Number of sport events in collaboration with sport clubs, federations and non-governmental organisations co-ordinated	2 Sport events co-ordinated R72 532	2 Sport events co-ordinated. R0	Co-ordinating 3 sport events in collaboration with sport clubs, federations and non-governmental organisations to ensure the promotion of sport in the CoM municipal area by 30 June 2022. R0	3 Sport events co-ordinated. R0		_	_	4 Sport events co-ordinated. R150 000

DIRECTORATE: PUBLIC SAFETY									
KEY PERFORMANCE AREA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT									
SECTION: DIRECTOR PUBLIC SAFETY									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To attend to all LLF meetings to ensure industrial harmony						
DPS5	Number of LLF meetings attended	7 LLF meetings attended	12 LLF meetings attended	Attending 12 LLF meetings by 30 June 2022	11 LLF meetings attended		Only 1 meeting was not attended, due to the Public Safety Management Meeting that was scheduled at the same time and date with LLF	Ensure time frames of meetings in future	8 LLF meetings attended
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: LICENSING SERVICES									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To effectively do revenue collection to ensure sound financial matters						
LIS1	Rand value revenue collected from driver's licenses	R6 026 028 collected	R8 560 380 collected	Collecting at least 95% of R9 318 750 from driver's licenses (excluding Prodiba fees) by 30 June 2022 (R8 852 813)	R8 906 583 collected		–	–	R9 766 050
LIS4	Rand value revenue collected from businesses, hawkers and stands	R220 437 collected	R490 960 collected	Collecting R405 000 from businesses / hawkers and stands by 30 June 2022	R177 420 collected		The National Ministerial Directives that extended the validity of informal traders permits to remain valid until 31 December 2022	N/A	R424 440

DIRECTORATE: PUBLIC SAFETY									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: LICENSING SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To effectively do revenue collection to ensure sound financial matters						
LIS2	Rand value revenue from vehicle registration and licensing / renewals	R10 505 057 collected	R14 934 246 collected	Collecting R15 953 389 commission from Vehicle Registration and Licensing / renewals which is 20% on all vehicle income, minus 15% VAT by 30 June 2022	R15 796 102 collected		Eskom load shedding has affected the stations to operate as a result, motorist use other authorities that are not affected by load shedding. i.e. Klerksdorp Post Office or anywhere in the North West, they are not restricted to renewing at their place of residence since December 2021	Finance must carefully budget for the 2022/23 FY	R16 719 152
NR	INDICATOR	MEASURABLE OBJECTIVE :	To effectively do revenue collection to ensure sound financial matters						
LIS3	Rand value revenue collected from motor vehicle testing	R524 604 collected	R1 051 416 collected	Collecting R1 196 298 from Motor Vehicle Testing by 30 June 2022	R1 138 818 collected		Eskom load shedding has affected the stations to operate.	N/A	R1 253 720

DIRECTORATE: PUBLIC SAFETY									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: TRAFFIC AND SECURITY SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To collect revenue to ensure sound financial matters						
TRA3	Rand value revenue collected from outstanding traffic fines	R930 240 collected	R684 620 collected	Collecting at least 55% of R2 000 000 from traffic fines by 30 June 2022 (R1 100 000)	R1 119 611 collected		_	_	R3 000 000
NR	INDICATOR	MEASURABLE OBJECTIVE :	To collect revenue to ensure sound financial matters						
TRA4	Rand value revenue collected from warrants of arrest	R1 120 068 collected	R799 282 collected	Collecting R145 800 from warrant of arrests by 30 June 2022	R175 375 collected		Dedicated Warrant of arrest team, more attention was given to warrants that were due to expire. As per the submission for the new Financial Year, figure have been increased.		R874 456
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: DIRECTOR PUBLIC SAFETY									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that the all the directorates KPI's are catered for						
DPS4	Directorate's SDBIP inputs provided before the 2022/23 SDBIP is tabled	Credible 2020/21 SDBIP inputs provided	Credible 2021/22 SDBIP inputs provided	Providing the directorate's SDBIP inputs before the 2022/23 SDBIP is submitted by 25 May 2022	Credible 2022/23 SDBIP inputs provided		_	_	Credible 2023/24 SDBIP inputs provided
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that the set goals of council are achieved						
DPS6	Number of SDBIP meetings with senior personnel in own directorate conducted	9 SDBIP meetings conducted	11 SDBIP meetings conducted	Conducting 12 SDBIP meetings with senior personnel in own directorate by 30 June 2022	12 SDBIP meetings conducted		_	_	12 SDBIP meetings conducted

DIRECTORATE: PUBLIC SAFETY									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: DIRECTOR PUBLIC SAFETY									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To promote community safety						
DPS7	Number of community safety campaigns conducted	2 Community safety campaigns conduct	2 Community safety campaigns conduct	Conducting 7 community safety campaigns in the CoM municipal area according to programme by 30 June 2022	9 Community safety campaigns conduct		Due to intervention of hitch hike and bullying at schools. A learner committed suicide hence the unplanned Vaal Reefs campaign took place		8 Community safety campaigns conduct
SECTION: FIRE AND DISASTER MANAGEMENT									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To adhere to Fire Codes and Regulations and comply with fire codes (SANS) and regulations						
FIR1	Number of fire inspections conducted	700 General fire inspections conducted	901 General fire inspections conducted	Conducting 900 general fire inspections according to programme in the CoM municipal area by 30 June 2022	900 General fire inspections conducted		–	–	900 General fire inspections conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To promote fire safety						
FIR2	Number of ward sessions conducted	4 Fire prevention information sessions conducted	4 Fire prevention information sessions conducted	Conducting 8 fire prevention information sessions according to programme in identified wards by 30 June 2022	8 Fire prevention information sessions conducted		–	–	12 Fire prevention information sessions conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To promote fire safety						
FIR3	Number of fire safety campaigns conducted at schools	7 Fire safety campaigns conducted	3 Fire safety campaigns conducted	Conducting 3 fire safety campaigns for schools in the CoM municipal area according to programme by 30 June 2022	3 Fire safety campaigns conducted		–	–	8 Fire safety campaigns conducted

DIRECTORATE: PUBLIC SAFETY									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: TRAFFIC AND SECURITY SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To promote road safety						
TRA1	Number of (K78) multi road blocks conducted	86 (K78) multi road blocks conducted	17 (K78) multi road blocks conducted	Conducting 15 (K78) multi road blocks with all law enforcement agencies in the CoM municipal area by 30 June 2022	15 (K78) multi road blocks conducted		_	_	20 (K78) multi road blocks conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To promote road safety						
TRA2	Number of traffic and road safety campaigns conducted at schools and crèches	39 Safety campaigns conducted	Due to Covid-19, it was removed from SDBIP	Conducting 40 traffic and road safety campaigns at schools and crèches in the CoM municipal area according to programme by 30 June 2022	37 Safety campaigns conducted		The schools were not accommodating Road Safety Education at schools due to the stiff programme that they had to catch-up with. It is for this reason that Road Safety was extended to cover other areas that is Driver Education and Pedestrians Safety Campaigns in conjunction with the Provincial Road Safety Inspectorate.	As and when the schools will allow for Road Safety Education at the schools, the programme will then continue to roll out	44 Safety campaigns conducted

DIRECTORATE: PUBLIC SAFETY									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: TRAFFIC AND SECURITY SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure the safety of council property and employees by monitoring the performance of private security service providers on contract with the municipality						
SEC1	Number of performance meetings conducted with private security service providers on contract with the council to ensure the compliance with the SLA	New indicator	10 Performance meetings conducted	Conducting 12 performance meetings with private security service providers on contract with council to ensure the compliance with the SLA by 30 June 2022	12 Performance meetings conducted		_	_	12 Performance meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure the safety of council property and employees to strengthen the security systems in the council						
SEC2	Number of 4 Security Forum meetings conducted with council departments to strengthen the security systems in the council	New indicator	Security Forum established, therefore no Security Forum meeting conducted	Conducting 4 Security Forum meetings with council departments to strengthen the security systems in the council by June 2022	No Security Forum meeting conducted		Numerous attempts were made with the Municipal Manager to give instruction for members to attend the Security Forum, to no success.	The meeting to be scheduled between the Acting Municipal Manager and all respective Directors to ensure that their delegated member attend to this important Forum.	4 Security Forum meeting conducted

DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS									
KEY PERFORMANCE AREA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT									
SECTION: DIRECTOR PLANNING AND HUMAN SETTLEMENTS									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To attend to all LLF meetings to ensure industrial harmony						
DPHS5	Number of LLF meetings attended	6 LLF meetings attended	12 LLF meetings attended	Attending 12 LLF meetings by 30 June 2022	12 LLF meetings attended		_	_	8 LLF meetings attended
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: TOWN-PLANNING AND BUILDING SURVEY									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To collect revenue to ensure sound financial matters						
BS4	Rand value revenue collected from building plan application	R650 074 collected	R930 884 collected	Collecting at least 88% of R1 101 586 from building plan applications by 30 June 2022. (R969 397)	R975 165 collected		_	_	85% of R1 154 462
NR	INDICATOR	MEASURABLE OBJECTIVE :	To collect revenue to ensure sound financial matters						
TP2	Rand value revenue collected from land use / development applications	R168 065 collected	R201 214 collected	Collecting at least 75% of R375 224 from land use / development applications by 30 June 2022 (R281 418)	R285 620 collected		_	_	75% of R393 235

DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: DIRECTOR PLANNING AND HUMAN SETTLEMENTS									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that the all the directorates KPI's are catered for						
DPHS4	Directorate's SDBIP inputs provided before the 2022/23 SDBIP is tabled	Credible 2020/21 SDBIP inputs provided	Credible 2021/22 SDBIP inputs provided	Providing the directorate's SDBIP inputs before the 2022/23 SDBIP is submitted by 25 May 2022	Credible 2022/23 SDBIP inputs provided		–	–	Credible 2023/24 SDBIP inputs provided
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that the set goals of council are achieved						
DPHS6	Number of SDBIP meetings with senior personnel in own directorate conducted	10 SDBIP meetings conducted	12 SDBIP meetings conducted	Conducting 12 SDBIP meetings with senior personnel in own directorate by 30 June 2022	12 SDBIP meetings conducted		–	–	12 SDBIP meetings conducted
SECTION: HOUSING SERVICES									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To register Matlosana Housing needs beneficiaries to establish the current housing backlog						
HOU2	Number of needs registered on the Matlosana Housing Needs Register	1 748 Needs registered	2 200 Needs registered	Registering 2 000 beneficiaries on the Matlosana Housing needs register for housing opportunities by 30 June 2022	2 670 Needs registered		Received assistance from the Ward Committee members and Provincial Department of Human Settlements to capture the names of beneficiaries to update the needs register		2 000 Needs registered
NR	INDICATOR	MEASURABLE OBJECTIVE :	To address the housing backlog						
HOU3	Number of old municipal housing stock transferred	New indicator	400 Verification completed. No Title Deeds distributed yet. R0	Transferring at least 205 old municipal housing stock by 30 June 2022 R85 785	205 Applications verification forms submitted to the Attorney, but only 183 Title Deeds Registered from the old municipal housing stock. R1 060		Due to a lack of finances not all deeds could be registered	Deed registration to be finalized in the 2022/23 FY	R89 903

DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: HOUSING SERVICES									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To provide tenure security to Housing Beneficiaries						
HOU5	Number of title deeds registered to beneficiaries of Kanana extension 14 (RDP housing)	New indicator	New indicator	Registering at least 2 500 title deeds to beneficiaries of Kanana extension 14 (RDP Housing) by 30 June 2022	1 552 Title Deeds registered to beneficiaries of Kanana extension 14 (RDP Housing)		Township establishment was only registered in February 2022. Therefor the service provider could only manage to submit 1 552 power of attorneys to pass transfer	The remaining 948 power of attorneys to finalise title deeds of Kanana Ext. 14 will be completed in 1st quarter of the 2022/23 FY	N/A
NR	INDICATOR	MEASURABLE OBJECTIVE :	To develop sustainable Human Settlements						
HOU6	Number of informal settlements assessed (enumerated and categorised) in the Matlosana area	New indicator	New indicator	Assessing at least 4 informal settlements (enumerated and categorised) at - Jouberton extension 25 squatters (Freedom Square) - Jouberton extension 24 squatters (Waterfall) - Matlosana Estate extension 10 (Meiringspark Jacaranda squatters) - Kanana extension 5 by 30 June 2022	3 Settlements (Jouberton extension 24 squatters (Waterfall), Kanana Ext 5 and Jouberton extension 25 squatters (Freedom Square) assessed - 2 439 Households enumerated. Developer has to enumerate and classify Matlosana Estate extension 10 (Meiringspark Jacaranda squatters)		Appointed enumerations only commenced work in the second week of April 2022 till June 2022. No relocation of squatters done	The Relocation Framework Plan has been drafted and it is expected that allocations and relocations in the settlement will commence in the 2022/23 FY	4 Informal settlements (enumerated and categorised)

DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: LAND AFFAIRS									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To administer the applications for acquisition of municipal land to ensure the access of land for various uses						
LAN1	Percentage of applications for acquisition of municipal land administered and finalised	17 % 42 Received / 7 Resolved	45% 202 Acquisition applications received / 91 Resolved	Administering and finalizing at least 50% of all acquisition applications by 30 June 2022	58% 246 Acquisition applications received / 143 Resolved		Consultants have been appointed, thus prioritising the subdivisions and rezoning of land prior to the disposal process		60%
NR	INDICATOR	MEASURABLE OBJECTIVE :	To update and maintain a credible register of all land leases, monitoring validity and escalations						
LAN2	Percentage of all lease applications received and finalised	54 % 35 Received / 19 Resolved	48.6 % 107 Received / 52 Resolved	Processing and finalising at least 50% of all lease applications within 90 days by 30 June 2022	40% 114 Lease applications received / 46 applications finalised		Applicants' accounts are often in arrears and we have to wait for them to pay off or make arrangements with Finance to pay, then the application can be finalised	Once the applicants have rectified the account, the application will be reopened and finalized	50%
NR	INDICATOR	MEASURABLE OBJECTIVE :	To monitor income generating facilities and to reconciled leased land owned by the municipality						
LAN3	Number of compliance inspections on land leased for agricultural purposes conducted	New indicator	12 Compliance inspections conducted	Conducting 12 compliance inspections on land leased for agricultural purposes by 30 June 2022	12 Compliance inspections conducted		_	_	12 Compliance inspections conducted

DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: TOWN-PLANNING AND BUILDING SURVEY									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure compliance with building regulations, standards and Municipal By-Laws						
BS1	Percentage of building contravention (to prevent submitting for legal action within 6 weeks from detection) resolved	15.7 % 89 notices issued / 14 notices resolved	52.7% 146 Received / 77 Resolved	Resolving at least 35% of conducted building inspections to monitor and enforce compliance with the building regulations and standards across the CoM municipal area by 30 June 2020	60% 233 Building contravention received / 142 resolved		_	_	50%
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that building plans are assessed within 30 working days						
BS2	Percentage of all building plans assessed within 30 days from receipt of application and payment to finalisation of assessment	78.7% 612 Received / 482 assessed	95.2% 1 044 Received / 994 Resolved	Receiving and assessing at least 95% of all building plan applications within the legal stipulated timeframe of 30 working days by 30 June 2022	98,62% 944 of plans received / 931 of plans assessed		_	_	95%
NR	INDICATOR	MEASURABLE OBJECTIVE :	To attend to all requests for building inspections						
BS3	Percentage of building inspections conducted within 32 working hours from the time of request of appointment	100% 1 141 Inspections bookings received / 1 141 inspections attended to	100% 1 377 Inspections booked / 1 377 attended to	Ensuring that least 100% of all building inspection requests are attended to by 30 June 2022	100% 2 271 Inspections booked / 2 271 attended to		_	_	100%

DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: TOWN-PLANNING AND BUILDING SURVEY									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that land use applications are processed within 90 days						
TP1	Percentage of land use applications received, paid for and finalised within the legislated timeframe of 90 days from the date of submission	93.66 % 142 Received / 133 finalised	100% 186 Applications received / 186 applications finalised	Finalising at least 95% of all land use applications within 90 days by 30 June 2022	95% 172 Applications received / 164 applications finalised		_	_	95%

DIRECTORATE LOCAL ECONOMIC DEVELOPMENT									
KEY PERFORMANCE AREA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT									
SECTION: DIRECTOR LOCAL ECONOMIC DEVELOPMENT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To attend to all LLF meetings to ensure industrial harmony						
DLED5	Number of LLF meetings attended	5 LLF meetings attended	12 LLF meetings attended	Attending 12 LLF meetings by 30 June 2022	11 LLF meetings attended		Director was on annual leave	Director to delegate an assistant director to represent him and to submit his apology	8 LLF meetings attended
SECTION: MARKETING AND COMMUNICATION									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To distribute internal newsletters to ensure transparency with Council affairs						
COM3	Number of internal newsletters compiled & distributed to all employees of Council	6 Internal newsletters compiled and distributed	6 Internal newsletters compiled and distributed	Compiling & distributing 6 internal newsletters to all employees of Council by 30 June 2022	6 Internal newsletters compiled and distributed		–	–	6 Internal newsletters compiled and distributed
NR	INDICATOR	MEASURABLE OBJECTIVE :	To increase marketing initiatives in all sectors for local economic development and growth and the expansion of the tourism sector						
COM4	Number of booklets compile and printed on service delivery within the City of Matlosana area	New indicator	New indicator	Compiling and printing 2 booklets on service delivery within the City of Matlosana area by 30 June 2022 R153 900	1 Booklet was compiled, but not completely printed. R149 961		Final booklet was sent to the service provider for the printing on 13 June 2022. Delays due to SCM processes.	Booklet to be printed in the 1st quarter of the 2022/23 FY	N/A

DIRECTORATE LOCAL ECONOMIC DEVELOPMENT									
KEY PERFORMANCE AREA 3: LOCAL ECONOMIC DEVELOPMENT									
SECTION: LOCAL ECONOMIC DEVELOPMENT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To conduct consultations meeting to share information with all relevant stakeholders aimed at the economic revitalisation of these areas to support the development of Small Enterprises, cooperatives and Small, Micro and Medium Enterprises (SMMEs), to grow						
LED3	Number of LED consultation meetings conducted with stakeholders	9 LED consultation meetings conducted	12 LED consultation meetings conducted	Conducting 12 LED consultation meetings with stakeholders by 30 June 2022	12 LED consultation meetings conducted		_	_	4 LED consultation meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To manage the informal economy by providing an enabling platform for the local informal sector by implementing a set of operational and management initiatives to transform and capacitate informal street traders to formal local business investors						
LED4	Number of informal street traders registered to transformed and capacitated them into formal local business investors	New indicator	125 Street traders registered	Registering at least 40 informal street traders to transformed and capacitated them into formal local business investors by 30 June 2022	43 Street traders registered		More requests received and registered		N/A
NR	INDICATOR	MEASURABLE OBJECTIVE :	To conduct consultations meeting to share information with all relevant stakeholders aimed at the economic revitalisation of these areas to support the development of Small Enterprises, cooperatives and Small, Micro and Medium Enterprises (SMMEs), to grow						
LED5	Number of SMME workshops conducted to capacitate SMME's and cooperatives	3 SMME workshops conducted	4 SMME workshops conducted	Conducting 4 SMME workshops to capacitate SMME's and cooperatives by 30 June 2022	4 SMME workshops conducted		_	_	4 SMME workshops conducted

DIRECTORATE LOCAL ECONOMIC DEVELOPMENT									
KEY PERFORMANCE AREA 3: LOCAL ECONOMIC DEVELOPMENT									
SECTION: FRESH PRODUCE MARKET									
Operational and Compliance		**Previous Financial Years Actual Performance**		**2021/22 Financial Year**		**Rating**	**Reason for Deviation**	**Measures Taken to Improve Performance**	**2022/23 Financial Year**
		2019/20	**2020/21**	**Annual Target**	**Actual Performance**				
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To provide an enabling environment at the Matlosana Fresh Produce Market and to comply with legislation						
FPM2	Number of OHS recommendation implemented at the FPM to ensure a regulatory environment	New indicator	83% 12 recommendations received / 10 resolved	Resolving at least 80% of all Occupational Health & Safety recommendation by 30 June 2022	50% 0 new recommendations received. 2 Rolled-over / 1 resolved		A service provider for deep cleansing could not be appointed due to no provision made for it by the budget unit in 2021/22	Deep cleansing to be done in the 2022/23 FY. Included in Procurement Plan	80%
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: MARKETING AND COMMUNICATION									
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To increase marketing initiatives in all sectors for local economic development and growth and the expansion of the tourism sector						
COM1	Rand value spent on marketing activities	Branding material purchased. R599 026 spent	Branding material purchased. Matlosana newspapers printed and media communication conducted. R322 490 spent	Spending R621 054 on marketing activities according to Marketing Plan by 30 June 2022	Branding material. Matlosana newspapers printed and media communication conducted R608 336		–	–	R650 865 spent
SECTION: FRESH PRODUCE MARKET									
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To promote the fresh produce market to ensure a well-informed community						
FPM4	Rand value spent on fresh produce market programmes	R235 326 spent	R149 000 spent	Spending R150 490 on fresh produce market programmes by 30 June 2022	Marketing material (branded diaries) purchased R23 850 spent		Due to the vacant position, the acting person only purchased branded dairies	Vacant position to be filled and proper marketing be done	R157 714 spent

DIRECTORATE LOCAL ECONOMIC DEVELOPMENT									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: FRESH PRODUCE MARKET									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To collect revenue to ensure financial sustainability						
FPM5	Rand value revenue collected from rental estate	R1 256 821 collected	R1 384 811 collected	Collecting R700 000 from rental estate by 30 June 2022	R781 007 collected		Arrear amounts for rentals were collected		R733 600 collected
NR	INDICATOR	MEASURABLE OBJECTIVE :	To collect revenue to ensure financial sustainability						
FPM6	Rand value revenue collected from ripening and cooling rooms	R1 036 208 collected	R1 408 015 collected	Collecting R1 300 000 from ripening & cooling rooms by 30 June 2022	R 1 414 788 collected		An agent expanded to include bananas in their produce, thus resulting in increased ripening fees collected		R1 362 400 collected
NR	INDICATOR	MEASURABLE OBJECTIVE :	To collect revenue to ensure financial sustainability						
FPM7	Rand value revenue collected from market commission (dues)	R18 548 049 collected	R19 749 348 collected	Collecting R18 000 000 from market commission (dues) by 30 June 2022	R16 645 610 collected		There has been an unexpected drop in the turn over, due to national state of the economy	Budget to be monitored accordingly in the next FY	R18 864 000 collected
NR	INDICATOR	MEASURABLE OBJECTIVE :	To collect revenue to ensure financial sustainability						
FPM8	Rand value revenue collected from rental of carriages	R161 255 collected	R250 136 collected	Collecting R24 780 from rental of carriages by 30 June 2022	R86 313 collected		Unrealistic budget amendment during Adjustment Budget		R25 969 collected

DIRECTORATE LOCAL ECONOMIC DEVELOPMENT									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: DIRECTOR LOCAL ECONOMIC DEVELOPMENT									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that the all the directorates KPI's are catered for						
DLED4	Directorate's SDBIP inputs provided before the 2022/23 SDBIP is tabled	Credible 2020/21 SDBIP inputs provided	Credible 2021/22 SDBIP inputs provided	Providing the directorate's SDBIP inputs before the 2022/23 SDBIP is submitted by 25 May 2022	Credible 2022/23 SDBIP inputs provided		_	_	Credible 2023/24 SDBIP inputs provided
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that the set goals of council are achieved						
DLED6	Number of SDBIP meetings with senior personnel in own directorate conducted	11 SDBIP meetings conducted	12 SDBIP meetings conducted	Conducting 12 SDBIP meetings with senior personnel in own directorate by 30 June 2022	12 SDBIP meetings conducted		_	_	12 SDBIP meetings conducted
NR	INDICATOR	MEASURABLE OBJECTIVE :	To promote employment, advance social and economic welfare, contribute to transforming the mining industry and ensure that mining companies contribute to the development of the areas where they operate						
DLED7	Number of reports on Corporate Social Investment /Social Labour Plan projects implemented submitted to Municipal Manager	New indicator	The Social Labour Plan Projects confirmed with Harmony. 3 Reports regarding the Social Labour Plan submitted, but not approved by Council	Submitting 4 reports on Corporate Social Investment /Social Labour Plan projects implemented to the Municipal Manager by 30 June 2022	4 Reports regarding the Social Labour Plan submitted to the Municipal Manager		_	_	4 Reports

DIRECTORATE LOCAL ECONOMIC DEVELOPMENT									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: MARKETING AND COMMUNICATION									
Operational and Compliance		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To promote the city and communicate programmes to ensure a well-informed community						
COM2	Number of external newsletters compiled and distributed regarding Council affairs to the community	6 External newsletters compiled and distributed	4 External newsletters compiled and distributed	Compiling and distributing 6 external newsletters regarding Council affairs to the community by 30 June 2022	6 External newsletters compiled and distributed		–	–	6 External newsletters compiled and distributed
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: FRESH PRODUCE MARKET									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To provide an enabling environment at the Matlosana Fresh Produce Market and to comply with legislation						
FPM1	The Market By-Law reviewed and approved	New indicator	Draft Market By-Law was submitted to the subcommittee for consideration	Reviewing and approving the Market By-Law by 30 June 2022	Not achieved		The meeting for the policy workshop was adjourned without the Market presenting on the policy	The policy to be workshopped in the next date	Market Policy reviewed and approved

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Outcome 9 Indicators from National Government

SERVICE DELIVERY									
DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
Roads and Storm-Water Drainage (KPA 1: Service Delivery & Infrastructure Development)									
Outcome 9		**Previous Financial Years Actual Performance**		**2021/22 Financial Year**		**Rating**	**Reason for Deviation**	**Measures Taken to Improve Performance**	**2022/23 Financial Year**
		2019/20	**2020/21**	**Annual Target**	**Actual Performance**				
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To grade roads to maintain the existing road infrastructure						
ROA1	Kilometres roads graded in the CoM municipal area	125.09 Km roads graded R5 641 654	78.782 Km roads graded R2 833 656	Grading of 100 km roads in the CoM as per maintenance programme by 30 June 2022 R7 783 485	100,015 Km roads graded R7 356 527		–	–	120 km Graded R8 157 092
FINANCIAL, ADMINISTRATIVE AND CAPACITY									
OFFICE OF THE MUNICIPAL MANAGER AND ALL DIRECTORATES									
Financial Management (KPA 2: Municipal Institutional Development and Transformation)									
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To ensure an effective external audit process (Exception report / Communications)						
MM2	Percentage of external audit queries answered within required time frame			Answering 100% of all the directorate's audit queries (exception report / communications) received from the Auditor-General within the required time frame by 31 December 2021	100% 5 AG exception queries received / 5 answered		–	–	100%
DTI1		100% 2 Received / 2 answered	100% 5 AG exception queries received / 5 answered		100% 2 AG exception queries received / 2 answered		–	–	
DCS1		No AG queries received	100% 3 AG exception queries received / 3 answered		100% 5 AG exception queries received / 5 answered		–	–	

FINANCIAL, ADMINISTRATIVE AND CAPACITY									
OFFICE OF THE MUNICIPAL MANAGER AND ALL DIRECTORATES									
Financial Management (KPA 2: Municipal Institutional Development and Transformation)									
Outcome 9		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure an effective external audit process (Exception report)						
CFO1	Percentage of external audit queries answered within required time frame	100% 81 Received / 81 answered	100% 129 AG exception queries received / 129 answered	Answering 100% of all the directorate's audit queries (exception report / communications) received from the Auditor-General within the required time frame by 31 December 2021	APR - 97% 79 AG exception queries received / 77 answered		Information to AG not readily available	Management will improve systems and checks to ensure that all information is readily available	100%
DPS1		No AG queries received	No AG queries received		No AG queries received		–	–	
DCD1		100% 1 AG exception queries received / 1 answered	100% 2 AG exception queries received / 2 answered		100% 1 AG exception queries received / 1 answered		–	–	
DPHS1		No AG queries received	No AG queries received		100% 3 AG exception queries received / 3 answered		–	–	
DLED1		No AG queries received	100% 3 AG exception queries received / 3 answered		100% 9 AG exception queries received / 9 answered		–	–	

LED / ENABLING ENVIRONMENT									
DIRECTORATE: LOCAL ECONOMIC DEVELOPMENT									
Local Economic Development (KPA 3: Local Economic Development)									
Outcome 9		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure alignment between LED strategies and NDP Vision 2030 to synergize the communication between the three spheres of government						
LED2	Number of cooperatives and SMME's established and functional	4 Cooperatives and 16 SMME's established / resuscitated and functional	Submissions by the SMME's for business proposals on LED projects at internal evaluation stage R369 982	Establishing / resuscitating 1 functional cooperative and 2 SMME's in the Matlosana area by 30 June 2022 R200 000	1 Cooperative and 2 SMMEs resuscitated and functional. R149 999		_	_	2 Functional cooperatives and 6 SMME's
FINANCIAL, ADMINISTRATIVE AND CAPACITY									
DIRECTORATE BUDGET AND TREASURY									
Revenue Management (KPA 4: Municipal Financial Viability & Management)									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To identify the grants received as revenue to better service delivery						
BUD9	Grants as a percentage of revenue received	99% R567 153 692 received	99.63% R718 023 500 received	Receiving 100% of R659 533 000 of grants as revenue received per DORA by 31 March 2022	98.43% R649 203 000 received		R10 330 000 was withheld by DORA	N/A	100%

FINANCIAL, ADMINISTRATIVE AND CAPACITY									
DIRECTORATE BUDGET AND TREASURY									
Revenue Management (KPA 4: Municipal Financial Viability & Management)									
Outcome 9		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To control debt management to ensure financial sustainability						
REV1	Percentage of debtors outstanding as of own revenue	45.55% R2 010 349 370 outstanding	46.57% R2 548 039 379 outstanding	Having at the most 30% of debtors outstanding of own revenue by 30 June 2022	36,81% R2 439 685 897 outstanding		Final demand letters were sent out and consumers have 14 days' notice, before any disconnections and restrictions could be implemented	Concentrated credit control actions to be implemented and owing households to be switched off after notices were given	30%
NR	INDICATOR	MEASURABLE OBJECTIVE :	To control debt management to ensure financial sustainability						
REV2	Percentage of debt collected as a percentage of money owed to the municipality	32.63% R1 440 095 047 collected	30% R1 614 862 900 collected	Collecting at least 25% of debt of money owed to the municipality by 30 June 2022	25.71% R1 704 512 647 collected		–	–	25%
NR	INDICATOR	MEASURABLE OBJECTIVE :	To increase Payments Received vs. Monthly Levies (Collection rate of billings)						
REV3	Percentage increase in annual debtor's collection rate	9.39% Increase (from previous 64% to 73.36%)	9.96% Decrease (from previous 73.36% to 63.4%)	Increasing 5% (63.4% to 68.4%) in annual service debtors collection rate by 30 June 2022	5.89% Increase (from previous 63.4% to 69,29		–	–	2.1%

FINANCIAL, ADMINISTRATIVE AND CAPACITY									
DIRECTORATE BUDGET AND TREASURY									
Revenue Management (KPA 4: Municipal Financial Viability & Management)									
Outcome 9		**Previous Financial Years Actual Performance**		**2021/22 Financial Year**		**Rating**	**Reason for Deviation**	**Measures Taken to Improve Performance**	**2022/23 Financial Year**
		2019/20	**2020/21**	**Annual Target**	**Actual Performance**				
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To collect revenue for property rates to comply with legislation (Implementation of the Municipal Property Rates Act, 2004 (Act no. 6 of 2004)						
RM1	Rand value revenue collected from budgeted revenue for property rates	95% R334 342 738 collected	65% R317 774 885 collected	Collecting at least 81% of R 484 108 096 of the budgeted revenue for property rates by 30 June 2022. (R392 127 558)	104% R349 305 590 collected		Businesses, provincial departments and the community that could not pay during Covic-19, started to pay service accounts (property rates) more effectively)		81% of R365 289 000
Expenditure Management (KPA 4: Municipal Financial Viability & Management)									
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To control expenditure management to ensure financial sustainability						
BUD2	Percentage of operational budget spent on repairs and maintenance	3.9% spent R136 506 911 spent	3.76% R163 406 961 spent	Spending at least 3% of R295 364 113 on repairs and maintenance by 30 June 2022	5% R206 162 348 spent		A Special Adjustment budget was done as per section 28 of the MFMA CC 88/2022		3%
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To control expenditure management to ensure financial sustainability						
BUD3	Rand value of MIG expenditure as a percentage of the annual allocation	73% R86 428 781 spent	103.56% R78 529 677 spent	Spending at least 90% of R 92 923 449 as the annual MIG expenditure allocation by 30 June 2022	104% R97 195 456 spent		A Special Adjustment budget was done as per section 28 of the MFMA CC 88/2022		90%
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To submit sec 71 reports to NT in order to comply with legislation						
BUD10	Number of section 71 report submitted to NT	11 Electronic version of the section 71 report submitted	10 Electronic version of the section 71 report submitted	Submitting 12 electronic version of the section 71 report to the NT database by 30 June 2022	12 Electronic version of the section 71 report submitted		–	–	12 Electronic version of the section 71 report

FINANCIAL, ADMINISTRATIVE AND CAPACITY									
OFFICE OF THE MUNICIPAL MANAGER AND ALL DIRECTORATES									
Financial Management (KPA 5: Good Governance and Public Participation)									
Outcome 9		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that all audit findings raised in the AG Report and Management Report are assigned, monitored and executed effectively and consistently						
MM3	Percentage of assigned audit findings raised in the AG Report and Management Report resolved	New indicator	New indicator	Resolving at least 100% of assigned audit findings raised in the 2019/20 and 2020/21 AG Report and Management Report by 30 June 2022 (PAAP)	100% 7 Assigned audit findings received / 6 assigned audit findings resolved 87% (2019/20) No new assigned audit findings received. 1 Rolled-over / 1 assigned audit findings resolved 100% (2020/21 FY)		–	–	100% resolved
DTI2					100% 4 Assigned audit findings received / 4 assigned audit findings resolved (2019/20 FY) 100% 3 Assigned audit findings received / 3 assigned audit findings resolved (2020/21 FY) 100%		–	–	
DPS2					No assigned audit finding for 2019/20 or 2020/21 received		–	–	

FINANCIAL, ADMINISTRATIVE AND CAPACITY									
OFFICE OF THE MUNICIPAL MANAGER AND ALL DIRECTORATES									
Financial Management (KPA 5: Good Governance and Public Participation)									
Outcome 9		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that all audit findings raised in the AG Report and Management Report are assigned, monitored and executed effectively and consistently						
CFO2	Percentage of assigned audit findings raised in the AG Report and Management Report resolved	New indicator	New indicator	Resolving at least 100% of assigned audit findings raised in the 2019/20 and 2020/21 AG Report and Management Report by 30 June 2022 (PAAP)	56% 102 Assigned audit findings received / 58 Assigned audit findings resolved (2019/20)(2020/21) FY		Management prioritised the critical findings that has the biggest impact on the 21/22 audit but continues to attend to the other as well	The PAAP will be monitored and additional resources will be allocated if rewired	100% resolved
DPHS2					100% 1 Assigned audit finding for received/ 1 Assigned audit finding resolved (2019/20). No assigned audit finding received for 2020/21		–	–	
DLED2					31% 2 Assigned audit findings received / 2 assigned audit findings resolved 100% (2019/20 FY) and 11 Assigned audit findings received / 2 assigned audit findings resolved 18% (2020/21 FY		6 Findings deals with FreshMark system compliance issues which was not resolved yet. Rental contracts not renewed. 2 Recording in the system not done timeously	Payment arrangements for FreshMark system were requested. Rental contracts to be renewed in 2022/23 FY. Recordings on the system to be done immediately	

FINANCIAL, ADMINISTRATIVE AND CAPACITY									
OFFICE OF THE MUNICIPAL MANAGER AND ALL DIRECTORATES									
Financial Management (KPA 5: Good Governance and Public Participation)									
Outcome 9		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To ensure that all audit findings raised in the AG Report and Management Report are assigned, monitored and executed effectively and consistently						
DCD2	Percentage of assigned audit findings raised in the AG Report and Management Report resolved	New indicator	New indicator	Resolving at least 100% of assigned audit findings raised in the 2019/20 and 2020/21 AG Report and Management Report by 30 June 2022 (PAAP)	100% 1 Assigned audit finding for received/ 1 Assigned audit finding resolved (2019/20). No assigned audit finding received for 2020/2		–	–	100% resolved
DCS2					70% 6 Assigned audit findings received / 6 assigned audit findings resolved (2019/20) 100% and 4 Assigned audit findings received / 1 assigned audit findings resolved (2020/21) 25%		1. Vetting was only done for snr manager. 2, Performance Agreements for other employees only legislative from 1 July 2022 3, Termination list of employees were not forwarded to ICT to deactivate dormant accounts	1. MISS Manager appointed to deal with vetting of other employees. 2, PMDS Policy developed. Performance Agreements to be signed in future for other employees 3, Termination list of employees to be forwarded to ICT on monthly basis	

FINANCIAL, ADMINISTRATIVE AND CAPACITY									
DIRECTORATE BUDGET AND TREASURY									
Financial Management (KPA 5: Good Governance and Public Participation)									
Outcome 9		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To submit the 2020/21 Financial Statements on time to comply with legislation						
CFO7	2020/21 Financial statements submitted to the Auditor-General	The 2018/19 Financial Statements was submitted on 16/09/2019	2019/20 Financial Statements submitted on 9 November 2020	Submitting the 2020/21 financial statements to the Auditor-General by 31 August 2021	2020/21 Financial Statements submitted to the AG on 06/10/2021		Due to interruptions experienced (Covid-19) that the submission of the AFS should be delayed to ensure that the set are credible	Management will focus on improving systems and processes. Focus also on an interim AFS planned for 30 March 2022	2020/21 Financial Statements submitted to the Auditor-General
NR	INDICATOR	MEASURABLE OBJECTIVE :	To approve the budget in order to comply with legislation						
BUD4	Number of 2022/23 Budget planning process time tables tabled	2020/21 Budget Process Plan tabled. CC68/2019 dated 27/08/2019	2021/22 Budget Process Plan tabled. CC51/2020 dated 10/09/2020	Tabling the 2022/23 budget planning process time table by 31 August 2019	2022/23 Budget Process Plan was tabled in Council. CC87/21 dated 06/10/2021)		The Executive Mayor passed away on 16 July 2021 and Mayoral Committee dissolved in terms of Sec.60(5) of the LG: MSA. New Executive Mayor elected on 29 September 2021	A new Executive Mayor was elected on 29 September 2021, therefor the Council did approve the 2022/23 Budget Process Plan on 6 October 2021	2023/24 Budget Process Plan tabled
NR	INDICATOR	MEASURABLE OBJECTIVE :	To approve the budget in order to comply with legislation						
BUD6	Number of final 2022/23 budgets approved	Final 2020/21 Budget approved. CC35/2020 dated 30/06/2020	Final 2021/22 Budget approved. CC64/2021 dated 04/06/2021	Approving the final 2022/23 budget by 31 May 2022	Final 2022/23 Budget approved. CC88/2022 dated 15/06/2022		Funded budget not ready by 31 May 2022 and CFO obtained extension from Province	N/A	2023/24 Budget approved by Council

FINANCIAL, ADMINISTRATIVE AND CAPACITY									
DIRECTORATE BUDGET AND TREASURY									
Financial Management (KPA 5: Good Governance and Public Participation)									
Outcome 9		**Previous Financial Years Actual Performance**		**2021/22 Financial Year**		**Rating**	**Reason for Deviation**	**Measures Taken to Improve Performance**	**2022/23 Financial Year**
		2019/20	**2020/21**	**Annual Target**	**Actual Performance**				
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**		To approve the budget in order to comply with legislation					
BUD7	2022/23 Budget related policies approved	Final 2020/21 Budget policies & tariffs approved. CC 35/2020 dated 30/06/2020	Final 2021/22 Budget policies & tariffs approved CC 64/2021 dated 04/06/2021	Approving the final 2022/23 budget related policies and tariffs by 31 May 2022	Final 2022/23 Budget policies & tariffs approved. CC88/2022 dated 15/06/2022		Funded budget not ready by 31 May 2022 and CFO obtained extension from Province	N/A	Final 2023/24 Budget policies & tariffs approved by Council
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**		To approve the adjustment budget to comply with legislation					
BUD8	Number of 2021/22 Adjustment Budgets approved	2019/20 Adjustment Budget approved. CC17/2020 dated 28/02/2020	2020/21 Adjustment Budget approved. CC17/2021 dated 31/03/2022	Approving the 2021/22 Adjustment Budget by 28 February 2022	2021/22 Adjustment Budget approved CC36/2022 dated 18/03/2022		The February 2022 Council meeting was rescheduled to take place on 18 March 2022	N/A	2022/23 Adjustment Budget approved by Council
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**		To implement a Supply Chain Management policy to comply with legislation					
SCM7	Number of SCM reports submitted to Council on the SCM policy implementation	4 Quarterly reports submitted, but 3 reports not approved by Council	4 Quarterly reports submitted, but none approved by Council	Submitting 4 quarterly reports on the implementation of SCM policy to council by 30 June 2022	3 Reports submitted to Council		The submission of the 4th quarter report for the 2020/21 FY got forgotten due to the passing away of the Executive Mayor on 16 July 2022		4 Quarterly reports
DIRECTORATE PLANNING AND HUMAN SETTLEMENTS									
Disputes (KPA 5: Good Governance and Public Participation)									
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**		To provide basic municipal housing services and to curb financial losses					
HOU7	Percentage of housing disputes resolved	18% 23 Disputes received / 4 Resolved	50% 34 Disputes received / 17 Resolved	Resolving at least 90% of all housing disputes in the Matlosana area by June 2022	100% 19 Housing disputes received / 19 disputes resolved		–	–	90%

PERFORMANCE MANAGEMENT AND INTEGRATED DEVELOPMENT PLANNING									
OFFICE OF THE MUNICIPAL MANAGER									
Performance Management (KPA 5: Good Governance and Public Participation)									
Outcome 9		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To table the 2020/21 Audited Annual Report to comply with section 121 of MFMA						
PMS3	Audited 2020/21 Annual Report tabled before Council	2018/19 Audited Annual Report tabled. CC9/2020 dated 31 January 2020	2019/20 Audited Annual Report tabled. CC41/2021 dated 31/05/2021	Tabling the Audited 2020/21 Annual Report before Council by 31 January 2022	2020/21 Audited Annual Report tabled. CC37/2022 dated 18/03/2022		As at 31 January 2022, Council was still awaiting the AG report. Final AG report was only received on 15 February 2022, but still had to be discussed with top management. AR still needed to be printed by professional printers	Document was forwarded to printers on 7 March 2022 and finally signed off by AG on 11 March 2022. Requested a special council meeting for 18 March 2022	2021/22 Audited Annual Report
NR	INDICATOR	MEASURABLE OBJECTIVE :	To approve the final 2022/23 SDBIP to ensure compliance with legislation						
PMS6	Final 2022/23 SDBIP approved by Executive Mayor	Final 2020/21 SDBIP approved. MM72/2020 dated 30 June 2020 EM2/2020 dated 30 June 2020	Final 2021/22 SDBIP approved. MM107/2021 dated 14/06/2021. EM3/2021 dated 28/06/2021	Approving final 2022/23 SDBIP by Executive Mayor (28 days after approval of budget) by 30 June 2022	Final 2022/23 SDBIP approved. MM181/2022 dated 30/06/2022. EM5/2021 dated 30/06/2022		–	–	Final 2023/24 SDBIP approved by the Executive Mayor

PERFORMANCE MANAGEMENT AND INTEGRATED DEVELOPMENT PLANNING									
OFFICE OF THE MUNICIPAL MANAGER									
Integrated Development Planning (KPA 5: Good Governance and Public Participation)									
Outcome 9		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To give effect to the 2022/23 IDP Process Plan						
IDP1	Number of 2022/23 IDP Process Plan tabled in Council	2020/21 IDP Process Plan tabled. CC68/2019 dated 27/08/2019	2021/22 IDP Process Plan tabled and adopted by Council. CC51/2020 dated 10/09/2020	Tabling the 2022/23 IDP Process Plan in Council by 31 August 2021	2022/23 IDP Process Plan tabled in Council. CC87/2021 dated 06/10/2021		The Executive Mayor passed away on 16 July 2021 and Mayoral Committee dissolved in terms of Sec.60(5) of the LG: MSA	A new Executive Mayor was elected on 28 September 2021 and Council meeting held on 6 October 2021	2023/24 IDP Process Plan tabled in Council
NR	INDICATOR	MEASURABLE OBJECTIVE :	To invite public comments after the tabling of the draft IDP to comply with legislation and to obtain inputs from the community						
IDP5	Public comments invited by Council after tabling of the draft 2022/23 Revised IDP	Public comments invited via Klerksdorp Record newspaper, website and social media in terms of COVID-19 Regulations	Public comments invited via Klerksdorp Record newspaper, website and social media in terms of COVID-19 Regulations	Inviting public comments after the tabling of the draft 2022/23 Revised IDP for inputs from the community by 30 April 2022	Public comments invited on 25 March 2022 in Klerksdorp Record newspaper		–	–	Public comments invited
NR	INDICATOR	MEASURABLE OBJECTIVE :	To approve the 2022/23 Revised IDP to comply with legislation						
IDP6	Number of final 2022/23 Revised IDP approved by Council	Final 2020/21 IDP Amendments approved. CC43/2020 dated 30/6/2020	Final 2021/22 IDP Amendments approved. CC51/2021 dated 31/05/2021	Approving the final 2022/23 Revised IDP by Council by 31 May 2022	Final 2022/23 Revised IDP approved by Council. CC86/2022 dated 15/06/2022		IDP was tabled late due to Budget not being ready on time and CFO requested extension to Province	N/A	Final 2023/24 Amended IDP approved by Council

PERFORMANCE MANAGEMENT AND INTEGRATED DEVELOPMENT PLANNING									
OFFICE OF THE MUNICIPAL MANAGER									
Reduce Corruption (KPA 5: Good Governance and Public Participation)									
Outcome 9		**Previous Financial Years Actual Performance**		**2021/22 Financial Year**		**Rating**	**Reason for Deviation**	**Measures Taken to Improve Performance**	**2022/23 Financial Year**
		2019/20	**2020/21**	**Annual Target**	**Actual Performance**				
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To table the 2019/20 Oversight Report to comply with s.129(1) of the MFMA						
MPAC2	Number of 2019/20 Oversight Report tabled before Council	2018/19 Oversight Report not tabled	2019/20 Oversight Report not tabled	Tabling the 2019/20 Oversight Report before Council by 31 July 2021	2019/20 Oversight Report tabled in Council. CC81/2021 dated 24/08/2021		The Executive Mayor passed away on 16 July 2021 and Mayoral Committee dissolved in terms of Sec.60(5) of the LG: MSA	A temporary Executive Mayor was elected	N/A
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To table the 2020/21 Oversight Report to comply with s.129(1) of the MFMA						
MPAC6	Number of 2020/21 Oversight Report tabled before Council	2018/19 Oversight Report not tabled	2019/20 Oversight Report not tabled	Tabling the 2020/21 Oversight Report before Council by 31 March 2022	2020/21 Oversight Report tabled at Council: CC90/2022 dated 15/6/2022		Due to late tabling of Annual Report which was on the 18 March 2022	Oversight report to be tabled during June 2022	2021/22 Oversight Report tabled
LABOUR RELATIONS									
OFFICE OF THE MUNICIPAL MANAGER									
Governance (KPA 5: Good Governance and Public Participation)									
NR	**INDICATOR**	**MEASURABLE OBJECTIVE :**	To sign the 2022/23 Performance Agreements to comply with legislation						
PMS7	Number of 2022/23 Performance Agreements with section 54A and 56 employees signed	8 x 2020/21 Performance Agreements signed on 30/06/2020	8 x 2021/22 Performance Agreements signed on 28/06/2021	Signing 8 x 2022/23 Performance Agreements with section 54A & 56 employees by 30 June 2022	8 x 2022/23 Performance Agreements approved. MM181/2022 dated 30/06/2022. EM5/2021 dated 30/06/2022		_	_	Eight 2023/24 Performance Agreements signed with section 54A & 56 employees

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National Key Performance Indicators

DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT									
SECTION: WATER SERVICES									
National Key Performance Indicator		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :		To provide basic municipal services					
WAT1	Percentage of households in the CoM area provided with access to basic level of water	98.5% 176 179 Hh with access / 2 676 Hh below minimum level	98% 180 483 Hh with access / 3 899 Hh below minimum level	Providing at least 95% of households in the CoM area with access to basic level of water by 30 June 2022	99% 183 834 Hh with access / 1 020 Hh below minimum level		_	_	98%
SECTION: SANITATION SERVICES									
NR	INDICATOR	MEASURABLE OBJECTIVE :		To provide basic municipal services					
SAN1	Percentage of households in the CoM area provided with access to basic level of sanitation	95% 170 695 Hh with access / 8 160 Hh below minimum level	92% 170 545 Hh with access / 13 837 Hh below minimum level	Providing at least 90% of households in the CoM area with access to basic level of sanitation by 30 June 2022	92.7% 171 328 Hh with access / 13 526 Hh below minimum level		_	_	93%

DIRECTORATE TECHNICAL AND INFRASTRUCTURE									
KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT									
SECTION: ELECTRICAL SERVICES									
National Key Performance Indicator		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To provide basic municipal services						
ELE1	Percentage of households in the CoM area provided with access to basic level of electricity	94% 168 442 Hh with access / 10 413 Hh below minimum level	92% 169 257 Hh with access / 15 125 Hh below minimum level	Providing at least 90% of households in the CoM area with access to basic level of electricity by 30 June 2022	92% 170 537 Hh with access / 14 317 Hh below minimum level		_	_	92%
DIRECTORATE COMMUNITY DEVELOPMENT									
SECTION: REFUSE REMOVAL SERVICES									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To provide basic municipal services						
REF1	The percentage of households in the CoM area provided with access to basic level of refuse removal	95% 170 047 Hh with access to refuse removal / 8 808 Hh below minimum level	92% 170 181 Hh with access to refuse removal / 14 201 Hh below minimum level	Providing at least 90% of households in the CoM area with access to basic level of refuse removal by 30 June 2022	92% 170 798 Hh with access to refuse removal / 14 056 Hh below minimum level		_	_	92%

DIRECTORATE BUDGET AND TREASURY									
KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT									
SECTION: REVENUE MANAGEMENT									
National Key Performance Indicator		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	Indigent Subsidy for Free Basic Services allocations to comply with legislation						
REV4	Rand value spend on free basic services	R153 535 861 spent	R195 000 887 spent	Spending R215 620 555 on free basic services by 30 June 2022 - (Account Holders)	R206 774 602 spent		The onus lies with the consumer themselves to register though their ward councillors	Ward councillors to motivate consumers to register	R231 866 268
REV5	Number of approved households with free basic services (indigents)	20 650 Approved households with free basic services	21 779 Approved households with free basic services	Approving at least 25 000 households with free basic services (indigents) by 30 June 2022	22 886 Approved households with free basic services		The onus lies with the consumer themselves to register though their ward councillors	Ward councillors to motivate consumers to register	25 000 Households with free basic services (indigents)
REV6	Percentage of households registered earning less than R3 820 per month	22.91%	25%	Registering at least 20% of households earning less than R3 820 per month by 30 June 2022 - (vs. total active accounts)	20.36%		New application received in the fourth quarter due to new council been elected		25%
REV7	Rand value spend on free basic alternative services	R28 435 222 spent	R34 644 838 spent	Spending R30 300 000 on free basic alternative services by 30 June 2022	R49 445 614 spent		There are more informal settlements, because of the high rate of un-employment in the city, more people are depended of FBAE on a monthly basis		R31 754 400
REV8	Number of households with free basic alternative energy (indigents) approved	10 262 Approved households with free basic alternative energy	13 177 Approved households with free basic alternative energy	Approving at least 15 000 households with free basic alternative energy (indigents) by 30 June 2022	15 329 Approved households with free basic alternative energy		There are more informal settlements, because of the high rate of un-employment in the city, more people are depended of FBAE on a monthly basis		15 000 Approved households with free basic alternative energy

DIRECTORATE LOCAL ECONOMIC DEVELOPMENT									
KEY PERFORMANCE AREA 3: LOCAL ECONOMIC DEVELOPMENT									
SECTION: LOCAL ECONOMIC DEVELOPMENT									
National Key Performance Indicator		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To create jobs to reduce unemployment and enhance local economic development activities						
LED1	Number of permanent / sustainable jobs which exceed 3 months	130 Jobs created	152 Permanent / sustainable jobs which exceed 3 months created	Creating 100 permanent / sustainable jobs which exceed 3 months through the Municipality's local economic development initiatives including capital projects by 30 June 2022	102 Permanent / sustainable jobs which exceed 3 months created		More EPWP vacancies arises		150 Permanent / sustainable jobs which exceed 3 months created
DIRECTORATE CORPORATE SUPPORT									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: SKILLS DEVELOPMENT									
NR	INDICATOR	MEASURABLE OBJECTIVE :	To spend a percentage of municipality's budget on implementing its workplace skill plan						
SKIL1	Rand value spent on Skills Development (Training) expenditure for 2021/22	R509 112 spent	R154 163 spent	Spending R1 600 000 on Skills Development (Training) for 2021/22 by 30 June 2022	R1 284 039 spent		Training was still ongoing in the 4th quarter, therefor the service provider is not paid	The final payment will be done in the 1st quarter of the 2022/23 FY	R1 600 0000 spent
NR	INDICATOR	MEASURABLE OBJECTIVE :	To obtain a percentage of municipality's budget on implementing its workplace skill plan						
SKIL2	Rand value income received from SETA Training Income/Rec for 2021/20	R701 631 received	R1 716 859 received	Receiving a mandatory grant of R1 000 000 from SETA Training Income/Rec for 2021/20 by 30 June 2022	R1 077 582 received		Income is determined by LGSETA based on the evaluation reports submitted TO WSP & ATR.		R2 220 000 received

DIRECTORATE BUDGET AND TREASURY										
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT										
SECTION: BUDGET AND TREASURY OFFICE										
National Key Performance Indicator		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	To control expenditure management to ensure financial sustainability						
BUD1	Rand value of capital expenditure as a percentage of planned capital spent	67% R113 069 973 spent	80% R193 940 531 spent	Spending at least 85% of R226 087 601 of the planned capital expenditure by 30 June 2022 (R192 174 461)	77% R174 996 503 spent		DoE has withdrawn funds on the project due to phase 1 being incomplete. Turnkey project: Item on contract CPA awaiting council deliberation. Taxi Rank: Contractor is yet to submit contractual obligations. Hartbeesfontein WWTW – Delays in finalising variation order for SCADA and poor performance by the contractor. Jouberton Reservoir – Delays in appointment of the contractor. Contractor appointment finalised in December 2021	A Special Adjustment budget was done as per section 28 of the MFMA CC87/2022 dated 15/06/2022	R

DIRECTORATE BUDGET AND TREASURY									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: BUDGET AND TREASURY OFFICE									
National Key Performance Indicator		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :		Financial Viability expressed					
CFO9	Ratio for Debt coverage for 2021/22	136:1	492.91:1	Calculating the debt coverage ratio at 60:1 for 2021/22 by 30 June 2022 A=(B-C) / D Where: "A" represents debt coverage "B" represents total operating revenue received "C" represents operating grants "D" represents debt service payments (i.e. interest + redemption) due within the financial year	298:1		_	_	60:1

DIRECTORATE BUDGET AND TREASURY									
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT									
SECTION: BUDGET AND TREASURY OFFICE									
National Key Performance Indicator		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :		Financial Viability expressed					
CFO8	Ratio for Cost coverage for 2021/22	01:1.7	2:1	Calculating the cost coverage ratio at 1:1 for 2021/22 by 30 June 2022 A=(B+C)/D Where: "A" represents cost coverage "B" represents all available cash at a particular time "C" represents investments "D" represents monthly fixed operating expenditure	0.24:1		The municipalities cash flow constraints necessitate that cash should be utilised to service creditors and therefore the available cash won't always exceed a month's operating expenditure	Management will implement revenue enhancement and cost containment strategies. Council will also have to focus on debt collection issues.	1:1
CFO10	Percentage of Outstanding Service Debtors to Revenue ratio for 2021/22	125%	254%	Calculating the outstanding service debtors to revenue ratio at 150% for 2021/22 by 30 June 2022 A=B/C Where: "A" represents outstanding service debtors to revenue "B" represents total outstanding service debtors "C" represents annual revenue actually received for services	233%		Debtors accruing due to non-payment	Debt collection should be improved and irrecoverable debt should be written off	150%

OFFICE OF THE MUNICIPAL MANAGER									
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
SECTION: PERFORMANCE MANAGEMENT									
National Key Performance Indicator		Previous Financial Years Actual Performance		2021/22 Financial Year		Rating	Reason for Deviation	Measures Taken to Improve Performance	2022/23 Financial Year
		2019/20	2020/21	Annual Target	Actual Performance				
NR	INDICATOR	MEASURABLE OBJECTIVE :	The number of people from employment equity target groups employed in the first three highest levels of management						
PMS8	Number of male employees on the first three highest levels of management	31 Male employees Black - 27 White - 3 Coloured - 1 Indian - 0	27 Male employees Black - 23 White - 3 Coloured - 1 Indian - 0	Employing 29 male employees on the first three highest levels of management by 30 June 2022 (Excluding section 54A and 56 employees)	29 Male employees Black - 25 White - 2 Coloured - 1 Indian - 1		_	_	30 Male employees employed Black - 27 White - 3 Coloured - 1 Indian - 1
NR	INDICATOR	MEASURABLE OBJECTIVE :	The number of people from employment equity target groups employed in the first three highest levels of management						
PMS9	Number of female employees on the first three highest levels of management	9 Female employees Black - 8 White - 1 Coloured - 0 Indian - 0	9 Female employees Black - 8 White - 1 Coloured - 0 Indian - 0	Employing 9 female employees on the first three highest levels of management by 30 June 2022 (Excluding section 54A and 56 employees)	9 Female employees Black - 8 White - 1 Coloured - 0 Indian - 0		_	_	9 Female employees Black - 8 White - 1 Coloured - 0 Indian - 0

13. REPORT OF THE AUDIT COMMITTEE

CITY OF MATLOSANA LOCAL MUNICIPALITY AUDIT COMMITTEE (AC) REPORT ON ANNUAL PERFORMANCE REPORT FOR PERIOD ENDED 30 JUNE 2022

1. AUDIT COMMITTEE FIDUCIARY DUTIES

We are pleased to present our report for the financial year ended 30 June 2022.

