

BLOUBERG MUNICIPALITY



2022/23 ANNUAL REPORT

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1. TABLE OF ACRONYMS AND ABBREVIATIONS

MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MPAC	Municipal Public Account Committee
MTAS	Municipal Turn Around Strategy
MSIG	Municipal Systems Improvement Grant
MTOD	Municipal Transformation and Organisational Development
MW	Municipal Wide
N/A	Not applicable
OPEX	Operational Expenditure
PIA	Project Implementing Agent
PMS	Performance Management System
PMU	Project Management Unit
RA	Registering Authority
R & S	Roads and Storm Water division
SCM	Supply Chain Management
SLP	Social and Labour Plan
SDBIP	Service Delivery and Budget Implementation Plan
SG	General Plan
SPE	Spatial Planning and Environment
TBC	To be Confirmed
WAC	Ward AIDS Council
WSP	Workplace Skills Plan

2. DEFINITIONS OF CONCEPTS

- 2.1. **Accounting Officer** in relation to a municipality means a municipal official referred to in section 60 of the Municipal Finance Management Act and has the same meaning as Municipal Manager
- 2.2. **Chief Financial Officer** means a person who is designated in terms of section 80(2) (a) of the Municipal Finance Management Act
- 2.3. **Financial year** means the financial year of a municipality commencing on 1 July each year and ending on 30 June of the following year
- 2.4. **Mayor** means the mayor of a municipality as elected in terms of the Municipal Structures Act
- 2.5. **Senior Manager** means a municipal manager or acting municipal manager appointed in terms of section 57 of the Municipal systems Act, and includes a manager directly accountable to a municipal manager in terms of section 56 of the Act

ANNUAL REPORT 2022/23

OUR VISION

participatory municipality that turns prevailing challenges into opportunities for growth and development through optimal utilization of available resources.

1. OUR MISSION

to ensure delivery of quality services through community participation and creation of an enabling environment for economic growth and job creation

2. OUR MOTTO

Kodumela Moepa Thutse

3. OUR VALUES

Transparency, Diligence and Honesty

GENERAL INFORMATION

NAME OF ORGANISATION	BLOUBERG LOCAL MUNICIPALITY
TYPE OF ORGANISATION	LOCAL GOVERNMENT/ MUNICIPALITY CATEGORY B
PROVINCE	LIMPOPO
DISTRICT	CAPRICORN
REGISTERED PHYSICAL ADDRESS	MOGWADI/ DENDRON ROAD SENWABARWANA 0790
POSTAL ADDRESS	BOX 1593 SENWABARWANA 0790
TELEPHONE	015 505 7100
FAX	015 505 0296
EMAIL	<u>INFO@BLOUBERG.GOV.ZA</u>
WEBSITE	<u>WWW.BLOUBERG.GOV.ZA</u>
BANKERS	ABSA BANK LIMITED
SATELLITE OFFICES	ALLDAYS SATELLITE ELDORADO SATELLITE TOLWE SATELLITE LANGLAAGTE SATELLITE INVERAAN SATELLITE HARRISWICH SATELLITE
AUDITORS	AUDITOR GENERAL OF SOUTH AFRICA
MAYOR	CLLR MARIA THAMAGA
ACCOUNTING OFFICER/ MUNICIPAL MANAGER	RAMOTHWALA REFILWE

A. FOREWORD BY THE HONORABLE MAYOR: CLLR THAMAGA MARIA

FOREWORD BY THE HONORABLE MAYOR OF BLOUBERG MUNICIPALITY CLLR THAMAGA N.M



James en here ons bring hierdie 2022/2023 Jaarlikse rapport voor die muniesipale raad om te bewys hoe ons gewerk het om die dienste aan ons mense in die verlede jaar afgelewer het.

We present this report to cover the performance of the municipality for the year 2022/2023 in relation to the approved IDP/Budget 2022/2023. This annual report is compiled in terms of the guidelines provided by the Local Government: Municipal Finance Management Act, Act 56 of 2003. The MFMA circular no 11 issued by the treasury provides guidelines on the reporting format for the compilation of the municipality and its entities in the formulation of their annual reports. Blouberg local municipality also presents its draft annual report 2022/2023 in terms of the prescribed guidelines.

It should be noted that the year under view saw the municipality embarking in a robust and intensive service delivery campaign. The major focus was the maintenance of the road infrastructure and waste management. The program started with the identification of the access roads and internal streets that require urgent attention. The critical roads under the department of Roads Infrastructure and Public Works also came under the scrutiny and there was commitment made in that regard in relation to upgrading some of these roads in particular roads: D887, D1589-D3287, D3293, RAL/T988 and maintenance of RAL/1123 road from Indermark- Vivo road.

There was also notable progress with regard to the implementation of Venetia mine Social and Labor Plan although the municipality grappled with the issue of land for the construction of hawkers' stalls in Alldays. Transnet and negotiations on the transfer of own the land earmarked for the project that particular land to the municipality is ongoing.

The other milestone with the SLPs implementation saw the installation of the solar streetlights in the Senwabarwana town and the solar powered high mast lights in the five traditional authorities.

Various meetings were held with the management from Venetia mine to try and align the next generation SLP with municipal DP priorities as the current one is expiring in 2023. The engagements were delayed by the change in positions and resignations from the mine officials.

The municipality's point of departure is that the mine SLP should address the catalytic projects such as the roads upgrading and bulk infrastructure services.

The year under view saw several meetings convened with all the prospective mining companies with interests in the municipality. These mining companies made the commitments through their respective SLPs. We hope to secure a piece of land in Vivo area for the construction of the hawker's stalls and the installation of solar street lights by Bergpan Crystal Salt Works Company.

The piece of land is owned by Vivo- VKB and leased by Bobrak rivier Boerevereniging.

The municipality managed to purchase plant for the maintenance of roads in the form graders.

The municipality was further donated with waste trucks for waste management service program with two from Capricorn District Municipality and one from the department of Environment, Forestry and Fisheries.

The waste skip bins were distributed to some key points in line with the integrated waste management plan.

With regard to land issues, council continued to dispose-off both business and residential sites in Alldays and Senwabarwana. In Alldays both extensions 02 and 03 and in Senwabarwana both Extension 09 and 10 have been disposed-off. The challenge is that this exercise is done even when there are no bulk services to avoid land invasions in the area. Council missed on the opportunity to purchase in Tolwe because of the budgetary constraints.

There was a prime land for both residential and business development mainly because of the mining prospects coming to the area. Nakedi Mining Solutions has the mining rights for manganese in the area. This council must note that all the mining companies in the municipality are collaborating well with us there are no major challenges.

Council had been grappling with the land invasions around Senwabarwana in Extension 09 and 10 and Bochem 143. The case involving Bochem 143 was concluded in the high court in favour of the Municipality. With the Senwabarwana Extension 09 invasion, the case is still in the court of law and we hope for the positive finalization in the New Year.

The municipality had a challenge of filling in vacant senior managers positions since the resignations of the senior managers from the departments of: Economic Development and Planning, Community Services, Technical Services. The municipal manager's position was filled with Mr. Ramothwala R.J, from Corporate Services department. This means that the municipality have been operating with the Acting positions for some time now. All the vacant positions have been advertised and recruitment processes have unfolded but waiting to conclude the appointment process.

The year 2022/2023 saw robust programs developed, the planning tribunal matters that were stagnant were unblocked and construction of the Blouberg mall phase one commenced. However, the year also saw the expiry of the district planning tribunal wherein municipalities were supposed to constitute their own municipal planning tribunals.

The municipality obtained QUALIFIED AUDIT OPINION and the basis for the qualification was on assets. We are committed to obtain clean audit.

The overall performance of the Municipality in line with six key performance areas is per the table below

Key performance area	Total Annual Targets	Total Annual Targets Achieved	Total Annual Targets not Achieved	Overall Percentage of Targets achieved
Basic Service and Infrastructure Development	34	25	9	73 %
Municipal Transformation and Organisational Development	32	28	4	87%
Local Economic Development	4	3	1	75 %
Financial Viability and Management	16	15	1	94%
Good Governance and Public Participation	35	35	0	100%
Spatial Planning	2	2	0	100%
Overall Total Municipal Targets	123	108	15	88 %

N.B. Refer to Chapter for details

re kodumeleng go epa thutse

HAMAGA N.M
MAYOR

CHAPTER ONE: OVERVIEW AND EXECUTIVE SUMMARY

CHAPTER ONE: OVERVIEW AND EXECUTIVE SUMMARY

1.1 NOTICE OF ESTABLISHMENT AND BRIEF BACKGROUND

Blouberg Local Municipality was established in terms of the demarcation notice as NP351 in the Extraordinary Gazette 100 of October 2000. The municipality is a category B as determined in terms of section 4 of the Local Government: Municipal Structures Act No 117 of 1998.

It is the municipality with a collective executive system contemplated in section 2(a) of the Northern Province Determination of Types of Municipalities Act (4) of 2000. The boundaries are indicated in map 13 of the demarcation notice. The name of the municipality is Blouberg named after the Blouberg Mountains. Blouberg Local Municipality was originally established in the year 2000 after the amalgamation of the Tlokoeng- My-Darling TLC, Alldays –Buysdorp TLC and other portions of Moletjii- Matlala TLC. This municipality is one of the four municipalities constituting Capricorn District municipality. Other municipalities constituting the Capricorn District municipality are: Lepelle-Lkumpi, Molemole and Polokwane.

Blouberg Local Municipality is situated approximately 95 kilometers from Polokwane towards the far northern part of the Capricorn District municipality. It is bordered by Polokwane on the south, Molemole on the southwest, Makhado on the northeast, Lephalale on the northwest, Mogalakwena on the southwest and Musina on the north.

Variable	Community Survey 2007	Census 2011	Community Survey 2016
Wards	19	21	22
Number of Villages	125	125	137
Number of Households	35 595	41 416	43 747
Population	194 119	162 625	172 601

The above table depicts Municipal demographic trends since 2006. The number of Wards and settlements have increased due to 2006 and 2016 Municipal Demarcation processes respectively. That has resulted in some villages demarcated into Blouberg Municipality. In the year 2006 the government approved the decision by the municipal demarcation board to incorporate settlements of Vivo, Tolwe, Maastroom, and Swartwater Baltimore Uitkyk NO 1 which were in the Makhado Local municipality, Lephalale and Aganang Local municipality. (**Notice 42, Gazette 1314, December 2006**). The disestablishment of Aganang Local Municipality in 2016 resulted in the following villages demarcated into Blouberg Local Municipality; Burgwal, Cooperspark, Mankgodi, Terrebrugge, Leokaneng, Pinkie, Sebotse, Rosenkrantz, Igwanallela, Mamehlabe, Boslagte and Prospect.

1.2 REGIONAL CONTEXT

Blouberg Local municipality is a predominantly rural municipality situated to the north-western boundary of the Republic of South Africa, with Botswana and Zimbabwe. Roads **R521 (P94/1 and P94/2)** provides a north-south link between Blouberg and Molemole, Polokwane and Makhado municipality. To the east the municipality is served by road **R523 (D1200)** which provides access to the towns such as Mogwadi, Morebeng, Duiwelskloof, Tzaneen and Lephalale. There is another important road (**N11**) from Mokopane town to Botswana that passes through the municipality, which has the potential to stimulate economy.

These road networks serve as key important linkages, which serve as corridors and gateways to major economic destinations (Venetia Mine, Coal of Africa and Lephalale such as Coal mines and Medupi power station).

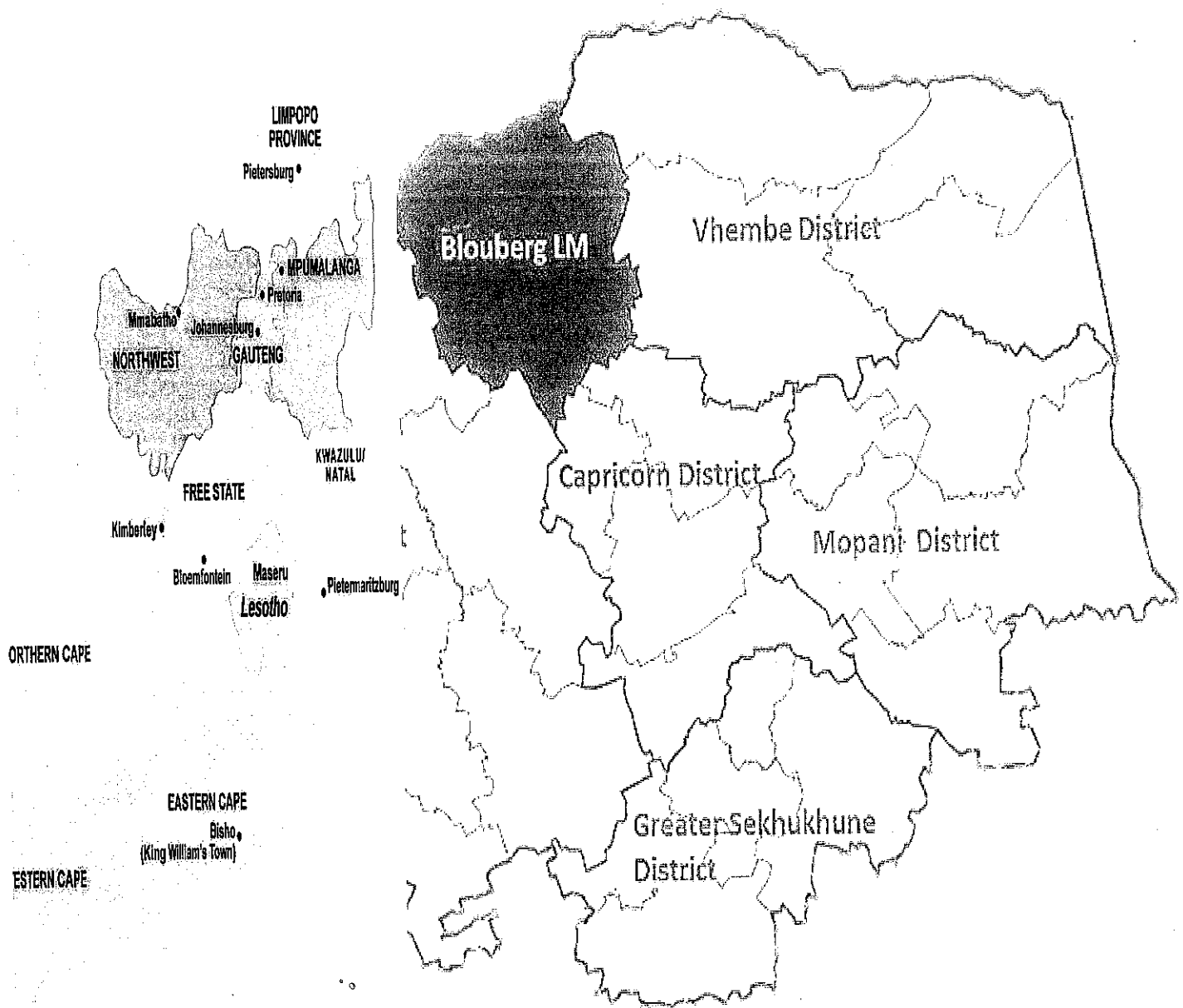
It is therefore imperative for the municipality to optimize the potential these important routes pose not only for access and mobility but also for economic development, especially for stimulating tourism development.

There are big rivers and tributaries that traverse the municipality with Mogalakwena being the biggest one. The Limpopo River serves as the border between the municipality and the neighbouring country of Botswana. As a result, the municipality is a gateway to the neighbouring countries. The rivers in the main are used for agricultural purposes by farmers, but again for domestic use by communities, which experience water shortages.

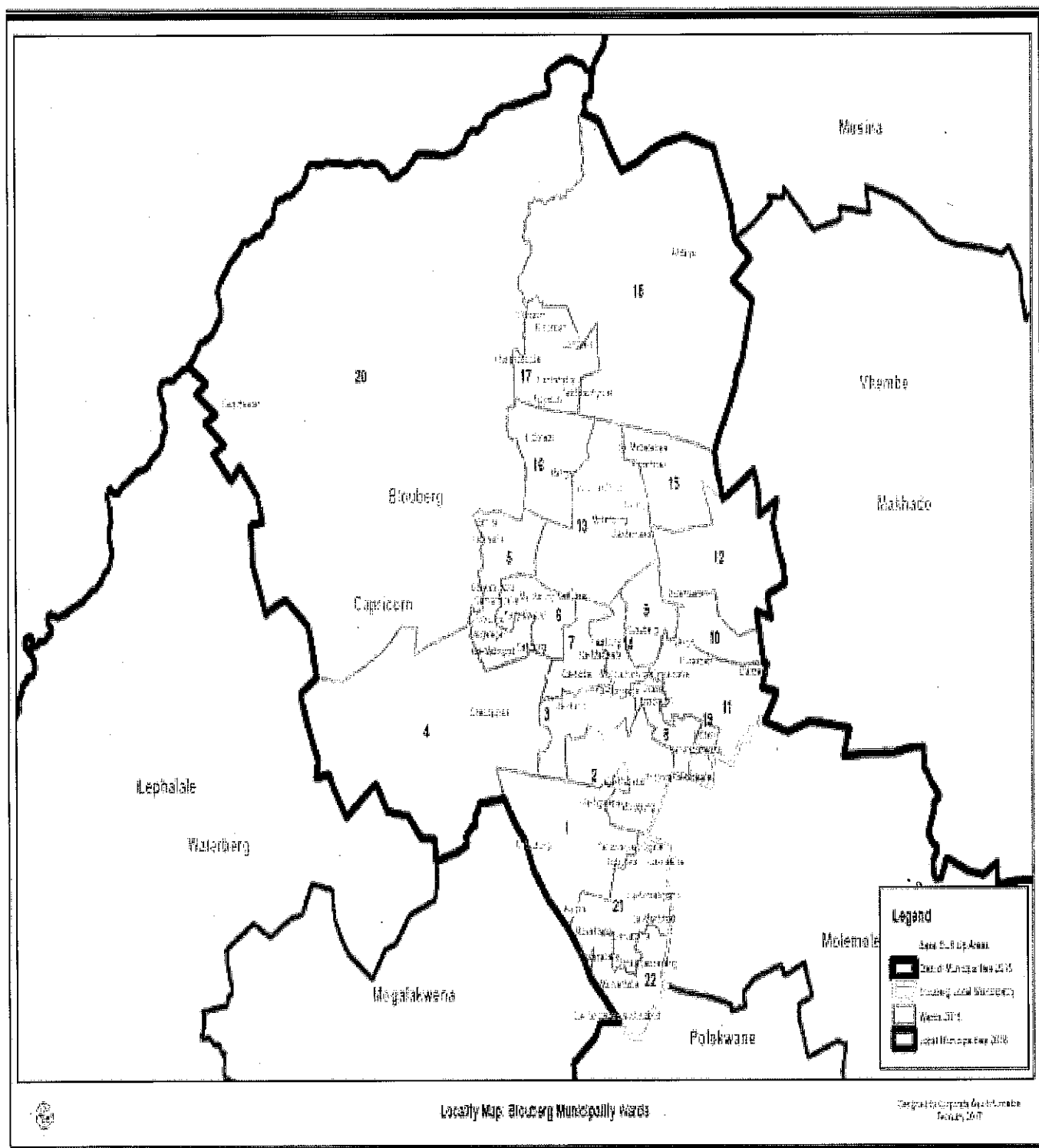
There are various mountain ranges found within the municipality with the Blouberg Mountain being the biggest mountain. The other mountains are the Makgabeng, which was declared the national heritage site because of its historical significance. The municipality is divided into three visible categories of land ownership. There is a portion of land owned by private individuals, which consists mainly of farms that are used for agricultural purposes, land owned by traditional leaders where large communities reside and live and state land.

Large parts of the municipality consist of private farms used for agricultural purposes

Map 1) Map of South Africa and Limpopo Province depicting the location of Blouberg Municipality within the Limpopo Province, in particular, and the country, in general.



Map 2: Blouberg map depicting its wards and outer boundaries



.2. POWERS AND FUNCTIONS

The provision and maintenance of child care facilities	Cleansing
Development of local tourism	Control of public nuisances
Municipal Planning	Control of undertaking that sell liquor to the public
Municipal Public Works	Fencing and fences
Municipal Public Transport	Ensuring the provision of facilities for accommodation, care and burial of animals
Storm Water management system	Licensing of dogs
Administration of trading regulations	Licensing and control of undertakings that sell food to the public
Provision and maintenance of water and sanitation (need to amend the notice of establishment as the function lies with the CDM at present)	Administration and maintenance of local amenities
Administration of billboards and display of advertisements in public areas	Development and maintenance of sports facilities
Administration of cemeteries, funeral parlours and crematoria	Development and administration of markets
Cleansing	Development and maintenance of municipal parks and recreation
Regulation of noise pollution	
Administration of pounds	
Development and maintenance of public places	
Refuse removal, refuse dumps and solid waste disposal	
Administration of street trading	
Provision of municipal health services (need to amend the notice of establishment as the function lies with the CDM at present)	
Electricity Provision	
Regulation of noise pollution	

.3 ENERGY PROVISION

The municipality is the energy services authority as it has license and is responsible for implementation and reticulation of electricity in all the areas of jurisdiction alongside Eskom. To date all the settlements in the municipal areas except for the extensions that do not have access to electricity. However the Municipality with the assistance of ESKOM annual connects extensions.

.4 ROADS AND PUBLIC TRANSPORT

The municipality is responsible for municipal roads only while there are roads assigned to RAL and SANRAL.

The municipality has developed and approved the Integrated Transport Plan

.5. WATER AND SANITATION

Mapicorn District municipality is both the water services authority and provider for water and sanitation.

The district is also responsible for operation and maintenance

.6. REFUSE REMOVAL /WASTE COLLECTION

The municipality has approved the integrated waste management plan and is the only authority that manages waste removal and collection. The exercise is done in the towns of Senwabarwana and Alldays and in other 11 villages. The function is rendered on daily basis in both Senwabarwana and Alldays and bi-weekly in other villages.

The municipality has two landfill sites and one transfer station.

.7. HOUSING PROVISION

The provincial department of CoGHSTA renders the function while the municipality coordinates and identifies beneficiaries. To date about 200 low cost houses have been completed in the municipality.

6 units were allocated to Blouberg and were all completed for the period under review

.8. LOCAL ECONOMIC DEVELOPMENT

The pillars of the economy in the municipality are agriculture, mining, tourism and retail development.

To date mining prospects are growing in both wards 01, 02, and 03, while Venetia mine has moved from being open cast to underground mining activity. Agriculture remains the strongest pillar as it contributes two-thirds of the local GDP.

The second sector is the retail development, which is hampered by lack of land for development.

Most of the employment created was through municipal capital works program and EPWP.

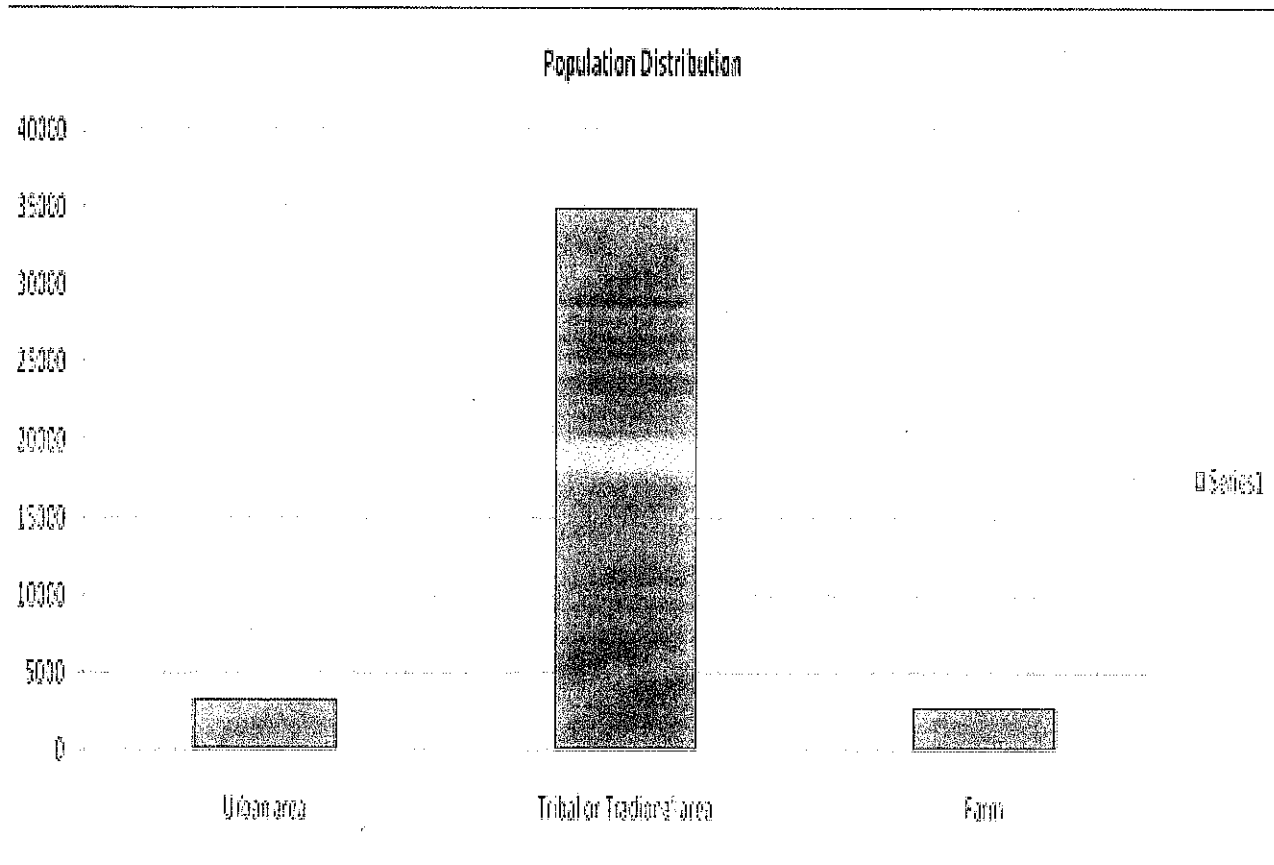
.9. NATURAL RESOURCES

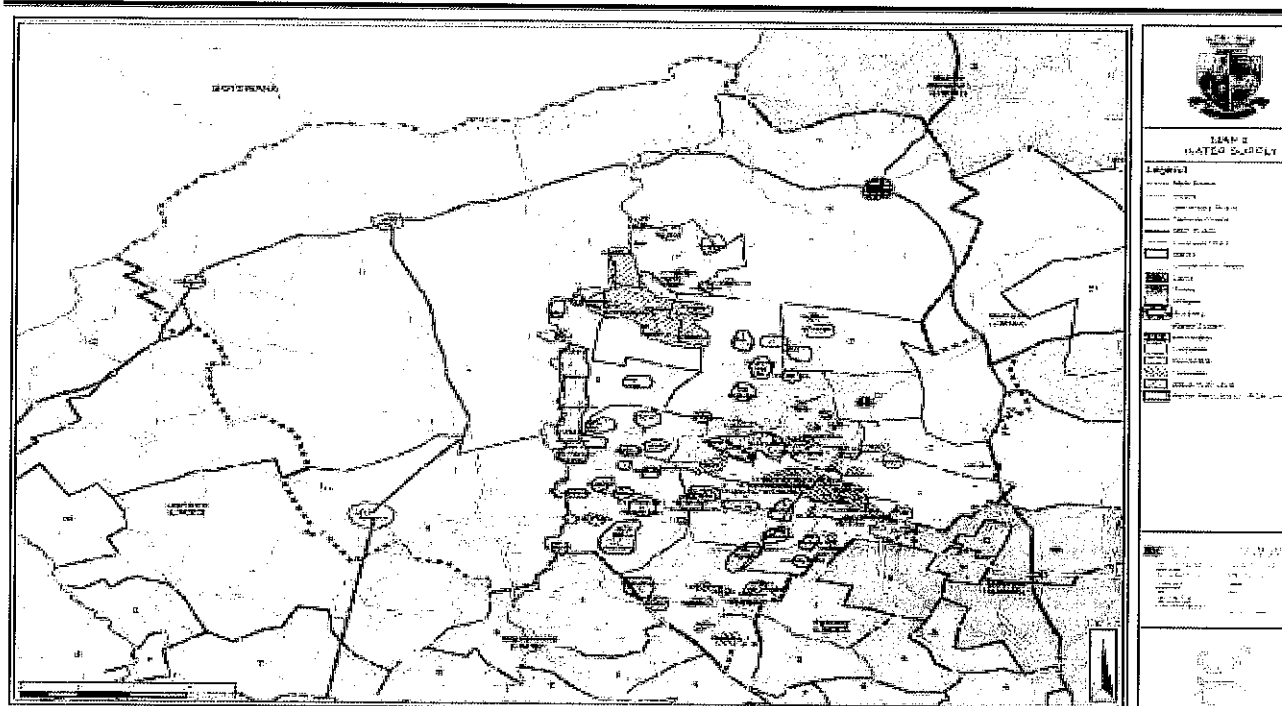
Rivers and Streams	Livestock water and farming
Mountains and Hills	Heritage and Historical sites
Game Reserves and Farms	Wild game preservation and conservation
Wetlands and Swamps	Heritage sites

10 DEMOGRAPHICS

According to Stats SA the municipality has five national groupings that residing within its area of jurisdiction and they are: Black Africans, Coloured, Indians and Whites. The majority is Black Africans who constitute 98% of the total population and live in the tribal areas. The female folk are dominant and the majority is youths.

The graph below clearly indicates the population distributions of the municipal population.





11. STATISTICAL INFORMATION AND WARD PROFILING

11.1. STATISTICS SOUTH AFRICA (Census 2011 & Community Survey 2016)

ITEM	(Census Stats) 2001	2007(Community Survey)	Census Stats SA 2011	Community Survey 2016
POPULATION	171 721	194 119	162 629	172 601
HOUSEHOLDS	33 468	35 595	41 192	43 747

11.2. POPULATION GROUP BY GENDER

GROUP	MALE	FEMALE	TOTAL
BLACK AFRICAN	73195	87 880	161075
COLOURED	40	26	65
INDIAN	129	22	151
WHITE	540	466	1006
OTHER	249	83	332

. SERVICE DELIVERY OVERVIEW

For the financial year under view all the capital projects were completed in time except for electricity extensions and Senwabarwana substation. All these projects were rolled over to 2022/23 financial year but could not be implemented as there was no allocation for INEP grant for the period under review.

The beneficiaries of the free basic alternative energy continued to access the services.

.1. COMMENT ON ACCESS TO BASIC SERVICES

Electricity provision is currently at 98% as the municipality has license.

There is still a huge backlog on the access to sanitation services while water sources remain the challenge.

The problem of the illegal water connection and vandalism of the infrastructure persist.

There is also a remarkable backlog in the provision of low cost houses.

The provision of free basic Services is also not adequately done.

The municipality is having the backlog in the maintenance and upgrading of the roads.

The roads are mainly the provincial and national roads.

Access to land for both residential and business development is a challenge.

Waste and refuse management is a challenge due to limited resources.

The municipal turnaround time in addressing disruptions and complaints has improved tremendously.

.1.2. FINANCIAL HEALTH OVERVIEW

Ilouberg is a rural municipality and one of the poorest in the province. The table above showed that 90% of the population lives in the rural areas. The report by Statistics South Africa indicated the bleak state of affairs with high poverty levels, unemployment and illiteracy rates. The status definitely have a bearing on the financial state of the municipality. The municipality is dependent on the grants from national treasury while only 30% is own revenue.

The grants are equitable shares, Municipal Infrastructure grant, integrated national electrification programme, Municipal infrastructure grant and EPWP grant.

The sources for own revenue are: Sale of electricity (Pre-paid and Conventional), Sale of Sites, Assessment rates, Traffic services, Refuse collection and removal, Pound Services and Service Charges.

The revenue collection is relatively low as there is limited revenue base. The majority of the population comprise of the indigents. It is a challenge in the payment of the services and the municipality applies debt control measures.

The austerity measures had to be applied to manage cash flow in the municipality.

Without reliable revenue sources the municipality is not financially viable and sustainable.

1.3. AUDITOR GENERAL REPORT FOR 2022-23 AND PREVIOUS FINANCIAL YEARS

The auditor general's office audits the municipalities for the period July- June every year in line with their financial cycle. The focus of the audit is always on Statement of financial position, Statement of financial performance, Statement of changes in net assets and cash flow statements, performance information and implementation of policies.

For the financial years, 2018-19, 2019-20, 2020-21, 2021/22 and 2022-23 the opinion is thus

2018/19	2019/20	2020/21	2021/22	2022/23
UNQUALIFIED OPINION	UNQUALIFIED OPINION	UNQUALIFIED OPINION	UNQUALIFIED OPINION	QUALIFIED OPINION

The issues raised in the auditor general report are addressed through the development of the audit action plan.

The full report is contained in the Chapter 6 of the Auditor General report.

1.4. STATUTORY ANNUAL REPORT PROCESS

01	Consideration of the next financial years IDP/Budget process plan	August
02	Compilation of the fourth quarter performance report and annual performance report	August
03	Compilation of the Annual Financial Statements	August
04	Audit Activity by the Office of the Auditor General	August- November
05	Submission of the draft Annual report to council	January
	Draft Annual report is submitted to COGHSTA and treasury	January
06	Council publishes the annual report and embark on the public participation	February- March
07	Comments and inputs are consolidated	February- March
08	Oversight report is developed and tabled before council for approval	March
09	Oversight report is submitted to CoGHSTA and Treasury	April

AMOTHWALA REFILWE

MUNICIPAL MANAGER

CHAPTER TWO: GOVERNANCE

4. CHAPTER TWO: GOVERNANCE

5. CHAPTER TWO: GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

The first Council of the municipality consisted of 16 proportionally elected and 16 ward Councilors as determined in the Provincial Notice 5 dated 11 May 2000. The second Council consisted of 18 proportionally elected and 18 Ward Councilors (2006) while the third Council consisted of 20 proportionally elected and 21 Ward Councilors, which made the total of 41 Councilors (2011). Following the 2016 and 2021 municipal elections, the Municipality comprised of 22 Ward Councilors and 22 proportionally elected Councilors, which amount to a total of 44 Councilors respectively.

2.2. FULL-TIME COUNCILORS AND MEMBERS OF THE EXECUTIVE COMMITTEE

The Council composition is reflected as per the outcome of November 2021 local government elections. The Council has designated the following Councilors in terms of section 18 (4) of Act 117 of 1998 as full time.