In terms of Section 166 of the Municipal Finance Management Act (No. 56 of 2003), the Audit Committee must:

(a) advise the Municipal Council, the political office-bearers, the Accounting Officer and the management staff of the municipality on matters relating to: -
  (i) Internal financial controls and internal audit;
  (ii) Risk management;
  (iii) Accounting policies;
  (iv) The adequacy, reliability and accuracy of financial reporting and information;
  (v) Performance management;
  (vi) Effective governance;
  (vii) Compliance with the MFMA, the DORA and any other applicable legislation;
  (viii) Performance evaluation; and
  (ix) Any other issues referred to it by the municipality

(b) review the annual financial statements to provide the council of the municipality with an authoritative and credible view of the financial position of the municipality, its effectiveness and its overall level of compliance with the MFMA, the DORA and any other applicable legislation;

(c) respond to the Council on any issues raised by the Auditor-General in the audit report;

(d) carry out such investigations into the financial affairs of the municipality as the council of the municipality may request;

(e) perform such other functions as may be prescribed

The principles of King IV Report, customised to municipal environment also advise that the Audit Committee should:

- ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities;
- satisfy itself of the expertise, resources and experience of the municipality's finance function;
- be responsible for overseeing of internal audit; and
- be an integral component of the risk management process

2. PURPOSE

The Audit Committee reports that it has complied with its responsibilities arising from Section 166 of the Municipal Finance Management Act and Circular 65 issued by National Treasury. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter 2021/2022, and it has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that the reports never received an expression in Council and that the Audit Committee appointment was concluded in May 2022.

3. ATTENDANCE OF AC MEETING

The Audit Committee, consisting of independent outside members, meets at least four times per annum as per its approved terms of reference, although additional special meetings may be called as the need arises.

The Audit Committee is satisfied with the attendance and participation of Management and Stakeholder departments during the meeting.

4. EFFECTIVENESS OF INTERNAL CONTROL

Our review of the internal control environment revealed that there has been a room for improvement in the system of internal control of the municipality and reducing the matters of emphasis paragraph contained in the municipality audit report. Furthermore, there are several deficiencies in the system of internal controls identified and reported by both the Internal Auditors and the Auditor-General in their reports. However, the Audit Committee noted management's commitment and action plan to correct deficiencies throughout the financial year.

5. IN-YEAR MANAGEMENT AND MONTHLY / QUARTERLY REPORTING

The municipality has monthly and quarterly reporting system to the Council as required by the Municipal Finance Management Act (MFMA). Monitoring and reviews of performance information were done periodically in the year under review. The Internal Audit quality assurance review and auditing of performance information was performed throughout the year.

6. RISK MANAGEMENT

The Audit Committee is of the opinion that municipality's risk management appears to be ineffective for the better of the year and material respect, and the municipality did implement a comprehensive risk management strategy and related policies.

Management has however established Risk Management Committee to assist in the strengthening of sound and effective approach in developing strategic risk management plans and there is a sense of appreciation of the impact of the municipality's risk management framework on the control environment. There is a room for improvement in so far as risk monitoring and fraud prevention.

7. COMPLIANCE WITH LAWS AND REGULATIONS

A number of non-compliance with the enabling laws and regulations during the year. Thus far there is a room for improvement in so far as establishing an effective system for monitoring compliance with laws and regulations and the results of Management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.

The Audit Committee recommended that Management should develop a compliance management system that includes the following amongst others:

- development of compliance management policy and compile the compliance universe.
- consider using the internal resources to coordinate the activities of the compliance officer i.e. Risk Manager to be considered to assist Management with reports to be presented to the Audit Committee for oversight.

8. INTERNAL FINANCIAL CONTROLS AND INTERNAL AUDIT

The Audit Committee is satisfied with the effectiveness of Internal Audit, and recommend that Management and Council should capacitate this unit. The above conclusion is based on:

- Timeous approval the internal audit charter, strategic and operational plans, internal audit activities, staffing (including competence and qualifications), and organizational structure of the Internal Audit Unit;
- Satisfactorily implementation of the approved the annual internal audit plan and all major changes to the plan.
- There were no unjustified restrictions or limitations on work of the internal audit.
- Compliance with the IIA's international standards for the professional practice by Internal Auditing unit
- Partial implementation of remedial action plan on internal audit findings by management. The Internal Auditors to be provided training on ethics as that has now become compulsory for all registered members of the Institute of Internal Auditors South Africa.
- Improved implementation of the Continuous Professional Development for Auditors.

9. EXTERNAL AUDIT

9.1 The Audit Committee did review the Auditor-General's proposed audit scope and approach, including coordination of audit effort with internal audit in respect of 2020/21 financial year; and during 2021/2022 AGSA was invited to Audit Committee meetings on a regular basis, to discuss any matters that the committee or auditors believe should be discussed privately during in-committee.

9.2 The Audit Committee evaluated management responses to the reports or findings of the Auditor-General (Action plan to address prior year findings) on quarterly basis and gave inputs and advice on how best to address the findings raised by the AGSA.

9.3 The Audit Committee did not interact with Final Audit and Management Letter issued by AGSA and therefore, could not respond to Council on matters raised by AGSA on its audit report for 2020/2021.This was due on non-functionality of the Audit Committee for a period of 06months pending Finalisation of appointment of AC Members by Council.

9.4 The Post Audit Action Plan was developed and presented to the Audit Committee during the 4th Quarter of the financial year for noting and monitoring of the implementation of corrective measures. There is still room for improvement with regard to the timeous implementation of the Management's action plans on a web- based Action Plan.

10. FINANCIAL PERFORMANCE

The Audit Committee reviewed the quality, accuracy, usefulness, reliability and appropriateness of monthly, quarterly and annual financial reporting and observed that there is a serious room for improvement in so far as compliance with section 122 of the MFMA and management's review and monitoring of financial reports.

The Audit Committee considered the quarterly finance report during the financial year recommended as follows:

- Management should develop an audit action plan to address the under-performance (revenue collection and creditors payments) /overall implementation of revenue enhancement strategy.
- Data cleansing should be conducted.
- Accounting Officer Investigations on the prohibited expenditures be shared with the Audit Committee that includes the deviations incurred that could end up being irregular expenditures and be presented to relevant stakeholders including AGSA.

- Finance reports to should be audited on a monthly basis by risk and internal audit.
- Disciplinary board matters be fast-tracked as the board experienced a delay in submission of supporting information for the cases reported to the Board.

11. PERFORMANCE MANAGEMENT

The Audit Committee reviewed functionality of the performance management system and it appears to be functional, however there is a room for improvement in so far as achievement of planned targets is concerned and submission of portfolio of evidence timeously i.e.

A few POE does not align with KPI. From time to time no measures to improve targets.

Management should develop an audit action plan to address the under-performance.

Performance evaluation of Senior Managers for 2020/2021 financial year was not concluded in line with the PMS framework/policy due to relative Council instability since the passing on of the Executive Mayor.

12. LITIGATION

The Audit Committee noted that the municipality is a defendant in a number of claims, and they are opposing some of these claims. The ultimate outcome of these matters cannot be presently be determined due to the nature of these litigations, majority of which are outstanding for a longer period.

However, there is room for improvement in so far as monitoring and evaluations of legal service providers.

13. CONSEQUENCE MANAGEMENT FRAMEWORK

Council to foster and integrate the culture of accountability in the municipality. The Audit Committee recommends development and implementation of consequence management framework.

14. IMPLEMENTATION OF AUDIT COMMITTEE RECOMMENDATIONS BY MANAGEMENT

A material number of Audit Committee recommendations to Management were implemented. There is a room for improvement in this regard.

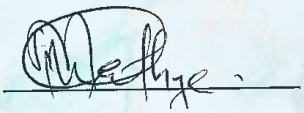
15. LEADERSHIP

Municipal Council did provide somewhat effective leadership based on a culture of honesty and good governance. However, there is a room for improvement in so far as Management's oversight on the Financial Statements, Performance Reporting and Compliance with Laws and Regulations governing the Municipality.

The Municipality has experienced high instability with regards to the Council operations/sittings during the financial year this had a very significant impact on the timeous presentation of in-year monitoring reports and approval by Council. There was a relative stability with regards to the municipal operations however there is still room for improvement with regard to strike contingency management plans going forward.

16. CONCLUSION

The Audit Committee wishes to acknowledge the commitment from Council, Municipal Manager, Management and Staff of the Municipality. We would also like to thank the Speaker and Executive Mayor for their support, Councillors, Senior Management for their efforts and Internal Audit and Performance Management for them contributions towards good governance of the municipality.



Chairperson: City of Matlosana Local Municipality Audit Committee
25 August 2022

Chapter 4



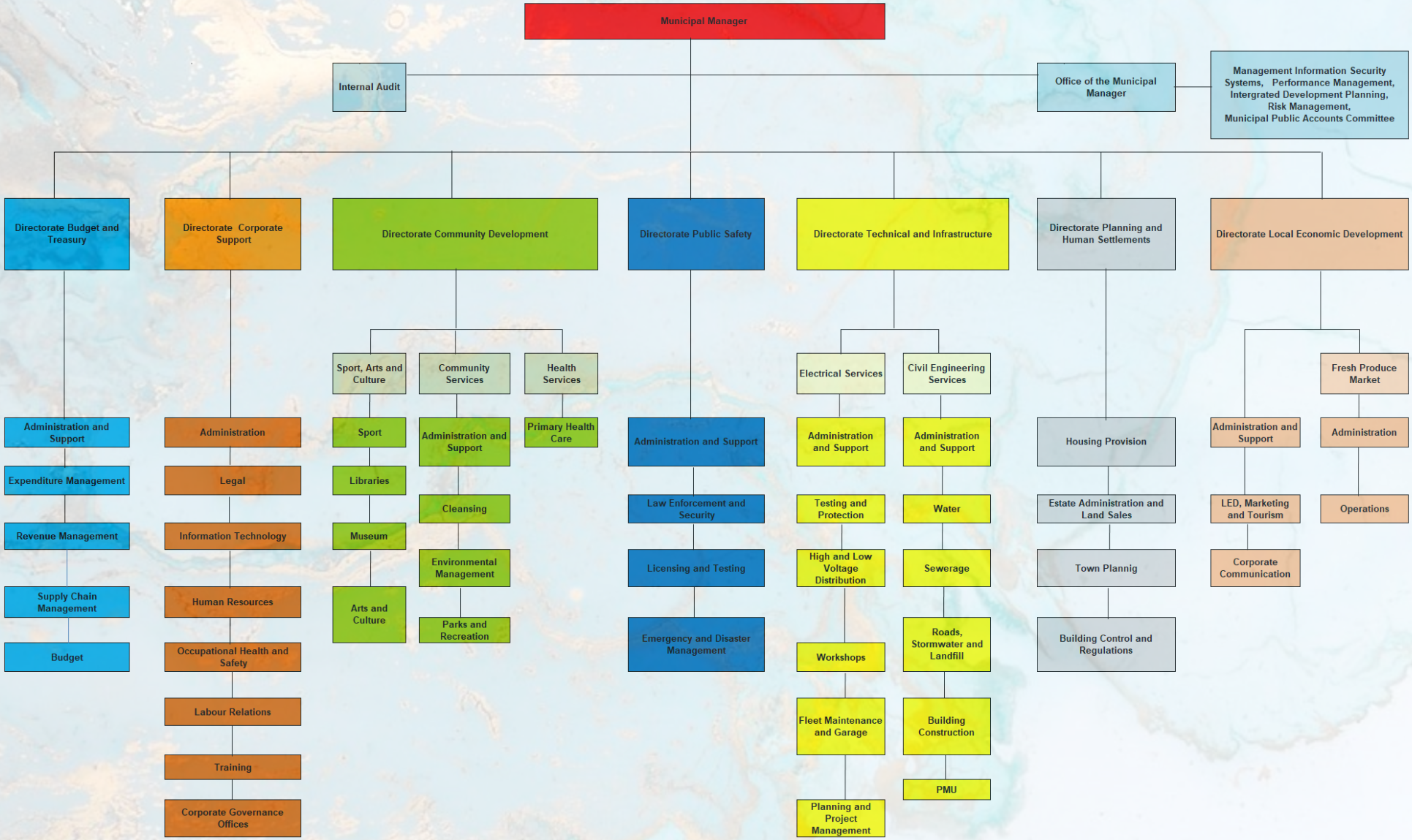
CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

INTRODUCTION

In terms of the approved top structure (CC64/2017 dated 21 April 2017), the municipality consists of the Office of the Municipal Manager and seven directorates, namely Corporate Support, Budget and Treasury, Community Development, Public Safety, Local Economic Development, Technical and Infrastructure and Planning and Human Settlements.

The City of Matlosana has approved personnel complement of 2 540 posts of which 1 876 were filled at 31 June 2022.

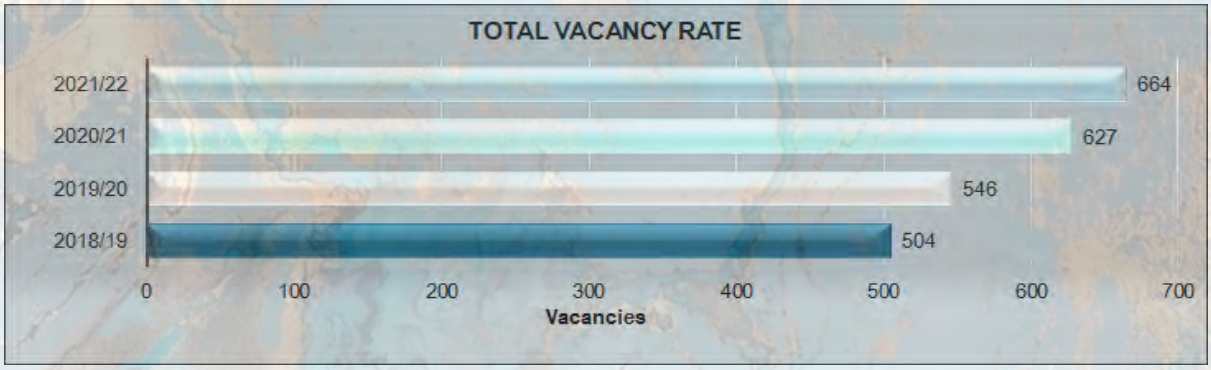
The municipality's top structure is as follows:


Municipal Manager
Internal Audit
Office of the Municipal Manager
Management Information Security Systems, Performance Management, Intergrated Development Planning, Risk Management, Municipal Public Accounts Committee
Directorate Budget and Treasury
Directorate Corporate Support
Directorate Community Development
Directorate Public Safety
Directorate Technical and Infrastructure
Directorate Planning and Human Settlements
Directorate Local Economic Development
Administration and Support
Expenditure Management
Revenue Management
Supply Chain Management
Budget
Administration
Legal
Information Technology
Human Resources
Occupational Health and Safety
Labour Relations
Training
Corporate Governance Offices
Sport, Arts and Culture
Community Services
Health Services
Sport
Libraries
Museum
Arts and Culture
Administration and Support
Cleansing
Environmental Management
Parks and Recreation
Primary Health Care
Administration and Support
Law Enforcement and Security
Licensing and Testing
Emergency and Disaster Management
Electrical Services
Civil Engineering Services
Administration and Support
Testing and Protection
High and Low Voltage Distribution
Workshops
Fleet Maintenance and Garage
Planning and Project Management
Administration and Support
Water
Sewerage
Roads, Stormwater and Landfill
Building Construction
PMU
Housing Provision
Estate Administration and Land Sales
Town Plannig
Building Control and Regulations
Administration and Support
LED, Marketing and Tourism
Corporate Communication
Fresh Produce Market
Administration
Operations

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

EMPLOYEES					
DESCRIPTION	2020/21	2021/22			
	Employees	Approved Posts	Employees	Number of Vacancies	% of Vacancies
	No	No	No	No	%
Water Services	108	125	101	24	19
Sanitation Services	186	242	179	63	26
Electrical and Mechanical Engineering	123	151	117	34	23
Solid Waste Management Services	237	336	220	116	35
Human Settlements	19	23	18	5	22
Roads and Storm-Water Drainage	142	183	132	51	28
Licensing Services	90	125	90	35	28
Civil Administration, Building Construction and PMU	54	78	57	21	27
Local Economic Development	15	20	15	5	25
Fresh Produce Market	35	45	27	18	40
Libraries and Museum	79	86	79	7	8
Cemeteries and Aerodrome	49	63	55	8	13
Parks, Open Spaces, Faan Meintjes and Orkney Vaal	151	219	166	53	24
Sport and Recreation	86	132	82	50	38
Occupational Health Centre	9	15	8	7	47
Traffic, Security, Fire and Disaster Management	199	284	199	85	30
Strategic and Regulatory (PMS, IDP, IA, MPAC and Risk Management)	15	23	16	7	30
Corporate Policy Offices and Other	307	390	315	75	19
TOTAL	**1 904**	**2 540**	**1 876**	**664**	**26**



TURN-OVER RATE: 2021/22				
Year	Total approved posts	New appointments*	Terminations during the financial year**	Turnover rate
2018/19	2 026	120	121	6.99%
2019/20	1 984	40	120	5.92%
2020/21	1 904	30	112	5.64%
2021/22	2 540	97	95	3.74%

* *Figures does not include internal appointments*

** *Figurers includes resignations, retirements, deceased, dismissals, medical board and expired contract*



VACANCY RATE: 2021/22			
Designations	Total approved posts	Vacancies (total time that vacancies exist using full-time equivalents)	Vacancies (as a proportion of total posts in each category)
Municipal Manager	1	1	100%
CFO	1	1	100%
Other s56 Managers (excluding Finance posts)	6	0	0%
Other s56 Managers (Finance posts)	0	0	0%
Safety and Security Officers	29	6	21%
Fire fighters	47	5	11%
Senior management: Levels 1 - 3 (excluding Finance posts)	38	7	18%
Senior management: Levels 1 - 3 (Finance posts)	7	1	14%
Highly skilled supervision: levels 4 - 6 (excluding Finance posts)	123	27	22%
Highly skilled supervision: levels 4 - 6 (Finance posts)	14	1	7%
TOTAL	**266**	**49**	**18%**

COMMENTS ON VACANCIES AND TURNOVER

The overall vacancy rate at the close of the financial year was 26%. The filling of vacancies remains a challenge due to the financial situation of the municipality. Vacant critical positions are however being given priority for filling.

The turnover rate for 2021/22 is at 3.7% which represents 97 new personnel appointments and 95 personnel terminations.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The City of Matlosana acknowledges that its most important assets are its employees. The onus therefore is on the municipality to ensure that these assets are developed, maintained and motivated to ensure that the municipal workforce services are sustained.

This is achieved through proper human resource processes and procedures aligned to Section 67 of the Municipal Systems Act (Act 32 of 2000) as amended which ensure compliance with the development and adoption of appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration.

Municipal workforce management is achieved through the HR Strategy, adherence to and compliance with applicable legislation and reviewing policies, procedures and processes aimed at regulating the workplace.

4.2 POLICIES

HR AND OTHER POLICIES AND PLANS				
NAME OF POLICY		COMPLETED %	REVIEWED %	DATE ADOPTED BY COUNCIL
1	Affirmative Action			
2	Attraction and Retention	100%	100%	04 September 2012
3	Code of Conduct for employees	100%	100%	25 September 2013
4	Delegations, Authorisation and Responsibility	100%	100%	05 February 2009
5	Disciplinary Code and Procedures	100%	100%	04 September 2012
6	Essential Services			
7	Employee Assistance / Wellness	100%	100%	25 September 2013
8	Employment Equity	100%	100%	25 September 2013
9	Exit Management			
10	Grievance Procedures	100%	100%	29 November 2012
11	HIV/Aids	100%	100%	04 September 2012
12	Human Resource and Development			
13	Information Technology	100%	100%	29 January 2016
14	Job Evaluation	100%	N/A	05 July 2016
15	Leave	100%	100%	29 November 2012

HR AND OTHER POLICIES AND PLANS				
NAME OF POLICY		COMPLETED	REVIEWED	DATE ADOPTED BY COUNCIL
		%	%	
16	Occupational Health and Safety	100%	100%	4 September 2012
17	Official Housing			
18	Official Journeys	100%	100%	29 November 2012
19	Official Transport to attend Funerals	100%	100%	04 September 2012
20	Official Working Hours and Overtime	100%	100%	30 May 2018
21	Organisational Rights	100%	100%	25 September 2013
22	Payroll Deductions			
23	Performance Management and Development	100%	100%	25 July 2017
24	Recruitment, Selection and Appointments	100%	90%	05 July 2016
25	Remuneration Scales and Allowances			
26	Resettlement			
27	Sexual Harassment	100%	100%	04 September 2012
28	Skills Development	100%	100%	25 September 2013
29	Smoking	100%	100%	04 September 2012
30	Special Skills			
31	Work Organisation			
32	Uniforms and Protective Clothing	100%	100%	04 September 2012
	Other:			
33	Telephone (In process of review)	100%	80%	04 September 2012
34	Retirement Planning	100%	100%	04 September 2012
35	Records Management	100%	100%	25 November 2014
36	Legal Services	100%	100%	29 November 2012
37	National Fresh Produce Market	100%	100%	29 November 2012
38	Billboards	100%	100%	29 November 2012
39	Internet	100%	100%	29 November 2012
40	Server Security	100%	100%	29 November 2012
41	Workstation Security	100%	100%	29 November 2012
42	E-mail Use	100%	100%	29 November 2012
43	Study and Bursary	100%	100%	25 September 2013
44	Web Content Management	100%	100%	25 September 2013
45	Project Management Framework Policy	100%	100%	25 September 2013
46	Corporate Identity	100%	100%	25 September 2013
47	Risk Management	100%	100%	25 September 2013
48	Risk Management Strategy	100%	100%	25 September 2013
49	Fraud and Corruption Prevention Strategy	100%	100%	25 September 2013
50	Investigation Policy	100%	100%	25 September 2013
51	Use of Council Vehicle	100%	100%	25 September 2013
52	Media Policy	100%	100%	25 September 2013
53	Administration of Immovable Property	100%	100%	25 November 2014
54	Induction	100%	100%	04 September 2012

HR AND OTHER POLICIES AND PLANS				
NAME OF POLICY		COMPLETED %	REVIEWED %	DATE ADOPTED BY COUNCIL
55	Investors	100%	100%	29 November 2012
56	Public Private Partnerships	100%	100%	29 November 2012
57	Expanded Public Works Programme	100%	100%	29 November 2012
58	Software Installation Services	100%	100%	29 January 2016
59	Password Protection	100%	100%	29 January 2016
60	Back-up Management	100%	100%	29 January 2016
61	User Account Management	100%	100%	29 January 2016
62	Co-operative	100%	100%	29 January 2016
63	Informal Trading	100%	100%	29 January 2016
64	Vehicle Replacement	100%	100%	30 May 2017
65	Leave of absence for Councillors	100%	100%	28 November 2017
66	Admission of Public to meetings of Council	100%	100%	28 November 2017
67	Uniform standing disciplinary procedure for Councillors	100%	100%	28 November 2017
68	Leasing of Council Halls	100%	100%	31 July 2018
69	Overtime	100%	100%	30 May 2018
70	Appointment of Consultants	100%	100%	26 November 2019
71	Danger Allowance	100%	100%	30 June 2020
72	Occupational Health and Safety	100%	100%	30 June 2020
73	Land Management Policy	100%	100%	30 June 2020
74	Framework and Risk Management Policy	100%	100%	31 May 2021
75	Fraud and Corruption Prevention Policy	100%	100%	31 May 2021
76	Whistle Blowing Policy and Procedure	100%	100%	31 May 2021

COMMENT ON WORKFORCE POLICY DEVELOPMENT

The municipality has developed an Integrated Human Resources Management Strategy (IHRMS) with a focus on the importance of all municipal employees.

It is directly linked to our 2021/22 Integrated Development Plan (2021/22 IDP) priorities and will act as the blueprint to build on City of Matlosana's many strengths and skills, plus anticipate and develop new ones.

The municipality want to ensure that employees are motivated, safe, well informed, well rewarded, and proud of where they work.

The IHRMS will be continually evolving and regularly updated; and it will position the municipality to meet future workforce needs and serve the community better as well as provide a more integrated approach to leadership and people management.

The strategy features initiatives such as Business Leadership, Motivate and Engage, Attraction Management, the further development of the Employee Assistance Programs, HR Policies and Practices, which are industry competitive, and the provision of opportunities for career and personal development.

Through a commitment to encouraging innovation, developing and recognizing staff, communication as well as shared leadership, we aim to grow the future leaders of our organization.

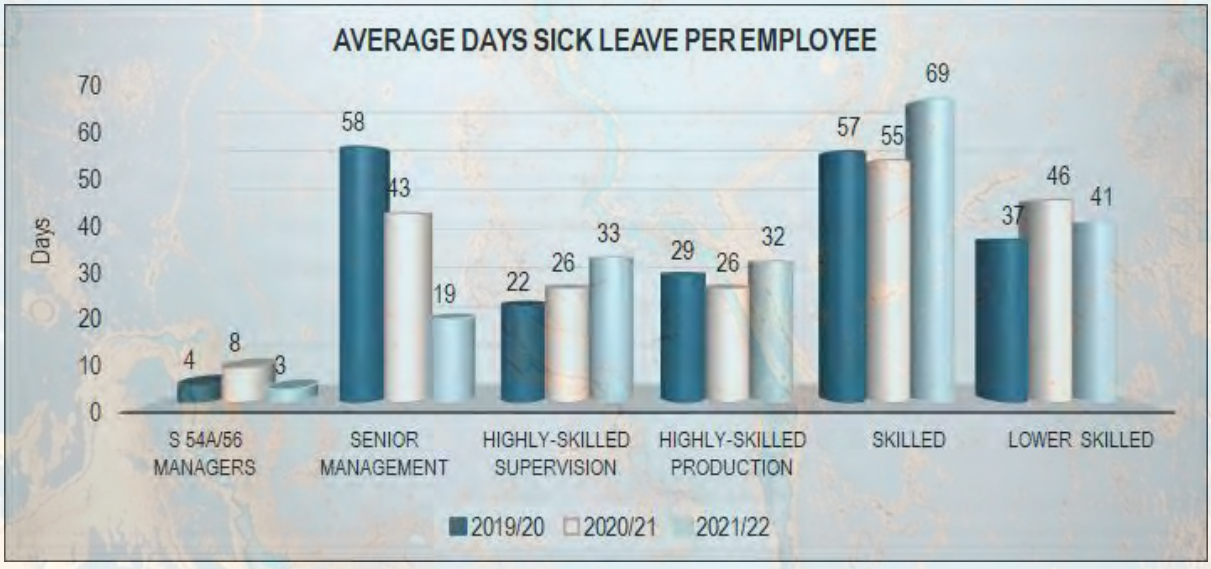
4.3 INJURIES, SICKNESS AND SUSPENSIONS

NUMBER OF INJURIES ON DUTY DURING 2021/22				
Type of injury	Injury leave taken	Employees using injury leave	Proportion employees using sick leave	Average Injury leave per employee
	Days	No	%	Days
Required basic medical attention only	153	41	51.25	26,.80
Temporary total disablement	180	5	6.25	36
Permanent disablement	0	0	0	0
Fatal	0	0	0	0
TOTAL	333	46		

- Short periods of sick leave taken by 41 employees = 153 days
- Longer periods of sick leave taken by 5 employees = 180 days
- Required basic medical attention without leave taken by 30 employees = 0 days

Total injuries on duties = 80 employees

SICK LEAVE



NUMBER OF DAYS OF SICK LEAVE (EXCLUDING INJURIES ON DUTY) DURING 2021/22								
Job Level	Salary Band	total number of sick leave days per post level	Portion of sick leave without medical certification	Number of sick notes received	Number of employees using sick leave	Total employees in post taken sick leave	Average days sick leave per employee	Estimated cost
		DAYS	%	DAYS	NO	NO	DAYS	R' 000
S 54A/56 Managers		3	0	3	1	6	3	160
1	Senior management	0	0	0	0	0	0	0
2		52	25	39	6	12	9	132
3		140	13	122	14	26	10	299
4	Highly skilled supervision	66	80	13	5	14	13	124
5		250	17	208	22	48	11	416
6		300	26	222	32	51	9	452
7	Highly skilled production	325	14	279	28	46	12	443
8		335	6	315	36	62	9	445
9		956	17	794	85	118	11	969
10	Skilled	758	19	613	77	106	10	644
11		1 598	11	1426	124	136	13	1 197
12		451	14	389	45	120	10	300
13		525	18	431	33	98	16	315
14		474	22	370	42	73	11	258
15		351	24	267	38	95	9	175
16	Lower skilled	102	40	61	18	71	6	48
17		345	23	266	30	88	12	163
18		234	19	190	19	22	12	111
19		3 018	20	2413	283	684	11	1 433
TOTAL		**10 308**	**18**	**8 446**	**941**	**1 876**	**11**	**7 802**

COMMENTS ON INJURY AND SICK LEAVE

The widespread health education on WCA including: completion of all forms; extra copies and certified items, needed; where to report; where to hand in all documents; especially notifying the OHC about an accident at work who is responsible for registration of the claim, is now bearing results. Most employees know how to fill in the forms and submission to Compensation fund happens within the first 48 hours.

The section attended a seminar arranged by the Compensation fund which assisted in the improvement on the administration of the IOD.

INTRODUCTION TO LABOUR RELATIONS

The Labour Relations role in the municipality is to ensure a harmonious relationship between management and officials and maintenance of disciplined workforce. Through this unit the municipality is ready to instil a culture of discipline and execute swift, consistent and decisive consequence management to drive proper accountability.

Workforce management is almost impossible in the absence of sound discipline within the workplace.

The municipality's Labour Relations section, located in the Human Resources Department, is effective and well recognised.

NUMBER AND PERIOD OF SUSPENSIONS

As part of mitigating risks, certain allegations of misconduct against officials such as fraud, dishonesty and theft requires that precautionary suspensions be effected on these officials to prevent possibly of furthering the misconduct. In line with Disciplinary Procedure and Collective agreement the undermentioned officials were suspended pending investigations of the alleged misconduct and finalization of the disciplinary hearings.

NUMBER AND PERIOD OF SUSPENSIONS 2021/22				
Position	**Nature of alleged misconduct**	**Date of Suspension**	**Details of disciplinary action taken or status of case**	**Date Finalised**
1.Cashier-	Shortages/Theft	11/04/2021	Disciplinary action still pending: Suspension extended (07/05/2021)	Finalised
2.Cashier-	Shortages/ Theft	11/04/2021	Disciplinary action still pending: Suspension extended (07/05/2021)	Finalised
3.Cashier	Shortages/ Gross dishonesty	11/04/2021	Disciplinary action still pending Suspension extended (07/05/2021)	Finalised
4.Cashier	Shortages/ Gross dishonesty/Theft	11/04/2021	Disciplinary action still pending Suspension extended (07/05/2021)	Finalised
5.Cashier	Gross dishonesty/Theft shortages	11/04/2021	Disciplinary action still pending Suspension extended (07/05/2021)	Finalised
6.Cashier	Shortages / Gross dishonesty	11/04/2021	Disciplinary action still pending Suspension extended (07/05/2021)	Finalised
7. Cashier	Shortages/Gross dishonesty	11/01/2021	Disciplinary action still pending Suspension extended (07/05/2021)	Pending

8.Divisional Head	Gross dishonesty/Fraud & Corruption Shortages	02/02/2021	Disciplinary action still pending Suspension extended (07/05/2021)	Pending
9. Assistant Manager: Admin	Gross dishonesty, Failure to act in the best interest of the municipality, gross dishonesty Shortages/theft	02/02/2022	Disciplinary action still pending Suspension extended (07/05/2021)	Finalised
10.Admin officer: Grade 1	Fraud & Corruption, Gross dishonesty Shortages/Theft	02/02/2022	Disciplinary action still pending Suspension extended (07/05/2021)	Finalised
11. Store Assistant	Gross dishonesty/Shortages	22/04/2021	Disciplinary action still pending Suspension extended	Finalised
12, Traffic Officer	Gross Dishonesty/Shortages, Gross Negligence	12/11/2019	Disciplinary action still pending Suspension extended	Finalised
13. Senior Clerical Assistant	Fraud, theft & Dishonesty	25/05/2022	Disciplinary hearing commenced and not yet pending.	Pending
14. Senior Clerical Assistant	Negligence & Dishonesty	25/05/2022	Employee dismissed on unrelated matter on /05/2022.	N/A

DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT

Fourteen (14) cases of financial misconduct were recorded in 2021/22 financial year.

Currently nine (11) disciplinary hearings against the officials were completed with the three officials tendering resignations with immediate effect in terms of clause 12.1 of the Disciplinary Procedure Collective Agreement. The other three officials were found guilty and a sanction of a final written warning was imposed on them coupled with the recovery of the loss. The remaining 3 cases are near completion.

DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT

Disciplinary action taken against thirteen (13) officials for financial misconduct.

4.4 PERFORMANCE REWARDS

PERFORMANCE REWARDS BY GENDER

In accordance with the Local Government: Municipal Performance Regulation for Municipal Managers and Managers directly accountable to Municipal Managers, 2006, regulation 32, a performance bonus, based on affordability, may be paid to an employee,
after –

(1) the annual report for the financial year under review has been tabled and adopted by the municipal Council;
(2) an evaluation of performance in accordance with the provisions of regulation 23; and
(3) approval of such evaluation by the municipal Council as a reward for outstanding performance.

The evaluation of the performance of Section 54A and 56 managers forms the basis for rewarding outstanding performance.

No performance bonus was awarded to Section 54A and 56 managers due to no quarterly assessments being performed.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The City of Matlosana develops its workforce by facilitating skills programmes aimed at capacitating employees. The Skills Development Strategy is also aimed at providing career guidance and support to employees and coordinating their development through structured learning.

The Skills Development Act and Municipal Systems Act require employers to supply employees with the necessary training in order to develop their human resource capacity.

Training programmes and interventions are therefore undertaken on a regular and in an orderly way as planned in the Workplace Skills Plan.

Capacity Development is linked to the annual Workplace Skills Plan (WSP). All training needs that have been identified through the Council's Skills Audit and found to be a priority for the financial year were addressed through formal, informal training- and skills programmes.

The City of Matlosana annually submits a Workplace Skills Plan (WSP) and an Annual Training Report (ATR) as required by the Skills Development Act of 1998, to the Local Government Sector Education and Training Authority (LGSETA).

During the 2021/22 financial year, the WSP & ATR document was submitted to LGSETA on 30 April 2022 in order to comply with the legislation and receive mandatory and discretionary grants to further skills development initiatives within the municipality. For the financial year in question, the municipality was awarded R977 367 after the successful submission of the WSP/ATR

NATIONAL KEY PERFORMANCE INDICATOR

See page 253 for details.

4.5 SKILLS DEVELOPMENT AND TRAINING

SKILLS MATRIX – 2021/22										
Management Level	Gender	Employees in post as at 30 June 2021	Number of skilled employees required and actual as at 30 June 2022							
			Learnerships		Skills programmes and other short courses		Other forms of training (Internship)		Total	
		No	Actual: End of 2020/21	Actual: End of 2021/22	Actual: End of 2020/21	Actual: End of 2021/22	Actual: End of 2020/21	Actual: End of 2021/22	Actual: End of 2020/21	Actual: End of 2021/22
MM and s 56	Female	2	0	0	0	0	0	0	0	0
	Male	4	0	0	0	0	0	0	0	0
Councillors, senior officials and managers	Female	42	0	0	1	0	0	0	1	0
	Male	72	0	1	3	0	0	0	3	1
Technicians and associate professionals	Female	73	4	4	0	4	4	0	8	8
	Male	112	25	15	0	94	4	0	29	109
Professionals	Female	16	0	8	33	17	12	12	45	37
	Male	21	0	27	5	20	6	10	11	57
Sub total	Female	133	4	12	34	21	16	12	54	45
	Male	210	25	43	8	114	10	10	43	167
TOTAL		**343**	**29**	**55**	**42**	**135**	**26**	**22**	**97**	**212**

SKILLS DEVELOPMENT EXPENDITURE – 2021/22										
R'000										
Management level	Gender	Employees as at 30 June 2021	Original Budget and Actual Expenditure on Skills Development 2021/22							
			Learnerships		Skills programmes and other short courses		Other forms of training		Total	
		No	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and s56	Female	2	R0	R0	R0	R0	R0	R0	R0	R0
	Male	5	R0	R0	R0	R0	R0	R0	R0	R0
Legislators, senior officials and managers	Female	16	R45 000	R0	R0	R0	R0	R0	R45 000	R0
	Male	21	R45 000	R45 000	R0	R0	R0	R0	R45 000	R45
Professionals	Female	16	R100 000	R50 000	R60 000	R40 000	R0	R0	R160 000	R90
	Male	21	R120 000	R90 000	R90 000	R80 000	R0	R0	R210 000	R170
Technicians and associate professionals	Female	73	R40 000	R0	R62 000	R50 000	R0	R0	R102 000	R50
	Male	112	R60 000	R30 000	R100 000	R90 000	R0	R0	R160 000	R120
Clerks	Female	274	R100 000	R10 000	R100 000	R80 000	R0	R0	R200 000	R90
	Male	86	R80 000	R40 000	R60 000	R50 000	R0	R0	R140 000	R90
Service and sales workers	Female	29	R20 000	R0	R30 000	R0	R0	R0	R50 000	R0
	Male	95	R30 000	R0	R20 000	R0	R0	R0	R50 000	R0
Plant and machine operators and assemblers	Female	8	R10 000	R5 000	R100 000	R50 000	R0	R0	R110 000	R55
	Male	90	R80 000	R50 000	R130 000	R90 000	R0	R0	R210 000	R140
Elementary occupations	Female	226	R150 000	R80 000	R180 000	R140 000	R0	R0	R330 000	R220
	Male	669	R200 000	R90 000	R200 000	R100 000	R0	R0	R400 000	R190
Subtotal	Female	644	R465 000	R145 000	R532 000	R360 000	R0	R0	R997 000	R505
	Male	1 099	R615 000	R345 000	R600 000	R410 000	R0	R0	R1215 000	R755
TOTAL		1 743	R1 080	R490	R1132	R770	R0	R0	R2 212	R1 260

FINANCIAL COMPETENCY DEVELOPMENT: PROGRESS REPORT FOR 2021/22				
Description	**Total number of officials employed by municipality (Regulation 14(4)(a) and (c))**	**Competency assessments completed (Regulation 14(4)(b) and (d))**	**Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))**	**Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))**
Financial Officials				
Accounting Officer	0	0	0	0
Chief Financial Officer	0	0	0	0
Senior managers	6	6	6	6
Any other financial officials	44	0	0	44
Supply Chain Management Officials				
Heads of Supply Chain Management units	0	0	0	0
Supply Chain Management senior managers	1	0	0	1
TOTAL	**52**	**7**	**7**	**52**

COMMENTS ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS

During the 2021/22 financial year, the Skills Development unit budgeted R546 000 to roll-out the training plan for the entire municipality, due to the delay by SCM processes in appointing Skills Development Providers, the Unit started late with implementation of skills programmes and has utilized only R1'260 000 for all interventions.

During the 2021/22 Financial Year, the Training and Development unit conducted skills audit process for level 1-6 officials from various departments within the municipality, i.e. Financial Services, Planning and Human Settlement, Technical and Infrastructure and Corporate Support. The process assisted in determining individual and department training needs. The municipal training plan for 2021/22 is developed based on the outcomes of the process

The City of Matlosana annually submits a Workplace Skills and an Annual Training Report (Plan (WSP & ATR) as required by the Skills Development Act of 1998, to the Local Government Sector Education and Training Authority (LGSETA). Training / Skills programmes are implemented on regular basis in an orderly way as planned in the Workplace Skills Plan (WSP).

In terms of regulation 14 of the Financial Competency, municipalities are required to train Budget and Treasury officials on prescribed finance competency skills in order to meet prescribed competency levels: Regulation 14:(4)(e).

During the 2021/22 Financial Year, two hundred and twelve (212) official were trained on various skills and six (6) finance officials were enrolled on a Municipal Financial Management Programme (MFMP), Learnerships to meet prescribed finance competency levels requirements.

COMPONENT D: MANAGING WORKFORCE EXPENDITURE

4.6 WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

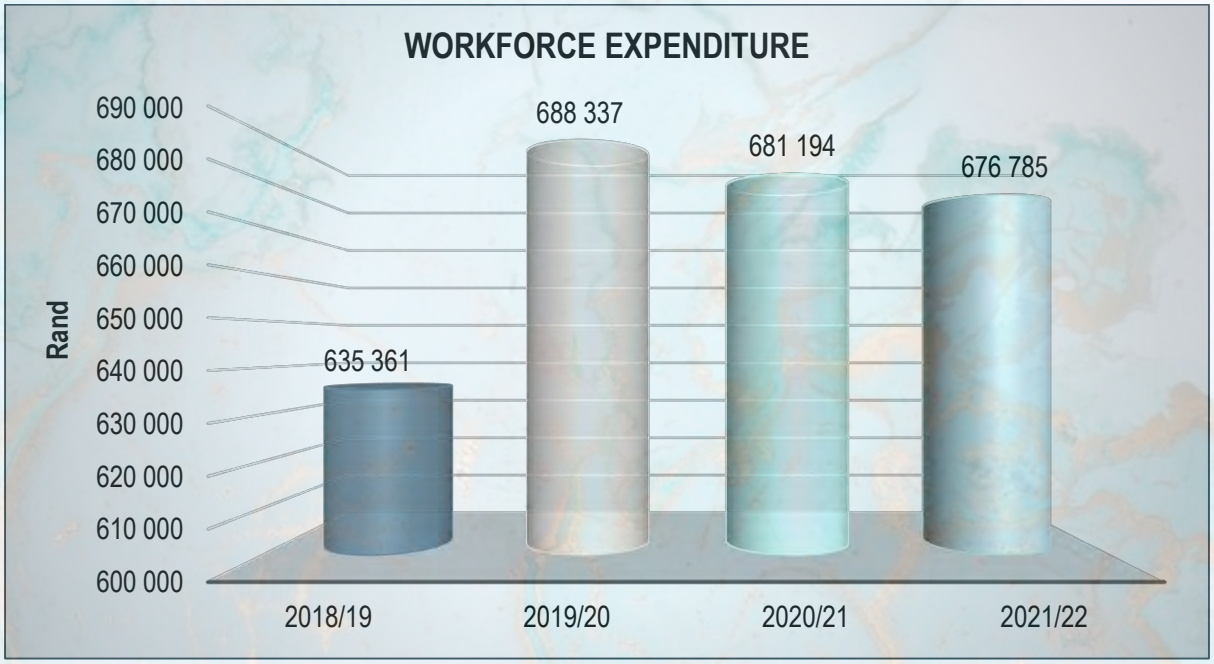
Workforce expenditure is a major part of the operational expenditure of the City of Matlosana. As it is mostly a fixed cost, proper planning and assessment of post requirements are necessary to make sure that the best available personnel are employed to meet the mandate of the municipality in service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

There is a strong national drive for creating employment and municipalities are one arm of government that normally feel the pressure to create new jobs in its sphere. Although we support the creation of employment and we understand the expectation of the communities in this regard, the financial viability of the City of Matlosana must be recognised. The creation and filling of posts are budgeted for and measured against the approved budget and operational requirements.

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. We have put a lot of emphasis on the monitoring and control of overtime worked, as we believe that overtime is only necessary in specific circumstances and can indicate inefficiency or staff shortages (including high absenteeism).

Performance management is of the utmost importance to increase the efficiency and thus output out of the workforce. There is still a way to go to implement the necessary measures and controls with the necessary buy-in of employees.



COMMENT ON WORKFORCE EXPENDITURE

Levels of municipal employment have declined, while vacancy rates and the average cost of employment have risen. However, there exist divergent employment and personnel expenditure trends within and between the different categories of municipalities that are masked by the aggregate figures.

Municipal employees and the skills they bring to the workplace are a critical input in the delivery of all services a municipality delivers.

The objective of managing municipal personnel is therefore not necessarily to minimize the "wage bill", but rather to ensure that people with the required skills are recruited, retained and appropriately deployed. The proper management of personnel is therefore critical to the effective and efficient functioning of the municipality and must be prioritized across all municipal functions.

Municipal expenditure on personnel should comprise 40% of aggregated operational expenditure as guided by National Treasury.

UPGRADED POSTS 2021/22	
Number of employees whose salaries were increased due to their positions being upgraded	None
Employees whose salary levels exceed the grade determined by job evaluation	None
Employees appointed to posts not approved	None

DISCLOSURES OF FINANCIAL INTERESTS

In terms of the requirements of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006 disclosures were made by Councillors and senior managers concerning their financial interests (see **Appendix J**).