The Mayor: Cllr Thamaga M.N:

The Speaker: Cllr Boloka M.P

The Chief Whip: Cllr Rangata M.J

Infrastructure Development Chairperson: Cllr Raseruthe M.A

Budget and Treasury Chairperson: Cllr Cllr Makobela S.R

Corporate Services: Cllr Motswabe L.P

and Chairperson of MPAC Cllr Maifo M.L

The following Councilors are the executive committee members and are not full time.

. Cllr Mosena D.D: (Economic Development and Planning)

. Cllr Raphasha D.S :(Community Services)

. Cllr Phoshoko N.C :(Without Portfolio)

. Cllr Tlouamma N.M (Without Portfolio)

3. FULL COUNCIL OF BLOUBERG MUNICIPALITY

WARD COUNCILORS	PROPORTIONAL REPRESENTATIVES COUNCILORS
1. CLLR. MASEBE K.P	1. CLLR THAMAGA M.N
2. CLLR. LEHONG M.V	2. CLLR BOLOKA M.P
3. CLLR. MAIFO M.L	3. CLLR RANGATA M.J
4. CLLR. THLAKE	4. CLLR MOSENA D.D
5. CLLR. MOSHOKOA M.S	5. CLLR RASERUTHE M.A
6. CLLR. MOTSWABE L.P	6. CLLR MAIFO M.L
7. CLLR. MAPUNYA P.W	7. CLLR PHEEDI M.S
8. CLLR. MAKOBELA S.R	8. CLLR MOETJI M.T
9. CLLR. MANAKA N.A	9. CLLR MAKHURA M.H
10. CLLR. MAKHURA K.H	10. CLLR SEOKOTSA M.M
11. CLLR. BALOYI H.P	11. CLLR MOKOBODI M.M
12. CLLR. MOTSOKO L	12. CLLR DAU M.P
13. CLLR. MAHLAPE M.J	13. CLLR NTJANA M.I
14. CLLR. MOLOKOMME M.M	14. CLLR KEETSE P.P
15. CLLR. MMOKO M.M	15. CLLR MAILULA M.S
16. CLLR. MPHAGO M.A	16. CLLR MARIPA M.S
17. CLLR. MAPUTLA S.A	17. CLLR MARIBENG M.K
18. CLLR. MOKAMI M.E	18. CLLR. LEHONYE T.J
19. CLLR. RAPHASHA D.S	19. CLLR TLOUAMMA M.N
20. CLLR. MATHEKGA M.J	20. CLLR MAPHOTO M.D
21. CLLR. THEMA N.R	21. CLLR TLABELA F.P
22. CLLR. MAGWAI T.R	22. CLLR KOBOLA S.J

POLITICAL STRUCTURE AND RESPONSIBILITIES

POSITION	RESPONSIBILITIES
MAYOR: CLLR THAMAGA M.N	<p>Chairperson of the Executive Committee</p> <p>Promote image of Municipality</p> <p>Lead Municipal IDP</p> <p>Promotes Social and Economic Development</p> <p>Convene Public Meetings</p> <p>Promote Inter- Governmental relations</p> <p>Implement Council decisions</p> <p>Performs Ceremonial role</p>
SPEAKER: CLLR BOLOKA M.P	<p>Presides over Council meetings</p> <p>Performs duties and exercises powers delegated to the Speaker in terms of section 59 of MSA</p> <p>Ensures that Council meet Quarterly</p> <p>Maintain orders during the meeting</p>
CHIEF WHIP: CLLR RANGATA M.J	<p>Political management of Council and Committee meetings</p> <p>Maintains discipline of councilors</p> <p>Advices the Speaker on the amount of time allocated</p>

ADMINISTRATIVE GOVERNANCE

TOP ADMINISTRATIVE STRUCTURE

TOP ADMINISTRATIVE STRUCTURE

1. MUNICIPAL MANAGER

MR REFILWE JONAS RAMOTHWALA - APPOINTED FROM 01ST JULY 2022

2. DIRECTOR, ECONOMIC DEVELOPMENT AND PLANNING

MR MASAMA M.J (ACTING TO 31ST JULY 2022 AND MR MOREMI M.S – ACTING FROM 01ST AUGUST 2022

3. DIRECTOR, CORPORATE SERVICES

MR MASIPA M.H – ACTING TO 31ST MARCH 2023 AND MS RAMAHUMA M.B ACTING FROM 01ST APRIL 2023

4. CHIEF FINANCIAL OFFICER(BUDGET AND TREASURY)

MR JACK MABOTE: APPOINTED

5. DIRECTOR ,TECHNICAL SERVICES:

MS DENG SIBOIBOI – RESIGNED FROM 30TH SEPTEMBER 2022 (MALEKA M.J – ACTING FROM 01ST OCTOBER 2023)

6. DIRECTOR, COMMUNITY SERVICES.

MS MONYEMORATHO B – APPOINTED AND TERMINATED ON 22ND AUGUST 2022 (MR MPYA M.J ACTED UP TO 31ST MARCH 2023 AND MR MANAMELA M.S ACTED FROM 01ST APRIL 2023)

For the period under view, about seven officials acted on the senior management positions. The above table illustrates the names and the positions for which acting was effected.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

3. INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

The Municipality participates in national inter-governmental structures such as the following:

National municipal manager's forum

South African Local Government Association sessions including working groups.

PROVINCIAL INTERGOVERNMENTAL STRUCTURES

The Municipality participates in the following provincial intergovernmental structures:

- Premier –Mayor's forum(3)
- Monitoring and evaluation forum (4 x per annum)
- Provincial planning forum (4 x meetings)
- Provincial municipal manager's forum (4 x meetings)

RELATIONSHIP WITH MUNICIPAL ENTITIES

THERE WERE NO MUNICIPAL ENTITIES DURING THE PERIOD UNDER REVIEW:

DISTRICT INTERGOVERNMENTAL STRUCTURES

The Municipality participated in the following District

IGR structure during the period under review:

- District Speakers Forum
- District Mayors' Forum
- District Chief Whips Forum
- District Municipal Manager's Forum
- District CFOs Forum
- District Planning Forum
- District Monitoring and Evaluation Forum

The existence of the above IGR structures has assisted in the sharing of challenges, best practices and resources mobilization. Alignment of programmes and standardization of activities were also achieved from the district IGR structures. These forums contribute to learning and development

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The municipality has organized its administration in such a way that accountability of its staff is realized and that a system of participatory governance is entrenched. The establishment of a unit to deal with community participation was done during the inception of the municipality. The unit is located in Corporate Services Department various tools of communicating with the community were used in the period under review and the paragraphs supra explain in details the functionality of such tools.

The municipality also used its local IGR structures such as sector forums to ensure sector specific programmes are aligned with those of other roles players in the sector and the following sector forums held four quarterly meetings during the period under review:

- Energy Forum
- Roads and Transport Forum
- Local Economic Development and Tourism
- Housing Forum
- Disaster Management Forum
- Waste Management Forum

4 PUBLIC MEETINGS

COMMUNICATION , PARTICIPATION AND FORUM

The Municipality prides itself on its communication and stakeholders participation structures. The Municipality has a communication strategy which indicates who communicates to who, when and how. There is a communications unit established and such is located in the Office of Municipal Manager. The Municipality's Community participation model is one of the best models in the country and through such models, council and its committees are able to reach out to the Municipal constituencies. Council meetings are held in public at venues rotated throughout the municipal area. After every Council, meeting outreach programme is held. Views and issues raised by community members are recorded and feedback is provided to the members of the community who raised such matters. Council meetings for the period under review were followed by public outreach programme referred to as Imbizo. Most EXCO and council were held physically.

The Municipal Website and Facebook are also useful tools, which the municipality employed to communicate with its stakeholders to cover the cyberspace community.

The Municipal Newsletter – Blouberg News – published two Municipal Newsletters for the year under review

Other forms of communication and public participation during the 2022/2023 financial year include the usage of quarterly Ward Public meetings for the 22 wards where in ward Councilors provided feedback and progress report to ward members.

WARD COMMITTEES

The Municipality has a fully functional ward committee system. All the 22 wards have functioning ward committees with 220 participants translating into 10 ward committee members for the 22 wards

Ward committee held their meetings bi-monthly with the support from Administration, which plays a secretariat role. Resolutions and issues raised at ward committee are escalated to the office of Municipal Manager and then to all relevant departments.

5 IDP PARTICIPATION AND ALIGNMENT

The IDP is reviewed annually and in-house. Council approved the 2022/23 revised IDP/Budget. Like previous IDPs, the 2022/23 IDP was rated high in terms of credibility by the provincial Department of Co-Operative Government, Human Settlements and Traditional Affairs.

The IDP is reviewed in line with required standard and template and it is aligned to the budget. The IDP Process Plan is developed and approved by council as the road map for the review of the IDP/Budget. The IDP Steering Committee is responsible for the review of the IDP and Budget. The IDP is aligned to the budget. The draft IDP/Budget is tabled before the council for public participation process to unfold and wards are clustered for the purpose of the community accessibility and inputs. The IDP representative's forum where all stakeholders are represented is also conducted to interrogate the IDP document. The other stakeholders that are consulted are the traditional authorities and farmers unions. Inputs to the IDP are also submitted physically to the office of the Accounting Officer or faxed and emailed through.

All the inputs and comments are consolidated and the report is developed based on the inputs. The process of prioritization takes place into account the available resources and capacity of the Municipality.

IDP PARTICIPATION AND ALIGNMENT CRITERIA	YES/NO
Does the Municipality have impact, outcome, input, and 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 be calculated into a score?	Yes
Does the Budget align directly to the KPI's on the 12 outcomes?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

For the 2022/23 financial year, like the 2021/22, the Blouberg Municipality took leaf from King III report on good Governance by including in its operations the functionality of risk function as well as the development and implementation of corruption and anti – fraud strategies. A risk register was developed and its focus was on strategic risks, operational risks and Human Resources risks.

Through IGR, the Municipality used the District Hotline, Premier and Presidential hotline to track areas of noncompliance to its Corporative Governance matters.

RISK MANAGEMENT

The Municipality regards risks management as one of the pillars required for the sustainability and Corporative Management. In compliance with the MFMA Sec 62 c (i) and sec 95 c (i) require the Municipality to have and maintain an effective, efficient and transparent system of financial, risk management and internal controls. Risk assessment sessions were conducted by municipality through risk management unit where the risk are identified, mitigated and monitored. The Accounting Officer had appointed a functional Risk Management Committee inclusive of the external member of the committee in accordance with the Public Sector Risk Management framework. The committee reports to Audit Committee where afterwards the report is presented to the municipal Council on a quarterly basis as required by Treasury Regulations.

Top five risks identified are the following:

- Loss of financial and physical resources (fraud and corruption)
- Ineffective mSCOA implementation
- Unfavourable audit outcome
- Obsolete IT infrastructure
- Insufficient land for development

FRAUD AND ANTI – CORRUPTION STRATEGY

The Municipality has an anti – corruption and risk management strategies in place. Fraud and corruption identified risks are reviewed on a quarterly basis by the municipality.

The Internal Audit Unit has been established and is led by Manager Internal audit.

The Audit Committee is in place and comprised of four members who have relevant experience and qualifications to discharge their responsibilities. For the period under review the audit committee also performed the role of the performance audit committee. The Performance Audit Committee include politicians and officials as voting members performance assessments of top management. The period under review did not have any reported cases of fraud and corruption encountered by the municipality and submitted to authorities.

7. SUPPLY CHAIN MANAGEMENT

OVERVIEW OF SUPPLY CHAIN MANAGEMENT

During the 2022/23 financial year the Supply Chain Management policy was tabled to council for revision alongside with other budget related policies. The revision took into account the BBBEEE codes and areas amended. For the record, no councillor is allowed to

participate in the supply chain management processes including being part of committees. Functionality of the established SCM committees was also enhanced. New security services contracts was entered into for a period of three years. Efforts were made to curb the procurement of services from suppliers who are in the service of the state and the municipal records do not have any indication of services awarded to suppliers in the service of the state.

BY- LAWS INTRODUCED DURING 2022/23

Newly Developed	Revised	Public Participation conducted prior to adoption of By-Laws (Yes/No)	Dates of Public Participation	By- Laws gazette (Yes/No)
N/A	N/A	N/A	N/A	N/A

.10 WEBSITES

	YES/NO
Current annual and adjustment budgets and all budget related document.	YES
All current budget related policies	YES
The previous Annual Report (2021/22)	YES
The Annual Report (2021/22) published to be published	YES
All current performance agreements required in terms of section 57 (1) (b) of the MSA and resulting score cards	YES
All service delivery agreements (2022/23)	N/A
All long term borrowing contracts (2022/23)	N/A
All supply chain management contracts above a prescribed value (give value) for 2022/23)	N/A
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2022/23	YES
Contracts agreed in 2022/23 to which subsection (1) of section 33 apply, subject to subsection (3) of that section.	YES
PPP agreements referred to in section 120 made in 2022/23	YES
All quarterly reports tabled in the council in terms of section 52 (d) During 2022/23	YES

MUNICIPAL WEBSITE CONTENT AND ACCESS

Most of prescribed key website content materials were placed on the municipal website such as IDP, Budget, Annual Report, Performance Agreements and Budget related policies.

PUBLIC SATISFACTION ON MUNICIPAL SERVICES PUBLIC SATISFACTION LEVELS

No formal public participation surveys were conducted during the period under review. The Municipality relied on public participation sessions referred to above, as well as the usage of the Premier and Presidential Hotlines to gauge the level of satisfaction and / dissatisfaction with municipal services.

There were no changes to issues raised in the previous years' engagements.

Key general areas of dissatisfaction include:

- State of road conditions
- Water and sanitation supply
- Unemployment
- Health and education services

COMPONENT A: BASIC SERVICES

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

1. WATER PROVISION

Polokwane Municipality will not include Water and Sanitation in its 2022-23 Annual Report as such Powers and Functions lie at the Tlokweng District Municipality and any attempts to include such information may result in non – alignment with the information provided by the District Municipality.

ELECTRICITY

INTRODUCTION TO ELECTRICITY

Electricity is one of our greatest achievements as we have electrified all settlements within the Municipality. The Municipality is now busy with electrification of extensions

As the electrification programme continues, the Municipality connected approximately 646 households for the financial year and other incomplete project (Construction of Senwabarwana Substation phase 02) rolled over to 2023-24 financial year.

4 WASTE MANAGEMENT (THIS SECTION INCLUDES REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

WASTE MANAGEMENT

STATUS QUO

The Municipality has developed and adopted an Integrated Waste Management Plan (IWMP) in 2008 and reviewed in 2013 and 2019 respectively. The plan serves as a roadmap for the management of solid waste for the entire Municipality with R293 towns and nodal points, plus some rural villages, used as starting points since the capacity available cannot cover the entire municipal wide area. For the 2022/23 financial year the function was rendered in eleven settlements on a weekly basis while the towns of Alldays and Senwabarwana receive the service on a daily basis. Currently there are two landfill sites in Alldays and Senwabarwana. A waste management team is in place and three waste removal trucks, plus a tractor, have been purchased. To augment the waste and environmental section the Municipality enlisted the use of short term EPWP participants and distributed them across areas of high volume waste generation. For the 2022/23 period the number of EPWP participants was increased 260 with the budget of R3, 5 million. In Senwabarwana and Alldays two Recycling initiatives were established with PEACE Foundation playing a leading role in assisting with recycling initiatives at an identified location in Senwabarwana.

THE TABLE BELOW REFLECTS WARD WASTE REMOVAL SERVICE ROLL OUT AND BACKLOGS

WARD	AVAILABLE	BACKLOG
1	0	11
2	0	7
3	0	6
4	0	9
5	0	7
6	0	5
7	0	6
8	1	6
9	0	6
10	1	0
11	0	6
12	2. INDERMARK UP TO DIKGOMONG	0
13	2 (BURGERUGHT AND MOTLANA)	5
14	0	7
15	2 (KROMHOEK AND DEVREDE)	0
16	0	5
17	2 (GROOTPAN AND LONGDEN)	6

18	2 (TAAIBOSCH AND ALLDAYS)	0
19	1 (SENWABARWANA)	1
20	0	7
21	0	8
TOTAL	11	112

CHALLENGES

Capacity constraints: this involves lack of resources (financial and human) to roll out the service to the entire municipal area. Available plant and personnel are not enough to render the service for all areas. For the past two financial years, the Municipality could not purchase plant due to budgetary constraints.

The Taaibosch transfer station is fully utilised.

Lack of education on the part of members of the community on waste matters does not help the situation. Lot of littering occurs in the town of Senwabarwana around the CBD mainly because much business activities are taking place there.

INTERVENTIONS

Blouberg Municipality renders the refuse removal service in 13 settlements with the, households serviced standing at 11 549. The backlog is 24 139. Challenges are funding for roll out of the refuse service to all settlements.

The Environmental Management Plan (EMP) is partially implemented; the Solid waste and refuse removal by laws are not fully implemented due to capacity challenges that are currently being ironed out. Integrated Waste Management Plan is currently under review. The neighbourhood funding from the National Treasury earmarked for urban renewal shall come in handy to address some of the waste management challenges encountered.

INTRODUCTION TO HOUSING

The powers and functions for the provision and construction of housing lies with the provincial government under the Department of Co-operative Governance, Human Settlements and Traditional Affairs. The role of the municipality is to identify housing demands needs through the development of the Housing Chapter and identification of beneficiaries.

Blouberg municipal entity renders the service on behalf of the municipality.

6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The Municipality provides free basic services in the form of electricity, waste and water (as assisted by Capricorn District Municipality). The indigent register is updated annually although for the year under review.

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

Indigents shall mean (in terms of municipal policy) residents of Blouberg Local Municipality, who cannot afford to pay for services they receive from the Municipality, the category of people being unemployed, disabled and pensioners who are unable to, pay the full costs of the average Municipal accounts. Conditions for qualification are that support is provided to households earning a joint income of NOT more than R 3,500 per month. Council reviews the threshold on an annual basis, taking into consideration the economic conditions of its citizens in line with the national policy.

INTRODUCTION TO ROADS

The municipality is not responsible for public transport but the Department of Roads, Transport, and Capricorn District municipality have the powers and functions related to roads and transport. There was no road-upgrading project implemented by the Department of Roads and Transport through Roads Agency Limpopo (RAL).

Gravel road infrastructure				
Kilometers				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2018\19	786.98km	0	0	488.44
2019/20	786.98km	0	0	488.44
2020/21	786.98km	0	0	488.44
2021/22	786.98km	0	0	488.44
2022/23	786.98km	0	0	488.44
Source : Department of Public Works, Roads and Infrastructure				

.8. TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

PUBLIC TRANSPORT

There is one mode of public transport in the municipal area viz road transport. The dominant public transport mode is the minibus taxi while another form of public transport is the bus transport with Great North and Mmabi bus being the main operators. The challenge with the municipal public transport is that it is only available between 6H00 in the morning and 20H00 leaving most commuters stranded outside these stipulated times. The movements of these modes of public transport is towards all the nodal points of Blouberg, viz, Alldays, Senwabarwana, Tolwe and Eldorado while outside Blouberg the major destinations are Musina, Louis Trichardt, Lephalale, Steilop and Polokwane.

STATUS OF TAXI RANK FACILITIES

LOCATION	STATUS	DESTINATIONS
Senwabarwana	The rank is formal with the following facilities: shelter, loading bays, ablution blocks and hawkers' facilities	The rank covers the rest of Blouberg and destinations such as Polokwane, Johannesburg,
Eldorado	The rank is formal with the following facilities: shelter, loading bays, ablution blocks	The rank covers the rest of Blouberg and areas such as Senwabarwana and it connects to Polokwane via Kromhoek taxi rank
Kromhoek	The rank is formal with the following facilities: shelter, loading bays, ablution blocks and hawkers' facilities	The rank covers the rest of Blouberg and destinations such as Polokwane, Johannesburg and Louis Trichardt

Alldays	The rank is formal with the following facilities: shelter, loading bays, ablution blocks	The rank covers the rest of Blouberg and destinations such as Musina and Louis Trichardt
Windhoek	The rank is informal	It covers Senwabarwana, Steilloop
Avon	The rank is informal	It covers Senwabarwana, Vivo, Indermark
Buffelshoek	The rank is informal	It covers Senwabarwana
Vivo	The rank is informal	It covers Senwabarwana, Alldays, Mogwadi and Louis Trichardt
Letswatla	The rank is informal	It covers Senwabarwana

5.4.2 PUBLIC TRANSPORT CHALLENGES

The challenge with the municipal public transport is that it is only available between 6H00 in the morning and 20H00 leaving most commuters stranded outside these stipulated times. The other main challenge is the bad state of roads that increases the operation and maintenance costs of public transport operators. Lack of formal taxi ranks with all related amenities in some strategic areas such as Avon, Vivo, Buffelshoek, Windhoek and Harriswich remains a challenge. Disputes over operating routes occasionally occur resulting in conflicts among taxi associations.

Poor road conditions that negatively affect the taxi industry

PERFORMANCE OF TRANSPORT OVERALL:

PUBLIC TRANSPORT INTERVENTIONS

The roads and transport forum has been established and all taxi associations operating within Blouberg are members of the forum.. The matter of accessibility of public transport outside the 6H00 and 20H00 time periods has been referred to the operators for rectification. The state of poor road conditions has been highlighted to the MEC for Roads and Transport for intervention. The municipality and the CDM in collaboration with public transport operators will develop a priority list for formalization of taxi ranks. Taxi and bus shelters have been constructed along major routes such as D1200 (Senwabarwana-Windhoek road), Wegdraai to Eldorado road, Letswatla to Windhoek road and D1598 (Kibi to Schiermoonikoog road). The Municipality should explore the introduction of Blouberg Bus as part of the Bus Rapid Transport System as is the case in the City of Joburg and Polokwane Municipalities.

Local integrated Transport Plan

The plan has been developed and adopted by council..

Licensing and registering authority

The municipality has a Licensing and Registering authority unit at head office Senwabarwana. The process of opening these services at Alldays and Eldorado Satellite Offices was continued in the period under review and culminated in the functioning of the Alldays learners licensing centre while other full licensing services remained unfulfilled.

Traffic Law Enforcement unit

for the period under review, the municipality had a Law Enforcement Unit at head office, Senwabarwana and Alldays Satellite Office, which shares the service with Eldorado Satellite Office.

.10. PLANNING

INTRODUCTION TO PLANNING

The responsibility of the municipal planning function relates to the following functions: settlement establishment and formalization, processing of land development applications, Approval of land use rights applications such as rezoning, consolidation, subdivisions and consent use applications, implementation of building regulations and enforcement of building By-law.

During the 2014\15 financial year, the following were achieved: pre- approval of Tolwe layout plan and the pre-approval of the surveyor-diagram for the subdivision of the farm Monmouth. A total of 300 low cost houses were constructed and handed over to beneficiaries even though the Limpopo Provincial Government had made an allocation of 500 units to the Blouberg Municipality. Such could not be attained due to supply chain challenges in the Department responsible for housing provision, viz, CoGHSTA but only 300 units were approved and implemented.

Main challenges experienced in the financial year 2022/23 are as follows:- None compliance to Land use policies, building regulations and illegal invasion of land in Senwabarwana, Borkum and Alldays. Three main Service delivery priorities -: Service delivery and Infrastructure development, LED and spatial Planning. The attraction of investors e.g. Establishment of the third mall in Alldays (Gillfillian) and Senwabarwana

Measures taken to improve the performance: Improved community engagement/public participation

.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

The municipality approved Local Economic Development Strategy and growth strategy. The strategy identifies the key sectors of the Blouberg Economy being retail development, agricultural development, SMME development, manufacturing, tourism development and community based public works. Amongst anchor projects identified in the strategy there is the development of retail centres in nodal points, the exploration of alternative energy sources and agricultural development initiatives.

The period under review witnessed the implementation of the following key service delivery priorities:

Implementation of the Venetia mine underground project with a budget of over R16 billion and the resultant work opportunities for the mine's workers; labour sending areas, viz, Blouberg Municipality and Musina Municipality. The expansion has also resulted in an increased population in the town of Alldays.

Exploration of mineral resources by Ironveld\ HACRA at Harriet's wish, Cracouw and Aurora with strong positive prospects of mining continued. The exploration has yielded positive results, a mining license has been granted, and construction is expected to commence soon. The new explorations by Sylvania Platinum and Platinum Group Metals has brought some hope in the people of the municipality in terms of job creation.

The creation of over 1387 job opportunities through Community Works Programme, EPWP(260), and implementation of municipal capital works programme through labour-intensive methods was maintained.

INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

During the period under review, there were no IDP targets for the provision of Aged Care and Social Programmes. The municipality only played a coordination role with the Department of Health and Social

COMPONENT D: COMMUNITY & SOCIAL SERVICES

The municipality did not play much role on community and social services such as libraries and archives; museums, arts and galleries; community halls; cemeteries and crematoria; childcare; aged care; social programmes, theatres due to capacity challenges. This statement only excludes cemeteries wherein the municipality coordinates the function in Alldays, Senwabarwana and, to a smaller extent, R293 towns of Witten, Dilaeneng, Puraspan and Indermark.

.55 CEMETORIES AND CREMATORIALS

The Municipality operated the cemetery function in the two R293 towns of Senwabarwana and Alldays.

.56. CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Development, Public Works and Education.

COMPONENT F: HEALTH

The provincial department of Health and Social Development renders the clinics and ambulance services.

COMPONENT G: SECURITY AND SAFETY

Law enforcement: there is a law enforcement service within our municipality, which has been decentralized to Alldays Satellite Office, covering both Eldorado and Tolwe satellite offices.

Licensing and Registering Authority: our municipality has this function, which was also decentralized to both Eldorado and Alldays Satellite.

Fire and disaster management services are functions of the district municipality; however, our municipality plays a coordinating with regard to disaster management. A disaster coordinator was employed to that effect.

The licensing of animals is a function of the department of Agriculture; however, our municipality has a pouncing function, which deals with the control of stray animals out of the public roads and at unauthorized places.

We have a by-law that deals with the control of public nuisances but it is not implemented due to capacity constraints.

THE TABLE BELOW REFLECTS AVAILABILITY AND BACKLOG OF STANDARD SPORTS FACILITIES WITHIN WARDS

WARD	AVAILABLE	BACKLOG
1	0	1
2	0	1
3	0	1
4	0	1
5	0	1
6	0	1
7	0	1
8	0	1
9	0	1
10	0	1
11	0	1
12	0	1
13	0	1
14	1 BEN SERAKI	0
15	0	1
16	1 STANDARD SPORTS FACILITY	0
17	0	1
18	1 ALLDAYS SPORTS COMPLEX	0
19	0 (SENWABARWANA RECREATIONAL PARK)	1
20	0	1
21	0	1
22	PINKIE SEBOTSE SPORTS COMPLEX	1
TOTAL	4	18

The challenge is that sports and recreation facilities available do not have enough facilities such as high mast lights for night games; athletic rubber tracks etc. Another challenge with the amenities is on the available halls, which are not used as multi-purpose community centres but are only used scarcely as normal halls.

5.3 INTERVENTIONS

The municipality, together with SAFA and private partners, construct and upgrades sports and recreational facilities annually. SAFA has to construct an artificial soccer facility as part of its 2010 legacy projects. With regard to community halls, the plan is to move away from normal standard halls and build multi-purpose centres. The Municipality has completed construction Senwabarwana sports complex.

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

INTRODUCTION TO DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC

The municipality has a unit that specifically deals with disaster incidents and the rehabilitation of disaster victims. The unit is working in collaboration with Capricorn District Municipality (CDM). The budget is set aside annually to attend to disaster issues. The District provides its locals with resources and personnel for proper execution of their duties. The municipality has a credible Disaster Management Plan, which gave the municipality areas that need an urgent attention. The municipality held Disaster Management Advisory Forum sitting on a quarterly basis to inform communities about performance regarding incidents that occurred under the period review.

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL OF PUBLIC NUISANCES, ETC OVERALL:

Disaster management is a district function; however, our municipality plays a coordinating role to this effect. A disaster coordinator has been employed at officer level to assist in coordination of disaster issues between the district municipality and the local communities.

INTRODUCTION TO SPORT AND RECREATION

COMPONENT H: SPORT AND RECREATION

All settlements have access to cemeteries though such are not formalized. There is one standard sports facility at Eldorado while a semi standard sports facility is at Ben Seraki (Buffelshoek). The municipality has completed construction of the Senwabarwana sports complex.

The Blouberg area has 11 community halls. There is one Thusong service centre at Eldorado and it hosts the municipal offices, Department of Education, Department of Agriculture, Department of Labour, SAPS and Department of Health.

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

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

INTRODUCTION TO CORPORATE POLICY OFFICES, Etc.

The components comprises Secretariat, Auxiliary Services, Human Resources, ICT Services and Communications, The main objective is to provide support and auxiliary services to all departments and the political components of the municipality. Some of the functions include fleet control, Office accommodation, Cleaning Services Effective security Services reliable and efficient telecommunication services, timely and well-collated qualitative documents

.69 EXECUTIVE AND COUNCIL

The Components includes The Mayor, Councillors and Municipal Manager, Introduction to executive council Blouberg Local Municipality was established in terms of demarcation notice as NP351 in the Extraordinary Gazette 100 of October 2000. The Municipality is a category 1 as determined in terms of section 4 of the Local Government Municipal Structures Act No 117 of 1998

is a Municipality with a collective executive system as contemplated in section 2(a) of northern province Determination of types of municipalities act (4) of 2000 Blouberg Municipality has however and approved delegation system that seeks to decentralize decision making within the institution and improve the pace at which services are delivered to the community. This is intended to maximize administrative and operational efficiency and provide adequate checks and balances for line with the delegation system, some decisions making powers have been cascaded from council to the executive committee, its portfolio committee and full time councillors. Other powers have been delegated to the Municipal Manager

Component includes executive office (mayor; councillors; and municipal manager)

INTRODUCTION TO EXECUTIVE AND COUNCIL

THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

The support for councillors' policy is in place and councillors receive support in respect of the various aspects of their daily activities as public representatives, in-house workshops on governance and presentations. Tools of trade were provided in line with upper limits for councillors

.70 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

The financial services of the municipality are in the Budget and Treasury office, which is responsible for the following Units: 1) Revenue services, 2) Expenditure Management, 3) Supply Chain Management, 4) Budget Management, and Assets Management. For the period under review, SCM and Assets Management were housed in one unit.

Most revenue on the finance department comes from equitable shares, financial management grants, conditional grants (MIG & INEP) and other sources of income, such as interest earned, rent received, development fund and other sundry income. A full report on financial performance is contained in chapter 5 of this report, which deals with Annual Financial Statements and performance.

.71. HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

Human Resources Unit is comprised of Human Resources Management, Skills Development, Occupational Health and safety, Employment Equity, Labour Relations, Compensation For Injuries and Diseases, and Employees wellness. The unit priorities include timely filling of vacancies to support municipal vision and objectives, improving working conditions and skills development. Not all the funded positions for 2022/23 were filled. All Human Resources committee including the Occupational Health and Safety Committee were established comprising of employees from all levels and work stations and were crucial in helping Management identify and address working conditions that posed a threat to the health and safety of employees.

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

Human Resources Development – The Workplace Skills Plan (WSP) and Annual Training Report were developed and submitted in April 2022 for implementation in the 2022/23 financial year as per the Local Government SETA directives. The municipality has developed training programmes for councillors and employees, bursaries for employees, internships and learner ships as informed by the WSP. There were no bursaries for employees during the year under review.

Labour Relations and Occupational Health and Safety – The Local Labour Forum was revived and helped in sustaining employer-employee peace while the OHS had a committee established which met its full quota of meetings, which had a positive impact.

Employees Health and Wellness – Employee Wellness Day was held and employees participated in activities that included among other various forms of testing e.g. HIV, High Blood Pressure, Sugar Diabetes etc. and a few presentations were made in respect of employee welfare by different banking institutions, insurance companies etc.

Compensation for Injuries and Diseases – there was no reported injuries on duty during the period under review.

Employment Equity – One aspect that we were found wanting on is the Employment Equity. Though the Employment Equity Committee is in place, it could not influence employment/hiring of people from the designated groups.

Organizational Design – Council approved the Organizational Structure.

Compensation and employees benefits – all pension pay-outs were done within fourteen days of application receipt.

Recruitment, selection and placement – all funded posts were filled.

Condition of Services – all employees employed during the period in issue signed their contracts of employment.

Leave Management – all leaves were captured

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The Human Resource Division performed relatively well particularly on the aspect of recruitment. All the budgeted positions were filled. Employment Equity is the area where the division was found more wanting with middle management the most glaring. Out of twenty four (24) managers, only four (4) are female and none of those was employed during the period under review. The Training Committee was functional and assisted in the enhancement of capacity building wherein at least seven (7) employees were awarded municipal employees' bursaries. Training programmes were well-coordinated. The Employment Equity and Occupational Health and Safety Committee did relatively well by complying with the schedule of meetings completing their quota though implementation of resolutions taken in those fora remain a challenge. The Workplace Skills Plan and Annual Training Report were timeously compiled and submitted and programmes thereof were accordingly followed

7.2 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Information and Communication Technology is but one area that is cardinal in ensuring that communication lines from within and outside the municipality are maintained. Its major service delivery priorities include i. improvement of citizen participation within the municipality governance; ii. To enable and support technology integration throughout the municipality. To deploy technology for cost effective, responsive service delivery to citizens, business, employees and government. Council and the Executive Committee respectively adopted the IT Governance Framework and a number of policies and plans notably Change Management Policy, ICT Security Policy as well as the Data and Laptop Policy. The Corporate Services Portfolio Committee was favoured with compliance monitor reports to track progress in that regard.

PERFORMANCE OF ICT SERVICES OVERALL:

The ICT did not perform well mainly due to lack of budget. The Disaster Recovery and Business Continuity Plans could not be put to a test due to constraints relating to time and resources. There was also a lack of sufficient environmental control equipment – no fire suppression, water and smoke detectors. Lack of user account management procedures also contributed to the not so great performance. These safety and environmental controls could not be fitted due to lack of funds.

CHAPTER 3:

2022/23 ANNUAL

PERFORMANCE

REPORT

2. INTRODUCTION AND LEGISLATIVE BACKGROUND

The Blouberg Municipality 2022/23 Annual Performance Report highlights the service delivery and developmental achievements, challenges, measures to improve on the performance. The Report has been compiled in terms of legislative provisions; amongst others, these include Municipal Systems Act (MSA) No. 32 of 2000, Municipal Finance Management Act (MFMA) No 56 of 2003, and National Treasury Circulars (circulars 11 and 63). Section 46 of MSA states that a Municipality must prepare for each financial year a Performance Report and further that the said report must form part of the Municipality's Annual Report for each financial year in terms of chapter 12 of the MFMA. This Annual Performance Report is a reflection of the Municipality's actual performance in relation to what was planned for in the Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP). It is therefore a post-reflection of planned targets and their actual performance with a provision for reasons for variance as well as mitigating and corrective measures taken. The Annual Performance Report 2022-23 is aligned to the Municipal IDP and Budget for the 2022-23 financial year and that it is further aligned to the Service Delivery and Budget Implementation Plan and in-year reports.

The Annual Performance Report 2022/23 evolved over time. It is a product of the in-year engagements monthly, quarterly, half-yearly and ultimately annual basis. These reports served at various committees namely Management, Steering Committee, Portfolio committees, and Review Sessions, Executive Committee, Audit Committee, Municipal Public Accounts Committee (MPAC) and Municipal Council.

3. PURPOSE OF THE ANNUAL INSTITUTIONAL PERFORMANCE REPORT 2022/23

The Annual Performance Report serves the following Purposes:

- The provision of a report on performance in service delivery and budget implementation plan for the 2022/23 financial year
- To promote transparency and accountability for the activities and programmes of the municipality vis-à-vis the six key performance areas
- To provide a record of activities of the municipality for the 2022/23 financial year to which this report relates.

4. SUMMARY OF PERFORMANCE FOR THE 2022-23 FINANCIAL YEAR.

4.1. SUMMARY OF PERFORMANCE FOR THE 2022-23 FINANCIAL YEAR

The table below indicate the summary of Annual SDBIP Performance 2022-23 per KPA. Out of 123 targets for the year, 108 targets were achieved while 15 targets were not achieved. The overall Annual Performance stands at 88 %

Key performance area	Total Annual Targets	Total Annual Targets Achieved	Total Annual Targets not Achieved	Overall Percentage of Targets achieved
Basic Service and Infrastructure Development	34	25	9	73 %
Municipal Transformation and Organisational Development	32	28	4	87%
Local Economic Development	4	3	1	75%
Financial Viability and Management	16	15	1	94%
Good Governance and Public Participation	35	35	0	100%
Spatial Planning	2	2	0	100%
Overall Total Municipal Targets	123	108	15	88 %

4.2. COMPARISON OF 2022-23 AND 2021-22 SDBIP PERFORMANCE

The table below illustrate comparison of 2022-23 and 2021-22 performance

Department	Total Targets		Total Targets Achieved		Total Targets not Achieved		Overall Percentage of Targets achieved		Remarks
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	
Basic Service and Infrastructure Development	34	29	25	25	9	4	73 %	86%	Declined by 18 %
Municipal Transformation and Organisational Development	32	48	28	47	4	1	87%	98%	Declined by 11 %
Local Economic Development	4	2	3	2	1	0	75 %	100%	Declined by 25 %
Financial Viability and Management	16	19	15	18	1	1	94%	95%	Declined by 1%
Good Governance and Public Participation	35	18	35	17	0	1	100%	94%	Improved by 6 %
Spatial Planning and Environment	2	8	2	6	0	2	100%	75%	Improved by 25%
Overall Total Municipal Targets	123	124	108	115	15	9	88 %	93%	Declined by 5 %

Comment: Basic Services and Infrastructure Development, Municipal transformation and Organisational Development and financial viability and management and Local economic development have declined while Good Governance and Spatial Planning and Environment improved. The overall percentage has declined by 5 %

5. PERFORMANCE OF EACH EXTERNAL SERVICE PROVIDER

The municipality is compelled in terms section 46 (1) (a) of Municipal Systems Act of 2000 to prepare for each financial year a performance report reflecting performance of each external service provider during that financial year. Here under follows the performance of each external service provider during the referred to financial year

5.1 PERFORMANCE RATING IN RESPECT OF CONTRACTED SERVICE PROVIDERS DURING 2022/23.

THE ASSESSMENT OF THE PERFORMANCE OF SERVICE PROVIDERS WILL BE+ BASED ON THE FOLLOWING RATING SCALE.

LEVEL	TERMINOLOGY	DESCRIPTION
5	Excellent/Outstanding Performance	Performance far exceeds the standard expected of the service provider at this level. The appraisal indicates that the service provider has achieved above fully effective results against all performance criteria and indicators as specified in the awarded contract.
4	Very Good/Performance significantly above expectations	Performance is significantly higher than the standard expected in the job awarded. The appraisal indicates that the service provider has achieved above the fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the period of the contract awarded.
3	Good/fully effective	Performance fully meets the standard expected in all areas of the job awarded. The appraisal indicates that the service provider has fully achieved effective results against all significant performance criteria and indicators as specified in the awarded contract.
2	Fair /not effective	Performance is below the standard required for the specified job. Performance meets some of the standards expected for the job and the assessment indicates that the service provider has achieved below fully effective results against more than half of the key performance criteria and indicators as specified in the awarded contract.
1	Poor /unacceptable	Performance does not meet the standard expected for the job awarded. The assessment indicates that the service provider has achieved below fully effective results against all of the performance criteria and indicators as specified in the awarded contract. Further that the service provider failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.

PROJECT NAME	APPOINTED SERVICE PROVIDERS	VALUE FOR THE CONTRACT AWARDED	EXPENDITURE TO DATE	ACTUAL PERFORMANCE	REASON FOR NON-COMPLETION	SERVICES PROVIDERS PERFORMANCE (i.e. Poor, fair, good etc.)	COMMENTS AND RECOMMENDATION
				(COMPLETED OR INCOMPLETED)			
Electrification of households at Witten ext 10	Motla consulting engineers Oakantswe Construction and Projects	R 12 494 000.00	R 12,259,895,81	Incomplete	Contractor encountered hard rock	fair	The contractor submitted revised catch-up plan and the municipality will monitor the project to be completed as per approved extension of time
Lekgwara Electrification project	Risima Projects Management PIN Africa	R 960 000.00	R 958 733.05	Completed	N/A	Good	The project annual target was completed on time
Diepsloot P2 Electrification project	JMJ Electrical Projects and Management PIN Africa	R 266 000.00	R 266 000.00	Completed	N/A	Good	The project annual target was completed on time.
Alldays electrification projects	JMJ Electrical Projects and Management	R425,219.66	R425,219.66	Completed	N/A	Good	The project annual target was completed on time
Senwabarwana electricity substation (Phase 3)	Volt Consulting Engineers NSK JV F-TECH	18638000	R13,315,885.94	Incompleted	contractor encounteredhardrock	fair	The contractor submitted revised catchup plan and the municipality will monitor the project to be completed as per approved extension of time

Senwabarwana and internal stormwater control phase 11 A	Morula consulting engineers	R17,718,498	R17,718,498	Incomplete	Delay in delivery of materials (Kerbs, V-drains and ready mix concrete) and community disruptions	fair	Constant monitoring of the project to be completed within the approved time.
	PJMJ Engineering and Plant hire						
Senwabarwana and internal stormwater control phase 11 B	Morula consulting engineers	R19,009,870	R19,009,870.00	Incomplete	Delay in delivery of materials (Kerbs, V-drains and ready mix concrete) and community disruptions	fair	Constant monitoring of the project to be completed within the approved time.
	Capotex Construction cc						
Construction of Alldays Internal and Street Stormwater Control Phase 2		R30,953,979,31	R29,644,084.62	Incomplete	Delay in delivery of materials (Kerbs and pavement bricks)	fair	Constant monitoring of the project to be completed within the approved time.
	Oltatech Consulting Engineers JV Urich Construction						
Construction of Avon Multipurpose community centre		R7,000,000	R5,871,877.01	Incomplete	Delay in delivery of materials (building bricks and roofing)	fair	Constant monitoring of the project to be completed within the approved time.
	Oltatech Consulting Engineers JV Urich Construction						
Construction of Danzig Creche		R2,348,786.74	R2,348,786.74	Completed	N/A	Good	The project annual target was completed on time.
	Dolmen Consulting Engineers Bakone Mathekga wide services						
Construction of Mongalo Creche		R2,350,000,00	R2,350,000,00	Completed	N/A	Good	The project annual target was completed on time.
	Dolmen Consulting Engineers Civik Construction and plant hire						

Construction of Pinkie Sebotse Sports facility	T2 consulting Engineers Dzwa Development and Projects	Tech	R 3, 363,442,00	R 3, 363,442,00	Incompleted	Community Disruption delayed the completion of the project	fair	Constant monitoring of the project to be completed within the approved time.
Construction of Lethaleng to Pickum access roa	SVM Civil Engineers Lexy H (PTY)LTD JV Ngojama Trading Enterprise CC		R6.948,288.00	R2,199,017.36	Completed	N/A	Good	The project annual target was completed on time.
Construction of Mochemi access and internal street	Morula Consulting Engineers Mpophoma Construction		R7,119,744.00	R3,758,486.33	Completed	N/A	Good	The project annual target was completed on time.

5.2. COMPARISON OF PERFORMANCE OF SERVICE PROVIDERS FOR 2022-23 AND 2021-22

All days internal street and storm water phase 2, Avon MPCC and Senwabarwana Substation projects were rolled over for 2022/23fy. No service provider was terminated due to poor performance in the 2022/23fy

Year	Total service providers	Service providers good	Service providers rated	Service providers fair	Service providers rated poor	Service providers rated	Service terminated	provider/s
2022/23	14	7		7		0	0	0
2021/22	8	8		0		0	0	0

6. CAPITAL GRANT SPENDING

6.1. CAPITAL GRANTS SPENDING FOR 22/23

The Municipality was allocated R 50 408 000 and additional R21, 290, 000 for MIG for the financial year 2022/23. The Municipality has managed to spend 98% of R 50, 408, 000, 00. Allocation and 85, 5% of total allocation of Municipal Infrastructure grant.
The Municipality was allocated R32 638 000.00 for the financial year 2022/23. The Municipality has managed to spend 83% of R32 638 000, 00 Allocation of INEP

6.2. COMPARISON OF CAPITAL GRANTS SPENDING FOR 2022/23 AND 2022/2021/2

Municipality has managed to spend 98 % of MIG grant for 2022/23 compared to 2021/22 Financial year where MIG spending was at 99,7%

Grant	2022/23 Allocation	2022/23 Spending	2021/22 Allocation	2021/22 Spending	Percent	Comments
MIG	R50,408,000	98%	R 56, 764,000,00	99.70%		Avon MPCC was not completed on time due to late delivery of materials from the Suppliers
INEP	R32 638 000.00	83.40%	R6,000 ,000 .00	99.7 %		Two projects were not completed

7. OPERATING REVENUE COLLECTION

7.1. 2022/23 OPERATING REVENUE COLLECTION

The Municipality has managed to collect R 103 171 697 out of R 80 080 111.15 Operating Revenue budget for 2022/23. This represent 78 % of operating revenue collected.

7.2. COMPARISON OF 2022/23 2021/22

7.3. OPERATING REVENUE COLLECTION

Item	2022/23		2021/22		Comments
Operating Revenue Collection	2022/23 Operating budget	2021/22 Actual Collection	2021/22 Operating budget	2021/22 Actual Collection	
	R 103 171 697	R 80 080 111.15	R 98 619 265	R 102 404 532	
Overall Percentage	78%		100%		
					The 2022/23 collection has declined from 2021-22 financial year due poor collection on assessment rates

8. PERFORMANCE CHALLENGES AND MEASURES FOR IMPROVEMENT

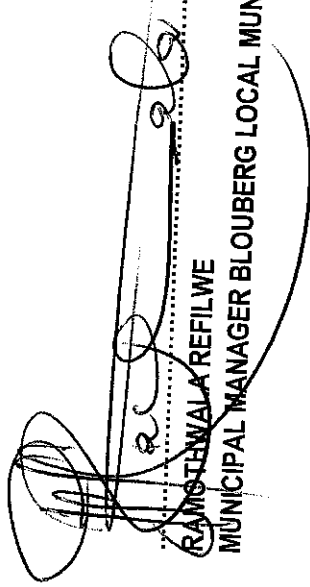
Despite overall performance, there are challenges that needs to be highlighted in order to improve going forward.

The table below illustrate some of the challenges and measures for improvement.

Challenge/s	Measures for Improvement
Inadequate collection i.e. electricity collection, and traffic revenue sources	<p>Improve on billing system and collection measures</p> <p>Identification of additional revenue sources.</p> <p>Support the work of revenue management committee</p>
Land invasions	Implement forward planning and proactive land use measures that will alleviate land invasions ,for example township establishment and registration, by-law enforcement
Ageing machinery and infrastructure	Appointment of term contractor for plant maintenance and budgeting for purchase of plant annually
Electricity loss	Appointment of electricians and budget allocation for smart, split meters and meter audit

10. CERTIFICATION OF ANNUAL REPORT 2022/23

The Annual Performance report 2022-23 has been compiled in line in terms of Section 46 of Municipal System Act no 32 of 2000, circular 11 and 63 of Municipal Finance Management Act no 56 of 2003.
I therefore certify that this report represents the highlights of the performance of the Municipality during 2022-23


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RAMOTHWALA REFILWE
MUNICIPAL MANAGER BLOUBERG LOCAL MUNICIPALITY

09/04/2024
.....
DATE

APPROVED BLM ANNUAL PERFORMANCE REPORT 2022-23												
KPA	BASIC SERVICES AND INFRASTRUCTURE DEVELOPMENT											
NDP	BUILDING KEY CAPABILITIES(HUMAN,PHYSICAL AND INSTITUTIONAL											
OUTCOME 9	IMPROVE ACCESS TO BASIC SERVICES (OUTPUT 2)											
Project Details												
Project/ KPI Number	Project Name	Project Description (major activities)	Strategic Objective	Location	Key Performance Indicator	2021/22 Baseline	2022/23 Annual Target	2022/23 Budget (Expenditure)			Portfolio of evidence	Responsible Department
								Actual Performance	Reason for variance	Corrective Measure		

BSID 1	Electric Equipment	Purchasing of identified Electrical equipment	To ensure minimal energy consump tion by users as per the national energy	BLM	Number identified electrical equipment purchased by June 2023	25 Electrical equipment purchased by June 2022	25 Identified Electrical equipment purchased by June 2023	Target achieved. 25 Identified set of Electrical equipment purchased by June 2023	N/A	N/A	R1,460,000.00 (R 1 012 405)	Proof of Purchase	Technical services
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BSID 3	Transformers	Purchasing and Installation of emergency Transformers	reduction strategy	BLM	Percentage emergency transformers purchased and installed as an when required by June 2023	100% emergency transformers purchased and installed as and when required.	100 % Purchasing and Installation of emergency Transformers as an when required by June 2023	Target achieved. 100 % Purchasing and Installation of emergency Transformers as an when required by June 2023	N/A	N/A	R300 000.00 (R 217 091)	Proof of Purchase and Transformer register	Technical services
BSID 4	Transformers	Reconditioning of Transformers		BLM	Number Transformer s reconditioned by June 2023	20 Transformer s reconditioned by June 2022	10 Transformer s reconditioned by June 2023	Target not achieved.06 Transformer s reconditioned by June 2023	Shortage of copper from the supplier	Fast-track the service provider to complete the reconditioning	R 376 489 (R 363 533)	Proof of Purchase and pictures	Technical services

BSID 9	Replace ment of Electric al poles at The grench, Grootpa n and samson	Purchasing and replacement of poles		BLM	Number Poles purchased and installed as and when required by June 2023	New Indicator	30 Poles purchased and installed as and when required by June 2023	Target achieved. 30 Poles purchased and installed as and when required by June 2023	N/A	N/A	R 198 000 (R 198 000)	Proof of Purchase and pictures	Technical services
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BSID 10	Electrification of households at Witten ext 10	Confirmation of the Project on the IDP, Project Registration, Compilation of Specification /Tender documents, Tender advert, Evaluation, Appointment s, Design, Construction , closeout.	To connect and provide sustainable energy to all households by June 2023	Witten village	Number households electrified and energized at Witten village by June 2023	New indicator	625 households electrified and energised at Witten village by June 2023	Target not achieved. On construction stage, currently busy with Stringing of LV, Planting of shack poles, Installation of ready boards	Contract or encountered hardrock	The contractor submitted revised catch-up plan and the municipality will monitor the project to be completed as per approved extension of time	R 12 ,390,010,00 (R 12 259 875)	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion certificate	Technical services
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BSID 11	Electrification of households at Lekgwara village	Confirmation of the Project on the IDP, Project Registration, Compilation of Specification /Tender documents, Tender advert, Evaluation, Appointment s, Design, Construction , closeout.	To connect and provide sustainable energy to all households by June 2023	Lekgwara village	Number households electrified and energized at Lekgwara village by June 2023	New indicator	40 households electrified and energised at Lekgwara village by June 2023	Target achieved. 40 households electrified and energised at Lekgwara village by June 2023	N/A	N/A	R 960 000.00 (R958 733)	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion certificate	Technical services
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BSD 12	Electrification of households at Diepsloot village Phase 2	Confirmation of the Project on the IDP, Project Registration, Compilation of Specification /Tender documents, Tender advert, Evaluation, Appointment s, Design, Construction , closeout.	To connect and provide sustainable energy to all households by June 2023	Diepsloot village	Number of households electrified and energized at Diepsloot village by June 2023	New Indicator	19 households electrified and energised at Diepsloot village by June 2023	Target achieved. 19 households electrified and energised at Diepsloot village by June 2023	N/A	N/A	R 266,000,00 (R265 999)	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion certificate	Technical services
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BSID 13	Electrification of households at Alldays village	Confirmation of the Project on the IDP, Project Registration, Compilation of Specification /Tender documents, Tender advert, Evaluation, Appointment s, Design, Construction , closeout.	To connect and provide sustainable energy to all households by June 2023	Alldays village	Number households electrified and energized at Alldays village by June 2023	New indicator	20 households electrified and energised at Alldays village by June 2023	Target achieved. 20 households electrified and energised at Alldays village by June 2023	N/A	N/A	R 383,990,00 (R 383 990)	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion certificate	Technical services
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BSID 16	Construction of electricity substation on at Senwabarwana	Confirmation of the Project on the IDP, Project Registration, Compilation of Specification /Tender documents, Tender advert, Evaluation, Appointment s, Design, Construction , closeout.	To provide sustainable energy to all households	Senwabarwana electricity substation on	Number of substations constructed at Senwabarwana Phase 2(Installation of isolators, current transformers , voltage transformers , circuit breakers and twin tubular bus) by June 2023	Perimeter fence(120m), Drilling and equipping of borehole(01) and Building of Substation House(160m2) ,Paving (350m2),Access road (1.3km)	01 substation constructed at Senwabarwana(Phase 2) by June 2023 (Isolators(8x132kv)Current transformer s(15x132kv), Voltage transformer s(6x132kv) Circuit breakers(5x132kv), Twin tubular	Target not achieved. Site establishment completed, currently busy with excavations and preparation of platform.	Contract or encountered hard rock	The contractor submitted revised catch-up plan and the municipality will monitor the project to be completed as per approved extension of time	R 20,138,000,00(R13 315 885.94)	Advert, appointment letters, site hand over minutes, Quarterly Progress reports, pictures and Completion Certificate.	Technical services
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							bus bars bar(2x132k v), Columns (2x132kv) and Perimeter fence(2,4m hightx170m length) by June 2023									
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BSID 17	Roads (Maintenance)	Maintenance of roads	To maintain internal streets and access roads on continuous basis	Senwabarwana	Square meters patching of potholes, number road signs installed and square meters of road markings at Senwabarwana Internal Streets and Storm water done by June 2023	2km of road markings, installation of 15 road signs and construction of 02 speed humps, 5km of sweeping and 500 square meters of patching potholes at Senwabarwana	700 Square meters of patching potholes and 50 square meters of road markings at Senwabarwana Internal Streets by June 2023	Target achieved. 700 Square meters of patching potholes and 50 square meters of road markings at Senwabarwana Internal Streets by June 2023	N/A	N/A	R 400 000.00 (R 353 725)	Photographs, Ward Councilors confirmation letter	Technical services
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[illegible]

BSID 18	Roads (Maintenance)	Maintenance of roads	To maintain internal streets and access roads on continuous basis	Dilaeneng	Square meters patching of potholes and square meters of road markings at Dilaeneng done by June 2023	Installation of 10 road signs and construction of 02 speed humps complete with markings, 1km of sweeping and 50 square meters of patching potholes at Dilaeneng Internal	100 Square meters of patching potholes and 10 square meters of road markings and 1km of sweeping at Dilaeneng Internal Streets by June 2023	Target achieved. 100 Square meters of patching potholes and 10 square meters of road markings and 1km of sweeping at Dilaeneng Internal Streets by June 2023	N/A	N/A	R 100 000 (R 99 750)	Photographs, Ward Councilors confirmation letter	Technical services
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[illegible]

BSID 19	Roads (Maintenance)	Maintenance of roads	To maintain internal streets and access roads on continuous basis	Witten	Square meters patching of concrete drift, number road signs installed, and square meters of road markings at Witten Internal Streets and Storm water done by June 2023	2km of road markings, installation of 10 road signs and construction of 04 speed humps and 50 square meters of patching damaged section and construction of a trapezoidal	10 Square meters of patching concrete drift, 5sqm of patching of potholes, 05 number of road signs and 50 sqm of road markings at Witten Internal Streets by June 2023	Target achieved. 10 Square meters of patching concrete drift, 5sqm of patching of potholes, 05 number of road signs and 50 sqm of road markings at Witten Internal Streets by June 2023	N/A	N/A	R 30 000 (R 29 750)	Photographs, Ward Councilors confirmation letter	Technical services
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[illegible]

BSID 20	Roads (Maintenance)	Maintenance of roads		Puraspan	Number road signs installed and construction of speed humps complete with markings at Puraspan Internal Streets by June 2023	Installation of 10 road signs and construction on of 05 speed humps complete with markings, 2.5km of sweeping at Puraspan Internal Streets and Storm waterdone by June 2022.	Installation of 20 road signs and construction of 05 speed humps complete with markings at Puraspan Internal Streets by June 2023	Target achieved. Installation of 20 road signs and construction of 05 speed humps complete with markings at Puraspan Internal Streets by June 2023	N/A	N/A	R 100 000 (R 99 500)	Photographs, Ward Councilors confirmation letter	Technical services
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BSD 21	Roads (Maintenance)	Maintenance of roads	Avon	Square meters patching of potholes, number of road signs installed and square meters of road markings at Avon Internal Streets and Storm water done by June 2023	2.0 road markings, installation of 16 road signs, 3.0 km of sweeping and 50 square meters of patching potholes at Avon Internal Streets and Storm water done by June 2022.	50sqm of road markings, installation of 05 road signs, 3.0 km of sweeping and 50 square meters of patching potholes at Avon Internal Streets and Storm water done by June 2023.	Target achieved. 50sqm of road markings, installation of 05 road signs, 3.0 km of sweeping and 50 square meters of patching potholes at Avon Internal Streets and Storm water done by June 2023.	N/A	N/A	R 50 000 (R 49 800)	Photogra phs, Ward Councillo rs confirmat ion letter	Technical services
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BSID 22	Roads (Maintenance)	Maintenance of roads	To maintain internal streets and access roads on continuous basis	Indermark	Square meters patching of potholes, number of road signs installed, square meters and sqm of road markings at Indermark Internal Streets and Storm water done by June 2023	7 road signs installed , 50 square meters potholes patched and 1 kilometer swept at Indermark Internal Streets and Storm water done by June 2022	100 sqm potholes patching, installation of 4 road signs and 50sqm of road markings and 1km sweeping at Indermark Internal Streets and Storm water done by June 2023	Target achieved. 100 sqm potholes patching, installation of 4 road signs and 50sqm of road markings and 1km sweeping at Indermark Internal Streets and Storm water done by June 2023	N/A+	N/A	R 90 000 (R 88 200)	Photographs, Ward Councilors confirmation letter	
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BSID 23	Roads (Maintenance)	Maintenance of roads	Kromhoek	Square meters patching of potholes, number of road signs installed, square meters and km of road markings at Kromhoek Internal Streets and Storm water done by June 2023	14 road signs installed, 50 square meters potholes patched and 1 kilometers swept at Kromhoek Internal Streets and Storm water done by June 2022.	50 sqm of potholes patching, installation of 05 road signs, 50sqm of road markings and 1 kilometers swept at Kromhoek Internal Streets and Storm water done by June 2023.	Target achieved. 50 sqm of potholes patching, installation of 05 road signs, 50sqm of road markings and 1 kilometers swept at Kromhoek Internal Streets and Storm water done by June 2023.	N/A	N/A	R 50 000 (R 50 000)	Photographs, Ward Councilors confirmation letter	Technical services
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BSID 24	Roads (Maintenance)	Maintenance of roads		Devrede	Number road signs installed and construction of speed humps, km and square meters of road markings and square meters of concrete drift repairing at Devrede Internal Streets and Storm water done by June 2023	10 road signs installed and 1 speed hump constructed and 1 kilometer swept at Devrede Internal Streets and Storm water done by June 2022.	Installation of 04 road signs and construction of 2 speed hump, 10sq m repairing of concrete drift and sweeping of 1 kilometer of internal street by June 2023	Target achieved. Installation of 04 road signs and construction of 2 speed hump, 10sqm repairing of concrete drift and sweeping of 1 kilometer of internal street by June 2023	N/A	N/A	R 100 000 (R 97 900)	Photogra phs, Ward Councillo rs confirmat ion letter	Technical services
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BSID 25	Roads (Maintenance)	Maintenance of roads		Taaibosch	Number road signs installed and construction of speed humps, km of sweeping and square meters patching of potholes, square meters and km of road markings at Taaibosch Internal Streets and Storm water	Installation of 10 road signs and construction on of 02 speed humps at Taaibosch Internal Streets and Storm water done by June 2022.	Installation of 05 road signs, 150 sqm of potholes patching, construction of 02 speed humps, 50sqm of road markings at Taaibosch Internal Streets and Storm water done by June 2023.	Target achieved. Installation of 05 road signs, 150 sqm of potholes patching, construction of 02 speed humps, 50sqm of road markings at Taaibosch Internal Streets and Storm water done by June 2023.	N/A	N/A	R 200 000 (R 199 500)	Photographs, Ward Councilors confirmation letter	Technical services
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done by June 2023

BSID 26	Roads (Maintenance)	Maintenance of roads	All days	Number road signs and construction of speed humps, and square meters of patching potholes, square meters and km of road markings at Alldays Internal Streets and Storm water done by June 2023	19 road signs installed and 8 speed humps constructed, 5 square meters potholes patched at Alldays Internal Streets and Storm water done by June 2022.	Installation of 15 road signs and construction of 06 speed humps, and 200 square meters of patching potholes, 50 square meters of road markings at Alldays Internal Streets and Storm water done	Target achieved. Installation of 15 road signs and construction of 06 speed humps, and 200 square meters of patching potholes, 50 square meters of road markings at Alldays Internal Streets and Storm water	N/A	N/A	R 300 000 (R 259 652)	Photographs, Ward Councilors confirmation letter	Technical services
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BSID 27	Roads (Maintenance)	Maintenance of roads	Desmond park	Number road signs installed and construction of speed humps, km of sweeping and square meters patching of damaged sections at Desmond Park Internal Streets and Storm water by June 2023	26 road signs installed and 6 speed humps constructed, 150 square meters potholes patched at Desmond park Internal Streets and Storm water done by	Installation of 25 road signs and construction of 7 speed humps, 50 square meters potholes patching, 50sqm of road markings and 1km of sweeping at Desmond park Internal	Target achieved. Installation of 25 road signs and construction of 7 speed humps, 50 square meters potholes patching, 50sqm of road markings and 1km of sweeping at Desmond park Internal Streets and	N/A	N/A	R 150 000 (R 149 900)	Photographs, Ward Councilors confirmation letter	Technical services
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BSID 28	Roads (Maintenance)	Maintenance of roads	Millennium Park	Square meters road markings and number road signs installed at Millennium Park Internal Streets and Storm water by June 2023	New Indicator	50 square meters of road markings and installation of 10 road sign at Millennium Park Internal Streets and Storm water done by June 2023	Target achieved. 50 square meters of road markings and installation of 10 road sign at Millennium Park Internal Streets and Storm water done by June 2023	N/A	N/A	R 30000 (R29 500)	Photographs, Ward Councilors confirmation letter	Technical services
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BSID 29	Culverts	Construction of new culverts	To construct low water bridges	BLM	Number culverts complete with wing-walls constructed by June 2023	80 new culverts and 36 wingwalls constructed by June 2022	64 new culverts and 14 wingwalls constructed by June 2023	Target not achieved. 59 new culverts and 12 wingwalls constructed by June 2023	Target not achieved due to budgetary constraints. The Unit relied mostly on MISA students for construction of wing walls	The outstanding wingwalls will be constructed in the 2023/24 Financial Year	R150 000 (R 86 250)	Photographs, Ward Councilors confirmation letter	Technical services
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BSID 32	Road Maintenance Materials	Purchase	Improve maintenance capacity	BLM	Number set of identified road maintenance materials purchased by June 2023	New Indicator	4 sets of identified road maintenance materials purchased by June 2023(Wheel barrows(05),Brooms(30),square shovels(10) and digging spades(10)	Target achieved. 4 sets of identified road maintenance materials purchased by June 2023(Wheel barrows(05),Brooms(30),square shovels(10) and digging spades(10)	N/A	N/A	R 20 000 (R 19 830)	Proof of purchase	Technical services
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BSID 33	Senwabarwana internal and stormwater control phase 11 A	Confirmation of the Project on the IDP, Project Registration, Compilation of Specification /Tender documents, Tender advert, Evaluation, Appointment s, Design, Construction , closeout.	To ensure availability of infrastructure to support public transport	Senwabarwana	Kilometres constructed at Senwabarwana Internal Street from gravel to tar and Storm-water channel completed by June 2023	New Indicator	Construction of 2,81 Km of Senwabarwana Internal Street and Stormwater Control Phase 11 A completed by June 2023	Target not achieved. On practical completion stage	Delay in delivery of materials (Kerbs, V-drains) and community disruptions	Constant monitoring of the project to be completed within the approved time.	R 17 718 498 (R 17 317 524)	Design report, approval letter, advert and appointment letter	Technical services
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BSID 34	Senwabarwana internal and stormwater control phase 11 B	Confirmation of the Project on the IDP, Project Registration, Compilation of Specification /Tender documents, Tender advert, Evaluation, Appointment s, Design, Construction , closeout.	To ensure availability of infrastructure to support public transport	Senwabarwana	Kilometres constructed at Senwabarwana Internal Street from gravel to tar and Stormwater channel completed by June 2023	New Indicator	Construction of 2,41 Km of Senwabarwana Internal Street and Stormwater Control Phase 11 B completed by June 2023	Target not achieved. On practical completion stage	Delay in delivery of materials (Kerbs, V-drains and ready mix concrete) and community disruptions	Constant monitoring of the project to be completed within the approved time.	R 19 009 870 (R19 009 102)	Design report, approval letter, advert and appointment letter	Technical services
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BSID 35	Construction of Alldays Internal Street and Stormwater Control Phase 2	Confirmation of the Project on the IDP, Project Registration, Compilation of Specification /Tender documents, Tender advert, Evaluation, Appointment s, Design, Construction , closeout.	To ensure availability of infrastructure to support public transport	Alldays	Kilometres constructed at Alldays Internal Street from gravel to tar and Stormwater channel completed by June 2023	New Indicator	Construction of 4.0 Km internal street and stormwater control completed by June 2023	Target not achieved. Site establishment and layer works completed, currently busy Laying interlocking pavement bricks and kerbs	Delay in delivery of materials (Kerbs and pavement t bricks)	Constant monitoring of the project to be completed within the approved time.	R 30 400 000 (R 29 644 084)	Advert, appointment letters, handover minutes, Site visit report ,pictures and Completi on certificate	Technical services
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BSID 36	Construction of Avon Multipurpose community centre	Confirmation of the Project on the IDP, Project Registration, Compilation of Specification /Tender documents, Tender advert, Evaluation, Appointment s, Design, Construction , closeout.	To provide safe and sustainable recreation and social facilities	Avon	Number multi-purpose Community centre constructed at Avon by June 2023	New Indicator	Construction of one Multi-purpose Community centre at Avon Completed by June 2023	Target not achieved. Foundation and erection of structure, construction of hall, offices and ablution facility completed, Currently busy with construction of internal and external walls in the change rooms.	Delay in delivery of materials (building bricks and roofing)	Constant monitoring of the project to be completed within the approved time.	R7,000,000 (R 5 817 877)	Advert, appointment letters, handover minutes, Site visit report ,pictures and Completi on certificate	Technical services
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BSID 37	Construction of Danzig Creche	Confirmation of the Project on the IDP, Project Registration, Compilation of Specification /Tender documents, Tender advert, Evaluation, Appointment s, Design, Construction , closeout.	To provide safe and sustainable education al facility services	Danzig	Percentage construction of Danzig Creche Completed by June 2023	New Indicator	100% construction of Danzig Creche Completed by June 2023(Site handover(15%), Site establishment(5%), Foundation(15%),drilling and equipping of borehole(5%),Brickwork super structure(50%)	Target achieved. 100% construction of Danzig Creche Completed by June 2023(Site handover(15%), Site establishment(5%), Foundation(15%),drilling and equipping of borehole(5%), Brickwork super structure(50%)	Targeted work has been completed. And therefore the completion certificate is about work done for the year and not completion of the creche.	N/A	R 2 348 786, 74 (R 2 348 786)	Advert, appointment letters, handover minutes, Site visit report ,pictures and Completion certificate	Technical services
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BSID 38	Construction of Mongalo Creche	Confirmation of the Project on the IDP, Project Registration, Compilation of Specification /Tender documents, Tender advert, Evaluation, Appointment s, Design, Construction , closeout.	To provide safe and sustainable education al facility services	Mongalo	Percentage construction of Mongalo Creche Completed by June 2023	New Indicator	100% construction of Mongalo Creche Completed by June 2023(Site handover(15%), Site establishment(5%), Foundation(15%), drilling and equipping of borehole(5%), Brickwork(5%), Brickwork super structure(50%	Target achieved. 100% construction of Mongalo Creche Completed by June 2023(Site handover(15%), Site establishment(5%), Foundation(15%), drilling and equipping of borehole(5%), Brickwork super structure(50%	Targeted work has been completed. And therefore the completion certificate is about work done for the year and not the completion of the creche.	N/A	R2,350,000,00 (2 350 000)	Advert, appointment letters, handover minutes, Site visit report ,pictures and Completion certificate	Technical services
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BSID 47	Construction of Pinkie Sebotse Sports facility	Confirmation of the Project on the IDP, Project Registration, Compilation of Specification /Tender documents, Tender advert, Evaluation, Appointment s, Design, Construction , closeout.	To provide safe and sustainable recreation and social facilities	Pinkie-Sebotse	Percentage Construction of Pinkie-Sebotse sports facility completed by June 2023 (Construction of earthworks on Soccer field and Athletic , construction of Palisade fence ,Change rooms and ablation	Palisade Fence, Earthworks for soccer field and brick works on ablation facility and Guardhouse completed	100% Construction of Pinkie-Sebotse sports facility completed by June 2023 establishment and site clearing (100 %), Construction of earthworks on Soccer field and Athletic tracks	Target not achieved. Project at practical completion stage.	Community Disruption delayed the completion of the project	Constant monitoring of the project to be completed within the approved time.	R 3, 363, 442.00 (R 3 761 846)	Advert, appointment letters, handover minutes, Site visit report ,pictures and Completion certificate	Technical services
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BSID 48	Construction of Fences along the Bypass road	To promote public safety	BLM	kilometre fence constructed completed by June 2023	New Indicator	1,5km fence constructed completed by June 2023	Target achieved. 1,5km fence constructed completed by June 2023	N/A	N/A	R149 000 (R 149 000)	Photographs, Ward Councilors confirmation letter	Technical services
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BSID 49	Construction of Lethale ng to Pickum access road	Confirmation of the Project on the IDP, Project Registration, Compilation of Specification /Tender documents, Tender advert, Evaluation, Appointment s, Design, Construction , closeout.	To ensure availability of infrastructure to support public transport	Lethale ng and Pickum	Number Design report developed and approved for Lethaleng to Pickum access road by June 2023	New Indicator	One Design report developed and approved for Lethaleng to Pickum access road by June 2023	Target achieved. One Design report developed and approved for Lethaleng to Pickum access road by June 2023	N/A	N/A	R 6 948 288 (R 3 758 486)	Planning stage inception and preliminary development and detailed approved design report	Technical services
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BSID 50	Construction of Moche mi access and internal street	Confirmation of the Project on the IDP, Project Registration, Compilation of Specification /Tender documents, Tender advert, Evaluation, Appointment s, Design, Construction , closeout.	To ensure availability of infrastructure to support public transport	Moche mi	Number Design report developed and approved for Mochemi access road and internal street by June 2023	New Indicator	One Design report developed and approved for Mochemi access road and internal street by June 2023	Target achieved. One Design report developed and approved for Mochemi access road and internal street by June 2023	N/A	N/A	R 7 119 744 (2 199 017)	Planning stage inception and preliminary development and detailed approved design report	Technical services
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BSID 52	Indigent relief	Provision of indigent services	To provide indigent relief	BLM	Number Indigent register updated by June 2023	.5340 Indigent provided with Free basic electricity	1 x Indigent register updated by June 2023	Target achieved. 1 x Indigent register updated by June 2023	N/A	N/A	OPEX	Updated Indigent Register	Budget & Treasury