COMPONENT E: OVERSIGHT REPORTING

4.7 STAFF ESTABLISHMENT

STAFF ESTABLISHMENT – 2021/22	
Does the City of Matlosana have an approved staff establishment?	Yes, it was approved in terms of CC 66/2012 dated 31 July 2012. A new top structure was approved on 21 April 2017 (CC64/2017)
Does the staff establishment provide for permanent and fixed posts?	Yes All senior manager positions are for a fixed term
If yes, provide details of the approved senior manager posts (permanent and fixed posts).	Municipal Manager Chief Financial Officer Director Corporate Support Director Community Development Director Public Safety Director Local Economic Development Director Technical and Infrastructure Director Planning and Human Settlement
Was the staff establishment consulted with the MEC before approval by Council?	N/A
If no, provide reasons	The Municipal Systems Amendment Act, 7 of 2011, stipulates that the posts provided for on the organogram must be approved by the Municipal Council
Were the recommendations of the MEC incorporated into the approved structure?	N/A
If no, provide reasons	N/A

4.8 APPOINTMENT OF SENIOR MANAGERS

APPOINTMENT OF MUNICIPAL MANAGER AND SENIOR MANAGERS DIRECTLY ACCOUNTABLE TO THE MUNICIPAL MANAGER – 2021/22							
Post Title	Annual Salary	Term of Employment		Highest Qualifications	Was the senior manager subject to competence assessment?	Does the senior manager hold political office?	Does the senior manager have a misconduct / criminal record?
		From	To				
Municipal Manager	R1 456 932	01/05/2017	30/04/2022	Vacant			
Chief Financial Officer	R1 188 638	01/03/2020	30/04/2021	Vacant			
Director Corporate Support	R1 188 638	01/02/2018	31/01/2023	B Legum	Yes	No	No
Director Community Development	R1 188 638	01/02/2018	31/01/2023	BA Hons Nursing Science MBA	Yes	No	No
Director Public Safety	R1 188 638	01/02/2018	31/01/2023	B Tech Transport Management B Hons	Yes	No	No
Director Technical and Infrastructure	R1 415 047	01/02/2018	31/01/2023	MSc Engineering	Yes	No	No
Director Local Economic Development	R1 188 638	01/03/2019	28/02/2024	B Com	Yes	No	No
Director Planning and Human Settlements	R1 415 047	01/03/2019	28/02/2024	B Tech Town and Regional Planning	Yes	No	No

4.9 EMPLOYMENT CONTRACTS

EMPLYMENT CONTRACTS FOR MUNICIPAL MANAGERS AND SENIOR MANAGERS DIRECTLY ACCOUNTABLE TO THE MUNICIPAL MANAGER – 2021/22		
Post title	**Has the senior manager signed the employment contract with the municipality before commencement of duty?**	**Has the contract been submitted to the MEC within the prescribed period?**
Municipal Manager	Vacant	N/A
Chief Financial Officer	Vacant	N/A
Director Corporate Support	Yes, 22 January 2018	Yes
Director Community Development	Yes, 2 January 2018	Yes
Director Public Safety	Yes, 2 January 2018	Yes
Director Technical and Infrastructure	Yes, 24 January 2018	Yes
Director Local Economic Development	Yes, 26 February 2019	Yes
Director Planning and Human Settlements	Yes, 26 February 2019	Yes

4.10 PERFORMANCE AGREEMENTS

STAFF ESTABLISHMENT (SECTION 54A AND 56 EMPLOYEES) 2021/22					
Post Title	Has the senior manager concluded a performance agreement with the municipality within the stipulated timeframe?	Has the performance agreement been submitted to the MEC within the prescribed period?	Is the performance agreement aligned to the SDBIP of the municipality?	Is the SDBIP aligned to the IDP of the municipality?	Did the senior manager receive a performance bonus for the previous year?
Municipal Manager	Vacant				
Chief Financial Officer	Vacant				
Director Corporate Support	Yes	Yes	Yes	Yes	No
Director Community Development	Yes	Yes	Yes	Yes	No
Director Public Safety	Yes	Yes	Yes	Yes	No
Director Technical and Infrastructure	Yes	Yes	Yes	Yes	No
Director Local Economic Development	Yes	Yes	Yes	Yes	No
Director Planning and Human Settlement	Yes	Yes	Yes	Yes	No

4.11 MINIMUM COMPETENCY REQUIREMENTS

MUNICIPAL MANAGER AND DIRECTORS (SECTION 54A AND 56 MANAGERS)

DESCRIPTION	REQUIREMENTS	MUNICIPAL MANAGER TSR NKHUMISE	CHIEF FINANCIAL OFFICER	DIRECTOR CORPORAT SUPPORT L SEAMETSO	DIRECTOR COMMUNITY DEVELOPMENT MM MOLAWA
Higher Education Qualification	At least NQF Level 7 (S 54A) and Level 8 (S 56) in fields of senior management position	Vacant	Vacant	B Legum	BA Hons Nursing Science MBA
Work-Related Experience	Minimum of two years at senior and five years at middle management level	N/A	N/A	Six years in senior and five years in middle management	Eighteen years in senior and eighteen years in middle management
Core Managerial and Occupational Competencies	As described in the Performance Regulations	N/A	N/A	Yes	Yes
Financial and Supply Chain Management Competency Areas: ☞ Strategic Capability and Leadership ☞ Operational financial management ☞ Governance, ethics and values in financial management ☞ Financial and performance reporting ☞ Risk and change management ☞ Legislation, policy and implementation ☞ Stakeholder relations ☞ Supply Chain Management ☞ Project management ☞ Audit and assurance	Required Minimum Competency Level in Unit Standards = CPMF	N/A	N/A	Yes	Yes

DESCRIPTION	REQUIREMENTS	DIRECTOR TECHNICAL AND INFRASTRUCTURE R MADIMUTSA	DIRECTOR PUBLIC SAFETY LJ NKHUMANE	DIRECTOR PLANNING AND HUMAN SETTLEMENTS BB CHOCHE	DIRECTOR LOCAL ECONOMIC DEVELOPMENT LL FOURIE
Higher Education Qualification	At least NQF Level 7 in fields of senior management position	MSc Engineering	B Tech Transportation Management B Hons	B Tech Town and Regional Planning	B Comm
Work-Related Experience	Minimum of two years at senior and five years at middle management level	Twenty-three years in senior and five years in middle management	Sixteen years in senior and seventeen years in middle management	Twelve years is senior and three months in middle management	Fifteen years in senior and eight years in middle management
Core Managerial and Occupational Competencies	As described in the Performance Regulations	Yes	Yes	Yes	Yes
Financial and Supply Chain Management Competency Areas: ☞ Strategic Capability and Leadership ☞ Operational financial management ☞ Governance, ethics and values in financial management ☞ Financial and performance reporting ☞ Risk and change management ☞ Legislation, policy and implementation ☞ Stakeholder relations ☞ Supply Chain Management ☞ Project management ☞ Audit and assurance	Required Minimum Competency Level in Unit Standards = CPMF	Yes	Yes	Yes	Yes

Chapter 5



CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

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

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

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENT

The City of Matlosana posted a net draft audited deficit of R 621 million (2021/22) which compares to the 2020/21 deficit of R259 million. This was mainly due to the debt impairment, finance costs (Eskom and Midvaal outstanding debts), rental and leases, repairs and maintenance, bulk purchases (water and electricity), and contracted services. Worth noting is the increase of the net deficit in the year under review (2021/22) from the previous year (2020/21).

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

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

FINANCIAL SUMMARY						
						R' 000
Description	2020/21	2021/22			2021/22 Variance	
	Actual	Original	Adjusted	Actual	Original	Adjustments
Financial performance						
Property rates	425 503	490 297	484 108	451 441	9%	7%
Service charges	1 720 482	1 956 476	1 957 605	1 815 222	10%	12%
Investment revenue	7 987	10 950	8 845	10 646	3%	-17%
Transfers recognised operational	519 617	494 843	494 844	506 442	-2%	-2%
Other own revenue	923 368	535 798	563 677	906 574	-41%	-38%
Total revenue (excl. capital transfers and contributions)	**3 596 957**	**3 488 364**	**3 509 079**	**3 690 325**	**-4%**	**-3%**
Employee costs	681 194	692 304	717 501	676 785	2%	6%
Remuneration of Councillors	36 496	37 222	37 222	34 189	9%	9%
Depreciation & asset impairment	398 855	366 774	400 000	363 151	1%	10%
Finance charges	102 795	2 300	9 660	156 918	-99%	-94%
Materials and bulk purchases	1 115 810	1 437 498	1 492 376	1 469 525	-2%	2%
Transfers and grants	–	0	0	0	0%	0%
Other expenditure	1 697 405	1 156 457	1 291 022	1 761 998	-34%	-27%
Total expenditure	**4 032 555**	**3 692 555**	**3 947 781**	**4 462 566**	**-17%**	**-12%**
Surplus/(Deficit)	**-435 598**	**-204 191**	**-438 702**	**-772 241**	**-79%**	**-53%**

FINANCIAL SUMMARY (Continued)						
						R' 000
Description	2020/21	2021/22			2021/22 Variance	
	Actual	Original	Adjusted	Actual	Original	Adjustments
Transfers recognised - capital	200 382	167 630	165 923	161 600	4%	3%
Contributions recognised - capital and contributed assets	–	–	–	–		
Surplus/(Deficit) after capital transfers and contributions	**-235 216**	**6 432**	**-195 957**	**-610 641**	**-101%**	**-68%**
Share of surplus/ (deficit) of associate	–	–	–	–		
Surplus/(Deficit) for the year	**-235 216**	**6 432**	**-195 957**	**-610 641**	**-101%**	**-68%**
Capital expenditure and funding sources						
Capital expenditure	**198 642**	**167 630**	**226 087**	**174 996**		
Transfers recognised - capital	191 473	167 630	177 641	161 600	4%	10%
Public contributions and donations	–	–	–	–	0%	0%
Borrowing	–	–	–	–	0%	0%
Internally generated funds	7 169	0	48 446	13 396	-100%	262%
Total sources of capital funds	**198 642**	**167 630**	**226 087**	**174 996**	**-4%**	**29%**
Financial position						
Total current assets	1 021 246	1 295 968	1 248 490	921 281	36%	31%
Total non-current assets	5 596 880	4 556 286	5 314 743	5 614 961	-19%	-5%
Total current liabilities	2 290 799	1 524 362	2 437 651	2 814 183	-46%	-13%
Total non-current liabilities	482 377	81 274	81 274	498 273	-84%	-84%
Community wealth / Equity	3 845 050	4 246 618	4 044 228	3 223 786	32%	25%
Cash flows						
Net cash from (used) operating	274 986	135 130	25 037	181 063	-25%	-86%
Net cash from (used) investing	-197 107	-167 597	-226 054	-192 059	-13%	18%
Net cash from (used) financing	-135 972	1 000	1 000	-17 905	-106%	-106%
Cash/cash equivalents at the year end	**-58 093**	**309 391**	**140 841**	**-28 901**	**-1171%**	**-587%**
Cash backing/surplus reconciliation						
Cash and investments available	300 578	310 858	263 380	213 583	46%	23%
Application of cash and investments	–	191 399	1 150 171	0	0%	0%
Balance - surplus (shortfall)	**300 578**	**119 459**	**-886 791**	**213 583**	**-44%**	**-515%**
Asset management						
Asset register summary (WDV)	5 200 067	4 556 253	5 314 710	5 201 989	-12%	2%
Depreciation and asset impairment	398 855	366 774	400 000	363 151	1%	10%
Renewal of existing assets	22 368	16 729	22 051	0	0%	0%
Repairs and maintenance	139 844	195 180	186 799	206 162	-5%	-9%

FINANCIAL SUMMARY (Continued)						
						R' 000
Description	2020/21	2021/22			2021/22 Variance	
	Actual	Original	Adjusted	Actual	Original	Adjustments
Free services						
Cost of free basic services provided	123 888	172 293	193 792	193 793	-11%	0%
Revenue cost of free services provided	131 391	81 394	88 825	88 826	-8%	0%

FINANCIAL PERFORMANCE OF OPERATIONAL SERVICES						
						R '000
Description	2020/21	2021/22			2021/22 Variance	
	Actual	Original	Adjusted	Actual	Original	Adjustment
Operating cost						
Water	952 737	678 805	726 696	1 040 839	35%	9%
Waste-water (Sanitation)	170 517	189 999	212 209	213 466	11%	1%
Electricity	1 356 981	1 503 969	1 559 758	1 173 196	-28%	-33%
Waste management	189 254	254 710	235 020	273 867	7%	14%
Housing	15 310	2 948	5 574	10 412	72%	46%
Component A: sub-total	**2 684 799**	**2 630 431**	**2 739 257**	**2 711 780**	**3%**	**-1%**
Storm-water drainage	–	–	–	–	0%	0%
Roads	151 554	164 826	207 525	216 794	0%	0%
Transport	–	–	–	–	0%	0%
Component B: sub-total	**151 554**	**164 826**	**207 525**	**216 794**	**24%**	**4%**
Planning	0	58 240	59 793	55 856	0%	0%
Local Economic Development	10 641	24 524	25 672	26 268	7%	2%
Component B: sub-total	**10 641**	**82 763**	**85 464**	**82 123**	**-1%**	**-4%**
Planning (strategic and regulatory)	–	–	–	–	0%	0%
Local Economic Development	–	–	–	–	0%	0%
Component C: sub-total	**–**	**–**	**–**	**–**	**0%**	**0%**
Community and Social Services	124 751	83 480	89 131	11 745	-611%	-659%
Environmental Protection	–	1 449	1 434	–	0%	0%
Health	32 343	173	3 135	8 360	98%	62%
Security and Safety	242 473	131 253	147 053	218 017	40%	33%
Sport and Recreation	79 489	85 566	95 734	56 650	-51%	-69%
Corporate Policy Offices and Other	707 250	550 367	616 508	1 157 098	52%	47%
Component D: sub-total	**1 186 306**	**852 287**	**952 995**	**1 451 870**	**41%**	**34%**
TOTAL EXPENDITURE	**4 032 555**	**3 730 307**	**3 985 242**	**4 462 568**	**16%**	**11%**

COMMENT ON FINANCIAL PERFORMANCE

The City of Matlosana posted a net audited deficit of R 621 263 674 for the year under review (2021/22), while the 2020/21 deficit was R 259 202 488. The following are the largest contributors to the increase in the deficit:

EXPENDITURE COMPONENT	COMPARATIVE ANALYSIS			Percentage
	2022	2021	Variance	
Impairment Losses (Reversal)	(35 209 847)	(17 588 870)	(17 620 977)	(100%)
Finance Costs	(156 918 941)	(102 794 811)	(54 124 130)	(52.3%)
Rental and Leases	(106 852 860)	(85 173 911)	(21 678 949)	(25.4%)
Debt Impairment	(1 284 786 461)	(1 149 479 591)	(135 306 870)	(11.8%)
Repairs & Maintenance	(206 162 348)	(139 844 478)	(66 317 870)	(47.4%)
Bulk Purchases	(1 263 362 776)	(1 115 809 958)	(147 552 818)	(13.2%)
Contracted Services	(106 548 875)	(80 487 920)	(25 700 955)	(31.9%)
General Expenses	(225 451 288)	(214 629 412)	(10 821 876)	(5.04%)

Contracted Services

Contracted services are mandated services in terms of the Local Government: Municipal Structures Act 117 of 1998, a municipal by-law or the integrated development plan, and that the municipality is expected to have the capacity and expertise to deliver. These services are, however, being outsourced instead, due to capacity challenges, both in terms of human and financial resources.

General Expenses

Increase in the following general expenses items is has been noted:

EXPENDITURE COMPONENT	COMPARATIVE ANALYSIS			Percentage
	2022	2021	Variance	
☞ Indigent cost	(49 445 614)	(34 620 464)	(14 825 150)	(42.8%)
☞ Insurance	(22 265 776)	(16 286 806)	(5 978 970)	(36.7%)
☞ Postage and courier	(6 865 941)	(3 070 509)	(3 795 432)	(123.6%)
☞ COVID related expenses	(3 732 109)	(1 811 088)	(1 921 021)	(106.1%)
☞ Training	(8 247 501)	(206 363)	(8 041 138)	(3896.6%)

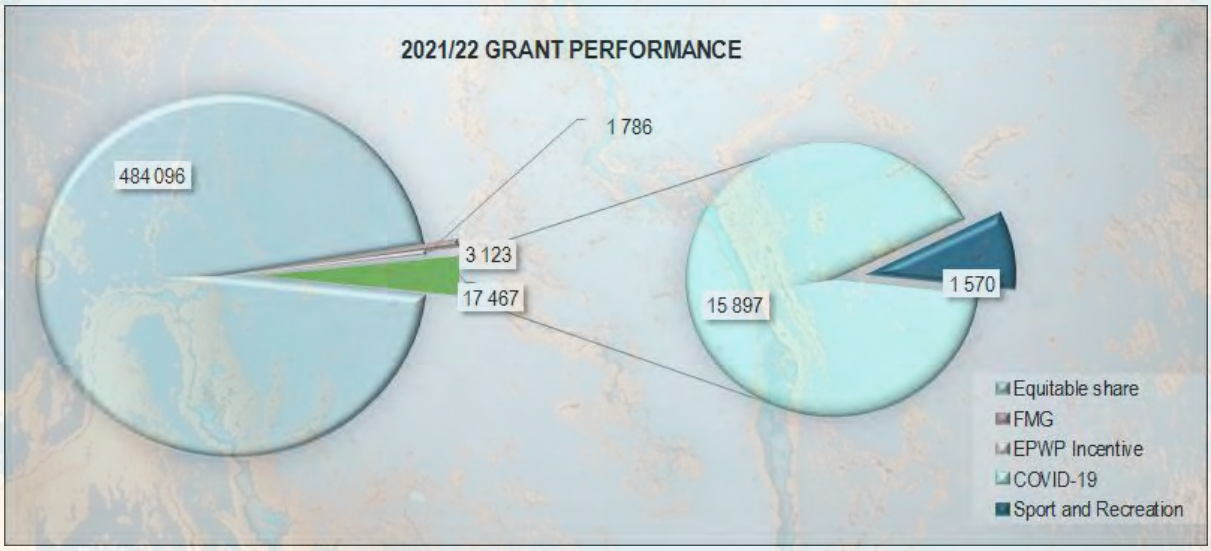
The following are contributing factors on the above general expense components, which had a major impact towards the increase of the municipality's deficit in the 2021/22 financial year:

- **Indigent Cost**: The costs around the acquisition and distribution (transport) of paraffin has become unsustainable for the municipality.
- **Insurance:** The poor condition of roads (potholes) has led to an increase in claims against the municipality, hence the increase in the annual insurance premium.
- **Postage and courier**: The municipality is concerned about the poor services being provided by the Post Office, which has become dysfunctional due to its poor financial situation. The municipality is, however, compelled to budget for these costs, since the Post Office hold the licence in terms of the law. The capacitation of the ICT division, to explore other options of distributing monthly consumer statements, through SMS and emails, would make a huge impact as an alternative to the Post Office.

- **COVID Related Expenses**: In addition to disaster management funds allocated from the National Fiscus, the municipality had to incur additional costs related to COVID-19 pandemic related interventions, in terms of the different of protocol prevention stages announced by the National Government.
- **Training**: Budgeting during the past years of the COVID-19 pandemic has not been realistic, given the restriction protocols imposed on physical training, and the accompanying on-and-off site incidents experienced. The comparative analysis between 2022 and 2021 financial years is therefore distorted by the factors already mentioned.

5.2 GRANTS

GRANT PERFORMANCE						
						R' 000
Description	2020/21	2021/22			2021/22 Variance	
	Actual	Budget	Adjusted	Actual	Original (%)	Adjustment (%)
Operating Transfers and Grants						
National Government	**519 139**	**488 982**	**488 982**	**504 872**	**0%**	**0%**
Equitable share	466 536	484 096	484 096	484 096	0%	0%
EEDS	–	–	–		0%	0%
FMG	2 929	3 100	3 100	3 123	0%	0%
PMU	–	–	–		0%	0%
EPWP Incentive	2 452	1 786	1 786	1 756	0%	0%
COVID-19	47 222	–	–	15 897	0%	0%
Provincial Government	**478**	**1 234**	**1 234**	1 570	**1%**	**1%**
Sport and Recreation	478	1 234	1 234	**1 570**	1%	1%
Total	**519 617**	**490 216**	**490 216**	**506 442**		



COMMENT ON OPERATING TRANSFERS AND GRANTS

Grants were reported as per the DORA and the payment schedule received from National Treasury and the national and provincial departments. Additional conditional grant funding in the third quarter of the financial year, resulted in unspent grants for which the municipality had to applied for roll-overs.

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

Vodacom assists Council with the unbundling of new projects and the verification of existing assets. As a result, Council obtained an unqualified audit opinion on assets management. However appropriate management is a challenge given low budget allocation due unfunded budget for the financial year.

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2021/22				
Asset 1				
Name	Turnkey services for the design & construction for Jouberton/Alabama bulk services (Civil & Electrical)			
Description	Turnkey services for the design & construction for Jouberton/Alabama bulk services (Civil & Electrical)			
Asset Type	Infrastructure			
Key Staff Involved	Water Section			
Staff Responsibilities	Maintain Water Infrastructure			
Asset Value	**2018/19**	**2019/20**	**2020/21**	**2021/22**
	R31 126 793	**R18 284 821**	**R25 737 873**	**R34 007 411**
Capital Implications	None			
Future Purpose of Asset	Providing proper service delivery of bulk infrastructure			
Describe Key Issues	Maintain bulk infrastructure			
Policies in Place to Manage Asset	Yes			
Asset 2				
Name	Paving of taxi routes and storm-water drainage in Jouberton Phase 9			
Description	Paving of taxi routes and storm-water drainage in Jouberton Phase 9			
Asset Type	Infrastructure			
Key Staff Involved	Road section			
Staff Responsibilities	Maintain road infrastructure			
Asset Value	**2018/19**	**2019/20**	**2020/21**	**2021/22**
	R4 787 515	**R855 496**	**R9 135 580**	**R13 779 655**
Capital Implications	None			
Future Purpose of Asset	Providing proper service delivery at road infrastructure			
Describe Key Issues	Maintain road infrastructure			
Policies in Place to Manage Asset	Yes			

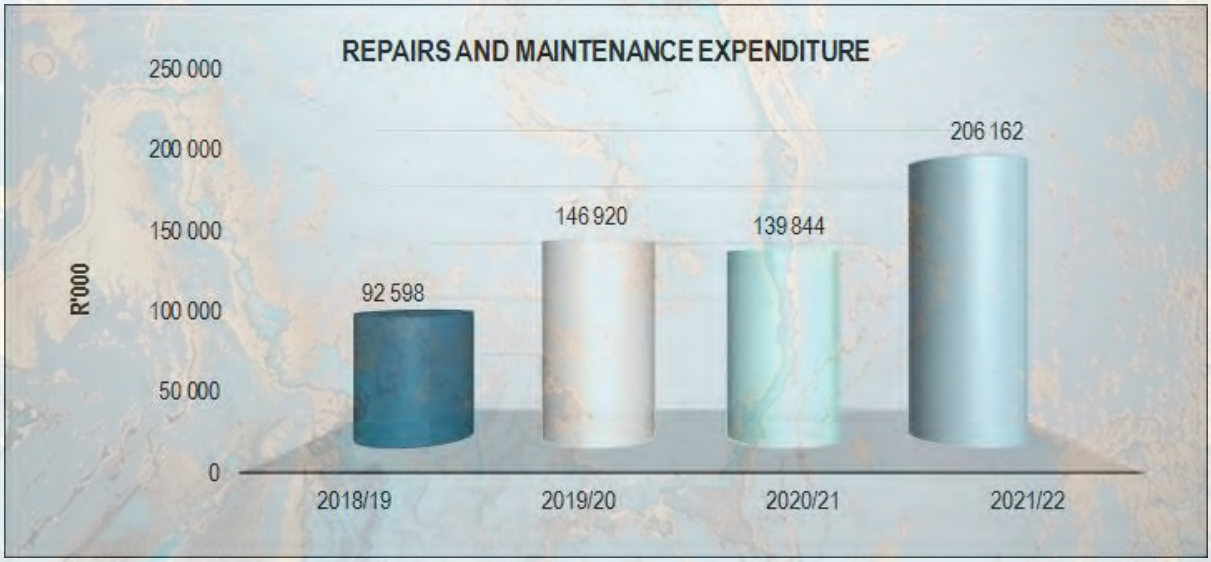
TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2021/22				
Asset 3				
Name	Supply and installation of pressure reducing valves, bulk water and ancillary work in CoM area (Phase2)			
Description	Supply and installation of pressure reducing valves, bulk water and ancillary work in CoM area (Phase2)			
Asset Type	Infrastructure			
Key Staff Involved	Water section			
Staff Responsibilities	Maintain water infrastructure			
Asset Value	2018/19	2019/20	2020/21	2021/22
	R0	**R35 694 740**	**R5 694 919**	**R388 328**
Capital Implications	None			
Future Purpose of Asset	Providing proper service delivery at water infrastructure			
Describe Key Issues	Water Section			
Policies in Place to Manage Asset	Yes			

COMMENTS ON ASSET MANAGEMENT

The PMU unit manages the roll out and implementation of municipal projects mainly funded by CoGTA and other National transferee departments.

The assets are grant-funded and the budget was approved for these capital projects. The assets were signed off with completion certificates obtained from the various contractors before these projects could be signed-off for completeness.

REPAIR AND MAINTENANCE EXPENDITURE: 2021/22				
				R' 000
Description	**Original**	**Adjusted**	**Actual**	**Budget variance**
Repairs and Maintenance Expenditure	209 476	287 454	206 162	-2%



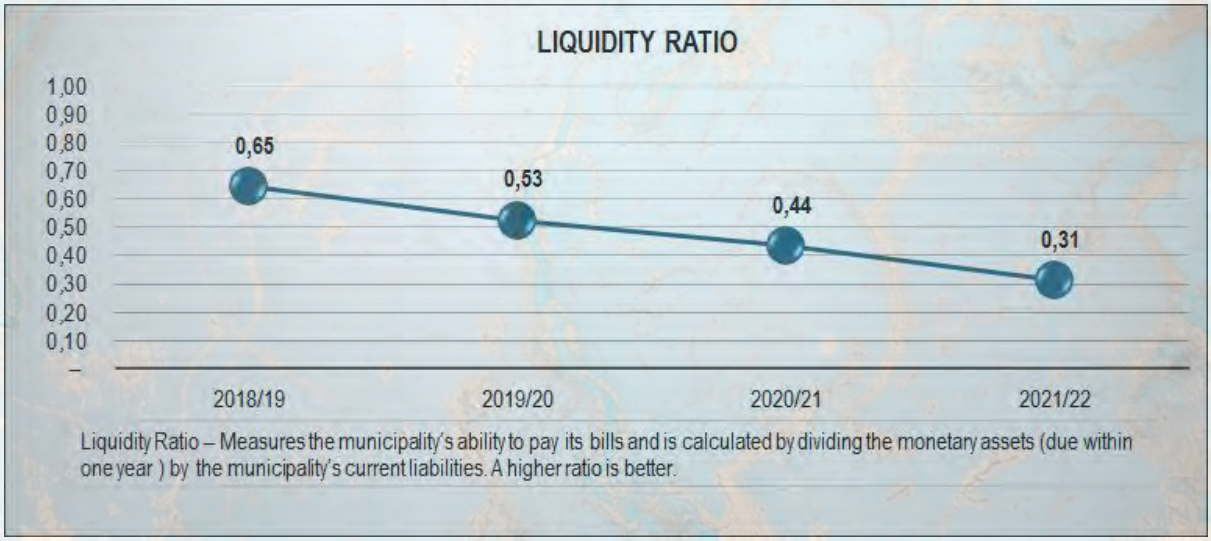
COMMENTS ON REPAIR AND MAINTENANCE EXPENDITURE

Expenditure on repair and maintenance was 5.2% of the total expenditure budget compared to the National Treasury norm of 8% of the municipality's operational budget.

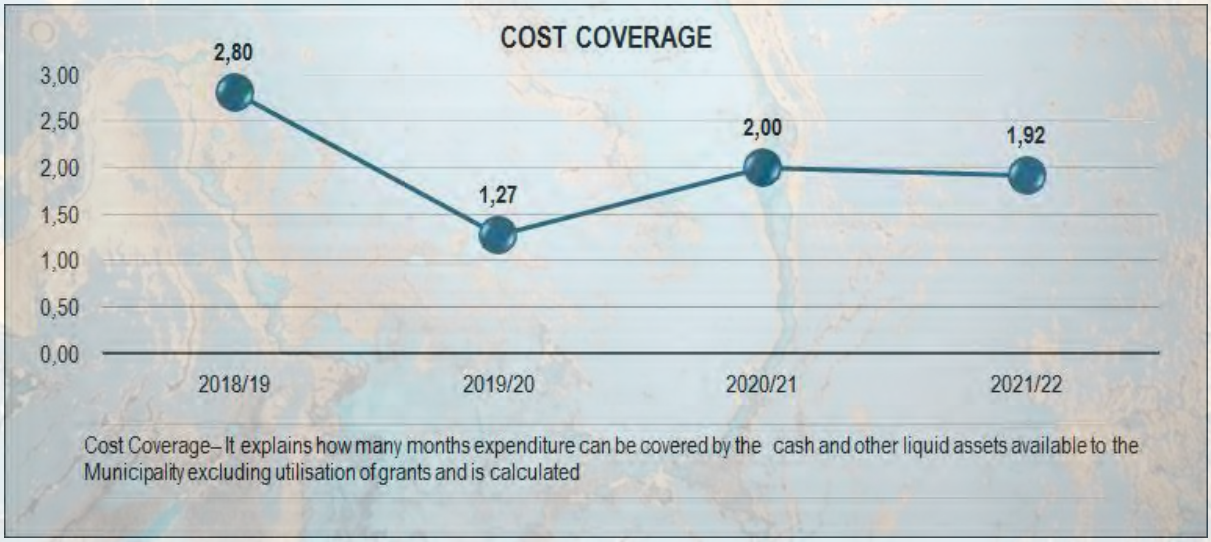
It must be noted that the salary cost of repair and maintenance is excluded from the 8%. Going forward the municipality need to increase the budget and expenditure to prevent further deterioration of our infrastructure assets.

The municipality has the challenge of aged infrastructure and fleet, which contribute towards high repairs and maintenance, and the hiring of contracted services on refuse removal and plant equipment. The replacements thereof require huge capital investments, which are not provided for in the annual allocation of Municipal Infrastructure Grants (MIG). The municipality is currently using its own revenue generated funds to acquire new fleet. Vat recovery funds are a major contributor towards the replacement of old vehicles that have become uneconomical to repair.

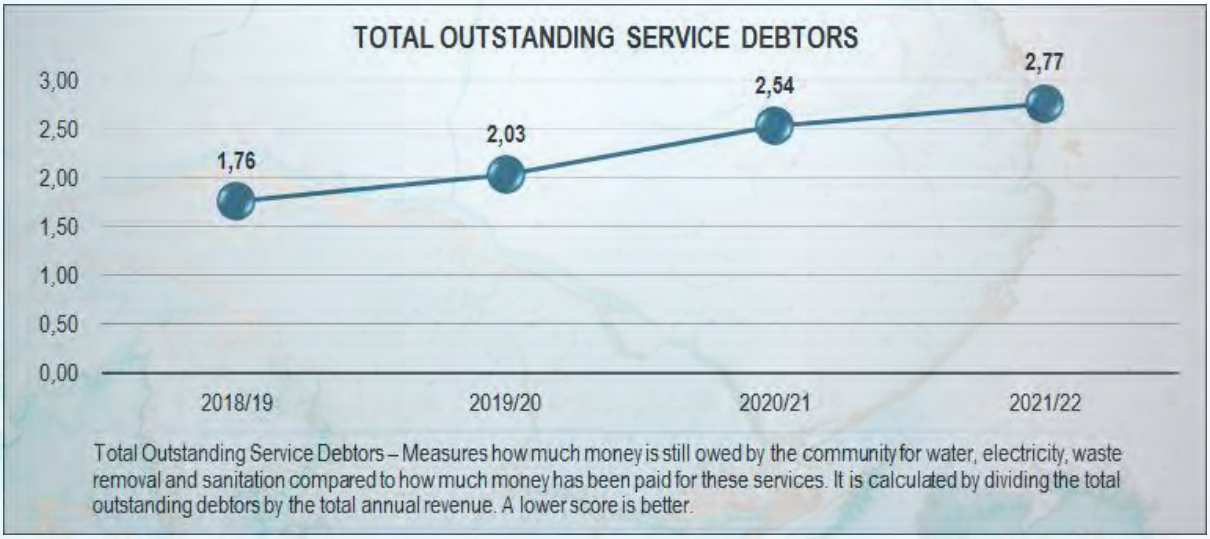
5.4 FINANCIAL RATIONS BASED ON KEY PERFORMANCE INDICATORS



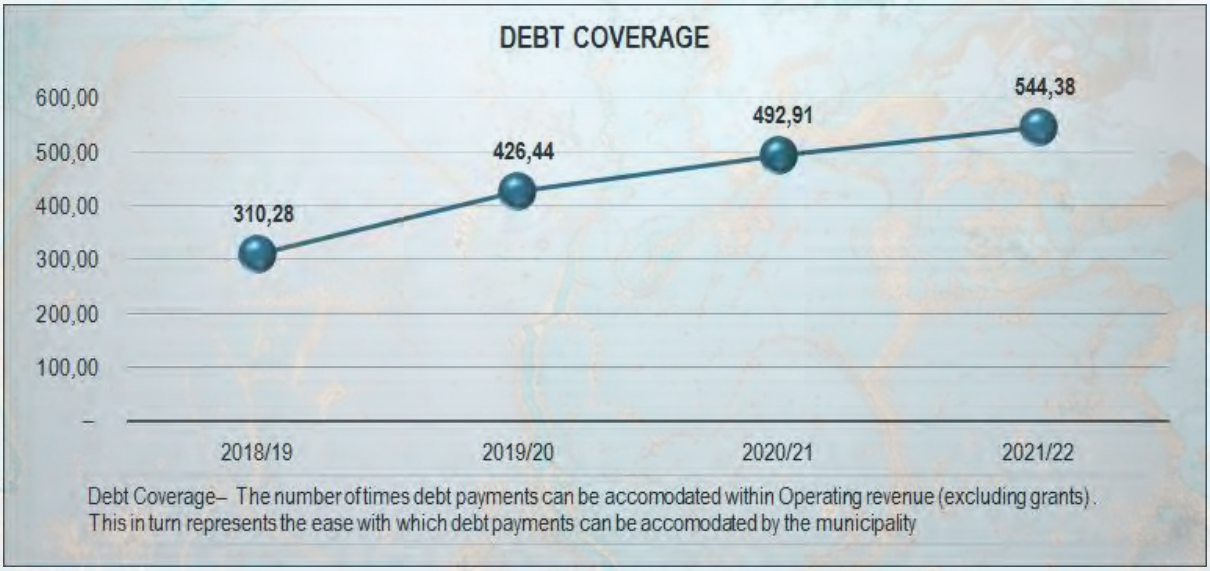
Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year) by the municipality's current liabilities. A higher ratio is better.



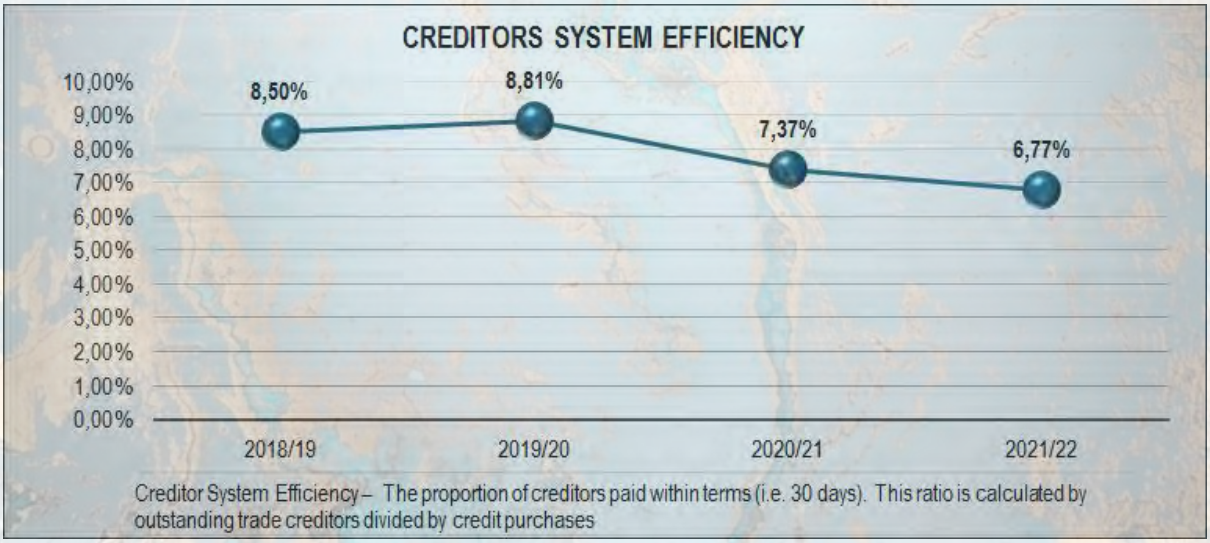
Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated



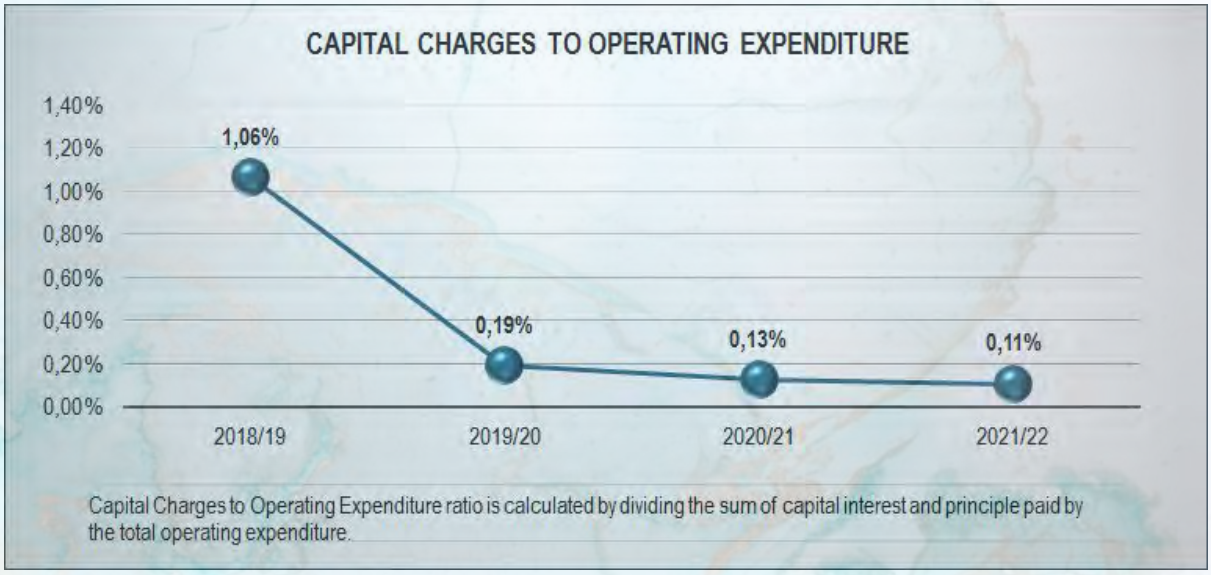
Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower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



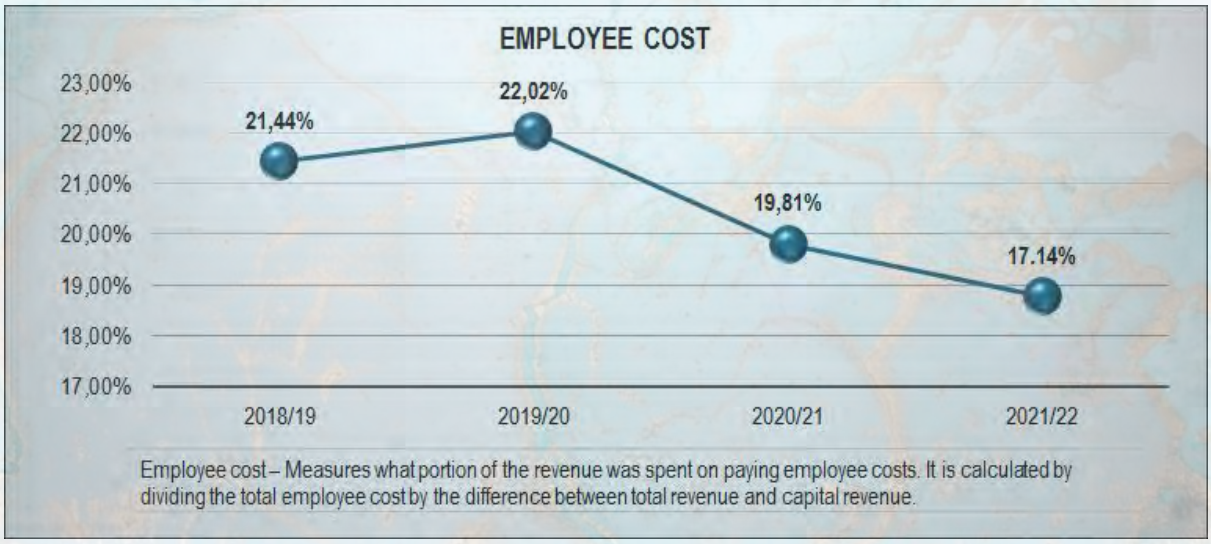
Debt Coverage– The number of times debt payments can be accomodated within Operating revenue (excluding grants). This in turn represents the ease with which debt payments can be accomodated by the municipality



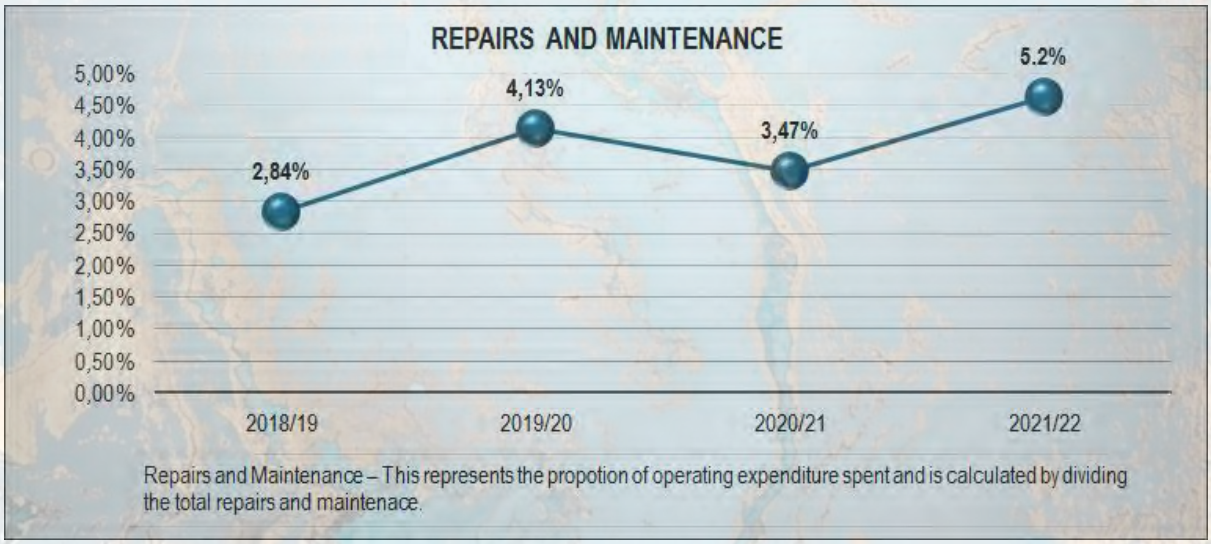
Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases



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



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.



Repairs and Maintenance – This represents the propotion of operating expenditure spent and is calculated by dividing the total repairs and maintenace.

COMMENTS ON THE FINANCIAL RATIO

The liquidity ratio is unfavourable and the lower ratio is mostly reflective of the increase in payables. The low liquidity ratio does require a major improvement in the bottom line as reflected on the statement of financial performance to rectify and bring the ratio in line with the norm. The recovery is dependent on the budget constraints and the higher debtors' impairment realised.

A higher cost coverage ratio is necessary in a highly fluctuating income environment as it indicates the ability to cover monthly fixed expenditure costs if there is a sudden loss of income. The lower ratio at present is of concern and needs to be addressed.

The total outstanding services debtors' ratio remains unfavourable in the last period and it can be attributed to the low collection rate. Bad debts should also be written off to keep the ratio comparable between years.

The debt coverage ratio has improved due to the redemption liabilities in the prior years with the result that there is a reduction in the amount of loans to be serviced.

The financial performance of the municipality can be measured in the lower creditors' efficiency ratio. The municipality must work towards a cash positive budget to ensure that creditors can be serviced.

The low reliance on capital funding is reflected in the ratio of capital charges to operational expenditure. The ratio reduced substantially in relation to the prior years due to the redemption of loans in the prior year.

The ratio of employee cost to revenue is relatively constant and falls in the ranges that are experienced in the local government sector. The reduction is due to the employee costs being constant while revenue increased.

Although the ratio of repair and maintenance increased in the current year it remains a concern as it is lower than what is expected of a municipality. It must be noted that the salary cost of repair and maintenance is not included and will increase the percentage if included.

Management must implement revenue enhancement and recovery strategies while ensuring that other non-essential costs are reduced and managed to enable the municipality to recover and improve the ratios and improve service delivery.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

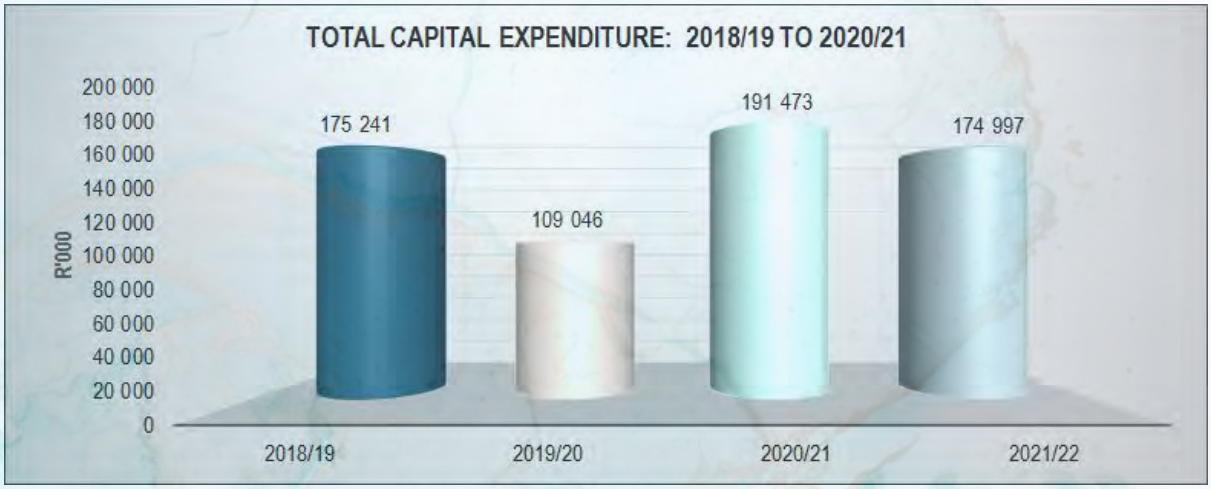
INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

The Municipal Infrastructure Grant (MIG), Integrated National Electrification Programme (INEP), Water Services Grant(WSG) and the Neighbourhood Development Partnership Grant (NDPG) mainly funded capital. For the year under review, more than 90% of MIG-funded capital budget was spent. NDPG also record spending of more than 90%. INEP and WSG grant recorded expenditure of more than 80%.

Please note that the outlines of capital expenditure relating to the new works and renewal programmes, the full programme of capital projects and alignment of projects in wards are in **Appendices M, N** and **O** respectively.

5.5 CAPITAL EXPENDITURE

CAPITAL EXPENDITURE 2021/22					R'000
R million	Original	Adjustment	Audited	Original Budget variance	Adjusted Budget Variance
Capital expenditure	**168**	**226**	**175**	-4,4%	22,6%
Operating expenditure					
Total expenditure	**168**	**226**	**175**	-4,4%	22,6%
Water and sanitation	46	47	39	15,7%	18,4%
Electricity	39	40	25	36,5%	38,8%
Housing	–	–	–		
Roads, pavements, bridges and storm-water	55	62	50	8,7%	18,9%
Other	28	77	61	-119,5%	19,7%
Property rates	490	484	451	8%	7%
Service charges	1 999	2 034	1 815	9%	11%
Other own revenue	977	1 071	1 585	-62%	-48%
	3 467	**3 590**	**3 852**	-11%	-7%
Employee related costs	692 304	717 502	710 974	-3%	1%
Provision for working capital	–	–	–		
Repairs and maintenance	195	187	206	-6%	-10%
Bulk purchases	1 032	1 032	1 263	-22%	-22%
Other expenditure	1 773	2 011	2 253	-27%	-12%
	3 693	**3 948**	**4 433**		-12%
Service charges: Electricity	963	1 026	957	1%	7%
Grants & subsidies: Electricity	27	18	15	44%	18%
Other revenue: Electricity	68	44	60	11%	-37%
	1 057	**1 088**	**1 033**	2%	5%
Employee related costs: Electricity	49	59	55	-12%	6%
Provision for working capital: Electricity	–	–	–		
Repairs and maintenance: Electricity	32	43	57	-80%	-34%
Bulk purchases: Electricity	1 032	1 032	874	15%	15%
Other expenditure: Electricity	390	426	184	53%	57%
	1 504	**1 560**	**1 171**	22%	25%
Service charges: Water	729	703	650	11%	8%
Grants & subsidies: Water	–	20	24		-22%
Other revenue: Water	817	200	206	75%	-3%
	1 546	**923**	**880**	43%	5%
Employee related costs: Water	38	43	41	-9%	5%
Provision for working capital: Water	–	–	–		
Repairs and maintenance: Water	17	15	22	-29%	-51%
Bulk purchases: Water	296	296	389	-31%	-31%
Other expenditure: Water	328	378	578	-77%	-53%
	679	**733**	**1 031**	-52%	-41%

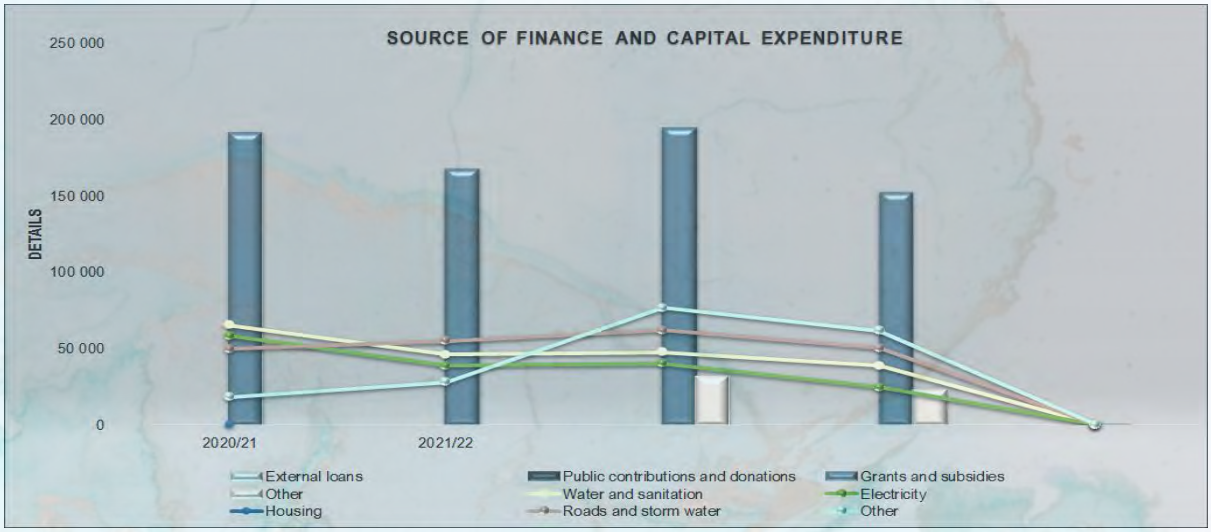


COMMENTS ON CAPITAL EXPENDITURE

As can be seen in the table below, the capital spending is above 90% of the total allocation for the year. Municipal spending on all essential services has reported high spending.

5.6 SOURCES OF FINANCE

CAPITAL EXPENDITURE - FUNDING SOURCES: 2020/21 TO 2021/22						
						R' 000
Details	2020/21	2021/22				
	Actual	Original (OB)	Adjustment	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance						
External loans	-	-	-	-	0,00%	0,00%
Public contributions and donations	-	-	-	-	0,00%	0,00%
Grants and subsidies	191 473	167 630	194 829	152 582	16,23%	-8,98%
Other	-	-	31 259	22 414	0,00%	0,00%
Total	**191 473**	**167 630**	**226 088**	**174 996**	**16,23%**	**-8,98%**
Percentage of finance						
External loans	-	-	-	-	0.00%	0.00%
Grants and subsidies	-	-	-	-	0.00%	0.00%
Other	-	-	-	-	0.00%	0.00%
Capital expenditure						
Water and sanitation	65 412	45 896	47 431	38 712	3,34%	-15,65%
Electricity	58 141	38 707	40 215	24 596	3,90%	-36,46%
Housing	-	-	-	-	0,00%	0,00%
Roads and storm-water	49 600	55 012	61 878	50 206	12,48%	-8,74%
Other	18 320	28 015	76 564	61 482	173,30%	119,46%
Total	**191 473**	**167 630**	**226 088**	**174 996**	**193,02%**	**58,62%**



COMMENT ON SOURCES OF FUNDING

The Municipal Infrastructure Grant (MIG), Integrated National Electrification Programme (INEP), Water Services Grant (WSG) and the Neighbourhood Development Partnership Grant (NDPG) mainly funded capital.

There were no Council's own funded capital projects.

5.7 CAPITAL SPENDING ON FIVE LARGEST PROJECTS

CAPITAL SPENDING ON FIVE LARGEST PROJECTS: 2021/22					
					R' 000
Name of Project	2021/22			Variance	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A. Turnkey precinct development for the design & construction for Jouberton / Alabama bulk services (civil & electrical) (Wards 3, 4, 12 and 37)	-	0	34 007	0%	0%
B. Construction of a new sports complex in Khuma Ext 9 (Ward 31)	15 285	29 574	25 391	-66%	-93%
C. Refurbishment of electrical and mechanical equipment in the Matlosana area (Wards 1 - 39) water pump-stations and reservoirs	-	0	14 600	0%	0%
D. Upgrade taxi rank Jouberton Ext 19 (Ward 37) WIP	-	19 788	14 522	0%	0%
E. Paving of taxi routes and storm-water drainage in Jouberton (Phase 9)(Wards 5, 6, 11, 13 and 14)	-	15 186	13 800	0%	0%
Projects with the highest capital expenditure in 2021/22					

Name of Project - A	Turnkey precinct development for the design & construction for Jouberton / Alabama bulk services (civil & electrical) (Wards 3, 4, 12 and 37)
Objective of Project	To design & construct Jouberton and Alabama bulk services
Delays	None
Future Challenges	None
Anticipated citizen benefits	To improve the social and economic environment
Name of Project - B	**Construction of a new sports complex in Khuma Ext 9 (Ward 31)**
Objective of Project	New sports complex Khuma
Delays	None
Future Challenges	None
Anticipated citizen benefits	To provide recreational facilities for the community
Name of Project - C	**Refurbishment of electrical and mechanical equipment in the Matlosana area (Wards 1 - 39) water pump-stations and reservoirs**
Objective of Project	To refurbish water pump-stations
Delays	None
Future Challenges	None
Anticipated citizen benefits	To maintain the existing infrastructure
Name of Project - D	**Upgrade taxi rank Jouberton Ext 19 (Ward 37) WIP**
Objective of Project	Upgrade taxi rank Jouberton
Delays	None
Future Challenges	None
Anticipated citizen benefits	To improve public access to transport in
Name of Project - E	**Paving of taxi routes and storm-water drainage in Jouberton (Phase 9)(Wards 5, 6, 11, 13 and 14)**
Objective of Project	Paving of taxi routes and stormwater drainage in Jouberton Phase 9
Delays	None
Future Challenges	None
Anticipated citizen benefits	To improve public access to transport in

COMMENTS ON CAPITAL PROJECTS

The budget allocation for the development of basic infrastructure services is a constraint as there are increasing demands for new infrastructure due to the growth of the city in comparison to the available allocation.

The only challenge that do exist in all Council projects is that we have a lot of WIP projects and the issue that Council is facing is the shortage of funding to complete all WIP projects

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The closure of mines and migration of families from farming settlements to urban areas has put pressure on the upgrading of bulk infrastructure and increased settlement on unproclaim areas.

The backlog will affect the municipality negatively. The development of master plans for water, sewer, roads and electricity will assist in assessment of backlogs as well as submission of reports for counter funding.

The repeated seismic incidents put more stress on the existing and old infrastructure in all areas of the municipality especially on the asbestos-cement pipes.

SERVICE BACKLOGS AS AT 30 JUNE 2022				
				Households (Hh)
Services	*Service level above minimum standard		**Service level below minimum standard	
	No HHs	% HHs	No HHs	% HHs
Water	183 834	99%	1 020	1%
Sanitation	171 328	92.7%	13 526	7.3%
Electricity	170 537	92%	14 317	8%
Waste management	170 798	92.4%	14 056	7.6%
% Hhs are the service above / below minimum standard as a proportion of total Hhs.				

MUNICIPAL INFRASTRUCTURE GRANT (MIG)* EXPENDITURE 2021/22 ON SERVICE BACKLOGS					
					R' 000
Details	Budget	Adjusted	Actual	Variance	
				Budget	Adjust-ment
Infrastructure - Road Transport	**55 012**	**61 878**	**50 206**	**-10%**	**23%**
Storm-Water	*55 012*	*61 878*	*50 206*	*-10%*	*23%*
Infrastructure - Electricity	**38 707**	**40 215**	**24 597**	**57%**	**63%**
Generation	*38 707*	*40 215*	*24 597*	*57%*	*63%*
Infrastructure - Water	**33 280**	**30 537**	**24 541**	**36%**	**24%**
Alabama Bulk Water ph3	*7 500*	*12 729*	*10 312*	*-27%*	*23%*
Water Supply Midvaal	*25 780*	*17 808*	*14 229*	*81%*	*25%*
Infrastructure - Sanitation	**12 616**	**16 895**	**14 170**	**-11%**	**19%**
Sewerage purification	*4 000*	*12 302*	*14 170*	*-72%*	*-13%*
Upgrades Pump-station	*8 616*	*4 593*	*-*	*0%*	*0%*
Other Specify: Sport	**15 285**	**29 575**	**25 390**	**-40%**	**16%**
New sport complex in Khuma Extension 9 (Phase 1) (Ward 31)	*15 285*	*29 575*	*25 390*	*-40%*	*16%*

Other Specify: Local Economic Development	12 730	15 730	13 678	-7%	15%
Extension of the Fresh Produce Market (Phase 2)(Ward 9)	*12 730*	*15 730*	*13 678*	*-7%*	*15%*
TOTAL	167 630	194 830	152 582		

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

The above backlogs will soon affect the municipality in negative ways however, with the current efforts of submitting requests for funding through the development of Master Plans and Feasibility Reports some of the challenges will be addressed in the near future.

Application for funding for the development of the various master plans is under consideration by the Development Bank of Southern Africa (DBSA). The application made to the DBSA for development of Master Plans was approved.

The Grant Agreement between DBSA and City of Matlosana has been signed and procurement of services provider is in the process.

COMMENTS ON BACKLOGS

The City of Matlosana has to further implement two major projects for water supply to strengthen the existing supply to various communities and to unlock further development which already eminent. The implementation of a further bulk sanitation project will unlock among others the development on the east of Klerksdorp.

Lack of funding on capital projects by the municipality and the ageing infrastructure remains a challenge for the quicker strengthening of bulk services to support development.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The municipality's cash flow is monitored on a daily basis and is a major challenge as indicated by the various ratios. The municipality's investments consist mainly of government grants of which the MIG is the main contributor and some securities.

During each month, investments are made and withdrawn as part of the cash flow management process.

5.9 CASH FLOW

CASH FLOW OUTCOMES				
				R'000
Description	2020/21	2021/22		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	1 640 528	2 257 526	2 149 538	1 713 672
Government - operating	519 616	490 216	490 216	487 006
Government - capital	200 381	172 258	172 258	161 600
Interest	112 686	750	-1 355	31 099
Dividends	–	–	–	–
Payments				
Suppliers and employees	-2 127 294	-2 785 620	-2 785 620	-2 294 545
Finance charges	-70 933	–	–	-113 731
Transfers and Grants	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	**274 984**	**135 130**	**25 037**	**181 062**
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Decrease (Increase) in non-current debtors	-754	33	33	-632
Decrease (increase) other non-current receivables	441	–	–	-18
Decrease (increase) in non-current investments	0	1	1	-3
Payments				
Capital assets	-196 793	-167 630	-226 088	-191 406
NET CASH FROM/(USED) INVESTING ACTIVITIES	**-197 106**	**-167 596**	**-226 054**	**-192 059**
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	–
Borrowing long term/refinancing	-9 930	–	–	-10 381
Increase (decrease) in consumer deposits	2 332	–	–	2 810
Payments				
Repayment of borrowing/NT Liabilities	-128 373	–	–	-10 334
NET CASH FROM/(USED) FINANCING ACTIVITIES	**-135 971**	**–**	**–**	**-17 905**
NET INCREASE/ (DECREASE) IN CASH HELD	-58 093	-31 467	-200 018	-28 902
Cash/cash equivalents at the year-begin:	300 578	340 859	340 859	242 485
Cash/cash equivalents at the year-end:	242 485	309 391	140 841	213 584

COMMENT ON CASH FLOW OUTCOMES

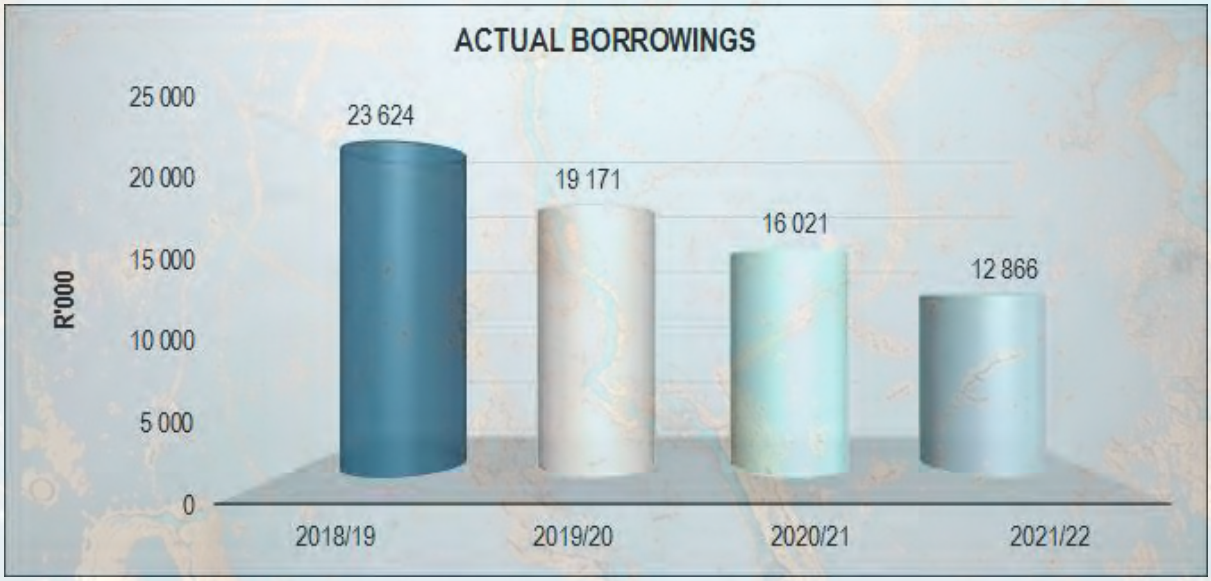
The municipality's cash flow remains under pressure due to a low collection rate in areas where Eskom supplies electricity. The current economic climate is also a contributing factor. The available cash is actively managed on a daily basis to ensure that the necessary basic services delivery objectives are achieved.

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

No new loans were taken up in the past financial year. The loan book is reducing constantly as loans are serviced. The municipality's investments consist mainly of government grants of which the Equitable Share grant, MIG, INEP and NDPG grants is the main contributor and some securities.

ACTUAL BORROWINGS: 2019/20 TO 2021/22			
			R' 000
Instrument	**2019/20**	**2020/21**	**2021/22**
Municipality			
Long-Term Loans (annuity/reducing balance)	19 171	16 021	12 866
MUNICIPALITY TOTAL	**19 171**	**16 021**	**12 866**



MUNICIPAL INVESTMENTS			
			R' 000
Investment type	**2019/20**	**2020/21**	**2021/22**
	Actual	**Actual**	**Actual**
Deposits – Bank	290 992	238 797	189 970
Guaranteed Endowment Policies (sinking)	10 281	10 776	11 338
TOTAL	**301 273**	**249 573**	**201 308**

COMMENTS ON BORROWING AND INVESTMENTS

No new loans were taken up in the past financial year. The current loan book is reducing as loans are serviced.

Municipal annual deposits have decreased from R249 million to R201 million. This is as a result of business closure during COVID-19.

The municipality's investments consist mainly of government grants of which the MIG, NDPG and Equitable Share grants are the main contributor.

5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS

Council does not have any Public Private Partnerships.

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The Council developed a Supply Chain Management Policy and practices, in compliance with the guidelines set down by Supply Chain Management legislation and regulations. The policy is being reviewed on an annual basis, and tabled with each year's budget. The reviews are done in line with the applicable amendments to SCM related legislation and regulations.

In terms of the municipal Supply Chain Management Policy, and section 117 of the Municipal Finance Management Act, no councillor may be a member of a municipal bid committee or any other committee evaluating or approving tender, quotations, contracts or other bids, nor attend any such meeting as an observer.

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

The City of Matlosana applies General Recognised Accounting Practices (GRAP) in the compilation of its financial statements.

Chapter 6



CHAPTER 6 – AUDITOR-GENERAL'S AUDIT FINDINGS

INTRODUCTION

The audited 2021/22 Annual Report, including the Annual Financial Statements and Annual Performance Report was submitted to the Auditor-General on 31 August 2022 for auditing.

COMPONENT A: AUDITOR-GENERAL'S OPINION OF FINANCIAL STATEMENTS 2020/21

6.1 AUDITOR-GENERAL REPORT 2020/21

AUDITOR-GENERAL'S OPINION ON FINANCIAL PERFORMANCE - 2020/21

Unqualified opinion – Financial Performance

"In my opinion, the financial statements present fairly, in all material respects, the financial position of the City of Matlosana as at 30 June 2021, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 4 of 2020 (DoRA).

Unqualified opinion with no material findings - Predetermined objectives

"I did not identify any material findings on the usefulness and reliability of the reported performance information on the selected key performance area of the municipality."

COMMENTS ON AUDITOR-GENERAL'S OPINION ON FINANCIAL PERFORMANCE - 2020/21

Management is pleased that the municipality obtained an unqualified audit opinion for the financial statements.

Management is also aware that to not regress and to improve the opinions going forward, that attention to matters noted in the audit must be addressed. It will therefore formulate the post audit action plan which will be monitored by the audit steering committee on a regular basis.

Management acknowledged the following three audit paragraphs raised by the Auditor-General, namely:

- payables from exchange transactions:
- employees related cost that did not correctly classified movements in the provision for the current and prior year in the statement of financial performance.
- expenditure which relate to municipality incurred expenditure during the year under review without following supply chain management process

This is notwithstanding the operational difficulties experienced due to COVID-19. It is also an indication of the effort from management, the employees in the different sections, the assistance from the service provider as well as the good working relationship with the Auditor-General.

At present the PAAP is not ready but will be implemented as soon as the detailed management report is available.

COMMENTS ON AUDITOR-GENERAL'S OPINION ON PERFORMANCE MANAGEMENT - 2020/21

Performance Management received an *Unqualified opinion with no material findings* from the Auditor-General.

COMPONENT B: AUDITOR-GENERAL's OPINION 2021/22

6.2 AUDITOR-GENERAL'S REPORT 2021/22

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 City of Matlosana

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the City of Matlosana Local Municipality set out on pages 386 to 469, which comprise the statement of financial position as at 30 June 2022, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the City of Matlosana Local Municipality as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 9 of 2021 (DoRA).

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.

4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

Material uncertainty relating to going concern

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

7. The statement of financial performance indicates that the municipality incurred a net loss of R621 263 674 during the year ended 30 June 2022, and at this date, the municipality's total current liabilities exceeded its total current assets by R1 892 901 834. These conditions, along with other matters as set forth in note 45, indicate the existence of a material uncertainty that may cast significant doubt on the municipality's ability to operate as a going concern.

Emphasis of matters

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

Unauthorised, irregular and fruitless and wasteful expenditure

9. As disclosed in note 47 to the financial statements, unauthorised expenditure of R1 122 272 985 was incurred in the current year and unauthorised expenditure of R3 176 530 653 in respect of prior years have not yet been dealt with in accordance with section 32 of the MFMA.
10. As disclosed in note 49 to the financial statements, irregular expenditure of R301 086 190 was incurred in the current year and irregular expenditure of R3 665 341 389 from prior years have not yet been dealt with in accordance with section 32 of the MFMA.
11. As disclosed in note 48 to the financial statements, fruitless and wasteful expenditure of R113 221 153 was incurred in the current year and fruitless and wasteful expenditure of R85 506 270 from prior years have not yet been dealt with in accordance with section 32 of the MFMA.

Material losses

12. As disclosed in note 12 to the financial statements, the consumer debtors' balance has been significantly impaired. The allowance for impairment of consumer debtors was R6 292 463 439 (2021: R5 039 633 689), which represented 93% (2021:90%) of total consumer debtors. In addition, as disclosed in note 35 to the financial statements, contributions of R1 284 786 461 (2021: R1 149 479 591) to the debt impairment provision were incurred as a result of significant impairment of debtors.
13. As disclosed in note 36 to the financial statements, the municipality incurred distribution losses on electricity and water in excess of the norms of 38% (2021: 34%) and 51% (2021: 42%), respectively.

Restatement of corresponding figures

14. As disclosed in note 54 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2022.

Uncertainty relating to the future outcome of exceptional litigation

15. With reference to note 51 to the financial statements, the municipality is the defendant in a number of lawsuits. The municipality is opposing the claims amounting to R607 545 938. The ultimate outcome of the matters cannot currently be determined and no provision for any liability that may result has been made in the financial statements.

Other matters

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

Unaudited disclosure notes

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

Unaudited supplementary schedules

18. The supplementary information set out on page 470 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

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

20. In preparing the financial statements, the accounting officer is responsible for assessing the City of Matlosana's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or there is no realistic alternative but to do so.

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

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

22. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

23. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on usefulness and reliability of the reported performance information against predetermined objectives for the selected key performance area presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

24. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents.

My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

25. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected key performance area presented in the municipality's annual performance report for the year ended 30 June 2022:

Key performance area	Pages in the annual performance report
KPA 1 – Basic Service Delivery and Infrastructure Development	164 – 180; 191 – 192; 236; 250 - 251

26. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

27. I did not identify any material findings on the usefulness and reliability of the reported performance information on the selected key performance area of the municipality.

Other matters

28. I draw attention to the matters below.

Achievement of planned targets

29. Refer to the annual performance report on pages 164 to 257 for information on the achievement of planned targets for the year and explanations provided for the under-/overachievement of a number of targets.

Adjustment of material misstatements

30. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of KPA 2 – basic service delivery and infrastructure development. As management subsequently corrected the misstatements, I did not report any material findings on the usefulness and reliability of the reported performance information.

Report on audit of compliance with legislation

Introduction and scope

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

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

Annual financial statements and annual reports

33. The financial statements submitted for auditing were not fully prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

34. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
35. Reasonable steps were not taken to prevent unauthorised expenditure of R1 122 272 985, as disclosed in note 47 to the financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by insufficient budget planning and monitoring.
36. Reasonable steps were not taken to prevent irregular expenditure of R301 086 190 as disclosed in note 49 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by the municipality not adhering to supply chain regulations regarding all aspects of procurement. Irregular expenditure of R26 386 363 was incurred on the key project Construction of new sports complex Khuma.
37. Reasonable steps were not taken to prevent fruitless and wasteful expenditure of R113 221 153, as disclosed in note 48 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest incurred on amounts owed to Eskom and Midvaal.

Procurement and contract management

38. Some of the construction contracts were awarded to contractors that were not registered with the Construction Industry Development Board (CIDB) and some contractors did not qualify for the contract in accordance with section 18(1) of the CIDB Act and CIDB regulations 17 and 25(7A).
39. Some of the invitations to tender for procurement of commodities designated for local content and production, did not stipulate the minimum threshold for local production and content as required by the 2017 preferential procurement regulation 8(2). Similar non-compliance was also reported in the prior year.
40. Some of the commodities designated for local content and production were procured from suppliers who did not submit a declaration on local production and content as required by the 2017 preferential procurement regulation 8(5).
41. The contract performance and monitoring measures were not in place to ensure effective contract management, as required by section 116(2)(c)(ii) of the MFMA.
42. Persons in the service of the municipality who had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of supply chain management (SCM) regulation 46(2)(e) and the code of conduct for staff members issued in terms of the Municipal Systems Act.
43. Persons in the service of the municipality whose close family members had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of SCM regulation 46(2)(e) and the code of conduct for staff members issued in terms of the Municipal Systems Act.



Consequence management

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

Human resource management

45. Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the MSA.

Other information

46. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report thereon and the selected key performance area presented in the annual performance report that have been specifically reported on in this auditor's report.
47. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
48. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected key performance area presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
49. I did not receive the other information prior to the date of this auditor's report. After I receive and read this information, and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

50. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.
    - The leadership did not ensure that adequate policies and procedures were implemented to enable and support the understanding and execution of internal controls, processes and responsibilities, resulting in the recurrence of material findings over financial information and compliance with laws and regulations.
    - Management's internal controls and processes over the preparation and presentation of financial statements were not adequate to ensure that they were free from material misstatements. Non-compliance with laws and regulations could have been prevented had compliance been properly reviewed, monitored and control measures implemented. Furthermore, the action plans to address prior year audit findings were not adequately implemented and monitored.



- Management does not have an adequate risk strategy that addresses identified risks in supply chain management. Furthermore, the effectiveness of the audit committee and internal audit's role as an assurance provider was compromised by management's inability to adequately address and react to internal audit's findings and recommendations as well as non-compliance with laws and regulations.

Material irregularities

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

Material irregularities identified during the audit

Municipal accounts not paid within 30 days – Eskom

52. The accounting officer did not take all reasonable steps to ensure that payments for bulk electricity purchases were made within 30 days of receiving the relevant invoice or statement, contrary to section 65(2)(e) of the MFMA. This contravention resulted in a material financial loss for the municipality due to interest of R202 009 476 levied on the outstanding balance 30 June 2021. During the 2021-22 financial year, the municipality incurred further interest of R58 784 952. The fruitless and wasteful expenditure was disclosed in note 48 of the 2022 financial statements.

53. The accounting officer was notified of the material irregularity on 19 February 2021 and invited to make a written submission on the actions taken and that will be taken to address the matter. The accounting officer indicated that the municipality is unable to settle creditors within 30 days due to cash flow concerns, although a payment arrangement was entered into, this is only honoured by the municipality when cash is available to pay.

54. As the accounting officer failed to implement appropriate actions, consequently, I recommend that the accounting officer should take the following actions to address the material irregularity, which should be implemented by 1 March 2023 The recommendations are as follows:

55. Appropriate action should be taken to enhance the existing financial plan and to commence with implementation of the revised financial plan to address the financial problems of the municipality that are preventing it from paying Eskom within 30 days, as required by section 65(2)(e) of the MFMA. The revised financial plan should include realistic timeframes and milestones to be achieved and include some minimum strategies to:

    - increase revenue
    - increase the collection of revenue
    - efficiently manage the available resources of the municipality to optimise costs
    - reduce electricity distribution losses
    - Negotiate a reasonable payment arrangement with Eskom and properly budget for the amounts to be paid.

56. I will follow up on whether the recommendations contained in the audit report were implemented within the time frame stipulated in the audit report, as required by section 5A(1) of the PAA.

Municipal accounts not paid within 30 days – Midvaal

57. The accounting officer did not take all reasonable steps to ensure that payments for bulk water purchases were made within 30 days of receiving the relevant invoice or statement, contrary to section 65(2)(e) of the MFMA. This contravention resulted in a material financial loss for the municipality due to interest of R100 598 837 levied on the outstanding balance at 30 June 2021. During the 2021-22 financial year, the municipality incurred further interest of R53 917 924. The fruitless and wasteful expenditure was disclosed in note 48 of the 2022 financial statements.

58. The accounting officer was notified of the material irregularity on 19 February 2021 and invited to make a written submission on the actions taken and that will be taken to address the matter. The accounting officer indicated that the municipality is unable to settle creditors within 30 days due to cash flow concerns, although a payment arrangement was entered into, this is only honoured by the municipality when cash is available to pay.

59. As the accounting officer failed to implement appropriate actions, consequently, I recommend that the accounting officer should take the following actions to address the material irregularity, which should be implemented by 1 March 2023 The recommendations are as follows:

60. Appropriate action should be taken to enhance the existing financial plan and to commence with implementation of the revised financial plan to address the financial problems of the municipality that are preventing it from paying Midvaal within 30 days, as required by MFMA section 65(2)(e). The revised financial plan should include realistic timeframes and milestones to be achieved and include as some minimum strategies to:

    - increase revenue
    - increase the collection of revenue
    - efficiently manage the available resources of the municipality to optimise costs
    - reduce water distribution losses
    - negotiate a reasonable payment arrangement with Midvaal and properly budget for the amounts to be paid.

61. I will follow up on whether the recommendations contained in the audit report were implemented within the time frame stipulated in the audit report, as required by section 5A(1) of the PAA.

Material irregularities in progress

62. I identified a material irregularity during the audit and notified the accounting officer thereof as required by material irregularity regulation 3(2). By the date of this auditor's report, the responses of the accounting officer were not yet due. This material irregularity will be included in the next year's auditor's report.

Status of previously reported material irregularities

Market dues not collected

63. The municipality has a market where fresh produce is sold on a daily basis and market dues are payable to the municipality at an agreed percentage of the total turnover. All money due to the municipality for the sales at the fresh produce market were not collected, which is in contravention with section 65(2)(f) of the MFMA, which requires that the accounting officer must take all reasonable steps to ensure that the municipality has and maintains a system of internal control in respect of debtors and revenue.

This non-compliance resulted in a material financial loss of R43 323 273 to the municipality for the financial years 2017-18, 2018-19, 2019-20 and 2020-21. In the current year, a further loss of R3 149 521 was incurred as disclosed in note 39 to the financial statements.

64. The accounting officer was notified of the material irregularity on 31 March 2021 and invited to make a written submission on the actions taken or to be taken to address the matter. The accounting officer indicated that the following actions have been taken or planned to address the material irregularity:

- An independent service provider was appointed to conduct an investigation to determine the cause of the loss and which officials should be held liable. The investigation was concluded during April 2021.
- The accounting officer subsequently initiated disciplinary steps against all ten implicated officials based on the outcome of the investigation, after which two officials were dismissed, three resigned and three received final written warnings coupled with monthly repayments of shortages. The disciplinary process of the remaining two other officials are still in progress and the municipality indicated that the process will be finalised by 15 December 2022.
- Immediately after the dismissal of the two officials and the resignation of the other three officials mentioned above, the municipality instructed the attorneys to initiate legal action to attach the employees' pension fund against the five officials for the recovery of the losses. At the date of this report, the matter was still ongoing and was expected to be finalised within the next three months.
- Investigation reports relating to the matter were also referred to the Directorate for Priority Crime Investigation (Hawks) for further action and it is ongoing at the date of this report.

65. I will follow up on the implementation of the planned actions as they become due.

Other reports

66. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Investigations

67. The South African Police Service are conducting several investigations into the awarding of tenders by the municipality, prompted by the accounting officer during 2020. These investigations were still ongoing at the date of this report.

68. The South African Police Service is conducting an investigation into alleged irregularities at the fresh produce market, prompted by the accounting officer during 2020. The investigation was still ongoing at the date of this report.

69. During 2015, a consulting firm was requested by the North West Office of the Premier to conduct an investigation into allegations of financial misconduct at the municipality. The investigation was completed and a report with recommendations issued to the Office of the Premier, but at the date of this report, it has not been tabled in the council. In addition, the accounting officer referred the report to the Directorate for Priority Crime Investigations (Hawks) for further action, which was still on going at the date of this report.

Auditor General

Potchefstroom

30 November 2022

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

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

Financial statements

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

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

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and where applicable, related safeguards.



COMMENTS ON AUDITOR-GENERAL'S OPINION ON FINANCIAL PERFORMANCE - 2021/22

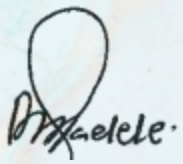
Management is pleased that the municipality again obtained unqualified audit opinions for the financial statements.

Management is also aware that to not regress and to improve the opinions going forward, that attention to matters noted in the audit must be addressed. It will therefore formulate the post audit action plan which will be monitored by the audit steering committee on a regular basis.

The municipality is currently busy with the implementation of the Post Audit Action Plan (PAAP), after receipt of the final Audit and Management Report. The Provincial Treasury has introduced the Web-based Post Audit Action Plan (PAAP), to assist the municipalities to report progress timeously.

COMMENTS ON AUDITOR-GENERAL'S OPINION ON PERFORMANCE MANAGEMENT - 2021/22

Performance Management received an *Unqualified opinion with no material findings* from the Auditor-General.



P THELELE
ACTING CHIEF FINANCIAL OFFICER **23 JANUARY 2023**

Glossary



GLOSSARY	
ACCESSIBILITY INDICATORS	Explore whether the intended beneficiaries are able to access services or outputs.
ACCOUNTABILITY DOCUMENTS	Documents used by executive authorities to give *"full and regular"* reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
ACTIVITIES	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe, *"what we do"*.
ADEQUACY INDICATORS	The quantity of input or output relative to the need or demand.
ANNUAL REPORT	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
APPROVED BUDGET	The annual financial statements of a municipality as audited by the Auditor-General and approved by Council or a provincial or national executive.
BASELINE	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
BASIC MUNICIPAL SERVICE	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided, it may endanger the public health and safety or the environment.
BUDGET YEAR	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
COST INDICATORS	The overall cost or expenditure of producing a specified quantity of outputs.
DISTRIBUTION INDICATORS	The distribution of capacity to deliver services.
FINANCIAL STATEMENTS	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
GENERAL KEY PERFORMANCE INDICATORS	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
IMPACT	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
INPUTS	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
INTEGRATED DEVELOPMENT PLAN (IDP)	Set out municipal goals and development plans.
NATIONAL KEY PERFORMANCE AREAS	➢ Service Delivery & Infrastructure ➢ Economic Development ➢ Municipal Transformation and Institutional Development ➢ Financial Viability and Management ➢ Good governance and Public 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 immunisation 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	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: *a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and* *b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.*

Appendices



APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL - ATTENDANCE

COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE 01 JULY 2021 – 31 OCTOBER 2021					
Council Members	**Full Time / Part Time FT/PT**	**Committees Allocated**	*** Ward and / or Party Represented**	**% of Council Meetings Attended**	**% Apologies for non-attendance**
Cllr M Babuile	PT	Corporate Services Sport, Arts & Culture	EFF	0%	100%
Cllr SOC Barrends	PT	Transversal Issues	ANC Ward 4	80%	20%
Cllr CJ Bester	PT	Finance & Debt Normalization Electrical Engineering	DA Ward 28	90%	10%
Cllr SPJ Bogatsu	FT	MPAC Chairperson	ANC	90%	10%
Cllr PZM Burrell	PT	Economic Growth & Market Housing, Land Affairs & Rural Development	DA	100%	0%
Cllr MM Chao	PT	Community & Health Services	ANC Ward 12	90%	10%
Cllr MC Chinga	PT	MPAC	ANC	90%	10%
Cllr M Coetzee	PT	Infrastructure	DA	80%	20%
Cllr A Combrinck	PT	MPAC	DA Ward 16	90%	10%
Cllr GLJ Cromhout	PT	Public Safety	DA	100%	0%
Cllr LL Cutswa	PT	MPAC	ANC Ward 27	80%	20%
Cllr SJ Daemane	FT	MMC Public Safety	ANC Ward 35	90%	10%
Cllr PA Hlekiso	PT	Public Safety Sport, Arts & Culture Transversal Issues	EFF	*0%*	*100%*
Cllr PT Horn	PT	MPAC	VF+	100%	0%
Cllr HFC Jordaan	PT	Infrastructure Public Safety	VF+	100%	0%
Cllr KB Kali	PT	Economic Growth & Market Finance & Debt Normalization Electrical Engineering Housing, Land Affairs & Rural Development Public Safety	EFF	0%	100%
Cllr ME Kamati	PT	MPAC	ANC	0%	100%
*Cllr MME Kgaile	FT	Executive Mayor	ANC	Passed away 16/07/2021 MHSRIP	
Cllr L Khoza	PT	MPAC	EFF	0%	100%

APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE 01 JULY 2021 – 31 OCTOBER 2021					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	* Ward and / or Party Represented	% of Council Meetings Attended	% Apologies for non-attendance
Cllr TG Khoza	FT	MMC Economic Growth & Market	ANC	80%	20%
Cllr SP Kloppers	PT	Corporate Services Electrical Engineering	VF+ Ward 30	100%	0%
Cllr DK Konda	PT	Electrical Engineering Housing, Land Affairs & Rural Development Infrastructure Sport, Arts & Culture	Cope	80%	20%
Cllr LM Kortjaas	FT	MMC Community Services	ANC	100%	0%
Cllr JJ le Grange	PT	MPAC	DA Ward 19	100%	0%
Cllr NA Ludidi	PT	MPAC	ANC Ward 36	80%	20%
Cllr PF Mabeli	FT	MMC Sport, Arts & Culture	ANC Ward 31	90%	10%
Cllr TM Mabulela	PT	Infrastructure	ANC Ward 24	90%	10%
Cllr MC Mahlangu	PT	MPAC	ANC	90%	10%
Cllr NG Malete	PT	Public Safety Transversal Issues	DA	80%	20%
Cllr W Malefo	PT	Community & Health Services Electrical Engineering Finance & Debt Normalization Housing, Land Affairs & Rural Development Infrastructure	EFF	0%	100%
Cllr MI Mangesi	PT	Infrastructure	ANC Ward 11	100%	0%
Cllr IN Matetoane	FT	MMC Transversal Issues	ANC	90%	10%
Cllr A Meiring	PT	Electrical Engineering Finance & Debt Normalization Infrastructure	IRASA	90%	10%
Cllr PN Moeng	PT	Housing, Land Affairs & Rural Development	ANC Ward 2	80%	20%
Cllr GA Mohoemang	PT	Sport, Arts & Culture	ANC	80%	20%
Cllr M Mojaki	FT	MMC Corporate Services	ANC Ward 10	90%	10%
Cllr LD Molefi	PT	Corporate Services Transversal Issues	ANC Ward 5	80%	20%

APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE 01 JULY 2021 – 31 OCTOBER 2021					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	* Ward and / or Party Represented	% of Council Meetings Attended	% Apologies for non-attendance
Cllr PM Molutsi	PT	Sport, Arts & Culture Infrastructure	DA	90%	10%
Cllr SL Mondlane	PT	Corporate Services	ANC	90%	10%
Cllr SD Mongale	PT	Electrical Engineering	ANC Ward 26	90%	10%
Cllr SD Montoedi	PT	MMC Electrical Engineering	ANC Ward 6	80%	20%
Cllr SL Moremi	PT	Transversal Issues	ANC	90%	10%
Cllr MA Motitimi	PT	Transversal Issues	F4SD	0%	100%
Cllr G Mqikela	PT	Sport, Arts & Culture	ANC Ward 1	80%	20%
Cllr ME Mosweu	PT	Corporate Services Transversal Issues	EFF	0%	100%
Cllr SH Nani	PT	Corporate Services	EFF	0%	100%
Cllr K Ndincede	FT	Single Whip	ANC Ward 21	100%	0%
Cllr GS Nkebe	PT	Finance & Debt Normalization Public Safety	ANC	90%	10%
Cllr S Nongqayi	PT	MPAC	ANC	90%	10%
Cllr NB Ntaopane	PT	Economic Growth & Market	ANC Ward 32	90%	10%
Cllr MF Nthaba	FT	MMC Infrastructure	ANC Ward 8	90%	10%
Cllr MJ Ntiane	PT	Public Safety	ANC Ward 9	80%	20%
Cllr RW Ntozini	FT	Speaker	ANC	100%	0%
Cllr GC Oosthuizen	PT	Community & Health Services	DA	100%	0%
Cllr LM Phakoe	PT	Finance & Debt Normalization	ANC Ward 25	100%	0%
Cllr EM Postma	PT	Corporate Services	DA Ward 17	100%	0%
Cllr RK Ponisi	PT	Electrical Engineering Housing, Land Affairs & Rural Development	ANC Ward 34	90%	10%
Cllr J Qankase	PT	Community & Health Services	ANC Ward 33	90%	10%
Cllr KL Ross	PT	Housing, Land Affairs & Rural Development Transversal Issues	DA	90%	10%

APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE 01 JULY 2021 – 31 OCTOBER 2021					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	* Ward and / or Party Represented	% of Council Meetings Attended	% Apologies for non-attendance
Cllr HF Saudi	PT	Infrastructure Sport, Arts & Culture	ANC Ward 7	90%	10%
Cllr L Scott	PT	Finance & Debt Normalization Community & Health Services	VF+	100%	0%
Cllr TS Seabeng	PT	Housing, Land Affairs & Rural Development	ANC Ward 22	80%	20%
Cllr TL Sekgothe	PT	Community & Health Services	ANC Ward 37	80%	20%
Cllr MN Seitisho	PT	MPAC	ANC Ward 18	80%	20%
Cllr IM Semonyo	PT	Electrical Engineering	ANC Ward 14	80%	20%
Cllr SP Sesana	PT	MPAC	DA	100%	0%
Cllr LK Shuping	PT	MPAC	EFF	0%	100%
Cllr SL Sithole	PT	Finance & Debt Normalization	ANC Ward 38	90%	10%
Cllr LG Solomon	PT	Corporate Services	F4SD	80%	20%
Cllr SM Steyn	PT	Economic Growth & Market	DA Ward 29	0%	100%
Cllr PJ Swart	PT	Finance & Debt Normalization	DA Ward 15	80%	20%
Cllr FI Tagaree	FT	MMC Finance & Debt Normalization	ANC Ward 3	90%	10%
*Cllr OR Thabanchu	FT	Executive Mayor	ANC	90%	10%
Cllr B Tsabedze	PT	Public Safety	ANC	80%	20%
Cllr TO Vilakazi	FT	MMC Human Settlement	ANC Ward 13	90%	10%
Cllr W Wallhorn	PT	Finance & Debt Normalization Electrical Engineering	DA Ward 39	80%	20%

**Cllr OR Thabanchu sworn in 29 September 2021 as Executive Mayor.*

APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE 04 NOVEMBER 2021 – 30 JUNE 2022					
Council Members	**Full Time / Part Time FT/PT**	**Committees Allocated**	*** Ward and / or Party Represented**	**% of Council Meetings Attended**	**% Apologies for non-attendance**
*Cllr ME Appels	PT	Community Services Corporate Services Electrical Engineering Planning & Human Settlement Transversal Issues	PA	100%	0%
Cllr SOC Barrends	FT	MMC Infrastructure	ANC Ward 4	90%	10%
Cllr CJ Bester	PT	Finance & Debt Normalization Infrastructure	DA Ward 28	90%	10%
Cllr PH Booth	PT	Community Services Infrastructure	VF+	100%	0%
Cllr A Bonga	PT	Finance & Debt Normalization Public Safety Transversal Issues	ANC Ward 1	90%	10%
Cllr JGR Bornman	PT	Electrical Engineering Public Safety	DA Ward 29	90%	10%
Cllr PZM Burrell	PT	Corporate Services Local Economic Development	DA	100%	0%
*Cllr RRB Buys	PT	Community Services Electrical Engineering Planning & Human Settlement Sport, Arts & Culture Transversal Issues	PA	80%	20%
Cllr TV Chabalala	FT	MMC Community Services	ANC	90%	10%
Cllr M Coetzee	PT	Community Services Infrastructure	DA	80%	20%
Cllr A Combrinck	PT	Community Services Transversal Issues	DA Ward 16	80%	20%
Cllr GLJ Cromhout	PT	Public Safety	DA	100%	0%
Cllr SJ Dial	PT	Infrastructure Planning & Human Settlement Transversal Issues	ACDP	80%	20%
Cllr MA Dude	PT	Planning & Human Settlement Public Safety	EFF	70%	30%
Cllr PA du Preez	PT	Infrastructure Public Safety	VF+ Ward 30	100%	0%
Cllr BS Faku	PT	Finance & Debt Normalization	EFF	80%	20%
Cllr VO Foboke	PT	Electrical Engineering Local Economic Development	ANC Ward 36	100%	0%

APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE 04 NOVEMBER 2021 – 30 JUNE 2022					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	* Ward and / or Party Represented	% of Council Meetings Attended	% Apologies for non-attendance
Cllr PN Fourie	PT	Planning & Human Settlement	VF+	100%	0%
Cllr N Gelderblom	PT	Corporate Services Sport, Arts & Culture	DA	100%	0%
Cllr JR Griffin	PT	Corporate Services Electrical Engineering	VF+	100%	0%
Cllr PA Hlekiso	PT	Transversal Issues	EFF	70%	30%
Cllr AC Holtzhausen	PT	Finance & Debt Normalization	VF+	100%	0%
**Cllr B Humane	PT	Community Services Public Safety	ANC Ward 2	100%	0%
Cllr SL Jonas	PT	Corporate Services	ANC Ward 5	90%	10%
Cllr KB Kali	PT	Electrical Engineering	EFF	80%	20%
Cllr F Kasonkomona	PT	Electrical Engineering Public Safety	DA	100%	0%
Cllr OE Kgwabane	PT	Corporate Services	ANC Ward 24	80%	20%
Cllr JT Kgwasi	PT	Community Services Infrastructure	ANC Ward 10	90%	10%
Cllr TG Khoza	FT	MMC Public Safety	ANC	100%	0%
Cllr SP Kloppers	PT	MPAC	VF+	100%	05%
Cllr ML Kodisang	FT	MMC Local Economic Development	ANC	100%	0%
Cllr KR Latha	PT	Sport, Arts & Culture Infrastructure	ANC Ward 33	100%	0%
Cllr JJ le Grange	PT	Finance & Debt Normalization Local Economic Development	DA Ward 19	100%	0%
Cllr KE Mabebe	FT	MMC Transversal Issues	ANC Ward 7	100%	0%
Cllr FC Mahlophe	FT	MMC Electrical Engineering	ANC	100%	0%
Cllr ML Mahumapelo	FT	MMC Sport, Arts & Culture	ANC Ward 23	90%	10%
Cllr MI Mache	PT	Community Services	EFF	80%	20%
Cllr SJ Majiji	PT	MPAC	ANC Ward 31	100%	0%
Cllr MI Mangesi	PT	MPAC	ANC Ward 11	100%	0%

APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE 04 NOVEMBER 2021 – 30 JUNE 2022					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	* Ward and / or Party Represented	% of Council Meetings Attended	% Apologies for non-attendance
Cllr MI Maseko	FT	MMC Corporate Services	ANC Ward 9	90%	10%
Cllr ML Mathopa	PT	Finance & Debt Normalization Infrastructure Public Safety	PA	100%	0%
Cllr MN Mbele	PT	MPAC	ANC Ward 8	100%	0%
Cllr AB Mdyali	PT	Infrastructure	EFF	100%	0%
Cllr CK Modise	PT	Sport, Arts & Culture	EFF	90%	10%
Cllr II Modisenyane	PT	Finance & Debt Normalization Infrastructure Planning & Human Settlement	F4SD	70%	30%
Cllr MA Mokgatla	PT	Sport, Arts & Culture	ANC Ward 26	90%	10%
Cllr IM Mokhele	PT	Infrastructure Sport, Arts & Culture	ANC Ward 27	100%	0%
Cllr NP Mokoto	PT	Public Safety	ANC Ward 14	100%	0%
Cllr PM Molutsi	PT	Sport, Arts & Culture Transversal Issues	DA	100%	0%
Cllr SL Mondlane	FT	Speaker	ANC	100%	0%
Cllr AM Morake	PT	Finance & Debt Normalization Public Safety	ANC Ward 32	90%	10%
Cllr MM Mosiako	FT	MPAC Chairperson	F4SD	100%	0%
Cllr JM Mosupa	FT	MMC Human Settlement	ANC	100%	0%
Cllr M Mosweu	PT	Corporate Services	EFF	60%	40%
**Cllr A Mothupi	PT	Community Services Public Safety	ANC Ward 2	100%	0%
Cllr PY Mtshawulana	PT	MPAC	ANC Ward 12	100%	0%
Cllr SR Mulhanga	PT	Community Services Electrical Engineering Transversal Issues	ANC Ward 6	100%	0%
Cllr K Ndincede	FT	Single Whip	ANC Ward 21	90%	10%
Cllr ZE Ntshanga	PT	Transversal Issues	ANC Ward 34	100%	0%

APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE 04 NOVEMBER 2021 – 30 JUNE 2022					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	* Ward and / or Party Represented	% of Council Meetings Attended	% Apologies for non-attendance
Cllr FD Oortman	PT	MPAC	EFF	70%	30%
Cllr BM Plaatjie	PT	Electrical Engineering Infrastructure Local Economic Development	ANC Ward 37	100%	0%
Cllr T Pheto	PT	MPAC	DA	100%	0%
Cllr MS Pelele	PT	MPAC	ANC Ward 13	100%	0%
Cllr EM Postma	PT	Corporate Services Planning & Human Settlement	DA Ward 17	90%	10%
Cllr AM Ramphele	FT	MMC Finance & Debt Normalization	ANC	100%	0%
Cllr K Ross	PT	Electrical Engineering Planning & Human Settlement Transversal Issues	DA	100%	0%
Cllr L Scott	PT	Sport, Arts & Culture Transversal Issues	VF+	90%	10%
Cllr TS Seabeng	PT	Finance & Debt Normalization	ANC Ward 22	90%	10%
Cllr MN Seitisho	PT	Corporate Services Transversal Issues	ANC Ward 18	80%	20%
Cllr KV Seitshero	PT	Corporate Services Sport, Arts & Culture	ANC Ward 35	90%	10%
Cllr RM Sello	PT	Planning & Human Settlement Sport, Arts & Culture	ANC Ward 20	100%	0%
Cllr TE Sepale	PT	Electrical Engineering	ANC Ward 25	70%	30%
Cllr S Sesana	PT	MPAC	DA	100%	0%
Cllr PJ Swart	PT	Finance & Debt Normalization	DA Ward 15	100%	0%
Cllr FI Tagaree	PT	MPAC	ANC Ward 3	80%	20%
Cllr OR Thabanchu	PT	Finance & Debt Normalization Local Economic Development	ANC	70%	30%
Cllr NJ Tsolela	FT	Executive Mayor	ANC	80%	20%
Cllr W Wallhorn	PT	MPAC	DA Ward 39	90%	10%
Cllr WG Zitwane	PT	Community Services Planning & Human Settlement	DA Ward 38	100%	0%

** Cllr ME Appels replaced by Cllr RRB Buys, who was sworn in on 31/05/2022.*
***Cllr BS Humane resigned on 23/11/2022. Cllr A Mothupi elected as Ward Councillor and sworn in on 31/05/2022.*

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

MAYORAL AND OTHER COMMITTEES AND PURPOSES OF COMMITTEES	
COMMITTEE	**PURPOSE OF COMMITTEE**
Finance and Debt Normalization Committee	☞ Regulated by the LG: MFMA
Planning and Human Settlements	☞ Building Regulations ☞ Municipal Planning ☞ Pontoons, ferries, jetties, piers and harbours ☞ Billboards and the display of advertisements in public places
Local Economic Development	☞ Local Tourism ☞ Markets ☞ Street trading
Community Services	☞ Childcare facilities ☞ Municipal Health services – not executed by the Provincial department of Health ☞ Municipal airports ☞ Amusement facilities ☞ Cemeteries, funeral parlours, and crematoria ☞ Cleansing ☞ Facilities for the accommodation, care, and burial of animals ☞ Local amenities ☞ Municipal abattoirs ☞ Municipal parks and recreation ☞ Pounds ☞ Public places ☞ Refuse removal, refuse dumps and solid waste disposal
Corporate Services	☞ Records Management ☞ Legal Services ☞ Communication ☞ HR Administration ☞ HR Development and Training ☞ Labour Relations ☞ Administration of staff benefit schemes ☞ Administration of employment equity policy ☞ Keeping of personnel records ☞ Disciplinary procedures administration ☞ Administration of SETA ☞ Committee to develop system and procedures providing for fair, efficient, effective, and transparent personnel administration including: ☞ Conduct of disciplinary hearings ☞ Representation of Council on the Local Bargaining Committee ☞ System for the monitoring, measuring, and evaluating staff performance ☞ System for capacity building and training ☞ Recruitment, selection, transfer, and appointment of personnel ☞ Promotion and demotion

MAYORAL AND OTHER COMMITTEES AND PURPOSES OF COMMITTEES	
COMMITTEE	**PURPOSE OF COMMITTEE**
Public Safety	☞ Firefighting services ☞ Municipal public transport ☞ Trading regulations ☞ Control of public nuisances ☞ Licensing of dogs ☞ Licensing and control of enterprises that sell food to the public ☞ Noise pollution ☞ Traffic and parking ☞ Control of enterprises that sell liquor to the public
Sport, Arts and Culture	☞ Sports stadia and recreational activities
Infrastructure	☞ Municipal public works ☞ Storm-water management systems ☞ Water and sanitation services ☞ Fencing and fences ☞ Municipal roads
Electrical Engineering	☞ Electricity and gas reticulation ☞ Street lighting
Transversal Issues	☞ Deal with all Transversal Issues in the Office of the Executive Mayor ☞ Administer women, youth, disabled and elderly matters
Mandating Committee: Mining houses	☞ To facilitate, intervene and assess progress, developments, challenges and based on reports to chart a way forward to achieve the sustainable development of communities in the Matlosana Council jurisdiction area aligned with Mining Houses sustainable development objectives ☞ To discuss the transfer of certain properties of Mining Houses to the Council ☞ To mandate the Implementation Committee to proceed on a strategic drive, e.g., the incorporation of assets ☞ To make recommendations to Council about joint LED projects
Midvaal Water Committee	☞ To represent Council on the Midvaal Water Companies Management Structure
Orkney Vaal Committee	☞ Recommend to Council to: ✓ convert the entire resort into several sectional title units ✓ release Council from the administrative and financial burden that Orkney Vaal has imposed on Council ✓ ensure that the resort as a residential area has the infrastructure and ability to be an area of high quality and therefore an asset to the City of Matlosana
Heritage Committee	☞ To assist in the requirements of the National Heritage Resources Act, Act 25 of 1999, inter alia for: ☞ Protection and management of heritage resources ☞ Identification and protection of the heritage sites ☞ Documentation and registration thereof ☞ Management of Heritage site ☞ Presentation, protection, and that the municipality has to formulate/maintain, appropriate by-laws for the protection of the heritage sites.