KPA	INSTITUTIONAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT												
NDP	BUILDING CAPABLE AND DEVELOPMENTAL STATE												
OUTCOME 9		ADMINISTRATIVE AND FINANCIAL CAPABILITY											
Project Details													
Project/KPI Number	Project Name	Project Description (major activities)	Strategic Objective	Location	Key Performance Indicator	2021/22 Baseline	2022/23 Annual Target	Annual Actual Performance	Reason for variance	Corrective Measure	2022/23 Budget (Expenditure)	Portfolio of evidence	Responsible Department
MTOD 01	Fleet Management	purchase	improved fleet management	BLM	Number plants purchased(graders) by June 2023	Two vehicles purchased	3 plants purchased(3 graders) by June 2023	Target achieved. 3 plants purchased(3 graders) by June 2023	N/A	N/A	R 6 300 000 (R 5 140 450)	Proof of purchase . Photos	Corporate services

MTOD 2	IT Master Plan	Appointment	Improved IT environment	BLM	Number IT Master Plan developed by June 2023	New Indicator	01 IT Master Plan developed by June 2023	Target achieved. 01 IT Master Plan developed by June 2023	N/A	N/A	R 200 000.00 (R 197 000)	Report	Corporate services
MTOD 03	Establishment Disaster Recovery centre	Appointment	Improved IT environment	BLM	Number Disaster Recovery Centre established by June 2023	New Indicator	01 Disaster Recovery Centre established by June 2023	Target achieved. 01 Disaster Recovery Centre established by June 2023	N/A	N/A	R 500 000.00 (R 489 042)	Report	Corporate services

MTOD 06	Cloud back-up	Appointment	Improved IT environment	BLM	Number Service Provider appointed for cloud back-up by June 2023	New Indicator	01 Service Provider appointed for cloud back-up by June 2023	Target achieved. 01 Service Provider appointed for cloud back-up by June 2023	N/A	N/A	R 170 000 (R 149 377)	Report.	Corporate services
MTOD 09	Training for councillors	conduct councillors training	To improve skills and maximize productivity	BLM	Number councillors trained by June 2023	44 Councillors trained by June 2023	44 Councillors trained by June 2023	Target achieved. 44 Councillors trained by June 2023	N/A	N/A	R 650 000.00 (Exp R 528 443)	Report	Corporate services
MTOD 10	Training for officials & Interns	conduct employees training	to improve skills and maximize productivity	BLM	Number of employees trained by June 2023	15 Employees trained by June 2022	10 Employees trained by June 2023	Target achieved. 10 Employees trained by June 2023	N/A	N/A	R 550 000 (Exp R 408 009)	Report	Corporate services

MTOD 11	Municipal employees bursaries	Support to employees	To improve skills and maximize productivity	BLM	Numbers employees awarded bursary by June 2023	2021 Bursary scheme	6 employees awarded bursary by June 2023	Target achieved. 6 employees awarded bursary by June 2023	N/A	N/A	R 265 000 (Exp R 232 256)	Report	Corporate services
MTOD 12	Clocking system	Purchase of Clocking system face recognition device	To enhance human resource management and development	BLM	Number face recognition device purchased by June 2023	New Indicator	One face recognition device purchased by June 2023	Target achieved. One face recognition device purchased by June 2023	N/A	N/A	R 100 000 (Exp R 85 594)	Report	Corporate services

MTOD 15	Employee wellness	Conducting employee wellness	improve employee health and well-being, optimize performance and productivity	BLM	Number reports on the employee wellness programme compiled by June 2023	Two Reports on employee wellness conducted	Two Reports on employee wellness programme compiled by June 2023	Target achieved. Two Reports on employee wellness programme compiled by June 2023	N/A	N/A	R 43 000.00 (Exp R 37 943)	Report and attendance registers	Corporate services
MTOD 16	Uniform and protective clothing	Purchasing of Uniform and protective clothing	To protect employees from exposure to work place hazards and the	BLM	Number of employees provided with protective clothing by June 2023	90 employees provided with PPE	90 employees provided with protective clothing by June 2023	Target achieved. 90 employees provided with protective clothing by June 2023	N/A	N/A	R 700 000 (Exp R 649 550)	Collection register	Corporate services

MTOD18	Conduct waste disposal facilities external audits	Conduct external Audits	To ensure efficient Waste Management	BLM	Number waste disposal facilities external audits conducted by June 2023	New Indicator	01 waste disposal facilities external audit conducted by June 2023	Target achieved. 01 waste disposal facilities external audit conducted by June 2023	N/A	N/A	R 200 000 (Exp R 193 625)	Report	Community Services
MTOD22	Conduct Cleaning Campaigns	Facilitation of Cleaning Awareness and Campaigns	To ensure awareness on waste management	BLM	Number of cleaning campaigns conducted by June 2023	04 cleaning campaigns conducted	04 cleaning campaigns conducted by June 2023	Target achieved. 04 cleaning campaigns conducted by June 2023	N/A	N/A	R 70 000 (Exp R 42 685)	Reports and photos	Community Services

MTOD 23	Sign boards, notices and flyers	procurement	To ensure compliance on waste management	BLM	Number of sign boards, notices and flyers procured by June 2023	New Indicator	20 sign boards, 10 notices and 100 flyers procured by June 2023	Target not achieved. Signs, notices and flyers were not procured	Activity not coordinated	To be procured in the new financial year	R 30 000 (Exp R 0,00)	Proof of purchase	Community Services
MTOD24	Landfill maintenance	Maintenance of landfill sites	To ensure proper maintenance and operation of site	BLM	Number landfill site maintenance reports compiled by June 2023	12 landfill site maintenance reports compiled	12 landfill site maintenance reports compiled by June 2023	Target achieved. 12 landfill site maintenance reports compiled by June 2023	N/A	N/A	R3,551 000.00 (Exp R 3 195 255)	Reports	Community Services

MTOD31	Procurement of cemetery record books	Procurement	To ensure that grave sites are registered	BLM	Number Cemetery record books purchased by June 2023	05 cemetery records books procured	05 Cemetery record books procured by June 2023	Target achieved. 05 Cemetery record books procured by June 2023	N/A	N/A	R 56 000.00 (Exp R)	Proof of purchase	Community Services
MTOD 35	Procurement Bullet Proofs	Procurement	To ensure safety for Law Officers	BLM	Number Bullet Proofs vests procured by June 2023	New Indicator	12 Bullet Proofs vests procured by June 2023	Target not achieved. Specification was done.	Insufficient budget	To be procured in the new financial year	R 100 000.00 (Exp R 0. 00)	PoP	Community Services
MTOD 36	Calibration of speed machines	Calibration and reporting	Maintenance	BLM	Number Maintenance Report compiled by June 2023	4 Maintenance Report compiled by June 2022	4 Maintenance Report compiled by June 2023	Target achieved. 4 Maintenance Report compiled by June 2023	N/A	N/A	R 70 000.00 (Exp R)	Reports	Community Services

MTOD 37	Procurement of stationery	purchase	To ensure enough material for Traffic services	BLM	Percentage traffic stationery purchased by June 2023	100% Percentage traffic stationery purchased by June 2022	100% Percentage traffic stationery purchased by June 2023	Target achieved. 100% Percentage traffic stationery purchased by June 2023	N/A	N/A	R 150 000.00 (Exp R 29 999.48)	Proof of purchase	Community Services
MTOD 38	Catering for four awareness sessions	Coordinate awareness campaigns	To celebrate transport month and promote awareness	BLM	Number transport Awareness Events conducted by June 2023	2 transport Awareness Events conducted by June 2022	4 transport Awareness Events conducted by June 2023	Target achieved. 4 transport Awareness Events conducted by June 2023	N/A	N/A	R 27 000.00 (Exp R 26 600)	Reports	Community Services

MTOD 39	Maintenance of equipment	Maintenance	To ensure proper working equipment	BLM	Number of machines calibrated by June 2023	One VTS machine calibrated by June 2022	One VTS machine calibrated by June 2023	Target not achieved. VTS machines not calibrated.	Delayed by processes of renewal of SLA with the service provider	To be prioritised in the new financial year	R30,000.00 (Exp R 0.00)	Report	Community Services
MTOD 40	Pound Awareness campaigns	campaigns	Promote safety	BLM	Number of awareness campaigns conducted by June 2023	4 awareness campaigns conducted by June 2022	4 awareness campaigns conducted by June 2023	Target achieved. 4 awareness campaigns conducted by June 2023	N/A	N/A	R103 000.00 (Exp R 0)	Reports	Community Services

MTOD 41	Protective Clothing	purchase	Availability of PPE	BLM	Number set of uniform purchased for Law Enforcement Personnel by June 2023	New Indicator	10 sets of uniform purchased for Law Enforcement Personnel by June 2023	Target achieved. 10 sets of uniform purchased for Law Enforcement Personnel by June 2023	N/A	N/A	R 200 000.00 (Exp R 200 000)	Proof of purchase	Community Services
MTOD45	Maintenance of buildings	Maintenance	To ensure safe Municipal facilities	BLM	Number municipal buildings maintained by June 2023	3 municipal buildings maintained by June 2022	7 municipal buildings maintained by June 2023	Target achieved. 7 municipal buildings maintained by June 2023	N/A	N/A	R 400 000 (Exp R 151 226)	Reports	Community Services

MTOD46	Maintenance of Sports facilities	Maintenance	To ensure user-friendly Sports facilities	BLM	Number sports facilities maintained by June 2023	2 sports facilities maintained by June 2022	3 sports facilities maintained by June 2023	Target achieved. 3 sports facilities maintained by June 2023	N/A	N/A	R100 000 (Exp R 0.00)	Reports	Community Services
MTOD47	Maintenance of Community halls	Maintenance	To ensure user-friendly Community Halls	BLM	Number community halls maintained by June 2023	2 community halls maintained by June 2022	6 community halls maintained by June 2023	Target achieved. 6 community halls maintained by June 2023	N/A	N/A	R106 000 (Exp R 84 505)	Reports	Community Services

MTOD49	Conduct Disaster Management education and awareness campaigns to communities	To ensure effective Disaster Management	BLM	Number of disaster education and awareness campaigns conducted by June 2023	4 Education and awareness campaigns conducted by June 2022	4 disaster Education and awareness campaigns conducted by June 2023	Target not achieved. Campaigns not conducted.	Campaign was not coordinated due to shortage of staff	To appoint an official who will conduct activities related to Disaster	R50 000.00 (R 0)	Reports	Community Services
MTOD 51	IDP Steering Committee and Review Sessions	Compliance with legislation	BLM	Number of SDBIP Reports compiled by June 2023	Four SDBIP Reports compiled by June 2022	Four SDBIP Reports compiled by June 2023	Target achieved. Four SDBIP Reports compiled by June 2023	N/A	N/A	R 510 000.00 (Exp R 509 179)	Reports	MM/Mayor's Office

MTOD 52	Perform ance Assess ments	Conducting individual performance Assessment s	Enhanced Municipal performance	BLM	Number individual performance assessments conducted(Annual and mid-year) by June 2023	Two sessions conducted	Two Individual Assessments conducted(Annual and Mid-year) by June 2023	Target achieved. Two Individual Assessments conducted(Annual and Mid- year) by June 2023	N/A	N/A	R10 000.00 (Exp R 0.00)	Reports and Registers	MM/Mayor' Office
MTOD 53	Security Management	Appointment and payment of Physical Security service provider	Secure municipal property	BLM	Number Physical security services reports compiled by June 2023	Physical security provided to all sites	12 Physical security services reports compiled by June 2023	Target achieved. 12 Physical security services reports compiled by June 2023	N/A	N/A	R 17 000 000 (Exp R 15 751 925)	Reports	MM/Mayor' Office

MTOD 56	Gazetting of By-laws	Gazetting	Strengthen municipal legal services	BLM	Number of laws gazetted by June 2023	New Indicator	Two by-laws gazetted by June 2023	Target achieved. Two by-laws gazetted by June 2023	N/A	N/A	R 70 000 (Exp R 69 000)	Report	MM/Mayor's Office
MTOD 57	Contract Management	Reports	Strengthen municipal legal services	BLM	Number of contract management reports compiled by June 2023	New Indicator	Four contract management reports compiled by June 2023	Target achieved. Four contract management reports compiled by June 2023	N/A	N/A	OPEX	Reports	MM/Mayor's Office

MTOD 58	Litigatio ns	Compilation of reports	Strength en municipal legal services	BLM	Number litigation reports compiled by June 2023	New Indicator	Four litigation reports compiled by June 2023	Target achieved. Four litigation reports compiled by June 2023	N/A	N/A	R 6 610 000 (Exp R 6 594 372)	Reports	MM/Mayor' Office

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LED 01	LED Projects	Financial support to LED Projects	To create and promote LED initiatives in the business sector	BLM	Number LED Projects Financially supported by June 2023	3 projects supported financially	3 LED Projects Financially supported by June 2023	Target achieved. 3 LED Projects Financially supported by June 2023	N/A	N/A	R530,000.00 (Exp R 529 840)	Reports and pictures	Economic Development & Planning
LED 03	Informal traders	management of hawkers	To create and promote LED initiatives in the business sector	BLM	Number quarterly reports on management of hawkers compiled by June 2023	Four quarterly reports on management of hawkers compiled by June 2022	Four quarterly reports on management of hawkers compiled by June 2023	Target not achieved.	Reports on quarterly management not provided	Compile and provide quarterly management reports and implement recommendations	OPEX	Reports	Economic Development & Planning

LED 04	Informal Traders By-Law	workshop on about the by-law	To create and promote LED initiatives in the business sector	New Indicator	Number workshops conducted on informal traders by-law by June 2023	New Indicator	Two workshops conducted on informal traders by-law by June 2023	Target achieved. Two workshops conducted on informal traders by-law by June 2023	N/A	N/A	OPEX	Reports	Economic Development & Planning
LED 05	EPWP - Grant	Appointment of EPWP PRACTITIONERS	To create job opportunities through EPWP programme	BLM	Number job opportunities created through EPWP programme by June 2023	235 opportunities created	250 job opportunities created through EPWP programme by June 2023	Target achieved. 260 job opportunities created through EPWP programme by June 2023	10 more participants were recruited due to availability of funds	N/A	R 5 148 040 (Exp R 5 148 040)	List and reports	Community Services

KPA	FINANCIAL VIABILITY AND MANAGEMENT												
NDP	BUILDING OF KEY CAPABILITIES(HUMAN,PHYSICAL &INSTITUTIONAL)												
OUTCOME 9		ADMINISTRATIVE AND FINANCIAL CAPABILITY (OUTPUT 6)											
Project Details													
Project/KPI Number	Project Name	Project Description (major activities)	Strategic Objective	Location	Key Performance Indicator	2021/22 Baseline	2022/23 Annual Target	Annual Actual Performance	Reason for variance	Corrective Measure	2022/23 Budget (Expenditure)	Portfolio of evidence	Responsible Department

MFVM 01	Annual financial statement	Compilation of AFS	Enhance Sound Municipal financial viability and management	BLM	Number set of AFS Compiled & submitted to AGSA, LPT, COGOHSTA & NT by June 2023	2020/21 AFS compiled & submitted to AGSA, LPT & NT	One set of AFS Compiled & submitted to AGSA, LPT, COGOHSTA & NT by June 2023	Target achieved. One set of AFS Compiled & submitted to AGSA, LPT, COGOHSTA & NT by June 2023	N/A	N/A	R950,000.00 (Exp R 742 630)	Acknowledgement of the receipt from AGSA, LPT, COGOHSTA & NT	Budget & Treasury
MFVM 03	Mid-year report (Sec 72)	Compilation of mid-year report (sec 72)	Enhance Sound Municipal financial viability and management	BLM	Number mid-year report (Sec 72 report) compiled by June 2023	Mid-Year report compiled by June 2022	One mid-year report (Sec 72 report) compiled by June 2023	Target achieved. One mid-year report (Sec 72 report) compiled by June 2023	N/A	N/A	OPEX	Council resolution, Acknowledgement of receipt from LP & NT	Budget & Treasury

MFVM 04	Quarterly mSCOA data strings report	Compilation of reports	Enhance Sound Municipal financial viability and management	BLM	Number Quarterly mSCOA data strings report compiled by June 2023	4 Quarterly mSCOA data strings report compiled by June 2023	4 Quarterly mSCOA data strings report compiled by June 2023	Target achieved. 4 Quarterly mSCOA data strings report compiled by June 2023	N/A	N/A	OPEX	Reports	Budget & Treasury
MFVM 05	MSCOA projects implementation	Compilation of reports	Enhance Sound Municipal financial viability and management	BLM	Number MSCOA projects implementation reports compiled by June 2023	One MSCOA projects implementation reports compiled by June 2022	4 x MSCOA projects implementation reports compiled by June 2023	Target achieved. 4 x MSCOA projects implementation reports compiled by June 2023	N/A	N/A	OPEX	Project Reports	Budget & Treasury

MFVM 06	Reconciliation and register	Compilation of reports	Enhance Sound Municipal financial viability and management	BLM	Number monthly reconciliation, registers and schedules compiled by June 2023	12 monthly reconciliation on and registers reported to portfolio by June 2022	400 x monthly reconciliation, registers and schedules compiled by June 2023	Target achieved. 400 x monthly reconciliation, registers and schedules compiled by June 2023	N/A	N/A	OPEX	Reconciliation, registers and schedules compiled/performed	Budget & Treasury
MFVM 07	Annual Budget (Draft)	Compilation of reports	Enhance Sound Municipal financial viability and management	BLM	Number draft budget compiled and tabled by June 2023	1 draft budget compiled & tabled by June 2022	1 x draft budget compiled and tabled by March 2023	Target achieved. 1 x draft budget compiled and tabled by March 2023	N/A	N/A	OPEX	Council Resolution	Budget & Treasury

MFVM 08	Annual Budget (Final)	Compilation of reports	Enhance Sound Municipal financial viability and management	BLM	Number final budget compiled by June 2023	1 Final budget compiled by June 2022	1 x Final budget compiled by June 2023	Target achieved. 1 x Final budget compiled by June 2023	N/A	N/A	OPEX	Council Resolution	Budget & Treasury
MFVM 09	Adjustment budget	Compilation of adjustment budget	Enhance Sound Municipal financial viability and management	BLM	Number adjustment budget compiled by June 2023	Adjustment budget compiled	1 x adjustment budget compiled and submitted to council, LP & NT by June 2023	Target achieved. 1 x adjustment budget compiled and submitted to council, LP & NT by June 2023	N/A	N/A	OPEX	Council resolution	Budget & Treasury

MFVM 12	Compile financial report, (section 52)	Compilation of report	Enhance Sound Municipal financial viability and management	BLM	Number quarterly financial reports compiled and reported to Executive Committee(EXCO) and Council by June 2023	4 x quarterly financial report compiled and reported to EXCO & Council by June 2022	4 x quarterly financial report compiled and reported to Executive committee and Council by June 2023	Target achieved. 4 x quarterly financial report compiled and reported to Executive committee and Council by June 2023	N/A	N/A	OPEX	Reports	Budget & Treasury
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MFVM 13	Procurement plan	Compilation of report	Enhance Sound Municipal financial viability and management	BLM	Number procurement plan developed and approved by June 2023	1 x procurement plan developed and approved by June 2023	1 x procurement plan developed and approved by June 2023	Target achieved. 1 x procurement plan developed and approved by June 2023	N/A	N/A	OPEX	Procurement plan	Budget & Treasury
MFVM 15	Conduct training of SCM practitioner	Conduct training of SCM practitioner	Enhance Sound Municipal financial viability and management	BLM	Number SCM Training attended by June 2023	SCM Training attended	1 x SCM Training conducted by June 2023	Target achieved. 1 x SCM Training conducted by June 2023	N/A	N/A	R 150,000.00 (Exp R 172 500)	Attendance Register	Budget & Treasury

MFVM 16	Acquisition management(Bids Register)	Compilation of reports	Enhance Sound Municipal financial viability and management	BLM	Number updated awarded Bids reports by June 2023	12 x updated awarded Bids reports by June 2022	4 x updated awarded Bids placed on website by June 2023	Target achieved. 4 x updated awarded Bids placed on website by June 2023	N/A	N/A	OPEX	List of awarded Bids (updated)	Budget & Treasury
MFVM 17	Revenue management committee	Revenue management meetings to be held	Enhance Sound Municipal financial viability and management	BLM	Number revenue management meetings held by June 2023	Two revenue management meetings held	4 x revenue management meetings to be held by June 2023	Target not achieved. 3 x revenue management meetings held by June 2023	Due to clash activities	Adhere schedule of meeting in new financial	OPEX	Attendance Register	Budget & Treasury

MFVM 28	Unbundling of Asset Register	Enhance Sound Municipal financial viability and management	BLM	Number unbundling of assets report compiled by June 2023	Asset unbundling reports	1 x unbundling of assets report compiled by June 2023	Target achieved. 1 x unbundling of assets report compiled by June 2023	N/A	N/A	R 1 200 000 (Exp R 1 152 314)	Unbundling of Asset report	Budget & Treasury
MFVM 29	Insurance of Municipal assets	Improve asset lifespan	BLM	Number insurance policy / agreement signed by June 2023	Number of insurance policy / agreement signed	1 x insurance policy / agreement signed by June 2023	Target achieved. 1 x insurance policy / agreement signed by June 2023	N/A	N/A	R1710,000.00 (Exp R 1 702 123)	Signed Insurance Policy	Budget & Treasury

MFVM 30	Reporting of incidents occurred	Reports	Enhance Sound Municipal financial viability and management	BLM	Number incidents reports compiled by June 2023	12 monthly incidents reports compiled by June 2022	12 monthly incidents reports compiled by June 2023	Target achieved. 12 monthly incidents reports compiled by June 2023	N/A	N/A	OPEX	Incidents Reports	Budget & Treasury

KPA	GOOD GOVERNANCE AND PUBLIC PARTICIPATION																
NDP	ACTIVE ENGAGEMENT OF CITIZENS IN THEIR OWN DEVELOPMENT																
OUTCOME 9	DEEPEN DEMOCRACY THROUGH A REFINED WARD COMMITTEE MODEL(OUTPUT 5)																
Project Details																	
Project/KPI Number	Project Name	Project Description (major activities)	Strategic Objective	Location	Key Performance Indicator	2021/22 Baseline	2022/23 Annual Target	Annual Actual Performance	Reason for variance	Corrective Measure	2022/23 Budget (Expenditure)	Portfolio of evidence	Responsible Department				

GGPP 01	Auditing	Coordination of external Audit process	Improved audit opinion	BLM	Number unqualified audit opinion obtained for 2021-22 financial year by June 2023	Unqualified audit opinion	One unqualified audit opinion obtained for 2021-22 financial year by June 2023	Target achieved. One unqualified audit opinion obtained for 2021-22 financial year by June 2023	N/A	N/A	R 4 440 000 (Exp R 4 370 568)	Audit report	MM/Mayor' Office
GGPP 02	Audit & Risk Committee Allowances	Coordination of Risk and Audit Committee meetings	Improved audit opinion	BLM	Number Risk and Audit Committee meetings by June 2023	08 meetings held	04 Risk and 04 Audit Committee meetings by June 2023	Target achieved. 04 Risk and 04 Audit Committee meetings by June 2023	N/A	N/A	R 600 000 (Exp R 336 784)	Minutes and Registers	MM/Mayor' Office

GGPP 03	Printing and Publication	Production of Municipal newsletter, diaries, calendars	To improve communication	BLM	Number newsletter editions, diaries and calendars produced by June 2023	2 editions newsletter s, 100 diaries and 1000 calendars produced by June 2022	2 newsletter editions, 60 diaries and 2000 calendars produced by June 2023	Target achieved. 2 newsletter editions, 60 diaries and 2000 calendars produced by June 2023	N/A	N/A	R 200 000 (Exp R 100 000)	Copy of newsletter, Reports and PoP	MM/Mayor' Office
GGPP 04	Publicity and Branding	procurement of banners and gazebos	Enhanced communication	BLM	Number banners and gazebos procured by June 2023	New indicator	20 banners and 2 gazebos procured by June 2023	Target achieved. 20 banners and 2 gazebos procured by June 2023	N/A	N/A	R 300 000.00 (Exp R 298 071)	POP and delivery notes	MM/Mayor' Office

GGPP 08	Community Participation	Meetings	Enhanced Community participation	BLM	Number Council outreach programmes coordinated and supported by June 2023	6 Council outreach programmes coordinated and supported by June 2022	6 Council outreach programmes coordinated and supported by June 2023	Target achieved. 6 Council outreach programmes coordinated and supported by June 2023	N/A	N/A	R 537 000 (Exp R 517 028)	Report	Corporate services
GGPP 09	Whippery Management	Meetings	Promote multiparty relations	BLM	Number Whippery management meeting coordinated and supported by June 2023	4 Whippery management meeting coordinated and supported by June 2022	4 Whippery management meeting coordinated and supported by June 2023	Target achieved. 4 Whippery management meeting coordinated and supported by June 2023	N/A	N/A	R 15 000 (Exp R 14 096)	Report	Corporate services

GGPP 10	MPAC Programmes	Coordination of MPAC programmes	To improve public participation	BLM	Number MPAC programs coordinated by June 2023	5 programmes coordinated	5 MPAC programs coordinated by June 2023	Target achieved. 5 MPAC programs coordinated by June 2023	N/A	N/A	R 492 3600 (Exp R 441 838)	Report	Corporate services
GGPP 11	Ward Committees' Conference Programmes	Coordination and support	To improve public participation	BLM	Number Ward committee conference held by June 2023	Cluster conferences conducted	01 Ward committee conference held by June 2023	Target achieved. 01 Ward committee conference held by June 2023	N/A	N/A	R1,770.000 (Exp R 1 767 237)	Report	Corporate services

GGPP 12	Remuneration of ward committees	Payment of stipends for Ward Committees	To improve public participation	BLM	Number Ward Committee members receiving monthly stipend by June 2023	220 Ward Committee members receiving monthly stipend	220 Ward Committee members receiving monthly stipend by June 2023	Target achieved. 220 Ward Committee members receiving monthly stipend by June 2023	N/A	N/A	R4,700 000.00 (Exp R 4 703 761)	Report	Corporate services
GGPP 14	IDP Review	Review of IDP/Budget	To ensure successful review of the IDP	BLM	Number IDP/Budget reviewed compiled by June 2023	IDP public participation on report	One IDP/Budget reviewed compiled by June 2023	Target achieved. One IDP/Budget reviewed compiled by June 2023	N/A	N/A	OPEX	Copy of IDP and Council resolution	Economic Development and Planning

GGPP 15	IDP/Bud get Process plan	development and approval of plan	To ensure successful review of the IDP	BLM	Number IDP Process plan developed and approved by June 2023	One IDP Process plan developed and approved by June 2022	One IDP Process plan developed and approved by June 2023	Target achieved. One IDP Process plan developed and approved by June 2023	N/A	N/A	OPEX	Copy and Council Resolutio n	Economic Development and Planning
GGPP 16	IDP/Bud get Booklet s	Produce Booklets	To ensure successful review of the IDP	BLM	Number IDP Booklets produced by June 2023	New indicator	50 IDP Booklets produced by June 2023	Target achieved. 50 IDP Booklets produced by June 2023	N/A	N/A	R 81 875 (Exp R 81 875)	Proof of purchase	Economic Development and Planning
GGPP 17	Strategi c planning session s	Hold sessions	To ensure successful review of the IDP	BLM	Number strategic sessions held by June 2023	2 Strategic session held by June 2022	6 Strategic session held by June 2023	Target achieved. 6 Strategic session held by June 2023	N/A	N/A	R 510 000 (Exp R 509 179)	Report	Economic Development and Planning

GGPP 18	get Public participation	IDP stakeholder consultations	To ensure effective public participation on in the review of the IDP	BLM	Number IDP consultative meetings conducted, IDP consultative reports compiled by June 2023	IDP public participati on report	13 IDP consultative meetings conducted and One IDP consultative reports compiled by June 2023	Target achieved. 13 IDP consultative meetings conducted and One IDP consultative reports compiled by June 2023	N/A	N/A	R550 000 (Exp R 488 293)	Reports	Economic Development and Planning
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GGPP 19	Development of plan municipal multi sectoral implementation plan	To Provide support on HIV/AIDS programme	BLM	Number Municipal HAST plan approved by the Local AIDS council and submitted to DAC and LPAC by June 2023	One plan developed and submitted by 2022	1 Municipal HAST plan approved by the Local AIDS council and submitted to DAC and LPAC by June 2023	Target achieved. 1 Municipal HAST plan approved by the Local AIDS council and submitted to DAC and LPAC by June 2023	N/A	N/A	OPEX	Reports	Community services
GGPP 20	Conduct HIV/AIDS programmes	Implementation HIV/AIDS programmes	BLM	Number M&E meetings held by June 2023	2 HIV/AIDS programmes coordinated	4 M&E meetings held by June 2023	Target achieved. 4 M&E meetings held by June 2023	N/A	N/A	OPEX	Reports	Community services

GGPP 21	HIV/AIDS Council technical committee	meetings	Implementation HIV/AIDS programmes	BLM	Number AIDS Council technical committee meetings held by June 2023	2 HIV/AIDS programmes coordinated	4 AIDS Council technical committee meetings held by June 2023	Target achieved. 4 AIDS Council technical committee meetings held by June 2023	N/A	N/A	R 50 000 (Exp R 50 000)	Reports	Community services
GGPP 22	Local Aids council meetings	meetings	Implementation HIV/AIDS programmes	BLM	Number Local Aids council meetings held by June 2023	4 Local Aids council meeting held by June 2022	4 Local Aids council meetings held by June 2023	Target achieved. 4 Local Aids council meetings held by June 2023	N/A	N/A	OPEX	Reports	Community services

GGPP 23	Promote advocacy and stakeholder collaboration	establishment of committees	To Provide support on HIV/AIDS programme	BLM	Number HIV/AIDS ward committees established by June 2023	22 ward committees established by June 2022	22 ward committees established by June 2023	Target achieved. 22 ward committees established by June 2023	N/A	N/A	OPEX	Report	Community services
GGPP 24	Ward/Cluster meetings	meetings	Promote advocacy and stakeholder collaboration	BLM	Number ward/cluster meeting coordinated by June 2023	2 HIV/AIDS coordinated	24 ward/cluster meeting coordinated by June 2023	Target achieved. 24 ward/cluster meeting coordinated by June 2023	N/A	N/A	R 100 000 (Exp R 94 000)	Reports	Community services

GGPP 25	Prevent spread of communicable diseases	Hold awareness campaigns	To prevent spread of communicable diseases	BLM	Number HAST awareness campaigns and preventions held by June 2023	4 HAST awareness campaigns and preventions held by June 2022	4 HAST awareness campaigns and preventions held by June 2023	Target achieved. 4 HAST awareness campaigns and preventions held by June 2023	N/A	N/A	R 50 000 (Exp R 50 000)	Reports	Community services
GGPP 26	Gender Programme	Support to gender programs	To provide support to special focus groups	BLM	Number men and women councils meeting coordinated by June 2023	Two gender programs support to the gender programs	4 men and 4 women councils meeting coordinated by June 2023	Target achieved. 4 men and 4 women councils meeting coordinated by June 2023	N/A	N/A	R 50 000 (Exp R 30 000)	Report and attendance registers	Community services