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

THIRD TIER STRUCTURE	
TITLE	NAME
Deputy Director : Office of the Municipal Manager	Marumo ME
Chief Risk Officer	Moabelo NM
Chief Audit Executive	Marobane N
Security Manager (MISS)	Botsheleng M
Deputy Director : Mechanical Services	Rannona KD
Deputy Director : Public Safety	Marais AJS
Deputy Director : Community Services	Masilo MJ
Deputy Director : Sport, Arts and Culture	Morebodi MG
Deputy Director : Corporate Services	Vacant
Deputy Director : Human Resource and Labour Relations	Vacant
Deputy Director : Office of the Executive Mayor	Marumo SE
Deputy Director : ICT	Shaikhnag M
Deputy Director : Income and Expenditure	Kgoete BO
Deputy Director : Budget and Treasury Office	Sekgala TO
Assistant Manager : Internal Audit	Molelekwa PT
Assistant Director : LED	Vacant
Assistant Director : Corporate Communication	Makgetha ND
Market Master	Vacant
PMU Manager	Dikgwatlhe AK
Assistant Director : Water	Tholo M
Assistant Director : Sewerage	Pilusa JJ
Assistant Director : Roads, Storm-water and Landfill	Vacant
Assistant Director : Development Planning and Building	Selemoseng LD
Assistant Director : Housing Services	Phala SP
Assistant Director : Planning and Project Management	Vacant
Assistant Director : High and Low Voltage Distribution	Mabaso SA
Assistant Director : Municipal Services, Garage and Mechanical Workshop	Matsaola PO
Assistant Director : Traffic and Security	Nkgapele MA
Assistant Director : Licensing	Muntu SP
Assistant Director : Fire and Rescue	Mapato PS
Assistant Director : Primary Health Care	Motsoenyane NM
Assistant Director : Refuse Removal and Cleansing	Du Plessis TW
Assistant Director : Parks and Cemeteries	Vacant
Assistant Director : Library Services	Mampana NS
Assistant Director : Administration	Jansen Van Rensburg JE
Assistant Director : Legal Services	Mokansi MG
Records Manager	Motlhoiwa GD
Assistant Director : Human Resource Management and Development	Mbotshane AT
Assistant Director : Labour Relations	Sebetlele AJ
Assistant Director : Office of the Speaker	Masibi GKB
Assistant Director : Office of the Whip	Moholoeng TE
Assistant Director : Expenditure Management	Letlhoo JG
Assistant Director : Supply Chain Management	Motileni TB
Assistant Director : Debt Management	Vacant
Assistant Director : Revenue Management	Kegakilwe TN
Assistant Director : Budgeting and Planning	Rossouw HS

APPENDIX D – FUNCTIONS OF MUNICIPALITY

MUNICIPAL FUNCTIONS	
CONSTITUTION SCHEDULE 4, PART B FUNCTIONS:	**(YES / NO)**
Air pollution	Yes
Building regulations	Yes
Child care facilities	Yes
Electricity and gas reticulation	Yes
Firefighting services	Yes
Local tourism	Yes
Municipal airports	Yes
Municipal planning	Yes
Municipal health services	Yes
Municipal public transport	Yes
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	Yes
Storm-water management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	Yes
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

APPENDIX E – WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES: 01 JULY 2021 – 31 OCTOBER 2021					
Ward Name (Number)	**Name of Ward Councillor and elected Ward Committee members**	**Committee established (Yes / No)**	**Number of monthly Committee meetings held during the year**	**Number of monthly reports submitted to Speaker's Office on time**	**Number of quarterly public ward meetings held during year**
Ward 01	**Cllr MQIKELA G** ANK Mabusa NE Fihla MA Machakela LJM Ntsie MS Modutwane A Mokgothu LM Sepele MR Mokhati DM Seshabela KJ Mokoto	Yes	4	4	1
Ward 02	**Cllr MOENG PN** MI Mogomotsi KG Boko DM Nombewu ET Mokobe KC Mokopanele BS Sinda NM Madithapa TS Sekutle SP Mokhoethe MM Mkoma	Yes	4	4	0
Ward 03	**Cllr TAGAREE FI** LA Botes MS Otimile CP Le Ray CST Jacobs HJ Holyoake KJ Ditshaba CRR Magardie D Bothma SM Magontse H Jumar	Yes	4	4	0
Ward 04	**Cllr BARRENDS SOC** SL Madito MS Mogapi SR Abrahams NM Sebetlela CR Radebe DM MOseme MT Melamu MA Matlhatsi TM Mogolegeng RK Moloto	Yes	4	4	0
Ward 05	**Cllr MOLEFI LD** O Mokonyane ZM Bonga N Taunyana MH Gayiya ME Mokwena OB Dihemo DD Mokopanele GL Motlaliile MM Letshabo MN Molapisi	Yes	4	4	0
Ward 06	**Cllr MONTOEDI SD** KA Lekhetho Z Mnisi MP Ntwanngwe M Soldati KS Mabogole KM Soko MJ Kelositswe RS Maluleke SI Mlingwane KI Mahlatsi	Yes	4	4	0
Ward 07	**Cllr SAUDI HF** TP Motlhanke LI Piga TM Phepeng OJ Motebe ST Matsetela DE Nkuke VS Mphambaniso MG Harmse KE Gaborone KM Mosala	Yes	4	4	0

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FUNCTIONALITY OF WARD COMMITTEES: 01 JULY 2021 – 31 OCTOBER 2021					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speaker's Office on time	Number of quarterly public ward meetings held during year
Ward 08	**Cllr NTHABA MF** DO Maruping KA Nteo WM Goshupeloahg KE Mei AC Rens MC Moloi KL Dire PM Sekwati KM Lerefolo I Lekgwate	Yes	4	4	0
Ward 09	**Cllr NTIANE MJ** R Pitso ET Kalaote NE Siwisa M Sizalupheli KV Maropolo TA Hlubi SJ Mothibakgomo HD Mabitse TJ Maarohanye J Gama	Yes	4	4	0
Ward 10	**Cllr MOJAKI ML** ZC Bekezulu N Mxaku MM Taunyane MS Banda M Mokgorosi M Kamele RM Rathabe TR Ngesi ME Gabaratiwe LN Faku	Yes	4	4	0
Ward 11	**Cllr MANGESI MI** N Dlamini S Bobelo NA Ngoqoto M Mahoko MM Mogoera JV Dube ES Molaolwa LI Mosime NF Mazule JV Gazi	Yes	4	4	0
Ward 12	**Cllr CHAO MM** ZJ Nxamgeni SI Mokeki NL Bonde P Duplessie MM Kgare K Gaeje J Makeka TN Qingana GE Kaudi RK Koki	Yes	4	4	0
Ward 13	**Cllr VILAKAZI TO** N Mkhontwana FS Mosete AM Rantshonyane SQ Rayi SM Sebopelo MP Khauwe T Mtyhuda EK Kgajane NN Seokamo 1 Vacant	Yes	4	4	0
Ward 14	**Cllr SEMONYO IM** MP Leshomo TS Medupe KP Montshonyana NR Moloto MK Seabo KR Thobedi P Makhalanyane M Cnoce MP Tlali 1 Vacant	Yes	4	4	2

APPENDIX E – WARD REPORTING

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Ward Name (Number)	**Name of Ward Councillor and elected Ward Committee members**	**Committee established (Yes / No)**	**Number of monthly Committee meetings held during the year**	**Number of monthly reports submitted to Speaker's Office on time**	**Number of quarterly public ward meetings held during year**
Ward 15	**Cllr SWART PJ** PB Moagi DDM Serfontein CE Scholtz HM Strydom NG Brenkman DS Baepi TJ Marumo P Smit PJ Celliers LE Lekoko	Yes	4	4	0
Ward 16	**Cllr COMBRINCK A** KTR Lenong KOA Nelson HJP Knoetze PJJ Scheepers SCB Symington S Postma SM Maleka TD Sathege SA van Zyl OF Sekete	Yes	4	4	0
Ward 17	**Cllr POSTMA EM** JCM Hattingh AJ van Tonder F Kasonkomona CJP Steyn S Warren TC Ntsizi JJC Smit E Rheeder HE Strydom JL Muller	Yes	4	4	0
Ward 18	**Cllr SEITISHO MN** TG Kopakae NN Gaeadingwe TA Makhetha OK Moloi B Motshabi SL Moroke M Mei MM Moeng SD Chacha DJ Seeland	Yes	4	4	0
Ward 19	**Cllr LE GRANGE JJ** MCJ le Grange AME Rossouw MCJ Scholtz HJ Lubbe BT Fourie A Bester PF Roux ACJ Visagie R Havenga AL Brophy	Yes	4	4	0
Ward 20	**Cllr KAMATI ME** TC Oageng RT Mohanoe KV Mekgwe SK Modiakgotla MA Motsiri DB Tolomo ND Siwiza LR Lomo TS Kunene FL Mahogen	Yes	4	4	0
Ward 21	**Cllr NDINCEDE K** NB Pinga Z Thwala N Mqwebevu NN Mnqanqeni S Nondlazi S Gasa S Fetman NM Mzeku D Welishi G Maswabi	Yes	4	4	0

APPENDIX E – WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES: 01 JULY 2021 – 31 OCTOBER 2021					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speaker's Office on time	Number of quarterly public ward meetings held during year
Ward 22	**Cllr SEABENG TS** M Sebekedi L Tloti MF Tsoaeli ND Sikwana N Paul PP Leshomo SM Matlale PJ Pitso KV Tatisi NL Qunthu	Yes	4	4	0
Ward 23	**Cllr NANI SH** LM Motsusi P Tjeko EL Semamola LC Ntai VA Mpheqee M Abednigo MI M0lelekeng MJ Nyathela V Dlobela KI Majake	Yes	4	4	0
Ward 24	**Cllr MABULELA TM** TI Ntsuku ME Mtuze MR Montshing DA Morake SD Bulwane MM Mvala FM Mojanaga AK Moepi DJ Mhlungu T Montshiwa	Yes	4	4	0
Ward 25	**Cllr PHAKOE LM** KF Letlole GN Tiyo LS Gadinabokawo RM FUsa MT Moroe MS Botsielo BL Marera TIZV Kraai EN Magagula RJ Masita	Yes	4	4	1
Ward 26	**Cllr MONGALE SD** MT Mafereka HN Gciva SF Hlahaswane S Ntakana BM Johnson VN Gooster MJ Ntekiso JM Ngo EN Magagula MD Konyana	Yes	4	4	0
Ward 27	**Cllr CUTSWA LL** MP Mtolo MA Ndonga NI Tshabalala TE Mokhele GA Mdiza NS Thom MM Moloka AS Matebese PB Sedikane CN Lomo	Yes	4	4	0
Ward 28	**Cllr BESTER CJ** MM Tlhatlosi LC Gallent MC Booth NO Marumo JGR Bornman O Taljaard O Thabana ST Kubeka CJ Funnel SB Namola	Yes	4	4	0

APPENDIX E – WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES: 01 JULY 2021 – 31 OCTOBER 2021					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speaker's Office on time	Number of quarterly public ward meetings held during year
Ward 29	**Cllr STEYN SM** MM Cross TRS Moleme CJ Potgieter PI Baas CJ Slinger BV Zikhali MHG Jacobz J Lethena K Lehela CPS Fourie	Yes	4	4	0
Ward 30	**Cllr KLOPPERS SP** LD de Beer I Essaney RF Stander PN Fibiger PJ Koekemoer AE Meyer WJ Swanepoel CL Fibiger PA du Preez JF Kleynhans	Yes	4	4	0
Ward 31	**Cllr MABELI PF** MC Wykaart SJ Majiji MM Mathabela MF Sompane PD Koloane JM Ntsie MA Rametsi MA Moleko JN Kgwedieaphuku TN Metshe	Yes	4	4	0
Ward 32	**Cllr NTAOPANE NB** OE Mokgoro Z Tinga KD Molelekoa NM Funani KL Maletise KL Mokgoro MP Sodlemba M Moletsane KE Modukanele MT le Roux	Yes	4	4	0
Ward 33	**Cllr QANKASE J** TP Kondlo MD Sereko PP Motaung KR Latha M Mparwana PA Flekisi SI Mazantsana DM Mothupi JT Moroka M Gumtata	Yes	4	4	0
Ward 34	**Cllr PONISI RK** JR Makgale CN Nyathi TI Phalamahashi GB Xolo IM Matlanye ME Zlta NN Lethea ML Motete RT Siliga I Matianyane	Yes	4	4	0
Ward 35	**Cllr DAEMANE SJ** DO Sekhakhane NS Njobe OM Tlhomelang AF Mdleleni TE Msikinya MD Rabase ND Makhubalo ZJ Ziyane SM Moletsane 1 x Vacant	Yes	4	4	0

APPENDIX E – WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES: 01 JULY 2021 – 31 OCTOBER 2021					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speaker's Office on time	Number of quarterly public ward meetings held during year
Ward 36	**Cllr LUDIDI A** MG Mampa RD Mohale NS Tshabalala ME Mohale DS Nteso SN Tokoane MA Chabedi MJ Nguye AF Zelile LA Khoali	Yes	4	4	0
Ward 37	**Cllr SEKGOTHE SL** KS Tsamai TD Motlhathedi TM Mothibedi BJ Matlapeng GI Mafundlela MA Letsoku MB Sebolao DE Tabe MF Tladi CM Kgalapa	Yes	4	4	2
Ward 38	**Cllr SITHOLE SL** JP Masunyane MA Lekitlane NS Moleleki DP Twala Z Jiningubo K Maguba BA Mahlophe CN Ntloko VL Masango B Tau	Yes	4	4	0
Ward 39	**Cllr WALLHORN W** JA Botha AS Diedericks WE Diedericks LSD van Tonder T Cilliers JH Coetzee TJ Smith A de Klerk E Cronje I Wilken	Yes	4	4	0

APPENDIX E – WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES - 04 NOVEMBER 2021 – 30 JUNE 2022					
Ward Name (Number)	Name of Ward Councillor and elected Ward Committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speaker's Office on time	Number of quarterly public ward meetings held during year
Ward 01	**Cllr BONGA A** Mogotlhwane G Leeto KE Pitso J Phiri DD Majelenyane SJ Seekolo ME Mathamela S Kewana NM Letshoenyo K Ntsie LJ	Yes	8	8	3
Ward 02	**Cllr MOTHUPI A** Wanyane S Namane S Jars M Mogapi MR Nombewu DM Nwenya H Diamond G Mmusi HB Mokonopi MK Seitisho B	Yes	8	8	1
Ward 03	**Cllr TAGAREE I** Ditshabaditshaba J Swartz B Nortjie P Loots P Nhlapo PV Botes AL Magardie RC Jumar H Moses R Le Ray C	Yes	8	8	0
Ward 04	**Cllr BARRENDS SOC** Radebe C Maitland RT Masefu C Mosadi MH Shabangu S Christie C Taunyane L Misapitso CT Molefe IK Letebele IE	Yes	8	8	0
Ward 05	**Cllr JONAS SL** Mothibedi M Ngake B Gaanakgomo B Madikane S Nkonqa EM Molefi MA Molaioa TS Taunyana N Shwabane KA Molefe A	Yes	8	8	0
Ward 06	**Cllr MULHANGA SR** Khambula M Senyasamore M Matusse LC Moloi L Mano M Khumalo V Moses LP Rankokwadi S Letsape MB Nonogwe B	Yes	8	8	1
Ward 07	**Cllr MABEBE KE** Selebalo JJ Mabe LS Shabalala D Mtolo RK Tomose Z Makame I Mabokae KH Moseme DM Mosala M	Yes	8	8	4

APPENDIX E – WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES - 04 NOVEMBER 2021 – 30 JUNE 2022					
Ward Name (Number)	**Name of Ward Councillor and elected Ward Committee members**	**Committee established (Yes / No)**	**Number of monthly Committee meetings held during the year**	**Number of monthly reports submitted to Speaker's Office on time**	**Number of quarterly public ward meetings held during year**
Ward 08	**Cllr MBELE MN** Letsape T Gaolebe SE Thango B Ramatisa OM Mokoena MC Leshupe E Dube OP Thamane R Dwane MT Mokoele I	Yes	8	8	0
Ward 09	**Cllr MASEKO NM** Mkuyane R Matthews TP Rorotyi M Ngcetani S Ntsane MM Bangani LR Shuping TP Mokoto RK Molefe W Sithole C	Yes	8	8	3
Ward 10	**Cllr KGWASI JT** Setlhodi WD Motlhabane NR Taunyane MM Faku IN Norman NE Kamele MM Nche TJ Mokgosi I Rathebe R Mxaku N	Yes	8	8	5
Ward 11	**Cllr MANGESI MI** Lethuri L Dire MY Mosiwatlhaga W Mothibi SE Mokoena AM Ngobeni S Ndleleni PT Moselane B Dube JV Titshala P	Yes	8	8	6
Ward 12	**Cllr MTSHAWULANA PY** Mzibedi LD Nonkonyama E Mnanzana MT Masena M Tulman RM Mabuda VG Motaung P Sapepa MM Mokonopi LI	Yes	8	8	6
Ward 13	**Cllr PELELE MS** Mafaesa K Lethebe T Makume AA Gwele K Mooketsi S Mathiba TC Masawe I Mtyhuda T Maleho MD Warona B	Yes	8	8	2
Ward 14	**Cllr MOKOTO NP** Mohitshane TJ Shuping JR Scheepers C Maropeng MM Leshomo J Medupe TS Jaars SN Moashetsi KM April BM	Yes	8	8	2

APPENDIX E – WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES - 04 NOVEMBER 2021 – 30 JUNE 2022					
Ward Name (Number)	**Name of Ward Councillor and elected Ward Committee members**	**Committee established (Yes / No)**	**Number of monthly Committee meetings held during the year**	**Number of monthly reports submitted to Speaker's Office on time**	**Number of quarterly public ward meetings held during year**
Ward 15	**Cllr SWART PJ** Motlalepule JM Kleinhans JF Brenkman NG Kruger Y Kgalapa LN Mafaisa NM Burger CM Baepl D Almeida PA Maamogwa E	Yes	8	8	0
Ward 16	**Cllr COMBRINCK A** MAICHU DG Knoetze H Van Zyl SA Symington SB Sekete OF Machine PJ Baas TA Bosch JA Smit SL Nelson KO	Yes	8	8	0
Ward 17	**Cllr POSTMA EM** Smit JJ Hattingh CJ Moleko PH Kasonkomona T Warren S Strydom AJ Jooste G Ntsizi TC Hattingh J Strydom HE	Yes	8	8	0
Ward 18	**Cllr SEITISHO MN** Madikane S Phokela MD Moraladi M Mokopanele DS Makhetha TA Sebape ML Kopakae T Lephadi KL Mei MI Moeng MM	Yes	8	8	0
Ward 19	**Cllr LE GRANGE JJ** Nyaqela KL Lubbe Z Van der Merwe J Fourie BT Le Grange MC Bester A Scholtz MH Nel AP Setsosa E Scholtz MC	Yes	8	8	0
Ward 20	**Cllr SELLO RM** Motsirl MA Botsielo T Lomo LR Modiakgotla S Modisadife R Nkatsoana M Mbebane PJ Makaekae MJ Monyau NA Oageng T	Yes	8	8	2
Ward 21	**Cllr NDINCEDE K** Njikelana S Mqwebevu N Mopeli MM Welishi D MnqanqenI N Dlokwana L Maswabi G MajikijelA NG Gasa S Gwangxu A	Yes	8	8	0

APPENDIX E – WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES - 04 NOVEMBER 2021 – 30 JUNE 2022					
Ward Name (Number)	**Name of Ward Councillor and elected Ward Committee members**	**Committee established (Yes / No)**	**Number of monthly Committee meetings held during the year**	**Number of monthly reports submitted to Speaker's Office on time**	**Number of quarterly public ward meetings held during year**
Ward 22	**Cllr SEABENG TS** Matlala TM Maleme SM Magano MR Thubisi KM Betha UR Khalapa DL Cungwa PJ Mafata NAA Lipholo MS Kalamore G	Yes	8	8	6
Ward 23	**Cllr MAHUMAPELO MP** Nyathela M Dlobela V Meko L Gaanakgomo M Mphatse N Tjeko B Xakatha M Maphalala M Mpheqeke V Madlala A	Yes	8	8	2
Ward 24	**Cllr KGWABANE OE** Bojosi MS Ratima MS Mvala M Kgoro PT Ngenl KI Seleke BJ Kepadisa SL Dipholo TA Mhlungu DJ Mosime M	Yes	8	8	3
Ward 25	**Cllr SEPALE TE** Nonjola PA Mtshoniswa L Makae E Ntsheare SM Taunyane SJ Maine R Riet A Mohorosi N Tokwane SG Semoeng KS	Yes	8	8	1
Ward 26	**Cllr MOKGATLA MA** Mofokeng E Gciva HN Resentsoere M Moleta MQ Konyana MD Sechumi PE Mahlalela MW Ndindwa MN Gooster VN Mkekula M	Yes	8	8	3
Ward 27	**Cllr MOKHELE IM** Moilwa MV Kwaso ML Ngwenya M Mohlomi P Nyakiso MW Molefe SM Nyamane PP Mathoka EM Galeboe DL Ncapayi DM	Yes	8	8	3
Ward 28	**Cllr BESTER CJ** Kubeka ST Malahlela NM Mamapule BF Botha AW Pii MS Bothma A Sehlabaka A Motswana BM Booth MC Bornman JR	Yes	8	8	0

APPENDIX E – WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES - 04 NOVEMBER 2021 – 30 JUNE 2022					
Ward Name (Number)	**Name of Ward Councillor and elected Ward Committee members**	**Committee established (Yes / No)**	**Number of monthly Committee meetings held during the year**	**Number of monthly reports submitted to Speaker's Office on time**	**Number of quarterly public ward meetings held during year**
Ward 29	**Cllr BORNMAN JGR** Groenewald BE Ngxangane KM Makoakoa MM Gojane M Molalogi JS Gorathe TT Khwaza KD Deysel EH Zikhali BV Ntsoahae PG	Yes	8	8	0
Ward 30	**Cllr DU PREEZ PA** Madlala BP Sandham RH Fourie JJ Botha JJ Koekemoer PJ Lamb CJ Swanepoel PJ Stander FR Trollip M Marais FR	Yes	8	8	0
Ward 31	**Cllr MAJIJI SJ** Tanga SA Mdanka S Vumenjanl SB Matebele NC Metshe T Zihle M Mandla SL Mabaso KK Majola NK Nphatedi RI	Yes	8	8	1
Ward 32	**Cllr MORAKE AM** Moletsane M Molefe PD Kebonelilwe KE Magosl JB Le Roux MT Oompie FE Vangkolor S Modise RN Mosia BM Manyela MM	Yes	8	8	1
Ward 33	**Cllr LATHA KR** Fuba PJ ` Tshabalala DN Ngalonkulu IJ Sereko MD Masobelele NF Ntshanga NL Role N Mali PL Khalipa NE Makgale GD	Yes	8	8	0
Ward 34	**Cllr NTSHANGA ZE** Sigade SR Shongwe PZ Phiri P Ximba TD Mothibi MD Muyane BD Mongi FC Malope BP Leokaoke ME Makgele JR	Yes	8	8	0
Ward 35	**Cllr SEITSHERO KV** Tyolo DB Silinda JM Lengana DP Nomazele BK Lenkoe MD Dondolo S Mogale GM Oliphant SO Mdleleni AF Msikinya TE	Yes	8	8	5

APPENDIX E – WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES - 04 NOVEMBER 2021 – 30 JUNE 2022					
Ward Name (Number)	**Name of Ward Councillor and elected Ward Committee members**	**Committee established (Yes / No)**	**Number of monthly Committee meetings held during the year**	**Number of monthly reports submitted to Speaker's Office on time**	**Number of quarterly public ward meetings held during year**
Ward 36	**Cllr FOBOKE VO** Tatai M Lehihi ED Shomang M Galeboe B Moleje TC Manyobe ME Motsie PJ Maine MG Scheepers MJ Theljane MA	Yes	8	8	0
Ward 37	**Cllr PLAATJIE BM** Mzizi PE Motshweni RB Sebopelo PD Motlhaku T Tladi MF Setshaba ST Mvundlela DD Busakwe MG Bakaqane NI Sekwati M	Yes	8	8	6
Ward 38	**Cllr ZITWANE WG** Mahloane KP Tlisane E Mogale GR Otsile MF MahlophE A Sello RKI Sebohuli M Sebetlela SS Thwala PD Satyo NM	Yes	8	8	2
Ward 39	**Cllr WALLHORN W** Diedericks AS De Villiers HC Botha JA Maddonni G Coetzee JH Strydom NH Erasmus S Wilken I Cronje E Diedericks WE	Yes	8	8	0

APPENDIX F – WARD INFORMATION

WARD TITLE: WARD NAME (NUMBER) 2021/22				
Capital Projects: Seven Largest in 2021/22 (Full List at Appendix O)				
				R' 000
No.	**Project Name and detail**	**Start Date**	**End Date**	**Total Value**
1	Turnkey precinct development for the design & construction for Jouberton / Alabama bulk services (civil & electrical) (Wards 3, 4, 12 and 37)	2018/02/23	2022/09/30	34 007 411
2	Construction of a new sports complex in Khuma Ext 9 (Ward 31)	2020/01/29	2022/08/30	25 390 300
3	Refurbishment of electrical and mechanical equipment in the Matlosana area (Wards 1 - 39) water pump-stations and reservoirs	2021/05/27	2022/11/30	14 559 514
4	Upgrade taxi rank Jouberton Ext 19 (Ward 37) WIP	2020/05/20		14 522 166
5	Paving of taxi routes and storm-water drainage in Jouberton (Phase 9)(Wards 5, 6, 11, 13 and 14)	2020/12/14	2022/05/19	13 779 655
6	Upgrade the existing Fresh Produce Market (Phase 2)(Ward 9)	2020/08/21		13 678 068
7	Paving of taxi routes and construction of storm-water drainage constructed in Kanana (Phase 9)(Wards 22, 23, 24 and 36)	2020/10/21	2022/11/11	12 649 039

BASIC SERVICE PROVISION 2021/22				
DETAIL	**WATER**	**SANITATION**	**ELECTRICITY**	**REFUSE**
Households with the minimum service level and above	183 834	171 328	170 537	170 798
Households below minimum service level	1 020	13 526	14 317	14 056
Total Households*	**184 854**	**184 854**	**184 854**	**184 854**
**Including informal settlements*				

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

MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS		
DATE OF COMMITTEE	**COMMITTEE RECOMMENDATIONS DURING 2021/22**	**RECOMMEN-DATIONS ADOPTED**
10 November 2021	☞ Audit Committee approve the Activity Report presented by ACAE. ☞ Challenges should be detailed in the report. ☞ Internal Audit reports should be standing item in management meetings and if possible in the Audit Steering meetings. ☞ That cognizance be taken of the operational risks register presented by the Chief Risk Officer for consideration. ☞ Risk regarding POPI act should be identified. ☞ Audit Committee approve the Internal Audit Assessment 2020/21 and recommend approval of Audit Committee Assessment 2020/21 to Council. ☞ To discuss the submission of above mention reports in the in-committee meeting. ☞ That Wasteful Irregular Fruitless Expenditure template to be included on the reporting slides of the Finance Department. ☞ That it be noted that a going concern on finance for the municipality was raised by AG. ☞ That the Financial status of the Fresh Produce Market be improved, relating to financial reporting. ☞ That the outstanding documents to be included on the Finance Department slides are the following: ➢ Qualification of Audit outcome ➢ Projects ➢ Fresh Produce Market ➢ The UIF register	Adopted
01 December 2021	☞ That the PAAP 2019/20 Review Report as presented by ACAE be noted. ☞ That a follow-up meeting be arranged between MM, the AC Chairperson, the ACFO and Internal Audit to discuss the differences on progress reported by Internal Audit against management report.	
01 June 2022	☞ The report is noted with concern that the year is almost ending and management hasn't submitted status of Post Audit Action Plan to Audit Committee. ☞ The Post Audit Action plan and AFS preparation plan should be updated with work done and challenges experienced. ☞ Revise AFS preparation plan and include the internal quality assurance processes, and relook at the due dates.	

MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS		
DATE OF COMMITTEE	**COMMITTEE RECOMMENDATIONS DURING 2021/22**	**RECOMMEN-DATIONS ADOPTED**
29 June 2022	☞ Combine assurance plan should be revised and include reasons for deviation ☞ Reasons for changes made with regards to projects in the Annual Plan should be detailed in the activity report. ☞ Activity report is adopted with Audit Committee comments. ☞ The 2023 Audit Plan is differed for the consideration of strategic objectives. The Audit Plan will be approved in the next meeting. ☞ Reporting line of CAE should be explicitly stated in the Internal Audit Charter. ☞ Internal Audit Charter is approved with Audit Committee comments. ☞ Update the quorum as captured in the Audit Committee charter and indicate that 50+1 is equivalent to 3 members for meeting to continue. ☞ Audit Committee Charter is recommended for approval by Council. ☞ In-committee should be held to discuss remuneration of Audit Committee. ☞ Correct the date of the last meeting on the schedule of meetings. ☞ The fourth quarter meeting should not be after June 2023. ☞ The Schedule of meeting is differed for alignment with institutional calendar. ☞ Audit Committee Members will submit inputs on a round robin with regards to standard reports that need to serve in all ordinary meeting. The report will be approved in the next meeting	

APPENDIX H – LONG TERM CONTRACTS

LONG TERM CONTRACTS (LARGEST CONTRACTS ENTERED INTO DURING 2020/21)				
Name of service Provider	**Description of services rendered by the service provider**	**Starting date of contract**	**Expiry date of contract**	**Project manager**
Blaq.M Holdings (Pty) Ltd	Appointment of Service Providers for *Risk Management and Insurance* for a period of thirty-six (36) Months	01 July 2021	30 June 2024	
Rhuone Projects and Plant Hire (Pty) Ltd	Appointment of Service Providers for *Testing, Supply, Installation and Commissioning of Protection Relays* – On "*as and when required basis"* for a period of thirty-six (36) Months	01 July 2021	01 July 2024	S Mabaso
EK Construction & All General Trading CC; Amandla Building and Constructions (Pty) Ltd; Rauco Trading (Pty) Ltd; Lesedi Civil Construction CC; Katlemba (Pty) Ltd; Matlosana Plant Hire; Dreamfinders Trading and Projects 115; Swandla Trading & Projects CC; Hetani Trading Enterprise (Pty) Ltd; VNPM Construction CC; X Moor Transport (Pty) Ltd; M Ebersohn Truck and Diesel CC; Verigated (Pty) Ltd; Bolekano Building Construction CC; Khuwait Holdings (Pty) Ltd; Mohaumolutsi Civil Works (Pty) Ltd.	Appointment of Multiple Service Providers for *Hire Plant and Equipment* – On "*as and when required basis"* for a period of thirty-six (36) Months	04 July 2021	03 January 2024	W Matsi
Practicon Trading and Enterprise CC	Appointment of Service Provider for the Supply and Delivery of PPE for the Water section - On "*as and when required basis"* for a period of thirty-six (36) Months	30 July 2021	30 July 2024	W Matsi

LONG TERM CONTRACTS (LARGEST CONTRACTS ENTERED INTO DURING 2020/21)				
Name of service Provider	**Description of services rendered by the service provider**	**Starting date of contract**	**Expiry date of contract**	**Project manager**
Rhuone Projects and Plant Hire (Pty) Ltd; 115 Electrical Solutions (Pty) Ltd;	Appointment of Service Providers for *Repair, Services & Maintenance of Medium Voltage Transformers and Ring Main Units* – On "*as and when required basis"* for a period of thirty-six (36) Months	01 September 2021	01 September 2024	S Mabaso
CMS Water Engineering CC	Supply, Installation, Repair, Upgrading and Maintenance of the Telemetry System and Associated Works for the City of Matlosana - On "*as and when required basis"* for a period of thirty-six (36) Months	02 September 2021	02 September 2024	S Mabaso
Practicon Trading Enterprise Cc	Appointment of Service Provider for *Supply and Delivery of Fire Fighting Gear* - On "*as and when required basis"* for a period of thirty-six (36) Months	11 September 2021	11 September 2024	Mr Mpato
EK Construction and All General Trading CC; CMS Water Engineering CC; Practicon Trading and Enterprise CC; Korone Engineering CC.	Appointment of Service Providers for *the Repairs of Pump, Soft Starters and Motors at Pump Station including Replacement of Equipment* - On "*as and when required basis"* for a period of thirty-six (36) Months	01 October 2021	01 October 2024	S Mabaso
Reabetswe Bophelo Trading Enterprise (Pty) Ltd; Mohau Molutsi Civil Works (Pty) Ltd; Khethuthula Holdings (Pty) Ltd; Khuwait Holdings (Pty) Ltd T/A Khuwait Group (Pty) Ltd; Leshaka Construction (Pty) Ltd; Reteng Civil Projects (Pty) Ltd; L Benjamins Trading (Pty) Ltd; Redbindi Investments (Pty) Ltd; Bokao Amahle Holdings (Pty) Ltd	Appointment of Multiple Service Providers for the *Supply and Delivery of Manhole Covers, Cover Slabs, Storm-Water Pipes, Concrete Palisade, Kerbing and Paving Bricks* - On "*as and when required basis"* for a period of thirty-six (36) Months	15 October 2021	15 October 2024	W Matsi

LONG TERM CONTRACTS (LARGEST CONTRACTS ENTERED INTO DURING 2020/21)				
Name of service Provider	**Description of services rendered by the service provider**	**Starting date of contract**	**Expiry date of contract**	**Project manager**
Mantebo Invetment (Pty) Ltd; Jolobe Trading (Pty) Ltd; Ntk Mining Suppliers (Pty) Ltd; Khuwait Group (Pty) Ltd; Electrical Trading (Pty) Ltd; Tsikaku Holdings (Pty) Ltd; Leshaka Construction (Pty) Ltd; Kwende Construction CC T/A Kwende Electrical Supplies; Oleora Supply and Project (Pty) Ltd; Reabetswe Bophelo Trading Enterprise; Bokang Katlego Trading Project (Pty) Ltd; Spheko Projects (Pty) Ltd; Nthabs Holdings (Pty) Ltd; Nucon Plumbing Wholesalers CC; Maratos4664 Construction and Projects (Pty) Ltd; Khumoetsile Projects (Pty) Ltd; Dreamfinder Trading and Projects 115 CC; Rhuone Project & Plant Hire.	Appointment of Multiple Service Providers for *the Delivery and of loading of Electrical Cables* - On "*as and when required basis"* for a period of thirty-six (36) Months	15 October 2021	15 October 2024	W Matsi
Reabetswe Bophelo Trading Enterprise; Nathintle Trading (Pty) Ltd; Ramlas Holdings (Pty) Ltd; Sithole Business Advisory Services CC; NL Suppliers and Projects (Pty) Ltd; Reteng Civil Projects (Pty) Ltd; Stouto Projects (Pty) Ltd; EK Construction and All General Trading CC; Khuwait Holdings (Pty) Ltd; Leshaka Construction (Pty) Ltd; Botlhabatsatsi Trading and Projects 71 CC; Mohaumolutsi Civil Works (Pty) Ltd; Khethuthula Holdings (Pty) Ltd	Appointment of Multiple Service Providers for Supply and Delivery of Bituminous Binding Material - On "*as and when required basis"* for a period of thirty-six (36) Months	18 October 2021	18 October 2024	W Matsi

LONG TERM CONTRACTS (LARGEST CONTRACTS ENTERED INTO DURING 2020/21)				
Name of service Provider	**Description of services rendered by the service provider**	**Starting date of contract**	**Expiry date of contract**	**Project manager**
Se – Sefikile Construction and Projects CC; Baledi Re-Engineering Solutions CC; Khumoetsile Projects (Pty) Ltd; Stouto Projects (Pty) Ltd; NL Suppliers and Projects (Pty) Ltd; Herman and Eva Trading Enterprise (Pty) Ltd; EK Construction and All General Trading CC; Nathintle Trading (Pty) Ltd; Popzito Trading (Pty) Ltd; Siyabonga Maruping (Pty) Ltd;	Appointment of Service Providers for *the Supply and Delivery of Bituminous Products (Hot and Cold Premix / Asphalt) for Pothole Patching* - On "*as and when required basis"* for a period of thirty-six (36) Months	18 October 2021	18 October 2024	W Matsi
Khuwait Holdings (Pty) Ltd T/A Khuwait Group (Pty) Ltd	Appointment of Multiple Service Providers for the Supply and Delivery of Crusher Sand, Crusher Stones, Building Sand, Builders Mix and G5 Crusher Material - On "*as and when required basis"* for a period of thirty-six (36) Months	18 October 2021	18 October 2024	W Matsi
Spectrum Utility Management (Pty) Ltd;	Appointment of Service Provider for *Online Prepaid Vending System and Third-Party Vending* for a period of thirty-six (36) Months	30 November 2021	30 November 2024	O Kgoete
Persevcon Contractors (Pty) Ltd	Construction of the Jouberton Taxi Rank	08 December 2021	25 January 2023	K Dikgwatle
Jobafrik Consulting (Pty) Ltd; Ostritrix T/A Concepts of Sustainable Management CC; VSL General Trading CC; Chippa Training Academy	Appointment of *Panel of Skills Development Training Service Providers* - On "*as and when required basis"* for a period of thirty-six (36) Months	09 January 2022	09 January 2025	W Matsi
Dephethogo Trading CC; Mochobo Executive Guards (MEG); Minatlou Security and Phiriphiri Trading	Appointment of Physical Security Service Providers for *the Safe Guarding of the City of Matlosana Municipal Buildings, Offices and Property* for a period of thirty-six (36) Months	03 May 2022	03 May 2025	G Maseko

LONG TERM CONTRACTS (LARGEST CONTRACTS ENTERED INTO DURING 2020/21)				
Name of service Provider	**Description of services rendered by the service provider**	**Starting date of contract**	**Expiry date of contract**	**Project manager**
GOE Trading (Pty) Ltd; Leanoleleago Enterprise; Khaya Kuhle Trading (Pty) Ltd; Bravura Trading (Pty) Ltd; NL Suppliers and Projects (Pty) Ltd; Agah Marketing and Projects; TD Monare Holdings; KP Developments (Pty) Ltd; Khethuthula Holdings; Sisa Lisa Trading Enterprise; Ramlas Holdings; Ratanang Suppliers and Projects; LKL Projects; Flash Services; Glanlicious Trading and Enterprise; Tlatla Machollo 78 and Events (Pty) Ltd; Sithole Business Advisory Services; Sunrise Trading Enterprise (Pty) Ltd;	Appointment of Service Providers for *the Supply, Delivery and Offloading of Stationery* - On "*as and when required basis"* for a period of thirty-six (36) Months	02 June 2022	02 June 2025	T Moeng
Gold Heart Trading (Pty) Ltd	Supply, Delivery and Maintenance of Multifunctional Copiers and Consumables for a period of thirty-six (36) Months	14 June 2022	14 June 2025	F Mxale
Tsikaku Holidings (Pty) Ltd; Masikhule Project Consultants (Pty) Ltd; Dreamfinder Trading and Projects 115 CC; Khuwait Group (Pty) Ltd; Mohau Molutsi Civil Works; Reabetswe Bophelo Trading Enterprise; Ratanang Suppliers and Projects (Pty) Ltd; EK Construction and All General Trading CC; NTK Mining Suppliers (Pty) Ltd.	Supply, Delivery and Off-Loading of Electrical Miniature Substation 6.6 KV and 11 KV, Distribution Transformers 6.6 KV and 6.6 KV - On "*as and when required basis"* for a period of thirty-six (36) Months	28 June 2022	28 June 2025	S Mabaso

APPENDIX I – MUNICIPAL SERVICE PROVIDER PERFORMANCE SCHEDULE

SERVICE PROVIDER PERFORMANCE SCHEDULE						
Purpose	Service Indicators	2020/21		2021/22		2022/23
		Target	Actual	Target	Actual	Target
To upgrade the electrical and mechanical equipment at the Kanana Pump-station (Phase 1) (Ward 27) to maintain the current infrastructure	Number of Kanana Pump-stations upgraded with electrical and mechanical equipment (Phase 1) (Ward 27)	Upgrading 2 pump-stations (Kanana Ext 11 and Circle pump-station Kanana Proper) (Phase 1) (Ward 27) by - replacing 4 existing centrifugal pumps; - replacing 4 associated motors; - replacing 2 existing screens and conveyors as well as all pipework; and - installing 2 in line macerators, electrical wiring and control panels by June 2021	The inspection for Jouberton pump station pumps has been done and to be installed. 6 pumps and motors for Kanana Ext 6 (2 pumps and motors) and Khuma Ext 8 (4 pumps and motors) pump station have been ordered	Refurbishing electrical and mechanical equipment at 7 water pump-stations (Jouberton, Ellaton, Rietkuil, Park Street, Khuma ext. 8, Kanana ext. 6, Kanana Booster and Loraine) in the Matlosana area (Wards 1 - 39) by - replacing 3 MCC panels; - refurbishing of 3 MCC panel; - replacing 21 pumps sets; - replacing 17 Soft starters; - refurbishing 4 soft starters; and - replacing 70 valves by 30 June 2022	2 MCC Panels replaced at Kanana Ext 6 and Park street. 2 Pump sets replaced at Park street and Kanana Booster. 2 pump sets (Park street and Kanana Booster) replaced. 2 MCC Panels (Kanana Ext 6 and Park street). 0 valves replaced. 0 soft starters replaced. Scope not completed.	Refurbishing electrical and mechanical equipment at 8 water pump-stations (Jouberton, Ellaton, Rietkuil, Park Street, Khuma ext. 8, Kanana ext. 6, Kanana Booster and Loraine) in the Matlosana area (Wards 1 - 39) by - Installing 15 valves, - replacement of 2 pumps sets, - installing 2 soft starters, - replacement of 1 MCC panel. - 40 x CCTV Cameras; - 8 x Alarm system; - 0,33km installation of electric fence; - 0,08km barbed wire fence; - supply and delivery of 1 mobile generator by 30 June 2023
To improve accessibility and mobility and control and direct the flow of storm-water and prevent road erosion in Jouberton (Phase 9)(Wards 5, 6, 11, 13 and 14)	Km of taxi route constructed (laid) in Jouberton (Phase 9)(Wards 5, 6, 11, 13 and 14)	Laying of paved 4.453 km of taxi route in Jouberton (Phase 9)(Wards 5, 6, 11, 13 and 14) according to the project plan by - constructing 2.11 km of layer works in Anthodium street; - constructing of 0.698 km layer works for the JB Marks; - constructing 0.604 km of layer works in 6th Street; - constructing 1.041 km of layer works in David Webster street; - laying of 2.291 km paving for Anthodium (1.25 km) and David Webster (1.041 km); - installing 2.221 km kerbing by 30 June 2021	Constructed 1,803km roadbed, 1,943km selected layer, 2,343km sub-base and installed 2,851 of kerbing. Laying of 2,291km paving completed.	Laying of 2.642 km paved taxi routes in Jouberton (Phase 9)(Wards 5, 6, 11, 13 and 14) by - constructing 0.48 km of layer works in Motswiri Street; - installing 2.082 km of kerbing at 6th, JB Marks, Anthorium and Motswiri Streets; - installing 4.933 km of edge beams for 6th, JB Marks, Anthorium, David Webster and Motswiri Streets; - constructing 2.110 km of storm-water channel at Anthorium Street; - installing 28 Speed humps; - backfilling 300m³ dump rocks; - installing 210m pipe culverts; and - installing road signs and markings at all above streets according to the project plan by 30 June 2022		

APPENDIX I – MUNICIPAL SERVICE PROVIDER PERFORMANCE SCHEDULE

SERVICE PROVIDER PERFORMANCE SCHEDULE						
Purpose	Service Indicators	2020/21		2021/22		2022/23
		Target	Actual	Target	Actual	Target
To refurbish electrical and mechanical equipment in the Matlosana area (Wards 1 - 39) sewer pump-stations to maintain the existing infrastructure	Number of pump stations refurbished with electrical and mechanical equipment at the Matlosana area (Wards 1 - 39)	Refurbishing electrical and mechanical equipment at 5 sewer pump-stations (Khuma Main, Khuma ext. 6 and Republic, Swart Street and Lerato) in the Matlosana area (Wards 1 - 39) by - replacing of eight (8) pumps; - replacing eight (8) motors; - replacing 5 electrical control panels; - replacing 25 valves and 8 soft starters; and - installation of 30 CCTV cameras, 0.644 km electric fence, 0.644 km bob wire and razor wire by 30 June 2021	Installation of CCTV cameras, 0.644 km electric fence, 0.644 km bob wire and 0.644 km razor wire in five (5) pump stations. Scope complete. R18 948 538	Refurbishing electrical and mechanical equipment at 5 sewer pump-stations (Swart Street (3), Khuma main (3) and Khuma ext. 6)(2)), Lerato (1) and Republic Park(1)) in the Matlosana area (Wards 1 - 39) by installing - 5 mechanical screens, - 4 screw presses and 2 waste bins; - installing 23 valves and pipework; - installing 1,622km electrical cables; - 10 pumps and motors; and - 5 generators; - 5 CCTV cameras installed; - 1 electrical control panel - 0.330 km of electric fence, - 0.080km barbed wire and - .080km razor wire installed. By 30 June 2022	3 vertical pumps and 3 motors ordered, awaiting delivery in order to be replaced. 0 valves and pipework replaced. 0km electrical cabling at Swart Street installed. Final payment not done and project not completed.	Refurbishing electrical and mechanical equipment at 5 sewer pump-stations (Swart Street, Khuma main, Khuma ext. 6 , Lerato and Republic Park in the Matlosana area (Wards 1 - 39) by - approving the variation order, - refurbishing 1 conveyer belt at Swart street, - removing the grit at all 5 pump stations; - constructing 2 generator plinths at Lerato and Khuma main pump-stations; - refurbish 1 transformer at Swart Street; - constructing 4 guard houses at Swart Street, Khuma main, Khuma ext. 6 , Lerato and Republic Park; - equipping the security control room at Public Safety with hardware and software; - and integrating the 5 pump-stations security systems with the security control room by 30 June 2023

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

DISCLOSURES OF FINANCIAL INTERESTS		
PERIOD 1 JULY 2021 TO 31 OCTOBER 2021		
Position	**Name**	**Description of Financial interests* (None or details)**
EXECUTIVE TEAM		
Executive Mayor	Cllr MME Kgaile	My 2 and Son's Trading and Projects (Pty) Ltd -100% 2013/226649/07 – Director Property: Portion 21 of Erf 3657 –Stilfontein Property: No 5 Hobson Street La Hoff
Speaker of Council	Cllr RW Ntozini	Nomdimba and Tutuse Road Construction - 100% (2003/070094/23) Nomdimba Mineral – 50% (2014/202517/07) Nomdimba Civil Projects – 100% (2015/179484/07) NWV Contracting – 26% (2017198062/07) WGH Mining – 26% (2017/198049/07) Member of NFMW
Single Whip of Council	Cllr MV Chinga	Emang Sechaba Enterprise Pty (Ltd) – Member NWMF
MEMBERS OF MAYORAL COMMITTEE		
Corporate Services	Cllr ML Mojaki	Member of NFMW
Transversal Issues	Cllr MI Matetoane	None
Housing, Land and Rural Development	Cllr TO Vilakazi	Yimani Bafazi Trading Pty Ltd – 31%
Sport, Arts and Culture	Cllr PF Mabeli	None
Finance and Debt Normalization	Cllr FI Tagaree	Old Mutual
Economic Growth and Market	Cllr TG Khoza	None
Public Safety	Cllr SJ Daemane	J Cliff – 33% Mokasisipho – 25%
Community and Health Services	Cllr NS Mendela	Membotla Projects – 50% Sunken Construction – 50% Member of the MCPF
Infrastructure and Utilities	Cllr MF Nthaba	Member of NFMW
Electrical and Mechanical Engineering	Cllr SD Montoedi	Kgothammoho Agric Close Corporation Member of the MCPF
Chairperson of MPAC	Cllr SPJ Bogatsu	Member of the MCPF

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

DISCLOSURES OF FINANCIAL INTERESTS		
PERIOD 1 JULY 2021 TO 31 OCTOBER 2021		
Position	**Name**	**Description of Financial interests* (None or details)**
COUNCILLORS		
PR Councillor	Cllr M Babuile	None
Ward Councillor W4	Cllr SOC Barrends	None
Ward Councillor W28	Cllr CJ Bester	CJ Construction Member of Councillors Pension Fund
PR Councillor	Cllr PZM Burrell	Chartered Property Empire – Estate Agent– Strictly Commission GEPF Widows Pension
Ward Councillor W12	Cllr Chao MM	LuluCho Pty Ltd – 100%
Ward Councillor W27	Cllr Cutswa LL	None
PR Councillor	Cllr Coetzee M	Philip Coetzee Familietrust Member of the MCPF
Ward Councillor W16	Cllr Combrinck A	Anumelmig Vullisverwydering CC – 50% Member of the MCPF
PR Councillor	Cllr Cromhout GLJ	Wholesale Manager at Daly Wholesale – +R480 000.00 Member of the MIBCO Pension Fund
PR Councillor	Cllr Hlekiso PA	None
PR Councillor	Cllr Jordaan HFC	Rigging of Outdoor Signs: R50,00-R3 000,00 per month
PR Councillor	Cllr KB Kali	Dogs of the Road Cabs (Taxi Industry) – Owner Member of NFMW
Ward Councillor W20	Cllr ME Kamati	None
PR Councillor	Cllr L Khoza	Member of Ordinary Councillors Pension Fund
Ward Councillor W30	Cllr SP Kloppers	F and VK Besigheid Trust Wonder Transport Pty (2012/083532/07 – Owner Owner Building Rental R97 000-00 p.a.
PR Councillor	Cllr Koekemoer M	None
PR Councillor	Cllr Konda DK	None
PR Councillor	Cllr Lebenya-Kortjaas LM	Member of MCPF
Ward Councillor W19	Cllr le Grange JJ	Mitchell & Le Grange Property – 40% Mitchell & Le Grange Property – 50% JJ Le Grange Financial Services – Accounting Member of the MCPF
Ward Councillor W36	Cllr Ludidi NA	None
Ward Councillor W24	Cllr Mabulela TM	None
PR Councillor	Cllr Magwaca P	None

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

DISCLOSURES OF FINANCIAL INTERESTS		
PERIOD 1 JULY 2021 TO 31 OCTOBER 2021		
Position	**Name**	**Description of Financial interests* (None or details)**
PR Councillor	Cllr Mahlangu MC	None
PR Councillor	Cllr Malefo W	None
PR Councillor	Cllr Malete NG	Member of MPF
Ward Councillor W11	Cllr Mangesi MI	Thamalalang Close Corporation-80%-2009/119906/23
PR Councillor	Cllr Meiring A	Member of Old Mutual Pension Fund Member of the MCPF
Ward Councillor W2	Cllr Moeng PN	Titanic Funeral Services – 50%
PR Councillor	Cllr Mohoemang GA	Northern South Pty – 25% Member of the MCPF
Ward Councillor W9	Cllr Molefi LD	Wood Kings Enterprise – 100% (2014/257766/07)
PR Councillor	Cllr Molutsi PM	Member of the Old Mutual Pension Fund
PR Councillor	Cllr Mondlane SL	Multi-Phase Pty (Ltd) – 50%
Ward Councillor W25	Cllr Mongale SD	None
PR Councillor	Cllr Moremi SL	None
Ward Councillor W1	Cllr Mqikela G	None
PR Councillor	Cllr Mosweu ME	Close Corporation – Mosweu Catering and Transport Services (Pty) Ltd
PR Councillor	Cllr Motitimi M	Motitimi Solution – 100% Social Grant – R400,00
Ward Councillor W23	Cllr Nani SH	Tenting Tuck Shop +R3 300 per month Member of Metropolitan Pension Fund Member of Old Mutual Pension Fund
Ward Councillor W21	Cllr Ndincede K	None
PR Councillor	Cllr Nkebe SN	Member of MCPF
PR Councillor	Cllr Nongqayi S	None
Ward Councillor W32	Cllr Ntaopane NB	Aganang (Pty) Ltd – 60% Vry Ntaoza – 20%
Ward Councillor W9	Cllr Ntiane MJ	None
PR Councillor	Cllr Oosthuizen G C	None
Ward Councillor W26	Cllr Phakoe L M	Member GCPF
Ward Councillor W34	Cllr Ponisi R K	None
Ward Councillor W17	Cllr Postma E M	Property: Farm Drogekraal-District Wolmaransstad Property: 24 Heide Street-Klerksdorp
Ward Councillor W33	Cllr Qankase J	Local Harvestors – 20%
PR Councillor	Cllr Ross K L	None

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

DISCLOSURES OF FINANCIAL INTERESTS		
PERIOD 1 JULY 2019 TO 30 JUNE OF 2020		
Position	**Name**	**Description of Financial interests* (None or details)**
Ward Councillor W7	Cllr Saudi H F	None
PR Councillor	Cllr Scott L	None
Ward Councillor W22	Cllr Seabeng T S	None
Ward Councillor W37	Cllr Sekgothe T L	None
Ward Councillor W18	Cllr Seitisho M N	None
Ward Councillor W14	Cllr Semonyo I M	None
PR Councillor	Cllr Sesana S P	None
PR Councillor	Cllr Shuping L K	None
Ward Councillor W38	Cllr Sithole S L	None
PR Councillor	Cllr Solomon LG	Bosa Boya Pele Pty Ltd – 100% - 2016/402950/07 Partnership: Obakeng W Solomon – 33% Serite Ditiro Solomon – 33% Gladys L Solomon – 34%
Ward Councillor W29	Cllr Steyn S M	Member of GEPF Councillors Pension Fund
Ward Councillor W15	Cllr Swart P J	Member of the Sanlam Pension Fund
PR Councillor	Cllr Tsabedze B	None
Ward Councillor W39	Cllr Wallhorn W	Choje Enviro – 2010/119456/23 – 50% (please note that CC is being deregistered) Member of NFMW Property: 2 Saffier Str, Wilkoppies (home registered in mother's name)

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

DISCLOSURES OF FINANCIAL INTERESTS		
PERIOD 4 NOVEMBER 2021 TO 30 JUNE OF 2022		
Position	**Name**	**Description of Financial interests* (None or details)**
Executive Mayor	Cllr NJ Tsolela	Dan Construction - 100% Robert & James - 50% BeydinBuild - 100%
Speaker of Council	Cllr SL Mondlane	Black Pearl Pty Ltd - 100% Mainstream - 100%
Single Whip of Council	Cllr K Ndincede	None
MEMBERS OF MAYORAL COMMITTEE		
Corporate Services	Cllr IM Maseko	Tsegang Bomne - 2009/001403124
Transversal Issues	Cllr KE Mabebe	-
Planning & Human Settlement	Cllr JM Mosupa	Mosupas Family Trust -2016/019671/07 - 100%
Sport, Arts and Culture	Cllr ML Mahumapelo	Covid-19 Stress Relief Fund
Finance and Debt Normalization	Cllr AM Ramphele	None
Local Economic Development	Cllr ML Kodisang	Dhacha Enterprise Pty Ltd - 100% - 2019/343764/07
Public Safety	Cllr TG Khoza	None
Community Services	Cllr TO Chabalala	None
Infrastructure	Cllr SOC Barrends	Ya Rona Karona Trading Enterprise LTD PTY -100%
Electrical Engineering	Cllr FC Mahlophe	None
Chairperson of MPAC		
COUNCILLORS		
Ward Councillor W28	Cllr Bester CJ	None
Ward Councillor W1	Cllr Bonga A	None
PR Councillor	Cllr PH Booth	None
Ward Councillor Ward29	Cllr JGR Bornman	None
PR Councillor	Cllr Burrell PZM	Optimum NW Services - 50% Optumum Cleaning Services - 50%
PR Councillor	Cllr RRB Buys	Ponelopele Promotions Enterprise - 5%
PR Councillor	Cllr Coetzee M	None
Ward Councillor W16	Cllr Combrinck A	Anumelmig Vullisverwydering CC – 51% Member of the MCPF
PR Councillor	Cllr Cromhout GLJ	Wholesale Manager at Daly Wholesale - +R480 000.00 Member of the MIBCO Pension Fund
PR Councillor	Cllr Dial SJ	SJ Dial Trading Enterprise - 100%
Ward Councillor W30	Cllr Du Preez PA	BravoPlex32000 - 100%

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

DISCLOSURES OF FINANCIAL INTERESTS		
PERIOD 4 NOVEMBER 2021 TO 30 JUNE OF 2022		
Position	**Name**	**Description of Financial interests* (None or details)**
PR Councillor	Cllr Dude MA	None
PR Councillor	Cllr Faku BS	Kanana Arts Centre (NPO)-Chair
Ward Councillor W36	Cllr Foboke VO	Convic Detroy Pty Ltd - 2015/443280/07-100%
PR Councillor	Cllr Fourie PN	None
PR Councillor	Cllr Gelderblom N	None
PR Councillor	Cllr Griffin JR	None
PR Councillor	Cllr Hlekiso PA	None
PR Councillor	Cllr Holtzhausen AC	None
Ward Councillor W5	Cllr Jonas SL	None
PR Councillor	Cllr Kali KB	Dogs of the Road Cabs (Taxi Industry) – Owner Member of NFMW
PR Councillor	Cllr Kasonkomona F	Cadillac Business Solutions - 2010/105293/23 - 100% Nkumbu Trading - 2009/123266/23 - 40%
Ward Councillor Ward24	Cllr Kgwabane OE	Kgwabane Trading Enterprise Pty Ltd - 100%
PR Councillor	Cllr Kloppers SP	Wonder Trasnport - 50% Wonder Belt - 50%
Ward Councillor W33	Cllr Latha KR	None
Ward Councillor W19	Cllr Le Grange JJ	Mitchell & Le Grange Property – 40% Mitchell & Le Grange Property – 50% JJ Le Grange Financial Services – Accounting Member of the MCPF
PR Councillor	Cllr Mache MI	None
Ward Councillor W31	Cllr Majiji SJ	None
Ward Councillor Ward11	Cllr Mangesi MI	Thamalalang Close Corporation-80%-2009/119906/23
PR Councillor	Cllr Mathopa ML	Logeno Pty Ltd - 2018/480280/07 - 100% - Dormant Old Mutual Superfund
Ward Councillor W8	Cllr Mbele MN	Barungwa Trading Enterprise Pty Ltd - 100% Morou Industries - 70% Welela Tech Solutions - 100% Matlosana Black Business Chamber of Commerce & Industry-undeclared Tsa Rona Investment Holdings – undeclared
PR Councillor	Cllr Mdyali AB	Bublebayeza Diamond Cutting Works (Pty) Ltd-Director
PR Councillor	Cllr Modise CK	None
PR Councillor	Cllr Modisenyane II	None
Ward Councillor W26	Cllr Mokgatla MA	None

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

DISCLOSURES OF FINANCIAL INTERESTS		
PERIOD 4 NOVEMBER 2021 TO 30 JUNE OF 2022		
Position	**Name**	**Description of Financial interests* (None or details)**
Ward Councillor W27	Cllr Mokhele IM	Meokgo Matiba Foundation - CEO - not active now
Ward Councillor W14	Cllr Mokoto NP	None
PR Councillor	Cllr Molutsi PM	None
Ward Councillor W32	Cllr Morake AM	None
MPAC Chairperson	Cllr Mosiako MM	None
PR Councillor	Cllr Mosweu ME	None
Ward Councillor W2	Cllr Mothupi A	None
Ward Councillor W12	Cllr Mtshawulana PY	None
Ward Councillor W6	Cllr Mulhanga SR	Eddietom Trading Enterprise (Pty) Ltd - 100%
Ward Councillor 34	Cllr Ntshanga ZE	Golden Nation Fuel-Director-2020/696198/07
PR Councillor	Cllr Oortman FD	Fileng Trading - 100%
Ward Councillor W13	Cllr Pelele MS	Mothusi Enterprise - 100%
PR Councillor	Cllr Pheto T	None
Ward Councillor W37	Cllr Plaatjie BM	Happy Plaatjie Enterprise - 100% - 2016/421482/07
Ward Councillor W17	Cllr Postma E M	None
PR Councillor	Cllr Ross K L	None
PR Councillor	Cllr Scott L	None
Ward Councillor W22	Cllr Seabeng T S	None
Ward Councillor W18	Cllr Seitisho M N	None
Ward Councillor W35	Cllr Seitshero KV	Patradesa - 100%
Ward Councillor W20	Cllr Sello RM	None
Ward Councillor W25	Cllr Sepale TE	None
PR Councillor	Cllr Sesana S P	Sesana Phakoe Associates - 50%
Ward Councillor W15	Cllr Swart P J	Member of the Fusion funds Sanlam
Ward Councillor W3	Cllr Tagaree FI	Member of Old Mutual Pension Fund
PR Councillor	Cllr Thabanchu OR	Thabelanang Trading Ent (pty) Ltd - 100% Reflexoo Medical (Pty) Ltd - 50% Ka Lerato Guesthouse (Pty) Ltd - 100%
Ward Councillor W39	Cllr Wallhorn W	Choje Enviro – 2010/119456/23 – 50% (please note that CC is being deregistered) Member of NFMW
Ward Councillor W38	Cllr Zitwane WG	None

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

DISCLOSURES OF FINANCIAL INTERESTS		
PERIOD 1 JULY 2021 TO 30 JUNE OF 2022		
Position	**Name**	**Description of Financial interests* (None or details)**
SENIOR MANAGERS		
Municipal Manager	Mr TSR Nkhumise	MTM Zakhele Shares – R 20 000 BMP Time Share Accommodation – R 125 000 Bakome Family Trust – Dormant Nkhura Property Development – R 12 800 Real Fish & Chips Restaurant – R 25 000 Bakone Guest House – R 15 000 9 Schoeman Modimole – R 1 116 000 49 Koro Creek Modimole R 2.9 m Booysen Modimole – R 900 000 Erf 4116 Thabazimbi – R 1.5 m Villa Solatine Thabazimbi – R 900 000 Erf 481 Thabazimbi – R 151 000 Erf 247 Pretoria – R 550 000
Director Budget and Treasury (CFO)	Vacant	N/A
Director Corporate Support	Ms L Seametso	House Flamwood R1.3m
Director Community Development	Ms MM Molawa	Frankasi Go Makasi SMME decor R5 000 per annum Phamisang 101 – Services & goals – Not yet operational House Greenhills – R 2.0 m Flat Rangate – R 580 000
Director Technical and Infrastructure	Mr R Madimutsa	House Polokwane – R 750 000 House Adamayview R 650 000 Erf Withrey R131 000
Director Public Safety	Mr LJ Nkhumane	Nkhumane – Lesiba Transport Services -Funeral, tombstones and transport ± R60 000 per annum Stand and residential house ± R800 000
Director Local Economic Development	Mr LL Fourie	Makssuccess Bakery – 50% Four AM Enterprise House in Rustenburg – R2.5m Apartments in Potchefstroom R1.2m
Director Planning and Human Settlements	Mr BB Choche	Erf 5236 in Kuruman - R1.0 m Erf 6225 in Mothibistat - R 600 000 Erf 4613 in Kuruman – R 230 000

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

REVENUE COLLECTION PERFORMANCE BY VOTE 2021/22						
						R' 000
Vote description	2020/21	2021/22			2021/22 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments
1.1 - Executive & Council	1 953	1	1 384	645	100%	115%
1.2 - Budget & Treasury Office	1 034 919	1 148 125	1 125 938	1 099 574	4%	2%
1.3 - Corporate Service	1 983	1 827	2 410	1 289	42%	87%
2.1 - Roads	63 455	138 721	73 220	68 268	103%	7%
2.2 - Water	851 987	889 466	922 766	879 795	1%	5%
2.3 - Sewer	157 700	144 720	149 070	143 839	1%	4%
2.4 - Electricity	953 143	1 057 233	1 088 046	1 017 620	4%	7%
2.5 - Housing	3 365	4 873	5 794	7 778	-37%	-26%
3.1 - LED	6	0	0	-	0%	0%
3.2 - Market	29 510	16 143	37 329	36 862	-56%	1%
4.1 - Community & Social Services	3 137	3 149	3 325	2 585	22%	29%
4.2 - Sport & Recreation	373 396	1 342	31 301	275 065	-100%	-89%
4.3 - Public Safety	97 138	38 678	30 991	44 033	-12%	-30%
4.4 - Health					0%	0%
4.5 - Cleansing	225 646	254 710	280 251	274 572	-7%	2%
Total Revenue by Vote	**3 797 338**	**3 698 988**	**3 751 825**	**3 851 925**	**4%**	**3%**

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

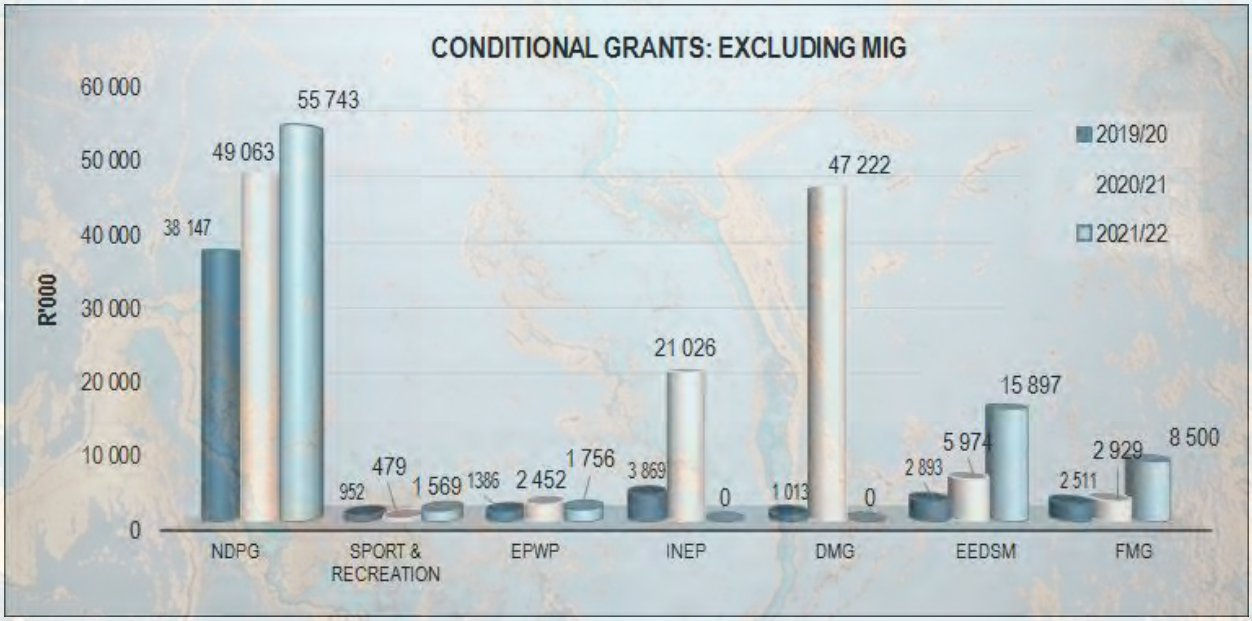
REVENUE COLLECTION PERFORMANCE BY SOURCE 2021/22						
						R '000
Description	2020/21	2021/22			2021/22 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust-ments
Property rates	426	490 297	484 108	451 441	-9%	-7%
Property rates - penalties & collection charges						
Service Charges - electricity revenue	808 903	962 746	1 025 696	872 297	-10%	-18%
Service Charges - water revenue	653 368	729 313	703 035	649 775	-12%	-8%
Service Charges - sanitation revenue	118 153	130 918	129 205	125 338	-4%	-3%
Service Charges - refuse revenue	140 058	176 491	176 491	167 812	-5%	-5%
Service Charges - other	0	0	0	0	0%	0%
Rentals of facilities and equipment	4 242	7 158	7 734	6 815	-5%	-13%
Interest earned - external investments	7 987	10 785	8 812	10 646	0%	0%
Interest earned - outstanding debtors	383 250	441 853	492 441	461 322	4%	-7%
Dividends received	0	0	0	0	0%	0%
Fines	24 893	38 131	3 434	5 171	-637%	34%
Licences and permits	8 749	9 273	9 908	8 687	-7%	-14%
Agency services	14 934				0%	0%
Transfers recognised - operational	719 998	494 844	494 844	506 442	2%	2%
Other revenue	487 300	39 548	50 192	424 580	91%	88%
Gains on disposal of PPE	0	0	0	0	0%	0%
Environmental Protection	0	0	0	0	0%	0%
Total Revenue (excluding capital transfers and contributions)	**3 797 338**	**3 531 358**	**3 585 902**	**3 690 325**	**4,31%**	**2,83%**

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

CONDITIONAL GRANTS: EXCLUDING MIG 2021/22					
					R' 000
Details	**Budget**	**Adjustments Budget**	**Actual**	**Variance**	
				Budget	**Adjustments Budget**
Neighbourhood Development Partnership Grant	53 000	63 000	55 743	5%	-13%
Other Specify:					
Sport & Recreation	1 234	1 234	1 569	21%	21%
EPWP	1 786	1 786	1 756	-2%	-2%
INEP	26 707	–	–	0%	0%
Disaster Management Grant	–	–	–	0%	0%
EEDSM	–	–	15 897	100%	100%
FMG	–	10 000	8 500	100%	-18%
TOTAL	**85 827**	**79 120**	**86 588**	**1%**	**9%**

COMMENTS ON CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES

Grants were reported as per the DORA and the payment schedule received from National Treasury and the national and provincial departments.



APPENDIX M: CAPITAL EXPENDITURE –

NEW & UPGRADE / RENEWAL PROGRAMMES

APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme* 2021/22				
				R '000
Description	2020/21	2021/22		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure
Capital expenditure by Asset Class	**191 472**			
Infrastructure - Total	**173**	**140**	**150**	**114**
Infrastructure: Road transport - Total	**50**	**55**	**62**	**50**
Roads, Pavements & Bridges	49 600	55 012	61 878	50 206
Infrastructure: Electricity - Total	**58**	**39**	**40**	**25**
Generation	58 141	38 707	40 215	24 596
Infrastructure: Water - Total	**26 709**	**0**	**0**	**0**
Water purification	26 709	0	0	0
Infrastructure: Sanitation - Total	**38 703**	**0**	**0**	**0**
Sewerage purification	38 703	0	0	0
Community - Total	**18**	**28**	**77**	**61**
Recreational facilities	12 193	15 285	29 575	25 390
Other	6 126	12 730	46 989	36 092
TOTAL CAPITAL EXPENDITURE ON NEW ASSETS	**191**	**168**	**226**	**175**

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

No budget available for upgrade / renewal programme due to financial constraints and COVID-19 pandemic.

APPENDIX N – CAPITAL PROGRAMME BY PROJECT

CAPITAL PROGRAMME BY PROJECT: 2021/22					
					R' 000
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
WATER	33 280	30 537	24 542	-24%	-36%
ELECTRICITY	38 707	40 215	24 596	-64%	-57%
SANITATION / SEWERAGE	12 616	16 895	14 170	-19%	11%
ROADS AND STORM-WATER	55 012	61 878	50 206	-23%	-10%
SPORTS, ARTS & CULTURE	15 285	29 575	25 390	-16%	40%
ICT AND OTHER	12 730	46 989	36 092	-30%	65%
TOTAL	**167 630**	**226 089**	**174 996**	**-29%**	**4%**

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD

CAPITAL PROGRAMME BY PROJECT BY WARD: 2021/22		
		R' 000
Capital Project	**Ward(s) affected**	**Works completed (Yes/No)**
WATER		
Turnkey Services for the Design & Construction for Jouberton/ Alabama Bulk Services (Civil & Electrical)	3, 4, 12 and 37	34 007
Refurbishment of Water Pump Stations and Security Upgrades of Pumps Station and Reservoirs	1 - 39	14 560
LOCAL ECONOMIC DEVELOPMENT		
Extension of National Fresh Produce Market in Klerksdorp	9	13 678
STORM-WATER		
Upgrade of Taxi Rank Jouberton	37	14 522
Paving of Taxi Routes and Storm-water Drainage in Jouberton Phase 9	5, 6, 11, 13 and 14	13 780
Paving of Taxi Routes and Stormwater Drainage in Kanana Phase 9	22, 23, 24 and 36	12 649
SPORTS, ARTS & CULTURE		
Construction of New Sports Complex Khuma	31	25 390

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

ALL SCHOOLS ARE COVERED BY PUBLIC WORKS

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

The electricity access backlog in the ESKOM jurisdiction is as follows:

AREA	BACKLOG
Jouberton	9 700
Kanana	2 048
Khuma	2 345
Tigane	6 700
TOTAL	**20 793**

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

No loans or grants were made by the City of Matlosana during the 2021/22 financial year

List of Acronyms



LIST OF ACRONYMS	
Acronym	**Description**
AC	Audit Committee
AFS	Annual Financial Statements
AG	Auditor-General
AGSA	Auditor-General of South Africa
AOPO	Audit of Performance Information
APR	Annual Performance Report
AR	Annual Report
BAC	Bid Adjudication Committee
BCX	Business Connexion Ltd
BCEA	Basic Conditions of Employment Act
BEC	Bid Evaluation Committee
BEP	Bucket Eradication Programme
BSC	Bid Specification Committee
BTO	Budget and Treasury Office
CBD	Central Business District
CBP	Community Based Plan
CC	Closed Corporation
CC	Council Committee resolution
CCTV	Closed-circuit television
CFO	Chief Financial Officer
CIDB	Construction Industry Development Board
COID	Compensation for Occupational Injuries and Diseases
COIDA	Compensation for Occupational Injuries and Diseases Act
CoM	City of Matlosana
COVID-19	Corona Virus Infectious Disease 2019
CWP	Community Work Programme
CPA	Community Property Association
CRR	Capital Replacement Reserve
CRU	Community Residential Unit
DAMG	Disaster Assessment Management Grant
DBSA	Development Bank of South Africa
DCD	Director Community Development
DCS	Director Corporate Support
DEFF	Department of Environment, Forestry and Fisheries
DKKDM	Dr Kenneth Kaunda District Municipality
DLCA	Driving License Card Account
DLED	Director Local Economic Development
DMRE	Department of Mineral Resources and Energy
DoRA	Division of Revenue Act
DPHS	Director Planning and Human Settlements
DPS	Director Public Safety
DRP	Disaster Recovery Plan
DRM	District Risk Management

LIST OF ACRONYMS	
Acronym	**Description**
DTI	Director Technical and Infrastructure
DTI	Department of Trade and Industry
DWAF	Department of Water Affairs
EECF	Employment Equity Consultative Forum
EEDSM	Energy Efficiency Demand Side Management
EFT	Electronic Fund Transfer
ELRS	Electricity Loss Reduction Strategy
EPWP	Extended Public Works Programme
ERA	Electricity Regulatory Authority
FIFO	First-in, first-out
FMG	Financial Management Grant
FMG	Financial Markets Group
FNB	First National Bank
GAMAP	Generally Accepted Municipal Accounting Practice
GIS	Geographical Information System
G/L	General Ledger
GRAP	Generally Accepted Accounting Practice
HDF	Housing Development Fund
HHs	Households
IA	Internal Audit
IAS	International Accounting Standards
ICT	Information Communication Technology
IDP	Integrated Development Plan
IHRMS	Integrated Human Resources Management Strategy
IMFO	Institute of Municipal Finance Officers
INEP	Integrated National Electrification Program
IOD	Injury on Duty
IPSAS	International Public Sector Accounting Standards
JV	Joint Venture
LLF	Local Labour Forum
KPA	Key Performance Areas
KPI	Key Performance Indicators
LED	Local Economic Development
LGSETA	Local Government Sector Education and Training Authority
LUMS	Land Use Management Scheme
MATLOSANA	Klerksdorp, Orkney, Stilfontein and Hartbeesfontein
MFPM	Matlosana Fresh Produce Market
MAYCO	Mayoral Committee
mSCOA	Municipal Standard Chart of Accounts
ME's	Municipal Entities
MEC	Member of the Executive Council
MEGF	Municipal Employee Gratuity Fund
MCPF	Municipal Councillors Pension Fund

LIST OF ACRONYMS	
Acronym	**Description**
MIG	Municipal Infrastructure Grant
MISA	Municipal Infrastructure Support Agent
MFMA	Municipal Financial Management Act
MM	Municipal Manager
MSA	Municipal Systems Act
NERSA	National Energy Regulator of South Africa
NFMW	National Fund for Municipal Workers
NRS	National Regulatory Standard
NW	North-West
OHC	Occupational Health Centre
OHS	Occupational Health and Safety
PAA	Public Audit Act of South Africa
PAC	Performance Audit Committee
PFMC	Pension Fund for Municipal Councillors
PGDS	Provincial Government Development Sector
PMS	Performance Management System
POE	Portfolio of Evidence
PPE	Personal Protective Equipment
PPPF	Public Private Partnership Forum
(Pty) Ltd	Proprietary Limited
RDP	Rural Development Plan
RMU	Ring Main Unit
ROI	Return on Investment
RTMC	Road Traffic Management Corporation
SAFA	South African Football Association
SALA PF	South African Local Authorities Pension Fund
SALGA	South African Local Government Association
SA GAAP	South African Statements of Generally Accepted Accounting Practice
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SETA	Sector Education and Training Authority
SITA	State Information Technology Agency
SMME	Small, Medium and Micro Enterprises
SLA	Service Level Agreement
SPLUMA	Spatial Planning and Land Use Management
STR	Small Town Regeneration
TLB	Tractor-Loader-Backhoes
UIFW	Unauthorised, irregular, fruitless and wasteful
VAT	Value Added Tax
VMR	Village Main Reef
WCA	Workers Compensation Assistance
WSP	Workplace Skills Plan
WWTP	Waste Water Treatment Plant

VOLUME II

Annual Financial Statements for the year ended 30 June 2022



General Information

Nature of business and principal activities	To provide democratic and accountable government to the local communities, To ensure sustainable service delivery to communities, To promote social and economic development, To promote a safe and healthy environment and To encourage the involvement of communities and community organisations in the matters of local government. The entity's operations are governed by the Local Government: Municipal Structures Act 117 of 1998, the Local Government: Municipal Systems Act 32 of 2000, the Local Government: Municipal Finance Management Act 56 of 2003, and various other acts and regulations. The City of Matlosana is a Grade 5 rated municipality.
Mayoral committee	
Executive Mayor	NJ Tsolela
Speaker	S.L. Mondlane
Councillors	K. Ndincede (Single Whip) M.L Kodisang K.E Mabebe T.V Chabalala J.M Mosupa F.C Mahlophe M.L Mahumapelo A.M Ramphele N.M Maseko S.O.C Barrends T.G Khoza
Acting Chief Finance Officer (CFO)	P. Thelele
Acting Accounting Officer	L. Seametso
Registered office	Bram Fischer Street Klerksdorp 2571
Business address	Bram Fischer Street Klerksdorp 2570
Postal address	P.O. Box 99 Klerksdorp 2570
Bankers	ABSA Bank Limited Investec Bank Limited First National Bank Nedbank Limited
Auditors	Auditor General of South Africa

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

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COID	Compensation for Occupational Injuries and Diseases
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
SA GAAP	South African Statements of Generally Accepted Accounting Practice
GRAP	Generally Recognised Accounting Practice
GAMAP	Generally Accepted Municipal Accounting Practice
HDF	Housing Development Fund
EPWP	Expanded Public Works Programme
IMFO	Institute of Municipal Finance Officers
IPSAS	International Public Sector Accounting Standards
ME's	Municipal Entities
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)

Accounting Officer's Responsibilities and Approval

The accounting officers are required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officers to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

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

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

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

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

The accounting officers have reviewed the municipality's cash flow forecast for the year to 30 June 2023 and, in the light of this review and the current financial position, they are satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

Although the is primarily responsible for the financial affairs of the municipality, they are supported by the municipality's external auditors.

The external auditors are responsible for independently reviewing and reporting on the municipality's annual financial statements. The annual financial statements have been examined by the municipality's external auditors and their report is presented on page 386.

The annual financial statements set out on pages 386 to 469, which have been prepared on the going concern basis, were approved by the acting accounting offiicer and were signed by her:



L Seametso
Acting Accounting Officer

Statement of Financial Position as at 30 June 2022

Figures in Rand	Note(s)	2022	2021 Restated*
Assets			
Current Assets			
Inventories	8	38 539 180	33 292 848
Receivables from exchange transactions	9	1 839 550	2 339 410
VAT receivable	11	206 843 375	183 447 143
Consumer debtors	12	460 467 559	559 745 371
Other receivables	7	7 357	35 375
Cash and cash equivalents	13	213 583 671	242 485 375
		921 280 692	**1 021 345 522**
Non-Current Assets			
Investment property	2	349 864 970	335 241 590
Property, plant and equipment	3	5 201 986 162	5 200 006 867
Intangible assets	4	1 297 383	1 297 383
Heritage assets	5	9 979 859	9 995 969
Other financial assets	6	11 337 586	10 776 439
Eskom Deposit		38 462 885	37 830 777
Nature reserve wildstock		2 031 699	1 731 150
		5 614 960 544	**5 596 880 175**
Total Assets		**6 536 241 236**	**6 618 225 697**
Liabilities			
Current Liabilities			
Other financial liabilities	14	3 502 848	3 153 240
Payables from exchange transactions	15	2 690 644 693	2 142 406 246
Consumer deposits	16	41 774 897	38 965 147
Employee benefit obligation	18	19 178 000	17 375 000
Unspent conditional grants and receipts	17	23 273 212	42 709 421
Housing Project Liability	20	35 808 876	46 190 174
		2 814 182 526	**2 290 799 228**
Non-Current Liabilities			
Other financial liabilities	14	33 472 410	44 155 564
Employee benefit obligation	18	324 755 260	310 998 000
Provisions	19	140 044 856	127 223 050
		498 272 526	**482 376 614**
Total Liabilities		**3 312 455 052**	**2 773 175 842**
Net Assets		**3 223 786 184**	**3 845 049 855**
Accumulated surplus		3 223 786 184	3 845 049 855

* See Note 54 & 55

Statement of Financial Performance

Figures in Rand	Note(s)	2022	2021 Restated*
Revenue			
Revenue from exchange transactions			
Market dues		18 771 956	19 749 348
Service charges	21	1 815 221 526	1 720 481 790
Rental of facilities and equipment		4 217 688	3 190 797
Licence fees		8 686 802	9 611 796
Agency fees	26	13 735 741	14 934 246
Connections and Reconnections		85 884 620	45 987 959
Rental income		2 597 724	3 000 606
Insurance fees		3 174 222	4 848 006
Other income		15 680 564	14 706 851
Interest received	22	471 967 651	391 236 456
Total revenue from exchange transactions		**2 439 938 494**	**2 227 747 855**
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	23	451 441 226	425 503 361
Interest from Property Rates		43 424 197	40 881 153
Donations received	28	25 016 401	70 551 811
Donation from Dept of Human settlements	27	218 892 037	287 762 544
Transfer revenue			
Government grants & subsidies	24	668 042 233	719 998 457
Fines, Penalties and Forfeits		5 170 607	24 893 254
Total revenue from non-exchange transactions		**1 411 986 701**	**1 569 590 580**
Total revenue	25	**3 851 925 195**	**3 797 338 435**
Expenditure			
Employee related costs	29	(676 784 703)	(681 558 800)
Remuneration of councillors	30	(34 189 332)	(36 495 510)
Depreciation and amortisation	31	(363 150 766)	(398 855 296)
Impairment loss/ Reversal of impairments	32	(35 209 847)	(17 588 870)
Finance costs	33	(156 918 941)	(102 794 811)
Rental and lease expenditure		(106 852 860)	(85 173 911)
Debt Impairment	35	(1 284 786 461)	(1 149 479 591)
Revenue Loss	39	(3 149 521)	(9 836 700)
Repairs and maintenance		(206 162 348)	(139 844 478)
Bulk purchases	36	(1 263 362 776)	(1 115 809 958)
Contracted services	37	(106 548 875)	(80 487 920)
General expenses	38	(225 451 288)	(214 629 412)
Total expenditure		**(4 462 567 718)**	**(4 032 555 257)**
Operating deficit		**(610 642 523)**	**(235 216 822)**
Loss on disposal of assets and liabilities		(21 433 606)	(21 460 613)
Fair value adjustments		561 147	495 714
Actuarial gains and losses	18	10 523 000	2 948 000
Inventory surplus/(losses)		(271 692)	(5 968 767)
		(10 621 151)	**(23 985 666)**
Deficit for the year		**(621 263 674)**	**(259 202 488)**

* See Note 54 & 55

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	3 969 451 147	3 969 451 147
Adjustments		
Correction of errors	134 801 196	134 801 196
Balance at 01 July 2020 as restated*	**4 104 252 343**	**4 104 252 343**
Changes in net assets		
Deficit for the year	(259 202 488)	(259 202 488)
Total changes	(259 202 488)	(259 202 488)
Restated* Balance at 01 July 2021	**3 845 049 858**	**3 845 049 858**
Changes in net assets		
Surplus for the year	(621 263 674)	(621 263 674)
Total changes	(621 263 674)	(621 263 674)
Balance at 30 June 2022	**3 223 786 184**	**3 223 786 184**

* See Note 54 & 55

Cash Flow Statement

Figures in Rand	Note(s)	2022	2021 Restated*
Cash flows from operating activities			
Receipts			
Receipts from customers		1 713 672 455	1 535 931 257
Grants		648 606 024	719 039 500
Interest income		74 523 209	112 685 558
Other receipts		152 536 522	105 554 792
		2 589 338 210	2 473 211 107
Payments			
Employee costs		(727 280 346)	(721 769 559)
Suppliers		(1 641 761 762)	(1 447 265 665)
Finance costs		(113 730 603)	(70 934 211)
VAT received		74 496 878	41 744 152
		(2 408 275 833)	(2 198 225 283)
Net cash flows from operating activities	40	**181 062 377**	**274 985 824**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(191 406 299)	(196 793 207)
Purchase of investment property	2	(3 000)	-
Purchases of heritage assets	5	(17 580)	-
Movement of wildstock		-	440 799
Security deposit paid to Eskom movement		(632 108)	(754 415)
Net cash flows from investing activities		**(192 058 987)**	**(197 106 823)**
Cash flows from financing activities			
Movement of other financial liabilities		(10 333 546)	(9 929 820)
Movement in consumer deposits		2 809 750	2 331 589
Movement in HDA		(10 381 298)	(128 373 444)
Net cash flows from financing activities		**(17 905 094)**	**(135 971 675)**
Net increase/(decrease) in cash and cash equivalents		**(28 901 704)**	**(58 092 674)**
Cash and cash equivalents at the beginning of the year		242 485 375	300 578 049
Cash and cash equivalents at the end of the year	13	**213 583 671**	**242 485 375**

* See Note 54 & 55

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Market Dues	15 000 000	3 000 000	**18 000 000**	18 771 956	**771 956**	
Service charges	1 956 476 405	1 128 910	**1 957 605 315**	1 815 221 526	**(142 383 789)**	Note 1
Rental of facilities and equipment	4 907 807	(950 985)	**3 956 822**	4 217 688	**260 866**	
Licences and permits	9 754 002	761 046	**10 515 048**	8 686 802	**(1 828 246)**	
Commissions received	13 400 000	2 553 389	**15 953 389**	13 735 741	**(2 217 648)**	
Connections and Disconnections	42 927 052	33 777 863	**76 704 915**	85 884 620	**9 179 705**	Note 2
Rental income	1 103 531	1 447 300	**2 550 831**	2 597 724	**46 893**	
Discount received	1 089 698	81 987	**1 171 685**	3 174 222	**2 002 537**	
Recoveries	-	(10 100)	**(10 100)**	-	**10 100**	
Other income	20 147 634	(4 499 385)	**15 648 249**	15 680 564	**32 315**	
Interest received	410 237 651	47 097 147	**457 334 798**	471 967 651	**14 632 853**	Note 3
Total revenue from exchange transactions	**2 475 043 780**	**84 387 172**	**2 559 430 952**	**2 439 938 494**	**(119 492 458)**	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	490 297 413	(6 189 317)	**484 108 096**	451 441 226	**(32 666 870)**	Note 4
Interest of property rates	42 400 000	1 518 944	**43 918 944**	43 424 197	**(494 747)**	
Donations received	-	30 086	**30 086**	25 016 401	**24 986 315**	Note 5
Donation from Dept of Human Settlements	-	-	**-**	218 892 037	**218 892 037**	Note 5
Transfer revenue						
Government grants & subsidies	662 474 000	(1 706 999)	**660 767 001**	668 042 233	**7 275 232**	Note 6
Fines, Penalties and Forfeits	28 773 226	(25 213 109)	**3 560 117**	5 170 607	**1 610 490**	
Total revenue from non-exchange transactions	**1 223 944 639**	**(31 560 395)**	**1 192 384 244**	**1 411 986 701**	**219 602 457**	
Total revenue	**3 698 988 419**	**52 826 777**	**3 751 815 196**	**3 851 925 195**	**100 109 999**	
Expenditure						
Personnel	(698 879 493)	(25 132 253)	**(724 011 746)**	(676 784 703)	**47 227 043**	Note 7
Remuneration of councillors	(37 222 503)	-	**(37 222 503)**	(34 189 332)	**3 033 171**	
Depreciation and amortisation	(366 774 263)	(33 225 739)	**(400 000 002)**	(363 150 766)	**36 849 236**	Note 8
Impairment loss/ Reversal of impairments	-	-	**-**	(35 209 847)	**(35 209 847)**	Note 9
Finance costs	(2 299 623)	(7 360 185)	**(9 659 808)**	(156 918 941)	**(147 259 133)**	Note 10
Lease rentals on operating lease	(51 946 377)	(6 711 163)	**(58 657 540)**	(106 852 860)	**(48 195 320)**	Note 11
Debt Impairment	(746 929 890)	-	**(746 929 890)**	(1 284 786 461)	**(537 856 571)**	Note 12
Collection costs	-	-	**-**	(3 149 521)	**(3 149 521)**	
Repairs and maintenance	(209 190 550)	(96 919 954)	**(306 110 504)**	(206 162 348)	**99 948 156**	Note 13
Bulk purchases	(1 328 582 223)	-	**(1 328 582 223)**	(1 263 362 776)	**65 219 447**	Note 14
Contracted Services	(78 660 437)	(41 056 757)	**(119 717 194)**	(106 548 875)	**13 168 319**	Note 15
General Expenses	(172 070 135)	(44 728 278)	**(216 798 413)**	(225 451 288)	**(8 652 875)**	Note 16
Total expenditure	**(3 692 555 494)**	**(255 134 329)**	**(3 947 689 823)**	**(4 462 567 718)**	**(514 877 895)**	

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Operating deficit	**6 432 925**	**(202 307 552)**	**(195 874 627)**	**(610 642 523)**	**(414 767 896)**	
Loss on disposal of assets and liabilities	-	-	-	(21 433 606)	**(21 433 606)**	Not budgeted for
Fair value adjustments	-	-	-	561 147	**561 147**	
Actuarial gains/losses	-	-	-	10 523 000	**10 523 000**	Not budgeted for
Inventories losses/write-downs	-	-	-	(271 692)	**(271 692)**	
	-	**-**	**-**	**(10 621 151)**	**(10 621 151)**	
Deficit before taxation	**6 432 925**	**(202 307 552)**	**(195 874 627)**	**(621 263 674)**	**(425 389 047)**	
Capital expenditure	167 630 448	(58 457 153)	**(226 087 601)**	(174 996 504)	**51 091 097**	Note 17
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**174 063 373**	**(202 307 552)**	**(28 244 179)**	**(621 263 674)**	**(425 389 047)**	

Note 1 -Low collection rate due to relatively weak economic activities on micro and macro level.

Note 2 - Interest on outstanding debtors increased due to low debt collection.

Note 3 - Interest on outstanding debtors increased due to low debt collection.

Note 4 - Low collection rate due to relatively weak economic activities on micro and macro level.

Note 5 - The municipality does not budget for donations. However, this was funds received from Dept of Human Settlement for N12 Catalytic project.

Note 6 - Better than expected preformace in the utilisation of grant funds for the projects the muncipality had set out to undertake.

Note 7: - This is due to retirement, resignations and vacant positions.

Note 8: - The WIP is included in the budget. The variance is due to projects the are not yet finalised.
Impairment and write-offs also reduced the depreciation amount.

Note 9 - The impairment is due to condition assessment done.

Note 10 - Due to interest charged on Eskom & Midvaal outstanding debt.

Note 11 - This is due to mainly insufficient budget of service delivery equipment.

Note 12 - Increase in non-payments of consumer accounts.

Note 13 - The underspending is due to cash flow constraints.

Note 14 - Insufficient Budget due to low collection and increased spending on operating expenditure due to COVID 19.

Note 15 - The underspending is due to cash flow constraints.

Note 16 - There were more general expenses in the current year than expected after the lock down was lifted.

Note 17 - There were challenges in meeting all the planned capital commitments as originally set out in the budget.

Accounting Policies

1. Presentation of Annual Financial Statements

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

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

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

1.2 Going concern assumption

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

1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgements is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. When any significant judgements and sources of estimation uncertainty are applicable, they have been disclosed in the relevant policy.

In the application of the municipality's accounting policies, which are described above, management is required to make judgement, estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and associated assumptions are based on historical experiences and other factors that are considered to reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates

These estimates and underlying assumptions ae reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Cash and cash equivalents

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. The municipality categorises cash and cash equivalents as financial assets: loans and receivables. Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are categorised as financial liabilities: other financial liabilities carried at amortised cost.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts.

Allowance for slow moving, damaged and obsolete stock

Management makes an estimate of the selling price and direct cost to sell to determine the net realisable value of inventory items. Allowance for obsolete stock is recognised when stock is slow moving and/or will not be used. The difference between the cost of inventory and the net realisable value is recognised in the statement of financial performance.

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Impairment testing

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

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 19 - Provisions.

Useful lives of waste and water network and other assets

The municipality's management determines the estimated useful lives and related depreciation charges for the waste water and water networks. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the recoverable amount. Significant debtors are individually assessed for impairment and insignificant debtors are grouped and impaired as a portfolio.

Useful lives and residual values

The entity's management determines the estimated useful lives and related depreciation charges for assets as noted in accounting policies 1.5 and 1.6.
This estimate is based on industry norm.
Management will increase the depreciation charge prospectively where useful lives are less than previously estimated useful lives.
Management will decrease the depreciation charge prospectively where useful lives are more than previously estimated useful lives.
Where changes are made to the estimated residual lives, management also makes these changes prospectively.

Trade receivables, loans and other receivables

The entity assesses its trade receivables, loans and other receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.
Where the impairment for trade receivables, loans and other receivables is calculated on a portfolio basis, these are based on historical loss ratios. These annual loss ratios are applied to the balances in the portfolio. The impairment is measured as the difference between the
receivables' carrying amount and the present value of the estimated future cash flows discounted at the effective interest rate, computed at initial recognition. The impairment loss is recognised in surplus or deficit when there is objective evidence that it is impaired.

Employee benefit obligations

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

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

Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the municipality is the current bid price. Where there is no active market, fair value is determined using valuation techniques. Such valuation techniques include using recent arm's length market transactions, reference to current market values of other similar instruments, discounted cash flow analysis and option pricing models.

Accounting Policies

1.4 Wild Stock

The entity recognises wild stock when, and only when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits or service potential associated with the asset will flow to the municipality; and
- the fair value or cost of the asset can be measured reliably.

Wild Stock is measured at their fair value less costs to sell.

The fair value of livestock is determined based on market prices of livestock of similar age, breed, and genetic merit.

A gain or loss arising on initial recognition of wild stock at fair value less costs to sell and from a change in fair value less costs to sell of wild stock is included in surplus or deficit for the period in which it arises.

1.5 Investment property

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

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

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

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

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

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

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

Cost model

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value over the useful life of the property, which is as follows:

Item	Useful life
Property - land	indefinite

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

1.6 Property, plant and equipment

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

Accounting Policies

1.6 Property, plant and equipment (continued)

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

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

Property, plant and equipment is initially measured at cost.

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

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

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

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

Subsequently all plant and equipment, excluding land and buildings, are measured at cost, less accumulated depreciation and accumulated impairment losses.

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

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

Item		Average useful life
Buildings and community facilities		5 to 80 years
Furniture and fixtures		4 to 15 years
Infrastructure		
• Roads and paving	Straight line	5 to 80 years
• Electricity		5 to 80 years
• Airports		5 to 80 years
• Wastewater network		5 to 80 years
• Water		5 to 80 years
Property, plant and equipment	Straight line	
• Vehicles		4 to 20 years
• Emergency equipment		4 to 20 years
• Office equipment		4 to 10 years
• Library books		5 to 10 years

Accounting Policies

1.6 Property, plant and equipment (continued)

The residual value, the useful life and the depreciation method of each asset is reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate unless expectations differ from the previous estimate.

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

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

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

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

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

1.7 Intangible assets

An asset is identifiable if it either:

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

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

An intangible asset is recognised when:

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

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

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

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

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

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

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

Accounting Policies

1.7 Intangible assets (continued)

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

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Intangible assets have an indefinite useful life.

The factors that was taken into account to determine that the Intangible assets have a indefinite useful life was:
(a) The asset could be efficiently managed by another management team
(b) There are not a lot of competitors or potential competitors that would be able through their action to effect the lifespan of the intangible assets
(c) There is very little if any maintenance expenditure associated with the intangible assets to keep deriving service potential from the intangible assets
(d) The useful life of the assets is not dependant on the useful life of other assets of the municipality.

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

The gain or loss arising from the derecognition of an intangible assets is included in surplus or deficit when the asset is derecognised.

1.8 Heritage assets

Assets are resources controlled by an municipality as a result of past events and from which future economic benefits or service potential are expected to flow to the municipality.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

Heritage assets are shown at cost and are not depreciated owing to uncertainty regarding to their estimated useful lives.

Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Initial measurement

Heritage assets are measured at cost.

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

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Impairment

The municipality assess at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Accounting Policies

1.8 Heritage assets (continued)

Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

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

1.9 Financial instruments

Classification

The municipality classifies financial assets and financial liabilities into the following categories:

- Financial assets measured at fair value.
- Financial assets measured at amortised cost.
- Loans and receivables.
- Financial liabilities measured at amortised cost.

Classification depends on the purpose for which the financial instruments were obtained/ incurred and takes place at initial recognition. Classification is re-assessed on an annual basis.

Initial recognition and measurement

Financial instruments are recognised initially when the municipality becomes a party to the contractual provisions of the instruments.

The municipality classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through surplus or deficit, transaction costs are included in the initial measurement of the instrument.

Transaction costs on financial instruments at fair value through surplus or deficit are recognised in surplus or deficit.

Subsequent measurement

Financial instruments at fair value through surplus or deficit are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in surplus or deficit for the period.

Net gains or losses on the financial instruments at fair value through surplus or deficit exclude dividends and interest.

Dividend income is recognised in surplus or deficit as part of other income when the municipality's right to receive payment is established.

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Accounting Policies

1.9 Financial instruments (continued)

Impairment of financial assets

At each end of the reporting period the municipality assesses all financial assets, other than those at fair value through surplus or deficit, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the municipality, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator of impairment. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in surplus or deficit - is removed from equity as a reclassification adjustment and recognised in surplus or deficit.

Impairment losses are recognised in surplus or deficit.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in surplus or deficit except for equity investments classified as available-for-sale.

Impairment losses are also not subsequently reversed for available-for-sale equity investments which are held at cost because fair value was not determinable.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in surplus or deficit within operating expenses. When such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Receivables from exchange transactions

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the deficit is recognised in surplus or deficit within operating expenses. When a trade receivable is unelectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in surplus or deficit.

Trade and other receivables are classified as loans and receivables.

Payables from exchange transactions

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Accounting Policies

1.9 Financial instruments (continued)

Bank overdraft and borrowings

Bank overdrafts and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the municipality's accounting policy for borrowing costs.

Derecognition

Financial liabilities and equity instruments

Financial liabilities are classified according to the substance of contractual agreements entered into. Trade and other payables are stated at their nominal value. Equity instruments are recorded at the amount received, net of direct issue costs.

Gains and losses

A gain or loss arising from a change in a financial asset or financial liability is recognised as follows:

- A gain or loss on a financial asset or financial liability classified as at fair value through surplus or deficit is recognised in surplus or deficit;
- a gain or loss on an available-for-sale financial asset is recognised directly in net assets, through the statement of changes in net assets, until the financial asset is derecognised, at which time the cumulative gain or loss previously recognised in net assets is recognised in surplus or deficit; and
- for financial assets and financial liabilities carried at amortised cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, and through the amortisation process.

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the municipality retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the municipality has transferred its rights to receive cash flows from the asset and either
  -has transferred substantially all the risks and rewards of the asset, or
  -has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the municipality has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the municipality's continuing involvement in the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in surplus or deficit.

1.10 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Accounting Policies

1.10 Statutory receivables (continued)

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses are recognised in surplus or deficit.

In estimating the future cash flows, an municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

1.11 VAT

The City of Matlosana accounts for value-added tax (VAT) on the payment basis.

Accounting Policies

1.12 Leases

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

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

Finance leases - lessee

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

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

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

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

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of the expense to the municipality.

1.13 Inventories

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

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

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

Accounting Policies

1.13 Inventories (continued)

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Water Inventory

Water is regarded as inventory when the municipality purchases water in bulk with the intention to resell it to the consumers or to use it internally, or where the municipality has incurred purification costs on water obtained from natural resources (rain, rivers, springs, boreholes etc.). However, water in dams, that are filled by natural resources and that has not yet been treated, and is under the control of the municipality but cannot be measured reliably as there is no cost attached to the water, and it is therefore not recognised in the Statement of Financial Position.

The basis of determining the cost of water purchased and not yet sold at Statement of Financial Position date comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventory to its present location and condition, net of trade discounts and rebates.Water is valued by using the weighted average method, at the lowest of purified cost and net realisable value, insofar as it is stored and controlled in reservoirs at year-end.

1.14 Construction contracts and receivables

Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Contractor is an entity that performs construction work pursuant to a construction contract.

Cost plus or cost based contract is a construction contract in which the contractor is reimbursed for allowable or otherwise defined costs and, in the case of a commercially-based contract, an additional percentage of these costs or a fixed fee, if any.

Fixed price contract is a construction contract in which the contractor agrees to a fixed contract price, or a fixed rate per unit of output, which in some cases is subject to cost escalation clauses.

A contractor is an entity that enters into a contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or through the use of sub-contractors. The term “contractor” thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.

The entity assesses the terms and conditions of each contract concluded with customers to establish whether the contract is a construction contract or not. In assessing whether the contract is a construction contract, an entity considers whether it is a contractor.

Where the outcome of a construction contract can be estimated reliably, contract revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date, as measured by .

Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent that contract costs incurred are recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected deficit is recognised as an expense immediately.

1.15 Impairment of cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Accounting Policies

1.15 Impairment of cash-generating assets (continued)

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:
(a) the period of time over which an asset is expected to be used by the municipality; or
(b) the number of production or similar units expected to be obtained from the asset by the municipality.

1.16 Impairment of non-cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:
(a) the period of time over which an asset is expected to be used by the municipality; or
(b) the number of production or similar units expected to be obtained from the asset by the municipality.

Accounting Policies

1.17 Employee benefits

Short-term and long-term employee benefits

The cost of all short-term employee benefits is recognised in the period during which the employee renders the related service. The Entity recognises the expected cost of performance bonuses only when the Entity has a present legal or constructive obligation to make such payment, and if a reliable estimate can be made.

The Entity provides long-service leave to eligible employees, payable on completion of years of employment. The Entity's liability is based on an actuarial valuation. Any unwinding of discount is charged to the statement of financial performance as an employee-related cost. Actuarial gains and losses on the long-term incentives are fully accounted for in the statement of financial performance. The projected unit credit method has been used to value the obligation

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the entity's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected credit method.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan.

Consideration is given to any event that could impact the funds up to end of the reporting period where the interim valuation is performed at an earlier date.

Past service costs are recognised immediately to the extent that the benefits are already vested, and are otherwise amortised on a straight line basis over the average period until the amended benefits become vested.

To the extent that, at the beginning of the financial period, any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the projected benefit obligation and the fair value of the plan assets (the corridor), that portion is recognised in surplus or deficit over the expected average remaining service lives of participating employees. Actuarial gains or losses within the corridor are not recognised.

Gains or losses on the curtailment or settlement of a defined benefit plan is recognised when the entity is demonstrably committed to curtailment or settlement.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduces by the fair value of plan assets.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

Other post retirement obligations

The entity provides post-retirement health care benefit to retirees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

Accounting Policies

1.18 Provisions and contingencies

Provisions are recognised when:
- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating deficits.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Leave and bonus accrual:
- liabilities for annual leave and bonus are recognised as they accrue to employees. The liability is based on the total accrued leave days at year end for the leave accrual and the bonus accrual based on the initial inception of the service month.

A constructive obligation to restructure arises only when an entity:
- has a detailed formal plan for the restructuring, identifying at least:
  -the activity/operating unit or part of a activity/operating unit concerned;
  -the principal locations affected;
  -the location, function, and approximate number of employees who will be compensated for services being terminated;
  -the expenditures that will be undertaken; and
  -when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:
- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:
- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

Accounting Policies

1.18 Provisions and contingencies (continued)

A contingent liability is:
(a) a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality; or
(b) a present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 51.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The municipality recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the municipality for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the municipality considers that an outflow of economic resources is probable, an municipality recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

1.19 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.20 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Accounting Policies

1.20 Revenue from exchange transactions (continued)

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends or similar distributions are recognised, in surplus or deficit, when the municipality's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

Accounting Policies

1.21 Revenue from non-exchange transactions

Non-exchange transactions are defined as transactions where the entity receives value from another entity without directly giving approximately equal value in exchange.

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Rates, including collection charges and penalties interest

Revenue from rates, including collection charges and penalty interest, is recognised when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the amount of the revenue can be measured reliably; and
- there has been compliance with the relevant legal requirements.

Changes to property values during a reporting period are valued by a suitably qualified valuator and adjustments are made to rates revenue, based on a time proportion basis. Adjustments to rates revenue already recognised are processed or additional rates revenue is recognised.

Fines

Revenue from the issuing of fines is recognised when:

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

The municipality has two types of fines: spot fines and summonses. There is uncertainty regarding the probability of the flow of economic benefits or service potential in respect of spot fines as these fines are usually not given directly to an offender. Further legal processes have to be undertaken before the spot fine is enforceable. In respect of summonses the public prosecutor can decide whether to waive the fine, reduce it or prosecute for non-payment by the offender. An estimate is made for the revenue amount collected from spot fines and summonses based on past experience of amounts collected. Where a reliable estimate cannot be made of revenue from summonses, the revenue from summonses is recognised when the public prosecutor pays over to the entity the cash actually collected on summonses issued.

Levies

Levies are recognised as revenue when:

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

Levies are based on declarations completed by levy payers. The estimate of levies revenue when a levy payer has not submitted a declaration are based on the following factors:

- the extent and success of procedures to investigate the non-submission of a declaration by defaulting levy payers;
- internal records maintained of historical comparisons of estimated levies with actual levies received from individual levy payers;
- historical information on declarations previously submitted by defaulting levy payers; and
- the accuracy of the database of levy payers as well as the frequency by which it is updated for changes.

Changes to estimates made when more reliable information becomes available are processed as an adjustment to levies revenue.

Accounting Policies

1.21 Revenue from non-exchange transactions (continued)

Government grants

Government grants are recognised as revenue when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality,
- the amount of the revenue can be measured reliably, and
- to the extent that there has been compliance with any restrictions associated with the grant.

The municipality assesses the degree of certainty attached to the flow of future economic benefits or service potential on the basis of the available evidence. Certain grants payable by one level of government to another are subject to the availability of funds. Revenue from these grants is only recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the entity. An announcement at the beginning of a financial year that grants may be available for qualifying entities in accordance with an agreed programme may not be sufficient evidence of the probability of the flow. Revenue is then only recognised once evidence of the probability of the flow becomes available.