GGPP 27	Special focus groupings and gender mainstreaming	coordination of events	promote the needs and interests of special focus groupings and gender mainstreaming	BLM	Number gender mainstreaming activities conducted as per calendar events by June 2023	Two gender programs supported by June 2022	4 gender mainstreaming activities conducted as per calendar events by June 2023	Target achieved. 4 gender mainstreaming activities conducted as per calendar events by June 2023	N/A	N/A	R 50 000 (Exp R 20 000)	Reports	Community services
GGPP 28	special focus groupings and gender mainstreaming	Conduct capacity building workshops	To provide support to disability and elderly groups	BLM	Number capacity building workshop conducted by June 2023	2 capacity building workshop conducted by June 2022	2 capacity building workshop conducted by June 2023	Target achieved. 2 capacity building workshop conducted by June 2023	N/A	N/A	R 50 000 (Exp R 20 000)	Report and attendance registers	Community services

GGPP 29	Elderly and disability programmes	Coordination of events	To provide support to disability and elderly groups	BLM	Number events coordinated by June 2023	Two programmes supported	02 events coordinated by June 2023	Target achieved. 02 events coordinated by June 2023	N/A	N/A	R 120 000 (Exp R 120 000)	Report and attendance registers	Community services
GGPP 30	Elderly and disability programmes (Council meetings)	meetings	To provide support to disability and elderly groups	BLM	Number elderly and disability council meetings coordinated by June 2023	4 elderly and 4 disability council meetings coordinated by June 2022	4 elderly and 4 disability council meetings coordinated by June 2023	Target achieved. 4 elderly and 4 disability council meetings coordinated by June 2023	N/A	N/A	R 50 000 (Exp R 50 000)	Reports	Community services

GGPP 31	Elderly and disability program mes(Capacity building)	Workshops	To provide support to disability and elderly groups	BLM	Number capacity building workshop conducted by June 2023	02 capacity building workshop conducted by June 2022	02 capacity building workshop conducted by June 2023	Target achieved. 02 capacity building workshop conducted by June 2023	N/A	N/A	R 80 000 (Exp R 80 000)	Reports	Community services
GGPP 32	Youth and children program me(Youth Council meeting s)	meetings	To provide support to Youth and children	BLM	Number Youth Council meetings held by June 2023	4 Youth Council meetings held by June 2022	4 Youth Council meetings held by June 2023	Target achieved. 4 Youth Council meetings held by June 2023	N/A	N/A	R 80 000 (Exp R 79 000)	Reports	Community services

GGPP 33	Youth and children programme (Back to school campaign)	Conduct the back to school campaign	To provide support to Youth and children	BLM	Number schools visited during back to campaign by June 2023	Two back to school campaigns conducted	10 schools visited during back to campaign by June 2023	Target achieved. 10 schools visited during back to campaign by June 2023	N/A	N/A	R 50 000.00 (Exp R 50 000)	Report and attendance registers	Community services
GGPP 34	Youth and children programme (Career guidance and EXPO)	Coordination of event	To provide support to Youth and children	BLM	Number Career guidance and EXPO held by June 2023	1 Career guidance and EXPO held by June 2022	1 Career guidance and EXPO held by June 2023	Target achieved. 1 Career guidance and EXPO held by June 2023	N/A	N/A	R 27 000 (R 27 000)	Reports	Community services

GGPP 35	Youth and children program me(Co mmemo ration of youth month)	Coordination of event	To provide support to Youth and children	BLM °	Number Youth month commemora tion event hosted by June 2023	1 Youth month commemora tion event hosted by June 2022	1 Youth month commemora tion event hosted by June 2023	Target achieved. 1 Youth month commemora tion event hosted by June 2023	N/A	N/A	R70 000 (Exp R 60 000)	Reports	Community services
GGPP 36	Youth and children program me(You th capacity building)	Workshops	To provide support to Youth and children	BLM	Number youth capacity building event conducted by June 2023	Support to youth programs	4 youth capacity building event conducted by June 2023	Target achieved. 4 youth capacity building event conducted by June 2023	N/A	N/A	R 70 000 (Exp R 70 000)	Report and attendance registers	Community services

GGPP 37	Youth and children program me(Children' day)	Support to the children programs	To provide support to Youth and children	BLM	Number children's day celebrated by June 2023	Two children's programs supported	1 children's day celebrated by June 2023	Target achieved. 1 children's day celebrated by June 2023	N/A	N/A	R 100 000 (Exp R100 000)	Report and attendance registers	Community services
GGPP 38	Youth and children program me(Take a child to work)	Coordination of event	To provide support to Youth and children	BLM	Number take a child to work campaign conducted by June 2023	Two children's programs supported by June 2022	01 Take a child to work campaign conducted by June 2023	Target achieved. 01 Take a child to work campaign conducted by June 2023	N/A	N/A	R 100 000 (Exp R 70 000)	Reports	Community services

GGPP 39	Mayor – Magoshi	Hosting of Mayor Magoshi	Improved stakehold er relations	BLM	Number Mayor- Magoshi meetings held by June 2023	Four Mayor- Magoshi meetings held by June 2022	Four Mayor- Magoshi meetings held by June 2023	Target achieved. Four Mayor- Magoshi meetings held by June 2023	N/A	N/A	R150 000.00 (Exp R 84 262)	Reports and registers	Community services

KPA	SPATIAL RATIONALE																		
NDP	ACTIVE ENGAGEMENT OF CITIZENS IN THEIR OWN DEVELOPMENT																		
OUTCOME 9	ACTION SUPPORTIVE TO HUMAN SETTLEMENT(OUTPUT 1)																		
Project Details																			
Project/KPI Number	Project Name	Project Description (major activities)	Strategic Objective	Location	Key Performance Indicator	2021/22 Baseline	2022/23 Annual Target	Annual Actual Performance	Reason for variance	Corrective Measure	2022/23 Budget	Portfolio of evidence	Responsible Department						
SPR 09	Maintenance of Survey Equipment	maintenance	To achieve an inclusive, sustainable and transformed spatial development	BLM	Number survey equipment maintenance report compiled by June 2023	New Indicator	Two survey equipment maintenance report compiled by June 2023	Target achieved. Two survey equipment maintenance report compiled by June 2023	N/A	N/A	R 18 925 (Exp R 0)	Reports	Economic Development and Planning						

SPR 10	Supplementary Valuation roll	Compilation of a supplementary valuation roll	Increase municipal revenue base by 80% by 2026	All wards	Number of supplementary rolls compiled by June 2023	2021/2022 supplementary roll	One supplementary roll compiled by June 2023	Target achieved. One supplementary roll compiled by June 2023	N/A	N/A	R1 020,000.00 (Exp R 995 217)	Supplementary roll	Economic Development and Planning
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CHAPTER 4: ORGANIZATIONAL DEVELOPMENT AND PERFORMANCE (HUMAN RESOURCES)

CHAPTER 4

ORGANIZATIONAL DEVELOPMENT AND PERFORMANCE (HUMAN RESOURCES) INTRODUCTION

- The municipal Organizational structure was aligned to IDP and budget. The council also adopted the Organisational structure as part of IDP/Budget 2022-23. All skills gaps that were crucial in work performance were identified and training interventions were made to address skills gap. The institution comply with the national legislations

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

• Description	• 2022//23			• 2021/22		
	• No. of employees	• No. of vacancies	• % of vacancies	• No. of employees	• No. of vacancies	• % of vacancies
• Water	• 0	• 0	•	• 20	• 0	0 %
• Waste Water (sanitation)	• 0	• 0	•	• 0	• 0	0 %
• Electricity	• 14	• 6	•	• 16	• 4	20 %
• Waste Management	• 8	• 6	•	• 09	• 10	53 %
• Housing	• 1	• 0	•	• 01	• 03	75 %
• Waste Water (Storm water Drainage)	• 0	• 0	•	• 0	• 0	0 %

• Roads	• 18	• 12	•	• 16	• 08	33 %
• Transport	• 7	• 0	•	• 6	• 2	25 %
• Planning	• 5	• 3	•	• 06	• 2	25 %
• Local Economic Development	• 3	• 1	•	• 02	• 1	33 %
• Planning (Strategic & Regulatory)	• 0	• 0	•	• 0	• 1	100 %
• Community & social services	• 0	• 0	•	• 0	• 1	100 %
• Environmental protection	• 5	• 0	•	• 5	• 01	16 %
• Health	• 0	• 0	•	• 0	• 0	0 %
• Security & safety	• 1	• 3	•	• 0	• 3	100 %
• Sport & recreation	• 0	• 0	•	• 0	• 1	100 %
• Corporate Policy offices & other	• 109	• 28	•	• 125	• 39	24 %
• Totals	• 167	• 59	•	• 186	• 72	27 %

• Vacancy Rate:				
• Designation	• *Total approved posts • No.	• *Variances (Total time that vacancies exist using fulltime equivalents) • No.	• *Variances (as a proportion of total posts in each category) • %	
• Municipal Manager	• 1		0 %	
• CFO	1		0 %	
• Other S57 Managers (excluding Finance Posts)	• 5	•	•	
• Other S57 Managers (Finance posts)	• 5	• 6 months	•	
• Municipal Police	N/A	N/A	N/A	
• Fire Fighters	N/A	N/A	N/A	
• Management:	• 36	• 1 YEAR	•	
• Senior Management: Levels 13-15 (Finance Posts)	•	•	•	
• Highly skilled supervision: Levels 9-12 (excluding Finance posts)	• 14	•	•	
• Highly skilled supervision: Levels 9-12 (Finance posts)	• 4	•	•	
• Total	• 61	•	•	

• Turn-over Rate				
• Details	• Total Appointments as of beginning of financial year • No.	• Terminations during the financial year • No.	• Turn-over Rate*	
• 2020/21	• 169	• 16	•	
• 2021/22	• 179	• 05	•	
• 2022/23	• 182	• 03	•	

- **COMMENT ON VACANCIES AND TURNOVER:**
- Unavailability of Succession Plan/Policy makes it impossible to ideally source personnel from the institution to fill the vacated posts. The Plan will come in handy in preparing potential incumbents of the challenges that lie ahead. Most of the vacancies were filled except for Senior Management level.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

- **INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT**
- The Municipality has taken into cognizance the history of apartheid laws and practices with the resultant disparities and inequalities, in the spirit of Employment Equity Act is geared towards achieving employment equity across all occupational levels and categories and therefore in order to redress the imbalance of the past and move towards a humane and representative Labour market underpinned by Equity, Equity redress and Affirmative Action. The Municipality has Employment Equity Plan and active/functional Employment Equity Committee. 2022-23 Employment Equity report was timeously submitted to the Department of Labour. HR Policies are in place.
- **4.2 POLICIES**

	• HR Policies & Plans			
	• Name of Policy	• Completed • %	• Reviewed • %	• Date adopted by council or comment on failure to adopt
• 1	• Affirmative Action	• 0%	• 0 %	• Using employment equity policy
• 2	• Attraction & Retention	• 100	• 100%	• 30/06/2015
• 3	• Code of conduct for employees	• 100%	• 100%	• Using the Disciplinary code collective agreement.

• 4	• Delegations, Authorization & responsibility	• 100%	• 100%	• Done by council for the entire council term.
• 5	• Disciplinary Code & Procedures	• 0 %	• 0 %	• Using the disciplinary code collective agreement
• 6	• Essential Services	• 100 %	• 100 %	• 07/03/2022
• 7	• Employee Assistance/ wellness	• 100%	• 100%	• 2022/06
• 8	• Employment Equity	• 100%	• 100%	• 2022/06
• 9	• Exit Management	• 100%	• 100%	• 2022/06
• 10	• Grievance Procedures	• 100%	• 100%	• 2022/06
• 11	• HIV/AIDS	• 100%	• 100%	• 2022/06
• 12	• Human Resource & Development	• 100%	• 100%	• 2022/06
• 13	• Information Technology	• 100%	• 100%	• 2022/06
• 14	• Job Evaluation	• 100%	• 100%	• 2022/06
• 15	• Leave	• 100%	• 100%	• 2022/06
• 16	• Occupational Health & Safety	• 100%	• 100%	• 2022/06
• 17	• Official Housing	• 0 %	• 0 %	• N/A
• 18	• Official Journeys	• 100%	• 100%	• Using treasury guidelines
• 19	• Official Transport to attend funerals	• 100%	• 100%	• 2020/21
• 20	• Official working hours and overtime	• 100	• 100	• Using main collective agreement

• 21	• Organisational rights	• 0	• 0	• Using main collective agreement
• 22	• Payroll Deductions	• 0	• 0	• 2022/3
• 23	• Performance Management & Development	• 100	• 100%	• 2021/22
• 24	• Recruitment, selection & Appointments	• 100%	• 100%	• 2023/06
• 25	• Remuneration Scales & Allowances	• 100 %	• 100 %	• 2023/06
• 26	• Resettlement	• 0 %	• 0 %	•
• 27	• Sexual Harassment	• 100%	• 100%	• 2023/06
• 28	• Skills development	• 100%	• 100%	• 2023/06
• 29	• Smoking	• 100%	• 100%	• 2023/06
• 30	• Special skills	• 0 %	• 0 %	•
• 31	• Work Organization	• 0 %	• 0 %	•
• 32	• Uniforms & protect clothing	• 100 %	• 100 %	• 2023/06
• 33	• Other	•	•	•

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

- Over the years the Municipality has managed to develop all priority human resource policies, procedures and systems in line with the MSA 2000 (S67) to ensure fair, efficient, effective and transparent personnel administration. During the year in issue emphasis was placed on improving implementation of the policies and amendment of those policies that were becoming outdated. The Corporate Services Portfolio Committee had developed a monitoring tool and monthly received and considered policy implementation progress report. Policies were developed and adopted by the council. There is a need to develop a detailed implementation plan that will outline the processes to be followed in implementing the plan. Bursaries will be issued to eligible employees for career development purposes. The municipality will continue to make funds available on each financial year to ensure that capacity building is funded and both organization and employees benefit from the project

4.3 INJURIES, SICKNESS AND SUSPENSIONS

• Number and cost of injuries on duty					
• Type of injury	• Injury leave taken • Days	• Employees using injury leave	• Proportion employees using sick leave • %	• Average injury leave per employee • Days	• Total estimated cost • R'000
• Required basic medical attention only	• 02	• 0	• 68%	• 01	• 0
• Temporary total disablement	• 0	• 0	•	•	•
• Permanent disablement	• 0	• 0	•	•	•
• Fatal	•	•	•	•	•
• Total	• 02	• 0	• 68%	•	•
• Number of days and cost of sick leave (excluding injuries on duty)					

• Designations	• Total sick leave • Days	• Proportion of sick leave without medical certification	• Employees using sick leave • No.	• Total employees in post*	• *Average sick leave per employees • Days	• Estimated cost • R'000
• (level 1-2)	• 28	• 2	• 8	• 26	• 1.07	• 38 230
• Skilled (level 3-5)	• 46	• 4	• 11	• 49	• 0.9	• 96 000
• (levels 6-8)	• 14	• 1	• 3	• 43	• 0.32	• 26 000
• (level 9-10)	• 17	• 0	• 6	• 28	• 0.60	• 21 232
• (levels 11)	• 19	• 0	• 4	• 32	• 0.59	• 8 703
• MM & S57	• 8	• 1	• 2	• 4	• 2	• 26 000
• Total	•	•	•	• 182	• 5.48	•
• *Number of employees in post at the beginning of the year						
• *Average calculated by taking sick leave in column 2 divided by total employees in column 5						

COMMENT ON INJURY AND SICK LEAVE:

- Minor injuries were encountered which only needed basic medical attention during the year under review. Occupational Health and Safety Committee conducted risk assessment. Recommendations to minimize risks were made and implemented to minimize risks.

• Number and period of suspensions				
• Position	• Nature of alleged misconduct	• Date of suspension	• Details of disciplinary action taken or status of case and reasons why not finalized	• Date finalized
	None	None	None	None
•	None	None	None	None

• Disciplinary action taken on cases of financial misconduct			
• Position	• Nature of alleged misconduct and rand value of any loss to the municipality	• Disciplinary action taken	• Date finalized
• 0	• 0	• 0	• 0

- COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:
- There were no cases related to financial misconduct during 2022/23.

4.4. PERFORMANCE REWARDS

Performance Rewards by Gender (THERE WERE NO PERFORMANCE REWARDS FOR THE PERIOD UNDER REVIEW)						
Designation	Beneficiary Profile					
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards 2022/23	Proportion of beneficiaries within group %	
Lower skilled (levels 1-2)	Female	0	0	0	0	
	Male	0	0	0	0	
Skilled (levels 3-5)	Female	0	0	0	0	
	Male	0	0	0	0	
Highly skilled production (levels 6-8)	Female	0	0	0	0	
	Male	0	0	0	0	
Highly skilled supervision (levels 9-12)	Female	0	0	0	0	
	Male	0	0	0	0	

• Senior Management (levels 13-15)	• Female	• 0	• 0	• 0	• 0	• 0
	• Male	• 0	• 0	• 0	• 0	• 0
• MM and S57	• Female	• 0	• 0	• 0	• 0	• 0
	• Male	• 0	• 0	• 0	• 0	• 0
• Total	•	•	•	•	•	•
Has the statutory municipal calculator been used as part of the evaluation process?						
<p>Note: MSA 2000 S51 (d) requires that ... performance plans, on which rewards are based should be aligned with the IDP ... (IDP objectives and targets are set out in chapter 3) and that service delivery and budget implementation plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).</p>						

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Work Skills Plan and Annual Training Report were developed and submitted to LGSETA within required time frame. The municipality complies with the plan. Mandatory and discretionary grants were claimed and received to assist training interventions

SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management		Gender	Employees in post as at 30 June 2023	Number of skilled employees required and actual as at 30 June 2022										
		No.	Learnerships			Skills programme & other short courses			Other forms of training			Total		
			Actual 30 July 2022	Actual 30 June 2023	Target	Actual 30 July 2022	Actual 30 July 2023	Target	Actual 30 July 2022	Actual 30 June 2023	Target	Actual 30 July 2022	Actual 30 June 2023	Target
MM & S57	Female	0	0	00	0	0	00	02	02	02	02	02	02	02
	Male	0	0	0	0	00	00	00	0	0	0	0	00	00
Councilors, senior officials & managers	Female	0	0	0	0	15	15	15	0	0	0	15	15	15
	Male			0	06	06	06	06	0	0	0	06	06	06
Technicians & associate	Female			0	0	07	07	07	0	0	0	07	07	07
	Male			0	0	06	06	06	0	0	0	06	06	06

Financial competency development: progress report

	No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female 00	110 000	00	00	00	00	00	110 000	00
	Male 00	00	00	00	00	00	00	00	00
Legislators, senior officials and managers	Female 22	500 000	000	000	00	00	00	500 000	00
	Male 22	00	22	00	00	00	00	00	00
Accounting officer	Female 01	0000	00	10 000	00	00	00	50 000	00
Professionals	Female 21	00	00	10 000	00	00	00	350 000	00
Senior Managers	Male 06	00	00	30 000	00	00	00	350 000	00
Technicians and associate professionals	Female 06	00	00	30 000	00	00	00	350 000	00
	Male 12	00	00	60 000	00	00	00	60 000	00
Clerks	Female 18	00	00	5 000	00	00	00	5 000	00
Heads of SCM	Male 05	00	00	00	00	00	00	00	00
Service and sales workers	Female 38	00	00	00	00	00	00	00	00
	Male 25	00	00	00	00	00	00	00	00
	Female 15	00	00	00	00	00	00	00	00

Plant and machine operators and assemblers	Male	12	00	00	00	00	00	00	00	00	00	00
Elementary occupation	Female	00	00	00	00	00	00	00	00	00	00	00
	Male	00	00	00	00	00	00	00	00	00	00	00
Sub Total	Female	14	00	00	395 000	00	00	00	00	395 000	00	00
	Male	20	00	00	550 000	00	00	00	00	550 000	00	00
COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:												

Not all Managers and Finance officials were trained on financial competency regulations due to insufficient budget

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.6. EMPLOYEE EXPENDITURE

Number of employees whose salaries were increased due to their positions being upgraded		
Beneficiaries	Gender	Total
Lower skilled (level 1-2)	Female	3
	Male	
Skilled (level 3-5)	Female	
	Male	
Highly skilled production (levels 6-8)	Female	
	Male	
Highly skilled supervision (level 9-12)	Female	4
	Male	2
(levels 13-15)	Female	
	Male	1
MM & S57	Female	
	Male	
Total		3

Employees whose salary levels exceed the grade determined by Job Evaluation (NONE)				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
General workers	28	3	T3	Above the grade
Admin Officer	5	09	T9	Above grade
Process officer	1	09	T9	Above grade
Supervisor cleaning	1	8	T8	Above grade
Records Administrator	1	9	T9	Above grade

Employees appointed to posts not approved (NONE)				
	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
0	0	0	0	0

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

There were no upgraded posts during the period under review.

DISCLOSURES OF FINANCIAL INTERESTS

All Senior Managers and Councillors Completed and Submitted their Disclosure of Financial Interests and submitted same to The Office of the Municipal Manager

CHAPTER 5: 2022/23 ANNUAL FINANCIAL STATEMENTS

ANNEXURE A



Blouberg Local Municipality
(Registration number LIM351)
Annual Financial Statements
for the year ended 30 June 2023

Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2023

General Information

Legal form of entity	Local Municipality Category B
Nature of business and principal activities	Local Government and the provision of basic services to the local community
Executive committee	
Executive Mayor	Thamaga MN
Speaker	Boloka MP
Chief Whip	Rangata MJ
Members of executive committee	Makobela SR Raseruthe MA Raphasha DS Mosena DD Motswabe LP Keetse PP Tlouamma NM Maifo ML
Councillors	Masebe KP Lehong MV Tlhako NB Mashamaite MG Mapunya PW Manaka NA Makhura KH Baloyi HP Motsoko L Mahlape NJ Molokomme MM Mmoko ML Mphago MA Tlepyane S Mokami ME Mathekga MJ Thema NR Magwai RT Pheedi MS Makhura MH Seokotsa MM Moetji NT Mokobodi MM Sehata NA Ntjana MI Lehonye TJ Maripa MS Mailula MS Maribeng MK Dau MP Maphoto MD

Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2023

General Information

	Kobola JS Tlabela FP
Grading of local authority	Grade 3
Acting Chief Finance Officer (CFO)	Motupa MJ
Municipal Manager	Ramothwala RJ
Registered office	2nd Building Dendron Road Senwabarwana 0790
Business address	2nd Building Dendron Road Senwabarwana 0790
Postal address	P.O.Box 1593 Senwabarwana 0790
Bankers	ABSA
Auditors	Auditor- General of South Africa

Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2023

Index

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

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Statement of Financial Position	7
Statement of Financial Performance	8
Statement of Changes in Net Assets	9
Cash Flow Statement	10
Statement of Comparison of Budget and Actual Amounts	11 - 15
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Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2023

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Abbreviations used:

MFMA	Municipal Finance Management Act
AFS	Annual Financial Statements
AGSA	Auditor General South Africa
CFO	Chief Financial Officer
GRAP	Generally Recognised Accounting Practice
FMCMM	Financial Management Capability Maturity Model
FMG	Financial Management Grants
IAS	International Accounting Standards
CIGFARO	Chartered Institute of Government Finance, Audit and Risk Officers (previously IMFO)
IPSAS	International Public Sector Accounting Standards
IDP	Integrated Development Plan
MEC	Member of the Executive Council
MIG	Municipal Infrastructure Grant (Previously CMIP)
VAT	Value Added Tax
LED	Local Economic Development
CDM	Capricorn District Municipality
WIP	Work In Progress
IFRS	City of Johannesburg Metropolitan Municipality
COIDA	Compensation for Occupational Injuries and Diseases Act
IFRS	International Financial Reporting Standards
MISA	Municipal Infrastructure Support Agent
MM	Municipal Manager
NT	National Treasury
LPT	Limpopo Provincial Treasury
SDBIP	Service Delivery Budget and Implementation Plan
mSCOA	Municipal Standard Chart of Accounts
COGHSTA	Cooperative Governance, Human Settlements and Traditional Affairs
NSF	National Skills Fund
SALBC	South African Local Government Bargaining Council

Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2023

Index

WSP	Water Service Provider
INEP	Integrated National Electrification Programme Grant
EPWP	Expanded Public Works Programme
SETAS	Sector Education and Training Authority
EEDSM	Energy Efficiency Demand Side Management
EEDMG	Energy Efficiency and Demand-side Management Grant
UIF	Unemployment Insurance Fund
SDL	Skills Development Levy

Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2023

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The 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 officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

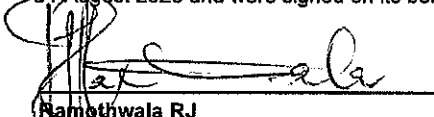
The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2024 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The municipality is wholly dependent on the municipality for continued funding of operations. The annual financial statements are prepared on the basis that the municipality is a going concern and that the municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

Although the are 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 7.

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


Ramothwala RJ
Municipal Manager

Date: 30/Nov/2023

Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2023

Statement of Financial Position as at 30 June 2023

Figures in Rand	Note(s)	2023	2022
Assets			
Current Assets			
Inventories	10	5,661,497	5,367,219
Receivables from exchange transactions	11	4,650,016	990,668
Receivables from non-exchange transactions	12	15,635,272	67,302,326
VAT receivable	13	2,418,673	6,310,178
Consumer debtors	14	12,768,748	11,675,856
Cash and cash equivalents	15	101,842,674	84,834,551
		142,976,880	176,480,798
Non-Current Assets			
Investment property	3	9,433,600	8,950,501
Property, plant and equipment	4	1,065,221,605	977,360,374
Intangible assets	5	174,803	240,698
Other financial assets	6	4,864,604	4,637,973
		1,079,694,612	991,189,546
Total Assets		1,222,671,492	1,167,670,344
Liabilities			
Current Liabilities			
Finance lease obligation	16	9,322,788	485,217
Payables from exchange transactions	7	68,536,750	46,465,708
VAT payable	8	5,361,772	4,431,374
Employee benefit obligation	9	1,064,000	157,000
Unspent conditional grants and receipts	17	20,158,139	24,315,315
Provisions	18	2,200,906	2,340,592
		106,644,355	78,195,206
Non-Current Liabilities			
Finance lease obligation	16	4,864,257	289,098
Employee benefit obligation	9	6,654,000	8,103,000
Provisions	18	22,339,560	21,463,531
		33,857,817	29,855,629
Total Liabilities		140,502,172	108,050,835
Net Assets		1,082,169,320	1,059,619,509
Accumulated surplus		1,082,169,320	1,059,619,509
Total Net Assets		1,082,169,320	1,059,619,509

Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2023

Statement of Financial Performance

Figures in Rand	Note(s)	2023	2022
Revenue			
Revenue from exchange transactions			
Service charges	20	33,466,476	31,015,660
Rental of facilities and equipment	21	461,443	550,413
Licences and permits		4,166,391	4,516,988
Electricity illegal connections		43,524	94,386
CDM - Commissions received		259,654	374,638
Cemetery, Burial and Plans approval fees		231,794	185,650
Valuation Services		2,722	3,338
Interest charged on outstanding debtors		806,882	470,644
Sale of Inventory - Sites/Land		5,683,006	724,060
Cattle Grazing		108,985	42,039
Interest received - investment	23	4,112,364	2,018,716
Fair value adjustments	3	483,099	779,732
Total revenue from exchange transactions		49,826,340	40,776,264
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	24	25,228,987	29,497,011
Interest charges on overdue account	24	1,266,424	1,549,115
Transfer revenue			
Government grants & subsidies	25	337,919,177	276,764,783
Donated assets	26	6,107,929	4,363,478
Fines	22	1,154,400	444,600
Unclaimed money		1,758,495	-
Actuarial gains		1,200,433	(667,189)
Total revenue from non-exchange transactions		374,635,845	311,951,798
Total revenue	19	424,462,185	352,728,062
Expenditure			
Employee related costs	27	(125,450,428)	(119,544,050)
Remuneration of councillors	28	(17,982,273)	(17,213,957)
Depreciation and amortisation	29	(31,482,240)	(30,420,608)
Impairment loss	30	(767,400)	-
Finance costs	31	(4,440,458)	(675,188)
Debt Impairment	33	(54,121,084)	(2,370,463)
Bulk purchases	35	(52,983,493)	(50,884,660)
Contracted services	36	(49,975,911)	(47,491,521)
Loss on disposal of assets and liabilities		(258,499)	(229,252)
General Expenses	34	(64,450,588)	(55,722,142)
Total expenditure		(401,912,374)	(324,551,841)
Surplus for the year		22,549,811	28,176,221

Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2023

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	1,031,399,263	1,031,399,263
Adjustments		
Correction of errors	44,025	44,025
Balance at 01 July 2021 as restated*	1,031,443,288	1,031,443,288
Changes in net assets		
Surplus for the year	28,176,221	28,176,221
Total changes	28,176,221	28,176,221
Balance at 01 July 2022	1,059,619,509	1,059,619,509
Changes in net assets		
Surplus for the year	22,549,811	22,549,811
Total changes	22,549,811	22,549,811
Balance at 30 June 2023	1,082,169,320	1,082,169,320
Note(s)		

Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2023

Cash Flow Statement

Figures in Rand	Note(s)	2023	2022
Cash flows from operating activities			
Receipts			
Cash receipts from rate payers and other		72,254,816	91,316,216
Grants		333,762,001	300,686,000
Interest income		4,112,364	2,018,716
		<u>410,129,181</u>	<u>394,020,932</u>
Payments			
Employee costs		(143,432,701)	(136,671,286)
Suppliers		(144,238,442)	(147,872,482)
Finance costs		(4,440,468)	(675,186)
		<u>(292,111,611)</u>	<u>(285,218,954)</u>
Net cash flows from operating activities	37	<u>118,017,570</u>	<u>108,801,978</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(100,159,896)	(60,380,953)
Proceeds from sale of property, plant and equipment	4	-	105,084
Proceeds from sale of financial assets		(226,631)	(1,554,532)
Net cash flows from investing activities		<u>(100,386,527)</u>	<u>(61,830,401)</u>
Cash flows from financing activities			
Finance lease payments		(622,920)	(384,187)
Net increase/(decrease) in cash and cash equivalents		<u>17,008,123</u>	<u>46,587,390</u>
Cash and cash equivalents at the beginning of the year		84,834,551	38,247,161
Cash and cash equivalents at the end of the year	15	<u>101,842,674</u>	<u>84,834,551</u>

The accounting policies on pages 16 to 38 and the notes on pages 39 to 77 form an integral part of the annual financial statements.

Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	47,803,313	(4,200,000)	43,603,313	33,466,476	(10,136,837)	Refer to note 54 (1)
Rental of facilities and equipment	141,011	-	141,011	461,443	320,432	
Licences and permits	4,925,265	-	4,925,265	4,166,391	(758,874)	
Agency services	1,235,960	-	1,235,960	231,794	(1,004,166)	Refer to note 54 (2)
Interest earned - outstanding debtors	2,260,240	12,704	2,272,944	806,882	(1,466,062)	Refer to note 54 (3)
Other income	11,724,855	4,060,200	15,785,055	6,097,891	(9,687,164)	Refer to note 54 (4)
Interest received - investment	2,024,728	1,000,000	3,024,728	4,112,364	1,087,636	
Total revenue from exchange transactions	70,115,372	872,904	70,988,276	49,343,241	(21,645,035)	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	31,104,563	-	31,104,563	25,228,987	(5,875,576)	Refer to note 54 (6)
Property rates - penalties imposed	-	-	-	1,266,424	1,266,424	Refer to note 54 (7)
Transfer revenue						
Government grants & subsidies	215,831,000	13,777,000	229,608,000	337,919,177	108,311,177	Refer to note 54 (8)
Public contributions and donations	-	-	-	6,107,929	6,107,929	Refer to note 54 (9)
Fines, Penalties and Forfeits	2,081,904	(872,904)	1,209,000	1,154,400	(54,600)	
Other transfer revenue	-	-	-	1,758,495	1,758,495	
Actuarial gains /(Loss)	-	-	-	1,200,433	1,200,433	
Total revenue from non-exchange transactions	249,017,467	12,904,096	261,921,563	374,635,845	112,714,282	
Total revenue	319,132,839	13,777,000	332,909,839	423,979,086	91,069,247	
Expenditure						
Personnel	(129,001,751)	(189,838)	(129,191,589)	(125,450,428)	3,741,161	Refer to note 54 (10)
Remuneration of councillors	(19,764,281)	-	(19,764,281)	(17,982,273)	1,782,008	Refer to note 54 (11)
Depreciation and amortisation	(42,549,054)	-	(42,549,054)	(31,482,240)	11,066,814	Refer to note 54 (12)
Impairment loss/ Reversal of impairments	-	-	-	(767,400)	(767,400)	
Finance costs	-	-	-	(4,440,458)	(4,440,458)	Refer to note 54 (13)

Blouberg Local Municipality

(Registration number LIM351)

Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Debt Impairment	(9,828,049)	-	(9,828,049)	(54,121,084)	(44,293,035)	Refer to note 54 (14)
Bulk purchases	(50,000,000)	(1,000,000)	(51,000,000)	(52,983,493)	(1,983,493)	Refer to note 54 (15)
Contracted Services	(55,947,252)	(12,245,600)	(68,192,852)	(49,975,911)	18,216,941	Refer to note 54 (16)
Inventory consumed	(2,524,000)	-	(2,524,000)	(1,675,772)	848,228	
General Expenses	(55,524,930)	(1,279,800)	(56,804,730)	(62,774,817)	(5,970,087)	Refer to note 54 (17)
Total expenditure	(365,139,317)	(14,715,238)	(379,854,555)	(401,653,876)	(21,799,321)	
Operating surplus	(46,006,478)	(938,238)	(46,944,716)	22,325,210	69,269,926	
Loss on disposal of assets and liabilities	-	-	-	(258,499)	(258,499)	
Fair value adjustments	-	-	-	483,099	483,099	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	84,546,000	43,790,000	128,336,000	-	(128,336,000)	
	84,546,000	43,790,000	128,336,000	224,600	(128,111,400)	
Surplus before taxation	38,539,522	42,851,762	81,391,284	22,549,810	(58,841,474)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	38,539,522	42,851,762	81,391,284	22,549,810	(58,841,474)	

Blouberg Local Municipality

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Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

Statement of Financial Position

Assets

Current Assets

Inventories	4,643,000	-	4,643,000	5,661,497	1,018,497	Refer to note 54 (18)
Receivables from exchange transactions	6,713,756	-	6,713,756	4,650,016	(2,063,740)	
VAT receivable	-	-	-	2,418,673	2,418,673	
Consumer debtors	135,147,019	-	135,147,019	70,748,504	(64,398,515)	
Cash and cash equivalents	75,070,000	25,000,000	100,070,000	101,842,674	1,772,674	
	221,573,775	25,000,000	246,573,775	185,321,364	(61,252,411)	

Non-Current Assets

Investment property	3,010,000	-	3,010,000	9,433,600	6,423,600	
Property, plant and equipment	147,433,049	44,508,511	191,941,560	1,065,221,605	873,280,045	Refer to note 54 (19)
Intangible assets	-	200,000	200,000	174,803	(25,197)	
Other financial assets	-	-	-	4,864,604	4,864,604	Refer to note 54 (20)
	150,443,049	44,708,511	195,151,560	1,079,694,612	884,543,052	

Total Assets

	372,016,824	69,708,511	441,725,335	1,265,015,976	823,290,641	
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Liabilities

Current Liabilities

Finance lease obligation	-	800,000	800,000	9,322,788	8,522,788	Refer to note 54 (21)
Payables from exchange transactions	37,369,419	-	37,369,419	68,536,750	31,167,331	
VAT payable	-	-	-	5,361,772	5,361,772	
Employee benefit obligation	-	-	-	1,064,000	1,064,000	
Unspent conditional grants and receipts	8,000,000	-	8,000,000	20,158,139	12,158,139	Refer to note 54 (22)
Provisions	-	-	-	2,200,906	2,200,906	
	45,369,419	800,000	46,169,419	106,644,355	60,474,936	

Non-Current Liabilities

Finance lease obligation	8,633,703	-	8,633,703	4,864,257	(3,769,446)	
Employee benefit obligation	9,000,000	-	9,000,000	6,654,000	(2,346,000)	
Provisions	2,823,669	-	2,823,669	22,339,560	19,515,891	
	20,457,372	-	20,457,372	33,857,817	13,400,445	

Total Liabilities

	65,826,791	800,000	66,626,791	140,502,172	73,875,381	
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Net Assets

	306,190,033	68,908,511	375,098,544	1,124,513,804	749,415,260	
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Blouberg Local Municipality

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Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Net Assets						
Net Assets Attributable to Owners of Controlling Entity						
Reserves						
Accumulated surplus	306,190,033	68,908,511	375,098,544	1,082,169,320	707,070,776	

Blouberg Local Municipality

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Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Cash receipts from rate payers and other	72,861,252	(4,200,000)	68,661,252	73,668,861	5,007,609	
Interest income	2,024,727	1,000,000	3,024,727	4,112,364	1,087,637	
Grants	321,876,707	53,612,704	375,489,411	333,762,001	(41,727,410)	
	396,762,686	50,412,704	447,175,390	411,543,226	(35,632,164)	
Payments						
Employee costs	(311,016,906)	(5,174,027)	(316,190,933)	(289,085,201)	27,105,732	
Finance costs	-	-	-	(4,440,468)	(4,440,468)	
	(311,016,906)	(5,174,027)	(316,190,933)	(293,525,669)	22,665,264	
Net cash flows from operating activities	85,745,780	45,238,677	130,984,457	118,017,557	(12,966,900)	
Cash flows from investing activities						
Purchase of property, plant and equipment	(85,466,000)	(44,508,511)	(129,974,511)	(100,159,897)	29,814,614	
Movement in other financial assets	-	-	-	(226,631)	(226,631)	
Net cash flows from investing activities	(85,466,000)	(44,508,511)	(129,974,511)	(100,386,528)	29,587,983	
Cash flows from financing activities						
Finance lease payments	-	-	-	(622,907)	(622,907)	
Net increase/(decrease) in cash and cash equivalents	279,780	730,166	1,009,946	17,008,122	15,998,176	
Cash and cash equivalents at the beginning of the year	85,246,220	-	85,246,220	84,834,551	(411,669)	
Cash and cash equivalents at the end of the year	85,526,000	730,166	86,256,166	101,842,673	15,586,507	

Blouberg Local Municipality

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Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

Figures in Rand	Note(s)	2023	2022
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1. Significant account policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparations

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.

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

These accounting policies are consistent with the previous period.

1.2 Presentation currency

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

1.3 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.

1.4 Materiality

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.5 Significant judgements and sources of estimation uncertainty

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

Other significant judgements, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes.

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the municipality for similar financial instruments.

Blouberg Local Municipality

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Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.5 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 [name a key assumption] 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. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including [list entity specific variables, i.e. production estimates, supply demand], together with economic factors such as [list economic factors such as exchange rates inflation interest].

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 18 - 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 assets in use. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

Post-retirement benefits

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

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

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 9.

Receivables /Investments and/or loans

The municipality assesses its trade receivables, investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, judgements has to be made as to whether there were observable data indicating a measurable decrease in the estimated future cash flows from a financial asset. The impairment is measured at the reporting date taking into account the different classes of debtors and the history of payment success of debtors.

1.6 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.

Blouberg Local Municipality

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Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.6 Investment property (continued)

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.

Fair value

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

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

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

1.7 Property, plant and equipment

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

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

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

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, its 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.

Blouberg Local Municipality

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Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.7 Property, plant and equipment (continued)

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

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

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

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

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

Item	Depreciation method	Average useful life
Land		Indefinite
Buildings	Straight-line	5-55
Infrastructure	Straight-line	5-65
Plant and machinery	Straight-line	5-20
Furniture and fixtures	Straight-line	5-19
Motor vehicles	Straight-line	5-25
Office equipment	Straight-line	5-13
IT equipment	Straight-line	5-19
Roads and paving	Straight-line	5-55
Concrete	Straight-line	5-85
Electricity	Straight-line	5 - 55
Recreational facilities	Straight-line	5 - 55
Security	Straight-line	5 - 55
Halls	Straight-line	5 - 55
Libraries	Straight-line	5 - 55
Parks and gardens	Straight-line	5 - 55
Other assets	Straight-line	5 - 55
Other property, plant and equipment	Straight-line	5 - 55
Specialist vehicles	Straight-line	5 - 55
Bins and Containers	Straight-line	10 - 20
Specialised past and equipment	Straight-line	5 - 10
Other items of plant and equipment	Straight-line	5 - 15
Leased assets	Straight-line	3 - 5
Emergency equipment	Straight-line	5 - 10
Paintings and artifacts	Straight-line	5 - 50

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

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.

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Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.8 Intangible assets

An asset is identifiable if it either:

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

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

An intangible asset is recognised when:

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

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

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

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

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

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

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

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

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

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

Item	Depreciation method	Average useful life
Computer software	Straight-line	5-8 years

Intangible assets are derecognised:

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

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Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.8 Intangible assets (continued)

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

1.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

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.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

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.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

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Accounting Policies

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- contingent consideration of an acquirer in a transfer of functions between entities not under common control to which the Standard of GRAP on Transfer of Functions Between Entities Not Under Common Control (GRAP 106) applies
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
 - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
 - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

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Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Exchange - Trade and other receivables	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost
Investments	Financial asset measured at amortised cost
Non-exchange - Consumer receivables: property rates	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Trade and other payables	Financial liability measured at amortised cost
Finance lease obligations	Financial liability measured at amortised cost

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity measures a financial asset and financial liability initially at its fair value [if subsequently measured at fair value].

The entity first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

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Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, an municipality calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

Impairment and uncollectibility of financial assets

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

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.

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1.10 Statutory receivables (continued)

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount for 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.

Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the municipality is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the entity applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- 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).

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1.10 Statutory receivables (continued)

- 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 is 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.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognise the receivable; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.11 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.

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

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Accounting Policies

1.12 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.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.13 Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

Some equity investments are included in cash equivalents when they are, in substance, cash equivalents.

Bank overdrafts which are repayable on demand forms an integral part of the entity's cash management activities, and as such are included as a component of cash and cash equivalents.

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1.14 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of surplus sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

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.

1.15 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.

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1.15 Provisions and contingencies (continued)

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

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 surplus (deficit).

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.

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 an 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.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 40.

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

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Accounting Policies

1.15 Provisions and contingencies (continued)

- 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.

1.16 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.

1.17 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.

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.

The amount of revenue arising on a transaction which is statutory (non-contractual) in nature is usually measured by reference to the relevant legislation, regulation or similar means. The fee structure, tariffs or calculation basis specified in legislation, regulation or similar means is used to determine the amount of revenue that should be recognised. This amount represents the fair value, on initial measurement, of the consideration received or receivable for revenue that arises from a statutory (non-contractual) arrangement (see the accounting policy on Statutory Receivables).

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.

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1.17 Revenue from exchange transactions (continued)

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

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 using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

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.

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1.18 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arises when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

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

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

Measurement

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

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1.18 Revenue from non-exchange transactions (continued)

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Receivables that arise from statutory (non-contractual) arrangements are initially measured in accordance with this accounting policy, as well as the accounting policy on Statutory Receivables. The entity applies the accounting policy on Statutory Receivables for the subsequent measurement, derecognition, presentation and disclosure of statutory receivables.

Interest is recognised using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

Transfers

Apart from Services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

Grants

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. A liability is recognised when the criteria, conditions or obligations have not been met.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Services in-kind

Except for financial guarantee contracts, the municipality recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality disclose the nature and type of services in-kind received during the reporting period.

The municipality recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

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1.19 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.20 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.21 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

Recognition

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

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Accounting Policies

1.21 Accounting by principals and agents (continued)

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.22 Comparative figures

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

When the presentation or classification of the items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the classification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in the accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.23 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance 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.

1.24 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

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.

1.25 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 is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

Irregular expenditure as defined in section 1 of the MFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

- this Act; or
- the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the MFMA requires the following (effective from 1 April 2008):

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Accounting Policies

1.25 Irregular expenditure (continued)

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of 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.

1.26 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

1.27 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.

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Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.27 Budget information (continued)

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2022/07/01 to 2023/06/30.

The budget for the economic entity includes all the entities approved budgets under its control.

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 Statement of comparative and actual information has been included in the annual financial statements as the recommended disclosure when the annual financial statements and the budget are on the same basis of accounting as determined by National Treasury.

Comparative information is not required.

1.28 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

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 those family members who may be expected to influence, or be influenced by that person in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.29 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).

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Accounting Policies

1.29 Events after reporting date (continued)

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.

1.30 Value Added Tax (VAT)

The municipality is registered with the South African Revenue Services (SARS) for VAT on the payment basis in accordance with Section 15(2) of the VAT Act (Act 89 of 1991). VAT is accounted for on accrual basis in the financial records.

VAT output refers to tax charged by municipality and the entities on a taxable supply and is declared in the Part A of the VAT 201 return. Input tax and other deductions are deducted from the output tax liability to arrive at the net VAT payable (or refundable) for any particular tax period.

The net amount of VAT recoverable from or payable to the taxation authority is reported separate from other receivables or payables in the statement of financial position.

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2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2023 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none">GRAP 103 (as revised): Heritage AssetsGRAP 25 (as revised): Employee Benefits	01 April 2025	Impact is currently being assessed
<ul style="list-style-type: none">iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interactionGuideline: Guideline on the Application of Materiality to Financial StatementsGRAP 104 (as revised): Financial Instruments	01 April 2025	Unlikely there will be a material impact Impact is currently being assessed

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3. Investment property

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	9,433,600	-	9,433,600	8,950,501	-	8,950,501

Reconciliation of investment property - 2023

	Opening balance	Fair value adjustments	Total
Investment property	8,950,501	483,099	9,433,600

Reconciliation of investment property - 2022

	Opening balance	Transfers	Fair value adjustments	Total
Investment property	8,374,000	(203,231)	779,732	8,950,501

Pledged as security

The municipality does not have any investment property that is 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.

The effective date of the revaluations was Friday, 30 June 2023. Revaluations were performed by an independent valuer, Mod Hope Properties by Modiba Kholofelo, registered as a Professional Associated Valuer in terms of the Property Valuer's Professional Act, 2000 (Act No 47 of 2000). Mod Hope Properties are not connected to the municipality and have recent experience in location and category of the investment property being valued.

The valuation was based on open market value for existing use.

These assumptions are based on current market conditions.

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4. Property, plant and equipment

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	7,756,290	-	7,756,290	7,756,290	-	7,756,290
Buildings	41,875,641	(27,289,672)	14,585,969	40,571,293	(25,405,951)	15,165,342
Infrastructure	1,107,487,625	(453,405,259)	654,082,366	1,070,933,848	(433,899,506)	637,034,342
Community Assets	238,362,370	(73,422,173)	164,940,197	192,905,056	(66,244,501)	126,660,555
Other Assets	68,623,615	(23,047,021)	45,576,594	48,057,919	(19,056,390)	29,001,529
WIP - Community Assets	40,799,539	-	40,799,539	73,543,448	-	73,543,448
WIP - Infrastructure	137,480,650	-	137,480,650	88,198,868	-	88,198,868
Total	1,642,385,730	(577,164,125)	1,065,221,605	1,521,966,722	(544,606,348)	977,360,374

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Transfers	Depreciation	Impairment loss	Total
Land	7,756,290	-	-	-	-	7,756,290
Buildings	15,165,342	-	1,304,348	(1,883,721)	-	14,585,969
Infrastructure	637,034,342	217,090	36,336,687	(19,505,753)	-	654,082,366
Community Assets	126,660,555	-	45,457,314	(6,410,272)	(767,400)	164,940,197
Other Assets	29,001,529	20,450,163	-	(3,875,098)	-	45,576,594
WIP - Community Assets	73,543,448	12,713,405	(45,457,314)	-	-	40,799,539
WIP - Infrastructure	88,198,868	86,922,817	(37,641,035)	-	-	137,480,650
977,360,374	120,303,475	-	(31,674,844)	(767,400)	1,065,221,605	

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Land	7,756,290	-	-	-	-	7,756,290
Buildings	16,788,194	-	-	-	(1,622,852)	15,165,342
Infrastructure	633,026,306	483,087	-	23,370,206	(19,845,257)	637,034,342
Community Assets	131,035,486	-	-	1,662,428	(6,037,359)	126,660,555
Other Assets	24,594,437	7,590,673	(334,336)	-	(2,849,246)	29,001,529
WIP - Community assets	34,012,551	41,193,325	-	(1,662,428)	-	73,543,448
WIP - Infrastructure	96,091,728	15,477,346	-	(23,370,206)	-	88,198,868
943,304,992	64,744,431	(334,336)	-	(30,354,714)	977,360,374	

Pledged as security

The municipality does not have any property, plant and equipment that is pledged as security.

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

General expenses	2,671,178	3,256,735
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Delayed projects

There were no delayed projects in current financial year.

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4. Property, plant and equipment (continued)

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

5. Intangible assets

	2023			2022		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	750,685	(575,882)	174,803	750,685	(509,987)	240,698

Reconciliation of intangible assets - 2023

	Opening balance	Amortisation	Total
Computer software, other	240,698	(65,895)	174,803

Reconciliation of intangible assets - 2022

	Opening balance	Amortisation	Total
Computer software, other	306,593	(65,895)	240,698

Pledged as security

The municipality does not have any intangible assets that is pledged as security.

6. Other financial assets

At amortised cost

ABSA Bank -20-7075-0019	3,209,553	3,082,280
ABSA Bank -93-6800-0389	1,655,051	1,555,693
	4,864,604	4,637,973

Non-current assets

At amortised cost	4,864,604	4,637,973
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The Municipality has a long term investment in an ABSA fixed deposit as Eskom Guarantee to an amount of R3 209 553 in capital. The balances were R3 209 553 (2022: R3 082 280) as at 30 June 2023. The difference from the capital amount is due to accrued interest at the end of each financial period. The municipality does not have access to the account, only receives interest on investment. During the year an amount of R159 889.98 (2022: R108 687.84) interest was earned from the investment.

Eskom Guarantee

The Municipality has an investment in ABSA fixed deposit as Eskom Guarantee to an amount of R1 655 051 in capital. The municipality does not have access to the account, only receives interest on investment. During the year an amount of R99 457 interest was earned from the investment and capitalized.

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7. Payables from exchange transactions		
Trade payables	17,408,108	6,371,058
Payments received in advanced	7,885,191	1,943,757
Retentions	18,859,224	15,121,303
13th cheque provision	2,346,110	2,573,951
Accrued leave pay	11,926,313	11,278,507
Prepaid electricity accrual	200,058	185,722
Sale of stands deposits	3,567,521	929,720
Other Creditors	146,745	1,681,535
Unallocated deposits	6,197,480	6,380,155
	68,536,750	46,465,708

Sale of sites

Included in payables from exchange transactions is the amount of R3 567 521 (2022: R929 720) relating to monies paid by customers for the sale of stands. Once ownership has been transferred to customers, a reallocation will be made from payables to sale of stands in the statement of financial performance thereby realising the revenue from sale of stands.

Accrued for leave

Provision is made for employees who are having leave credit at the end of the financial period and is provided up to 48 days in terms of SALBC agreement. The leave provision is calculated by taking the total basic salary divide by number of working days per year multiply by the number of days unused/remaining.

Unallocated deposits

This relate to monies received from individuals and companies with either incorrect reference numbers or without references which cannot be allocated when identified as received for less than three years. This relates to monies both received in current year and prior years, the municipality policy is to recognise the monies received unallocated as revenue when it is not claimed for more than a period of three years. All those monies which have been received for more than three years, an advert in the local newspaper is done to allow those who deposited monies in the municipality account to come forward and provide supporting documentations so that the municipality can allocate funds for a reasonable period of time. Failure of individuals to provide evidence will result in the municipality recognising the monies as revenue.

8. VAT payable

Tax refunds payables	5,361,772	4,431,374
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9. Employee benefit obligations

Defined benefit plan

The amounts recognised in the statement of financial position are as follows:

Carrying value		
Present value of fund obligation	(8,260,000)	(7,623,154)
Current service costs	(492,000)	(566,998)
Interests costs	(772,000)	(574,158)
Benefits paid	605,567	1,171,499
Actuarial (gains)/lossess	1,200,433	(667,189)
	(7,718,000)	(8,260,000)
Current assets	-	-
Non-current liabilities	(6,654,000)	(8,103,000)
Current liabilities	(1,064,000)	(157,000)
	(7,718,000)	(8,260,000)

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Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

Figures in Rand	2023	2022
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9. Employee benefit obligations (continued)

Key assumptions used

Assumptions used at the reporting date:

Rate of interest

Discount rate	10.92 %	11.20 %
Consumer price inflation	6.39 %	7.44 %
Salary Inflation	6.39 %	8.44 %
Net effective discount rate	4.26 %	2.55 %

Provision for long - service awards

The employees of Blouberg Municipality qualifies for the following long service award additional leave for various periods of uninterrupted service:

- 10 years uninterrupted service: 10 working day's leave
- 15 years uninterrupted service: 20 working day's leave
- 20 years uninterrupted service: 30 working day's leave
- 25 years uninterrupted service: 30 working day's leave
- 30 years uninterrupted service: 30 working day's leave
- 35 years uninterrupted service: 35 working day's leave
- 40 years uninterrupted service: 30 working day's leave
- 45 years uninterrupted service: 30 working day's leave

The Long Service Awards are defined benefits plans. As at year end 30 June 2023 180 (2022: 182) employees were eligible for Long Service Bonuses.

The Employer's Unfunded Accrued Liability as at 30 June 2023 is estimated at R7 718 000 (2022: R8 260 000). The current cost for the year ending 30 June 2023 is estimated at R492 000 (2022: R566 998).

The actual expense cost for the year ending 30 June 2023, and the net change in the accrued obligation over the financial year ending 30 June 2023 are determined as follows:

Net change in the accrued obligation

Current service cost	492,000	566,998
Current interest cost	772,000	574,158
Actuarial (gain)/loss	(1,200,433)	667,189
Net expense recognised in income statement	63,567	1,808,345
Actual benefit payments	(605,567)	(1,171,499)
Net change in the accrued liability over the financial year ending	(542,000)	636,846

10. Inventories

Inventory sites	3,981,555	4,021,847
Consumable stores	1,679,942	1,345,372
	5,661,497	5,367,219

Inventories recognised as an expense during the year	1,675,772	1,836,230
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Inventory pledged as security

The municipality does not have any inventory that is pledged as security.

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
11. Receivables from exchange transactions		
Prepaid electricity Accrued	276,788	226,997
Other Receivables	1,041,525	721
Accrued VAT (Statutory receivable)	3,331,703	762,950
	4,650,016	990,668
12. Receivables from non-exchange transactions		
Gross balances		
Traffic fines	7,342,879	6,444,527
Other receivables - Senior Managers	211,143	211,143
Other receivables from non-exchange transactions	1,715,853	1,688,171
Rates	76,705,456	81,973,497
	85,975,331	90,317,338
Less: Allowance for impairment		
Traffic fines	(6,193,009)	(5,999,927)
Other receivables from non-exchange transactions	(1,715,853)	-
Rates	(62,431,197)	(17,015,085)
	(70,340,059)	(23,015,012)
Net balance		
Traffic Fines	1,149,870	444,600
Other receivable- Senior Managers	211,143	211,143
Other receivables from non-exchange transactions	-	1,688,171
Consumer debtors - Rates	14,274,259	64,958,412
	15,635,272	67,302,326
Non-current assets	-	-
Current assets	15,635,272	67,302,326
	15,635,272	67,302,326
Statutory receivables included in receivables from non-exchange transactions above are as follows:		
Fines	972,652	444,600
Rates	14,274,259	64,958,412
	15,246,911	65,403,012
Financial asset receivables included in receivables from non-exchange transactions above	388,361	1,899,314
Total receivables from non-exchange transactions	15,635,272	67,302,326

Receivables from non-exchange transactions

The ageing of these receivables is as follows:

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12. Receivables from non-exchange transactions (continued)

Rates

Current	-	1,125,137
31-60 days	1,047,537	260,128
61-90 days	741,207	352,100
91-120 days	357,215	348,726
121-365 days	12,045,876	25,672,171
>365 days	62,513,621	54,214,628
	76,705,456	81,972,890

Traffic fines

Current	253,600	54,300
31-60 days	77,100	100,900
61-90 days	133,800	48,500
91-120 days	133,200	46,400
121-365 days	723,800	112,100
>365 days	6,021,379	6,082,477
	7,342,879	6,444,677

Receivables from non-exchange transactions impaired

Included in the Traffic fines receivables there is a provision for impairment of R6 193 009 (2022: R5 999 927). Included also is a debt write off of R- (2022: R-).

Included in the property rates receivable there is a provision for impairment of R62 431 197 (2022: R17 015 085). Included also is a debt write off of R- (2022: R-).

Reconciliation of provision for impairment of receivables from non-exchange transactions

Opening balance	(23,015,012)	(23,851,495)
Provision for impairment	(47,132,039)	836,483
	(70,147,051)	(23,015,012)

13. VAT receivable

VAT (Statutory receivable)	2,418,673	6,310,178
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These amounts are receivable by the group as a result of transaction attracting value added tax (VAT) as legislated under the Value Added Tax Act 89 of 1991 from the South African Revenue Services.

No impairments against the Vat receivables.

14. Consumer debtors

Gross balances

Electricity	23,534,948	18,524,220
Refuse	6,111,631	4,459,563
VAT on Services	4,368,821	3,438,424
Sundries	2,748,785	2,453,771
	36,764,185	28,875,978

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14. Consumer debtors (continued)		
Less: Allowance for impairment		
Electricity	(17,355,009)	(13,281,317)
Refuse	(4,279,393)	(2,525,554)
Sundries	(2,361,035)	(1,393,251)
	(23,995,437)	(17,200,122)
Net balance		
Electricity	6,179,939	5,242,903
Refuse	1,832,238	1,934,009
VAT on Services	4,368,821	3,438,424
Sundries	387,750	1,060,520
	12,768,748	11,675,856
Electricity		
Current (0 -30 days)	1,567,954	901,268
31 - 60 days	645,677	469,019
61 - 90 days	1,189,983	534,442
91 - 120 days	489,480	749,894
121 - 365 days	3,510,233	3,613,685
> 365 days	16,131,621	12,255,912
	23,534,948	18,524,220
Refuse		
Current (0 -30 days)	177,584	319,677
31 - 60 days	333,334	140,175
61 - 90 days	163,578	148,350
91 - 120 days	160,544	160,034
121 - 365 days	1,204,051	1,332,771
> 365 days	4,072,540	2,358,556
	6,111,631	4,459,563
Sundries		
Current (0 -30 days)	58,488	56,462
31 - 60 days	28,793	16,972
61 - 90 days	28,684	24,764
91 - 120 days	28,607	24,560
121 - 365 days	199,292	178,359
> 365 days	2,404,134	2,152,654
	2,747,998	2,453,771
Reconciliation of allowance for impairment		
Balance at beginning of the year	(17,200,122)	(13,993,176)
Debt impairment	(6,795,315)	(3,206,946)
	(23,995,437)	(17,200,122)

15. Cash and cash equivalents

Cash and cash equivalents consist of:

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
15. Cash and cash equivalents (continued)		
Cash on hand	660	660
Short-term deposits	5,214,870	5,985,432
Bank balances	96,627,144	78,848,459
	101,842,674	84,834,551

Cash and cash equivalents pledged as collateral

No cash and cash equivalents are held as collateral.

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2023	30 June 2022	30 June 2021	30 June 2023	30 June 2022	30 June 2021
ABSA BANK - Current Account - 11 5016 9476	96,627,144	78,848,458	33,122,754	96,627,144	78,848,458	33,122,754
ABSA BANK - Short-term investment Account - 93 540 119 04	5,214,870	5,985,432	5,119,402	5,214,870	5,985,432	5,119,402
Total	101,842,014	84,833,890	38,242,156	101,842,014	84,833,890	38,242,156

NEDBANK ACCOUNT -037-8811-376-14

During the current year the municipality invested in Nedbank fixed deposit account number 037-8811- 376-14 which earned interest totalling R1 037 908. The investment of R50 000 000 was invested from 6 September 2022 to 03 January 2023 which earned the municipality a interest of R1 037 908. The investment amount and interest were withdrawn to the main municipal account before the end of the year.

16. Finance lease obligation

Minimum lease payments due

- within one year	9,322,788	485,217
- in second to fifth year inclusive	11,945,167	363,913
	21,267,955	849,130
less: future finance charges	(7,080,910)	(74,815)
Present value of minimum lease payments	14,187,045	774,315

Present value of minimum lease payments due

- within one year	4,880,911	425,470
- in second to fifth year inclusive	9,306,134	348,845
	14,187,045	774,315
Non-current liabilities	4,864,257	289,098
Current liabilities	9,322,788	485,217
	14,187,045	774,315

It is municipality policy to lease certain [property]motor vehicles and equipment under finance leases.

The average lease term was 3 years and the average effective borrowing rate was 10% (2022: 10%).

Interest rates are linked to prime at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

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Figures in Rand	2023	2022
16. Finance lease obligation (continued)		
Defaults and breaches		
In the current financial year the municipality never defaulted and/or breached any terms and conditions of the lease contract.		
Market risk		
The carrying amounts of finance lease liabilities are denominated in the following currencies:		
Rand	14,187,045	774,315
The fair value of finance lease liabilities approximates their carrying amounts.		
17. Unspent conditional grants and receipts		
Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts		
Financial Management Grant (FMG)	214,778	-
Municipal Infrastructure Grant (MIG)	10,395,680	24,158,175
Capricorn District Municipality Grant (CDM)	135,395	135,395
Integrated National Electrification Programme Grant (INEP)	5,412,286	-
Disaster Relief Grant (DRG)	4,000,000	21,745
	20,158,139	24,315,315
Movement during the year		
Balance at the beginning of the year	24,315,315	394,098
Additions during the year	112,686,000	300,686,000
Income recognition during the year	(116,843,176)	(276,764,783)
	20,158,139	24,315,315
Non-current liabilities	-	-
Current liabilities	20,158,139	24,315,315
	20,158,139	24,315,315

The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the municipality has directly benefited; and

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

See note for reconciliation of grants from National/Provincial Government.

These amounts are invested in a ring-fenced investment until utilised.

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Figures in Rand	2023	2022
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18. Provisions

Reconciliation of provisions - 2023

	Opening Balance	Additions	Utilised during the year	Total
Environmental rehabilitation	23,221,540	1,024,625	-	24,246,165
Performance bonus	582,583	-	(288,282)	294,301
	23,804,123	1,024,625	(288,282)	24,540,466

Reconciliation of provisions - 2022

	Opening Balance	Additions	Utilised during the year	Total
Environmental rehabilitation	19,739,953	3,481,587	-	23,221,540
Performance bonus	919,369	-	(336,786)	582,583
	20,659,322	3,481,587	(336,786)	23,804,123

Non-current liabilities	22,339,560	21,463,531
Current liabilities	2,200,906	2,340,592
	24,540,466	23,804,123

The provision represents management's best estimate of the municipality's liability on the experience and knowledge.

Provision for performance bonus

Performance bonus is the benefit paid to the senior management after performance assessment are being done and expectations or targets are met. Performance bonus is calculated at 14% of total package.

Environmental rehabilitation provision

The Alldays and Senwabarwana land fill sites are permitted facilities in terms of section 20 of Environmental Conservation Act 73 of 1989. The provision for rehabilitation of landfill sites relates to the legal obligation to rehabilitate landfill sites used for waste disposal. It is calculated as the present value of the future obligation discounted at 3.73% as at 30 June 2023. Both landfill sites are expected to be in operation for a period of more than 5 years from July 2023.

19. Revenue

Service charges	33,466,476	31,015,660
Rental of facilities and equipment	461,443	550,413
Licences and permits	4,166,391	4,516,988
Photocopies & Electricity Fines - Illegal connections	43,524	94,386
CDM - Commissions received	259,654	374,638
Cemetery, Burial and Plans approval fees	231,794	185,650
Valuation services	2,722	3,338
Interest charged on Outstanding Debtors	806,882	470,644
Sale of Inventory - Sites/Land	5,683,006	724,060
Cattle Grazing	108,985	42,039
Interest received - Investments & Current accounts	4,112,364	2,018,716
Property rates	25,228,987	29,497,011
Property rates - penalties imposed	1,266,424	1,549,115
Government grants & subsidies	337,919,177	276,764,783
Donated assets	6,107,929	4,363,478
Fines	1,154,400	444,600
Other transfer revenue	1,758,495	-
Fair value adjustments and actuarial gains	1,683,532	779,732
	424,462,185	353,395,251

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Figures in Rand	2023	2022
19. Revenue (continued)		
The amount included in revenue arising from exchanges of goods or services are as follows:		
Service charges	33,466,476	31,015,660
Rental of facilities and equipment	461,443	550,413
Licences and permits	4,166,391	4,516,988
Photocopies & Electricity Illegal connections	43,524	94,386
CDM - Commissions received	259,654	374,638
Cemetery, Burial & Plans approval fees	231,794	185,650
Valuation Services	2,722	3,338
Interest on Outstanding Debtors	806,882	470,644
Sale of Inventory - Sites/Land	5,683,006	724,060
Cattle Grazing	108,985	42,039
Interest received - investment	4,112,364	2,018,716
Fair value adjustments and actuarial gains	483,099	779,732
	49,826,340	40,776,264
The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Property rates	25,228,987	29,497,011
Property rates - penalties imposed	1,266,424	1,549,115
Transfer revenue		
Government grants & subsidies	337,919,177	276,764,783
Donated assets	6,107,929	4,363,478
Fines	1,154,400	444,600
Unclaimed money	1,758,495	-
Actuarial gains	1,200,433	(667,189)
	374,635,845	311,951,798
20. Service charges		
Sale of electricity	31,489,899	29,116,330
Refuse removal	1,976,577	1,899,330
	33,466,476	31,015,660
21. Rental of facilities and equipment		
Facilities and equipment		
Rental of facilities	461,443	550,413
22. Traffic fines		
Traffic fines	1,154,400	444,600
23. Investment revenue		
Interest revenue		
Investments	4,112,364	2,018,716

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Figures in Rand	2023	2022
24. Property rates		
Rates received		
Residential	2,378,680	2,245,236
Commercial	2,804,938	2,650,537
State-owned	18,550,238	23,186,261
Small holdings and farms	1,495,131	1,414,977
	<u>25,228,987</u>	<u>29,497,011</u>
Interest charges on overdue account	1,266,424	1,549,115
	<u>26,495,411</u>	<u>31,046,126</u>

Valuations

Residential	580,597,430	559,120,820
Commercial	439,588,960	425,023,000
State-owned	385,260,000	385,260,000
Municipalities	108,576,062	100,167,482
Other	8,380,500	8,380,500
Small holdings and farms	3,484,082,565	3,484,082,565
	<u>5,006,485,517</u>	<u>4,962,034,367</u>

Valuations on land and buildings are performed every 5 years. The last general valuation came into effect on 1 July 2016. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions. There was an additional 2 years extension that was granted on the valuations of land and buildings up to 2023 financial period.

25. Government grants & subsidies

Operating grants

Equitable share	221,255,921	203,614,703
Financial Management Grant (FMG)	2,185,222	2,400,000
Expanded Public Works Programme (EPWP)	1,950,000	1,266,000
Disaster Relief Grant	-	12,878,255
	<u>225,391,143</u>	<u>220,158,958</u>

Capital grants

Municipal Infrastructure Grant (MIG)	85,302,320	56,605,825
Integrated National Electrification Programme (INEP)	27,225,714	-
	<u>112,528,034</u>	<u>56,605,825</u>
	<u>337,919,177</u>	<u>276,764,783</u>

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

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Figures in Rand	2023	2022
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25. Government grants & subsidies (continued)

Financial Management Grant (FMG)

Current-year receipts	2,400,000	2,400,000
Conditions met - transferred to revenue	(2,185,222)	(2,400,000)
	<u>214,778</u>	<u>-</u>

Conditions still to be met - remain liabilities (see note 17).

To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA).

Grant provides direct support to municipalities to develop financial management and technical capacity for the implementation of the MFMA, its regulations and associated financial reforms.

Municipal Infrastructure Grant (MIG)

Balance unspent at beginning of year	24,158,175	161,955
Current-year receipts	71,698,000	80,764,000
Conditions met - transferred to revenue	(85,302,320)	(56,605,825)
Repayment of grant	-	(161,955)
Withheld by National Treasury Through Equitable share	(158,175)	-
	<u>10,395,680</u>	<u>24,158,175</u>

Conditions still to be met - remain liabilities (see note 17).

To provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, microenterprises and social institutions servicing poor communities. To Improved access to basic services infrastructure for poor communities, through the use of labour-intensive construction methods where it is technically feasible. To Improved reliability of basic services infrastructure for poor communities.

Disaster Relief Grant (DRG)

Conditions still to be met - remain liabilities (see note 17).

Provide explanations of conditions still to be met and other relevant information.

Expanded Public Works Programme (EPWP)

Current-year receipts	1,950,000	1,266,000
Conditions met - transferred to revenue	(1,950,000)	(1,266,000)
	<u>-</u>	<u>-</u>

Conditions still to be met - remain liabilities (see note 17).

To provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised.

Capricorn District Municipality (CDM)

Balance unspent at beginning of year	135,395	135,395
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Conditions still to be met - remain liabilities (see note 17).

CDM grant - disposal of unwanted waste through compaction inside the working cell.

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Figures in Rand	2023	2022
25. Government grants & subsidies (continued)		
Integrated National Electrification Programme (INEP)		
Balance unspent at beginning of year	-	96,748
Current-year receipts	32,638,000	-
Conditions met - transferred to revenue	(27,225,714)	-
Repayment of grant	-	(96,748)
	5,412,286	-

Conditions still to be met - remain liabilities (see note 17).

To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of all existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure.

Disaster Relief Grant (DRG)

Balance unspent at beginning of year	21,745	12,900,000
Current-year receipts	4,000,000	(12,878,255)
Repayment of grant	(21,745)	-
	4,000,000	21,745

Conditions still to be met - remain liabilities (see note 17).

To provide for the immediate release of funds for disaster response.

To enable a timely response to immediate needs after a disaster has occurred.

26. Donated assets

Donated assets	6,107,929	4,363,478
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During the year CDM donated 3 Waste Disposal Trucks to the municipality that are worth R6 107 929.

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Figures in Rand	2023	2022
27. Employee related costs		
Basic salary	69,057,406	67,979,361
Bonus	5,280,091	5,466,032
Medical aid - company contributions	5,038,152	4,566,699
Unemployed Insurance Fund (UIF)	396,226	402,220
Skills Development Levy (SDL)	1,121,173	927,128
Leave payout	1,234,794	1,172,290
Pension Fund contributions	15,962,960	15,557,448
Travel, motor car, accommodation, subsistence and other allowances	16,618,894	16,340,366
Overtime payments	5,410,246	3,273,367
Long-service awards	492,000	566,998
Acting allowances	516,178	172,574
Housing benefits and allowances	269,131	213,157
Bargaining Council	23,846	22,691
Standby allowance	718,379	474,228
Telephone & CellPhone allowances	3,131,851	2,322,770
Group life insurance	179,101	86,721
	125,450,428	119,544,050

The amounts disclosed below for senior managers have been included in the table above.

Remuneration of municipal manager

Annual Remuneration	653,999	378,352
Acting allowance	38,549	70,144
Car Allowance	228,287	-
13th Cheque	-	63,368
Contributions to UIF, Medical and Pension Funds	136,997	729,956
Other Allowances	47,924	8,861
Back Pay	44,609	-
Leave Pay	-	115,584
Subsistence and Travelling Allowance	158,115	16,314
	1,308,480	1,382,579

Remuneration of chief finance officer

Annual Remuneration	659,834	613,309
Car Allowance	229,748	228,037
13th Cheque	51,109	51,109
Contributions to UIF, Medical and Pension Funds	138,195	137,286
Other allowances	47,924	-
Back pay	44,684	-
Subsistence and Travelling Allowance	107,898	53,545
	1,279,392	1,083,286

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Figures in Rand

2023

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27. Employee related costs (continued) Remuneration of Senior Management

There is no acting allowances paid during the year on the Director Technical Services because the managers acting on the position were earning above the minimum entry notch for the directors.

Remuneration of Senior Management 2023 (included in employee related cost)	Technical Services	Economic Development and Planning	Corporate Services	Community Services	Total
Annual Remuneration	163,731	-	-	279,678	443,409
Acting allowance	17,804	18,078	37,678	48,978	122,538
Leave Pay out	-	-	63,784	53,098	116,882
13th Cheque	42,591	-	-	-	42,591
Car allowance	57,220	-	-	36,577	93,797
Contributions to UIF, Medical and Pension Funds	33,732	-	-	24,890	58,622
Other allowances	12,545	-	-	7,987	20,532
Back pay	-	-	177	-	177
Subsistence and Travelling Allowance	20,828	-	-	-	20,828
	348,451	18,078	101,639	451,208	919,376

Remuneration of Senior Management 2022 (included in employee related cost)	Technical Services	Economic Development and Planning	Corporate Services	Community Services	Total
Annual Remuneration	613,309	297,543	613,309	583,770	2,107,931
Acting allowance	-	14,654	-	-	14,654
Leave Pay out	-	93,187	-	-	93,187
13th Cheque	51,109	51,089	51,109	-	153,307
Car allowance	228,878	75,672	228,037	205,466	738,053
Contributions to UIF, Medical and Pension Funds	137,177	45,817	137,286	139,264	459,544
Other allowances	65,537	21,846	65,537	62,950	215,870
Back pay	-	-	-	129,347	129,347
Subsistence and Travelling Allowance	44,553	8,221	84,683	36,821	174,278
	1,140,563	608,029	1,179,961	1,157,618	4,086,171

28. Remuneration of councillors

Mayor	961,902	893,157
Chief Whip	731,210	658,745
Executive Committee Members	4,437,142	3,209,733
Speaker	773,652	726,754
Councillors	11,078,367	11,725,568
	17,982,273	17,213,957

In-kind benefits

The Mayor, Speaker, Chief Whip and Executive Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The Mayor and the Speaker each have the use of separate Council owned vehicles for official duties.

29. Depreciation and amortisation

Property, plant and equipment	31,416,345	30,354,713
Intangible assets	65,895	65,895
	31,482,240	30,420,608

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Figures in Rand	2023	2022
30. Impairment loss		
Impairments		
Property, plant and equipment	767,400	-
31. Finance costs		
Finance leases	3,668,458	101,030
Long service award	772,000	574,158
	4,440,458	675,188
The interest paid is made up of Long service award and the finance lease on the office equipment.		
32. Auditors' remuneration		
Fees	4,370,569	4,458,544
33. Debt impairment		
Debt impairment	54,121,084	2,370,463
34. General expenses		
Advertising	977,069	497,443
Auditors remuneration	4,370,569	4,458,544
Bank charges	500,390	541,582
Provision for restoration costs of landfill site	2,176,939	3,481,587
EPWP costs	5,951,212	3,396,592
Municipal Demacation costs	-	490,000
Workmens Compensation Costs	406,582	501,988
MPAC expenses	-	84,471
Insurance	1,702,123	1,352,689
Conferences, Accomodation and seminars	2,248,426	1,519,758
IT expenses	2,057,076	943,585
Fuel Costs	4,401,932	2,281,785
Postage and courier	2,010	1,526
Printing and stationery	100,000	368,687
Promotions	191,596	89,837
Master Plans for LDP	1,432,788	1,025,051
Repairs and maintenance	2,671,178	3,186,677
Poverty Alleviation	529,840	455,107
Subscriptions and membership fees	2,525,668	2,627,292
Telephone and fax	1,515,738	2,049,892
Training	-	36,365
Subsistence and travel	13,846,312	9,292,420
Special Focus	758,647	140,771
Audit committee fees	336,784	409,004
Bursaries	232,257	107,817
Public participation	178,000	166,873
Licence fees - vehicles	148,434	171,008
Refreshments	137,800	219,130
Remuneration of ward committee members	4,703,761	3,959,903
Free basic services electricity	775,286	1,222,857
Support of ward committee	1,767,238	910,754
Other expenses	7,804,933	9,731,147
	64,450,588	55,722,142

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Figures in Rand	2023	2022
35. Bulk purchases		
Electricity - Eskom	52,983,493	50,884,660
36. Contracted services		
Information Technology Services	202,377	-
Fleet Services	190,914	247,979
Operating Leases	3,059,422	2,615,362
Specialist Services	25,448,481	25,677,648
Other Contractors	21,074,717	18,950,532
	49,975,911	47,491,521
37. Cash generated from operations		
Surplus	22,549,811	28,176,221
Adjustments for:		
Depreciation and amortisation	31,482,240	30,420,608
Gain or loss on sale of assets and liabilities	258,499	229,252
Fair value adjustments	(483,099)	(779,732)
Impairment deficit	767,400	-
Debt impairment	54,121,084	2,370,463
Movements in employee benefits obligation	(542,000)	636,846
Movements in provisions	736,343	6,571,061
Donated assets	(6,107,929)	(4,363,478)
Changes in working capital:		
Inventories	(294,278)	2,243,490
Receivables from exchange transactions	(3,659,348)	290,907
Consumer debtors	(55,213,976)	(2,246,019)
Other receivables from non-exchange transactions	51,667,054	26,061,084
Payables from exchange transactions	22,071,042	(2,471,644)
VAT	4,821,903	(2,258,298)
Unspent conditional grants and receipts	(4,157,176)	23,921,217
	118,017,570	108,801,978

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Figures in Rand	2023	2022
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38. Financial instruments disclosure

Categories of financial instruments

2023

Financial assets

	At amortised cost	Total
Other financial assets	4,864,604	4,864,604
Trade and other receivables from exchange transactions	811,039	811,039
Receivables from non-exchange transactions	57,324,395	57,324,395
Consumer debtors	13,424,109	13,424,109
Cash and cash equivalents	101,842,674	101,842,674
	178,266,821	178,266,821

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	69,029,311	69,029,311
Finance lease obligation	14,187,045	14,187,045
	83,216,356	83,216,356

2022

Financial assets

	At amortised cost	Total
Other financial assets	4,637,973	4,637,973
Trade and other receivables from exchange transactions	227,718	227,718
Receivables from non-exchange transactions	67,302,326	67,302,326
Consumer debtors	11,675,856	11,675,856
Cash and cash equivalents	84,834,551	84,834,551
	168,678,424	168,678,424

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	48,223,717	48,223,717

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Figures in Rand	2023	2022
39. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Property, plant and equipment	105,183,014	37,744,510
Total capital commitments		
Already contracted for but not provided for	105,183,014	37,744,510
Authorised operational expenditure		
Already contracted for but not provided for		
• Security services	57,348,763	10,213,696
• Consulting services	-	854,025
• Town Planning Professional Services	-	493,401
• Township Registration	-	541,684
• Township Establishment	-	79,350
• Land Use Scheme	-	130,704
• Supply and Delivery of Traffic Uniform	-	483,300
• Provision of Short Term Insurance Service for 24 Months	-	1,522,400
• Leasing of 10 photocopying machines	575,564	1,060,781
• Telephone Management Solution	4,656,162	-
• Landfill Management	11,473,671	-
• Leasing of Graders	20,380,425	-
• Supply and Delivery of Protective Clothing	699,445	-
• Unbundling of Assets	1,908,610	-
• Valuation Roll	2,775,950	-
• Enhancement of Network Connectivity of All Satellites Offices	4,044,724	-
	103,863,314	15,379,341
Total operational commitments		
Already contracted for but not provided for	103,863,314	15,379,341
Total commitments		
Total commitments		
Authorised capital expenditure	105,183,014	37,744,510
Authorised operational expenditure	103,863,314	15,379,341
	209,046,328	53,123,851

This committed expenditure relates to Security, consulting, growth strategy and special development services and property, plant and equipments and will be financed by available bank facilities, retained surpluses, rights issue of shares, issue of debentures, mortgage facilities, existing cash resources, funds internally generated, etc.

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2022

40. Contingencies

Litigation claims are in progress against the municipality relating to various matters who alleges that the municipality has infringed on certain laws and regulations and they are seeking damages totaling -. The municipality's lawyers and management consider the likelihood of the actions against the municipality being successful is unlikely, and the case should be resolved within the next two years.

Should the action be successful the municipality does have insurance cover to cover litigation costs and claims.

There is no reimbursement from any third parties for potential obligations of the municipality.

2023

2022
restated

Contingent Liabilities

Below is a detail explanation of the nature and financial impact:

1. Kgamaki Jonas Mangweta: Case No. LP/PLK/RC 499/2015 - The plaintiff is suing the municipality for defamation.	518,071	491,071
2. Machuene Charlese Keetse - The plaintiff is suing the Municipality and the Minister of Police for unlawful arrest and detention. The matter is still pending, awaiting for trial date.	300,000	300,000
3. Joseph Manaka - The plaintiff is suing both the municipality and Eskom after he was electrocuted by a half fallen electrical pole after a disaster caused by heavy rainfalls and Winds	6,194,625	5,805,125
4. Overland cruises and logistics - The plaintiff is suing the Premier of Limpopo and the Municipality for non-payment of service rendered, the Premier's office procured transport services to ferry residents of Blouberg Municipality to Polokwane during a memorial service of the late former President Nelson Mandela. N J Morero Attorneys has been appointed to act on behalf of the municipality. The matter was provisionally withdrawn and awaiting for new trial date.	574,800	574,800
5. Tebogo Mokoboti - The plaintiff is suing the Municipality for damages which she claim to have suffered as a results of a collision which between her vehicle and the Council's grader. The matter is still pending, Awaiting further particulars (discovery documents) and trial date from the court.	68,839	63,729
6. Pension Fund For Municipal Councilors - The Municipality received a letter of demand from the Municipal Councilors Pension Fund for outstanding contributions by some of the Municipality's Councilors and sought a legal opinion from Lebea and Associates Attorneys on the letter of demand. The matter is still pending, awaiting for summons MC Incorporated Attorneys.	7,800,000	7,800,000

15,456,335 15,034,725

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41. Related parties

Relationships

Members of key management

Councillors

Executive Committee Members

Municipal Manager

Chief Financial Officer

Related party transactions

Debtors Balance with key management

Councillor Thamaga NM	339,395	229,826
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The above executive members have balances included in the Receivables from exchange and non-exchange transactions relating to the assessment rates, refuse, water and interest charged on overdue accounts. Payables as and when the members pay to the municipality.

Compensation to accounting officer and other key management

Short-term employee benefits

Defined contribution plans

-	51,089
93,797	510,017
93,797	561,106

Key management information

Remuneration of management

Municipal Manager and Chief Financial Officer

2023

Name	Basic salary	Bonuses and performance related payments	Car Allowance	Post-employment benefits	Other benefits received	Total
Ramothwala RJ	653,999	38,549	228,287	136,997	250,648	1,308,480
Mabote NJ	659,834	51,109	229,748	138,195	200,506	1,279,392
	1,313,833	89,658	458,035	275,192	451,154	2,587,872

2022

Name	Basic salary	Bonuses and performance related payments	Car Allowance	Post-employment benefits	Other benefits received	Total
Machaba MJ	378,352	63,368	-	729,956	210,903	1,382,579
Mabote NJ	613,309	51,109	228,037	137,286	119,082	1,148,823
	991,661	114,477	228,037	867,242	329,985	2,531,402

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41. Related parties (continued)

Councillors/Executive Committee Members

2023

Name	Basic salary	Allowances	Subsistence & Traveling	Total
Thamaga MN	633,558	328,345	20,943	982,846
Boloka MP	502,561	271,081	81,544	855,186
Rangata MJ	474,434	256,776	194,658	925,868
Makobela SR	477,254	256,776	180,846	914,876
Motswabe LP	523,097	204,837	200,355	928,289
Raseruthe MA	474,211	256,776	190,421	921,408
Maifo ML	461,646	252,079	229,915	943,640
Keetse PP	139,496	82,754	-	222,250
Tlouamma NM	266,453	161,920	173,835	602,208
Mosena DD	264,010	161,920	181,762	607,692
Raphasha DS	266,384	161,920	172,184	600,488
Lehong MV	202,819	132,755	121,210	456,784
Moetjie NT	203,111	132,755	178,266	514,132
Makhura MH	203,515	132,755	105,551	441,821
Mathekga MJ	202,819	132,755	135,262	470,836
Molokomme MM	202,666	132,755	106,572	441,993
Mphago MA	202,663	132,755	103,116	438,534
Magwai RT	202,736	132,755	134,010	469,501
Phoshoko NC	120,110	79,166	21,251	220,527
Lehonye TJ	200,395	132,755	50,360	383,510
Mapunya PW	200,227	132,755	104,646	437,628
Manaka NA	200,293	132,755	118,758	451,806
Makhura KH	200,315	132,755	127,132	460,202
Tlhako NB	200,228	132,755	111,759	444,742
Mashamaite MG	200,227	132,755	116,642	449,624
Motsoko L	200,139	132,755	95,568	428,462
Mahlape NJ	200,274	132,755	120,446	453,475
Mmoko ML	200,134	132,755	1,976	334,865
Tlepyane S	52,554	31,206	30,168	113,928
Pheedi MS	208,765	132,755	133,789	475,309
Mokami ME	200,398	132,755	137,804	470,957
Thema NR	200,415	132,755	144,849	478,019
Seokotsa MM	200,275	132,755	115,199	448,229
Mokobodi MM	200,522	132,755	141,402	474,679
Sehata AQ	200,289	132,755	114,489	447,533
Tlabela FP	200,456	132,755	156,196	489,407
Maphoto MD	200,400	132,755	67,022	400,177
Mailula MS	200,226	132,755	75,430	408,411
Ntjana MI	200,400	132,755	131,279	464,434
Dau MP	200,188	132,755	70,525	403,468
Maribeng MK	200,150	132,755	9,267	342,172
Kobola JS	200,300	132,755	92,662	425,717
Baloyi HP	200,485	132,755	132,962	466,202
Maripa MS	200,705	132,755	11,263	344,723
Masebe KP	200,135	132,755	89,081	421,971
Maputla SA	79,413	57,083	24,155	160,651
	11,171,851	6,810,799	5,056,530	23,039,180

2022

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41. Related parties (continued)

Name	Basic salary	Allowances	Subsistence & Traveling	Total
Thamaga MN	580,612	255,367	112,463	948,442
Boloka MP	313,057	150,664	68,830	532,551
Rangata MJ	395,231	185,333	170,010	750,574
Makobela SR	475,158	209,006	152,172	836,336
Motswaba LP	294,377	142,170	89,707	526,254
Raseruthe MA	364,664	183,633	117,957	666,254
Maifo ML	272,974	160,121	184,021	617,116
Keetse PP	170,490	85,911	2,938	259,339
Tiouamma NM	240,777	128,498	95,216	464,491
Mosena DD	170,490	85,911	66,885	323,286
Raphasha DS	246,771	122,018	140,649	509,438
Lehong MV	202,688	110,071	97,611	410,370
Moetjie NT	202,688	110,071	159,426	472,185
Pheedi MS	373,442	155,217	-	528,659
Tshoshi MM	180,781	65,833	67,466	314,080
Makgakga JP	180,781	66,836	61,959	309,576
Makhura MH	233,255	111,778	105,975	451,008
Morapedi AM	180,781	66,836	53,906	301,523
Maila MP	100,854	43,382	56,463	200,699
Ntlatla MW	100,854	43,170	63,050	207,074
Mathidza SE	76,280	35,891	-	112,171
Masekwameng MR	76,280	35,891	38,777	150,948
Mojodo MD	76,280	35,890	42,263	154,433
Seema MI	76,280	36,106	40,948	153,334
Mokobodi CS	76,280	36,106	37,916	150,302
Moshokoa MS	76,280	36,106	37,160	149,546
Murathi MS	76,280	36,106	40,735	153,121
Molema MN	76,280	36,106	41,611	153,997
Sebetha MJ	76,280	36,106	41,606	153,992
Mathekga MJ	208,681	105,699	51,876	366,256
Ramoba MR	76,280	35,891	48,414	160,585
Sekgoloane MJ	97,893	42,291	60,885	201,069
Molokomme MM	202,688	110,071	96,538	409,297
Mphago MA	202,688	110,719	80,099	393,506
Modingwana MG	76,280	36,106	41,333	153,719
Maleka NG	76,280	35,891	37,390	149,561
Magwai RT	202,688	110,719	94,763	408,170
Madzhie AE	76,280	35,899	-	112,170
Selamolela S	76,280	35,890	47,913	160,083
Madibana SS	76,280	36,106	-	112,386
Phoshoko NC	76,280	36,106	35,751	148,137
Mabolola SJ	76,280	36,106	31,994	144,380
Chula MI	76,280	36,106	26,486	138,872
Morudu Mf	76,280	36,106	33,644	146,030
Madibana MR	76,280	36,106	29,548	141,934
Madiope MT	76,280	36,106	40,949	153,335
Tjumana MM	76,280	35,890	45,379	157,549
Molalakgotla DM	59,390	27,980	-	87,370
Lehonye TJ	132,401	68,608	973	201,982
Mapunya PW	132,401	68,608	973	201,982
Manaka NA	132,401	68,608	9,141	210,150
Makhura KH	132,401	68,608	41,840	242,849
Tihako NB	132,401	68,608	973	201,982
Mashamaite MG	132,401	68,608	37,470	238,479
Motsoko L	132,401	68,608	25,828	226,837
Mahlape NJ	132,401	68,608	49,454	250,463

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			2023	2022
41. Related parties (continued)				
Mmoko ML	132,401	68,608	1,277	202,286
Tlepyane S	132,401	68,608	36,266	237,275
Mokami ME	132,401	68,608	34,264	235,273
Thema NR	132,401	68,608	41,757	242,766
Seokotsa MM	132,401	68,608	41,732	242,741
Mokobodi MM	132,401	68,608	37,032	238,041
Sehata AQ	132,401	68,608	8,755	209,764
Tlabela FP	129,510	76,279	37,903	243,692
Maphoto MD	132,401	68,608	7,860	208,869
Mailula MS	132,401	68,608	973	201,982
Ntjana MI	132,401	68,608	15,155	216,164
Dau MP	132,401	68,608	3,833	204,842
Maribeng MK	132,401	68,608	973	201,982
Kobola JS	132,401	68,608	32,457	233,466
Baloyi HP	132,401	68,608	22,318	223,327
Maripa MS	132,401	68,608	973	201,982
Masebe KP	132,401	68,608	14,376	215,385
Teffo LT	16,891	9,027	-	25,918
	11,256,938	5,513,811	3,495,238	20,265,987

Management class: Senior management

2023

Name	Technical Services	Local Economic Development	Corporate Services	Community Services	Total
Annual Remuneration	163,731	-	-	279,678	443,409
Acting Allowance	17,804	18,078	-	48,978	122,538
Leave Pay out	-	-	37,678	53,098	116,882
13th Cheque	42,591	-	63,784	-	42,591
Car Allowance	57,220	-	-	-	93,797
Contributions to UIF, Medical and Pension Funds	33,732	-	-	36,577	58,622
Other allowances	12,545	-	-	24,890	-
Back pay	-	-	-	7,987	20,532
Subsistence and Travelling Allowance	20,828	-	177	-	177
	348,451	18,078	101,639	451,208	919,376

2022

Name	Technical Services	Local Economic Development	Corporate Services	Community Services	Total
Annual remuneration	613,309	297,543	613,309	583,770	2,107,931
Acting Allowance	-	14,654	-	-	14,654
Leave pay out	-	93,187	-	-	93,187
13th Cheque	51,109	51,089	51,109	-	153,307
Travel, Motor Car, Accommodation	228,878	75,672	228,037	205,466	738,053
Contribution to UIF and Medical Aid	137,177	45,817	137,286	139,264	459,544
Other allowances	65,537	21,846	65,537	62,950	215,870
Subsistence and Travelling Allowance	44,553	8,221	84,683	36,821	174,278
	1,140,563	608,029	1,179,961	1,028,271	3,956,824

The following were directors for senior management position:

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41. Related parties (continued)

Technical Services - Siboiboi DG

Community Services - Monyemoratho MB

42. 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:

Employee benefits obligation was incorrectly classified in the prior year as the current liability portion was included under non-current liability. The error has been corrected through reclassifying the current portion to the correct classification.

Provision for landfill site was incorrectly classified in the prior year as current liability and performance bonus as non-current liability. The error has been corrected through reclassifying the provision for landfill site to non-current liability and provision for performance bonus to the current liability.

Employee related costs and contracted services were incorrectly classified under general expenditure. The error was corrected through reclassifying the expenses to the correct categories.

Statement of financial position

2022

	Note	As previously reported	Re-classification	Restated
Receivables from exchange transactions		227,718	762,950	990,668
VAT receivable		2,641,754	3,668,424	6,310,178
VAT payable		-	(4,431,374)	(4,431,374)
Employee benefit obligation - Current Liability	9	-	(157,000)	(157,000)
Employee benefit obligation - Non-Current Liability	9	(8,260,000)	157,000	(8,103,000)
Provisions - Current Liability	18	(21,463,531)	19,122,939	(2,340,592)
Provisions - Non-Current Liability	18	(582,583)	(20,880,948)	(21,463,531)
Payables from exchange transaction	7	(48,223,717)	1,758,009	(46,465,708)
		(75,660,359)	-	(75,660,359)

Statement of financial performance

2022

	Note	As previously reported	Re-classification	Restated
Employee related costs	27	(119,457,329)	(86,721)	(119,544,050)
Contracted services	36	(21,813,873)	(25,677,648)	(47,491,521)
General expenditure	34	(81,486,511)	25,764,369	(55,722,142)
Surplus for the year		(222,757,713)	-	(222,757,713)

Cash flow statement

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Figures in Rand		2023	2022	
42. Prior-year adjustments (continued)				
2022				
	Note	As previously reported	Re-classification	Restated
Cash flow from operating activities				
Employee costs		(136,758,007)	86,721	(136,671,286)
Suppliers		147,785,756	86,721	147,872,477
		11,027,749	173,442	11,201,191

43. Risk management

Financial risk management

In running its operations the city is exposed to variety of financial risks: market, liquidity, credit and interest rate risks. Section 62.(1)(c)(i) Of MFMA states that the Accounting Officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control in response to this the municipality's adopted National Treasury Public Sector Risk Management Framework and is committed to the effective management of the risks. The process is called risk monitoring and control. It involves monitoring the identified risks including the above mentioned financial risks, identifying new risks, and evaluating the overall effectiveness of the risk management plan in reducing the risks.

The municipality's Treasury is committed to the effective management of the financial risks, with Treasury office responsible for management of market, liquidity, and interest rate risks. The Revenue office is responsible for credit risk management. In the course of the municipality's business operations it is exposed to interest rate, credit, liquidity and market risk. The Municipality has developed a comprehensive risk management process to monitor and control these risks. The risk management process relating to each of these risks is discussed under the headings below.

There was no change in the exposure to risks and how they arise since the previous financial year, with the exception for the impact of the COVID-19 pandemic which also contributed towards the credit risk due to the effect that it had on consumers' ability to pay for their municipality accounts. The objectives, policies and processes for managing the risk and the methods used to measure the risk since the previous financial year remained the same.

The municipality's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

Liquidity risk

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.

At 30 June 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	68,536,750	-	-	-
Finance lease obligation	9,322,788	-	4,864,257	-
At 30 June 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	46,465,708	-	-	-
Finance lease obligation	485,217	289,098	-	-

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43. Risk management (continued)

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one 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.

Market risk

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will be negatively affected by the adverse changes in interest rates. Interest rate risk arises from the fluctuations in the economic market due to the economic climate. The Municipality manages its interest rate risk by maintaining an appropriate mix between fixed and floating interest rate borrowings and investments, as well as by entering into interest rate swap contracts on outstanding borrowings. The Municipality's exposure to interest rate risk and the effective interest rates on financial instruments at statement of financial position date are as follows:

The Municipality has significant exposure to interest rate risk due to the volatility in South African interest rates, fluctuations in interest rates on bonds issued and short-term investment will impact the Municipality's cash flow negatively. The municipality's interest rate risk arises from interest that is being earned on the cash deposits and investments that the municipality has invested with the ABSA bank. Investments issued at variable rates expose the municipality to cash flow interest rate risk.

44. 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.

The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the accounting officer continue to procure funding for the ongoing operations for the municipality to remain in force for as long as it takes to restore the solvency of the municipality.

45. Events after the reporting date

The municipality have not identified any material non-adjusting events after the reporting date relating to the financial period then ended 30 June 2023.

46. Unauthorised expenditure

Opening balance as previously reported	7,086,649	3,348,006
Add: Unauthorised expenditure - current	-	7,086,649
Less: Amount written off - current SC(172)2022/2023	(7,086,649)	(3,348,006)
Closing balance	-	7,086,649

Current year Unauthorized Expenditure: R7,086,649

The municipality has an unauthorised expenditure of R7,086,649 due to increase on Eskom Tarrif. On 29 June 2023 the council resolved to write Unauthorised expenditure of R7,086,649 as per the recommendation of the Municipal Public Accounts Committee report of 2021/22 and 2022/23 through resolution SC(172)2022/2023.

Prior year Unauthorized Expenditure: R3, 348,006.18

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46. Unauthorised expenditure (continued)

The Municipality has an opening balance of R3, 348,006.18 due to Provision for Impairment on debtors.

The said expenditure amount was taken to Council (SC06/2020-21) held on the 29th June 2021 of which referred the matter to MPAC for further investigation. On 19 October 2021 the council approved the unauthorised expenditure for write off.

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47. Fruitless and wasteful expenditure		
Opening balance as previously reported	-	2,492
Less: Amount written off - prior period	-	(2,492)
Closing balance	-	-

Fruitless and Wasteful Expenditure: R2,492.00

The opening balance Fruitless expenditure amount of R2 492 has been written off on 27 July 2022 (Mpac recommendation - after investigation).

48. Irregular expenditure

Opening balance as previously reported	-	33,782,515
Opening balance as adjusted - prior period	195,000	-
Add: Irregular expenditure - current	4,507,094	8,337,640
Less: Amount written off - current SC(172)2022/2023	(678,300)	(13,814,057)
Less: Amount written off - prior period	-	(28,306,098)
Closing balance	4,023,794	-

Current Year Irregular Expenditure: R4,507,094

The municipality Irregular expenditure increased by R483,300 as a result of contravention of SCM Reg22 from prior year during the year.

The municipality incurred additional Irregular Expenditure of R4,023,794 which was a result of a variation order which did not comply with MFMA section 116(3)(b) for the construction of Pinkie Sebotse Sports Facility.

Amount written-off

Irregular Expenditure: R678,300

The Municipality has an opening balance of R195,000 as a result of contravention of SCM Reg22(Ingwe, PJMJ , Izigi Molokwane Trading JV, Mode-Hope) and CIDB Reg25 (Urich) and MFMA Circular 65 (Tlou Intergrated Tech.).

On 29 June 2023 the council resolved to write Irregular expenditure of R678,300 as per the recommendation of the Municipal Public Accounts Committee report of 2021/22 and 2022/23 through resolution SC(172)2022/2023.

Opening balance Irregular Expenditure 2022: R33,782,515.00

The Municipality has an opening balance of R 33 782 515 as a result of contravention of SCM Reg22(Ingwe, PJMJ , Izigi Molokwane Trading JV, Mode-Hope) and CIDB Reg25 (Urich) and MFMA Circular 65 (Tlou Intergrated Tech.).

The said irregular expenditure was taken to council(SC06/2020-21) held on the 29 June 2021 which referred the matter to MPAC for further investigations.

Prior Year Expenditure: R8,337,640.00

The current year irregular expenditure amount is because of contravention of CIDB Reg25(Urich) , MFMA circular (Tlou Intergrated Tech).

The irregular expenditures were written off on the 19 October 2021 and 27 July 2022.

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Figures in Rand	2023	2022
49. Additional disclosure in terms of Municipal Finance Management Act		
Contributions to organised local government		
Current year subscription / fee	1,586,780	1,509,988
Amount paid - current year	(1,586,780)	(1,509,988)
	-	-
Audit fees		
Current year subscription / fee	4,370,569	4,458,544
Amount paid - current year	(4,370,569)	(4,458,544)
	-	-
PAYE and UIF		
Current year subscription / fee	27,004,390	22,870,246
Amount paid - current year	(27,004,390)	(22,870,246)
	-	-
Pension and Medical Aid Deductions		
Current year subscription / fee	21,623,408	20,039,696
Amount paid - current year	(21,623,408)	(20,039,696)
	-	-
VAT		
VAT receivable	2,418,673	6,310,178
VAT payable	5,361,772	4,431,374
	7,780,445	10,741,552

VAT output payables and VAT input receivables are shown in note .

All VAT returns have been submitted by the due date throughout the year.

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2023:

30 June 2023	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Councillor Thamaga M	17,645	321,750	339,395
30 June 2022	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Councillor Thamaga M	9,618	220,208	229,826

During the year the following Councillors' had arrear accounts outstanding for more than 90 days.

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50. 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.

Buses and gym equipment were procured during the financial year under review and the process followed in procuring those goods deviated from the provisions of paragraph 12(1)(d)(i) as stated above. The reasons for these deviations were documented and reported to the who considered them and subsequently approved the deviation from the normal supply chain management regulations.

Deviations were noted by council on the 30 October 2022 and 27 July 2023.

Supplier name and details	Reason	Amount
Northern Media Group - Advertisements	Only Local Newspaper	46,811
Government Printing Works - Criminal record books	Only government printing company	15,722
Blouberg Community Radio Station - Advertisement	Only local Radio Station available for the service	15,000
Northern Media Group - Advertisement	Only Local Newspaper available for the service	4,455
Mohodi Community Radio Station - Advertisement	Only local Radio Station available for the service	118,000
Northern Media Group - Advertisement	Only local newspaper available for service	7,590
Thobela FM(SANC RADIO) - Advertisemnt	Only Radio Station available for the service	90,390
Mohodi Community Radio Station - Advertisement	Only local radio station available for service	64,500
Blouberg Community Radio Station - Advertisement	Only local Radio Station available for the service	41,500
Pin Afrika - Emergency Transformers-purchase and installations	Emergency	92,227
Pin Afrika - Emergency Transformers-purchase and installations	Emergency	78,714
Pin Afrika - Emergency Transformers-purchase and installations	Emergency	78,714
Northern Media Group - Advertisement	Only local newspaper available for service	26,130
SMIO Pty Ltd - Emergency Electrical Cable	Emergency	85,900
		765,653

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51. Segment information

General information

Identification of segments

For management purposes, the municipality is organised and operates in four key functional segments (or business units). To this end, management monitors the operating results of these business units for the purpose of making decisions about resource allocations and assessment of performance. Revenues and expenditures relating to these business units are allocated at a transactional level. Costs relating to the governance and administration of the municipality are not allocated to these business units.