Restrictions on government grants may result in such revenue being recognised on a time proportion basis. Where there is no restriction on the period, such revenue is recognised on receipt or when the Act becomes effective, which-ever is earlier.

When government remit grants on a re-imbursement basis, revenue is recognised when the qualifying expense has been incurred and to the extent that any other restrictions have been complied with.

Other grants and donations

Other grants and donations are recognised as revenue when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the amount of the revenue can be measured reliably; and
- to the extent that there has been compliance with any restrictions associated with the grant.

If goods in-kind are received without conditions attached, revenue is recognised immediately. If conditions are attached, a liability is recognised, which is reduced and revenue recognised as the conditions are satisfied.

1.22 Turnover

Turnover comprises of sales to customers and service rendered to customers. Turnover is stated at the invoice amount and is exclusive of value added taxation.

1.23 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.24 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use of sale.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.25 Comparative figures

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

Accounting Policies

1.26 Unauthorised expenditure

Unauthorised expenditure means any expenditure incurred otherwise than in accordance with section 15 or 11(3) of the MFMA and includes:

- overspending of the total amount appropriated in the approved budget;
- overspending of the total amount appropriated for a vote in the approved budget;
- expenditure from a vote unrelated to the department or functional area covered by the vote;
- expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
- spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation, or
- a grant by the municipality otherwise than in accordance with the act.

1.27 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.28 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.29 Consumer Deposits

Consumer deposits are disclosed as a current liability. Consumer deposits are levied in line with council's policy to consumers when services are initially connected. When services are disconnected or terminated, the outstanding deposit is utilised against any arrear accounts the consumer might be liable for on that date. Any excess deposit after all debt is settled is refunded to the specific consumer.

1.30 Gratuities

The municipality provides gratuities for qualifying staff members in terms of the relevant conditions of employment. The expenditure is recognised in the statement of financial performance when the gratuity is paid.

1.31 Segment information

Segmental information on property, plant and equipment, as well as income and expenditure, is set out in Appendices C and D, based on the International Government Financial Statistics classifications and the budget formats prescribed by National Treasury. The municipality operates solely in its area of jurisdiction as determined by the Demarcation Board.

Segment information is prepared in conformity with the accounting policies applied for preparing and presenting the financial statements.

1.32 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

The approved budget covers the fiscal period from 2021/07/01 to 2022/06/30.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

The municipality deems variances that are above R5 000 000 as material variances that require explanations.

Accounting Policies

1.33 Related parties

The municipality operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.34 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.35 Comparative information

When the presentation or classification of items in the Annual Financial Statements is amended, prior period comparative amounts are also reclassified.

1.36 New standards and interpretations

Application of all of the GRAP standards listed below will be effective from a date to be announced by the Minister of Finance.

Management has considered all the of the listed GRAP standards issued but not yet effective and anticipates that the adoption of these standards will not have a significant impact on the financial position, financial performance or cash flows of the municipality.

- GRAP 18 Segment Reporting.
- GRAP 1 (amended): Presentation of Financial Statements 01 April 2020
- GRAP 34: Separate Financial Statements 01 April 2020
- IGRAP 1 (revised): Applying the Probability Test on Initial Recognition of Revenue 01 April 2020
- Directive 7 (revised): The Application of Deemed Cost 01 April 2020
- GRAP 18 (as amended 2016): Segment Reporting 01 April 2020

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

2. Investment property

	2022			2021		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	349 864 970	-	349 864 970	335 241 590	-	335 241 590

Reconciliation of investment property - 2022

	Opening balance	Additions	Disposals	Depreciation	Total
Investment property	335 241 590	24 000 000	(5 871 316)	(3 505 304)	349 864 970

Reconciliation of investment property - 2021

	Opening balance	Disposals	Depreciation	Total
Investment property	341 155 295	(2 398 797)	(3 514 908)	335 241 590

Pledged as security

No assets have been pledged as security.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment

	2022			2021		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	106 616 800	-	106 616 800	105 826 001	-	105 826 001
Community	1 185 044 669	(743 084 721)	441 959 948	1 134 514 485	(681 570 396)	452 944 089
Infrastructure	11 863 221 177	(7 457 517 406)	4 405 703 771	11 575 918 590	(7 191 361 129)	4 384 557 461
Buildings	474 957 211	(298 614 960)	176 342 251	475 358 679	(273 810 914)	201 547 765
Other property, plant and equipment	197 537 728	(126 174 336)	71 363 392	178 676 174	(123 544 623)	55 131 551
Total	**13 827 377 585**	**(8 625 391 423)**	**5 201 986 162**	**13 470 293 929**	**(8 270 287 062)**	**5 200 006 867**

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Transfers	Disposals accumulated depreciation	Disposals: Accumulated impairment	Depreciation	Impairment loss	Total
Land	105 826 001	1 200 000	(409 201)	-	-	-	-	-	106 616 800
Community	452 944 089	54 545 042	(4 014 859)	-	2 550 028	94 909	(51 372 928)	(12 786 333)	441 959 948
Infrastructure	4 384 557 461	317 842 320	(45 390 796)	14 851 064	30 844 073	2 414 876	(279 219 237)	(20 195 990)	4 405 703 771
Buildings	201 547 765	211 553	(613 022)	-	311 880	55 982	(23 298 770)	(1 873 137)	176 342 251
Other property, plant and equipment	55 131 551	23 713 227	(4 851 671)	-	3 313 113	156 586	(5 754 528)	(344 886)	71 363 392
	5 200 006 867	**397 512 142**	**(55 279 549)**	**14 851 064**	**37 019 094**	**2 722 353**	**(359 645 463)**	**(35 200 346)**	**5 201 986 162**

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Transfers	Disposals	Disposals accumulated depreciation	Disposals: Accumulated impairment	Depreciation	Impairment loss	Total
Land	63 648 929	42 215 660	-	(38 588)	-	-	-	-	105 826 001
Community	462 441 187	62 313 763	-	(12 427 145)	5 418 103	162 876	(52 785 007)	(12 179 688)	452 944 089
Infrastructure	4 262 778 155	441 312 895	5 688 345	(37 419 434)	25 896 648	3 018 285	(312 689 853)	(4 027 580)	4 384 557 461
Buildings	227 406 166	29 500	-	(6 296 795)	3 761 042	1 652 561	(23 740 336)	(1 264 373)	201 547 765
Other property, plant and equipment	60 514 972	1 373 289	-	(8 611 474)	7 002 197	1 083 077	(6 125 191)	(105 319)	55 131 551
	5 076 789 409	**547 245 107**	**5 688 345**	**(64 793 436)**	**42 077 990**	**5 916 799**	**(395 340 387)**	**(17 576 960)**	**5 200 006 867**

Pledged as security

No assets are pledged as security.

Figures in Rand	2022	2021

3. Property, plant and equipment (continued)

Carrying amounts of infrastructure projects experiencing delays or halted:

Property, plant and equipment that was not used for any period of time during the reporting period that significantly impacted the delivery of goods and services of the entity (Carrying amount)		
Anti-tampering pillar boxes	296 710	296 710
Construction of an Athletic Track and Field at Matlosana Stadium in Jouberton	4 648 180	4 648 180
Jouberton Central Park Development	172 088	172 088
Alabama Substation	34 251 045	34 251 045
Municipal Service Centre (Thusong Centre)	1 837 738	1 837 738
Jouberton Event Space (Open Air Amphitheatre and Play Park)	518 948	518 948
	41 724 709	**41 724 709**

Anti -Tampering Pillar Boxes - There is a delay caused in the finalization of this project as there was community protest against the installation of the Anti-Tampering Pillar Boxes. Once a way forward is determined, this project will be completed. The Anti-Tamper Pillar boxes is in storage in the stores until a further decision made.

Construction of an Athletic Track and Field at Matlosana Stadium in Jouberton - Project was halted due to budget shortfall (MIG). Request for internal funding to complete the project have been sent through to council, however it has not been approved as yet.

Alabama Substation - This project is neither halted nor delayed,this project will only be completed once the Construction of 88KV Medium Voltage Loop-in-loop out Line in Alabama Substation project have been completed, which is currently not completed and remain in WIP, as these two mentioned projects run in conjunction with each other.

Jouberton Central Park Development - Project is in inception phase and delayed, and due to limited budget allocation (NDPG), the project will only move over to construction phase once additional budget becomes available.

Municipal Service Centre (Thusong Centre) - Project is in inception phase and delayed, and due to limited budget allocation (NDPG), the project will only move over to construction phase once additional budget becomes available.

Jouberton Event Space (Open Air Amphitheatre and Play Park) - Project is in inception phase and delayed, and due to limited budget allocation (NDPG), the project will only move over to construction phase once additional budget becomes available.

Reconciliation of Work-in-Progress 2022

	Included within Infrastructure	**Included within Community**	**Total**
Opening balance	621 627 934	71 485 245	693 113 179
Additions/capital expenditure	317 842 320	53 590 534	371 432 854
Transferred to completed items	(157 742 222)	-	(157 742 222)
	781 728 032	**125 075 779**	**906 803 811**

Reconciliation of Work-in-Progress 2021

	Included within Infrastructure	**Included within Community**	**Total**
Opening balance	410 670 105	37 509 034	448 179 139
Additions/capital expenditure	441 312 895	33 976 210	475 289 105
Transferred to completed items	(230 355 066)	-	(230 355 066)
	621 627 934	**71 485 244**	**693 113 178**

Figures in Rand	2022	2021

3. Property, plant and equipment (continued)

Expenditure incurred to repair and maintain property, plant and equipment

Repairs and maintenance

The municipality's amount is R206 162 348 (2020-21 R139 844 478) for the financial reporting year. In determining the repairs and maintenance amount the municipality has exclusively disclosed amounts charged by service providers.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

4. Intangible assets

	2022			2021		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	1 297 383	-	1 297 383	1 297 383	-	1 297 383

Reconciliation of intangible assets - 2022

	Opening balance	Total
Computer software, other	1 297 383	1 297 383

Reconciliation of intangible assets - 2021

	Opening balance	Total
Computer software, other	1 297 383	1 297 383

Factors considered in determining assets with indefinite useful lives

- The asset could be efficiently managed by another management team
- There are not a lot of competitors or potential competitors that would be able through their action to effect the lifespan of the intangible asset
- There is very little if any maintenance expenditure associated with the intangible assets to keep deriving service potential from the intangible assets
- The useful life of the assets is not dependant on the useful life of other assets of the municipality

Pledged as security

No assets are pledged as security.

Restricted title

There are no restrictions on the title to assets.

5. Heritage assets

	2022			2021		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value

Notes to the Annual Financial Statements

Figures in Rand					2022	2021
5. Heritage assets (continued)						
Museum collectable, monuments and heritage sites	9 974 259	5 600	9 979 859	10 007 949	(11 980)	9 995 969

Reconciliation of heritage assets 2022

	Opening balance	Additions	Disposals	Impairment losses recognised	Total
Museum collectable, monuments and heritage sites	9 995 969	17 580	(24 190)	(9 500)	9 979 859

Reconciliation of heritage assets 2021

	Opening balance	Disposals	Impairment losses recognised	Total
Museum collectable, monuments and heritage sites	10 096 947	(88 998)	(11 980)	9 995 969

Heritage assets which fair values cannot be reliably measured

A number of heritage assets were identified during the current year's verification. Although these assets were recorded in the register as required by the MFMA, the nature of the assets did not allow for values to be assigned to them. It was impracticable to do so as no fair values exists for these assets.

Pledged as security

No assets are pledged as security.

Restricted title

There are no restrictions on the title to assets.

6. Other financial assets

Designated at fair value		
Investments The Sanlam Capital Guaranteed Fund is a unit trust which is comprised of stock exchange securities in which investors can buy units. The units trusts are measured at fair value using quoted market prices.	11 337 586	10 776 439
Non-current assets		
Designated at fair value	11 337 586	10 776 439

Financial assets at fair value

Fair value hierarchy of financial assets at fair value

For financial assets recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements. The fair value hierarchy have the following levels:

Level 1 represents those assets which are measured using unadjusted quoted prices in active markets for identical assets.

Level 2 applies inputs other than quoted prices that are observable for the assets either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 applies inputs which are not based on observable market data.

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

6. Other financial assets (continued)

Fair values of financial assets measured or disclosed at fair value

Class 1 The unit trusts are measured based on the fair value of quoted market prices.	11 337 586	10 776 439

Fair value of financial assets measured or disclosed at fair value

Sanlam Capital guaranteed fund - 040710409X0	709 617	674 682
Sanlam Capital guaranteed fund - 040644725X0	10 627 969	10 101 757
	11 337 586	**10 776 439**

7. Other receivables

Loan to Klerksdorp Rolbalklub		
Short term portion of loan	7 357	35 375

An existing loan to the Klerksdorp Rolbalklub is being repaid with an interest rate of 5% applicable. The MFMA stopped the practice of giving loans to sport bodies.

8. Inventories

Consumable stores	35 140 443	29 473 242
Water	3 087 095	3 382 978
Fuel (Diesel, Petrol)	238 221	374 739
Museum stores - at authorised value	73 421	61 889
	38 539 180	**33 292 848**
Inventories recognised as an expense during the year	38 390 842	24 175 367

Inventories write downs recognised as an expense during the year 2021/22 (R271 692) 2020/21 (R5 968 767)

Inventory pledged as security

No inventory is pledged as security.

9. Receivables from exchange transactions

Receivables	4 750 728	6 613 428
Housing and housing rentals	1 700 000	-
Impairment of other receivables	(4 611 178)	(4 274 018)
	1 839 550	**2 339 410**

Trade and other receivables impaired

As of 30 June 2022, trade and other receivables of R 4 611 178 (2021: R 4 274 018) were impaired and provided for.

Reconciliation of provision for impairment of trade and other receivables

Opening balance	(4 068 015)	(3 273 600)
Provision for impairment	(337 161)	(794 415)
	(4 405 176)	**(4 068 015)**

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

10. Receivables from non-exchange transactions

Fines (statutory receivable)	70 961 049	68 536 449
Impairment of fines	(70 961 049)	(68 536 449)
	-	-

Receivables from non-exchange (statutory receivable) transactions impaired

As of 30 June 2022, other receivables from non-exchange transactions of R 70 961 049 (2021: R 68 536 449) were impaired and provided for.

The amount of the provision was R (2 424 600) as of 30 June 2022 (2021: R (22 666 145)).

Reconciliation of provision for impairment of receivables from non-exchange (statutory receivable) transactions

Opening balance	(68 536 449)	(45 870 304)
Provision for impairment	(2 424 600)	(22 666 145)
	(70 961 049)	**(68 536 449)**

11. VAT receivable

Value Added Tax	206 843 375	183 447 143

12. Consumer debtors

Gross balances		
Rates (Statutory receivables)	392 830 994	336 873 337
Electricity	516 591 901	466 955 591
Water	2 172 984 849	1 851 425 324
Sewerage	318 130 354	246 870 105
Refuse	560 643 178	475 870 104
Other service charges	219 963 570	177 090 678
Value added tax on consumer debtors	532 466 918	445 843 326
Interest on overdue accounts	2 039 319 234	1 598 450 595
	6 752 930 998	**5 599 379 060**
Less: Allowance for impairment		
Rates (Statutory receivables)	(366 046 214)	(303 197 590)
Electricity	(481 368 609)	(420 258 259)
Water	(2 024 822 094)	(1 666 346 474)
Sewerage	(296 438 958)	(222 191 586)
Refuse	(522 416 295)	(428 299 461)
Other service charges	(204 939 732)	(159 405 535)
Value added tax on consumer debtors	(496 161 204)	(401 274 267)
Interest on overdue accounts	(1 900 270 333)	(1 438 660 517)
	(6 292 463 439)	**(5 039 633 689)**

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

12. Consumer debtors (continued)

Net balance		
Rates (Statutory receivables)	26 784 780	33 675 747
Electricity	35 223 292	46 697 332
Water	148 162 755	185 078 850
Sewerage	21 691 396	24 678 519
Refuse	38 226 883	47 570 643
Other service charges	15 023 838	17 685 143
Value added tax on consumer debtors	36 305 714	44 569 059
Interest on overdue accounts	139 048 901	159 790 078
	460 467 559	**559 745 371**
Included in above is receivables from exchange transactions		
Electricity	37 488 028	46 697 332
Water	157 754 935	185 078 850
Sewerage	23 104 553	24 678 519
Refuse	40 712 387	47 570 643
Other service charges	16 006 505	17 685 143
Value added tax on consumer debtors	39 654 056	44 569 059
Interest on overdue accounts	148 529 418	159 790 078
	463 249 882	**526 069 624**
Included in above is receivables from non-exchange transactions (taxes and transfers)		
Rates (statutory receivables)	28 610 998	33 675 747
Net balance	**491 860 880**	**559 745 371**
Rates		
Current (0 -30 days)	41 696 688	28 480 184
31 - 60 days	11 921 531	12 544 110
61 - 90 days	9 250 581	9 233 368
91 days and above	329 962 195	286 615 675
Provision for bad debts	(366 046 215)	(303 197 590)
	26 784 780	**33 675 747**
Electricity		
Current (0 -30 days)	57 851 920	126 118 233
31 - 60 days	16 338 924	17 346 232
61 - 90 days	13 393 418	12 304 154
91 days and above	352 911 573	311 186 972
Provision for bad debts	(405 272 543)	(420 258 259)
	35 223 292	**46 697 332**
Water		
Current (0 -30 days)	70 524 910	109 066 209
31 - 60 days	39 856 484	39 662 981
61 - 90 days	37 247 000	36 206 365
91 days and above	1 973 619 471	1 666 489 769
Provision for bad debts	(1 973 085 110)	(1 666 346 474)
	148 162 755	**185 078 850**

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

12. Consumer debtors (continued)

Sewerage		
Current (0 -30 days)	9 636 150	7 105 217
31 - 60 days	6 104 952	4 780 073
61 - 90 days	5 352 930	4 033 645
91 days and above	297 036 323	230 951 170
Provision for bad debts	(296 438 959)	(222 191 586)
	21 691 396	**24 678 519**
Refuse		
Current (0 -30 days)	13 213 390	11 288 602
31 - 60 days	9 777 016	8 364 158
61 - 90 days	9 231 769	7 747 303
91 days and above	528 421 003	448 470 041
Provision for bad debts	(522 416 295)	(428 299 461)
	38 226 883	**47 570 643**
Other services		
Current (0 -30 days)	19 595 729	11 434 258
31 - 60 days	4 267 816	7 751 480
61 - 90 days	9 234 919	7 907 718
91 days and above	186 904 770	149 997 355
Provision for bad debts	(204 979 396)	(159 405 668)
	15 023 838	**17 685 143**
Value added tax on consumer debtors		
Current (0 -30 days)	25 559 734	19 866 712
31 - 60 days	11 367 567	11 641 000
61 - 90 days	11 144 334	10 186 142
91 days and above	484 395 283	419 437 323
Provision for bad debts	(496 161 204)	(416 562 118)
	36 305 714	**44 569 059**
Interest on overdue accounts		
Current (0 -30 days)	46 511 954	39 365 116
31 - 60 days	45 810 955	45 214 141
61 - 90 days	45 108 184	31 598 137
91 days and above	1 901 888 141	1 482 273 140
Provision for bad debts	(1 900 270 333)	(1 438 660 456)
	139 048 901	**159 790 078**
Reconciliation of allowance for impairment		
Balance at beginning of the year	(5 039 633 689)	(3 955 146 927)
Contributions to allowance	(1 386 837 591)	(1 210 701 176)
Debt impairment written off against allowance	134 007 841	126 214 414
	(6 292 463 439)	**(5 039 633 689)**

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

12. Consumer debtors (continued)

Property rates (Statutory receivable)

Included in consumer debtors above, are amounts recievable by the municipality as a result of Rates levied and billed as per the Municipal Property Rates Act No. 6 of 2004.
The rates are calculated using the value of the property and the applicable tariff which is based on the usage of the property, this will also be subject to any applicable rebates based on the nature of the consumer.

The rates receivables have been impaired collectively with other consumer debtors and a discount rate of 8,25% (based on the prevailing prime lending rate as at 30 June 2022S) was applied to the estimated future cash flows.

Consumer debtors pledged as security

None of the consumer receivables were pledged as security for any financial liability.

13. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	68 500	68 500
Bank balances	23 545 196	3 620 314
Short-term deposits	189 969 975	238 796 561
	213 583 671	**242 485 375**

Figures in Rand	2022	2021

13. Cash and cash equivalents (continued)

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2022	30 June 2021	30 June 2020	30 June 2022	30 June 2021	30 June 2020
ABSA BANK - Cheque Account - 4060008684	412 892	406 245	400 297	412 892	406 245	400 297
ABSA BANK - Cheque Account - 01000100176	6 608 022	7 025 734	10 324 628	27 008 789	(475 307)	9 392 198
ABSA BANK - Cheque Account - 950164379 (Council water)	1 338 367	367 680	2 902 105	(4 997 774)	2 568 086	(2 132 186)
ABSA BANK - Cheque Account - 950000090 (Market)	415 482	970 662	1 706 688	415 482	970 662	1 706 688
ABSA Bank - 407826177 - Call Account	35 859 329	25 952 017	48 034 555	35 996 742	26 045 411	48 034 555
ABSA Bank - 4081494682 - Call	48 306 112	27 889 522	24 302 221	48 501 570	27 973 184	24 302 221
ABSA Bank - 4086111223 -Call Account	11 736 143	1 475 978	1 432 435	11 779 551	1 479 921	1 432 435
ABSA Bank - 4073033854 - Call Account	2 448 730	9 160 399	17 198	2 454 555	9 174 925	17 198
ABSA Bank - 9056825047 - Call Account	294 659	3 776 708	9 162 685	295 519	3 789 287	9 162 685
ABSA Bank - 9074204063 -Call Account	756 613	3 476 738	1 145 556	758 453	3 483 260	1 145 556
ABSA Bank - 9090072264 - Call Account	30 033 545	42 047 625	11 780 787	30 119 437	42 124 482	11 780 787
Investec Bank - 1400057452500 Call Account	7 212 680	6 950 101	6 723 740	7 212 680	6 950 101	6 723 740
FNB - 71037411669 - Collateral	53 946	51 847	49 237	53 946	51 847	49 237
Nedbank - 03/7881151374 -Call Account	23 869 560	57 761 051	188 329 511	23 960 788	57 922 465	188 329 511
FNB - 70379020873 - Collateral	14 000	14 000	14 000	14 000	14 000	14 000
ABSA Bank - Call Account - 4071085841 (Housing)	153 773	152 091	150 627	150 627	150 627	150 627
FNB - 62879341700 - Call Account	28 822 717	59 787 675	-	28 822 717	59 787 675	-
Total	**198 336 570**	**247 266 073**	**306 476 270**	**212 959 974**	**242 416 871**	**300 509 549**

14. Other financial liabilities

At amortised cost		
DBSA Loans	12 866 178	16 020 739
Refer to appendix A for more detail on long-term liabilities.		
Redefine	24 109 080	31 288 065
The loan is interest free and is repayable as Redifine is a municipality debtor.		
	36 975 258	**47 308 804**
Total other financial liabilities	**36 975 258**	**47 308 804**
Non-current liabilities		
At amortised cost	33 472 410	44 155 564
Current liabilities		
At amortised cost	3 502 848	3 153 240

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

15. Payables from exchange transactions

Trade payables	2 379 275 121	1 819 950 824
Payments received in advanced	81 745 286	75 849 217
Accrued leave pay	105 438 004	116 487 409
Retentions	33 728 746	30 976 472
Agency Fee Payable	54 639 077	70 298 284
Sundry creditors	20 829 380	13 926 795
Housing : Absa bank account	150 627	150 627
13th Cheque Accrual	14 838 452	14 766 618
	2 690 644 693	**2 142 406 246**

16. Consumer deposits

Water and Electricity	41 774 897	38 965 147

17. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts		
Municipal Infrastructure Grant	194 412	63 120
Integrated National Electrification Programme (INEP)	-	3 315 010
Financial Management Grant (FMG)	10 476	71 140
Department of Water Affairs and Forestry (DWAF)	276 464	276 464
Water Services Infrastructure Grant (WSIG)	1 499 776	2 322 186
Expanded Public Works Programme (EPWP)	30 128	237 299
Fire Grant	557 326	557 326
Library Grant	188 829	2 391 284
Neighbourhood Development Partnership Grant (NDPG)	7 256 807	3 589 877
Dr Kenneth Kaunda District Municipality	213 176	213 176
Disaster Assessment Management Grant	200 000	200 000
District Grant	4 581 284	4 581 284
Museum Grant	12 630	10 221
Disaster Management Grant (COVID)	8 251 904	24 149 223
Energy Efficiency Demand Side Management (EEDSM)	-	731 811
	23 273 212	**42 709 421**

See note 24 for reconciliation of grants from National/Provincial Government.

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

18. Employee benefit obligations

Reconciliation of employee benefit obligations -2022

Reconciliation of employee benefit obligations - 2022	Opening Balance	Additions	Utilised during the year	Total
Continuous medical aid contribution	289 311 000	27 618 000	(13 730 000)	303 199 000
Long service awards	39 062 000	5 356 000	(3 645 000)	40 773 000
	328 373 000	**32 974 000**	**(17 375 000)**	**343 972 000**

Reconciliation of employee benefit obligations - 2021	Opening Balance	Additions	Utilised during the year	Total
Continuous medical aid contribution	258 886 000	43 991 000	(13 566 000)	289 311 000
Long service awards	51 467 000	8 065 000	(20 470 000)	39 062 000
	310 353 000	**52 056 000**	**(34 036 000)**	**328 373 000**

Carrying values		
Non - current liabilities	324 794 000	310 998 000
Current liabilities	19 178 000	17 375 000
	343 972 000	**328 373 000**

Post retirement medical aid plan

The municipality provides certain post-retirement health care benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current conditions of service) is entitled to remain a continued member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. No other post-retirement benefits are provided to these employees.

In accordance with the requirements of GRAP 25, the projected unit credit method has been applied. The assumption underlying the funding method is that the employer's post employment medical scheme costs in respect of an employee should be fully recognised by the time that the employee reaches fully accrued age. The valuation has been made with reference Actuarial Society of South Africa (ASSA) guidelines, in particular, the Advisory Practice Note 207, and is consistent with the requirements of GRAP 25.

Changes in the present value of the defined benefit obligation:	2022	2021
Opening balance	289 311 000	258 886 000
Service cost	8 941 000	7 600 000
Interest cost	28 063 000	25 580 000
Actuarial loss/ (gain)	(9 386 000)	10 811 000
Expected contributions	(13 730 000)	(13 566 000)
	303 199 000	**289 311 000**

Key financial assumptions	2022	2021
Discount rate	11,77%	9.93%
Health care cost inflation rate	8.40%	6.72%
Net discount rate	3.01%	3.67%

Key demographic assumptions	2022	2021
Average retirement age	62	62
Proportion with a spouse dependant at retirement	55%	55%
Proportion of in-service non-members joining a scheme by retirement and continuing with the subside at retirement	15%	15%
Mortality during employment	SA 85-90 light	SA 85-90 light
Mortality post- employment	PA(90) -1	PA(90) -1

Figures in Rand	2022	2021

18. Employee benefit obligations (continued)

Sensitivity analysis

The table below indicates, for example, that if medical inflation is one percentage point greater than the long-term assumption made, the liability will be 15% greater than that shown.

Sensitivity analysis on accrued liability	Change	Eligible employees	Continuation members	Total	% change
Central assumptions		141.076	162.123	303.199	
Health care inflation rate	+1%	170.269	176.849	347.118	14%
	-1%	117.883	149.271	267.154	-12%
Discount rate	+1%	118.692	149.737	268.429	-11%
	-1%	169.569	176.511	346.080	14%
Post employment mortality	+1 yr	137.224	156.245	293.469	-3%
	-1 yr	144,894	168.051	312.945	3%
Average retirement age	-1 yr	153.746	162.123	315.869	4%
Membership continuation	-10%	121.975	162.123	284.098	-6%

Sensitivity analysis on current- service and interest costs for the year ending 30/06/2021	Change	Current Svc. Cost	Interest cost	Total	% change
Central assumptions	-	8 941 000	28 063 000	37 004 000	-
Health care inflation rate	+1%	11 121 000	32 345 000	43 466 000	17%
	-1%	7 251 0	24 569 000	31 820 0	-14%
Discount rate	+1%	7 376 000	27 174 000	34 550 000	-7%
	-1%	10 968 0	29 003 0	39 971 0	8%
Post-employment mortality	+1%	8 692 000	27 130 000	35 822 000	-3%
	-1%	9 179 000	28 998 000	38 177 000	3%
Average retirement age	-1 yr	9 468 000	29 248 000	38 716 000	5%
Membership continuation	-10%	7 756 000	26 208 000	33 964 000	-8%

Long service awards

The municipality operates an unfunded defined benefit plan for all its employees. Under the plan, a long-service award is payable after 10 years of continuous service, and every 5 years of continuous service thereafter, to employees. The provision is an estimate of the long-service based on historical staff turnover.

Changes in the present value of the defined benefit obligation:	2022	2021
Opening balance	39 062 000	51 467 000
Service cost	3 144 000	4 192 000
Interest cost	3 349 000	3 543 000
Actuarial loss/(gain)	(1 137 000)	330 000
Expected benefits	(3 645 000)	(6 381 000)
Change in earnings definition	-	(14 089 000)
	40 773 000	39 062 000
	40 773 000	**39 062 000**

The expected vesting is the total value of the long-service awards that were expected to be awarded to eligible employees over the year, based on the data at the previous valuation date. Employees are usually entitled to take this award in whole or in part as cash, with the remainder taken as leave.

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

18. Employee benefit obligations (continued)

At the previous valuation, employees' costs to council were provided to determine the Rand value of the long service award provision. At this valuation, it was established that the long service award earnings definition is used in practice. The impact of this change in the long service awards earnings definition is disclosed above.

Key financial assumptions	2022	2021
Discount rate	10.81%	8.98%
General earnings inflation rate (long-term)	7.33%	5.74%
Net effective discount rate	3.24%	3.07%

Key demographic assumptions	2022	2021
Average retirement age	62	62
Mortality during employment	SA 85-90 light	SA 85-90 light

The table below indicates that if earnings inflation is one percentage point greater than the long-term assumption made, the liability will be 6% higher than the results shown.

Sensitivity analysis on the unfunded accrued liability	Change	Liability	% Change
Central assumptions		40 990 000	
General earnings inflation rate	+1%	42 990 000	5%
	-1%	38 733 000	-5%
Discount rate	+1%	36 640 000	-5%
	-1%	43 131 000	6%
Average retirement age	+2 yrs	45 064 000	11%
	-2 yrs	36 128 000	-11%
Withdrawal rates	x2	33 797 000	-17%
	x0.5	45 316 000	11%

Sensitivity analysis on current-service and interest costs for year ending 30/06/2021	Change	Current- Svc. Cost	Interest cost	Total	% change
Central assumptions		3 144 000	3 349 000	6 493 000	
General earnings inflation rate	+1%	3 376 000	3 557 000	6 933 000	7%
	-1%	2 934 000	3 158 000	6 092 000	-6%
Discount rate	+1%	2 954 000	3 502 000	6 456 000	-1%
	-1%	3 356 000	3 171 000	6 527 000	1%
Average retirement age	+2 yrs	3 428 000	3 699 000	7 127 000	10%
	-2 yrs	2 836 000	2 957 000	5 793 000	-11%
Withdrawal rates	x2	2 380 000	2 697 000	5 077 000	-22%
	x0.5	3 679 000	3 778 000	7 457 000	11%

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

19. Provisions

Reconciliation of provisions - 2022

	Opening Balance	Additions	Change in Estimate	Total
Environmental rehabilitation	127 223 050	11 776 338	1 045 468	140 044 856

Reconciliation of provisions - 2021

	Opening Balance	Additions	Total
Environmental rehabilitation	124 485 450	2 737 600	127 223 050

Environmental rehabilitation provision

In terms of the licensing of the landfill refuse sites, the municipality will incur rehabilitation costs to restore the site at the end of its useful life. Provision has been made for the net present value of this cost.

Assumption used

- The discount rate used of 9.26% is the weighted average cost of capital (WACC) calculated for both the Klerksdorp and Hartbeesfontein landfill sites.
- The scheduled dates of total closure and rehabilitation are anticipated to be between 2025 and 2038

20. Housing Project Liability

The City of Matlosana entered into a catalytic project with the department of Human Settlements and MXN Development Construction (Pty) Ltd (the contractor) in order to make land available for development. The municipality receives money from the department which it then uses to pay the contractor for the development of bulk infrastructure and recognises the infrastructure as an asset and the money used to pay the contractor as revenue.

Reconciliation of Amounts received from the department of Human Settlements

Opening balance	46 190 174	174 563 618
Receipts	250 000 000	200 000 000
Utilised	(260 381 298)	(328 373 444)
	35 808 876	**46 190 174**

Reconciliation of the Housing project liability

Amount due to the Department of Human Settlements	9 611 170	11 337 013
Amount due to MXN Development Construction	26 197 706	34 853 161
	35 808 876	**46 190 174**

21. Service charges

Sale of electricity	872 296 577	808 902 641
Sale of water	649 775 466	653 367 941
Sewerage and sanitation charges	125 337 767	118 153 055
Refuse removal	167 811 716	140 058 153
	1 815 221 526	**1 720 481 790**

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

22. Investment revenue

Interest revenue		
Bank	10 646 113	7 986 782
Interest charged on trade and other receivables	461 321 538	383 249 674
	471 967 651	**391 236 456**

23. Property rates

Rates received		
Total rates received	451 441 226	425 503 361
Valuations		
Residential	21 311 020 166	21 233 658 160
State	1 028 572 100	1 026 072 100
Municipal	1 056 568 844	957 243 344
Agricultural	2 342 238 401	2 368 036 801
Business	6 189 535 308	6 143 224 897
	31 927 934 819	**31 728 235 302**

Valuations on land and buildings are performed every 5 years. The valuations were done by DDP Valuers on behalf of the municipality.

The new general valuation was implemented on 01 July 2020.

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

24. Government grants and subsidies

Operating grants		
Equitable share	484 096 443	466 536 000
National: Expanded Public Works Program (EPWP)	1 755 872	2 451 731
Financial Management Grant (FMG)	3 122 688	2 928 859
Disaster Management Grant (COVID)	15 897 319	47 221 777
Library Grant	1 348 537	278 634
Museum Grant	221 370	199 814
	506 442 229	**519 616 815**
Capital grants		
Municipal Infrastructure Grant (MIG)	97 356 588	105 645 349
Integrated National Electrification Programme Grant (INEP)	-	21 021 546
Neighbourhood Development Partnership Grant (NDPG)	55 743 192	49 062 835
Water Services Infrastructure Grant (WSIG)	8 500 224	18 677 814
Energy Efficiency Demand Side Grant (EEDS)	-	5 974 098
	161 600 004	**200 381 642**
	668 042 233	**719 998 457**

Municipal Infrastructure Grant

Balance unspent at beginning of year	63 120	32 360 219
Current-year receipts	97 551 000	75 828 000
Conditions met - transferred to revenue	(97 356 588)	(105 645 350)
Roll over denied	(63 120)	(2 479 749)
	194 412	**63 120**

Conditions still to be met - remain liabilities (see note 17).

The purpose of this grant is to provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor house holds, micro enterprise and social institutions servicing poor communities.

Integrated National Electrification Programme Grant (INEP)

Balance unspent at beginning of year	3 315 010	90 555
Current-year receipts	-	24 246 000
Conditions met - transferred to revenue	-	(21 021 545)
Roll over denied	(3 315 010)	-
	-	**3 315 010**

Conditions still to be met - remain liabilities (see note 17).

The purpose of the grant is to implement the Integrated National Electrification Programme by providing capital subsidies to municipalities to address the electrification backlog of all existing and planned residential dwellings and the installation of relevant bulk infrastructure.

Financial Management Grant

Balance unspent at beginning of year	71 140	169 250
	-	(169 251)
Current-year receipts	3 100 000	3 000 000
Conditions met - transferred to revenue	(3 089 524)	(2 928 859)
Roll over denied	(71 140)	-
	10 476	**71 140**

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

24. Government grants and subsidies (continued)

Conditions still to be met - remain liabilities (see note 17).

The purpose of the grant is to promote and support reforms in financial management by building capacity in municipalities to implement the municipal finance management act.

DWAF

Balance unspent at beginning of year	276 464	276 464

Conditions still to be met - remain liabilities (see note 17).

The purpose of the grant is to provide water to support economical, social and environmental sectors.

WSIG

Current-year receipts	10 000 000	21 000 000
Conditions met - transferred to revenue	(8 500 224)	(18 677 814)
Roll over denied	(2 322 186)	-
	1 499 776	**2 322 186**

Conditions still to be met - remain liabilities (see note 17).

The purpose of the grant is to provide water services.

EPWP

Balance unspent at beginning of year	237 299	597 030
Current-year receipts	1 786 000	2 092 000
Conditions met - transferred to revenue	(1 755 872)	(2 451 731)
Roll over denied	(237 299)	-
	30 128	**237 299**

Conditions still to be met - remain liabilities (see note 17).

Fire

Balance unspent at beginning of year	557 326	557 326

Conditions still to be met - remain liabilities (see note 17).

Library

Balance unspent at beginning of year	2 391 284	1 853 918
Current-year receipts	1 000 000	816 000
Conditions met - transferred to revenue	(1 348 537)	(278 634)
Roll-over denied	(1 853 918)	-
	188 829	**2 391 284**

Conditions still to be met - remain liabilities (see note 17).

The purpose of the grant is to provide for Library Services.

NDPG Grant

Balance unspent at beginning of year	3 589 877	2 652 712

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

24. Government grants and subsidies (continued)

Current-year receipts	63 000 000	50 000 000
Conditions met - transferred to revenue	(55 743 193)	(49 062 835)
Rollover denied	(3 589 877)	-
	7 256 807	**3 589 877**

Conditions still to be met - remain liabilities (see note 17).

District MEYMP

Balance unspent at beginning of year	213 176	213 176

Conditions still to be met - remain liabilities (see note 17).

The purpose of the grant is to fund small-scale, short-term activities that address needs in your community and communities abroad. Each district chooses which activities it will fund with these grants.

Disaster Assessment Management Grant

Balance unspent at beginning of year	200 000	200 000

Conditions still to be met - remain liabilities (see note 17).

The purpose the grant is to ensure that sufficient funds are available in the event of disasters.

District Grant

Balance unspent at beginning of year	4 581 284	4 581 284

Conditions still to be met - remain liabilities (see note 17).

The purpose of the grant is to fund small-scale, short-term activities that address needs in your community and communities abroad. Each district chooses which activities it will fund with these grants.

Museum Grant

Balance unspent at beginning of year	10 221	10 035
Current-year receipts	234 000	200 000
Conditions met - transferred to revenue	(221 370)	(199 814)
Roll-over denied	(10 221)	-
	12 630	**10 221**

Conditions still to be met - remain liabilities (see note 17).

The purpose of the grant is to enable museums to focus on excellence in their programs and operations and to contribute to the understanding of the world and our place in it - our past, our present, and our future.

Disaster Assessment Management Grant (COVID)

Balance unspent at beginning of year	24 149 223	-
Current-year receipts	-	71 371 000
Conditions met - transferred to revenue	(15 897 319)	(47 221 777)
	8 251 904	**24 149 223**

Conditions still to be met - remain liabilities (see note 17).

Figures in Rand	2022	2021

24. Government grants and subsidies (continued)

The purpose of the grant to assist the municipality and community in reducing the financial burden caused by the COVID 19 pandemic.

EEDSM

Balance unspent at beginning of year	731 811	106 409
Current-year receipts	-	6 599 500
Conditions met - transferred to revenue	-	(5 974 098)
Roll over denied	(731 811)	-
	-	**731 811**

Conditions still to be met - remain liabilities (see note 17).

The purpose of the grant is to provide for electricity.

25. Revenue

Sale of goods	18 771 956	19 749 348
Service charges	1 815 221 526	1 720 481 790
Rental of facilities and equipment	4 217 688	3 190 797
Licences and permits	8 686 802	9 800 549
Commissions received	13 735 741	14 934 246
Royalties received	85 884 620	45 987 959
Rental income	2 597 724	3 000 606
Discount received	3 174 222	4 848 006
Other income	15 680 564	14 706 851
Interest received - investment	471 967 651	391 236 456
Property rates	451 441 226	425 503 361
Interest on property rates	43 424 197	40 881 153
Donations recieved	25 016 401	70 551 811
Donation from Dept Human Settlements	218 892 037	287 762 544
Government grants & subsidies	668 042 233	719 998 457
Fines, Penalties and Forfeits	5 170 607	24 893 254
	3 851 925 195	**3 797 527 188**

The amount included in revenue arising from exchanges of goods or services are as follows:

Sale of goods	18 771 956	19 749 348
Service charges	1 815 221 526	1 720 481 790
Rental of facilities and equipment	4 217 688	3 190 797
Licences and permits	8 686 802	9 800 549
Commissions received	13 735 741	14 934 246
Royalties received	85 884 620	45 987 959
Rental income	2 597 724	3 000 606
Discount received	3 174 222	4 848 006
Other income	15 680 564	14 706 851
Interest received - investment	471 967 651	391 236 456
	2 439 938 494	**2 227 936 608**

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

25. Revenue (continued)

The amount included in revenue arising from non-exchange transactions is as follows:

Taxation revenue		
Property rates	451 441 226	425 503 361
Interest on property rates	43 424 197	40 881 153
Donation received	25 016 401	70 551 811
Donation from Dept of Human Settlements	218 892 037	287 762 544
Transfer revenue		
Government grants & subsidies	668 042 233	719 998 457
Fines, Penalties and Forfeits	5 170 607	24 893 254
	1 411 986 701	**1 569 590 580**

26. Agency Fees

Commission received	13 735 741	14 934 246

The North West Department of Community Safety andTransport Management issues motor vehicle licences to motorists for a prescribed fee. Given the geographical location of municipal offices, it is convenient for motorists to be able to renew their licences at these locations. The municipality facilitates the issuing of these licences and the collection of the prescribed fees.

The municipality acts on behalf of the Department to issue licences to, and collect money from motorists. The transaction is however between the Department ,and the motorist (i.e. third party) - the party responsible for the payment of the licence fee. The municipality is not a party to the transaction with the third parties but rather facilitates the transaction between the Department and the motorist, and receives a commission fee accordingly.

27. Donation from Department of Human settlements

In-kind revenue		
Infrastructure from Department of Human Settlements	218 892 037	287 762 544

The muncipality has an agreement with the Department of Human Settltments for the development of land for housing the community. The bulk infrastructure that has been developed is for the benefit of the municipality and community hence it constitutes as revenue for the City of Matlsoana.

28. Donations Received

List of Donations received		
Land Donated from Department of Human Settlements	24 000 000	69 860 982
Donation of Vodacom Electricity Sensors	301 920	544 400
Donated Mini substations	566 900	120 000
Other donations	94 681	26 430
IT equipment donated	52 900	-
	25 016 401	**70 551 812**

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

29. Employee related costs

Basic	431 993 175	422 103 571
Medical aid - company contributions	47 292 368	46 738 818
UIF	3 889 979	3 495 200
WCA	2 766 181	2 826 453
SDL	6 123 733	5 183 535
Accrued leave pay movement	(11 049 405)	4 367 917
Defined contribution plans	(13 730 000)	(13 566 000)
Travel, motor car, accommodation, subsistence and other allowances	12 983 414	12 622 933
Overtime payments	61 809 667	55 990 580
Long-service awards	(501 000)	(2 189 000)
13th Cheques	33 144 891	33 534 246
Compensation and danger allowance	-	9 471 375
Housing benefits and allowances	6 548 937	6 858 276
Professional membership fees	250 751	231 284
Pension Fund	83 156 254	83 593 196
Leave paid out	11 089 671	9 288 449
Cellphone allowance	1 016 087	1 007 967
	676 784 703	**681 558 800**

Remuneration of Municipal Manager - TSR Nkhumise

Annual Remuneration	973 477	1 208 058
Car Allowance	226 799	272 160
Cellphone Allowance	20 000	24 000
Contributions to UIF, Medical and Pension Funds	15 292	15 375
	1 235 568	**1 519 593**

TSR Nkhumise was appointed as Municipal Manager from May 2017 to 30 April 2022.

Remuneration of acting Municipal Manager - L Seametso

Annual Remuneration	198 106	-
Acting Allowance	21 872	-
Contributions to UIF, Medical and Pension Funds	1 386	-
	221 364	**-**

L Seametso was appointed as Acting MM from 01 May 2022 till to date.

Remuneration of Chief Financial Officer - NM Grond

Annual Remuneration	-	1 001 323
Contributions to UIF, Medical and Pension Funds	-	10 899
	-	**1 012 222**

Mr NM Grond was appointed as Chief Financial Officer from 1st of March 2020 and resigned on the 30th of April 2021.

Remuneration of acting chief financial officer - BO Kgoete

Annual Remuneration	449 774	159 962
Car Allowance	117 405	29 351
Acting Allowances	48 859	-
Contributions to UIF, Medical and Pension Funds	240 776	59 400
	856 814	**248 713**

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

29. Employee related costs (continued)

Mr BO Kgoete was appointed acting chief financial officer from 01 May 2021 to 28 February 2022 .

Remuneration of Acting Chief Financial Officer - P Thelele

Acting Allowance	133 180	-
Contributions to UIF, Medical and Pension Funds	3 103	-
	136 283	**-**

Mr P Thelele was appointed acting Chief Financial Officer from 01 March 2022 to date.

Remuneration of Director Corporate Services - L Seametso

Annual Remuneration	990 532	1 221 013
Contributions to UIF, Medical and Pension Funds	13 448	13 548
Subsistence Allowance	1 603	1 697
	1 005 583	**1 236 258**

L Seametso was appointed as Director Corporate Services from February 2018 to 30 April 2022.

Remuneration of Acting Director of Corporate Services - M Botsheleng

Annual Remuneration	104 048	-
Acting Allowance	7 823	-
Contributions to UIF, Medical and Pension Funds	41 107	-
Subsistence	3 031	-
	156 009	**-**

Mr M Botsheleng was appointed as acting Director Corporate Services from May 2022 to date.

Remuneration of Director Planning and Human Settlements - BB Choche

Annual Remuneration	1 175 047	1 213 589
Car Allowance	240 000	240 000
Contributions to UIF, Medical and Pension Funds	17 921	15 018
	1 432 968	**1 468 607**

BB Choche has been appointed as the Director of Planning and Human Settlements from the 1st of March 2019.

Remuneration of Director Technical and Infrastructure - R Madimutsa

Annual Remuneration	1 271 047	1 309 589
Car Allowance	144 000	144 000
Contributions to UIF, Medical and Pension Funds	17 921	15 018
	1 432 968	**1 468 607**

R Madimutsa has been appointed as Director Technical and Infrastructure from February 2018 to date.

Remuneration of Director Community Development - MM Molawa

Annual Remuneration	939 692	982 608
Car Allowance	144 000	144 000
Contributions to UIF, Medical and Pension Funds	236 007	213 768
	1 319 699	**1 340 376**

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

29. Employee related costs (continued)

MM Molawa was appointed as Director Community Development from February 2018 to date.

Remuneration of Director of Local Economic Development - LL Fourie

Annual Remuneration	952 525	987 040
Car Allowance	144 000	144 000
Contributions to UIF, Medical and Pension Funds	207 811	202 722
	1 304 336	**1 333 762**

LL Fourie was appointed as the Director of Local Economic from 01 March 2019 to date.

Remuneration of Director Public Safety - LJ Nkhumane

Annual Remuneration	959 754	1 099 854
Car Allowance	144 000	36 000
Contributions to UIF, Medical and Pension Funds	104 197	109 654
	1 207 951	**1 245 508**

LJ Nkhumane was appointed as Director of Public safety from 01 February 2018 to date.

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

30. Remuneration of councillors

Executive Mayor	885 266	1 127 727
Speaker	900 724	913 314
Councillors	32 403 342	34 454 469
	34 189 332	**36 495 510**

In-kind benefits

The Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The Mayor has the use of a council owned vehicle for official duties.

The Executive Mayor has one full-time bodyguard/driver.

The salaries, allowances and benefits of councillors are within the upper limits of the framework envisaged in section 219 of the Constitution of South Africa.

Remuneration of Executive Mayor - ME Kgaile

Annual Remuneration	56 902	709 086
Councillors pension contributions	8 535	102 424
Cellphone allowance	3 700	44 400
Travel Allowance	21 812	271 817
	90 949	**1 127 727**

ME Kgaile became the Mayor from August 2016 to July 2021

Remuneration of Executive Mayor - NJ Tsolela

Annual Remuneration	498 272	-
Councillors pension contributions	42 677	-
Cellphone allowance	30 587	-
Travel Allowance	180 316	-
	751 852	**-**

Mr NJ Tsolela became Mayor from November 2021 to date.

Remuneration of Acting Executive Mayor - OR Thabanchu

Annual Remuneration	65 437	-
Cellphone allowance	3 700	-
Travel Allowance	21 812	-
	90 949	**-**

Remuneration of Speaker- RW Ntozini

Annual Remuneration	191 038	554 496
Councillors pension contributions	26 562	79 680
Cellphone allowance	14 800	44 400
Medica aid Allowance	5 600	17 280

Notes to the Annual Financial Statements

Figures in Rand	2022	2021
30. Remuneration of councillors (continued)		
Travel Allowance	74 453	217 453
	312 453	**913 309**

Mr RW Ntozini became speaker from August 2016 till October 2021.

Remuneration of Speaker- SL Mondlane

Annual Remuneration	399 186	-
Councillors pension contributions	20 485	-
Cellphone allowance	29 600	-
Travel Allowance	139 842	-
	589 113	**-**

Ms SL Mondlane became a speaker from November 2022 to date.

Remuneration of Chief Whip - MV Chinga

Annual Remuneration	-	507 146
Councillors pension contributions	-	73 117
Cellphone allowance	-	44 400
Travel Allowance	-	194 407
	-	**819 070**

Mr MV Chinga became chief whip from August 2016 to May 2021.

Remuneration of Chief Whip - K Ndincede

Annual Remuneration	536 787	-
Councillors pension contributions	76 818	-
Cellphone allowance	44 400	-
Travel Allowance	205 768	-
	863 773	**-**

Mr K Ndincede became the chief whip from June 2021 to date.

Remuneration of Councillors and Mayoral Committee Members

Annual Remuneration	20 579 550	21 442 900
Councillors pension contributions	1 165 388	1 799 489
Cellphone allowance	3 382 663	3 392 900
Medical aid contribution	234 720	329 760
Travel Allowance	7 701 096	8 277 180
	33 063 417	**35 242 229**

31. Depreciation and amortisation

Property, plant and equipment	363 150 766	398 855 296

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

32. Impairment of assets

Impairments

Property, plant and equipment	35 209 771	17 576 890
The assets that were impaired can be summarized as follow: For immovable assets (Infrastructure etc) the impairment was triggered by a change in the condition. For moveable assets, the impairment was triggered, either by a condition change during the physical verification, and or through the impairment of all moveable assets that could not physically be verified during this years physical verification, and with the intention of disposing these assets in line with the updated asset policy in the next financial year should these assets still not be verified during next years physical verification.		
Heritage assets	76	11 980
For heritage assets, the impairment was triggered, either by a condition change during the physical verification, and or through the impairment of all heritage assets that could not physically be verified during this years physical verification.		
	35 209 847	**17 588 870**

33. Finance costs

Interest on employee benefits	31 412 000	29 123 000
Non-current borrowings	1 543 978	1 883 367
Interest on landfill site	11 776 338	2 737 600
Other interest paid	112 186 625	69 050 844
	156 918 941	**102 794 811**

34. Rental and lease expenditure

Heading

Lease of refuse removal trucks	46 271 091	8 318 016
Lease of printing equipment	10 191 850	11 555 241
Hire of Plant and Equipment	50 389 919	65 300 654
	106 852 860	**85 173 911**

35. Debt impairment

Impairment of receivables from exchange transactions	337 161	764 993
Impairment of consumer debtors	1 282 024 700	1 126 048 453
Impairment of receivables from non-exchange transactions	2 424 600	22 666 145
	1 284 786 461	**1 149 479 591**

36. Bulk purchases

Electricity	874 375 148	746 597 082
Water	388 987 628	369 212 876
	1 263 362 776	**1 115 809 958**

Eskom

A settlement agreement entered into between the Municipality and Eskom was made an order of court on the 11th December 2020. As a result of financial constraints, the Municipality was not in a position to effect payments as per court order. Eskom proceeded with a Writ of Execution and to attached movable assets of the Municipality.

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

36. Bulk purchases (continued)

Electricity (losses in units)	224 393 020	200 802 291
Electricity (losses as %)	38%	34%
Water (losses in units)	18 655 012	14 776 983
Water (losses as %)	51%	42%

Electricity and water are supplied by Eskom and Midvaal Water Company.

The municipality is in the process of installing meters at all its premises to enable us to accurately measure and manage own use. A strategy has been developed to minimise distribution losses and it will be implemented over time due to budget constraints.

37. Contracted services

Financial and Asset Management Services	16 381 166	12 698 687
Debt collection and Meter reading Services	40 506 543	26 025 306
Security Services	39 065 224	36 281 144
Other Contractors	10 595 942	5 482 783
	106 548 875	**80 487 920**

Contracted services are mandated services in terms of the Local Government : Municipal Structures Act 117 of 1998, a municipal by-law or the Integrated Development Plan that the municipality is expected to have the capacity and expertise to deliver but are being outsourced instead.

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

38. General expenses

Advertising	1 261 679	1 040 112
Auditors remuneration	6 379 631	8 376 874
Bank charges	9 020 919	8 526 514
Casual workers	5 587 289	9 226 000
Cleaning	2 047 155	689 268
Commission paid	16 848 885	15 808 087
Community development and training	149 999	404 765
Legal and professional fees	26 307 468	44 430 335
Consumables	3 146 817	4 046 144
Discount allowed	753 029	760 923
Entertainment	1 140 914	1 308 242
Indigent costs	49 445 614	34 620 464
Insurance	22 265 776	16 286 806
VIP Toilets	4 929 026	8 067 689
Marketing	1 314 908	553 837
Medical expenses	303 156	474 404
Meter readings	1 163 566	1 663 925
Motor vehicle expenses	21 329 494	19 968 031
Other miscellaneous	8 773 980	9 206 168
Postage and courier	6 865 941	3 070 509
Printing and stationery	4 478 262	4 752 913
COVID related expenses	3 732 109	1 811 088
Protective clothing	3 290 952	4 652 846
Research and development costs	85 129	80 808
Royalties and license fees	1 413 263	1 134 692
Subscriptions and membership fees	7 636 056	7 126 189
Telephone and fax	6 915 441	6 001 923
Title deed search fees	394 054	224 730
Training	8 247 501	206 363
Transport and freight	40 731	17 601
Traffic fines management	182 544	91 162
	225 451 288	**214 629 412**

39. Revenue loss

Income loss

Total loss incurred	3 149 521	9 836 700

These revenue losses relate to monies that were misappropriated from the market and there is an investigation currently ongoing from the HAWKS to identify and charge the responsible parties.

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

40. Cash generated from operations

Deficit	(621 263 674)	(259 202 488)
Adjustments for:		
Depreciation and amortisation	363 150 766	398 855 296
Gain on sale of assets and liabilities	21 433 606	21 460 613
Fair value adjustments	(561 147)	(495 714)
Donation from Dept of Human Settlements	(218 892 037)	(287 762 544)
Impairment loss on PPE	35 209 847	17 588 870
Debt impairment	1 284 786 461	1 149 479 591
Non cash donations	(25 016 400)	(70 551 811)
Employee benefits	15 560 260	18 020 000
Movements in provisions	11 776 338	2 737 600
Movement in leave accrual	(11 049 405)	4 367 916
Wild Stock adjustment	(300 549)	(176 545)
Inventory adjustment	572 241	5 527 972
13th Cheque accrual	71 834	-
Changes in working capital:		
Inventories	(5 818 573)	6 757 483
Receivables from exchange transactions	162 699	(2 891 880)
Consumer debtors	(1 285 084 414)	(1 121 740 095)
Other receivables from non-exchange transactions	(2 424 600)	(22 666 145)
Prepayments	28 018	26 654
Payables from exchange transactions	559 216 021	434 362 534
VAT	78 941 294	(17 752 526)
Unspent conditional grants and receipts	(19 436 209)	(958 957)
	181 062 377	**274 985 824**

41. Other revenue

Agency Fees	13 735 741	14 934 246
Connections and Reconnection fees	85 884 620	45 987 959
Rental income	2 597 724	3 000 606
Discount received	3 174 222	4 848 006
Other income	15 680 564	14 706 851
	121 072 871	**83 477 668**

42. Auditors' remuneration

Fees	6 379 631	8 376 874

43. Financial instruments disclosure

Categories of financial instruments

2022

Financial assets

	At fair value	At amortised cost	Total
Other financial assets	11 337 586	-	11 337 586
Receivables from exchange transactions	-	2 139 550	2 139 550
Other receivables	-	7 357	7 357
Consumer debtors	-	491 860 880	491 860 880
Cash and cash equivalents	-	213 583 671	213 583 671
Eskom deposits	-	38 462 885	38 462 885
	11 337 586	**746 054 343**	**757 391 929**

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

43. Financial instruments disclosure (continued)

Financial liabilities

	At amortised cost	Total
Consumer deposits	41 774 897	41 774 897
Other financial liabilities	36 975 258	36 975 258
Trade and other payables from exchange transactions	2 696 002 769	2 696 002 769
Department of Local Government and Human Settlements	35 808 876	35 808 876
	2 810 561 800	**2 810 561 800**

2021

Financial assets

	At fair value	At amortised cost	Total
Other financial assets	9 975 309	-	9 975 309
Receivables from exchange transactions	-	2 339 410	2 339 410
Other receivables	-	35 375	35 375
Consumer debtors	-	559 745 371	559 745 371
Cash and cash equivalents	-	242 485 375	242 485 375
Eskom deposits	-	37 830 777	37 830 777
	9 975 309	**842 436 308**	**852 411 617**

Financial liabilities

	At amortised cost	Total
Consumer deposits	38 965 147	38 965 147
Other financial liabilities	47 308 804	47 308 804
Trade and other payables from exchange transactions	2 119 240 916	2 119 240 916
Department of Local Government and Human Settlements	46 190 174	46 190 174
	2 251 705 041	**2 251 705 041**

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

44. Commitments

Authorised capital expenditure

Already contracted for but not provided for		
• Property, plant and equipment	127 428 667	246 880 215
Total capital commitments		
Already contracted for but not provided for	127 428 667	246 880 215

This committed expenditure relates to plant and equipment and will be financed by National Treasury.

Operating leases - as lessee (expense)

Minimum lease payments due		
- within one year	1 364 040	12 280 359
- in second to fifth year inclusive	-	10 428 897
	1 364 040	**22 709 256**

Operating lease payments represent rentals payable by the municipality for Hygene equipment. Leases are negotiated for an average term of three years. No contingent rent is payable.

45. Going concern

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.

We draw attention to the fact that at 30 June 2022, the municipality reported an operating deficit of R621 263 674 and at this date the municipality's total current liabilities exceeded its total current assets by R1 892 901 834. The municipality also impaired 90% of its current debtors due to poor revenue collection. These factors causes uncertainty relating to the municipalities' ability to operate as a going concern.

The municipality plans to address the above cash flow shortages through enhanced revenue collection and a resultant consistency in the payment of creditors, when they become due.

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.

46. Events after the reporting date

There were no material events that required an adjustment to the annual financial statements after the reporting date.

47. Unauthorised expenditure

Opening balance	3 176 530 653	2 590 381 551
Unauthorised expenditure current year	1 122 272 986	586 149 102
	4 298 803 639	**3 176 530 653**

The over expenditure for the 2022 financial year is primarily due the impairment on the consumer debtors, and bulk purchases. The total balance including the opening balance will be dealt with in accordance with the MFMA requirements.
No criminal or disciplinary steps have been taken.

Unauthorised expenditure incurred in the 2021 financial year relates to the following:

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

47. Unauthorised expenditure (continued)

Budget and treasury office	621 874 909	61 636 311
City electrical engineering	7 568 273	158 558 868
Civil engineering	50 206 003	1 426 048
Cleansing	43 873 524	12 551 941
Community services	-	29 821 691
Market	13 678 068	10 394 842
Public safety	-	92 645 957
Sewerage	23 122 427	24 207 409
Sports Arts and Culture	25 390 302	393 120
Water section	336 559 479	194 512 914
	1 122 272 985	**586 149 101**

48. Fruitless and wasteful expenditure

Opening Balance Fruitless and wasteful expenditure	85 506 270	338 257 965
Current year fruitless and wasteful expenditure	113 221 153	274 306
Write off of Fruitless and wasteful by council	-	(253 026 001)
	198 727 423	**85 506 270**

The municipality incurred interest ,fines and penalties for late payment of the Eskom, SARS, Midvaal and Auditor General accounts. No disciplinary action has been taken as the expenses are a result of cashflow constraints.

49. Irregular expenditure

Opening balance	3 665 341 389	3 198 457 848
Add: Irregular Expenditure - current year	284 952 893	329 356 553
Irregular expenditure identified in the current year relating to prior periods	16 133 297	137 526 988
	3 966 427 579	**3 665 341 389**

Analysis of expenditure awaiting condonation per classification

Bid composition not constituted	19 632 427	41 973 753
Order splitting	-	3 289 988
Three quotes not attached	1 487 473	748 455
Non disclosure of interest	37 118 817	23 216 501
No seven days advertisement	-	1 883 526
Regulation 32 appointment	7 844 957	5 160 655
Contravention of SCM Regulation 36	24 001 705	13 219 824
Contravention of SCM Policy	142 009 329	206 377 170
Contracts expired	10 806 094	30 037 546
Tenders not advertised for the minimum period required	58 185 388	140 976 122
	301 086 190	**466 883 540**

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

49. Irregular expenditure (continued)

Contracts under review for potential non-compliance with procurement laws and supply chain regulations (with expenditure to-date)

	Disciplinary steps taken/criminal proceedings	
COM/SCM/T/36/2019/2020	Appointment of multiple service providers for hire and plant and equipment on as and when required basis for a period of thirty six(36) months effective 20/11/2020	36 585 310
COM/SCM/T/26/2020/2021	Appointment of service provider for VAT and recovery in the City of Matlosana for a period of 36 months effective 22/06/2020	27 899 582
COM/SCM/T/31/2019/2020	Construction of 11kv feeder line for Alabama substation extension 4 & 5 effective 12/10/2020	2 433 628
COM/SCM/T/33/2019/2020	Construction of VIP Latrines in KOSH Phase 1 effective 09/03/2021	15 710 637
COM/SCM/T/31/2020/2021	Refurbishment of water pump stations and reservoirs effective 09/03/2021	35 997 618
COM/SCM/T/51/2020/2021	Supply and errection of 358 mesh fencing around Stilfontein effective 24/06/2021	480 000
COM/SCM/40/2020/2021	Appointment of service provider for Risk management and insurance for a period of thirty-six(36) months effective 21/06/2021	18 552 038
COM/SCM/T/18/2019/2020	Upgrading of Mechanical and Electrical equipment in Kanana Phase 1 effective 14/09/2020	6 922 085
COM/SCM/08/2021/22	Appointment of physical security services providers for the City of Matlosana building, offices property for a period of thirty-six (36) months.	117 235 666
		261 816 564

Disciplinary steps taken/criminal proceedings

No disciplinary action has been taken as investigations are in progress for all irregular expenditure.

Additional Note
Irregular expenditure is calculated inclusive of VAT while the figures disclosed above have been presented in this set of AFS exclusive of VAT.

The prior year classification of Irregular expenditure was erroneously disclosed.

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

50. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Opening balance	22 815 164	22 688 975
Current year subscription / fee	7 636 056	7 126 189
Amount paid - current year	(11 500 000)	(7 000 000)
	18 951 220	**22 815 164**

Audit fees

Opening balance	5 823 957	2 696 169
Current year subscription / fee	7 635 711	9 817 149
Amount paid - current year	(13 225 851)	(6 689 361)
	233 817	**5 823 957**

PAYE,SDL and UIF

Opening balance	7 962 053	7 220 535
Current year subscription / fee	101 860 255	100 088 958
Amount paid - current year	(101 594 639)	(99 347 440)
	8 227 669	**7 962 053**

Pension and Medical Aid Deductions

Opening balance	13 650 850	13 595 987
Current year subscription / fee	215 103 055	219 759 634
Amount paid - current year	(215 314 968)	(219 704 771)
	13 438 937	**13 650 850**

VAT

VAT receivable	206 843 375	183 447 143

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2022:

30 June 2022	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Councillor Burrell BR	2 774	6 280	9 054
Councillor Ndela N	1 494	53 909	55 403
Councillor Kali KB	6 491	144 131	150 622
Councillor Kodisang ML	23 645	189 596	213 241
Councillor Mokgatla MA	5 378	85 417	90 795
Councillor Majiji SJ	3 504	34 673	38 177
Councillor Moholobela MA	782	77 175	77 957
Councillor Booth PH	14 102	40 704	54 806
Councillor Oortman FD	894	106 925	107 819
Councillor Mosupa DT	4 576	14 710	19 286
Councillor Faku BS	4 209	53 478	57 687
Councillor Bonga A	3 080	64 799	67 879
Councillor Seitshero KV	1 560	35 805	37 365
Councillor Mbele MN	1 034	12 500	13 534
Councillor Jonas SL	6 063	115 621	121 684

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

50. Additional disclosure in terms of Municipal Finance Management Act (continued)

	79 586	**1 035 723**	**1 115 309**

30 June 2021	**Outstanding less than 90 days R**	**Outstanding more than 90 days R**	**Total R**
Councillor Sithole SL	974	26 480	27 454
Councillor Qankase VS	-	21 781	21 781
Councillor Mophethe LE/MV	27 277	-	27 277
Councillor Bogatsu SPJ/MM	12 894	17 799	30 693
Councillor Nani SH	11 787	33 323	45 110
Councillor Mosweu ME	19 698	-	19 698
Councillor Matetoane NI	16 302	8 249	24 551
Councillor Burrell BR/KC	2 893	8 335	11 228
Councillor Methi HL	5 743	29 793	35 536
Councillor Mqikela G	8 094	11 249	19 343
Councillor Ndela N	941	73 909	74 850
Councillor Ponisi RK	1 652	10 101	11 753
Councillor Thaba ME	3 863	22 958	26 821
Councillor Magwaca XS/KM	2 158	8 173	10 331
Councillor Moeng PN	-	137	137
Councillor Mongale SD & JP	-	727	727
	114 276	**273 014**	**387 290**

During the year the following Councillors' had arrear accounts outstanding for more than 90 days.

30 June 2022	**Highest outstanding amount**
Councillor Burrell BR	8 395
Councillor Matetoane NI	10 877
Councillor Ndela N	81 211
Councillor Majiji SJ	43 169
Councillor Seitshero KV	42 453
Councillor Sithole SL	12 460
Councillor Qankase VS	4 866
Councillor Nongqayi PT	46 159
Councillor Malete NP	9 115
Councillor Faku BS	99 403
Councillor Mokgatla	88 658
Councillor Mongale SD	727
Councillor Nani SH	28 434
Councillor Oortman FD	107 339
Councillor Moholobela MA	79 052
Councillor Moeng PN	137
Councillor Bonga A	73 841
Councillor Booth PH	60 151
Councillor Kodisang ML	196 787
Councillor Bogatsu SPJ	11 799
Councillor Mophethe LE	31 277
Councillor Mbele MN	21 478
Councillor Chao NM	46
Councillor Kali KB	147 102
Councillor Matetoane NI	58 882
Councillor Jonas SL	119 293
Councillor Mosupa DT	20 742
	1 403 853

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

50. Additional disclosure in terms of Municipal Finance Management Act (continued)

30 June 2021	**Highest outstanding amount**
Councillor Bogatsu SPJ	15 951
Councillor Burrell BR/KC	10 311
Councillor Magwaca XS/KM	651
Councillor Melete NG	10 281
Councillor Matetoane NI	38 691
Councillor Methi HL	14 329
Councillor Moeng PN	137
Councillor Mongale SD & JP	727
Councillor Mophethe LE/MV	24 323
Councillor Mosweu ME	15 153
Councillor Mqikela G	11 249
Councillor Nani SH	33 238
Councillor Ndela N	67 429
Councillor Nongqayi PT&S	25 000
Councillor Ntaopane NB/MA	21 524
Councillor Thaba ME	3 393
Councillor Ntozini RW	3 052
Councillor Ponisi RK	9 420
Councillor Qankase J	29 117
Councillor Sithole SL	24 406
	-
	-
	-
	358 382

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

51. Contingencies

Claims against the Municipality		
Owamajola Trading Enterprises JV	300 000 000	300 000 000
Mataka & Morathi Attorneys	84 200	84 200
Owamajola	3 396 512	3 396 512
Nicolaas Johannes Myburg	1 007 879	1 007 879
SO MATSHIDISO	63 447 354	63 447 354
Bakgeni Civils & Construction	171 000	171 000
P&S Basson	283 200	283 200
Ke A Dira Construction CC	17 391 228	17 391 228
HL MATLALA T\ A GOROGANG PLANT HIRE	1 572 713	1 572 713
Ndabangaungue S	150 000	150 000
MR M Seero	5 000 000	5 000 000
Itumre Building Supply CC	563 816	563 816
Owamajola Trading	110 587 932	110 587 932
Diggers Development	4 325 232	4 325 232
Moore Stephens	5 108 173	5 108 173
S.J Khabu	1 500 000	1 500 000
Bonang Trading Developments	1 015 000	1 015 000
Imvula Roads and Civil	-	268 383
Henry Tsheopo Molaoa	150 000	150 000
MMT MT Trading Enterprise	1 100 000	1 100 000
VM Tlaphisi	810 000	810 000
Kgwadi ya Madiba JV	57 715 367	57 715 367
Vesta Technical Services (Pty) Ltd	15 080 630	15 080 630
Khuma councillors & Mr Morebudi	15 130 090	15 130 090
IMIC Investments (Pty) Ltd	329 536	329 536
Murray & Dickson Construction (Pty) Ltd	-	3 080 670
Christina Van Der Merwe	1 600 000	-
Aqua Transport	-	11 337 551
Ammatakko Beleggings CC	26 076	-
	607 545 938	**620 606 466**

Owamajola Trading Enterprises JV// City of Matlosana

Issued summons against the municipality for alleged damages suffered for being appointed for the disconnection and reconnection of electricity supply to defaulters for a period of R36 months and not receiving an instruction from the Municipality.

Mataka & Morathi Attorneys/ Matlosana Local Municipality - Case No: 2334/15

Litigation and claims between the plaintiff and the municipality for non- payment of services allegedly rendered.

Owamajola / City of Matlosana

The plaintiff sued the City of Matlosana for non-payment for services rendered.

Figures in Rand	2022	2021

51. Contingencies (continued)

Nicolaas Johannes Myburg / City of Matlosana

Damages to his property due to fire outbreak after the fire brigade reacted to his call and arrived after their equipment malfunctioned.

SO MATSHIDISO // CITY OF MATLOSANA

Action instituted against the Municipality for alleged damages for potential loss of profits as a result of the municipality alleged failure to appoint the plaintiff as a service provider following the advertisement of the tender.

City of Matlosana / Bakgeni Civils & Construction

Arbitration award for non-monetary claim to supplier

P&S Basson / City of Matlosana

A summons was brought against the Council for psychological shock and emotional shock by the Plaintiffs.

Ke A Dira Construction CC / City of Matlosana

Council is defending summons brought against the Council by the plaintiff for losses alleged to have been experienced due to the revision of tender FS 1/2011.

HL MATLALA T\ A GOROGANG PLANT HIRE / City of Matlosana

Goragang terminated its agreement with the City of Matlosana and issued summons claiming the amount stipulated.

Ndabangaungue S (plaintiff) / City of Matlosana (defendant)

Summons was issued against the Council as well as Mr VW Sofe who is employed by the City of Matlosana as a traffic officer, for the alleged unlawful arrest

City of Matlosana / MR M Seero

Mr Seero instituted action against the employer for damages suffered due to alleged occupational detriment.

Itumre Building Supply CC / City of Matlosana

The City of Matlosana is defending the matter. The case of action started during 2011

Figures in Rand	2022	2021

51. Contingencies (continued)
OWAMAJOLA TRADING / CITY OF MATLOSANA

Alleged unlawful termination of a Service Level Agreement

City of Matlosana/Diggers Development

Diggers Development is claiming the amount based on the allegations that the municipality over billed them for water services.

Moore Stephens/ City of Matlosana

The plaintiff's institution legal process against the City of Matlosana for payment for service rendered. This matter was settled and will therefore not be a contingent liability in the current year.

City of Matlosana / S.J Khabu

The City of Matlosana is sued for the death of a contractor on site. The contractor was engulfed by the top soil while repairing a pipe and died as a result.

City of Matlosana / Bonang Trading Developments

Breach of contract on training contract of ward members, The company liquidated, the owner of the company has passed on, rescission of the liquidation has not been filled. The attorneys shall determine if the liquidator still persist with the claim.

Imvula Roads and Civil / City of Matlosana

The claimant instituted legal action against the City of Matlosana for services rendered

Henry Tsheopo Molaoa (plaintiff) // City of Matlosana (defendant)

Summons was issued against the Council as well as Mr TT Tlholatlung, who is employed by the City of Matlosana as a traffic officer for the alleged unlawful arrest.

MMT MT Trading Enterprise// City of Matlosana

The Plaintiff's issued summons for services rendered against City of Matlosana

City of Matlosana // VM Tlaphisi

VM Tlaphisi instituted summons to city of Matlosana

Kgwadi ya Madiba JV//City of Matlosana

Claimant referred the dispute matter for adjudication relating to breach of contract and repudiation and respect of contracts for construction of jouberton taxi rank

Figures in Rand	2022	2021

51. Contingencies (continued)

Vesta Technical Services (Pty) Ltd / City of Matlosana

The claimant instituted legal action against the City of Matlosana for a cancelled service level agreement which the City is defending due to non functionality of the system the service provider had implemented.

City of Matlosana // Khuma councillors & Mr Morebudi

Various combined summons

IMIC Investments (Pty) Ltd / City of Matlosana

The claimant instituted legal action against the City of Matlosana.The claim is based on material that was purchased by three contractors on a Council Project (Bucket Eradication Programme).

Murray & Dickson Construction (Pty) Ltd / City of Matlosana Local Municipality

Dispute for adjudication relating to extension of time for the works.

Christina Van Der Merwe/ City of Matlosana

The plantiff has brought a declaratory application to ensure compliance with section 3 of Act 40 of 2002. The matter is set to sit down for opposed hearing on 19 August 2022.

Aqua Transport / City of Matlosana

Action by Aqua Transport demanding payment for alleged breach of contrac

Ammatakko Beleggings CC / City of Matlosana

Received instructions to assist with the stay of the sale in execution. Attorneys obtained copies of the court file and established that judgement was granted against the City of Matlosana on 2 April 2022 for payment in the amount R26 076,44 to Ammatakho Beleggings CC.

Figures in Rand	2022	2021

51. Contingencies (continued)

Contingent assets

Claims by the Municipality		
Owamajola Trading	3 709 727	3 709 727
HL MATLALA T\ A GOROGANG PLANT HIRE	14 154 419	14 154 419
Munmap (Pty) Ltd	1 255 516	1 255 516
Isago at N12 Development /	19 315 132	19 315 132
Great Champs Trading	76 639	76 639
Badiboa	-	1 500 000
Mr Masisi	2 887 462	2 887 462
Johannes Jerry Van schalwyk	66 930 749	-
Isago at N12 Development	10 000 000	10 000 000
ISAGO at N12 Development	24 000 000	24 000 000
Motlamogang Martha Sessing	4 288 294	-
Esmeralda Botha	87 205	-
Jabulane Bhotile	22 532	-
Lucky Ramabodu	559 029	-
	147 286 704	**76 898 895**

Owamajola Trading / City of Matlosana

The plaintiff sued the City of Matlosana for service rendered and a counterclaim was instituted.

HL MATLALA T\ A GOROGANG PLANT HIRE / City of Matlosana

Gorogang terminated its agreement with the City of Matlosana and issued summons claiming for the amount of R1 572 713.20. The City of Matlosana has a Counter claim R14 154 418,77

City of Matlosana / Munmap (Pty) Ltd

The City of Matlosana wrongfully paid R1 255 516,37 to Munmap after realising the mistake that was done, the City of Matlosana instituted legal action against Munmap to recover R1 255 516,37

The Attorneys report that they are still following the matter with the sheriff's board.

Isago at N12 Development / City of Matlosana, Abacus Asset Management And Sanral

Isago owes the municipality for the outstanding bulk municipal services to be installed which Isago failed to install by contractual agreement agreed date. The matter is currently suspended until further notice.

City of Matlosana / Great Champs Trading

GREAT CHAMPS TRADING (GCT) is a former tenant of the Municipality. It occupied premises belonging to the Municipality at the Matlosana Market. GTC have an outstanding debt arising from occupancy of rental space from the Municipality market.

City of Matlosana / Badiboa

Figures in Rand	2022	2021

51. Contingencies (continued)

Tender paving of taxi routes and storm water drainage contract cancelled by City of Matlosana due to Badiboa failing to progress with the contract.

City of Matlosana / Mr Masisi

City of Matlosana sued Mr Masisi for fruitless and wasteful expenditure.

City of Matlosana / Johannes Jerry Van schalwyk

Case no: 368 / 2022

Summons have been issued against the Defendant for misappropriation of funds at the Fresh Produce Market

City of Matlosana / Isago at N12 Development

Failureto repay security fee to the City of Matlosana which was paid to Eskom on the start-up of the Gumtrees electrical substation.

City of Matlosana/ ISAGO at N12 Development

A This matter relates to the account and rebate of profits gained as the result of the

sales of land in Ext 38 next to Matlosana Mall. This matter is suspended until further notice.

City of Matlosana / Motlamogang Martha Sessing

Summons have been issued against the Defendant for misappropriation of funds at the Fresh Produce Market

City of Matlosana/ Esmeralda Botha

Case no: 290/22: Summons have been issued against the Defendant for misappropriation of funds at the Fresh Produce Market

CITY OF MATLOSANA / Jabulane Bhotile

Summons have been issued against the Defendant for misappropriation of funds at the

Fresh Produce Market

CITY OF MATLOSANA / Luck Rababodu

Case no: 396/2022: Summons have been issued against the Defendant for misappropriation of funds at the Fresh Produce Market

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

51. Contingencies (continued)

52. Change in estimate

Property, plant and equipment

The change in estimated useful lives of various assets of the municipality has resulted in the following decreases in depreciation for the mentioned categories for the financial year.

	2022	2021
Buildings	1 498 258	204 310
Infrastructure - Roads and storm water	13 569 101	6 767 159
Infrastructure - water and sewer	77 579 389	1 424 374
Infrastructure - Electricity	75 179	776 647
Other property, plant and equipment	2 853 891	3 133 123
	95 575 818	**12 305 613**

53. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the and includes a note to the annual financial statements.

Emergencies	13 740 682	9 955 960
Sole supplier	11 101	707 323
Impractical and impossible to follow SCM processes	5 333 413	2 392 678
Special works	-	11 706
	19 085 196	**13 067 667**

54. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Statement of financial position

2021

	Note	As previously reported	Correction of error	Restated
Investment Property		256 971 224	78 270 366	335 241 590
VAT receivable		182 654 104	793 039	183 447 143
Property, plant and equipment		5 120 095 296	79 911 571	5 200 006 867
Heritage		9 975 309	20 660	9 995 969
Payables from exchange transactions		(2 119 240 918)	(23 165 329)	(2 142 406 247)
Accumulated Surplus		(3 709 219 547)	(138 060 084)	(3 847 279 631)
		(258 764 532)	**(2 229 777)**	**(260 994 309)**

Statement of financial performance

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

54. Prior-year adjustments (continued)

2021

	Note	As previously reported	Correction of error	Restated
Employee related costs		681 193 597	365 203	681 558 800
Depreciation and amortisation		391 923 365	6 931 931	398 855 296
Impairment loss		25 629 724	(8 040 854)	17 588 870
Loss on disposal of assets and liabilities		21 746 006	(285 393)	21 460 613
p		(260 231 601)	1 029 113	(259 202 488)
Surplus/ (Deficit) for the year		**860 261 091**	**-**	**860 261 091**

Cash flow statement

2021

	Note	As previously reported	Correction of error	Restated
Cash flow from operating activities				
Employee costs		721 476 191	293 368	721 769 559
Suppliers		1 447 559 033	(293 368)	1 447 265 665
		2 169 035 224	**-**	**2 169 035 224**

Figures in Rand	2022	2021

55. Prior period errors

Error 1:
In the prior years, the accrual on 13th cheques was incorretly omitted from the annual financial statements and thus the payables from exchange transactions was understated by R14 766 618 and accumulated surplus was overstated by the same amount, additionally the employee cost was understated by R365 203.46

Error 2
There was an overstatement of payables in the prior year due to stale cheques not being correctly accounted for timeoulsy, this consequently led to payables from exchange transactions being overstated by R916 000 and accumulated surplus being understated by the same amount..

Error 3
In the prior year, there was an ommission of certain supplier invoices from the accrual list as there was a pending legal case at the time the annual financial statements were submitted. The total amount of invoices omitted resulted in the understatement of payables from exchange transactions by R7 084 934.60 and VAT receivables being understated by R793 039.21 and accumulated surplus being overstated by R6 291 895.39.

Error 4
During the financial year, management performed, as part of its annual policies and procedures, an asset verification and reconciliation. A number of differences were identified that warranted adjustments to be made to the asset register and the financial records of the municipality. These adjustments impacted all non-current assets line items, including all property, plant and equipment, investment property, heritage assets and intangible asset classes. Due the materiality of the amounts, these restatements were made retrospectively in accordance with GRAP 3. Detailed asset registers, as required by the MFMA, is kept with reason for each adjustment made.
The above led to the following misstatements: Property plant and equipment was understated by R79 911 581, Investment property was understated by R78 270 366, Heritage assets were understated by R20 660, Accumulates surplus was understated by R156 808 281, Depreciation expense was understated by R6 931 931, Impairement loss was overstated by R8 040 854 and Losson disposal of assets was overstated by R285 403.

Error 5
There was an understatement of payables due to the Inclusion of creditors that had already been settled in the creditors control account. These transactions led to the understatement of payables from exchange transactions by R2 229 776 and an overstatement of accumulated surplus by R2 229 776.
.

The adjustments were made retrospectively and the effect thereof were as follows:

Statement of financial position		
Increase in Payables from exchange trsanactions due to error 1	-	(14 766 618)
Decrease in Payables from exchange trsanactions due to error 2	-	916 000
Increase in Payables from exchange trsanactions due to error 3	-	(7 084 935)
Increase in VAT receivable due to error 3	-	793 039
Increase in Property, plant and equipment due to error 4	-	79 911 581
Increase in Investment property due to error 4	-	78 270 336
Increase in Heritage assets due to error 4	-	20 660
Increase in Payables from exchange trsanactions due to error 5	-	(2 229 776)
Statement of financial performance		
Increase in Employee costs due to error 1	-	365 203
Increase in Depreciation expense due to error 4	-	6 931 931
Increase in Impairment loss due to error 4	-	(8 040 854)
Increase in Loss from disposal of assets due to error 4	-	(285 403)

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

55. Prior period errors (continued)

Cash flow statement

Cash flow from operating activities		
Increase in payments to employees due to error 1	-	293 368
Decrease in payments to suppliers due to error 1,2 and 3	-	(293 368)
	-	-

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

56. Related parties

Relationships

Accounting Officers	L Seametso
Councillor N Gelderblom	
Councillor AM Morake	
Councillor MA Mokgatla	
Councillor SJ Dial	
Councillor JR Griffin	
Councillor SJ Majiji	
Councillor II Modisaenyane	
Councillor MS Dude	
Councillor SR Mulhanga	
Councillor WG Zwitwane	
Councillor ML Mathopa	
Councillor PY Mtshawulana	
Councillor NP Nyaqela	
Councillor F Kasonkomona	
Councillor PH Booth	
Councillor MS Pelele	
Councillor ZE Ntshanga	
Councillor T Pheto	
Councillor FD Oortman	
Councillor BS Faku	
Councillor A Bonga	
Councillor PN Fourie	
Councillor BM Plaatjie	
Councillor KV Seitshero	
Councillor RM Sello	
Councillor AB Mdyali	
Councillor JGR Bornman	
Councillor CK Modise	
Councillor PA Du Preez	
Councillor MI Mache	
Councillor TE Sepale	
Councillor Wiese (Holtzhausen)	
Councillor OE Kgwabane	
Councillor KR Latha	
Councillor JT Kgwasi	
Councillor MN Mbele	
Councillor SL Jonas	
Councillor MR Mokhele	
Councillor VO Foboke	
Councillor NJ Tsolela	
Councillor ML Kodisang	
Councillor KE Mabebe	
Councillor TV Chabalala	
Councillor JM Mosupa	
Councillor FC Mahlophe	
Councillor ML Mahumapelo	
Councillor AM Ramphele	
Councillor NM Maseko	
Councillor MM Mosiako	
Councillor A Combrinck	
Councillor MI Mangesi	
Councillor EM Postma	
Councillor PJ Swart	
Councillor FI Tagaree	
Councillor PZM Burrel	
Councillor TS Seabeng	
Councillor SP Sesana	

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

56. Related parties (continued)

Councillor MN Seitisho
Councillor PA Hlekiso
Councillor PM Molutsi
Councillor W Wallhorn
Councillor GLI Cromhout
Councillor ME Mosweu
Councillor KB Kali
Councillor L Scott
Councillor OR Thabanchu
Councillor SP Kloppers
Councillor A Mothupi
Councillor RRB Buys
Councillor CJ Bester
Councillor KL Ross
Councillor JJ Le Grange
Councillor M Coetzee
Councillor TG Khoza
Councillor SOC Barrends
Councillor K Ndincede
Councillor SL Mondlane

Compensation to accounting officers and other key management

Short-term employee benefits	8 941 000	7 600 000

Key management information

Class	Description	Amount
Municipal Manager	TSR Nkhumise TSR Nkhumise was appointed as a Municipal Manager from 01 May 2017 to 30 April 2022	1 235 658
Acting Municipal Manager	L Seametso L Seametso was appointed as acting Municipal Manager from 01 May 2022.	221 364
Acting Chief Financial Officer	P Thelele P Thelele was appointed acting CFO from 01 March 2022	136 283
Acting Chief Financial Officer	BO Kgoete BO Kgoete was appointed as an acting CFO from 01 May 2021 to 28 February 2022.	856 814
Director Public Safety	LJ Nkhumane	1 207 951
Director Economic Development	LL Fourie	1 304 335
Director Planning and Human Settlements	BB Choche	1 432 968
Director Technical and Infrastructure	R Madimutsa	1 432 968
Director Community Development	MM Molawa	1 319 699
Director Corporate Services	L Seametso L Seametso was appointed as Director Corporate services from 01 February 2018 to 30 April 2022	1 005 583

Figures in Rand		2022	2021

56. Related parties (continued)

Acting Director Corporate Services	M Botsheleng M Botsheleng was appointed as acting Director Corporate Services from 01 May to date.	156 009	

57. Risk management

Capital risk management

The municipality's objectives when managing capital are to safeguard the municipality's ability to continue as a going concern in order to provide services for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the municipality consists of debt, which includes the borrowings disclosed in Note 14, cash and cash equivalents disclosed in Note 13, and equity as disclosed in the statement of financial position.

There have been no changes to what the municipality manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Total borrowings			
Current liabilities		2 814 182 526	2 288 569 452
Non-current liabilities		498 272 526	482 376 614
		3 312 455 052	**2 770 946 066**
Less: Cash and cash equivalents	13	213 583 671	242 485 375
Net debt		3 098 871 381	2 528 460 691
Total equity		3 223 786 184	3 847 279 631
Total capital		**6 322 657 565**	**6 375 740 322**

Financial risk management

The municipality’s activities expose it to a variety of financial risks: market risk (including, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The municipality’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality’s financial performance. Risk management is carried out by a central treasury department under policies approved by the . Municipality treasury identifies, evaluates and hedges financial risks in close co-operation with the municipality’s operating units.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, municipality treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The municipality’s risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality’s income and operating cash flows are substantially independent of changes in market interest rates.

The municipality’s interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the municipality to cash flow interest rate risk. Borrowings issued at fixed rates expose the municipality to fair value interest rate risk. During 2022 and 2021, the municipality’s borrowings at variable rate were denominated in Rand.

Credit risk

Figures in Rand	2022	2021

57. Risk management (continued)

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	**2022**	**2021**
Other financial assets	11 337 586	10 776 439
Consumer debtors	460 467 559	559 745 371
Other receivables	7 357	35 575
Cash and cash equivalents	213 583 671	242 485 375

The municipality is exposed by a guarantee for a loan at DBSA and is secured by the Nedbank investment as disclosed in Note 11 .

Notes to the Annual Financial Statements

Figures in Rand	2022	2021

58. Segment information

General information

Identification of segments

The municipality is organised and reports to management on the basis of fiffteen major functional areas: Budget And Treasury Office ,Budget And Treasury Office , Corporate Governance ,Budget And Treasury Office , Community Services ,Budget And Treasury Office , Local Economic Dev & Marketing Tourism ,Budget And Treasury Office , Housing ,Budget And Treasury Office , Civil Engineering ,Budget And Treasury Office , Water Section ,Budget And Treasury Office , City Electrical Engineering ,Budget And Treasury Office , Sewerage ,Budget And Treasury Office , Cleansing ,Budget And Treasury Office , Health ,Budget And Treasury Office , Council General ,Budget And Treasury Office , Market ,Budget And Treasury Office , Public Safety ,Budget And Treasury Office and Sports Arts And Culture. The segments were organised around the type of service delivered. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Budget And Treasury Office	Financial management, debt management, supply chain management, accounting and financial reporting.
Corporate Governance	The mandate of this segmet is to ensure governance structures are in place to ensure a fuctinonally operating entity and also deal with all leagl matters as and when they arise.
Community Services	Providing the community with social services and facilities to enable the all residents to par-take in communal activities.
Local Economic Dev & Marketing Tourism	Promoting the local economy.
Housing	Develop and release land for residential and business purposes
Civil Engineering	Provision of and maintenance roads, bridges and other infrastructure,
Water Section	Providing residents, business and industry with clean, safe and reliable drinking water. Additionally providing water to businesses for irrigattion or mining activities and maintaing the water infrastructure.
City Electrical Engineering	Distributing electricity to residential and commercial consumers. Also maintaining electrical infrastructure.
Sewerage	Treating wastewater and safely disposing it and maintaining the infrastructure to ensure compliance with enviromental requirements.
Cleansing	Collecting and disposing of waste in a safe manner, as required by legislation. Ensuring the general cleanliness of the muncipal public areas.
Health	Providing employees with a safe and healthy working environment. Promoting employee wellness.
Market	Providing fresh produce to the community and related stakeholders
Public Safety	Protecting the public. Safeguarding the community from disasters and potential danger and threats. Ensuring compliance with road regulations.
Sports Arts And Culture	Promoting the diverse cultures present in the local community. Promoting local sports and arts

Notes to the Annual Financial Statements

Figures in Rand

58. Segment Information (continued)

Segment assets and liabilities as at 30 June 2022

	BUDGET AND TREASURY OFFICE	CORPORATE GOVERNANCE	COMMUNITY SERVICES	LOCAL ECONOMIC DEV & MARKETING TOURISM	HOUSING	CIVIL ENGINEERING	WATER SECTION	CITY ELECTRICAL ENGINEERING	SEWERAGE	CLEANSING	HEALTH	COUNCIL GENERAL	MARKET	PUBLIC SAFETY	SPORTS ARTS AND CULTURE	UNALLOCATED	GRAND TOTAL
Assets																	-
Current Assets																	-
Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38 539 180	38 539 180
Receivables from exchange transactions					1 689 694			390 000				- 405 862		165 718			1 839 550
VAT receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	206 843 375	206 843 375
Consumer debtors	165 833 681						148 162 755	35 223 292	21 691 396	38 226 883						51 329 552	460 467 559
Other receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7 357	7 357
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	213 583 671	213 583 671
Total Current Assets	165 833 681	-	-	-	1 689 694	-	148 162 755	35 613 292	21 691 396	38 226 883	-	- 405 862	-	165 718	-	510 303 135	921 280 692
Non-Current Assets																	
Investment property	-	-	-	-	349 864 970	-	-	-	-	-	-	-	-	-	-	-	349 864 970
Property, plant and equipment	39 748 810	2 978 227	202 180 254	103 842	115 147 059	1 787 606 467	952 568 279	910 024 384	809 375 902	3 249 889	7 747 497	16 552 880	60 149 135	66 360 269	228 193 268	-	5 201 986 162
Intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 297 383	1 297 383
Heritage assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9 979 859	-	9 979 859
Other financial assets	11 337 586	-		-	-	-	-	-	-	-	-	-	-	-	-	-	11 337 586
Eskom Deposit	-	-	-	-	-	-	-	38 462 885	-	-	-	-	-	-	-	-	38 462 885
Nature reserve wildstock	-	-	2 031 699	-	-	-	-	-	-	-	-	-	-	-	-	-	2 031 699
Total Non-Current Assets	**51 086 396**	**2 978 227**	**204 211 953**	**103 842**	**465 012 029**	**1 787 606 467**	**952 568 279**	**948 487 269**	**809 375 902**	**3 249 889**	**7 747 497**	**16 552 880**	**60 149 135**	**66 360 269**	**238 173 127**	**1 297 383**	**5 614 960 544**
Total Assets	**216 920 077**	**2 978 227**	**204 211 953**	**103 842**	**466 701 723**	**1 787 606 467**	**1 100 731 034**	**984 100 561**	**831 067 298**	**41 476 772**	**7 747 497**	**16 147 018**	**60 149 135**	**66 525 987**	**238 173 127**	**511 600 518**	**6 536 241 236**
Liabilities																	
Current Liabilities																	
Other financial liabilities	3 502 848	-	-	-	-	-	-	-	-	-	-	-	-	-	-		3 502 848
Payables from exchange transactions	125 135 617	5 968 461	5 492 616	1 816 182	14 015 329	34 816 512	1 086 795 579	1 224 630 894	18 108 010	569 320	11 807 564	45 991 735	4 281 892	80 467 607	9 917 995	20 829 380	2 690 644 691
Consumer deposits	-	-	-	-	-	-	-	41 774 897	-	-	-	-	-	-	-		41 774 897
Employee benefit obligation	19 178 000	-	-	-	-	-	-	-	-	-	-	-	-	-			19 178 000
Unspent conditional grants and receipts	40 604	-	- 2 908 090	-	-	190 640 905	49 501 438	- 124 983 772	- 19 073 971	-	-	4 794 460	- 26 096 157	9 009 230	- 57 651 435		23 273 214
Distributions payable	-	-	-	-	35 808 876	-	-	-	-	-	-	-	-	-			35 808 876
Total Current Liabilities	**147 857 069**	**5 968 461**	**2 584 526**	**1 816 182**	**49 824 205**	**225 457 418**	**1 136 297 017**	**1 141 422 019**	**- 965 962**	**569 320**	**11 807 564**	**50 786 195**	**- 21 814 264**	**89 476 837**	**- 47 733 441**	**20 829 380**	**2 814 182 526**
																	-
Non-Current Liabilities																	-
Other financial liabilities	33 472 410	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33 472 410
Employee benefit obligation	324 755 260	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	324 755 260
Provisions	-	-	-	-	-	140 044 856	-	-	-	-	-	-	-	-	-	-	140 044 856
Total Non-Current Liabilities	**358 227 670**	**-**	**-**	**-**	**-**	**140 044 856**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**498 272 526**
																	-
Total Liabilities	**506 084 739**	**5 968 461**	**2 584 526**	**1 816 182**	**49 824 205**	**365 502 274**	**1 136 297 017**	**1 141 422 019**	**- 965 962**	**569 320**	**11 807 564**	**50 786 195**	**- 21 814 264**	**89 476 837**	**- 47 733 441**	**20 829 380**	**3 312 455 052**
Net Assets	**- 289 164 662**	**- 2 990 234**	**201 627 427**	**- 1 712 340**	**416 877 518**	**1 422 104 193**	**- 35 565 983**	**- 157 321 458**	**832 033 260**	**40 907 452**	**- 4 060 067**	**- 34 639 177**	**81 963 399**	**- 22 950 850**	**285 906 568**	**490 771 138**	**3 223 786 184**
																	-

Notes to the Annual Financial Statements

Figures in Rand

58. Segment Information (continued)

Segment surplus/deficit for the year ended 30 June 2022

	BUDGET AND TREASURY OFFICE	CORPORATE GOVERNANCE	COMMUNITY SERVICES	LOCAL ECONOMIC DEV & MARKETING,TOURISM	HOUSING	CIVIL ENGINEERING	WATER SECTION	CITY ELECTRICAL ENGINEERING	SEWERAGE	CLEANSING	HEALTH	COUNCIL GENERAL	MARKET	PUBLIC SAFETY	SPORTS ARTS AND CULTURE	Grand Total
Revenue																
Revenue from exchange transactions																
Market Dues	-	-	-	-	-	-	-	-	-	-	-	-	(18 771 956)	-	-	(18 771 956)
Service Charges	-	-	-	-	-	-	(649 775 466)	(872 296 577)	(125 337 767)	(167 811 716)	-	-	-	-	-	(1 815 221 525)
Rental of facilities and equipment	-	-	(2 157)	(543)	(3 970 782)	-	-	-	-	-	-	-	- 86 313.21	-	(157 894)	(4 217 688)
License fees	-	-	-	-	-	-	-	-	-	-	-	-	-	(8 686 802)	-	(8 686 802)
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	(13 735 741)	-	(13 735 741)
Connections and reconnections	-	-	-	-	-	-	(760 738)	(85 106 039)	(17 843)	-	-	-	-	-	-	(85 884 620)
Rental income	-	(164 866)	(198 711)	-	-	-	-	-	-	-	-	-	(2 195 796)	(19 912)	- 18 439.35	(2 597 724)
Insurance fees	(3 174 222)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3 174 222)
Other income	(2 285 625)	(1 124 763)	(2 384 913)	-	(5 040 229)	(2 996 467)	(65 464)	(44 374)	-	(87)	-	(645 546)	(39 973)	(840 987)	(212 135)	(15 680 564)
Interest received	(112 030 386)	-	-	-	-	-	(205 181 986)	(44 797 708)	(3 165 388)	(106 752 865)	-	-	(39 318)	-	-	(471 967 651)
Total revenue from exchange transactions	**(117 490 233)**	**(1 289 629)**	**(2 585 780)**	**(543)**	**(9 011 012)**	**(2 996 467)**	**(855 783 654)**	**(1 002 244 698)**	**(128 520 998)**	**(274 564 668)**	**-**	**(645 546)**	**(21 133 356)**	**(23 283 442)**	**(388 468)**	**(2 439 938 492)**
Revenue from non-exchange transactions																
Property rates	(451 441 226)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(451 441 226)
Interest from Property rates	(43 424 197)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(43 424 197)
Donations received	-	-	(1 016 401)	-	(24 000 000)	-	-	-	-	-	-	-	-	-		(25 016 401)
Revenue in kind					(218 892 037)											(218 892 037)
Government grants and subsidies	(487 219 131)	-	-	-	-	(64 039 076)	(24 012 117)	(15 057 431)	(15 318 768)	-	-	-	(15 729 636)	(15 897 319)	(30 768 755)	(668 042 233)
Fines, Penalties and Forfeits	-	-	-	-	-	-	-	(318 100)	-	-	-	-	-	(4 852 508)	-	(5 170 607)
Total revenue from non-exchange transactions	**(982 084 555)**	**0**	**(1 016 401)**	**0**	**(242 892 037)**	**(64 039 076)**	**(24 012 117)**	**(15 375 530)**	**(15 318 768)**	**0**	**0**	**0**	**(15 729 636)**	**(20 749 827)**	**(30 768 755)**	**(1 411 986 702)**
Total revenue	**(1 099 574 788)**	**(1 289 629)**	**(3 602 181)**	**(543)**	**(251 903 049)**	**(67 035 544)**	**(879 795 771)**	**(1 017 620 228)**	**(143 839 766)**	**(274 564 668)**	**-**	**(645 546)**	**(36 862 992)**	**(44 033 268)**	**(31 157 223)**	**(3 851 925 194)**
Expenditure																
Employee related costs	71 169 013	45 837 060	49 586 566	7 109 558	14 698 855	60 475 044	41 138 377	55 400 510	48 949 881	70 399 498	7 141 182	30 014 157	9 386 744	118 675 083	46 803 175	676 784 703
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	34 189 333	-	-	-	34 189 333
Depreciation and amortisation	722 568	0	198 532.67	10 148	14 331	93 158 643	130 689 522	56 281 946	51 604 799	109 943.76	55 775	2 132 818	3 550 136	24 199 944	421 662	363 150 766
Impairment loss - Reversal of impairments	-	-	12 988 846.71	-	1 873 137.22	18 644 583.31	84 418.62	559 813.30	986 818	76	-	56 628.38	5 397.52	2 550.01	7 578.05	35 209 847
Finance costs	143 598 625	118 806.77	-	-	-	12 015 584	135 941.94	98 976.40	100 000.00	-	-	851 007	-	-	-	156 918 940
Rental and lease expenditure	8 318 165	-	5 525 383	-	-	14 769 697.65	19 677 843	2 098 830.78	-	46 271 091	-	10 191 850	-	-	-	106 852 860
Debt impairment	624 837 272	-	-	-	-	-	399 461 183	73 428 630	80 912 104	106 147 272	-	-	-	-	-	1 284 786 461
Revenue loss	-	-	-	-	-	-	-	-	-	-	-	-	3 149 521	-	-	3 149 521
Repairs and maintenance	5 582 291	562 499	6 636 112	10 292	49 282	28 615 988	18 848 953	57 039 399	17 380 115	45 471 893	0	240 150	1 466 906	21 137 952	3 120 516	206 162 348
Bulk purchases	-	-	-	-	-	-	388 987 628	874 375 148	-	-	-	-	-	-	-	1 263 362 776
Contracted Services	4 384 679	-	468 916	-	-	-	38 472 843	-	5 539 751	1 112 829	1 006 809	16 381 166	544 424	38 637 458	-	106 548 875
General expenses	54 087 659	10 030 624	3 851 776	928 517	850 910	3 890 851	3 427 110	54 472 789	6 217 224	6 960 867	156 036	58 643 998	3 260 954	15 367 020	3 304 956	225 451 289
Total expenditure	**912 700 272**	**56 548 989**	**79 256 133**	**8 058 514**	**17 486 514**	**231 570 391**	**1 040 923 818**	**1 173 756 043**	**211 690 691**	**276 473 470**	**8 359 802**	**152 701 107**	**21 364 083**	**218 020 006**	**53 657 887**	**4 462 567 719**
Operating (Surplus) / Deficit	(186 874 516)	55 259 360	75 653 953	8 057 972	(234 416 534)	164 534 847	161 128 047	156 135 815	67 850 925	1 908 802	8 359 802	152 055 561	(15 498 909)	173 986 738	22 500 664	610 642 525
Loss on disposal of assets and liabilities	7 919 788	-	-	-	-	1 180 603	9 823 104	1 128 139	-	-	-	1 381 971	-	-	-	21 433 606
Fair value adjustments	(561 147)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(561 147)
Actuarial gains - losses	(9 386 000)	-	-	-	-	-	-	-	-	-	-	- 1 137 000.00	-	-	-	(10 523 000)
Inventories losses - write-downs	271 692	-	-	-	-	-	-	-	-	-	-	-	-	-	-	271 692
(Surplus) / Deficit for the period	**(188 630 182)**	**55 259 360**	**75 653 953**	**8 057 972**	**(234 416 534)**	**165 715 450**	**170 951 152**	**157 263 954**	**67 850 925**	**1 908 802**	**8 359 802**	**152 300 531**	**(15 498 909)**	**173 986 738**	**22 500 664**	**621 263 676**

City of Matlosana
Appendix A

Schedule of external loans as at 30 June 2022

Loan Number	Redeemable	Balance at June 30, 2021	Received during the period	Redeemed written off during the period	Balance at June 30, 2022	Carrying Value of Property, Plant & Equip	Other Costs in accordance with the MFMA
		Rand	Rand	Rand	Rand	Rand	Rand
Development Bank of South Africa							
DBSA @ 14.75%	103677/1	1-Nov-2025	16,020,739	-	3,154,561	12,866,178	
		16,020,739	**-**	**3,154,561**	**12,866,178**	**-**	**-**



Final consolidation of this report was done by the Performance Management Unit

Tel: +27 18 487 8520 | Fax: +27 86 528 5221
strategic@klerksdorp.org | www.matlosana.gov.za
C/O OR Tambo & Bram Fischer Street | P.O. Box 99, Klerksdorp, 2570

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