- Community and public safety which includes community and social services, sport and recreation, public safety, health and housing services;
- Economic and environmental services which includes planning and development, road transport and environmental protection services;

Trading services which includes energy sources, water management, waste water management and waste management services;

The four key business units comprise of:

- Community and public safety which includes community and social services, sport and recreation, public safety, health and housing services;
- Economic and environmental services which includes planning and development, road transport and environmental protection services;
- Trading services which includes energy sources, water management, waste water management and waste management services;
- Governance and administration

The grouping of these segments is consistent with the functional classification of government activities which considers the nature of the services, the beneficiaries of such services and the fees charged for the services rendered (if any).

Management does monitor performance geographically but does not at present have reliable separate financial information for decision making purposes. Processes have been put in place to generate this information at a transaction level and in the most cost effective manner.

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

Segment 1
Segment 2
Segment 3
Segment 4

Goods and/or services

Community and Public Safety
Economic and Environmental Services
Trading Services
Governance and administration

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51. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2023

	Community and Public Safety	Economic and Environmental Services	Trading Services	Governance and administration	Total
Revenue					
Revenue from non-exchange transactions	3,680,919	85,302,320	27,261,862	251,842,669	368,087,770
Revenue from exchange transactions	1,012,079	5,870,829	34,225,189	13,846,979	54,955,076
Total segment revenue	4,692,998	91,173,149	61,487,051	265,689,648	423,042,846
Entity's revenue					423,042,846
Segment expenditure					
Total segment expenses	35,014,740	23,769,998	68,103,351	197,820,658	324,708,747
Depreciation and amortisation	1,338,542	11,615,484	14,326,352	3,940,993	31,221,371
Total segment expenditure	36,353,282	35,385,482	82,429,703	201,761,651	355,930,118
Total segmental surplus/(deficit)	(31,660,284)	55,787,667	(20,942,652)	63,927,997	67,112,728
Other Information					
Segment assets	(7,021,876)	83,368,856	792,873,463	387,521,827	1,256,742,270
Segment liabilities	(24,381,559)	(3,567,521)	(24,954,673)	(99,128,899)	(152,032,652)

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52. Accounting by principals and agents

The entity was a party to a principal-agent arrangement(s).

Details of the arrangement(s) is/are as follows:

Water Service Authority (WSA) and Water Service Provider (WSP) Service Level Agreement

WSA (CDM) was authorized in terms of Structures Act Section 84(1) b and 84(1) to perform functions and exercises the powers as Water Service Authority. The District Municipality appointed Local Municipalities as WSPs in line with Water Service Provider Contract regulations (R980 of 19th July 2002) on interim basis. The contract commenced on the 1st July 2018 and remain effective until revised, reviewed, changed or amended by the parties. In terms of SLA, WSP shall account for the revenue collected as commission earned from the agency services in line with paragraph 8.3 titled Revenue Collection and implement credit Control and Debt Collection in line with paragraph 8.4 of the Service Level Agreement.

Memorandum of Understanding between Department of Roads and Transport (DRT) and Blouberg Local Municipality (BLM)

DRT is responsible for general motor vehicle registration and drivers' licenses in terms of applicable National and Provincial Road Traffic legislations. MOU formalizes the relationship between the two state organs and establishes the terms and conditions which the Municipality shall provide functions on behalf of DRT, in line with applicable legislations to the citizens of the republic and as envisaged by Batho Pele Principles. In terms of the MOU, BLM shall collect and retain monies as per annexure B and C of the MOU and pay to DRT a percentage agreed in the annexures, within a period of 30 days of each calendar month.

Memorandum of Understanding between Ontec (Pty) Ltd and Blouberg Local Municipality (BLM)

Ontec is contracted to the municipality, to provide on line vending service to pre paid customers. The agent manages pre paid meters and collects revenue on behalf of the municipality from third party vendors. The agent is paid (10,25%) based on commission of revenue collected on a monthly basis.

Memorandum of Understanding between Enigma Consulting (Pty) Ltd and Blouberg Local Municipality (BLM)

Enigma Consulting is contracted by the municipality to provide services of revenue investigation, negotiation and collection for 36 months. The contract is based on a risk of 20% vat inclusive as quoted in the bid documents.

Entity as agent

Revenue recognised

The aggregate amount of revenue that the entity recognised as compensation for the transactions carried out on behalf of the principal (WSA) is R (259 654) (2022:R (374 638).

The aggregate amount of revenue that the entity recognised as compensation for the transactions carried out on behalf of the principal (DRT) is R 4 166 391 (2022: R 4 516 988).

Entity as principal

Fee paid

The aggregate amount of compensation fee that the entity recognised as fees for the transactions carried out on behalf of the agent is R1 174 490 (2022: R1 379 709).

The aggregate amount of compensation fee that the entity recognised as fees for the transactions carried out on behalf of the agent (Enigma Consulting) is R12 392 035 (2022: R5 364 466).

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53. Distribution Losses		
Electricity	3,201,990	3,284,008

The municipality purchased units 21 201 696 (2022: 22 489 423 units) from Eskom and sold 17 999 706 units (2022: 20 640 531 units) resulting in a difference of 3 201 990 units (2022: 3 284 008 units) between the purchases and sales. This amounts to a distribution loss of 15.10 % (2022: 8.22%%).

The municipality had a distribution loss amount of R7 922 414 (2022: R4 063 653).

54. Explanation of Variances on Actual Costs Versus Budgeted Costs

Note 1 - The decrease is as a result of non payments by businesses and residential customers, most of our customers were retrenched from their work.

Note 2 - The decrease is as a result of non payments from businesses and residential customers.

Note 3 - The movement of the interest is inline with the budget if we include interest from property rates.

Note 4 - The reason of the lower amount is due to most customers not finalising thier purchase of land sites through signing the purchase agreement.

Note 5 -The difference is due to unallocated amount that was advertised too allow community to give further documents so that the amounts can be allocated to correct accounts from 2021 balances and no responses were obtained on those amounts thus why they are allocated to revenue.

Note 6 - The decrease is due to the rebates of DPW approved by council.

Note 7 -The movement of the interest is inline with the budget if we include interest from outsanding debtors.

Note 8 - The actual amounts include capital grants while the budget includes capital grants.

Note 9 - The donation income was a result of assets (waste removal trucks) that were donated by CDM and were recognised at fair value.

Note 10 -The reason why the expenditure is lower than the budget is due to unfilled post of senior managers.

Note 11 - The councillors did not receive the increase as budgeted for during the financial period 2022/23.

Note 12 -The actual depreciation was lower that the budget due to few projects capitalised late into the year which did not attract more depreciation.

Note 13 - The actual finance cost is high than the budget due to purchase of 3 graders through finance lease.

Note 14 - The actual amount for debt impairment is higher than the budgeted due to non payment from customers.

Note 15 -The bulk purchases is more than the budget due to unaccepted increase in electricity tarrifs from Eskom.

Note 16 - The significant amount of other receivables from exchange transactions were written of in the previous financial period after the budget has been submitted.

Note 17 - The contracted services and general expenses were budgeted together if the spending and budgeted amount combined the spending of the two is within budget.

Note 18 - The budget for inventory is lower due to increases in inventory consumables during the financial period.

Note 19 - The budget is lower than the actual as the budget was based on the expected spending of capital expenses rather than the balance of the assets. The actual capital expenses of the financial period they are in line with the budgeted amount.

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54. Explanation of Variances on Actual Costs Versus Budgeted Costs (continued)

Note 20 - Other financial assets seem to be higher than the budgeted amount as the amount was budgeted under cash and cash equivalents.

Note 21 - The actual finance lease obligation is high than the budget due to purchase of 3 graders through finance lease.

Note 22 - The actual unspent grant is more than the budget due to increase in grants received during the year.

55. Change in accounting estimates

Impact on debt impairment allowance

51,750,621

-

In the current year management reviewed the assumptions for debt impairment estimates of receivables from exchange and receivables from non-exchange transactions. This effect of this revision is an increase in debt impairment in the allowance in the current year.

The amount of the effect of future periods is not disclosed as it is impracticable to estimate.

CHAPTER 6: 2022/23 AUDIT REPORT

ANNEXURE B

Report of the auditor-general to Limpopo provincial legislature and the council on Blouberg Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of Blouberg Local Municipality set out on pages 07 to 77, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets and cash flow statement and the 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, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the with Standards of General Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (DoRA).

Basis for qualified opinion

Property, plant and Equipment

3. The municipality did not perform an adequate impairment assessment for property plant and equipment as required by GRAP 21, *Impairment of non-cash generating assets*. The indicators of impairment existed at the reporting date, however, the assessment was not adequately performed. The residual values and useful lives of assets were not reviewed at the reporting date in accordance with GRAP 17, *Property, plant and equipment*. I was not able to determine the full extent of the misstatement. Consequently, I was unable to determine whether any adjustment was necessary to property plant and equipment, stated at R1 065 221 605 in note 4 to the financial statements. There is a consequential impact on surplus for the year
4. Adequate systems were not in place to record assets in accordance with GRAP 17, *Property plant and equipment* as assets were not recorded in the asset register. I was not able to determine the full extent of the misstatement. Consequently I was unable to determine whether any adjustment was necessary to property plant and equipment, stated at R1 065 221 605 in note 4 to the financial statements. There is a consequential impact on surplus for the year
5. I identified assets amounting to R36 505 125 that could not be located during the asset verification process. I was unable to verify the assets by any alternative means. Consequently property, plant and equipment disclosed in note 4 to the financial statements is overstated by R36 505 125. There is a consequential impact on surplus for the year.

Revenue from exchange transactions

6. The municipality did not implement the National Energy Regulator of South Africa (NERSA) approved tariffs when charging for prepaid electricity as required by the Electricity Regulation Act of 2006. Consequently, revenue from exchange transactions, services charges was understated by R 4 120 337 as disclosed in note 20 to the financial statements. There is a consequential impact on surplus for the year

Context for opinion

7. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
8. 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.
9. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

10. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

11. As disclosed in note 42 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of an error in the financial statements of the municipality at, and for the year ended 30 June 2023.

Material impairments

12. As disclosed in note 12 and 14 to the annual financial statements, material impairments of R94 335 496 were incurred as a result of providing for doubtful debts.

Significant uncertainties

13. With reference to note 40 to the financial statements, the municipality is the defendant in various claims, which it is opposing. The ultimate outcome of these matters cannot presently be determined and no provision for any liability was made in the financial statements.

Material losses

14. As disclosed in note 53 to the financial statements, material electricity losses to the amount of R7 922 414 (2022: 4 063 653) was incurred which represents 15.10% (2022: 8.22%) of total electricity purchased.

Other matter

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

Unaudited disclosure notes

In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it

Responsibilities of the accounting officer for the financial statements

16. 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.
17. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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

18. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
19. 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

20. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected key performance areas presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
21. I selected the following key performance areas presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected key performance areas (KPAs) that

measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Key performance areas	Page numbers	Purpose
Basic service delivery and infrastructure development	xx-xx	To provide access to basic electricity, public transport and access to educational facilities
Local economic development	xx-xx	To create and promote LED initiatives in the business sector, to create job opportunities through EPWP programme.

22. I evaluated the reported performance information for the selected key performance areas against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

23. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there are adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

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

25. The material findings on the performance information of the selected key performance areas are as follows:

Basic service delivery and infrastructure development

Number of indigent register updated

26. Adequate supporting evidence was not provided to clearly explain how the indicator number of indigent register updated would contribute to achieving planned objectives and strategic goals. The indicator and target measured the number of register prepared instead of the delivery of electricity services. It would thus be difficult to track the municipality's achievement of service delivery goals.
27. An achievement of number of indigent register updated was reported against a target of number of indigents register I could not determine if the reported achievement was correct, as the processes established to consistently measure and report achievements were inadequate.

Other matters

28. I draw attention to the matters below.

Achievement of planned targets

29. The annual performance report includes information on reported achievements against planned targets and measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

Material misstatements

30. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Basic service delivery and Infrastructure development. Management did not correct all the misstatements and I reported material findings in this regard.

Report on compliance with legislation

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

34. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Expenditure management

35. Money owed by the municipality was not always paid within 30 days as required by section 65(2)(e) of the MFMA.
36. Reasonable steps were not taken to prevent irregular expenditure amounting to R4 507 094 as disclosed in note 48 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The irregular expenditure was caused by non-compliance with SCM regulations.

Annual financial statements, performance reports and annual reports

37. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA.
38. Material misstatements on current liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and or supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.
39. The oversight report adopted by the council on the 2021/22 annual report was not made public, as required by section 129(3) of the MFMA.

Revenue management

40. An effective system of internal control for revenue was not in place, as required by section 64(2)(f) of the MFMA.

Procurement and contract management

41. Sufficient appropriate audit evidence could not be obtained that tenders which failed to achieve the minimum qualifying score for functionality were not evaluated further in accordance with 2017 Preferential Procurement Regulation 5(7).

Other information in the annual report
--

42. The accounting officer is responsible for the other information included in the annual report which includes the audit committee's report. The other information referred to does not include the financial statements, the auditor's report and those selected key performance areas presented in the annual performance report that have been specifically reported on in this auditor's report
43. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

Report of the auditor-general to Limpopo provincial legislature and the council on Blouberg Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of Blouberg Local Municipality set out on pages 07 to 77, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets and cash flow statement and the 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, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the with Standards of General Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (DoRA).

Basis for qualified opinion

Property, plant and Equipment

3. The municipality did not perform an adequate impairment assessment for property plant and equipment as required by GRAP 21, *Impairment of non-cash generating assets*. The indicators of impairment existed at the reporting date, however, the assessment was not adequately performed. The residual values and useful lives of assets were not reviewed at the reporting date in accordance with GRAP 17, *Property, plant and equipment*. I was not able to determine the full extent of the misstatement. Consequently, I was unable to determine whether any adjustment was necessary to property plant and equipment, stated at R1 065 221 605 in note 4 to the financial statements. There is a consequential impact on surplus for the year
4. Adequate systems were not in place to record assets in accordance with GRAP 17, *Property plant and equipment* as assets were not recorded in the asset register. I was not able to determine the full extent of the misstatement. Consequently I was unable to determine whether any adjustment was necessary to property plant and equipment, stated at R1 065 221 605 in note 4 to the financial statements. There is a consequential impact on surplus for the year
5. I identified assets amounting to R36 505 125 that could not be located during the asset verification process. I was unable to verify the assets by any alternative means. Consequently property, plant and equipment disclosed in note 4 to the financial statements is overstated by R36 505 125. There is a consequential impact on surplus for the year.

Revenue from exchange transactions

6. The municipality did not implement the National Energy Regulator of South Africa (NERSA) approved tariffs when charging for prepaid electricity as required by the Electricity Regulation Act of 2006. Consequently, revenue from exchange transactions, services charges was understated by R 4 120 337 as disclosed in note 20 to the financial statements. There is a consequential impact on surplus for the year

Context for opinion

7. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
8. 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.
9. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

10. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

11. As disclosed in note 42 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of an error in the financial statements of the municipality at, and for the year ended 30 June 2023.

Material impairments

12. As disclosed in note 12 and 14 to the annual financial statements, material impairments of R94 335 496 were incurred as a result of providing for doubtful debts.

Significant uncertainties

13. With reference to note 40 to the financial statements, the municipality is the defendant in various claims, which it is opposing. The ultimate outcome of these matters cannot presently be determined and no provision for any liability was made in the financial statements.

Material losses

14. As disclosed in note 53 to the financial statements, material electricity losses to the amount of R7 922 414 (2022: 4 063 653) was incurred which represents 15.10% (2022: 8.22%) of total electricity purchased.

Other matter

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

Unaudited disclosure notes

In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it

Responsibilities of the accounting officer for the financial statements

16. 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.
17. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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

18. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
19. 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

20. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected key performance areas presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
21. I selected the following key performance areas presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected key performance areas (KPAs) that

measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Key performance areas	Page numbers	Purpose
Basic service delivery and infrastructure development	xx-xx	To provide access to basic electricity, public transport and access to educational facilities
Local economic development	xx-xx	To create and promote LED initiatives in the business sector, to create job opportunities through EPWP programme.

22. I evaluated the reported performance information for the selected key performance areas against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
23. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
 - the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner
 - there are adequate supporting evidence for the achievements reported and for the measures taken to improve performance.
24. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.
25. The material findings on the performance information of the selected key performance areas are as follows:

Basic service delivery and infrastructure development

Number of indigent register updated

26. Adequate supporting evidence was not provided to clearly explain how the indicator number of indigent register updated would contribute to achieving planned objectives and strategic goals. The indicator and target measured the number of register prepared instead of the delivery of electricity services. It would thus be difficult to track the municipality's achievement of service delivery goals.
27. An achievement of number of indigent register updated was reported against a target of number of indigents register I could not determine if the reported achievement was correct, as the processes established to consistently measure and report achievements were inadequate.

Other matters

28. I draw attention to the matters below.

Achievement of planned targets

29. The annual performance report includes information on reported achievements against planned targets and measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

Material misstatements

30. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Basic service delivery and Infrastructure development. Management did not correct all the misstatements and I reported material findings in this regard.

Report on compliance with legislation

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

34. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Expenditure management

35. Money owed by the municipality was not always paid within 30 days as required by section 65(2)(e) of the MFMA.
36. Reasonable steps were not taken to prevent irregular expenditure amounting to R4 507 094 as disclosed in note 48 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The irregular expenditure was caused by non-compliance with SCM regulations.

Annual financial statements, performance reports and annual reports

37. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA.
38. Material misstatements on current liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and or supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.
39. The oversight report adopted by the council on the 2021/22 annual report was not made public, as required by section 129(3) of the MFMA.

Revenue management

40. An effective system of internal control for revenue was not in place, as required by section 64(2)(f) of the MFMA.

Procurement and contract management

41. Sufficient appropriate audit evidence could not be obtained that tenders which failed to achieve the minimum qualifying score for functionality were not evaluated further in accordance with 2017 Preferential Procurement Regulation 5(7).

<i>Other information in the annual report</i>

42. The accounting officer is responsible for the other information included in the annual report which includes the audit committee's report. The other information referred to does not include the financial statements, the auditor's report and those selected key performance areas presented in the annual performance report that have been specifically reported on in this auditor's report
43. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

44. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected key performance areas presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
45. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

46. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
47. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the material findings on the annual performance report and the material findings on compliance with legislation included in this report
48. Senior management did not adequately oversee the operations of the municipality, as the financial statements and annual performance report contained material misstatements not detected by the municipality's own system of internal control.
49. Internal controls for monitoring compliance with legislation were ineffective as it did not detect and prevent instances of non-compliance with legislation.
50. The municipality's reactive approach in addressing inadequate systems of internal control indicates that mitigating processes are not effective.

Auditor-General

Polokwane

05 December 2023



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

- I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
- I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

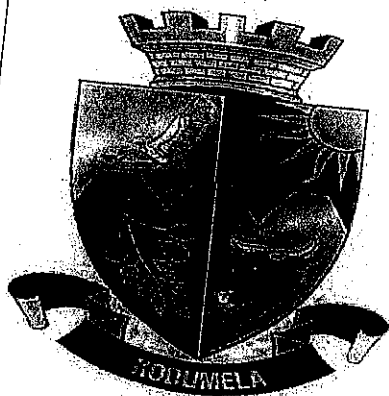
Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 - Paragraph (a), (b) & (d) of the definition: irregular expenditure, Section 1 - Definition: service delivery and budget implementation plan, Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), Sections 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, Sections 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a), Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b),

Legislation	Sections or regulations
	Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, Regulations 44, 46(2)(e), 46(2)(f)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 29(3)(b), 34(a), 34(b), Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a), Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 93J(1), 96(b)
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2), Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

ANNEXURE: OVERSIGHT REPORT AND RESOLUTION



BLOUBERG MUNICIPALITY

VISION

A participatory municipality that turns prevailing challenges into opportunities for growth and development through optimal utilization of available resources.

MISSION

To ensure delivery of quality services through community participation and Creation of enabling environment for economic growth and job creation.

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MUNICIPAL PUBLIC ACCOUNTS COMMITTEES OVERSITE REPORT ON THE 2022 / 2023 DRAFT ANNUAL REPORT TO COUNCIL.

1. PURPOSE OF THE REPORT

The purpose of this report is to present the Municipal Public Accounts Committee's Oversight Report on the Draft Annual Report 2022 / 2023 Financial Year to the Council of Blouberg Municipality for consideration and adoption.

2. BACKGROUND

The Draft Annual Report 2022/ 2023 was tabled before the council of Blouberg Municipality during the Council meeting held on the 30th January 2024. The report was further referred to the Municipal Public Accounts Committee for scrutiny and also been able to be presented to all members of the community comprising of the 22 Wards and Stakeholders for making inputs and comments based on the report.

3. LEGISLATIVE AND REGULATIONS

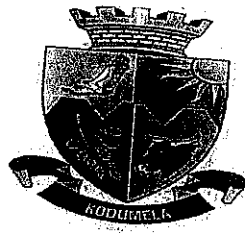
The Municipal Public Accounts Committee of Blouberg Local Municipality is guided by the following pieces of legislations and regulations in order to table the Draft Annual Report on the 2022 / 2023 Financial Year: -

- i. Local Government: Municipal Systems Act, 2000
- ii. Draft Annual Report 2022 / 2023
- iii. Audited Financial Statements 2022 / 2023
- iv. Municipal Finance Management Act (Section 121)
- i. Draft IDP Review 2022 / 2023
- v. Service Delivery and Budget Implementation Plan 2022 / 2023

4. MUNICIPAL PUBLIC ACCOUNTS COMMITTEES PROGRAMME OF ACTION

- a. The Municipal Public Accounts Committee is responsible for performing the oversight work and activities on the Draft Annual Report 2022 / 2023 and also engaging the community at large together with all responsible stakeholders in line with Section 33 and Section 79 of the Municipal Structure Act of 2000 as amended.
 - b. The Municipal Public Accounts Committee developed the third quarter Programme of Action for the purposes of conducting the Public Consultations meetings specifically for the Four Clusters, namely (Cluster A, B, C and D), Projects visits and meetings.
- The committee developed the Programme of Action aimed to deliberate more on the Draft Annual report 2022 / 2023 and all activities attached to the quarter under review. The programme is hereunder attached as "ANNEXURE A".

ANNEXURE "A"



PROGRAMME OF ACTION FOR MUNICIPAL PUBLIC ACCOUNTS COMMITTEE'S PROGRESS ON IMPLEMENTATION FOR THE 3RD QUARTER ACTION PLAN (DRAFT ANNUAL REPORT 2022 / 2023)

ACTIVITY	DATE	VENUE	TIME	MAIN CONSIDERATION
MPAC Portfolio Meeting	19 th January 2024	Municipal Offices (MPAC Office)	10h00	Discussion on the 03 rd Quarter Activities 2022 / 2023.
MPAC Working Session	24 th and 25 th January 2024	Protea Hotel Landmark (Polokwane)	09h00	Scrutinizing the Mid – Year Performance Report, AG's Report, Audit Committee Report and Draft Annual Report 2022 / 2023. Formulation of questions to Management and Executive Committee.
MPAC meeting with the Auditor – General	25 th January 2024	Protea Hotel Landmark (Polokwane)	10h00	Presentation of the Audit Report to MPAC Members.
District MPAC Forum	02 nd February 2024	CDM Council Chamber	10h00	District MPAC Forum meeting to be attended by all District and Local MPAC Members.
MPAC Portfolio Meeting	22 nd February 2024	Senwabarwana Sports Complex	10h00	Scrutinizing the Draft Annual Report 2022 / 2023 and finalization of Questions to Management and Executive Committee
MPAC Projects Visits	29 th February 2024	Lethaleng Internal Streets to Pickum Access Roads	10h00	Project Visit
		Mochemi Internal Streets	12h00	Project Visit

District MPAC Public Participation	01 st March 2024	Protea Hotel LandMark (Polokwane)	10h00	Solicit inputs from Stakeholders and Community
District MPAC Public Hearing (Draft Annual Report 2022 / 2023)	05 th March 2024	CDM Council Chamber	10h00	District MPAC Public Hearing (Draft Annual Report 2022 / 2023)
MPAC Public Participation (Cluster A)	11 th March 2024 Wards: 01,02,21&22	Cooperspark Community Hall	11h00	Solicit inputs from Stakeholders and Community
MPAC Public Participation (Cluster B)	12 th March 2024 Wards: 03, 04, 05, 06, 07 & 20	Langlaagte Satellite Offices	11h00	Solicit inputs from Stakeholders and Community
MPAC Public Participation (Cluster C)	13 th March 2024 Wards: 08,09, 10, 11,12,14 & 19	Inveraan Satellite Offices	11h00	Solicit inputs from Stakeholders and Community
MPAC Public Participation (Cluster D)	15 th March 2024 Wards: 13, 15, 16, 17 & 18	Makgato Community Hall	11h00	Solicit inputs from Stakeholders and Community
MPAC Special Meeting	19 th March 2024	Blouberg Council Chamber	08h00	Allocations of questions to MPAC Members in preparations of the Public Hearing (Mid – Year Performance Report 2023/2024, Draft Annual Report 2022/2023 and UIF&W Expenditure 2022/2023)
MPAC Public Hearing (Mid – Year Performance Report 2023/2024, Draft Annual Report 2022 / 2023 and UIF&W Expenditure 2022/2023)	19 th March 2024	Blouberg Council Chamber	10h00	MPAC Public Hearing
MPAC Meeting	25 th March 2024	Municipal Boardroom	10h00	Adoption of the Final MPAC Report to Council
Council Meeting	27 th March 2024	Indermark Community Hall	10h00	Tabling of the Oversight Report to Council.

5. MUNICIPAL PUBLIC ACCOUNTS COMMITTEE PUBLIC CONSULTATIONS MEETINGS ON THE DRAFT ANNUAL REPORT 2022 / 2023

- a. The Municipal Public Accounts Committee Public Participations Meetings were conducted and divided into Four (4) Clusters as follows: -
 - i. **Cluster A** was convened at **Cooperspark Community Hall** on the **11th March 2024** and the following Wards attended: **Wards: 01, 02, 21 & 22**. A total number of **148** registered their attendance for the Public Participation meeting at **Cooperspark Community Hall**.
 - ii. **Cluster B** convened at **Langlaagte Satellite Offices** on the **12th March 2024** and the following Wards attended: **Wards: 03, 04, 05, 06, 07 and 20**. A total number of **200** registered their attendance for the Public Participation meeting at **Langlaagte Satellite Offices**
 - iii. **Cluster C** convened at **Inveraan Satellite Offices** on the **13th March 2024** and the following Wards attended: **Wards: 08, 09, 10, 11, 12, 14 & 19**. A total number of **177** registered their attendance for the Public Participation at **Inveraan Satellite Offices**.
 - iv. **Cluster D** convened at **Makgato Community Hall** on the **15th March 2024** and the following Wards attended: **Wards: 13, 15, 16, 17 and 18**. A total number of **166** registered their attendance for the Public Participation at **Eldorado Sports Complex**.

6. PUBLIC HEARING ON THE DRAFT ANNUAL REPORT 2022 / 2023, MID – YEAR PERFORMANCE REPORT 2023 / 2024 AND UIF&W EXPENDITURE 2022 / 2023 FINANCIAL YEAR

- i. The Public Hearing on the Draft Annual Report 2022 / 2023, Mid – Year Performance Report 2023 / 2024 and Unauthorized, Fruitless & Wasteful Expenditure 2022 / 2023 was successfully held on the 19th March 2024 in the Blouberg Municipality Council Chamber to allow the Executive Committee and the Management to respond and Clarify the Municipal Public Accounts Committee on the issues raised regarding the said mentioned Reports.
- ii. The Public Hearing Session was successfully attended by the Mayor, Speaker, Chief Whip, Executive Committee, Councillors, Management of Blouberg Municipality, Stakeholders and Community Members at large.
- iii. During the Public Hearing, all questions raised by the Municipal Public Accounts Committee were responded by the Mayor and the Chairpersons of the Portfolio Committees assisted by the Management.

7. FINDINGS OF THE PROJECTS VISITED DURING THE QUARTER UNDER REVIEW

The Municipal Public Accounts Committee visited **02** projects during the implementation of the **03rd** Quarter Action Plan as follows: -

PROJECT NAME	DATE VISITED	FINDINGS	RECOMMENDATIONS
Lethaleng Internal Streets to Pickum Access Road.	29 February 2024	The Project is progressing very well with no challenges detected.	None
Mochemi Internal Streets.	29 February 2024	The project is progressing very well with no challenges detected.	None

8. RECOMMENDATIONS TO COUNCIL ON THE DRAFT ANNUAL REPORT 2022 / 2023 AND MID - YEAR PERFORMANCE REPORT 2023 / 2024

a. The Municipal Public Accounts Committee recommend as follows: -

- i. That the Council appoint the external investigator to investigate the whole processes pertaining Avon MPCC to establish why the contractor did not finish the project at a given time.
- ii. That consequences management be applied to Officials for not adhering to applicable laws in dealing with the Variation order pertaining to Avon MPCC.
- iii. The Mayor has indicated that the officials of Blouberg Municipality are interfering with the supply chain processes after all the departments failed to achieve on many KPI's citing the delay in SCM Processes. The committee therefore recommend that strict measures be put in place to curb the unwarranted interferences by officials and also recommend that the consequence management be applied to officials found to be interfering with SCM processes while they are not assigned to that particular unit.

9. CONCLUSION

a. That the Council of Blouberg Municipality adopts the Oversight Report comprising of the following: -

- i. Draft Annual Report 2022 / 2023.
- ii. Public Hearing on the Draft Annual Report 2022 / 2023, Mid - Year Performance Report 2023 / 2024 and UIF & W Expenditure 2022 / 2023.
- iii. Projects Visit Report.
- iv. Irregular Expenditure Report 2022 / 2023 referred by Council.

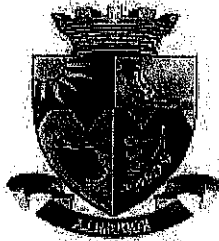
b. And all above mentioned Recommendations made by the Municipal Public Accounts Committee.

CLLR. MAIFO M.L

CHAIRPERSON: MPAC

DATE

Blouberg Municipality



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SUBMISSION TO COUNCIL

TO: COUNCIL

FROM: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

DATE: 21 MARCH 2024

**SUBJECT: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE INVESTIGATION REPORT
ON UIF & W EXPENDITURE 2022 / 2023**

1. PURPOSE

The purpose of this report is to deal with the irregular expenditure on the management audit report and 2022 / 2023 financial statement as audited.

2. BACKGROUND

The municipality has disclosed an Irregular Expenditure of **R4, 023,794** in the Annual Financial Statements as at 30 June 2023 and an amount of **R2,775,950** as an irregular expenditure found by AGSA while auditing the compliance of the projects since the expenditure was incurred during the 2022 / 2023 financial year.

3. IRREGULAR EXPENDITURE

SUPPLIER NAME	COMAF DETAILS	AMOUNT	MPAC FINDINGS
DZWA DEVELOPMENT PROJECTS CC	N/A	R4, 023,794	The municipality appointed T2 Tech consulting Engineerss and Dzwa Development Projects for planning, design, project management and construction for Pinkie – Sebotse sports facility. The appointment amount of the contractor on the project was R8, 397, 385.52. The municipality incurred Irregular Expenditure of R4, 023,794


			<p>which was a result of a variation order, due to the replacement of the Kikuyu grass with Artificial grass and the hardrock is considered as the unforeseen underground condition for the construction of Pinkie – Sebotse Sports Facility. There is no detection of any intention to defraud nor to unduly benefit nor any deliberate misconduct since the community was the main beneficiary in this regard and hence the benefit of doubt.</p>
MOD PROPERTIES	HOPE	<p>Communication of audit finding no: 50 of 2023 – Issue 02: A five – year contract entered into without the approval of Council.</p>	<p>R2, 775,950</p> <p><u>The following non-compliance were observed during the assessment of competitive bids and contracts:-</u></p> <p>The service level agreement entered between the Blouberg Municipality and MOD Hope Properties signed on the 18th of November 2022 and shall remain in force for a period of five (5) years, terminating on the 30th of June 2028.</p> <p>The contract is for a period exceeding the 3 year period and through inspection of the Council Resolutions for 2022 / 2023 we could not observe that the municipal council has adopted a resolution to this effect.</p> <p>As a result, management is now billing the customers and collect the money with the new valuation roll and it comply with the Municipal Property Act.</p> <p>There is no detention of any intention to defraud nor to unduly benefit nor any deliberate misconduct since the community was the main beneficiary in this regard and hence the benefit of doubt.</p>

We are so pleased with the progress made in terms of addressing the irregular expenditure in question through External Audit Action Plan and further that the Council of Blouberg Local Municipality adopted the UIF reduction strategy to deal with the UIF Expenditure.

Although we do not condone the non – compliance of MFMA by the management, the projects relating to the above irregular figure are running and the community is benefiting out of them.

4. THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE'S RECOMMENDATIONS TO COUNCIL

- (a) The Council note that since the appointment of general valuation roll includes the maintenance of supplementary, they will be treated as UIF until lapse of the contract.
- (b) That the municipality train SCM committees on SCM Processes.
- (c) Municipal Public Accounts Committee recommends that UIF's be written off as there is no detection of any intention to defraud nor to unduly benefit nor any deliberate misconduct and hence the benefit of doubt.
- (d) That the Officials must at all given times refer to all applicable laws every time they deal with Variation Orders to avoid unnecessary Irregular Expenditure.



CLLR. M. M. M. L.
CHAIRPERSON: MPAC

29/03/2024
DATE

Blouberg Municipality



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TO WHOM IT MAY CONCERN

SUBJECT: BLOUBERG MUNICIPAL COUNCIL RESOLUTIONS

1. RESOLUTION

SC (122) 2023/2024

2. IN RESPECT OF

Report on oversight report on the Draft 2022/23 Annual Report

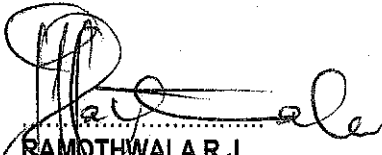
3. RESOLVED TO

Approve the 2022/23 Annual Report without any reservations

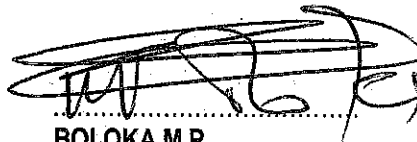
4. DATE OF RESOLUTION

27 March 2024

APPROVED BY


RAMOTHWALA R.J
MUNICIPAL MANAGER

CONFIRMED BY


BOLOKA M.P
SPEAKER